

FY 2018
HOUSE FINANCE BUDGET SUBCOMMITTEE
DEPARTMENT OF EDUCATION &
EARLY DEVELOPMENT
(DEED)



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**Members: Representatives Drummond, Parish, Fansler, Spohnholz,
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The Fiscal Year 2018 Budget:

Legislative Fiscal Analyst's Overview of the Governor's Request



Legislative Finance Division

www.legfin.akleg.gov

The Legislative Finance Division has a professional, non-partisan staff that provides general budget analysis for members of the legislature and specifically supports the Legislative Budget and Audit Committee and the House and Senate standing finance committees. Each fiscal analyst is assigned agency areas of responsibility. Per AS 24.20.231 the duties of the office are to:

- (1) analyze the budget and appropriation requests of each department, institution, bureau, board, commission, or other agency of state government;*
- (2) analyze the revenue requirements of the state;*
- (3) provide the finance committees of the legislature with comprehensive budget review and fiscal analysis services;*
- (4) cooperate with the Office of Management and Budget in establishing a comprehensive system for state budgeting and financial management as set out in AS 37.07 (Executive Budget Act);*
- (5) complete studies and prepare reports, memoranda, or other materials as directed by the Legislative Budget and Audit Committee;*
- (6) with the governor's permission, designate the legislative fiscal analyst to serve ex officio on the governor's budget review committee;*
- (7) identify the actual reduction in state expenditures in the first fiscal year following a review under AS 44.66.040 resulting from that review and inform the Legislative Budget and Audit Committee of the amount of the reduction; and*
- (8) not later than the first legislative day of each first regular session of each legislature, conduct a review in accordance with AS 24.20.235 of the report provided to the division under AS 43.05.095.*

**LEGISLATIVE FINANCE DIVISION
FISCAL ANALYST/BUDGET ASSIGNMENTS**

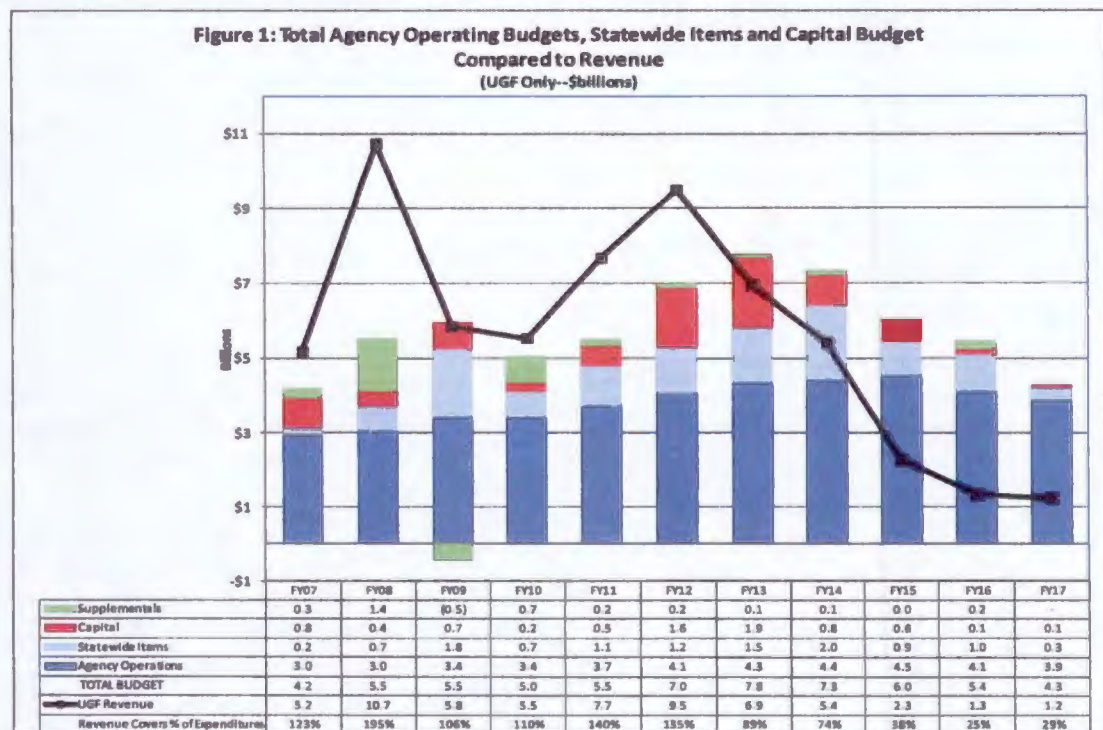
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Introduction

As required by law, the Governor released his FY18 budget proposal to the public and the legislature on December 15, 2016. The Legislative Finance Division prepared this overview of the Governor's proposal and "Subcommittee Books" for each agency in accordance with AS 24.20.211-.231.

Alaska's Fiscal Situation

As he did a year ago, the Governor submitted a budget/plan that would radically improve Alaska's fiscal situation. For those unfamiliar with Alaska's fiscal situation, Figure 1—which was prepared for a presentation that predates the release of the FY18 revenue forecast and budget—provides a bit of history.



Takeaway points from Figure 1:

1. Spending (the bars) grew rapidly when revenue (the line) was high. Spending went from \$4.2 billion in FY07 to \$7.8 billion in FY13. That's about 9% annual growth—a rate that many knew was not sustainable.
2. Despite spending growth, budget surpluses were substantial through FY12.
3. Spending has been cut steadily since FY13. FY17 expenditures (\$4.3 billion) are approximately the same level as in FY07.
4. Despite spending reductions, FY17 is the fifth consecutive year of substantial budget deficits.
5. Fiscal health is not just about spending; it also depends on how much money is available to spend.

