



House Finance Subcommittee for  
Department of Education & Early Development (DEED)

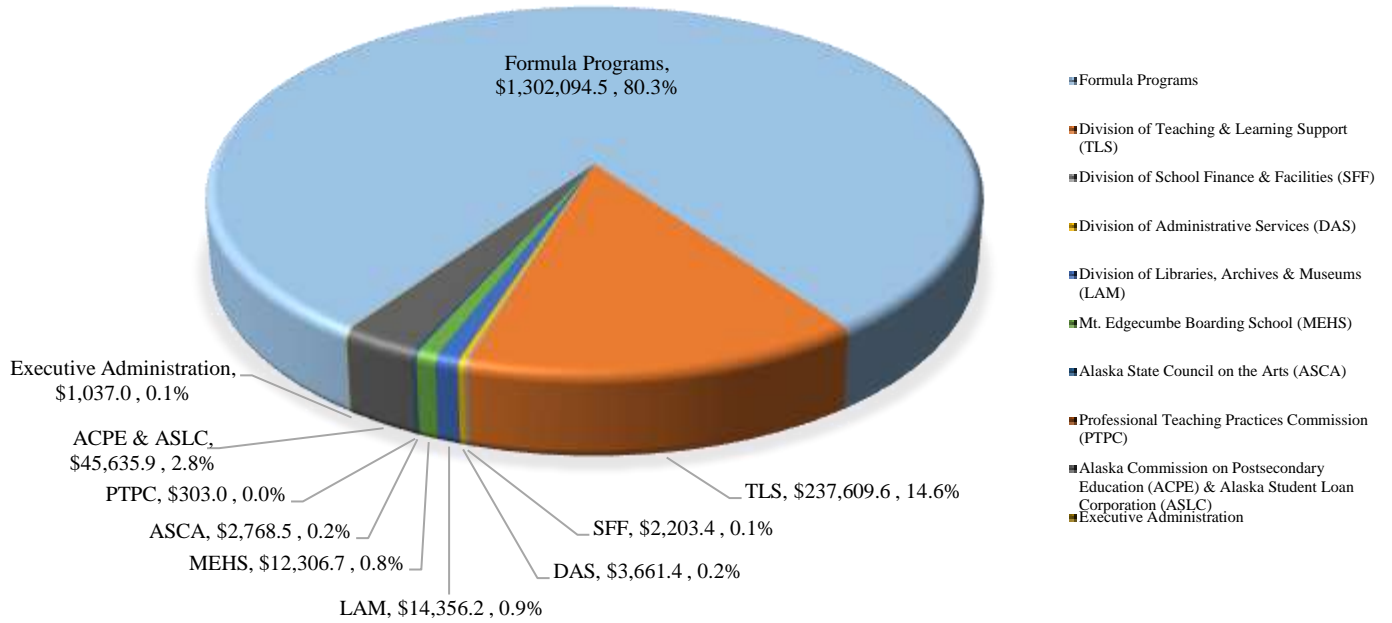
Budget Overview:  
Pupil Transportation  
Boarding Home Grants  
Youth in Detention  
Special Schools

