

# Education Matters:

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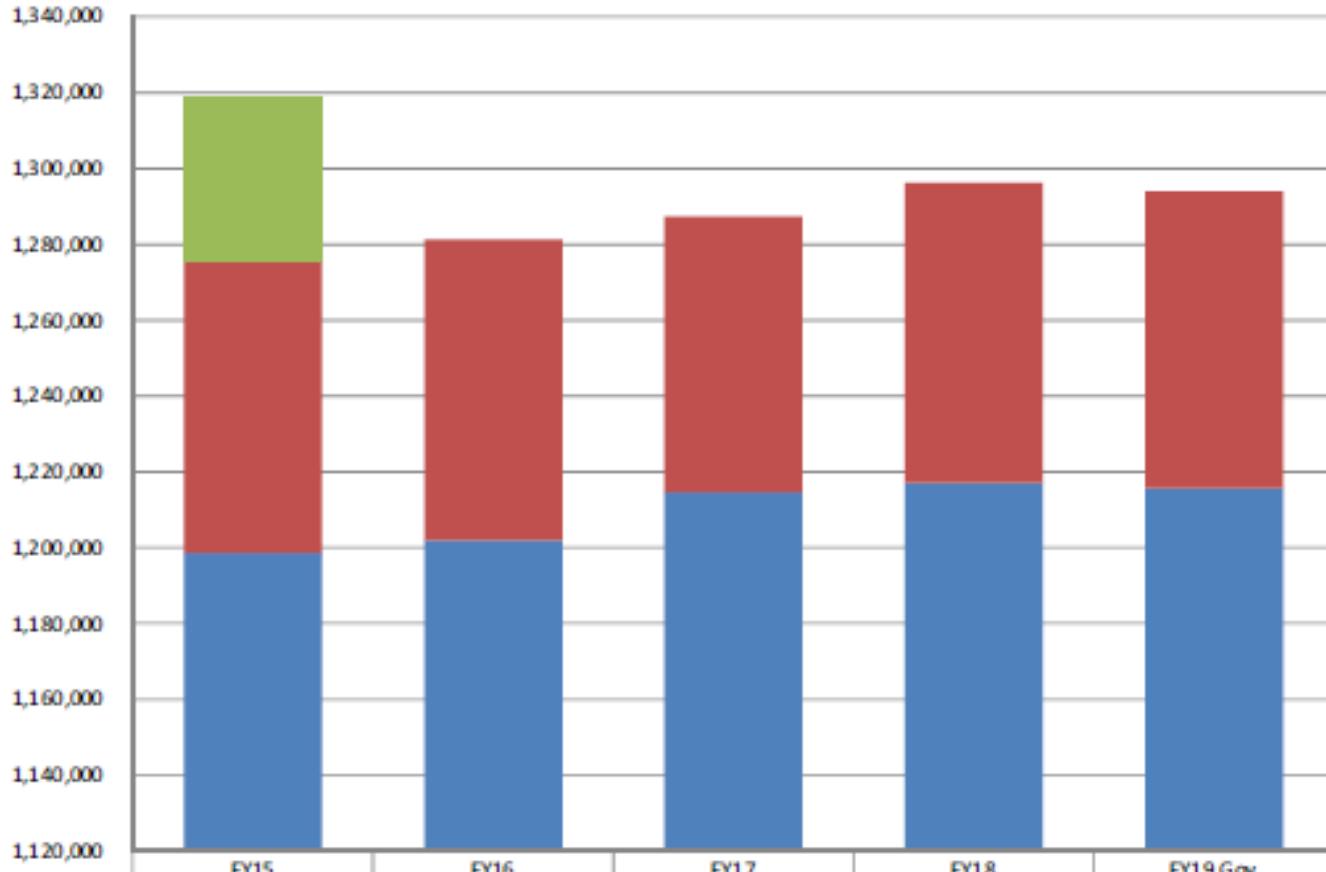
IT'S TIME TO INCREASE THE BSA

# Costs are up, Funding is down

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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

<b>Education Funding, FY15-19</b>							
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%
<b>Total</b>	<b>1,318,391.7</b>	<b>1,294,503.0</b>	<b>1,301,002.7</b>	<b>1,296,287.2</b>	<b>1,293,990.4</b>	<b>(24,401.3)</b>	<b>-1.9%</b>
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?

