

HOUSE BILL NO. 339

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES GARA, Drummond, Spohnholz, Kawasaki, Tuck, Josephson, Parish

Introduced: 2/9/18

Referred: Education, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the base student allocation; and providing for an effective date."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * **Section 1.** AS 14.17.470 is amended to read:

4 **Sec. 14.17.470. Base student allocation.** The base student allocation is **\$6,030**
5 [\$5,930].

6 * **Sec. 2.** This Act takes effect July 1, 2018.

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

Sponsor Statement

House Bill 339:

Public school funding is roughly \$25 million less than it was in 2015, according to Alaska's non-partisan Legislative Finance Division. If you consider the effects of inflation, the loss is even greater – more than \$90 million.

In Anchorage, 394 teachers and support staff have been cut mostly due to funding shortages in the last five years. Last year, the Mat-Su School District lost almost 90 teachers and other staff, and in Juneau, the district has cut 92 full-time positions since 2011, and more are on the chopping block. This impacts student opportunity and achievement. A student can't do the 6th grade over again later, when school funding eventually gets fixed.

This bill would mitigate this funding crisis by increasing the Base Student Allocation (BSA) by a modest \$100. It would generate roughly \$25 million for districts statewide, which is roughly equal to the amount lost since 2015.

School funding cuts are resulting in increased classroom sizes, reduced course offerings and less support for teachers and students. These cuts are demoralizing educators and parents to the point where many are leaving the state. We must not shortchange our youth and deprive them of opportunities the need to succeed.

Many educators, students and parents from across the state support this modest but critical BSA increase.

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

Sectional Analysis for HB 339

House Bill 339:

Section 1. (Lines 3-5) This section amends AS 14.17.470 to increase the base student allocation by \$100 to a total of \$6,030.

Section 2. (Line 6) This section names the effective date, July 1st, 2018.

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version: HB 339
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB339-EED-PEF-2-9-18
Title: INCREASE BASE STUDENT ALLOCATION
Sponsor: GARA
Requester: House Education Committee

Department: Fund Capitalization
Appropriation: Fund Capitalization (no approps out)
Allocation: Public Education Fund (starts FY17)
OMB Component Number: 2804

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2019 Appropriation Requested	Included in Governor's FY2019 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2019	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits	25,595.4		25,595.4	25,595.4	25,595.4	25,595.4	25,595.4
Miscellaneous							
Total Operating	25,595.4	0.0	25,595.4	25,595.4	25,595.4	25,595.4	25,595.4

Fund Source (Operating Only)

1004 Gen Fund (UGF)	25,595.4		25,595.4	25,595.4	25,595.4	25,595.4	25,595.4
Total	25,595.4	0.0	25,595.4	25,595.4	25,595.4	25,595.4	25,595.4

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable; initial version.

Prepared By: Heidi Teshner, Director
Division: Finance and Support Services
Approved By: Dr. Michael Johnson, Commissioner
Agency: Department of Education & Early Development

Phone: (907)465-2875
Date: 02/09/2018
Date: 02/09/18

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

BILL NO. HB339

Analysis

HB339 increases the base student allocation under AS 14.17.470 by \$100 to \$6,030. Based on the FY2019 projected average daily membership as applied to the public school funding under AS 14.17.410, this legislation increases funding by \$25,595.4.

It provides for a July 1, 2018 effective date.

The funding mechanism is a general fund transfer to the Public Education Fund (PEF).

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version: HB 339
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB339-EED-MEHS-2-9-18
Title: INCREASE BASE STUDENT ALLOCATION
Sponsor: GARA
Requester: House Education Committee

Department: Department of Education and Early Development
Appropriation: Mt. Edgecumbe Boarding School
Allocation: Mt. Edgecumbe Boarding School
OMB Component Number: 1060

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2019 Appropriation Requested	Included in Governor's FY2019 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2019	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Personal Services		3,781.6					
Travel		342.5					
Services	72.0	1,815.9	72.0	72.0	72.0	72.0	72.0
Commodities		313.6					
Capital Outlay		27.0					
Grants & Benefits							
Miscellaneous							
Total Operating	72.0	6,280.6	72.0	72.0	72.0	72.0	72.0

Fund Source (Operating Only)

1007 I/A Rcpts (Other)	72.0	6,280.6	72.0	72.0	72.0	72.0	72.0
Total	72.0	6,280.6	72.0	72.0	72.0	72.0	72.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
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Date: 02/09/2018 04:30 PM
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FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

BILL NO. HB339

Analysis

HB339 increases the base student allocation under AS 14.17.470 by \$100 to \$6,030. Based on the FY2019 projected average daily membership as applied to the public school funding under AS 14.17.410, this legislation increases funding by \$25,595.4; of that total \$72.0 is Mount Edgecumbe Boarding School.

It provides for a July 1, 2018 effective date.

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version: HB 339
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB339-EED-FP-2-10-18
Title: INCREASE BASE STUDENT ALLOCATION
Sponsor: GARA
Requester: House Education Committee

Department: Department of Education and Early Development
Appropriation: K-12 Aid to School Districts
Allocation: Foundation Program
OMB Component Number: 141

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2019 Appropriation Requested	Included in Governor's FY2019 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2019	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable; initial version.

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Division: Finance and Support Services
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Date: 02/10/2018 12:30 PM
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FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

BILL NO. HB339

Analysis

HB339 increases the base student allocation under AS 14.17.470 by \$100 to \$6,030. Based on the FY2019 projected average daily membership as applied to the public school funding under AS 14.17.410, this legislation will increase funding by \$25,595.4 to the department and is capitalized through the Public Education Fund fiscal note.

It provides for a July 1, 2018 effective date.

Department of Education & Early Development

Prepared by School Finance

Prepared 2/9/2018

HB339 - Increase BSA from \$5,930 to \$6,030

School District	Proj. FY2019 TOTAL STATE ENTITLEMENT	Proj. FY2019 State Entitlement w/ BSA @ \$6,030	Difference
Alaska Gateway	\$ 8,693,691	\$ 8,843,822	\$ 150,131
Aleutian Region	1,235,151	1,256,838	21,687
Aleutians East Borough	4,607,602	4,703,323	95,721
Anchorage	324,736,745	332,124,361	7,387,616
Annette Island	2,997,976	3,085,782	87,806
Bering Strait	32,723,018	33,436,449	713,431
Bristol Bay Borough	1,022,421	1,056,796	34,375
Chatham	3,752,571	3,817,439	64,868
Chugach	3,401,734	3,460,280	58,546
Copper River	6,421,350	6,534,520	113,170
Cordova	4,189,123	4,274,538	85,415
Craig	4,381,230	4,465,225	83,995
Delta/Greely	9,903,893	10,074,865	170,972
Denali Borough	7,290,221	7,428,932	138,711
Dillingham	6,334,185	6,456,240	122,055
Fairbanks N. Star Borough	116,886,028	119,466,380	2,580,352
Galena	24,414,710	24,827,486	412,776
Haines Borough	2,276,817	2,333,475	56,658
Hoonah	2,283,556	2,326,937	43,381
Hydaburg	1,877,590	1,910,002	32,412
Iditarod Area	6,456,395	6,570,281	113,886
Juneau Borough	36,709,678	37,568,414	858,736
Kake	2,114,254	2,155,267	41,013
Kashunamiut	4,147,038	4,248,972	101,934
Kenai Peninsula Borough	79,721,955	81,520,228	1,798,273
Ketchikan Gateway Borough	24,780,384	25,276,005	495,621
Klawock	2,085,330	2,131,629	46,299
Kodiak Island Borough	25,341,117	25,851,775	510,658
Kuspuk	5,827,103	5,972,738	145,635
Lake & Peninsula Borough	9,076,053	9,238,629	162,576
Lower Kuskokwim	67,703,688	69,055,349	1,351,661
Lower Yukon	30,092,207	30,813,425	721,218
Mat-Su Borough	168,308,127	171,660,850	3,352,723
Nenana	8,687,445	8,834,932	147,487
Nome	8,252,801	8,410,133	157,332
North Slope Borough	17,309,724	17,893,972	584,248
Northwest Arctic Borough	36,593,090	37,293,826	700,736
Pelican	541,776	551,500	9,724
Petersburg	6,058,686	6,180,552	121,866
Pribilof	1,003,700	1,031,306	27,606
Saint Mary's	3,431,913	3,491,116	59,203
Sitka Borough	12,636,519	12,908,237	271,718
Skagway	859,881	887,558	27,677
Southeast Island	5,868,940	5,967,644	98,704
Southwest Region	10,047,795	10,275,956	228,161
Tanana	1,035,671	1,053,975	18,304
Unalaska	4,400,580	4,503,786	103,206
Valdez	5,106,820	5,255,903	149,083
Wrangell	3,847,122	3,921,532	74,410
Yakutat	933,912	953,535	19,623
Yukon Flats	6,388,276	6,518,640	130,364
Yukon/Koyukuk	15,168,968	15,444,663	275,695
Yupit	6,503,456	6,667,413	163,957
Mt. Edgecumbe High School	3,308,453	3,380,443	71,990
TOTAL	1,189,778,469	1,215,373,874	25,595,405

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BSA Change/PEF Shortfall as applied to FY2019