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January 30, 2017

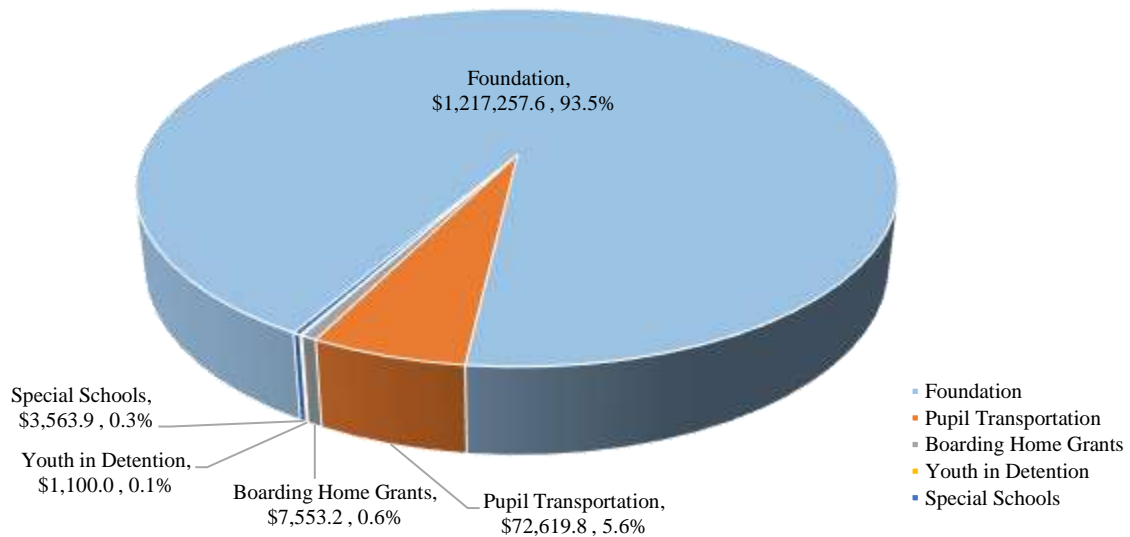
## DEED's FY2018 Governor's Budget by Structure

Total Budget (all funds): \$1,621,976.2



## DEED's FY2018 Governor's Budget by Formula Programs

Total Budget (all funds): \$1,302,094.5



## **Pupil Transportation**

Statutes: AS 14.09

Regulations: 4 AAC 27

AS 14.09.010 establishes a grant program to school districts that operate pupil transportation to and from schools within the student's transportation service area within the district.

### **Funding History:**

- FY2014 Appropriation: \$75,466.0 UGF
- FY2015 Appropriation: \$76,773.9 UGF
- FY2016 Appropriation: \$79,240.3 UGF
- FY2017 Appropriation: \$72,619.8 UGF  
(\$6,350.0 vetoed from original FY2017 Governor's Budget request \$78,969.8; this resulted in pro-rata allocations to districts)
- FY2018 Governor's Budget: \$72,619.8 UGF  
(maintains FY2017 funding levels; this is \$6,409.8 or 8.8% below the estimated FY2018 statutory formula)

### **Formula:**

The annual grant entitlement is determined by multiplying the per student grant amount by the actual number of Average Daily Membership (ADM) in the district.

### **District requirements:**

1. Annual report – projection of routes, miles driven, students to be transported
2. Quarterly report – actual number of students transported, miles driven, fee in-lieu-of agreements
3. Accident reports
4. Drivers' certificates and summary of training

Matching Requirements: None

### **Attachments:**

- FY2017 Management Plan vs FY2018 Governor Budget component detail (Page 4)
- FY2017 Pupil Transportation Allocations by School District (Page 5)

**Component Detail (1077)**  
**Department of Education and Early Development**

**DRAFT**

**Component:** Pupil Transportation (144)  
**RDU:** K-12 Aid to School Districts (645)

Formula Component

	FY2017 Management Plan (13565)	FY2018 Governor (13956)	FY2018 Governor vs FY2017 Management Plan	
1000 Personal Services	0.0	0.0	0.0	0.0%
2000 Travel	0.0	0.0	0.0	0.0%
3000 Services	0.0	0.0	0.0	0.0%
4000 Commodities	0.0	0.0	0.0	0.0%
5000 Capital Outlay	0.0	0.0	0.0	0.0%
7000 Grants, Benefits	72,619.8	72,619.8	0.0	0.0%
8000 Miscellaneous	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>72,619.8</b>	<b>72,619.8</b>	<b>0.0</b>	<b>0.0%</b>
<b><u>Funding Sources:</u></b>				
1004Gen Fund (UGF)	72,619.8	72,619.8	0.0	0.0%
<b><u>Funding Totals:</u></b>				
<b>Unrestricted General (UGF)</b>	<b>72,619.8</b>	<b>72,619.8</b>	<b>0.0</b>	<b>0.0%</b>
<b>Designated General (DGF)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Other</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Federal</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b><u>Positions:</u></b>				
Permanent Full Time	0	0	0	0.0%
Permanent Part Time	0	0	0	0.0%
Non Permanent	0	0	0	0.0%

