

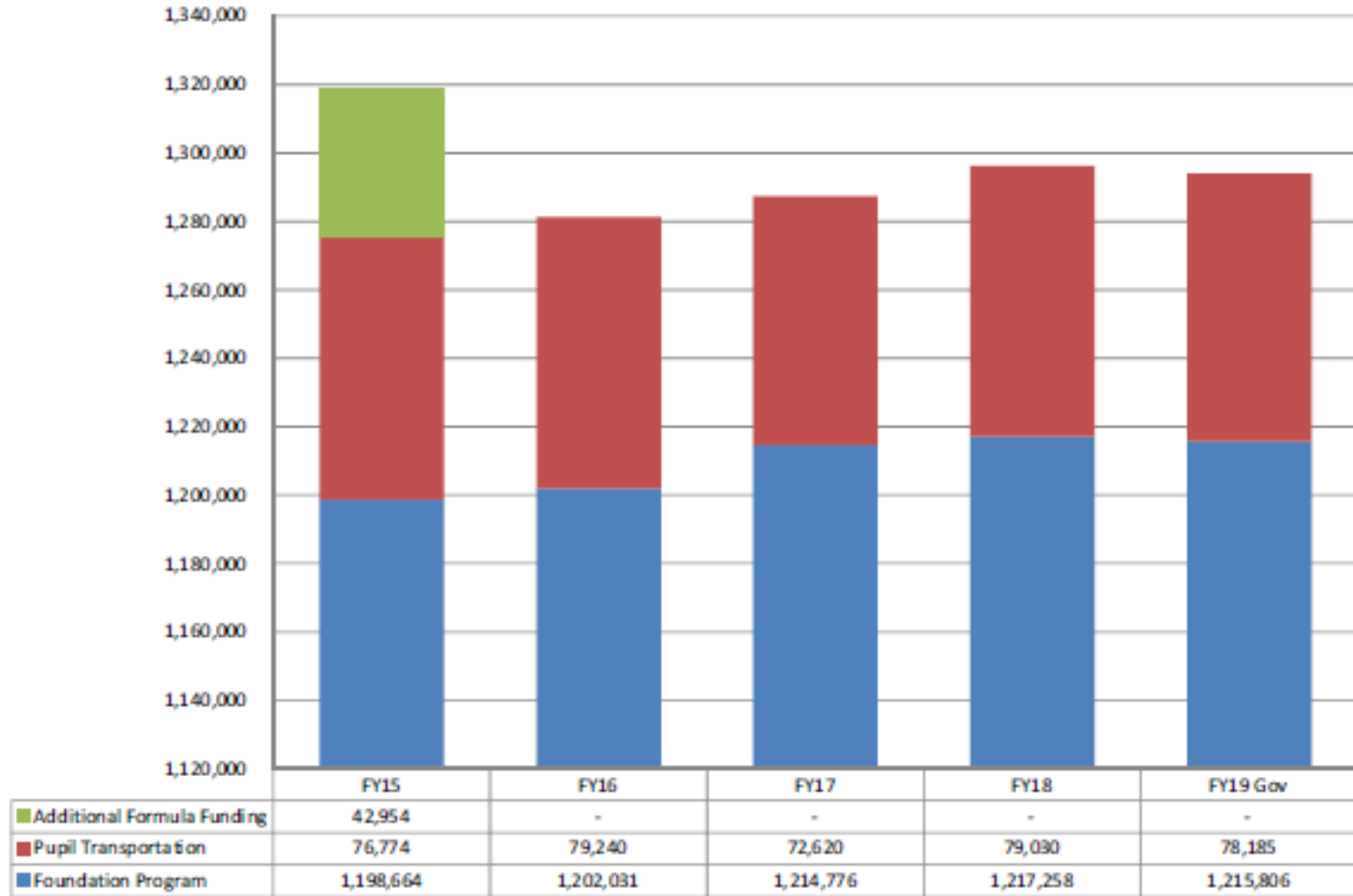
Education Matters:

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%

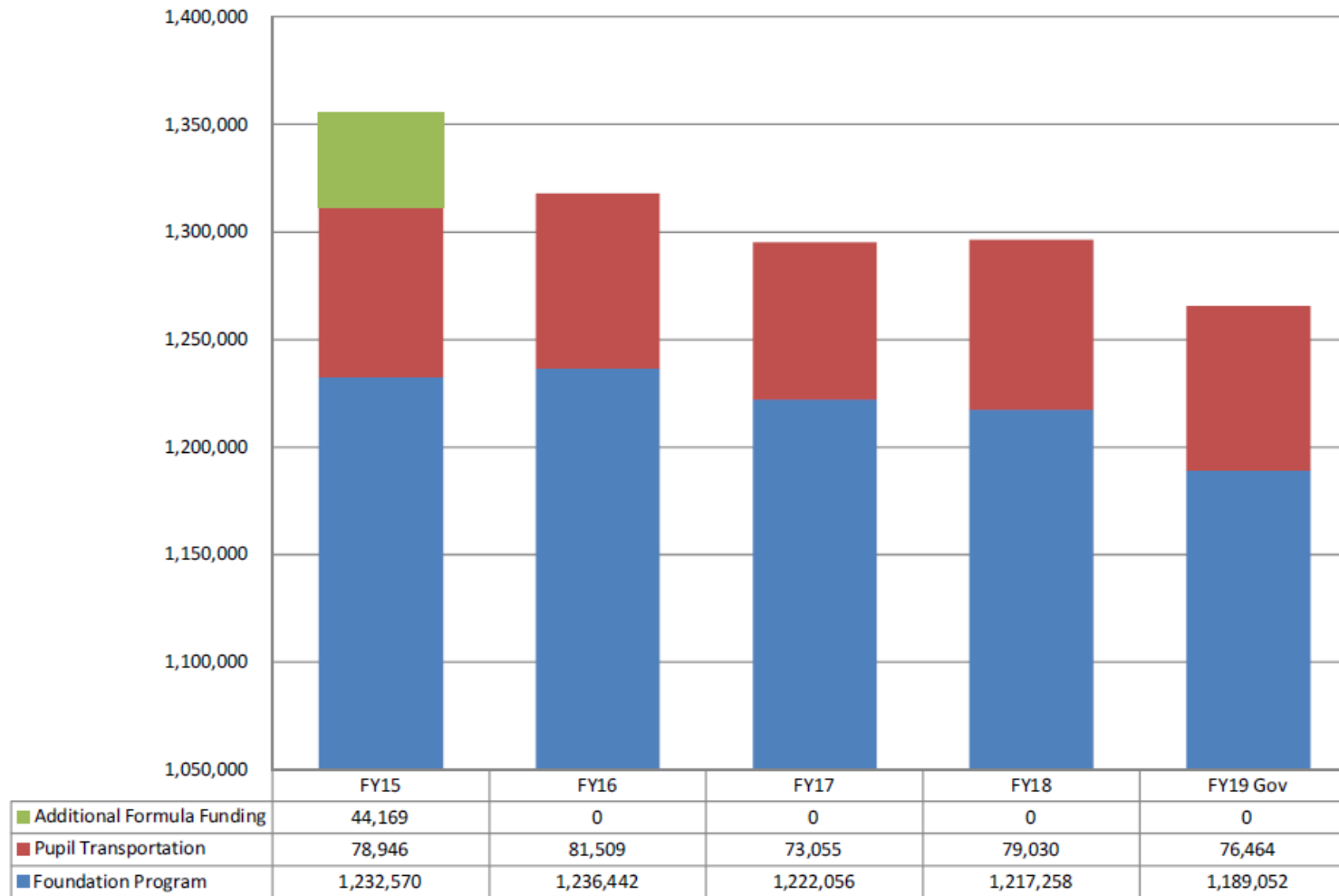
Legislative Finance Division

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.