BSA Change of

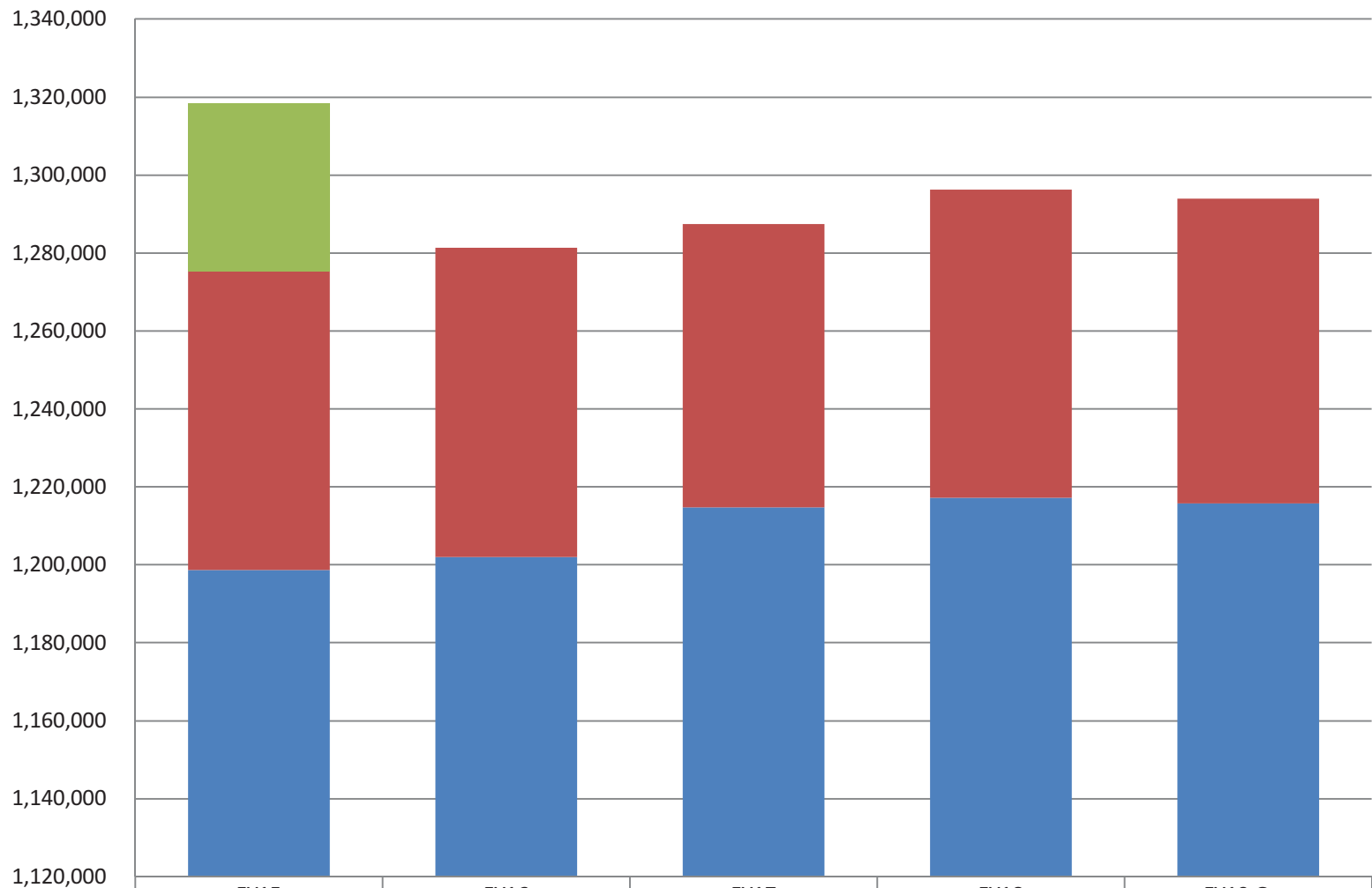
\$ 100.0

School District	Status Quo State Aid*	Modified State Aid*	Difference	
TOTAL	\$ 1,215,805,769	\$ 1,241,401,174	\$ 25,595,405	2.11%
Alaska Gateway	8,693,691	8,843,822	150,131	1.73%
Aleutian Region	1,235,151	1,256,838	21,687	1.76%
Aleutians East Borough	4,607,602	4,703,323	95,721	2.08%
Anchorage	324,736,745	332,124,361	7,387,616	2.27%
Annette Island	2,997,976	3,085,782	87,806	2.93%
Bering Strait	32,723,018	33,436,449	713,431	2.18%
Bristol Bay Borough	1,022,421	1,056,796	34,375	3.36%
Chatham	3,752,571	3,817,439	64,868	1.73%
Chugach	3,401,734	3,460,280	58,546	1.72%
Copper River	6,421,350	6,534,520	113,170	1.76%
Cordova	4,189,123	4,274,538	85,415	2.04%
Craig	4,381,230	4,465,225	83,995	1.92%
Delta/Greely	9,903,893	10,074,865	170,972	1.73%
Denali Borough	7,290,221	7,428,932	138,711	1.90%
Dillingham	6,334,185	6,456,240	122,055	1.93%
Fairbanks N. Star Borough	116,886,028	119,466,380	2,580,352	2.21%
Galena	24,414,710	24,827,486	412,776	1.69%
Haines Borough	2,276,817	2,333,475	56,658	2.49%
Hoonah	2,283,556	2,326,937	43,381	1.90%
Hydaburg	1,877,590	1,910,002	32,412	1.73%
Iditarod Area	6,456,395	6,570,281	113,886	1.76%
Juneau Borough	36,709,678	37,568,414	858,736	2.34%
Kake	2,114,254	2,155,267	41,013	1.94%
Kashunamiut	4,147,038	4,248,972	101,934	2.46%
Kenai Peninsula Borough	79,721,955	81,520,228	1,798,273	2.26%
Ketchikan Gateway Borough	24,780,384	25,276,005	495,621	2.00%
Klawock	2,085,330	2,131,629	46,299	2.22%
Kodiak Island Borough	25,341,117	25,851,775	510,658	2.02%
Kuspuk	5,827,103	5,972,738	145,635	2.50%
Lake & Peninsula Borough	9,076,053	9,238,629	162,576	1.79%
Lower Kuskokwim	67,703,688	69,055,349	1,351,661	2.00%
Lower Yukon	30,092,207	30,813,425	721,218	2.40%
Mat-Su Borough	168,308,127	171,660,850	3,352,723	1.99%
Nenana	8,687,445	8,834,932	147,487	1.70%
Nome	8,252,801	8,410,133	157,332	1.91%
North Slope Borough	17,309,724	17,893,972	584,248	3.38%
Northwest Arctic Borough	36,593,090	37,293,826	700,736	1.91%
Pelican	541,776	551,500	9,724	1.79%
Petersburg	6,058,686	6,180,552	121,866	2.01%
Pribilof	1,003,700	1,031,306	27,606	2.75%

Saint Mary's	3,431,913	3,491,116	59,203	1.73%
Sitka Borough	12,636,519	12,908,237	271,718	2.15%
Skagway	859,881	887,558	27,677	3.22%
Southeast Island	5,868,940	5,967,644	98,704	1.68%
Southwest Region	10,047,795	10,275,956	228,161	2.27%
Tanana	1,035,671	1,053,975	18,304	1.77%
Unalaska	4,400,580	4,503,786	103,206	2.35%
Valdez	5,106,820	5,255,903	149,083	2.92%
Wrangell	3,847,122	3,921,532	74,410	1.93%
Yakutat	933,912	953,535	19,623	2.10%
Yukon Flats	6,388,276	6,518,640	130,364	2.04%
Yukon/Koyukuk	15,168,968	15,444,663	275,695	1.82%
Yupitit	6,503,456	6,667,413	163,957	2.52%
Mt. Edgecumbe High School	3,308,453	3,380,443	71,990	2.18%
	26,027,300	26,027,300		0.00%

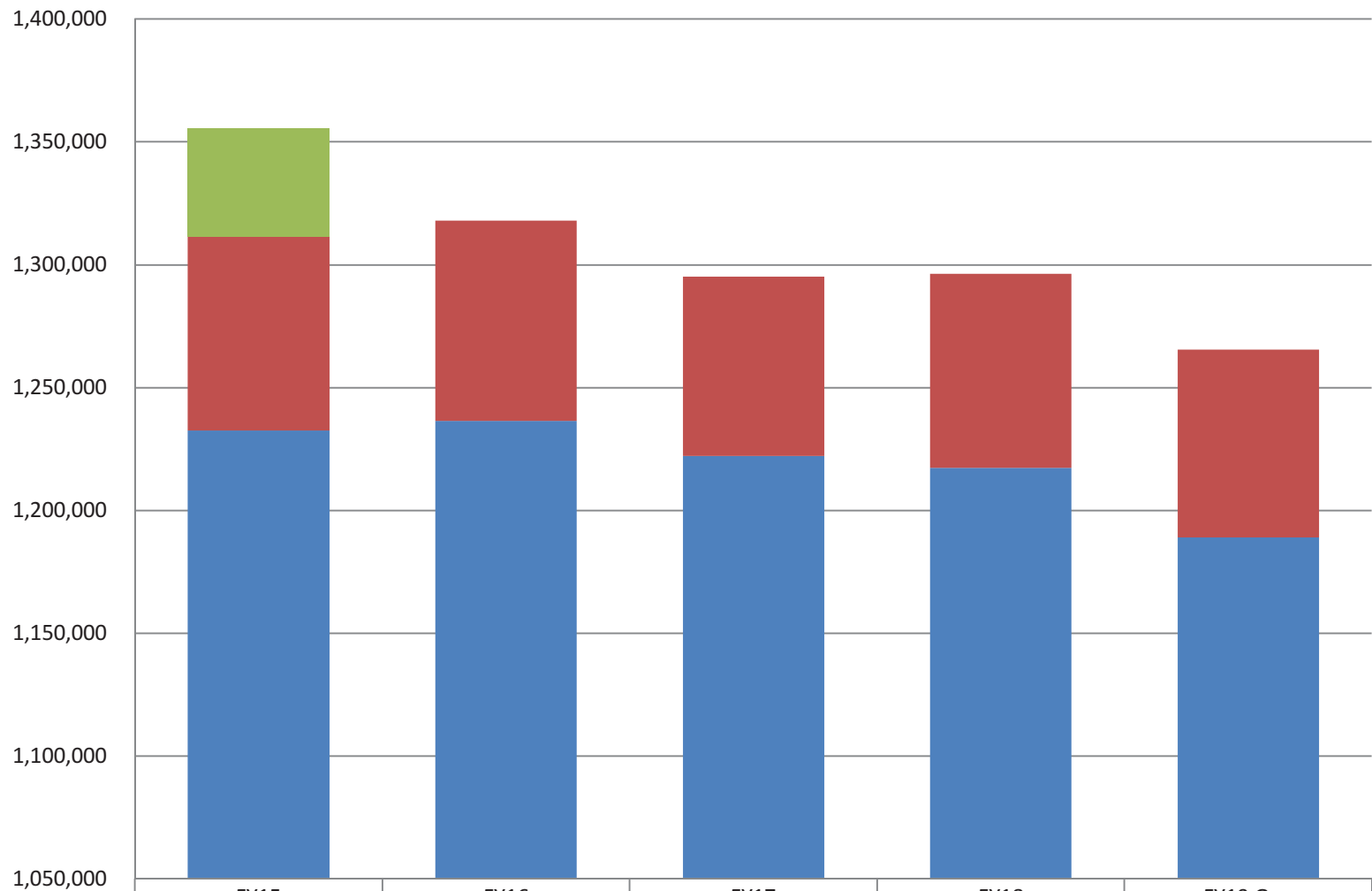
*Note: In the Governor's budget, \$40.8 million of the state share is paid for by fund sources other than UGF

K-12 Formula Funding, FY15-19 (Nominal dollars)



■ Additional Formula Funding	42,954	-	-	-	-
■ Pupil Transportation	76,774	79,240	72,620	79,030	78,185
■ Foundation Program	1,198,664	1,202,031	1,214,776	1,217,258	1,215,806

K-12 Formula Funding, FY15-19 (In FY18 Dollars)



■ Additional Formula Funding	FY15	FY16	FY17	FY18	FY19 Gov
■ Pupil Transportation	44,169	0	0	0	0
■ Foundation Program	78,946	81,509	73,055	79,030	76,464
	1,232,570	1,236,442	1,222,056	1,217,258	1,189,052

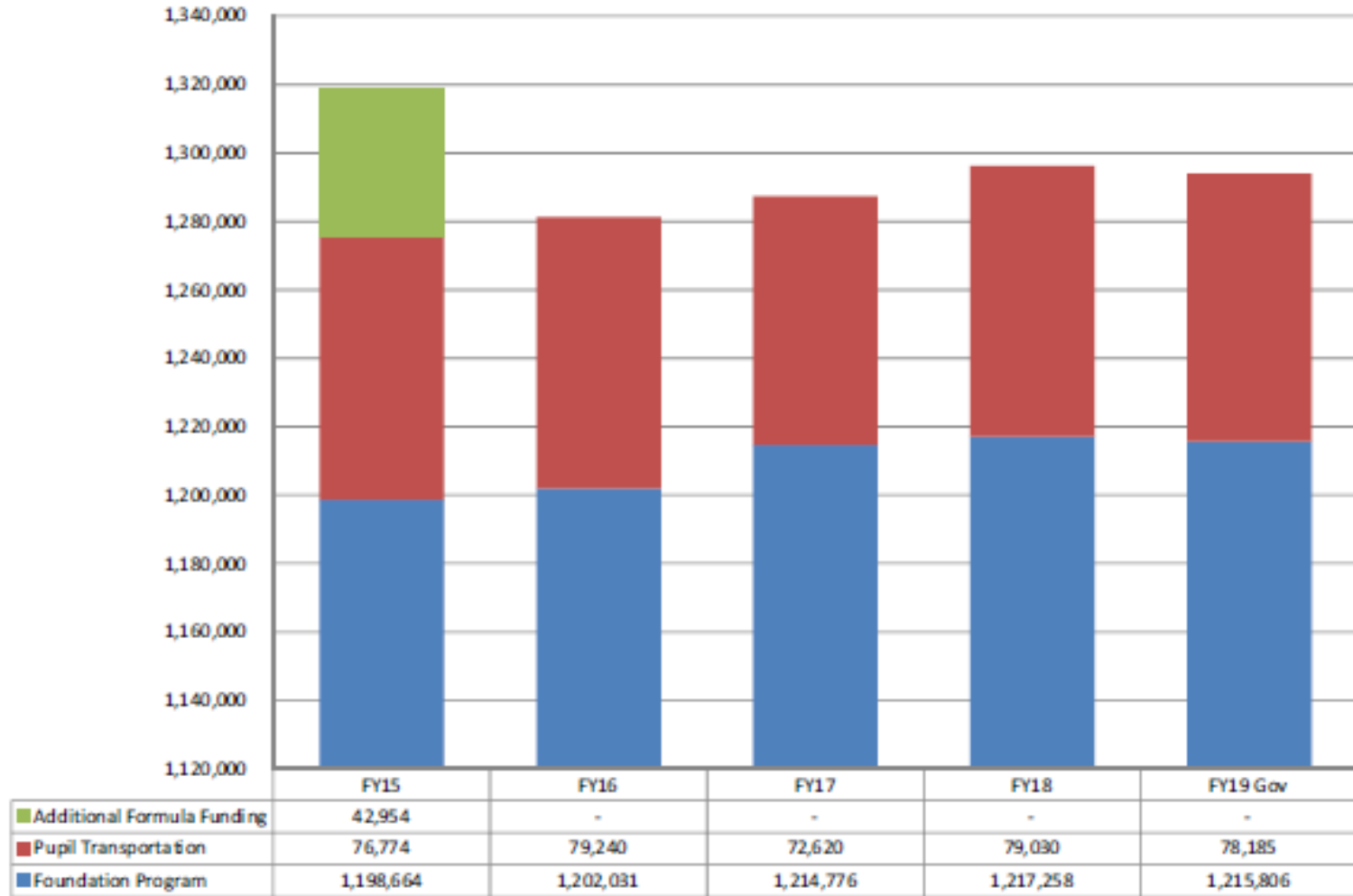
Education Matters:

IT'S TIME TO INCREASE THE BSA

Costs are up, Funding is down

As school costs for utilities, health care, rent and other items have increased, state support has declined in both nominal and inflation-adjusted dollars.