**Department of Education & Early Development  
Pupil Transportation Program FY2017**

<b>SCHOOL DISTRICT</b>	<b>ESTIMATED FY2017 GRANT</b>
Alaska Gateway	660,458
Aleutian Region	-
Aleutians East Borough	68,213
Anchorage	20,664,488
Annette Island	55,726
Bering Strait	88,043
Bristol Bay Borough	320,653
Chatham	44,722
Chugach	-
Copper River	590,456
Cordova	106,991
Craig	122,238
Delta Greely	1,251,489
Denali Borough	394,021
Dillingham	585,193
Fairbanks N. Star Borough	11,201,544
Galena	80,273
Haines Borough	153,297
Hoonah	32,746
Hydaburg	-
Iditarod Area	39,630
Juneau Borough	2,920,740
Kake	26,522
Kashunamiut	1,577
Kenai Peninsula Borough	7,476,569
Ketchikan Gateway Borough	1,647,778
Klawock	76,120
Kodiak Island Borough	1,837,823
Kuspuk	226,433
Lake and Peninsula Borough	118,031
Lower Kuskokwim	1,159,823
Lower Yukon	1,805
Mat-Su Borough	15,478,656
Nenana	102,651
Nome	432,433
North Slope Borough	2,144,737
Northwest Arctic Borough	48,314
Pelican	737
Petersburg	180,092
Pribilof	-
Saint Mary's	39,339
Sitka Borough	541,927
Skagway	4,164
Southeast Island	214,043
Southwest Region	351,585
Tanana	17,472
Unalaska	256,300
Valdez	451,769
Wrangell	194,342
Yakutat	45,995
Yukon Flats	66,905
Yukon Koyukuk	94,069
Yupiit	868
<b>TOTALS</b>	<b>\$ 72,619,800</b>

## **Boarding Home Grants**

Statutes: AS 14.07.030(2); AS 14.16.200

Regulations: 4 AAC 09.050; 4 AAC 33.090

Two programs under this component:

- Secondary Boarding Home Stipend Program
- School Districts Operating Residential Schools

Funding History:

- FY2014 Appropriation: \$3,749.5 UGF
- FY2015 Appropriation: \$6,960.3 UGF
- FY2016 Appropriation: \$7,696.4 UGF
- FY2017 Appropriation: \$7,553.2 UGF
- FY2018 Governor's Budget: \$7,553.2 UGF

### **Secondary Boarding Home Stipend Program (\$179.2 UGF)**

- The Secondary Boarding Stipend Program was established in 1966 to provide a secondary school education within Alaska for high school students from areas without access to appropriate grade levels. During the 1960's and 1970's the student enrollment in this program was significantly higher than today.
- Currently, there are approximately four school districts who receive funding under this program. The actual number of students varies each year.
- The placement process for the secondary boarding stipend program is outlined in regulation, 4 AAC 09.050(a)(3). The application instructions are available on the department's website under forms. A typical example of this program may be a student from a small community with only one or two high school students and thus the stipend boarding program is used to place the students with a family in another community within the district for high school. Placement of students outside of their district of residence requires a Memorandum of Agreement.
- This relatively small program serves the state of Alaska by providing an option for students to participate in high school in a neighboring community when an appropriate grade level is not available in their home town.

Formula:

- The program provides a monthly stipend (rates are \$508 to \$755 a month depending upon region) and is paid for the number of days up to 180 days that the student is receiving services. The program also provides for one round trip transportation and an indirect charge up to the district's federal indirect rate. If the student is placed outside of their home district, an additional 30% funding increment for placement supervision may be provided, however this is uncommon.
- The department administers payments on a quarterly basis.
- The annual appropriation is \$179.2 UGF. Funds are distributed to participating districts. Unspent funds lapse to the general fund.