6. Although spending in FY17 has returned to the FY07 level, revenue (the line) is far below historic levels. Revenue declined from an average of over \$7 billion per year (FY07-FY13) to \$1.2 billion in FY17—that's over 80%.
7. **Key point:** While spending in FY07 and FY17 are the same, there was a \$1 billion surplus in FY07 and an anticipated \$3.1 billion deficit in FY17.
8. Alaska saved a huge amount of money when revenue exceeded expenditures, but now revenue covers less than 30% of annual expenditures, leaving fiscal gaps that have been filled by pulling money out of reserves (primarily the Constitutional Budget Reserve fund (CBR)).
9. The CBR now holds only enough money to get through FY18.

In recognition of an unsustainable fiscal situation, the Governor's FY17 budget included a plan that did three things:

1. cut government spending (including Permanent Fund dividends (PFDs)),
2. increased revenue (income tax and some other, smaller taxes), and
3. used some earnings of the Permanent Fund to support government spending.

The Governor said that if the legislature didn't do all three, and do them soon, PFDs might go away and Alaskans would still have to pay taxes and experience service reductions.

The Governor's plan was not adopted by the legislature, and the fiscal situation is little changed from last year.

1. Government spending was reduced in FY17, both by the legislature and via the Governor's vetoes. But requested FY18 unrestricted general fund (UGF) spending is down less than \$50 million from FY17. After adjusting for fund source changes and for items that the legislature may wish to add to the Governor's budget, FY18 UGF spending could be higher than last year.
2. None of the Governor's FY17 tax bills made it very far through the committee process. The Governor introduced a motor fuel tax bill that would increase FY18 revenue by about \$35 million. According to the Fall Revenue Sources Book, the Department of Revenue has been working on an income tax bill that would generate about \$500 million annually. Income taxes are not discussed in this overview because the Governor did not introduce that bill as part of his budget package.
3. As he did last year, the Governor proposed the use of Permanent Fund earnings to help balance the budget. The bill/plan he introduced is not the plan he submitted last year; it is similar to the bill (SB 128) that was adopted by the Senate during the 2016 session.

It is item 3 that would radically reduce Alaska's fiscal deficits—both short- and long-term. The Governor's budget includes a \$2.5 billion payout from the Earnings Reserve Account (ERA) of the Permanent Fund. After using \$700 million of that amount to pay dividends, the net revenue increase is \$1.8 billion. After the Governor's proposed expenditures and revenue measures, the FY18 deficit is about \$840 million.

That is a huge deficit, with revenue covering less than 85% of expenditures. It is, however, a huge improvement from the \$3 billion to \$4 billion deficits of the past three years.

The Governor's plan to include some Permanent Fund earnings in unrestricted general fund revenue is not only a radical departure from past practice, it literally changes history. The Permanent Fund has effectively been "off budget" since its inception—earnings have been omitted from unrestricted general fund (UGF) revenue, so spending of Permanent Fund earnings was also excluded from reported UGF expenditures.

Traditional treatment of Permanent Fund earnings—not counting them as either UGF revenue or UGF expenditures—is attributable to statutory formulas for dividends and inflation proofing. When statutes specify purposes/uses of a fund source (that would otherwise be classified as UGF) the fund source is classified as "designated general funds" (DGF). The DGF category of funds does not affect the deficit and is often omitted from reports of state spending.

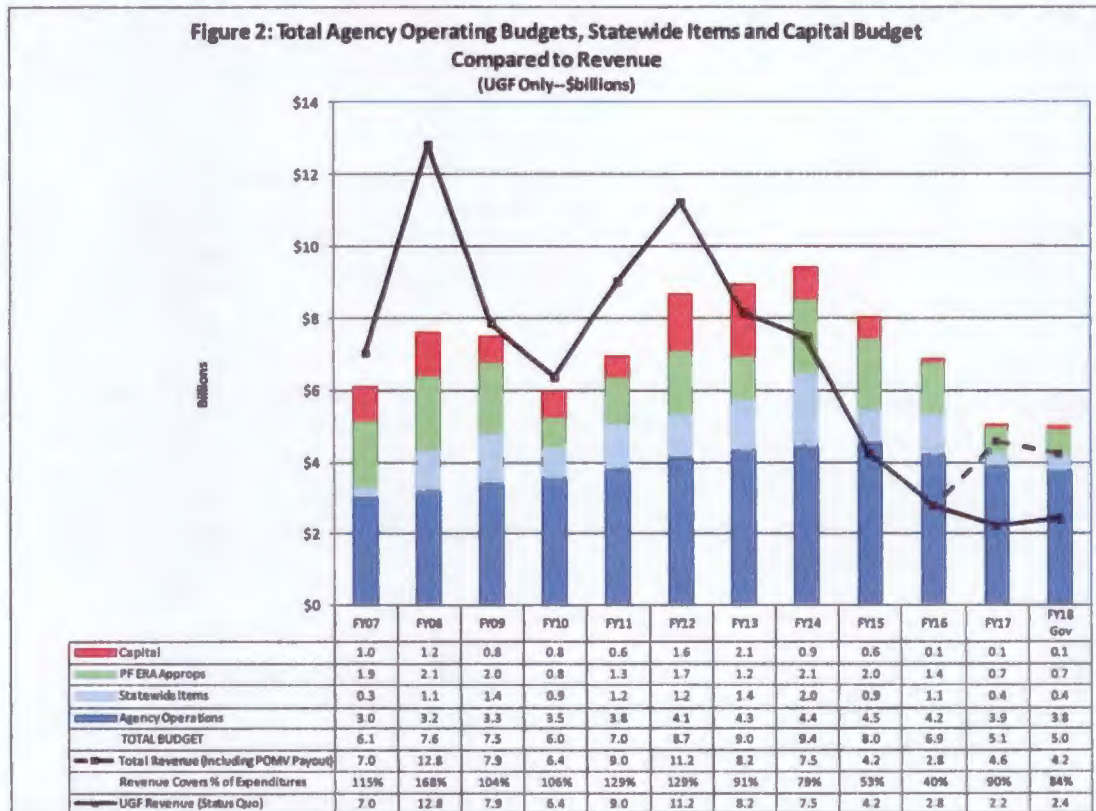
In the proposed FY18 budget, classification of Permanent Fund earnings as "designated for purposes of inflation proofing and paying dividends" is no longer justifiable—

1. there is no inflation proofing in the Governor's budget,
2. dividends are paid from the unrestricted general fund, and
3. the only significant use of earnings is a payout to the unrestricted general fund.