K-12 Formula Funding, FY15-19 (Nominal dollars)



Public Schools Have Lost Nearly \$25 Million Since 2015

Education Funding, FY15-19							
Formula Changes	FY15 Final	FY16 Final	FY17 Final	FY18 Mgt Pln	FY19 Gov	FY19-FY15, \$	FY19-FY15, %
Foundation Formula	1,198,664.3	1,215,262.7	1,228,382.9	1,217,257.6	1,215,805.8	17,141.5	1.4%
Pupil Transportation	76,773.9	79,240.3	72,619.8	79,029.6	78,184.6	1,410.7	1.8%
Funding Distributed Outside the Formula	42,953.5	0	0	0	0	(42,953.5)	-100.0%
Total	1,318,391.7	1,294,503.0	1,301,002.7	1,296,287.2	1,293,990.4	(24,401.3)	-1.9%
Additional School Funding Changes	FY15 Final	FY16 Final	FY17 Final	FY18 Mgt Pln	FY19 Gov	FY19-FY15, \$	FY19-FY15, %
Non-Formula Department of Education UGF Budget	57,571.0	41,798.5	35,693.7	32,463.5	32,036.7	(25,534.3)	-44.4%
School Debt Reimbursement	121,218.0	123,423.0	91,498.0	115,956.6	108,057.3	(13,160.7)	-10.9%
REAA Fund Capitalization	39,996.1	38,789.0	31,230.0	40,640.0	39,661.0	(335.1)	-0.8%

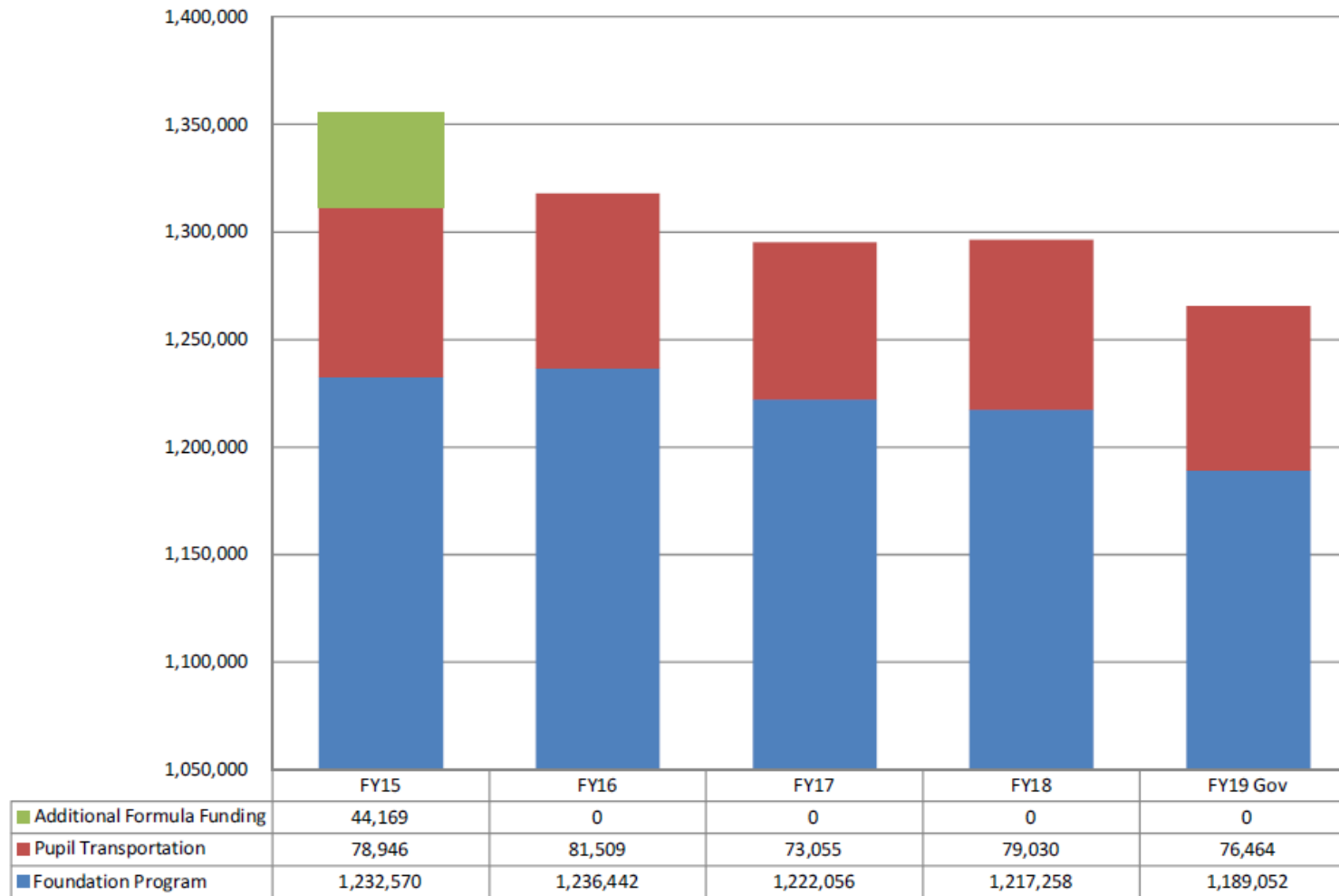
Legislative Finance Division

Why Has School Funding Declined Since FY 2015?

- \$43 million added in FY 15 has been deleted from the budget
- This was only partially offset by \$50 BSA increases in FY 16 and FY 17, each of which added \$12.6 million.
- Overall, funding through the BSA has fallen by roughly \$17 million. When you add in changes due to student counts & local contributions, the loss since FY 15 is about \$25 million.

**The Loss is Greater
When You Consider Inflation:
\$90 Million**

K-12 Formula Funding, FY15-19 (In FY18 Dollars)



A Tale of Two Districts

Let's look at two districts: Anchorage and the Mat-Su.

Cuts Have Hit Classrooms & Students

In Anchorage, since 2013:

- 394 FTE positions have been cut (a 9.3% reduction)
- 216 of these were teachers
- The remaining were mostly teacher assistants
- Classroom sizes have increased and will continue to do so.

At The Same Time in Anchorage. . .

- Special education enrollment is up 3.2%
- Intensive needs enrollment is up 8.6%
- Preschool enrollment is up 34%
- And many fixed costs, such as health care, have skyrocketed.

One Teacher's Story

- Recently met a middle school science teacher from Anchorage
- Her classroom size has increased from 28 to 32 students
- She says it has finally crossed the line
- Can't fairly teach individual students who need help

Mat-Su Faces Similar Cuts

- Cut \$8.4 million in FY 18, resulting in the loss of 87 FTE positions
- Expects to face an \$8 million deficit in FY 19
- The district has cut 247 FTE teachers, classrooms aides and classroom assistants since 2013, a 9.3% cut
- Also cut roughly 8 special education instructors

We need to hear from school districts around the state

- What are your challenges?
- What have the impacts been of flat or declining funding in your community?
- Is it affecting student outcomes?
- How is it affecting staffing and curriculum?

A Bill to Increase the BSA

Later in the week, the committee will hear a bill (HB 339) Chair Drummond, I and others introduced last week to raise the BSA by \$100.

We look forward to your testimony today and written testimony once the bill is before the Committee.

Thank You

Thank you for coming to Juneau, for speaking on behalf of Alaska's parents and students, and for all you do to educate and support Alaska's children.



Delta/Greely School District

The Delta/Greely School District provides each student with opportunities to become a responsible and productive member of society

February 7, 2018

Dear House Education Committee,

This letter of support for Representative Gara's bill to increase the Base-Student-Allocation is written as candidly and honestly as I can possibly be. I am not attempting to be over dramatic or create a scenario merely to solicit additional funding for schools without cause. The poll conducted by the Alaska Senate confirms that the general public recognizes the fact that education in Alaska is underfunded.

The State of Alaska has faced a fiscal crisis and there has been a need to tighten our belts and "cut the fat". Some perceive that schools have not taken on their fair share of this burden but I can tell you from here in the trenches that, in deed, we have. First, there was very little "fat" to be trimmed from the education funding since that base student allocation has risen by less than five percent over the past seven years while the costs of doing business continue to rise.

In Delta/Greely School District we pride ourselves on being fiscally conservative and careful to live within our means. We were fortunate to have saved for a rainy day when budgets allowed. During the 2017-2018 school year, our expenditures exceeded our revenue by \$209,000. This year (2017-18) our budget is built on our expenditures exceeding revenue by \$165,000. We have cut supplies and reduced staff (secretarial, teaching, food service, instructional aides...and we had already cut administrative staff). We are constantly looking for any and all efficiencies we can.

As I begin planning for the coming school year, I start by facing an additional \$240,000 in personal costs that are owed to our staff based on the current contracts. Contracts that have not changed for three years. We are at this very moment looking at what staff we may need to lay-off in order to meet our budget. Again, I am not saying this to be dramatic or just to make a point. These lay-offs are real and the people involved are real. At this point we are anticipating reducing our staff by at least three classified and a half-time certificated position.

The recommended one hundred dollar increase included in Representative Gara's bill would certainly provide at least some relief to us as we grapple with decisions on how to maintain quality education with a tightened budget that is threatening to cut off circulation. The students of Delta/Greely have always done well in state assessments and our families recognize the value of a good education. They expect and deserve nothing less.

Please stand up in support of the educational program that your constituents have identified as a priority for this state. Please support the increase to the Base Student Allocation.

Sincerely,

Laural Jackson, DGSD Superintendent

From: Miller, Mark
To: [Michelle Sydeman](#); [School Board](#)
Cc: [Mark Miller](#)
Subject: Increasing BSA
Date: Wednesday, January 17, 2018 2:56:50 PM
Attachments: [State of the District December 2017 v2.pptx](#)

Hi Michelle,

Thank you for speaking with me today. I very strongly endorse a BSA increase. As you can see from the attached powerpoint, over the past five years the BSA has been nearly flat (DEED web site). Over that same time, my operating expenses from the general fund have increased nearly 10% while my student count has fallen by about 3%. While we have used our general fund balance to survive the last couple of years, we have effectively spent any carryover money and are being forced to consider severe cuts to try to fill a \$3 million hole between this year's budget and next year's budget. We have become very lean and efficient, as 90% of our budget goes to compensate personnel. A \$100 BSA student increase would not solve this problem, but it would go a long way to help. As the This in turn will help us continue to improve student achievement in a save and supportive environment. Superintendent of Juneau School District I strongly endorse Rep. Gara's bill.

Mark Miller, Ed.D.

Superintendent
Juneau School District
City and Borough of Juneau
10014 Crazy Horse Dr.
Juneau, AK 99801
907.523.1702

State of the District

2017-2018 School Year



Philosophy Statement

- ▶ In Juneau we are all partners in providing each student with the skills, knowledge, and attitudes to be a contributing citizen in a changing world.



Facts and Figures

▶ Enrollment

- ▶ October 2017: 4,679 (Projected 4,801)
- ▶ October 2016: 4,783
- ▶ October 2015: 4,724

▶ Employees Total 684

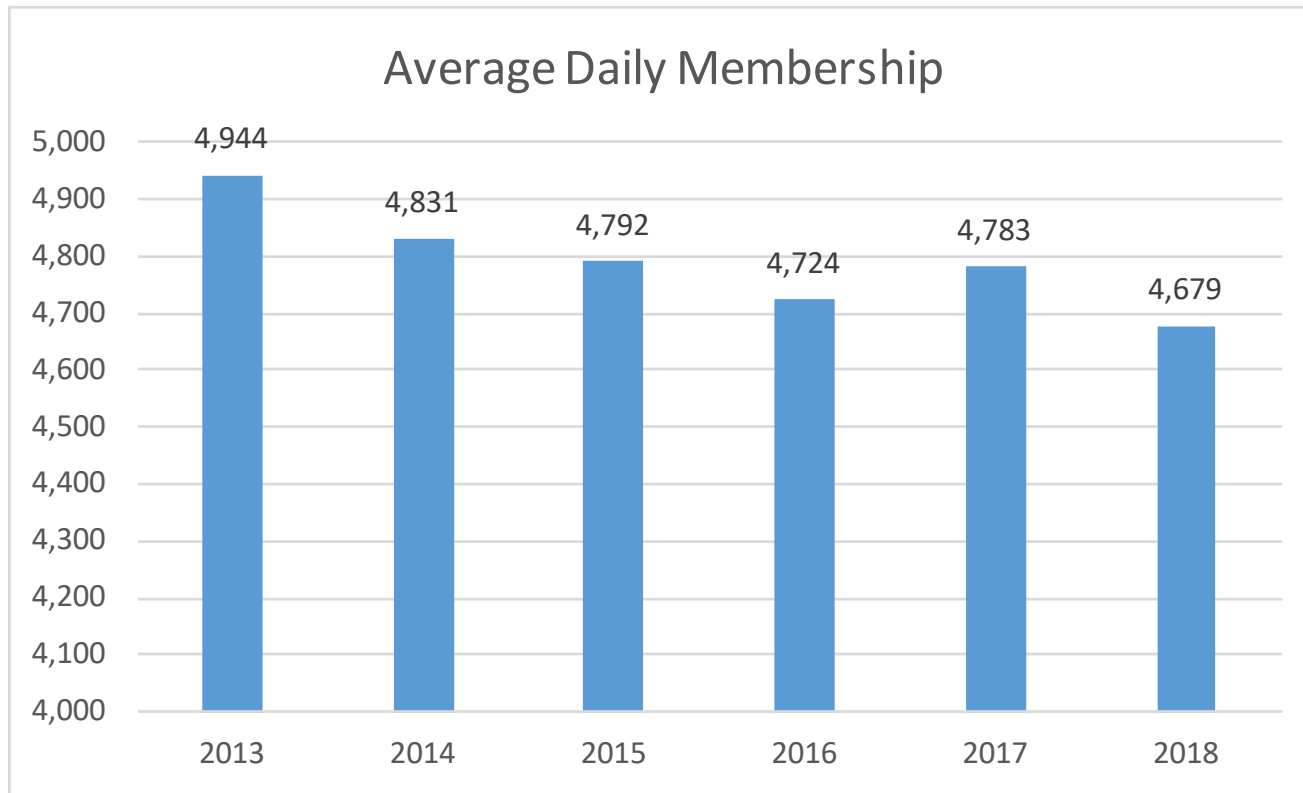
- ▶ Certificated Teachers 352
- ▶ Support Staff 290
- ▶ Administrators 23
- ▶ Classified Exempt 19