School Districts Operating Residential Schools Program (Year-Long 180 Day and Variable Term 180 Day) (\$7,374.0 UGF)

- In 2006 the legislature passed HB 16, which provided funding for statewide residential boarding programs at AS 14.16.200. The initial law included districts that, prior to January 1, 2005, were operating a statewide residential program for grades 9 through 12. This included three programs: Galena, Lower Kuskokwim, and Nenana. The funding is for the residential component only and is what is referred to as year-long 180 days program.
- The department accepted applications from the three qualifying districts and approved a maximum student count for funding for each program. The annual appropriation was set to fund the maximum approved student count.
- Funding includes a per pupil monthly stipend rate set in statute for nine months a year, and one round trip transportation reimbursement. The department administers the program through a December 1 count date. Eligibility requires that students are funded if they come from a community outside of the community where the residential school is located.
- After operating under AS 14.16.200 for approximately five years and providing funding to the initial three districts that were in operation when the law was passed, the 2011 legislature, in special session, passed HB 84 which amended the residential program in two ways:
  - A provision was added allowing the Department to accept applications and approve, if applicable, up to three additional programs.
  - The stipend rate was increased, by doubling the rates in statute, for a two year period. The increase was maintained after the two years and an additional increase was passed into law resulting in the current stipend rates.
- Subsequently both the regulations and statute (SB 47 enacted in 2013) were amended to include variable term programs.
- Variable term programs are approved to fund the same number of students throughout the entire school year, however the actual students housed change as the residential instruction sessions change.
- The variable term program may not claim students for foundation funding as the student is claimed in their full time district of residence.
- The most recent program change was enacted through HB 278, effective July 1, 2015, which sets into law an annual period of application; this does not require that new programs be approved. Application program approvals are made contingent on funding of the added programs.

Formula:

- The monthly rate x 9 months x actual eligible and approved student count = a district's reimbursement for the residential stipend. In addition to the stipend, one round-trip ticket is provided per student, at the least expensive means, between the student's community of residence and the school if the district expends money for the trip.
- The variable term program provides transportation support through one round trip ticket cost per approved bed, to be used to offset actual costs.



District requirements:

- Secondary Boarding Home Stipend Program
  - Boarding Home Budget and Program Report form – submitted for initial approval
  - Reimbursement Requests – quarterly
  - Must report the revenues and expenditures in a special revenue fund within their annual audit.
- School Districts Operating Residential Schools Program
  - Request for Reimbursement – annually based on student count
  - Annual Year-End Report
  - Must report the revenues and expenditures in a special revenue fund within their annual audit.

Matching Requirements: None

Attachments:

- FY2017 Management Plan vs FY2018 Governor Budget component detail (Page 9)
- Table 1 presents residential school history including stipend rates, district and program names, year first funded and other information (Page 10)
- Table 2 presents FY2016 authorized and actual and includes a breakout of funding for stipends and funding for one round trip travel. Table 3 also includes FY2017 authorized and FY2018 budgeted. (Page 11)



**Component Detail (1077)**  
**Department of Education and Early Development**

**DRAFT**

**Component:** Boarding Home Grants (148)

Formula Component

**RDU:** K-12 Support (53)

	FY2017 Management Plan (13565)	FY2018 Governor (13956)	FY2018 Governor vs FY2017 Management Plan	
1000 Personal Services	0.0	0.0	0.0	0.0%
2000 Travel	0.0	0.0	0.0	0.0%
3000 Services	0.0	0.0	0.0	0.0%
4000 Commodities	0.0	0.0	0.0	0.0%
5000 Capital Outlay	0.0	0.0	0.0	0.0%
7000 Grants, Benefits	7,553.2	7,553.2	0.0	0.0%
8000 Miscellaneous	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>7,553.2</b>	<b>7,553.2</b>	<b>0.0</b>	<b>0.0%</b>
<b><u>Funding Sources:</u></b>				
1004Gen Fund (UGF)	7,553.2	7,553.2	0.0	0.0%
<b><u>Funding Totals:</u></b>				
<b>Unrestricted General (UGF)</b>	<b>7,553.2</b>	<b>7,553.2</b>	<b>0.0</b>	<b>0.0%</b>
<b>Designated General (DGF)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Other</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Federal</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b><u>Positions:</u></b>				
Permanent Full Time	0	0	0	0.0%
Permanent Part Time	0	0	0	0.0%
Non Permanent	0	0	0	0.0%