In short, the Governor's budget formalizes what has been true since the Permanent Fund was established: the legislature can appropriate from the Earning Reserve Account (ERA) for any purpose. Based on the proposed use of the ERA—which is limited to a payout to the UGF—appropriations of Permanent Fund earnings are now classified as unrestricted general fund expenditures. As with every fund source reclassification, past appropriations are also reclassified in order to allow meaningful comparisons across fiscal years.

Figure 2 updates UGF revenue and expenditures to reflect the reclassification of Permanent Fund earnings. Appropriations for dividends and inflation proofing are added to the expenditure bars. UGF revenue for each year (the solid line) is adjusted upward by the amount of dividends and inflation proofing. The identical additions to revenue and expenditures leaves deficits unchanged.

The dashed revenue line for FY17 and FY18 shows the impact of percent of market value (POMV) payments from the Permanent Fund ERA to the general fund. The payments are based on a POMV of the Permanent Fund. The net payouts—the amounts by which the payouts exceed appropriations for dividends and inflation proofing—show as increases in UGF revenue.



Takeaway points from Figure 2:

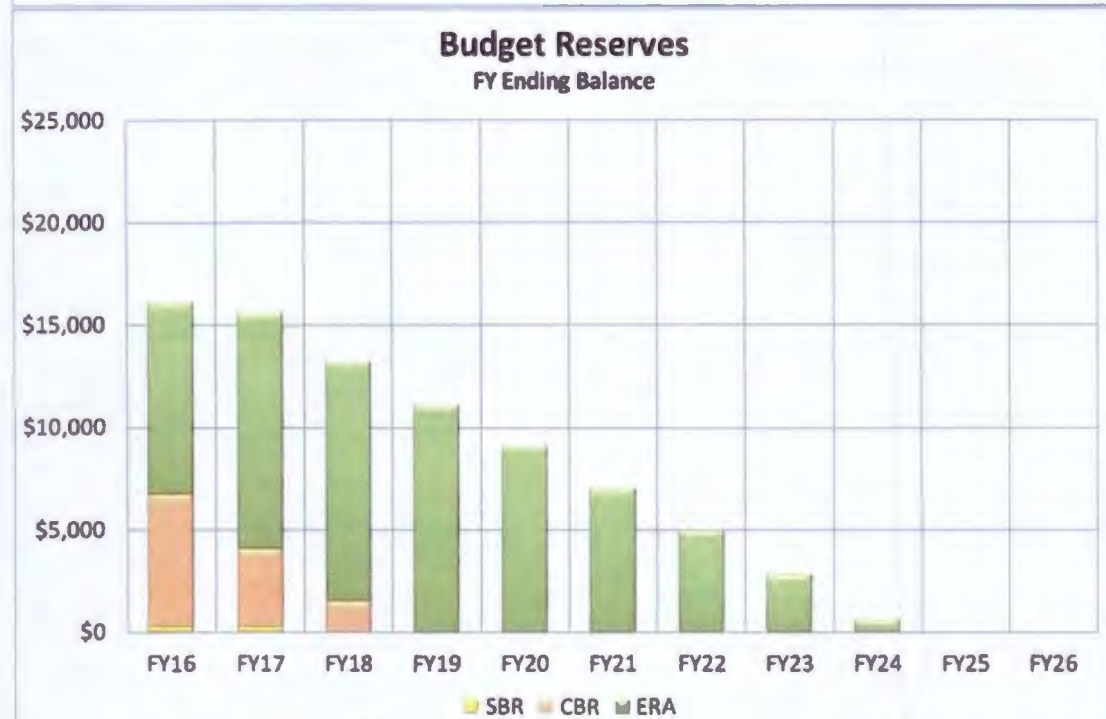
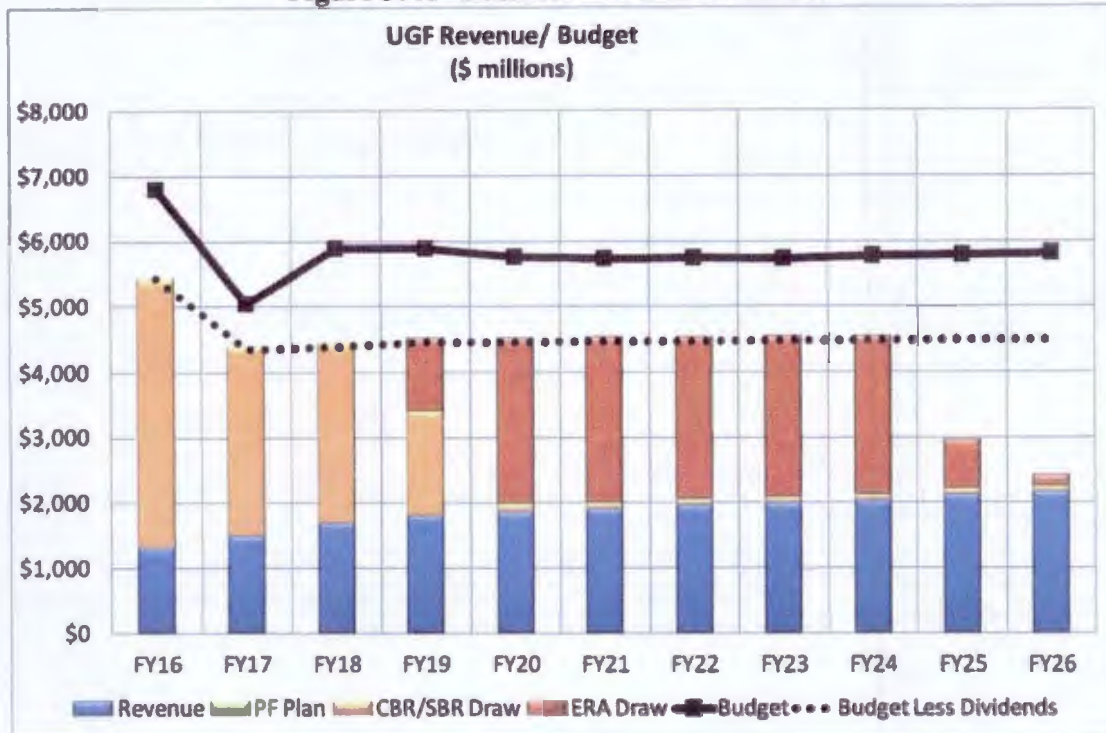
1. POMV payments close a large part of the deficit in FY17 and FY18
 - a. The anticipated FY17 deficit is reduced from \$2.9 billion to \$537 million. Note that the proposed POMV payment is arguably too high because it fails to deduct the \$700 million that was paid as dividends directly from the ERA in FY17.
 - b. The anticipated FY18 deficit is reduced from \$2.7 billion to \$840 million.
2. A deficit remains in both FY17 and FY18 despite the POMV payment.