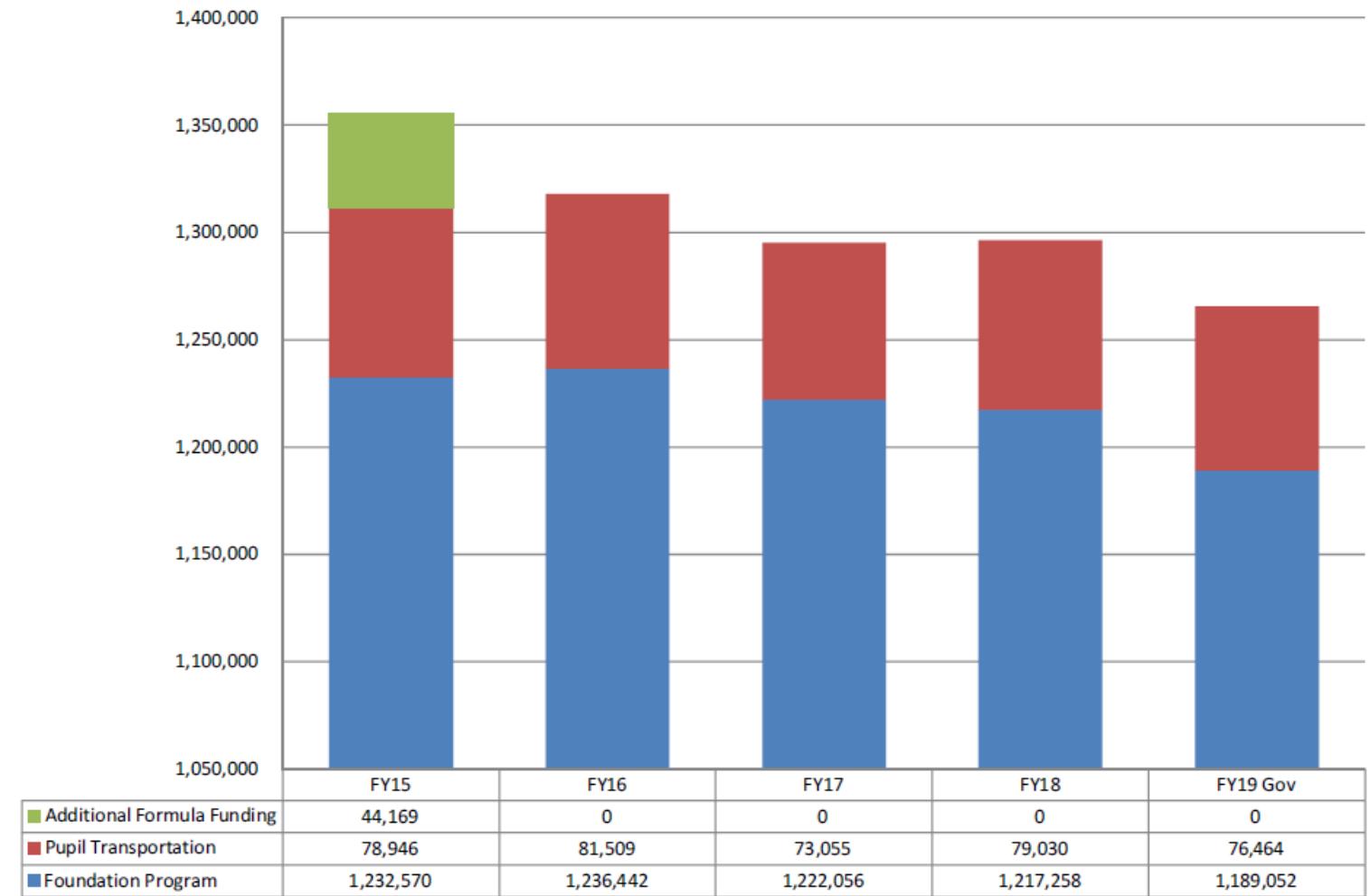
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- \$43 million added in FY 15 has been deleted from the budget
- This was only partially offset by \$50 BSA increases in FY 16 and FY 17, each of which added \$12.6 million.
- Overall, funding through the BSA has fallen by roughly \$17 million. When 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

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

# Cuts Have Hit Classrooms & Students

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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. . .

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- 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

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- 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

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- 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

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- 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

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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

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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.