**Table 1**

Prepared by School Finance

**Alaska Department of Education & Early Development**  
**Statewide or District-wide Residential School History**  
 January 2017

District	School Name	maximum		1st year of funding	Statewide/ District-wide	Year-long/ Variable-term	Region
		# of students approved					
Anchorage	Dena'ina Academy	4		FY2015	District-wide	year-long	Region 2
Bering Strait	NACTEC	26		FY2015	Statewide	variable-term	Region 5
Chugach	Voyage to Excellence	24		FY2015	Statewide	variable-term	Region 2
Galena	GILA	210		FY2007	Statewide	year-long	Region 5
Lower Kuskokwim	Kuskokwim Learning Academy	35		FY2007	Statewide	year-long	Region 4
Lower Kuskokwim	Ready Academy	40		FY2016	District-wide	variable-term	Region 4
Nenana	Nenana Living Center	100		FY2007	Statewide	year-long	Region 3
Northwest Arctic	Star of the Northwest	40		FY2016	Statewide	variable-term	Region 5

**Monthly Rates**

		<b><u>FY07-FY11</u></b>	<b><u>FY12-FY14</u></b>	<b><u>FY15</u></b>
Region 1	Southeast	\$ 410	\$ 820	\$ 1,230
Region 2	Southcentral	\$ 400	\$ 800	\$ 1,200
Region 3	Interior	\$ 484	\$ 968	\$ 1,452
Region 4	Southwest	\$ 503	\$ 1,006	\$ 1,509
Region 5	Northern (Remote)	\$ 592	\$ 1,184	\$ 1,776

*Monthly rate x 9 months x actual student count = a district's reimbursement for the residential program*

**Program Notes**

*In FY11, SB 84 provided a two-year 2x rate increase for FY12 and FY13.*

*In FY13 SB 47 repealed the 2x rate increase from SB 84 and set the 2x rate in statute; limit on number of residential schools was removed & statute/regulation language amended to include variable-term schools.*

*In FY15, HB 278 provided a 1.5x increase in rate and set the rate in statute.*

**Definitions**

Statewide	<i>Students from any district may apply.</i>
District-wide	<i>Only students enrolled in the district in which the program resides may apply.</i>
Year-long	<i>A program that retains students during the school year which is not less than 180 days in session.</i>
Variable-term	<i>A program that rotates students in and out of the program during the school year for the entire school term. 4 AAC 33.090(h)</i>
School term	<i>...at least 900 hours of instruction and study periods...to receive the approximate educational equivalent of a 180-day term. AS 14.03.030(3)</i>

**Table 2**

Department of Education & Early Development  
 Residential and Boarding Stipend Allocation: Boarding Home Grants  
 January 2017

Prepared by School Finance

Residential Schools	FY2016				FY2017				FY2018			
Districts	<u>Authorized</u>		<u>Actual</u>		<u>Authorized</u>		<u>Projected</u>					
Anchorage												
Approved program capacity, students	4		-		4		4					
Monthly Rate	\$1,200		1,200		\$1,200		\$1,200					
Travel	2,400		-		2,400		2,400					
Stipends	43,200		-		43,200		43,200					
Total		45,600		-		45,600		45,600				
Bering Strait												
Approved program capacity, students	26		26		26		26					
Monthly Rate	1,776		1,776		1,776		1,776					
Travel	15,600		12,177		15,600		15,600					
Stipends	415,584		415,584		415,584		415,584					
Total		431,184		427,761		431,184		431,184				
Chugach												
Approved program capacity, students	24		24		24		24					
Monthly Rate	1,200		1,200		1,200		1,200					
Travel	14,400		10,383		14,400		14,400					
Stipends	259,200		259,200		259,200		259,200					
Total		273,600		269,583		273,600		273,600				
Galena												
Approved program capacity, students	210		210		210		210					
Monthly Rate	1,776		1,776		1,776		1,776					
Travel	160,434		115,777		160,434		160,434					
Stipends	3,356,640		3,356,640		3,356,640		3,356,640					
Total		3,517,074		3,472,417		3,517,074		3,517,074				
Lower Kuskokwim												
Approved program capacity, students	75		58		75		75					
Monthly Rate	1,509		1,509		1,509		1,509					
Travel	42,041		20,628		42,041		42,041					
Stipends	1,018,575		787,698		1,018,575		1,018,575					
Total		1,060,616		808,326		1,060,616		1,060,616				
Nenana												
Approved program capacity, students	100		89		100		100					
Monthly Rate	1,452		1,452		1,452		1,452					
Travel	75,772		61,002		75,772		75,772					
Stipends	1,306,800		1,163,052		1,306,800		1,306,800					
Total		1,382,572		1,224,054		1,382,572		1,382,572				
Northwest Arctic												
Approved program capacity, students	40		23		40		40					
Monthly Rate	1,776		1,776		1,776		1,776					
Travel	160,434		7,038		24,000		24,000					
Stipends	639,360		367,632		639,360		639,360					
Total		799,794		374,670		663,360		663,360				
Residential School Totals	479	\$ 7,510,440	430	\$ 6,576,811	479	\$ 7,374,006	479	\$ 7,374,006				
Boarding Home Stipend Totals		185,900		49,591		179,194		179,194				
Total		\$7,696,340		\$6,626,401		7,553,200		\$7,553,200				
			Difference	1,069,939								