Given the fact that the Governor's budget/plan does not close the deficit, a key question remains: "How does the Governor's budget/plan affect Alaska's fiscal future—what happens to reserve balances and dividends?" Figures 3 and 4 can help answer this question. The two figures are generated by a model created by the Legislative Finance Division.

Figure 3 is a "business as usual" scenario. It assumes that

1. expenditures follow a "no growth" scenario,
2. traditional sources of revenue remain the only sources of revenue,
3. Permanent Fund earnings are used directly for dividends and inflation proofing, and
4. deficits are filled from the CBR until it is depleted, and are then filled from the ERA.

Figure 3: A "Business as Usual" Scenario



	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Reserves	13,191	11,076	9,062	6,982	4,922	2,784	591	0	0
Deficit	-2,758	-2,709	-2,663	-2,635	-2,574	-2,559	-2,527	-2,441	-2,403
Years to Exhaust	5	4	3	3	2	1	0	0	0

Takeaway points from Figure 3:

1. The CBR is exhausted by FY19.
2. The ERA is exhausted by FY25.
3. The scenario is not sustainable—beginning in FY25
 - a. Permanent Fund earnings are insufficient to continue dividends and inflation proofing, and
 - b. deficits cannot be filled from reserves.

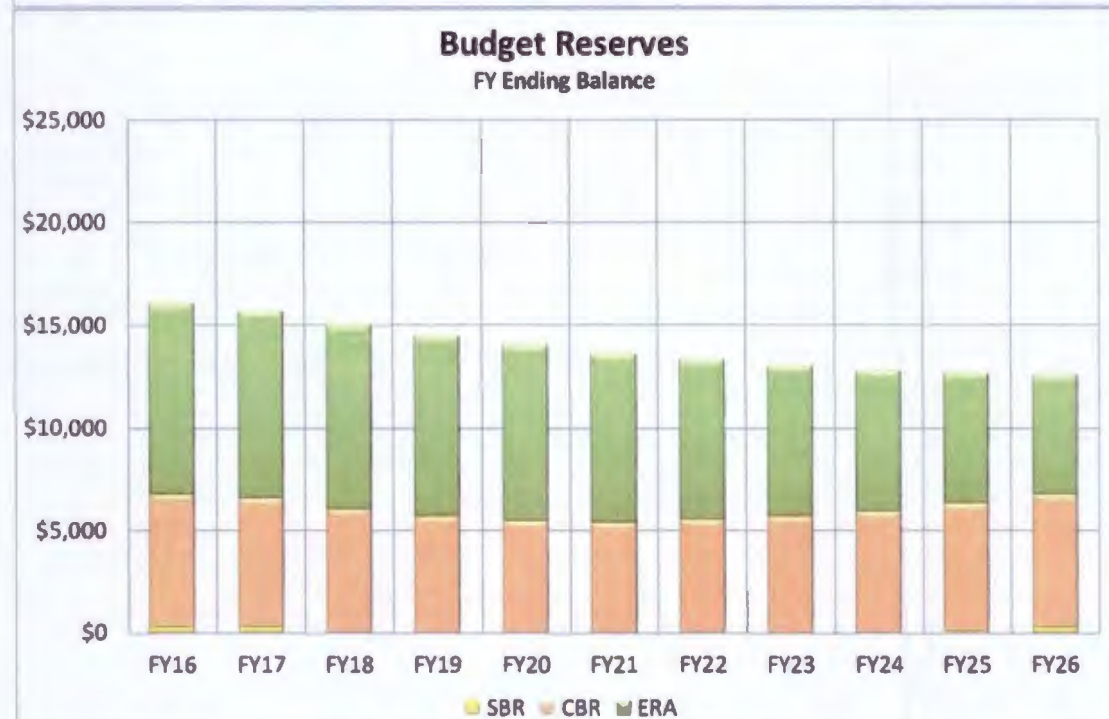
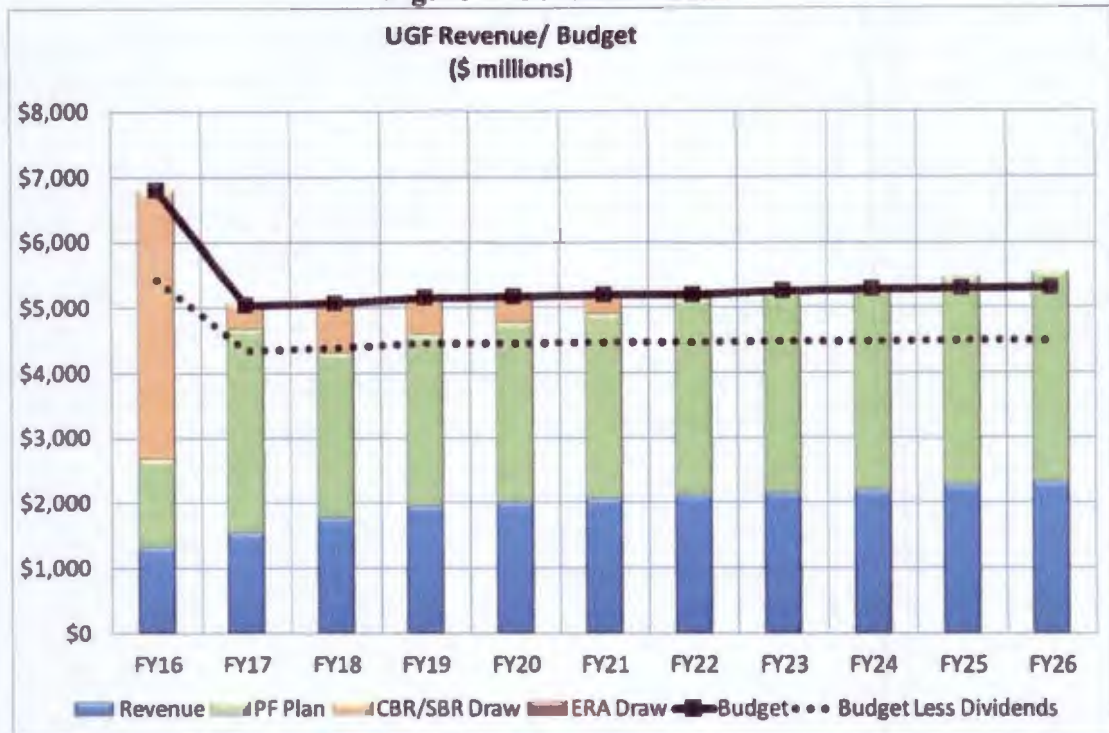
Figure 4 provides projections under the Governor's plan. It assumes that:

1. Expenditures follow a "no growth" scenario.
2. Traditional sources of revenue are supplemented by
 - a. an annual POMV payout equal to 5.25% of prior balances of the Permanent Fund,
 - b. additional royalty revenue that otherwise would be going to the Permanent Fund, and
 - c. an increase to the motor fuel tax.
3. Permanent Fund earnings are no longer directly used for dividends or inflation proofing; earnings are used only for annual deposits to the general fund.
4. Dividends are
 - a. based on Permanent Fund balances and on royalty income,
 - b. paid from the general fund, and
 - c. are roughly half of the amounts under a "business as usual" scenario.
5. Deficits are filled from the CBR. If that fund is depleted, deficits are filled from the ERA.

Takeaway points from Figure 4:

1. If expenditures—including dividends of about \$1,000 per capita—remain as shown in Figure 4, budget surpluses are projected after FY24.
2. The CBR balance remains above \$5 billion.
3. Total reserve balances decline slowly but remain above \$12 billion.
4. The plan does not include an income or other broad-based tax, revenue from which could permit higher expenditures (including higher dividends) or increases to reserve balances.

Figure 4: Governor's Plan



	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Reserves	14,979	14,444	13,992	13,607	13,310	13,022	12,784	12,651	12,582
Deficit	-832	-631	-458	-345	-130	-93	-21	104	191
Years to Exhaust	18	23	31	39	102	140	599	*	*

Further Analysis

The model—which is available to legislators—allows evaluation of spending and revenue options under various assumptions. The model can be used to project long-term impacts of FY18 (and later) budget actions.

For those whose focus is on FY18, the fiscal summary (on page 10) provides a concise statement (and comparison) of projected revenue, appropriations and the size of the anticipated deficit. It has the limitation of being short on explanation.

Some legislators will undoubtedly be disappointed to see that proposed UGF expenditures are less than \$50 million below the FY17 budget. Those that hope to end the session with a larger reduction will be disappointed to discover several items that may tend to push the FY18 UGF budget higher than proposed. These include:

Failure to Increase Motor Fuel Tax Rates	\$70 million
UGF for Community Assistance	\$30 million
UGF for Retirement Assistance	\$58 million
UA and DEED capital projects	<u>\$21</u> million
Total	\$180 million

Filling the holes listed above would increase the deficit from about \$840 million to about \$1 billion.

This *Overview* contains more detailed discussions of the proposed FY18 budget:

- Agency summaries (operating budget on pages 22 & 23 and capital budget beginning on page 83) provide a quick comparison of the Governor's proposed budget with FY17 spending.
- Narratives on individual agency operating budgets begin on page 94.
- Language sections of both operating and capital bills (with analysis) begin on pages 25 and 84, respectively.

"Subcommittee Books" and detailed agency binders are available in the Finance Committee rooms.

