THE STATE of ALASKA
GOVERNOR BILL WALKER

Alaska Student Loan Corporation

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Memorandum

To:	Alaska Student Loan Corporation Members
Thru:	Diane Barrans, Executive Officer
From:	Charlene Morrison, Chief Finance Officer
Date:	October 5, 2015
Subject:	FY2017 Dividend to the State

Alaska Statute 14.42.295 states, "The board may elect to pay the state a return of contributed capital, or a dividend, for each base fiscal year that the corporation's net income equals or exceeds $2,000,000". For the year ended June 30, 2015, which is the year relative to a FY2017 return or dividend, the Corporation's change in net position (net income) was slightly less than $1.3 million, below the threshold set in statute relative to consideration of declaring a dividend to return capital. Therefore, under the statutory provision, no consideration of a dividend for FY2017 is called for.

From 1999 to 2007, based on the statute above, the Corporation returned capital totaling $32.4 million. From 2008 to 2011 and again in 2014, the Corporation annually adopted management's recommendation that no additional dividend be paid to the State but rather conserve that income to support the Corporation's ability to fund mission-critical programs. Net income in 2012 and 2013 was below the threshold set in statute relative to declaring a dividend to return capital.