Note 1: Districts participating in the boarding stipend program during FY2016: Dillingham, Lake and Peninsula, Southwest Region, Yukon Koyukuk.

## Youth in Detention

Statutes: AS 14.07.020(a)(5)

Youth in Detention funds are allocated to school districts in the state that provide educational programs to incarcerated youth as directed under AS 14.07.020(a)(5). The educational programs are provided year round.

### Funding History:

- FY2014 Appropriation: \$1,100.0 UGF
- FY2015 Appropriation: \$1,100.0 UGF
- FY2016 Appropriation: \$1,100.0 UGF
- FY2017 Appropriation: \$1,100.0 UGF
- FY2018 Governor's Budget: \$1,100.0 UGF

### Formula:

- Grant is based on the adjusted average daily membership (ADM) calculated from the bed count of each facility.

### District requirements:

- Must report the revenues and expenditures in a special revenue fund within their annual audit.

Matching Requirements: None

### FY2018 Projected Allocations:

<b>District</b>	<b>Facility</b>	<b>Grant</b>
Anchorage	<i>McLaughlin Youth Center</i>	\$ 398.5
Anchorage	<i>The New Path High School</i>	148.0
Fairbanks	<i>Fairbanks Youth Facility</i>	120.4
Juneau	<i>Johnson Youth Facility</i>	95.7
Kenai	<i>Marathon Detention Center</i>	73.8
Lower Kuskokwim	<i>Bethel Youth Facility</i>	104.8
Mat-Su	<i>Mat-Su Detention Center</i>	67.4
Nome	<i>Nome Youth Facility</i>	91.4
		<b>\$1,100.0</b>

### Attachments:

- FY2017 Management Plan vs FY2018 Governor Budget component detail (Page 13)

**Component Detail (1077)**  
**Department of Education and Early Development**

**DRAFT**

**Component:** Youth in Detention (150)

Formula Component

**RDU:** K-12 Support (53)

	FY2017 Management Plan (13565)	FY2018 Governor (13956)	FY2018 Governor vs FY2017 Management Plan	
1000 Personal Services	0.0	0.0	0.0	0.0%
2000 Travel	0.0	0.0	0.0	0.0%
3000 Services	0.0	0.0	0.0	0.0%
4000 Commodities	0.0	0.0	0.0	0.0%
5000 Capital Outlay	0.0	0.0	0.0	0.0%
7000 Grants, Benefits	1,100.0	1,100.0	0.0	0.0%
8000 Miscellaneous	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>1,100.0</b>	<b>1,100.0</b>	<b>0.0</b>	<b>0.0%</b>
<b><u>Funding Sources:</u></b>				
1004Gen Fund (UGF)	1,100.0	1,100.0	0.0	0.0%
<b><u>Funding Totals:</u></b>				
<b>Unrestricted General (UGF)</b>	<b>1,100.0</b>	<b>1,100.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Designated General (DGF)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Other</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Federal</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b><u>Positions:</u></b>				
Permanent Full Time	0	0	0	0.0%
Permanent Part Time	0	0	0	0.0%
Non Permanent	0	0	0	0.0%

## **Special Schools**

Statutes: AS 14.07.030(1); AS 14.07.060; AS 14.30.600 - 660

Regulations: 4 AAC 33.060; 4 AAC 33.070

Provides financial resources for educational services to students in special schools programs.