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State of Alaska Fiscal Summary—FY17 and FY18 (Part 1)

(\$ millions)

Legislative Fiscal Analyst's Overview of the Governor's FY2018 Request

	FY17 Management Plan						FY18 Governor						Change in UGF	
	Unrestricted General Funds	Designated General Funds	Total General Funds	Other State Funds	Federal Receipts	All Funds	Unrestricted General Funds	Designated General Funds	Total General Funds	Other State Funds	Federal Receipts	All Funds	\$	%
REVENUE	4,570.1	989.9	5,560.0	770.9	3,545.0	9,875.9	4,228.6	990.1	5,218.7	680.6	3,442.3	9,341.5	(341.6)	-7.5%
Unrestricted General Fund Revenue (Fall 2016) (1)	1,446.7	-	1,446.7	-	-	1,446.7	1,624.1	-	1,624.1	-	-	1,624.1	-	-
Permanent Fund Protection Act POMV Draw (2)	2,385.8	-	2,385.8	-	-	2,385.8	2,525.7	-	2,525.7	-	-	2,525.7	-	-
FY17 ERA Draw for Permanent Fund Dividend (2)	695.7	-	695.7	-	-	695.7	-	-	-	-	-	-	-	-
Additional Royalties from Permanent Fund (2)	-	-	-	-	-	-	54.9	-	-	-	-	-	-	-
Transfer from ERA for Amerada Hess Settlement (2)	23.0	-	-	-	-	-	26.0	-	-	-	-	-	-	-
Motor Fuel Tax Legislation Adjustment (3)	-	-	-	-	-	-	(35.6)	71.1	35.6	4.8	-	40.2	-	-
REAA Fund Lapse (4)	-	-	-	-	-	-	33.4	-	33.4	-	-	33.4	-	-
Carryforward, Repeals, and Adjustments (5)	19.0	-	19.0	-	3.6	22.7	-	-	-	-	-	-	-	-
Designated General Fund Revenue (6)	-	989.9	989.9	-	-	989.9	-	919.0	919.0	-	-	919.0	-	-
APPROPRIATIONS														
TOTAL OPERATING APPROPRIATIONS	4,245.6	938.9	5,184.5	685.9	2,219.8	8,090.1	4,176.4	945.0	5,121.4	624.8	2,234.4	7,980.6	(69.2)	-1.6%
Agency Operations	3,878.3	817.1	4,695.3	592.8	2,190.9	7,479.0	3,756.7	868.0	4,624.7	573.5	2,206.7	7,405.0	(121.5)	-3.1%
Current Fiscal Year Appropriations	3,878.3	817.1	4,695.3	592.8	2,190.9	7,479.0	3,756.7	868.0	4,624.7	573.5	2,206.7	7,405.0	(121.5)	-3.1%
Agency Operations (Non-Formula)	1,899.0	758.7	2,657.7	564.0	913.7	4,135.4	1,840.7	745.4	2,586.1	542.4	912.3	4,040.8	(58.3)	-3.1%
K-12 Foundation Formula and Pupil Transportation	1,243.0	-	1,243.0	23.7	20.8	1,287.4	1,249.1	-	1,249.1	20.0	20.8	1,289.9	6.1	0.5%
Medicaid Services (Formula)	580.2	0.4	580.6	5.2	1,143.3	1,729.1	603.5	1.8	605.3	4.8	1,125.3	1,735.3	23.4	4.0%
Other Formula Programs	186.2	58.0	214.1	-	107.9	322.0	131.8	54.4	186.0	1.9	148.4	336.2	(24.6)	-15.7%
Revised Programs Legislatively Approved	-	-	-	-	5.1	5.1	-	-	-	-	-	-	-	-
Fiscal Notes (FY17 notes are included in MP) (7)	-	-	-	-	-	-	(68.2)	66.4	(1.8)	4.5	-	2.7	(68.2)	-
Duplicated Authorization (non-additive) (8)	-	-	-	793.9	-	793.9	-	-	-	790.6	-	790.6	-	-
Statewide Items	367.3	121.8	489.1	93.1	28.9	611.1	419.7	77.0	496.7	51.3	27.6	575.6	52.4	14.3%
Current Fiscal Year Appropriations	367.3	121.8	489.1	93.1	28.9	611.1	419.7	77.0	496.7	51.3	27.6	575.6	52.4	14.3%
Debt Service	182.2	18.3	200.5	84.7	5.2	290.5	209.4	18.6	228.0	45.0	5.2	278.3	27.2	14.9%
Fund Capitalization	46.4	13.7	60.1	8.3	23.6	89.1	76.0	0.1	76.1	6.2	22.4	104.8	29.6	63.7%
Community Assistance	-	13.6	13.6	-	-	13.6	-	-	-	-	-	-	-	-
Oil & Gas Production Tax Credits	30.0	-	30.0	-	-	30.0	74.0	-	74.0	-	-	74.0	44.0	146.7%
Other Fund Capitalization	16.4	0.1	16.6	6.3	23.4	45.3	2.0	0.1	2.1	6.2	22.4	30.8	(14.4)	-87.8%
Retirement Costs: Actuarial Recommendation	134.2	89.8	224.1	-	-	224.1	134.2	58.3	192.5	-	-	192.5	(0.0)	0.0%
Judgments, Claims and Settlements	4.4	-	4.4	-	-	4.4	-	-	-	-	-	-	(4.4)	-100.0%
Duplicated Authorization (non-additive) (8)	-	-	-	13.6	-	13.6	-	-	-	14.2	-	14.2	-	-
Supplemental Appropriations (Statewide)	-	-	-	3.0	-	3.0	-	-	-	-	-	-	-	-
Cost of Issuing Debt (duplicated)	-	-	-	3.0	-	3.0	-	-	-	-	-	-	-	-
TOTAL CAPITAL APPROPRIATIONS	96.1	11.7	107.8	85.0	1,325.2	1,518.1	115.2	31.5	146.7	55.8	1,207.9	1,410.4	19.1	19.9%
Current Fiscal Year Appropriations	96.1	11.5	107.6	85.0	1,325.2	1,517.8	115.2	31.5	146.7	55.8	1,207.9	1,410.4	19.1	19.9%
Project Appropriations & RPLs (Revised Programs)	96.1	11.5	107.6	85.0	1,325.2	1,517.8	120.0	26.7	146.7	55.8	1,207.9	1,410.4	23.9	24.8%
Fiscal Notes	-	-	-	-	-	-	(4.8)	4.8	-	-	-	-	-	-
Duplicated Authorization (non-additive) (8)	-	-	-	64.5	-	64.5	-	-	-	19.2	-	19.2	-	-
Supplemental Appropriations (Capital)	-	0.3	0.3	-	-	0.3	-	-	-	-	-	-	-	-
Money on the Street (includes all fund sources) (9)	96.1	11.7	107.8	149.5	1,325.2	1,582.6	115.2	31.5	146.7	75.0	1,207.9	1,429.6	19.1	19.9%
Pre-Permanent Fund Authorization (unduplicated)	4,341.7	950.6	5,292.3	770.9	3,545.0	9,608.2	4,291.7	976.5	5,268.1	680.6	3,442.3	9,391.8	(50.1)	-1.2%
Fiscal Deficit without Permanent Fund Legislation (10)	(2,576.9)	-	-	33.6%	of Appropriations	-	(2,063.7)	-	-	37.8%	of Appropriations	-	-	-
Permanent Fund Earnings Reserve	718.7	-	718.7	-	-	718.7	721.7	-	721.7	-	-	721.7	3.0	0.4%
Permanent Fund Dividends (2)	695.7	-	695.7	-	-	695.7	695.7	-	695.7	-	-	695.7	-	0.0%
Deposits to Principal (Inflation Proofing)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Alaska Capital Income Fund (2)	23.0	-	23.0	-	-	23.0	26.0	-	26.0	-	-	26.0	3.0	13.0%
Pre-Transfers Authorization (unduplicated)	5,060.4	950.6	6,011.0	770.9	3,545.0	10,326.8	5,013.3	976.5	5,989.8	680.6	3,442.3	10,112.6	(47.1)	-0.9%
Pre-Transfer Balance to/from the SBR or CBR	(496.3)	-	-	96.3%	of Appropriations	-	(794.7)	-	-	84.3%	of Appropriations	-	-	-