▶ 14 Schools

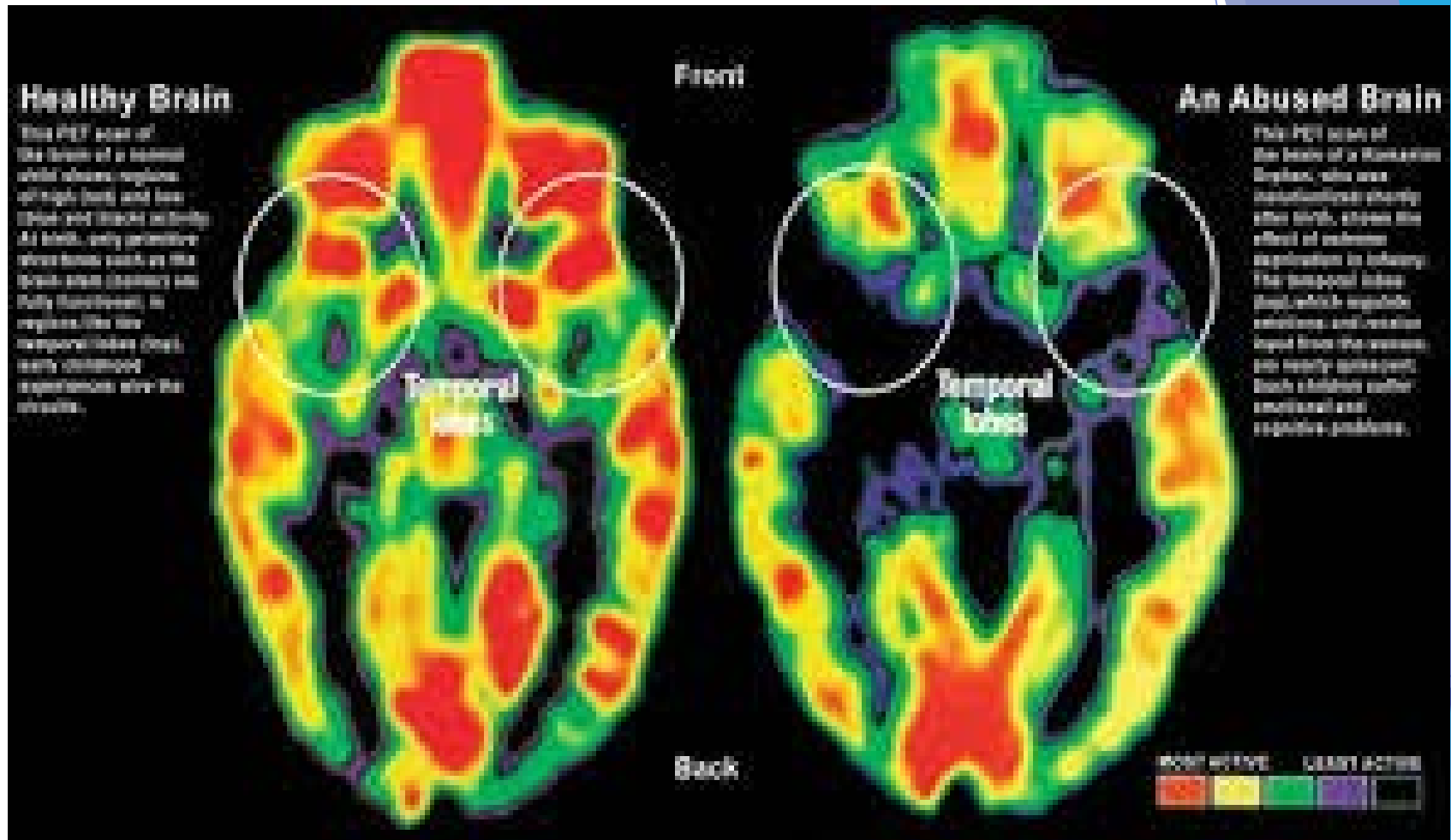
- ▶ 3 High Schools, 2 Middle Schools, 6 Elementary Schools, 3 Optional Schools/Programs



Average Daily Membership Trend



Trauma Challenges



Student Info October 1, 2017

Other Data

▶ October 1, 2017	Number	Percent
▶ Total Students	4,778	
▶ Economically Disadvantaged	1,430	29.93%
▶ Special Education	881	18.44%
▶ Limited English	243	5.08%



Teacher Allocations

Grade Level	Current Allocation
Kindergarten – 2	1 teacher for every 22.5 students
3 – 5	1 teacher for every 27.0 students
Kindergarten – 5	Plus elementary specialists
6 – 8	1 teacher for every 22.0 students
9 – 12	1 teacher for every 24.5 students plus 1
9 – 12	Plus additional core teachers (1 each JDHS, TMHS, .50 YDHS)
9 – 12	Plus 1.60 FTE CTE teachers for JDHS



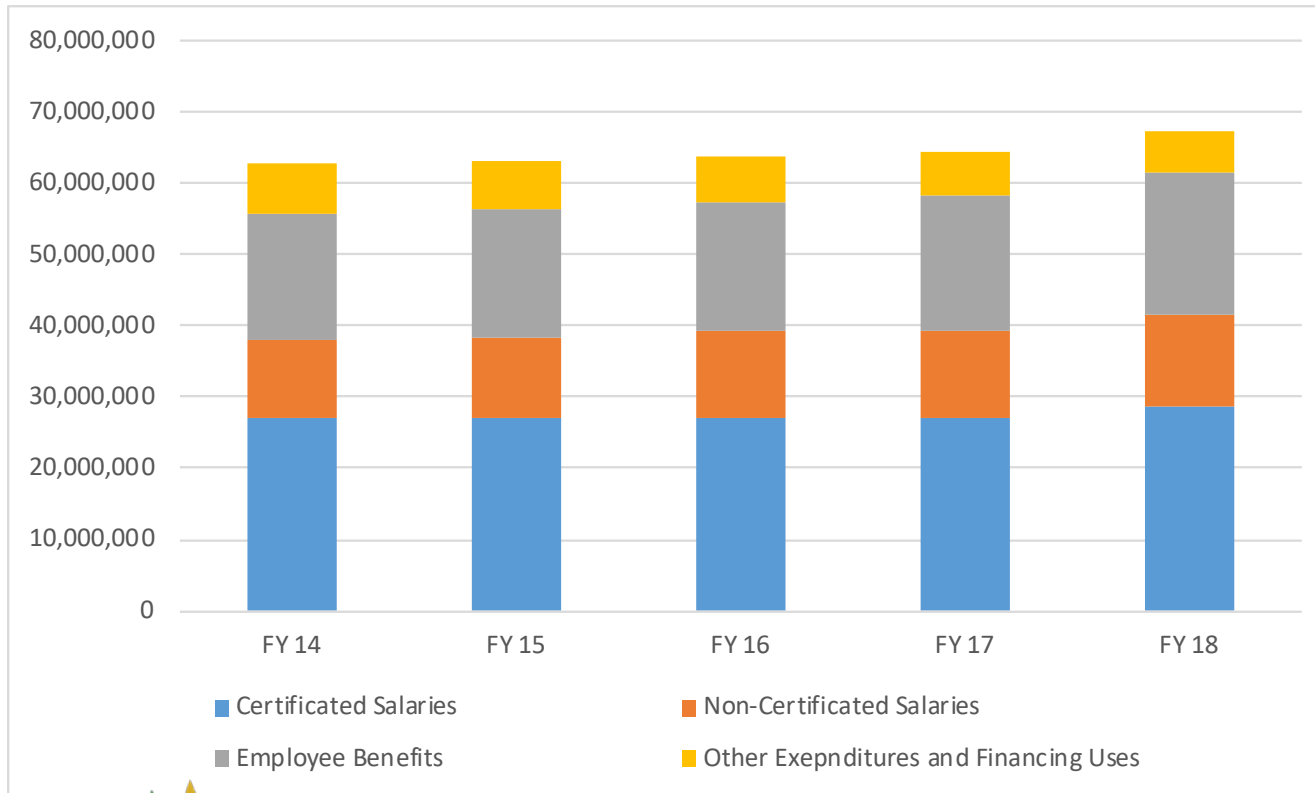
School District Budget FY 2018

- ▶ Total Expenditure Budget, All Funds = \$87,267,271
- ▶ Total Operating Fund Expenditure Budget = \$72,020,753
- ▶ CBJ Appropriation = \$26,010,200
- ▶ State of Alaska Foundation = \$38,914,433

- ▶ Percent of operating budget spent on salaries & benefits = 90%
- ▶ Percent of the budget spent on instruction = 79%



Operating Fund Expenditures Trend



Estimated FY 2019 Operating Fund Expenditures:

- ▶ FY 2018 Revised Budget (approximate): \$67.6 million
- ▶ FY 2019 Estimated Budget: \$64.1 million

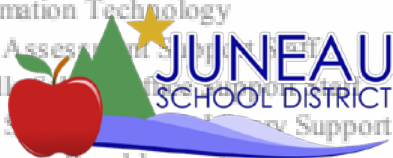


Reduction Description	Positions Eliminated					Cumulative Budget Reductions
	Cabinet	JSAA	JEA	Exempt	JESS	
Assistant Superintendent	1.00					182,000
High School Assistant Principals		2.00				274,000
Administrator (Coordinator): Facilities Planning		1.00				130,000
Coordinator: Education Technology		1.00				130,000
Administrator (Coordinator): Student Safety & Climate		1.00				130,000
Classroom Teachers because of change in teacher allocation			14.80			1,581,000
Special Education Classroom Teachers			11.50			1,228,000
Cultural Specialist Teacher			1.00			107,000
Elementary Extended Learning Teachers			3.00			320,000
Extended Learning Counselors			2.00			214,000
Middle School Counselors			2.00			214,000
Elementary Instructional Coaches			3.00			320,000
Science Instructional Coach			1.00			107,000
Art Specialist			1.00			107,000
Secondary Literacy Coaches			3.00			320,000
HomeBRIDGE Teacher			0.50			53,000
Combine RALLY and Community Schools						
Supervisors (not operating fund)				1.00		0
Assistant Superintendent Admin Assistant				1.00		105,000
High School In-School Suspension Staff					3.00	191,000
HomeBRIDGE Support Staff					0.50	34,000
Special Education Para-educators					6.54	405,000
Tuancy Officer					1.00	69,000
Administrative Assistant in Teaching & Learning					1.00	63,000
Information Technology					6.00	707,000
Data Assessment Support Staff					1.00	79,000
Middle School Office Support Staff					2.00	138,000
High School Office Support Staff					6.00	413,000
Accounts Payable position					1.00	87,000

Budget Reductions since 2011:

▪ \$11,035,000 Million in Cuts

▪ 92 Full-Time Positions



Deferred Maintenance

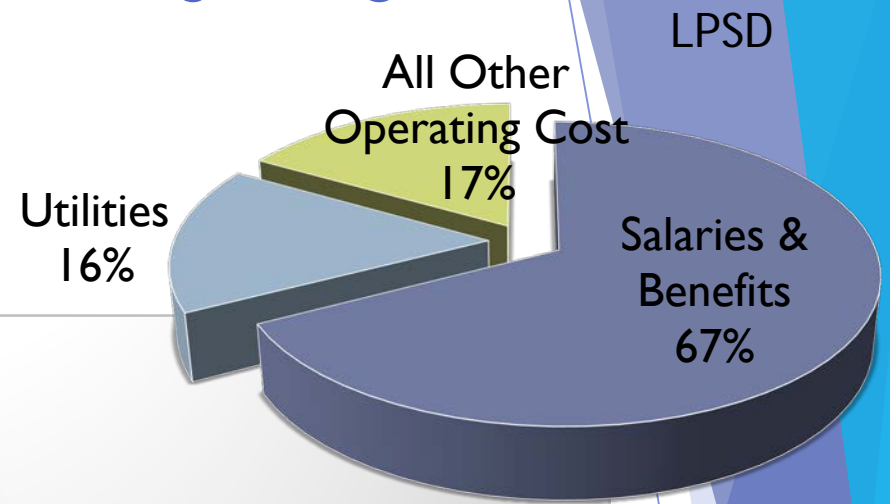
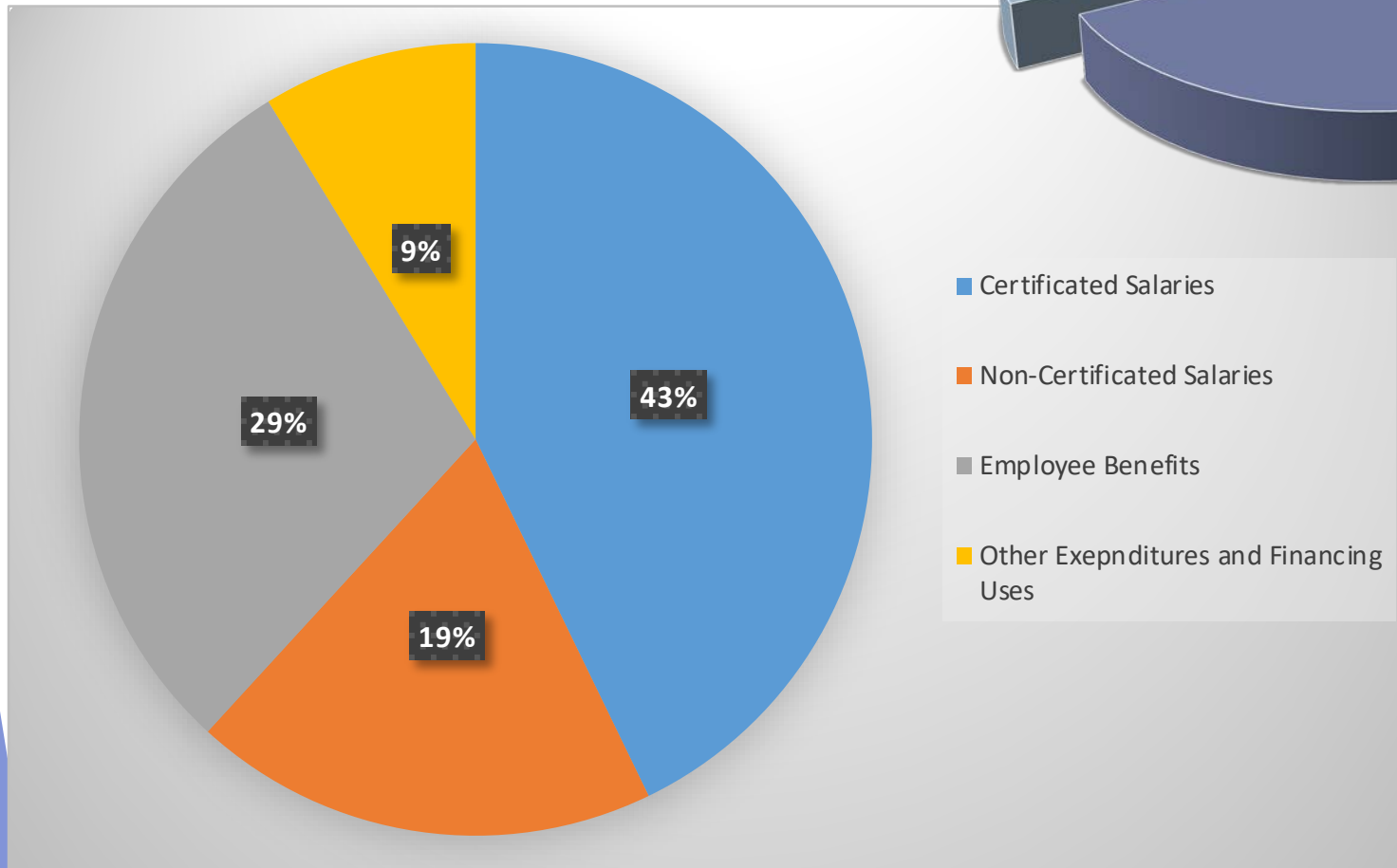
- ▶ Examples of projects and costs:

▶ JDHS Replacement of Two Boilers	\$1,100,000
▶ Marie Drake Heating Controls	330,000
▶ JDHS Partial Roof Repair	300,000
▶ Marie Drake Driveway/Walkway Repair	210,000
▶ Marie Drake Renovate YDHS Commons	120,000
▶ MRCS Replace Hallway Carpeting	90,000
▶ DHMS Replace Heating Controls	70,000
▶ MRCS Replace Classroom Exterior Porch Slabs	65,000



FY 2018 Operating Fund by Object

JSD



Progress!



Student Achievement

Graduation Rate

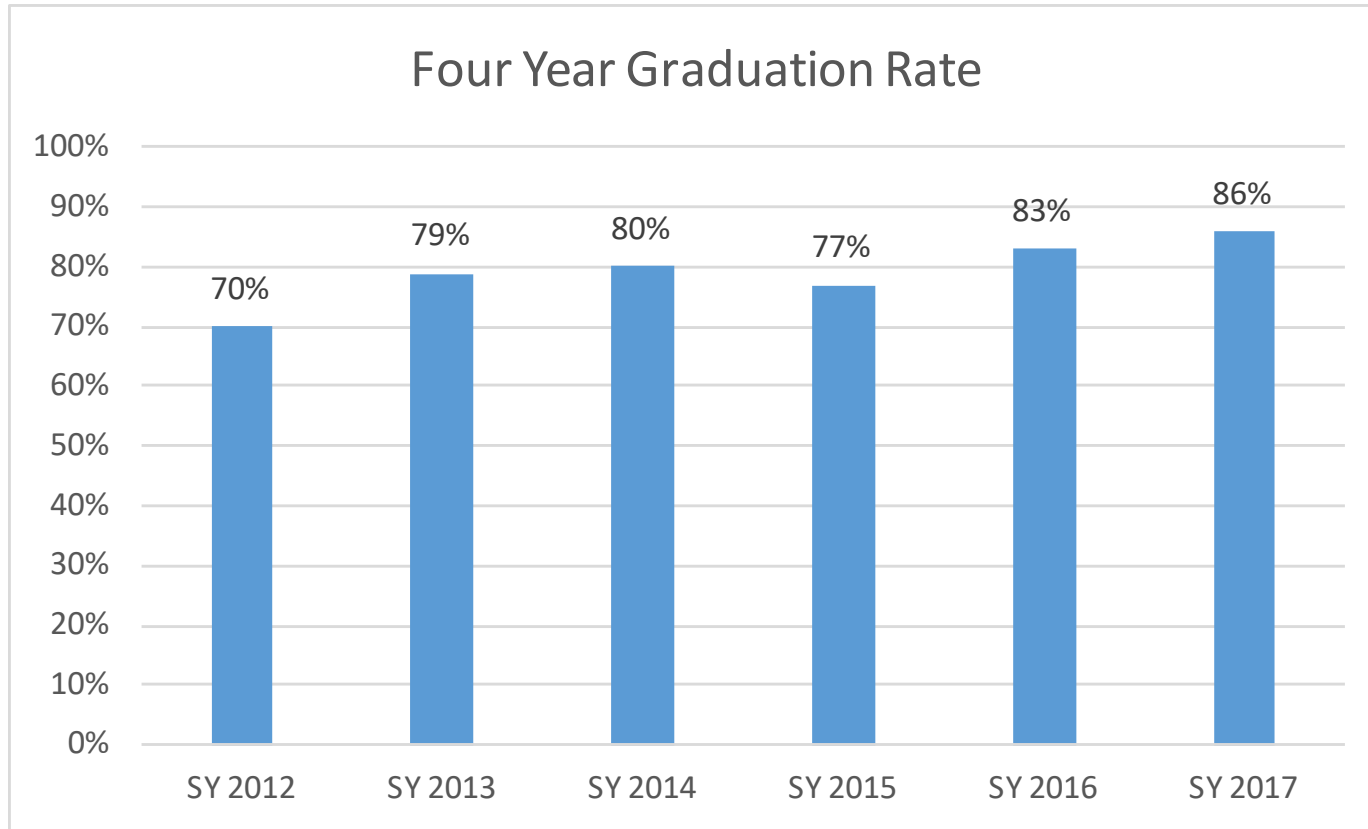
- ▶ 2017 4-Year Graduation Rate 86%
- ▶ 2017 5-Year Graduation Rate 87%

Student Attendance Rate

- ▶ 2016 Attendance Rate 93%
- ▶ 2017 Attendance Rate 93%



Graduation Rate Trend



Student Achievement

- ▶ State of Alaska PEAKS Testing
 - ▶ Participation Rate 98%
 - ▶ Students Proficient in English/Language Arts 44% (State 39%)
 - ▶ Students Proficient in Math 38% (State Average 32%)
- ▶ Only Alaska District Named to AP Honor Role
 - ▶ One of 433 districts in the U.S. & Canada that increased access to Advanced Placement® courses by at least 11%, increased Alaska Native student participation and also maintained or improved the rate at which their AP® students earned scores of 3 or higher on an AP Exam.



High School Activities

- ▶ Juneau-Douglas High School Student Participation in One or More Activity
 - ▶ 2016-17 67%
- ▶ Thunder Mountain High School Student Participation
 - ▶ 2016-17 61%
- ▶ Yaakoosge Daakahidi High School Student Participation
 - ▶ 2015-16 18%
 - ▶ 2016-17 2%



Middle School Activities

- ▶ Dzantiki Heeni Middle School Student Participation in one or more Activity
 - ▶ 2015-16 44%
 - ▶ 2016-17 57%

- ▶ Floyd Dryden Middle School Student Participation in one or more Activity
 - ▶ 2015-16 52%
 - ▶ 2016-17 55%



Career Technical Education

- ▶ 1,525 students were enrolled in CTE courses last year; this count reflects students taking multiple courses.
- ▶ 159 students earned Alaska Food Worker certification.
- ▶ 158 students enrolled in one or more dual enrollment courses earning both high school and university credit.
- ▶ Other classes include: CPR/First Aid certification in health sciences, UAS Intro to Mining, ETT (Emer. Trauma Tech.) certification, Construction Engineering & Research certification, "Intro to Carpentry" Certified Nurses Asst certification and the Alaska Business Week Camp in July 2017 in Anchorage supported by Alaska Chamber of Commerce and Juneau Chamber.



Thank You



From: GENNIFER DAHLQUIST
To: [Michelle Sydeman](#)
Cc: [MONICA GOYETTE](#); [LUKE FULP](#); [JILLIAN MORRISSEY](#)
Subject: MSBSD Letter of Support and Revision to Press Release Quote
Date: Tuesday, January 30, 2018 8:19:12 AM
Attachments: [MSBSD Letter of Support re Increase to Education Funding.pdf](#)

Good morning,

Please find attached a letter of support from MSBSD Superintendent Dr. Monica Goyette in regard to increased education funding for the Base Student Allocation (BSA). In regard to the three quote options emailed last week for Representative Gara's upcoming press release, there is a change to the District's projected deficit. I have included all three quotes below, with the projected deficit corrected to \$8 million instead of \$5-6 million.

1. "Last year's flat funding resulted in the loss of the equivalent of 87 full time positions in the Mat-Su Borough School District. This year, we are projecting an additional \$8 million deficit."
2. "Flat funding equals reductions to school districts due to the increasing costs of doing business."
3. "Last year the Mat-Su Borough School District had an \$8.5 million deficit. This year, with flat funding we are projecting a \$8 million deficit."

If you have any questions please let me know. MSBSD appreciates Representative Gara sponsoring a bill to increase the BSA as well as the opportunity to provide support for the bill.

Sincerely,
Gennifer

Gennifer Dahlquist – *Administrative Assistant*
Matanuska-Susitna Borough School District
Ph: 907-746-9255 | Fax: 907-761-4076
www.matsuk12.us



OFFICE OF THE SUPERINTENDENT

January 30, 2018

Legislature of the State of Alaska
31st Legislature – First Regular Session

Re: Increased Education Funding for the Base Student Allocation – Letter of Support

The Matanuska Susitna Borough School District supports increased funding to the Base Student Allocation (BSA). With no new increases to the BSA over the past two fiscal years, the Mat-Su Borough School District has relied on a combination of expense reductions and the utilization of fund balance (savings) to balance its budget. This approach cannot be sustained long-term.

Over the past two years, the Mat-Su Borough School District has had to make difficult decisions in order to protect classroom instruction. Nevertheless, deep cuts were required to pass a balanced budget for the 2017-18 school year. A total of \$8.4 million (87 full-time equivalent positions) was cut from the District's roll-over budget. Budget cuts included increasing class sizes through reductions to the teacher workforce, eliminating instructional support positions, reducing supply budgets, and increasing activity fees.

Based on early estimates, the Mat-Su Borough School District is anticipating an \$8 million deficit for FY19. Further budget cuts threaten the quality of education and the District's fund balance (2.87% of total expenditures) cannot continue to be used to stave off additional cuts. At this time, we are calling on our State's elected officials to help fund the increasing costs of education so we can sustain quality educational programs for the students we serve.