These funds provide supplementary educational services to students with severe disabling conditions. The resident school where the child would normally be placed does not have the resources to provide an adequate educational program. Without the supplementary services the child's needs would not be met by the local school district, in most cases.

Three programs under this component:

- Special Education Service Agency (SESA)
- Providence Heights School
- Alaska School for the Deaf

Funding History:

- FY2014 Appropriation: \$3,691.7 UGF
- FY2015 Appropriation: \$3,693.3 UGF
- FY2016 Appropriation: \$3,582.4 UGF
- FY2017 Appropriation: \$3,532.4 UGF
- FY2018 Governor's Budget: \$3,563.9 UGF

### **Special Education Service Agency (SESA)**

- This agency is governed by the Governor's Council on Disabilities and Special Education. It provides outreach services to school districts that serve low incidence, severely disabled students.
- Formula – \$18.65 x average daily membership (ADM) in the preceding fiscal year (AS 14.30.650)
- FY2018 Projected Allocation: \$2,432.5 UGF
  - FY2018 Governor's Proposed Budget contains a \$31.5 UGF increment request to as a result of an increase in ADM.
- AS 14.30.600-660

### **Providence Heights School**

- This is an educational program at the Alaska Psychiatric Institute (API), which is operated by the Anchorage School District.
- Students enrolled in this program are patients of the API and the educational program is an important part of these students' treatment.
- FY2018 Projected Allocation: \$145.0 UGF
- 4 AAC 33.060

### Alaska School for the Deaf

- Two components: instruction and residential.
- The instructional program is currently operated by the Anchorage School District. The district receives foundation funds for the students enrolled.
  - FY2018 Projected Allocation: \$499.0 UGF
- The residential program is funded through a Reimbursable Services Agreement with the Department of Health and Social Services. Students from outside Anchorage are housed in group and foster homes while they attend school. Currently Hope Cottages runs this program.
  - FY2018 Projected Allocation: \$487.4 UGF
- 4 AAC 33.070

### Grantee/District requirements:

- Under all three programs, an annual plan of service is required to be submitted and approved by the department.

Matching Requirements: None

### Attachments:

- FY2017 Management Plan vs FY2018 Governor Budget component detail (Page 16)

**Component Detail (1077)**  
**Department of Education and Early Development**

**DRAFT**

**Component:** Special Schools (2735)

Formula Component

**RDU:** K-12 Support (53)

	FY2017 Management Plan (13565)	FY2018 Governor (13956)	FY2018 Governor vs FY2017 Management Plan	
1000 Personal Services	0.0	0.0	0.0	0.0%
2000 Travel	0.0	0.0	0.0	0.0%
3000 Services	0.0	0.0	0.0	0.0%
4000 Commodities	0.0	0.0	0.0	0.0%
5000 Capital Outlay	0.0	0.0	0.0	0.0%
7000 Grants, Benefits	3,532.4	3,563.9	-31.5	-0.9%
8000 Miscellaneous	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>3,532.4</b>	<b>3,563.9</b>	<b>-31.5</b>	<b>-0.9%</b>
<b><u>Funding Sources:</u></b>				
1004Gen Fund (UGF)	3,532.4	3,563.9	-31.5	-0.9%
<b><u>Funding Totals:</u></b>				
<b>Unrestricted General (UGF)</b>	<b>3,532.4</b>	<b>3,563.9</b>	<b>-31.5</b>	<b>-0.9%</b>
<b>Designated General (DGF)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Other</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Federal</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b><u>Positions:</u></b>				
Permanent Full Time	0	0	0	0.0%
Permanent Part Time	0	0	0	0.0%
Non Permanent	0	0	0	0.0%