State of Alaska Fiscal Summary—FY17 and FY18 (Part 1)

(\$ millions)

	FY17 Management Plan						FY18 Governor						Change in UGF	
	Unrestricted General Funds	Designated General Funds	Total General Funds	Other State Funds	Federal Receipts	All Funds	Unrestricted General Funds	Designated General Funds	Total General Funds	Other State Funds	Federal Receipts	All Funds	\$	%
48 Fund Transfers (11)	46.8	39.3	86.1	-	-	86.1	56.1	13.7	69.8	-	-	69.8	9.3	19.9%
49 Current Fiscal Year Transfers	46.8	39.3	86.1	-	-	86.1	56.1	13.7	69.8	-	-	69.8	9.3	19.9%
50 Oil & Hazardous Substance Fund	15.6	7.2	22.8	-	-	22.8	15.5	2.2	17.7	-	-	17.7	(0.1)	-0.5%
51 REAA School Fund	31.2	-	31.2	-	-	31.2	40.6	-	40.6	-	-	40.6	9.4	30.1%
52 Vaccine Assessment Account	-	31.2	31.2	-	-	31.2	-	10.5	10.5	-	-	10.5	-	-
53 Other Funds	-	0.9	0.9	-	-	0.9	-	1.0	1.0	-	-	1.0	-	-
54 Post-Transfers Authorization (unduplicated)	5,107.2	989.9	6,097.1	770.9	3,545.0	10,412.9	5,069.4	990.1	6,059.6	680.6	3,442.3	10,182.4	(37.7)	-0.7%
55 Post-Transfer Balance to/from the SDR or CBR	(537.9)	Revenue Covers	89.5%	of Appropriations			(840.9)	Revenue Covers	82.4%	of Appropriations				
FISCAL YEAR SUMMARY														
Agency Operations	3,878.3	817.1	4,695.3	592.8	2,190.9	7,479.0	3,756.7	868.0	4,624.7	573.6	2,206.7	7,405.0	(121.5)	-3.1%
Statewide Items	367.3	121.8	489.1	93.1	28.9	611.1	419.7	77.0	496.7	51.3	27.6	575.6	52.4	14.3%
Permanent Fund Earnings Reserve	718.7	0.0	718.7	0.0	0.0	718.7	721.7	0.0	721.7	0.0	0.0	721.7	3.0	0.4%
Total Operating	4,964.2	938.9	5,903.1	685.9	2,219.8	8,808.8	4,898.1	945.0	5,843.0	624.9	2,234.4	8,702.2	(66.2)	-1.3%
Capital	96.1	11.7	107.8	85.0	1,325.2	1,518.1	115.2	31.5	146.7	55.8	1,207.9	1,410.4	19.1	19.9%
Transfers	46.8	39.3	86.1	-	-	86.1	56.1	13.7	69.8	-	-	69.8	9.3	19.9%