Respectfully,

Dr. Monica Goyette,
MSBSD Superintendent

	# Decreased 2013 - 2019	% Decreased 2013 - 2019	Remarks
100 - Instruction 2013: 2,662.43 FTE 2019: 2,415.78 FTE	-246.65	-9.26%	Instruction includes the educational activities directly involving the interaction between teachers and students. Included here are the certificated classroom teachers or other certificated personnel who are performing as classroom teacher and classroom aides or classroom assistants who directly assist in the instructional process.
200 - Special Education Instruction 2013: 963.78 FTE 2018: 956.14 FTE	-7.64	-0.79%	Special education instruction includes the educational activities directly involving the interaction between teachers and special education students in the classroom or other facility. Included here are the certificated special education teachers or other certificated personnel who are performing as the special education teacher and classroom aides or classroom assistants who directly assist in the special education instructional process.
220 - Special Education Support Services 2013: 241.93 FTE 2019: 218.39 FTE	-23.54	-9.73%	Special education support services - students includes educational activities designed to assess and improve the well being of special education students. Included here is the special education director/coordinator/manager. Also included are the costs of such activities as special education guidance, health services, social work, psychological services, speech pathology services, audiology services, and physical therapy services provided to students as the result of an Individualized Education Program (IEP).
300 - Support Services - Students 2013: 359.99 FTE 2018: 306.51 FTE	-53.48	-14.86%	Support services - students includes the activities designed to assess and improve the well being and health of students and to supplement the instruction process. Included here are guidance services, health services, attendance and social work services and boarding home costs.
350 - Support Services - Instruction: 2013: 207.13 FTE 2018: 152.43 FTE	-54.69	-26.41%	Support services - instruction includes those activities that assist instructional staff with the content and process of providing learning experiences for students. Included are improvement of instructional services (curriculum development and techniques of instruction), library services, audiovisual services, and inservice training. Included here are the costs of nonteaching director/coordinator/managers who are specifically trained and directly assigned to instructional programs and librarians and library aides.
400 - School Administration 2013: 149.30 FTE 2018: 142.99 FTE	-6.31	-4.23%	School administration includes the activities of overall management, direction and leadership of a school. This includes general supervision of the school, evaluation of school staff members, assignment of duties to staff members, and coordination of school instructional activities. Included here are certificated school administration staff including principals and head teachers while not in the classroom teaching.
450 - School Administration Support Services 2013: 245.85 FTE 2018: 243.55 FTE	-2.30	-0.93%	School administration support services includes the activities that support School Administration, function 400 in the overall management of a school. Included here are the noncertificated school administration staff including secretaries and clerks.

From: Lisa L. Pearce
To: [Tristan Walsh](#)
Subject: RE: Alaska State Legislature: House Bill to Increase Base Student Allocation rate to \$6,030
Date: Friday, February 9, 2018 4:52:45 PM
Attachments: [image001.png](#)
[2018-19 Proposed Budget FINAL.pdf](#)
[2018-19 Proposed Supplemental schedules.pdf](#)
[What we've done 2009-10 to 2017-18 cuts.xlsx](#)

Tristan - Attached are a couple of documents that reflect the impact to school funding in Fairbanks over the past few years. The outlook for 2018-19 is not good, in that we anticipate a revenue shortfall of \$8.2million. This will ultimately equate to the reduction of over 50 FTE positions in our district. We have sliced and diced to the point that we are unable to continue to make horizontal cuts. We are looking at program cuts now. The 2018-19 budget reflects a 54% reduction in the overall contribution to student activities. This amount was already quite small in 2017-18 (right at 1% of the operating fund budget). The choices are difficult.

We have made significant improvements in our health plan and are able to reduce our district contribution by \$2million next year due to plan design changes and a restructure of our employee benefit package. This is a win for us. We are concerned about the considerations at the legislative level to mandate a statewide health plan. While we recognize the need in many districts, we are hopeful that participation would be optional. It would ultimately cost us money.

We anticipate a reduction in our local contribution next year as our borough is experiencing the effect of reduced revenue cost share. Our borough is up against a tax cap and even if the local voters would approve an increase, the timing would be beyond the 2108-19 budgeting process.

A change to the BSA as you note below would provide an additional \$2.5million in revenue to our district. We anticipate having to make budget cuts in our operating bund in the amount of \$8.2million. A \$2.5million increase from the state would be welcome, but we will still be looking at a large overall reduction.

I should be available most of Monday if you have any questions. Also, I am happy to take calls over the weekend if you need additional information. My cell number is 907-942-0624.

Thank you and Representative Gara for your efforts on behalf of the education community in the State. Education is the greatest investment that can be made and will provide a huge return of investment for many generations to come.

Lisa Pearce, CFO-SFO
Chief Financial Officer



Fairbanks North Star Borough School District
520 Fifth Avenue
Fairbanks, Alaska 99701-4718
907-452-2000 ext. 11301
907-942-0624 cell

From: Tristan Walsh [mailto:Tristan.Walsh@akleg.gov]
Sent: Monday, February 5, 2018 2:19 PM
To: Lisa L. Pearce <lisa.pearce@k12northstar.org>
Subject: Alaska State Legislature: House Bill to Increase Base Student Allocation rate to \$6,030

Hi Lisa!

My name is Tristan Walsh, and I am a Legislative Aide to Rep Les Gara from downtown Anchorage. Later this week, Rep Gara hopes to introduce a new bill for its first committee of referral, to the House Education Committee. This bill seeks to increase the base student allocation rate for Alaskan students from \$5,930 to \$6,030.

We would really appreciate any comments or input you'd have from the North Star Borough School District's standpoint, particularly any feedback you have on the past three or four years and what it has meant for the students and staff of your district-for examples, staffing cuts, higher classroom sizes, the impact on after school programs, etc.

Thank you for your time and help! Please don't hesitate to call or email. We can be reached at (907) 465-2647 or at this email.

-tristan

Tristan Walsh, Aide to Representative Les Gara

Session Address:
Room 511, Capitol Building,
Juneau AK 99801

Office Phone: (907) 465-2647

From: Shannon J.N.
To: [Michelle Sydeman](#); [Rep. Bryce Edgmon](#); [Timothy Clark](#); [Ty Mase](#)
Subject: BH339
Date: Tuesday, February 13, 2018 3:05:32 PM

Good afternoon, i am from Iliamna and i have lived in Alaska all of my young life. I have had two daughters graduate from Newhalen School and i have two more in Elementary and Middle School.

I have seen our Lake and Peninsula District save and cut with the flat funding we have received now in the past 4 years.

We have eliminated programs and then last year we had no choice but to cut school days off our school calendar. Our children

and families cannot keep doing what we are doing with the funding we are getting. I feel like we have made every active effort to save and

cut to meet our budget. I am not sure what else we can do which would not impact us in a negative manner.

I am in full support of adding \$100 to the BSA.

Thank you for your time and support.

Shannon Johnson-Nanalook
Iliamna Community Member and Mother

From: Alyse Galvin
To: [Michelle Sydeman](#)
Subject: BSA by \$100
Date: Monday, February 12, 2018 10:00:30 AM

Dear Rep Gara and all members of the legislature,

I am writing to express support for HB287 and HB339.

HB287

It will be far more efficient AND show our communities that we respect our fiduciary responsibility in education enough to NOT hold the funding as a political football by passing HB 287. Please assure communities of the amount of dollars going to districts early. We are ALL done with the pink slip game that happens due to late decision making by lawmakers. It forces our districts to be on pins and needles and make contingency plans in case there are cuts, which makes morale drop through the floor. This leads some of our best teachers, who are allured by a better opportunity in the lower 48 to seek employment elsewhere.

This delay in decision-making causes very high recruitment costs as we continuously are trying to keep teacher positions filled in a climate that is not conducive to teachers wanting to stay. Let's avoid this by voting yes! I wonder if any legislator who doesn't vote yes on on this bill might receive a pink slip by their constituents?

I ask you to please pass these bills.

HB330

Until we see 100% reading, writing and doing math at grade levels, it is the state's responsibility to either come up with a different plan that teaches students better with less (which has not proven to work) or ensure that our teachers are getting proper training, respect and reason to stay so that our kids can learn. Each year that the BSA remains the same, there still will be some sort of cuts. Adding \$100 does not keep up with the years of flat funding but it helps 'plug the hole of a sinking boat'. Our children deserve better. We need a plan and we need to fund it well. The Alaska Education Challenge has the beginning of a plan, now we need to take the steps to implement and where funding is needed, we must fund the actions that will result in student achievement for all students.

Thanks so much,
Alyse

Sent from my iPhone

From: [Rep. Les Gara](#)
To: [Michelle Sydeman](#)
Subject: FW: BSA Increase
Date: Friday, February 9, 2018 6:28:06 PM

Representative Les Gara
Working Hard For You

Representing Downtown, Fairview, Government Hill & Eastridge
Ph: 907-465-2647 (during Legislative Session); 269-0106 (in Anchorage During Interim)

Want to sign up & stay up to date on Legislative Issues With Our E-Newsletter? [Click Here](#)

-----Original Message-----

From: Janeen C. Wilkins [<mailto:janeenwilkins@me.com>]
Sent: Friday, February 09, 2018 6:08 PM
To: Rep. Les Gara <Rep.Les.Gara@akleg.gov>
Subject: BSA Increase

Les, as a parent and a teacher I fully support your efforts to increase the BSA. Thank you. The madness has to stop for our kids and teachers who work so hard!
Many thanks!

Janeen Wilkins
907-602-9646
Sent from my iPad

From: M. Sue McGowan
To: [Michelle Sydeman](#)
Subject: HB 339 support
Date: Tuesday, February 13, 2018 10:46:16 AM

Hello Ms. Sydeman- I would like you to add my name to the list of people who have contacted you in support of HB 339. I have volunteered in nearly all the schools in the Juneau School District over the years and I've seen how teachers and staff are having to make do with less and less money. While the effect on school staff/teachers is important, the most important consideration are the students and the benefit they will gain if this bill is passed. Thanks for listening.

M. Sue McGowan
PO Box 32112
Juneau, Alaska 99803

(907) 789-1157



Virus-free. www.avast.com

From: Emily Kane
To: [Michelle Sydeman](#)
Subject: HB 339
Date: Tuesday, February 13, 2018 10:52:44 AM

I strongly support this bill to bolster costs of adequately educating our youth. Thanks for your sponsorship.

Dr Emily A Kane
Juneau AK

www.DrEmilyKane.com
www.naturopathic.org
www.primarydoctor.org

Join with me in
Cultivating Exuberance

From: Judy
To: [Michelle Sydeman](#)
Subject: In Support of HB339
Date: Tuesday, February 13, 2018 9:31:41 AM

Dear Representative Gara:

I am in support of HB 339, increasing the base student allotment for elementary and secondary education. The decline in real dollars spent on education is not good for our students, our schools, our communities, or our economy. We cannot attract business, retain residents, or advance graduates to higher education without adequate support for education at the most basic level. If we need to increase revenue to do this, there are two main sources to look: taxes on the oil industry and a graduated income tax on businesses and individuals. Shame on the legislature for postponing the inevitable until our state's economy is sent into a tailspin!

Judy Crondahl
Juneau

>

From: Cat Coward
To: [Michelle Sydeman](#)
Subject: In support of HB339
Date: Monday, February 12, 2018 9:12:20 AM

Dear Representative Gara,

I am writing you to thank you for putting forth HB339, and echoing my own support of this bill. Keeping reliable money in the classroom is paramount to a good education for our kids. I am the parent of a high school senior, and over the course of his education I have seen the effects of BSA money being cut. I have seen class sizes decrease, important teachers and counselors laid off, teachers burned out and fearing yearly lay off, and an overall decrease in the quality of public education because of the above factors.

Quality education requires, adequate and reliable funding of the BSA; funding for our teachers and counselors. Please use this email as my public testimony and support of HB339.

Thank you,
Catherine Coward
6221 Farpoint Dr,
Anchorage, AK 99507

From: Shonti Elder
To: [Michelle Sydeman](#)
Subject: to Les Gara
Date: Sunday, February 11, 2018 7:46:25 PM

I'm a teacher who lives in Wasilla and I support Les Gara's education funding bill. The base student allocation needs to be raised throughout Alaska. Increased school costs (such as energy, or health insurance) have eaten into the actual funding that reaches each student, stressing students and teachers who have to make do with less. Thank you.

The New York Times | <https://nyti.ms/1V5Vtcn>

U.S.

Alaska's Schools Face Cuts at Every Level Over Oil Collapse

By KIRK JOHNSON MARCH 14, 2016

ANCHORAGE — Alaska's schools are bleeding red ink.

The University of Alaska has said it will reorganize its campuses and may have to cut more than 8 percent of the staff, but professors are already heading for the exits. The state's largest public school district, here in Anchorage, is cutting 49 teaching positions and increasing class sizes. And in tiny rural schools like Nightmute — which has 80 students in a village of about 300 people — the pain has almost reached the point of paralysis: Five of the school's six teachers are leaving at the end of the school year.

The most troubling part, teachers, professors and administrators across the state said, is that with a roughly \$3.5 billion state budget shortfall, things could get much worse — not least for morale.

“At every one of our campuses, something is likely to go away,” said James R. Johnsen, the president of the University of Alaska. “And if every campus is losing something, then every campus has a constituency that is aggrieved.”

Some other school systems and universities around the country — like in Milwaukee and Baton Rouge, La. — are also struggling with new budget cuts, or with

old ones lingering from the recession. The problem up here, though, is oil, and the taxes on it that Alaska collects to pay for most state expenditures.

Drillers are pumping less, and at around \$40 a barrel, the state is collecting less in taxes on the oil that is pumped, making for a state budget crater of crisis proportions. The Republican-controlled Legislature has so far been loath to consider new taxes in an election year, and education, along with health and welfare, accounts for about two-thirds of the state budget.

The deeper story, educators and state officials said, is that a long-delayed day of reckoning over education policies and promises made in a different era, under different circumstances, has arrived.

In the mid-1970s, for example, when memories of the bleak and barren boarding schools for rural tribal people were still fresh, Alaska declared that it would eliminate the differences between rich districts and poor ones. Fairness and equity, the state said, would be the rule. Oil money allowed that promise to be kept, with the state paying almost \$60,000 per year, per pupil, to educate students in some of the country's most remote and isolated public schools.

The University of Alaska, gifted with a flood of oil money and federal research grants — which have also been in retreat — embarked on a path of ambition that included introducing new academic disciplines. As enrollment grew to nearly 29,000 students, the school built hundreds of buildings across three major campuses — in urban centers like Anchorage and Fairbanks, and in rural spots off the road system where the costs for heating fuel and supplies, all of which have to be delivered by airplane, can be absurdly high.

In 2006, when the stock market was near its peak, Alaska also shifted its teacher retirement system for new hires, from guaranteed pensions to self-directed plans similar to a 401(k). Then, to make the idea more attractive, it made benefits portable, meaning that teachers vested in plans could quit and not lose money that they, or the state, had put in. The result, as tough times have walloped the schools, is a flood of resignations, and teachers heading south with Alaskan money in their pockets, looking for new jobs somewhere else.

“It’s gotten harder to get teachers to come here, and very hard to get them to stay,” said Kameron H. Perez-Verdia, the president of the Anchorage School District.

With no agreement in sight on how to fix the nearly \$3.5 billion revenue deficit from the oil collapse — which has erased about two-thirds of the state budget — educators said that rumors and speculation from Juneau, the capital, were only making things worse.

Gov. Bill Walker, an independent, has proposed restoring the state’s personal income tax, which was repealed in 1980 after the oil gusher hit, and raising many other taxes as well, from alcohol to gasoline.

And while Mr. Walker’s plan includes deep cuts in spending for education, some legislative proposals are even more drastic. One lawmaker proposed closing dozens of the smallest rural schools. Others have said the university should retreat from its expensive research function and become more like a community college system, focused on teaching. A proposal to cut back on subsidies for high-speed Internet in rural areas sent another shiver through the education system, since about 90 percent of University of Alaska students take at least one course remotely.

“It would set us back 10 years,” said Linda Ady, the library director in Pelican, an island community of 110 people in southeast Alaska, where good cellphone service is available only if you climb a mountain, and high-speed Internet at the library is the main link for people doing university course work or connecting with the wider world.

Making matters worse is that Alaska’s economic cycle is profoundly out of step with the rest of the nation. During the depths of the recession in 2008 and 2009, Alaska was barely scathed because oil revenues held steady. So it could — and did — happily entice teachers to come north for the pay, or the adventure, or both. Now the tables have been turned, and states like Oregon, Nevada and Arizona have said that with better economic times, they are hiring teachers again.

“We’re losing faculty. They’re getting poached,” said Brian M. Barnes, a professor and the director of the Institute of Arctic Biology at the University of Alaska in Fairbanks. Professor Barnes said that 10 of the 60 biology faculty members

at the campuses in Fairbanks and Anchorage have already left. “Adding insult to injury is that they come back for research, now working for somebody else,” he added.

Stories of teacher departures are varied, and often anguished and conflicted.

Amanda Barrett, 24, who came to Nightmute — almost 1,100 miles from Juneau — last August for her first teaching job, said she was returning home to New Jersey when the school year ended to look for work there or in Pennsylvania. The reasons, she said, are personal, and no reflection on her school or village. But the cultural shock of bush Alaska in winter, off the road system, was also no small thing, she said.

Frank von Hippel, a professor of biology at the University of Alaska, recently accepted a job at Northern Arizona University in Flagstaff, which is giving him a raise and paying the costs of moving his lab. He said that the unsettled budget climate had prompted him to look around, and that when he did, the offer was great.

“Part of the problem up here is the uncertainty,” Professor von Hippel said. “It’s not only the declining budgets, but no clarity on where we’re going to end up.”

Some state lawmakers said Alaska’s education system, in the fat financial years, rarely had to restrain the impulse to provide a new service, add a new job or build a new building, and that going back to a core mission could be positive.

“You just can’t do everything, and that, in my opinion, is what they have tried to do,” said Tammie Wilson, a Republican who chairs the subcommittee in the Alaska House of Representatives that oversees the University of Alaska’s budget. “They can’t keep doing business the way they have.”

Dr. Johnsen, the university president, said he completely agreed with that position and has a plan that would consolidate strengths — and notably reduce administrative overhead — at the school’s three main accredited campuses, in Fairbanks, Anchorage and Juneau.

He said that the troubles in Alaska’s oil were also a signal the state’s economy was shifting into a new era, and that the education system must be a part of the answer in training people for that next economic chapter.

But with fewer high school graduates in Alaska continuing directly to college than in almost any other state, partly because well-paying blue-collar jobs have been so abundant, there are also fewer traditions around education to support it or sustain it, or to push lawmakers to fund it. The inevitable reality for now, Dr. Johnsen said, is that there will be blood.

“We’ve got to bring out the sharp knives,” he said.

Correction: March 26, 2016

An article on March 15 about budget cuts that Alaska schools are facing because of lower oil prices referred incorrectly to science faculty departures at the University of Alaska. Ten biology faculty members who have left were from both the Fairbanks and Anchorage campuses, not just Fairbanks, creating a loss of 10 faculty members out of 60, not 10 out of 45.

A version of this article appears in print on March 15, 2016, on Page A1 of the New York edition with the headline: Oil’s Collapse Sends Alaska Schools Into Crisis, Taking Toll on Budgets and Staff .

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Alaska Dispatch News

Education

Anchorage School District plans to cut 219 positions, including 159 teachers, to balance budget

✎ Author: Jerzy Shedlock ⌚ Updated: September 28, 2016 📅 Published January 21, 2014

The Anchorage School District will cut 219 positions -- including administrators, support staff and classroom teachers -- next school year, Superintendent Ed Graff announced Tuesday. District administrators are working with a \$566 million operating budget for the 2014-2015 school year, \$23 million shy of the funds the district says it needs.

And the funding gap is expected to widen considerably, with an estimated budget gap of \$49 million in the 2015-2016 school year. The budget recommendation is the "best we can offer our students with limited resources," Graff said.

Cutting classroom teachers by 159 positions means an increase in the student-teacher ratio. The loss of 44 teacher positions is due to a decline in student enrollment, a trend that's projected to continue another year.

Graff said the district and the Anchorage School Board are still working through which schools will lose teachers. Before they start determining who will lose their jobs and what schools will lose instructors, the budget needs to be approved by the school board. The school board will deal with the budget twice in February, consider public feedback, and then work through staffing particulars.

The staffing process happens in April. Teachers on the chopping block should be informed of their termination in May, Graff said.

Balancing the budget is a challenge, he said, and the district's top priority is limiting the impact to students. Teachers have calmly weathered the storm over the past year or so, but worries bubble below the surface.

Graff said he went from classroom to classroom at the beginning of the school year and thanked teachers for sticking with it through some rough transitions, which included the swift departure of the previous superintendent. As Graff handed a letter of thanks to one teacher, she began crying. She thought it was a notice of termination.

School Board President Tam Agosti-Gisler chimed in, adding that the budget woes are "a distraction for teachers."

Unprecedented reductions

While the conversation tends to focus on teachers and the potential impact to students, the district's central administration faces the largest reduction.

Twenty percent of those jobs will disappear this year and next. Administrators manage the overall operations of schools, including cafeteria staff and building maintenance employees. They also oversee academic standards and try to ensure schools have the resources to meet those standards.

Ten specialty counseling positions will be cut of the budget proposal passes. Secondary counsellors will be pooled together and assigned based on student enrollment numbers and individual needs of schools. The recommendation came through during last year's budget process but was avoided.

Over the past four years, the district has reduced its budget by eliminating the equivalent of 491 full-time positions, or roughly 718 employees. That total doesn't include the more than 200 full-time equivalent positions slated for elimination during the coming school year.

The staff reductions are unlike anything Graff has seen in his 23 years with the district, he said.

"I believe any further reductions will jeopardize our momentum," he said.

Goodbye to swimming

To offset the loss of teachers and attempt to balance classroom sizes, the district is proposing shifting high schools from a six-period to seven-period schedule.

And the public has made it clear it wants the district to keep as many opportunities for students in place as possible. Graff dubbed the new approach as "Core plus more," a play on the district's implementation of Alaska Common Core Standards, a guideline of sorts of what students are expected to learn. The standards are similar to the nationwide Common Core Standards.

The addition of a seventh period will align middle and high school schedules. Middle school teachers currently teach for five of seven periods per day. Now they'll teach six periods. The district is also proposing getting rid of one of two daily planning periods.

Graff said he believes teachers and support staff will do "everything in their ability to continue to provide learning experiences that meet the needs of every student."

The only extracurricular classes Graff is proposing to cut next year, for now, are high school swimming classes.

"Swimming is not a required course, nor is there a swim test requirement for graduation," he said. The cut shouldn't impact after-school swimming and diving team activities and rentals.

Sustainable funding

The district's money troubles are the result of flat funding and rising health care costs.

The state's Base Student Allocation (BSA), the number of dollars school districts receive per student, has remained steady at \$5,680 the last three years.

Funding shortfalls have been the new norm the past five years. A \$25 million budget deficit for the current school year was closed by spending some of the district's budget reserves and making cuts to support staff and classroom supplies. Teaching positions were not included in the cuts for the 2012-2013 school year.

Agosti-Gisler said the board is calling all public education supporters to tell the state's legislators about what they value in Anchorage's public education system and urge them to increase the base allocation.

Graff said the district needs consistent, sustainable funding to keep the district afloat. "We're a people-intensive business," he said, a business that requires human resources to provide quality education. Still, in meetings with lawmakers, Graff said he hasn't heard "comments as to what we need to do to secure funding."

Soaring health care costs

Rising health care costs dry up district dollars far more than salaries, and classroom supplies are a mere fraction of the funding total.

"There's active medical and retiree medical," said Mark Foster, the district's chief financial officer. "Those are the two dominant factors in cost growth" over the past two decades. It's not uncommon for employees' health care costs to see increases in the double-digit percentages on an annual basis, he said.

Outside states have healthier, competitive prices when compared to Alaska. Foster said that 10 percent of Alaskans' income went toward staying healthy around 1990. Now, 20 percent of their wealth is going into health care, he said.

"It's not just that health care costs are rising everywhere; they're rising in Alaska much faster," Foster said.

The district is working with employee unions, trying to get them to pay a higher portion of the cost. Its teacher-compensation package is an ongoing point of contention for some educators, especially given the new demands and standards they are facing. Officials say their plans moving forward focus on improving performance in the classroom, a balancing act that means doing more with less.

A recent three-year agreement between the teachers' union and district have helped contain some of the rising health care costs, Graff said.

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Comments

Recent headlines



Protesters led by Great Alaska Schools speak out about potential last minute education funding cuts on Wednesday. (Photo by Anne Hillman/KSKA)

State lawmakers cut education funding in the proposed budgets by nearly \$13 million Tuesday night. They moved the money into the oil and gas tax credit fund.

Previously, the House and the Senate both allocated full funding for education, which included a \$50 increase to the per pupil state funding formula guaranteed by [House Bill 278](#) in 2014.

Legislative Finance Division Director David Teal said in the House budget, the government was going to use \$145 million leftover money from fiscal year 2016 to pay for education. But during the conference committee meeting, they decided not to.

“They put it into the oil and gas tax credit fund instead,” Teal said during a phone interview. He couldn’t say why because he’s not a legislator.

Senate Majority spokesperson Michaela Goertzen wrote in an email that the conference committee chose not to fund the increase because it “was approved under vastly different budget conditions. ... Given the current state budget deficit, we are not in a position to continue the increase for FY17.”

Teal said the exact impacts on each school will depend on student counts in the fall.

Anchorage School Board member Tam Agosti-Gissler said the district estimates they will have to trim \$4.6 million from the Anchorage School District budget if the legislature keeps these cuts. She said she doesn’t know how they would make up for the loss. Friday is the cutoff for issuing pink slips to non-tenured teachers, and the deadline for tenured teachers already passed.

“And so that puts us in a really big bind in terms of how we’re going to balance this budget,” she said.

Fourteen-year-old Anchorage student Galen Schmidt attended a protest in downtown Anchorage with about 25 other community members. He said the cuts to education will have impacts beyond just this year.

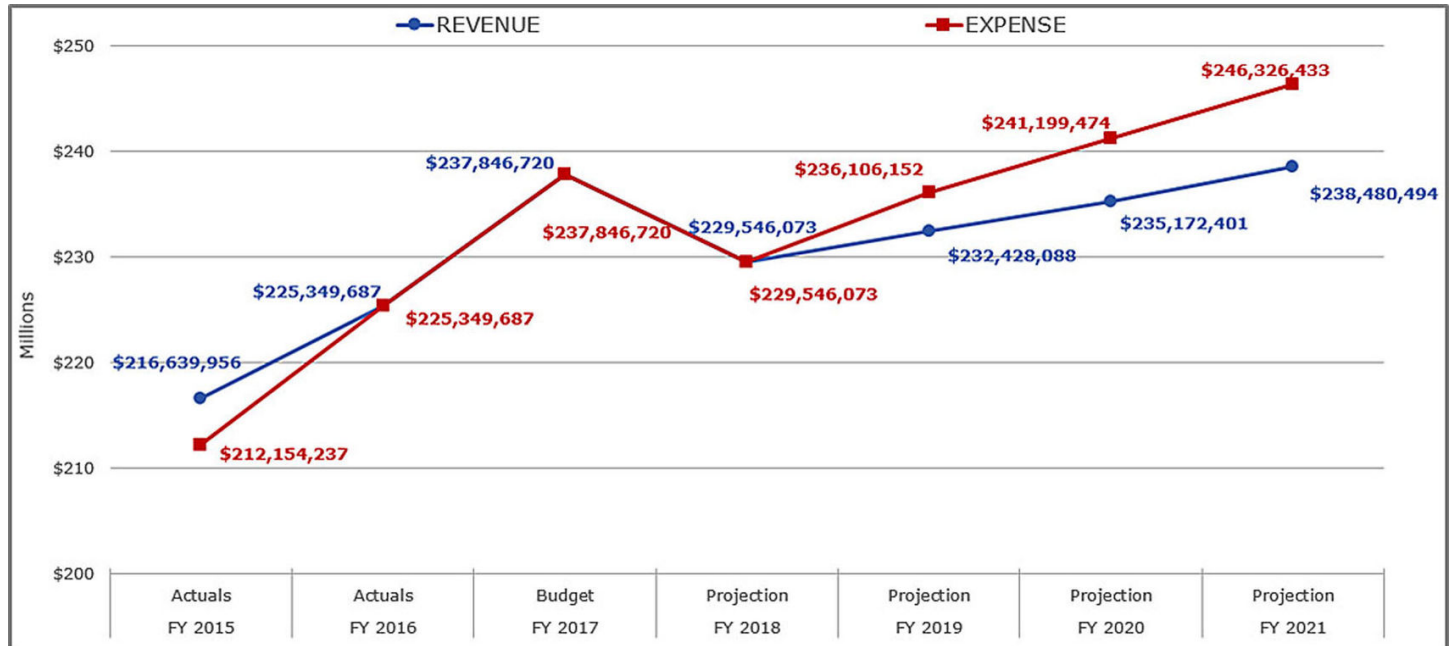
“I think more funding can open new doorways for a lot of students,” he said. “And I feel that states that invest the most in education see the most benefits in the long run, and states that invest the least in education have (negative) consequences.”

Both houses must vote on whether or not to accept the conference committee’s budget.

Superintendent discusses state of schools

Goyette believes vote for a sales tax would 'be tight'

By CHRIS FORD Frontiersman.com Jul 14, 2017



The Mat-Su Borough School District shed \$13 million off its 2017-2018 school year spending in order to meet the state-mandated balanced budget. However, based on expected costs versus revenues, it will be forced to make further cuts. The district is seeking a 2 percent boroughwide sales tax to help cover the anticipated deficit.

Courtesy Mat-Su Borough School District

PALMER — If approved by the borough assembly, voters throughout the Mat-Su will be asked to decide whether to cover an anticipated \$13 million Mat-Su Borough School District deficit through a sales tax proposal. MSBSD Superintendent Monica Goyette said she remains confident all parties involved will come through.

Now that legislators in Juneau have hammered out a final budget for fiscal year 2017-2018, and the borough has done the same, the district needs to make up the difference. Bottom line, Goyette noted, is that both government units “flat-funded” education for the 2017-2018 school year.

That means the state kept its base student allowance (BSA) unchanged for at \$5,930 from last year’s budget. The borough assembly approved a \$3.2 million funding increase for the upcoming school year, which was vetoed by borough Mayor Vern Halter. Goyette said the district was actually penalized financially by the state for a projected 300 student enrollment increase for 2017-2018. Based on MSBSD data, the district spent a total of \$12,645 per student this past school year and will reduce that to \$12,016 for the upcoming school year.

“Because of the state foundation formula, \$1.9 million was shifted from the state to the required local contribution,” Goyette said adding flat funding from the borough doesn’t account for the cost shift.

Earlier this year, the MSBSD Board of Education passed a resolution asking the borough to consider a sales tax on all non-residential goods sold in the Mat-Su. The assembly upped that a percentage point and is expected to hold the first public hearing at its Tuesday, Aug. 1 regular meeting. Goyette said the school board is scheduled to finalize a resolution for a 2-percent request at a special July 26 session.

The request would cap the borough’s annual district contribution at \$50 million. In its most recent budget, the borough’s total allotment came in at approximately \$57.5 million. Goyette said based on the most current data, the district would realize about \$9 million in additional revenues for each one percent sales tax increase.

Goyette said the board and administration has worked hard to prioritize where the additional revenues would go. First is to reduce the pupil to teacher ratio (PTR) which it increased by up to two students—depending on grade level—to eat up some of the expected shortfall. The second is to reduce the increased student activities fee which was also hiked. Student activities include extracurricular items such as sports, clubs, and trips. The third goal is to increase the district’s personalized learning opportunities.

“We did a survey with the public,” Goyette said in explaining the three main goals. “One area where we said ‘no’ to a decrease was in school safety.”

To come up with the balanced budget by June 30, which is required by state law, the board approved reductions in the following areas and includes the anticipated savings: PTR increase, \$2.8 million; non-certified staffing reductions, \$2.8 million; certified staffing reductions, \$2.3 million, department and school-based budget reductions, \$1.9 million; student activity reductions, 0.8 million; salary contingency reduction, 0.4 million, substitute allocation reduction, \$0.3 million; and executive salary reductions, \$0.1 million.

The reductions include more than 76 fewer teaching posts—more than 15.5 in special education; more than a dozen positions in student and instruction support services; almost 11 posts in administration support; almost 19 operation and maintenance employees; one full-time curriculum specialist, an administrative secretary; and a 15 percent cut to department budgets, a 20 percent cut to district coaching posts and a 13 percent reduction to travel and ice rink rentals.

In addition, the district has been able to save \$1.2 million in health insurance renewals, and another \$0.4 million in transportation and food service subsidies. Goyette agreed to a four-percent salary cut and other executive staff will see a two-percent pay reduction.

School administrators have noted at past meetings that the MSBSD is at the bottom of the state’s “Big Five” per pupil funding list at \$2,924. Fairbanks comes in fourth at \$4,035 followed by Anchorage at \$4,393, Juneau at \$5,418 and Kenai tops the list at just under \$5,500, per student. Of the state’s 19 officially recognized boroughs, eight implement a sales tax. Some of those utilized derived funds to augment school district budgets.

Goyette said if approved by the borough assembly, the district is hoping to get the question on the Oct. 3 borough election.

“It’s going to be tight,” Goyette said.

She said if the proposal doesn’t make it on the ballot, there is a chance that voters could decide the outcome in a special election. Goyette said the district estimates it will take two to three months from the time of approval before the district could begin collecting taxes.

“Regardless, we will be starting the school year with current budget reductions (in place) and we’ll look to try and solve class sizes,” said Goyette.

Goyette said the district is prohibited from spending taxpayer money on the initiative.

“We can only do information-based presentations,” Goyette said. “I will go to the public. If folks want to invite us for a presentation, I’ll be there. I’m starting to attend city council and community council meetings. I’m excited to go out and explain things.”

The superintendent said any scheduled informational meeting dates will be posted on the school’s website at www.matsuk12.us.

Although the district has “sucked up” the 2017-2018 school year budget with the above implemented changes, Goyette said if its funding sources and levels remain unchanged, board members and the administration will have to chop a projected \$3.5 million from the budget in 2018-19 school year and six million the year after that.

“The foundation of a great community is great schools,” said Goyette. “We believe one of the reasons the Mat-Su continues to grow is the quality of its educational opportunities.”

Any community group wishing to have Goyette make a presentation can call the administrative offices at 907-746-9200.

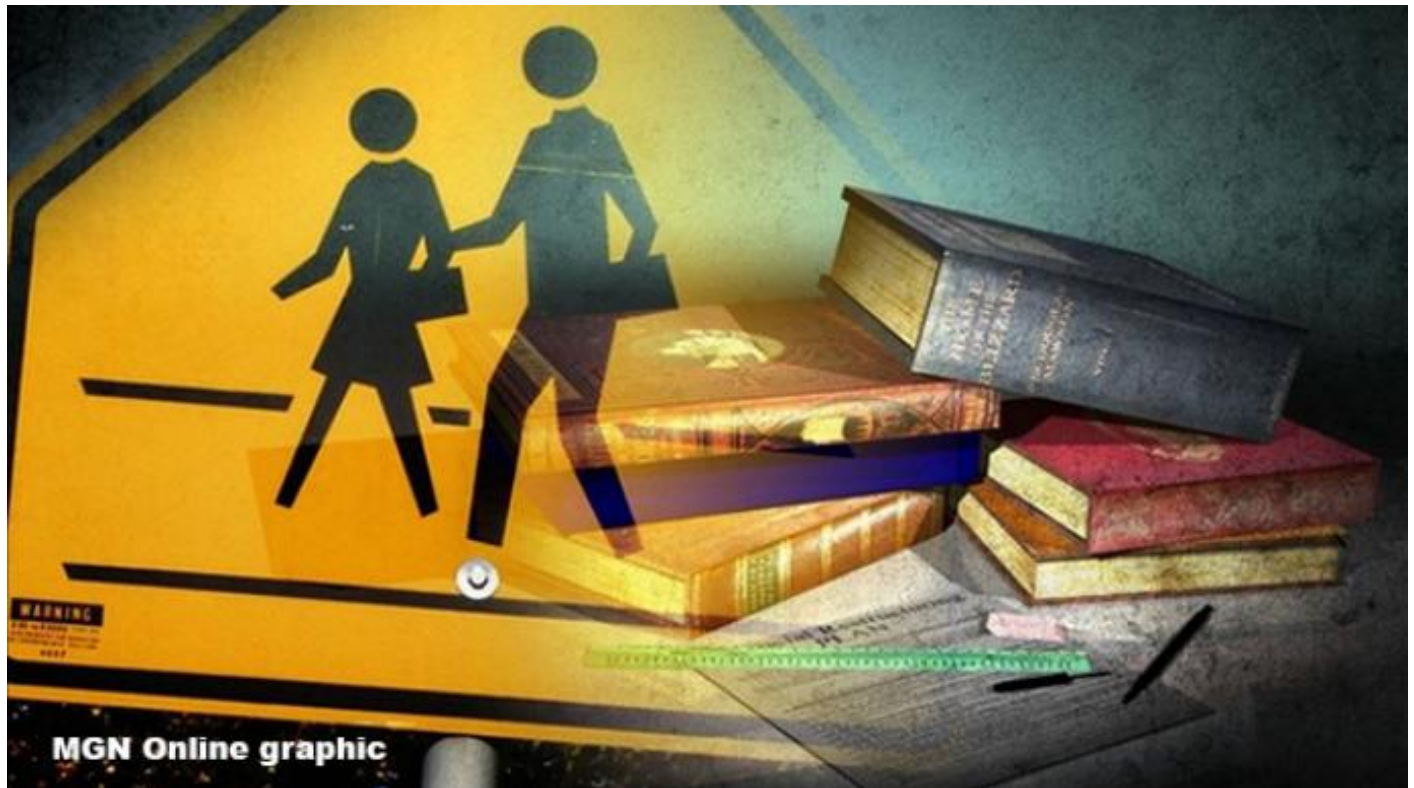
Contact reporter Chris Ford at 352-2270 or chris.ford@frontiersman.com

Teachers receiving pink slips discuss uncertainty, need for state budget



By Victoria Taylor | Posted: Wed 6:58 PM, May 24, 2017 | Updated: Thu 1:43 PM, May 25, 2017

ANCHORAGE, Alaska (KTUU) For 220 Anchorage teachers, librarians and counselors, the last day of the semester was filled with celebrations and uncertainty.



Bayshore Elementary School is one of the many schools affected by the district's cuts.

"Teachers already have a hard job," Bayshore Elementary School parent, Chris Kutscheid, said.

The school handed out four pink slips to instructors as part of the layoffs.

Not every school in the district handed out the notices, which were largely prompted by the lack of a state budget being passed before the end of the school year.

Derks is one of the four educators being let go from the school.

"We were busting at the seams this year, so I can't imagine," she said. "We had positions that didn't get filled this year, because of the freeze. I can't imagine how this school is going to run, without more teachers."

Other educators say life outside the classroom could also get tight over the next few months.

"Being the last day of school, it's kinda hard especially knowing that I don't know my faith as a teacher next year," said Kim Resheske, the school's physical education teacher. "So I don't know how to prepare."

Resheske said she's concerned if lawmakers don't pass a budget soon, she's going to lose her health insurance.

The district says it handed out the layoff notices to first and second-year employees; however, those in special education and other areas considered hard to fill were not part of the cuts.

Resheske and Derks are both experienced teachers.

Derks, a second year educator with ASD, said she spent six years teaching in California. A trip to Alaska in her early twenties, prompted her to move to the state eventually.

Resheske said she was once tenured with ASD. Having left for a job out of state last year, she was rehired by the district to replace the former Bayshore P.E. instructor after retirement.

Some parents say they're concerned about what the cuts may mean for students.

"Once you have your school running smoothly, you kinda just shake it up like an earthquake," Kutscheid said. "And you can't do that to kids."

Bayshore is a nationally recognized school for high performance. Teachers admit, even before the cuts they were spread thin.

"We have superheroes among us, but I think we're asking them to do too much with too little," said parent, Stephanie Bird.

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