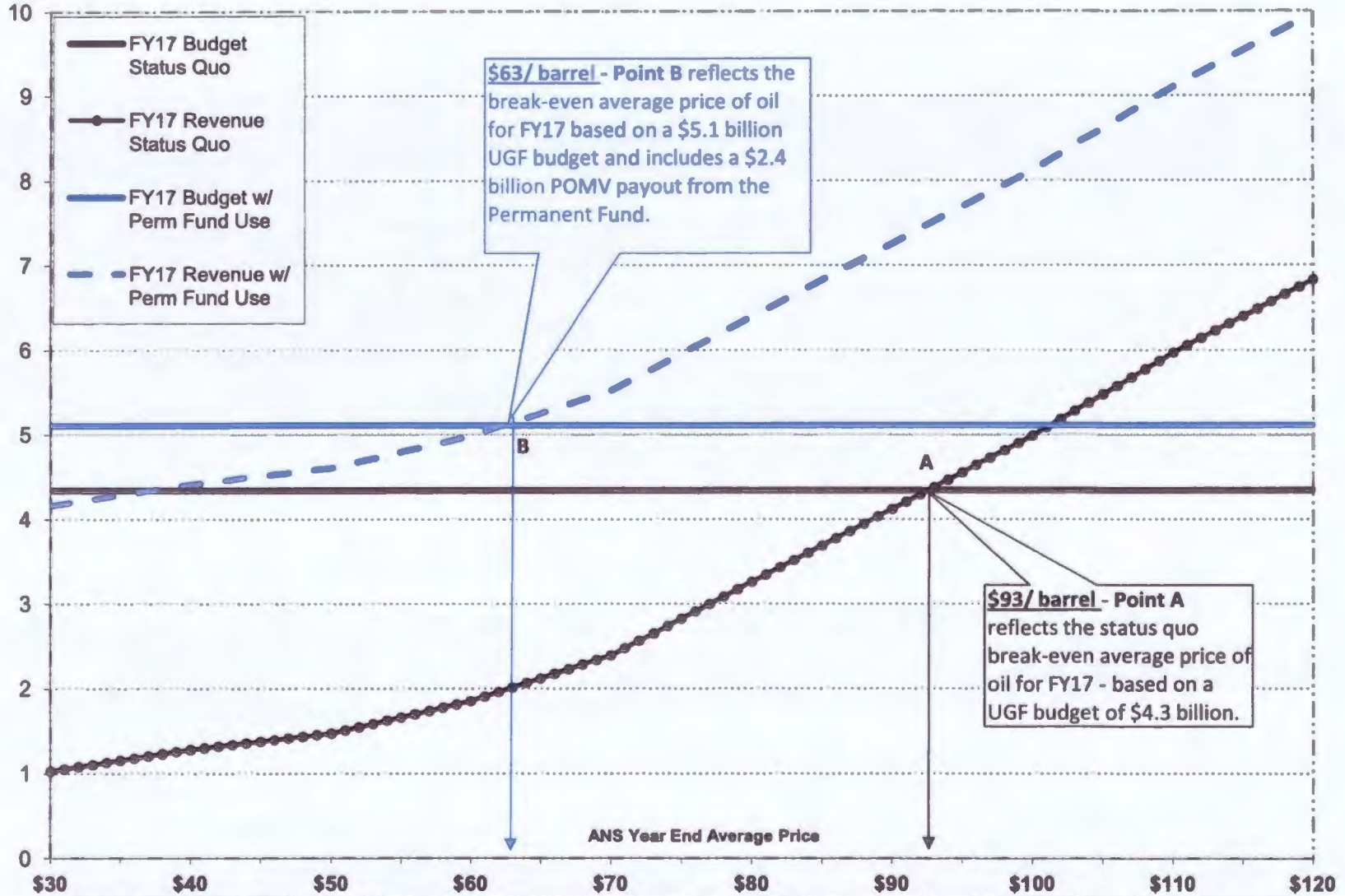
Notes:

January 9, 2017

- (1) The Department of Revenue's Fall 2016 oil forecast for FY17 is 0.506 mbd at \$46.81 per barrel; the FY18 forecast is 0.470 mbd at \$54.00 per barrel.
- (2) Under the proposed Permanent Fund Protection Act, \$2.4 billion is available for transfer from the Earnings Reserve Account to the general fund in FY17 and \$2.5 billion is available for FY18. The transfer amounts in this section reflect the Legislative Finance Division's calculations based on the bill's text. The FY17 dividend was already paid out of the ERA (reflected on Line 4), but FY18 money for dividends is included in the POMV draw. The FY17 POMV draw could be reduced by the amount paid for dividends, but the Governor's budget includes the full draw. Permanent Fund Dividends will be reclassified as UGF expenditures for both years, as seen in Line 43. The transfers to the Capital Income Fund due to the Amerasia Hess settlement are also reclassified as UGF. In addition, royalties to the Permanent Fund would be reduced to 25% in FY18.
- (3) The Governor's budget submission includes legislation to double the Motor Fuel Tax and convert the UGF portion of the tax into Designated General Funds. Thus, UGF revenue decreases by \$35.6 but DGF revenue increases by \$71.1.
- (4) By statute, any balance in the REAA fund beyond \$70 million will lapse to the general fund. The Governor's budget would bring the balance to \$103.4 million, so \$33.4 million would lapse to the general fund at the end of FY18.
- (5) Carryforward is money that was appropriated in a prior year that is made available for spending in a later year via multiyear appropriations. Repeals increase revenue by reducing prior year authorization. Total carryforward into FY18 will be unknown until the close of FY17.
- (6) Designated general funds include 1) program receipts that are restricted to the program that generates the receipts and 2) revenue that is statutorily designated for a specific purpose.
- (7) The Governor's budget includes two fiscal notes: one for the motor fuel tax (see note 3), and one for a yet-to-be-introduced bill relating to employee salaries. While bills that have not been introduced normally would not be in a budget submission, the effect of the proposed bill appears to be possible to obtain through administrative action without legislation.
- (8) Duplicated authorization is in the budget twice, such as when funds flow in and out of a holding account or one agency pays another for services provided. Duplicated authorization also includes the expenditure of bond proceeds when debt service on bonds (which includes repayment of principal) will be reflected in future operating budgets.
- (9) Including duplicated fund sources in the amount of capital spending provides a valuable measure of "money on the street" because it includes projects funded with bond proceeds and other duplicated fund sources.
- (10) This line shows what the deficit would be under the Governor's budget without the Permanent Fund Protection Act and associated draws (Lines 3-5).
- (11) "Fund Transfers" refer to appropriations that move money from one fund to another within the Treasury. Although transfers are not true expenditures, they reduce the amount of money available for other purposes so must be included in the calculation of the surplus/deficit. For reserve accounts, a positive number indicates a deposit and a negative number indicates a withdrawal. When money is withdrawn and spent, the expenditure is included in the operating or capital budget, as appropriate.

FY17 Unrestricted General Fund - Fiscal Sensitivity Overlay

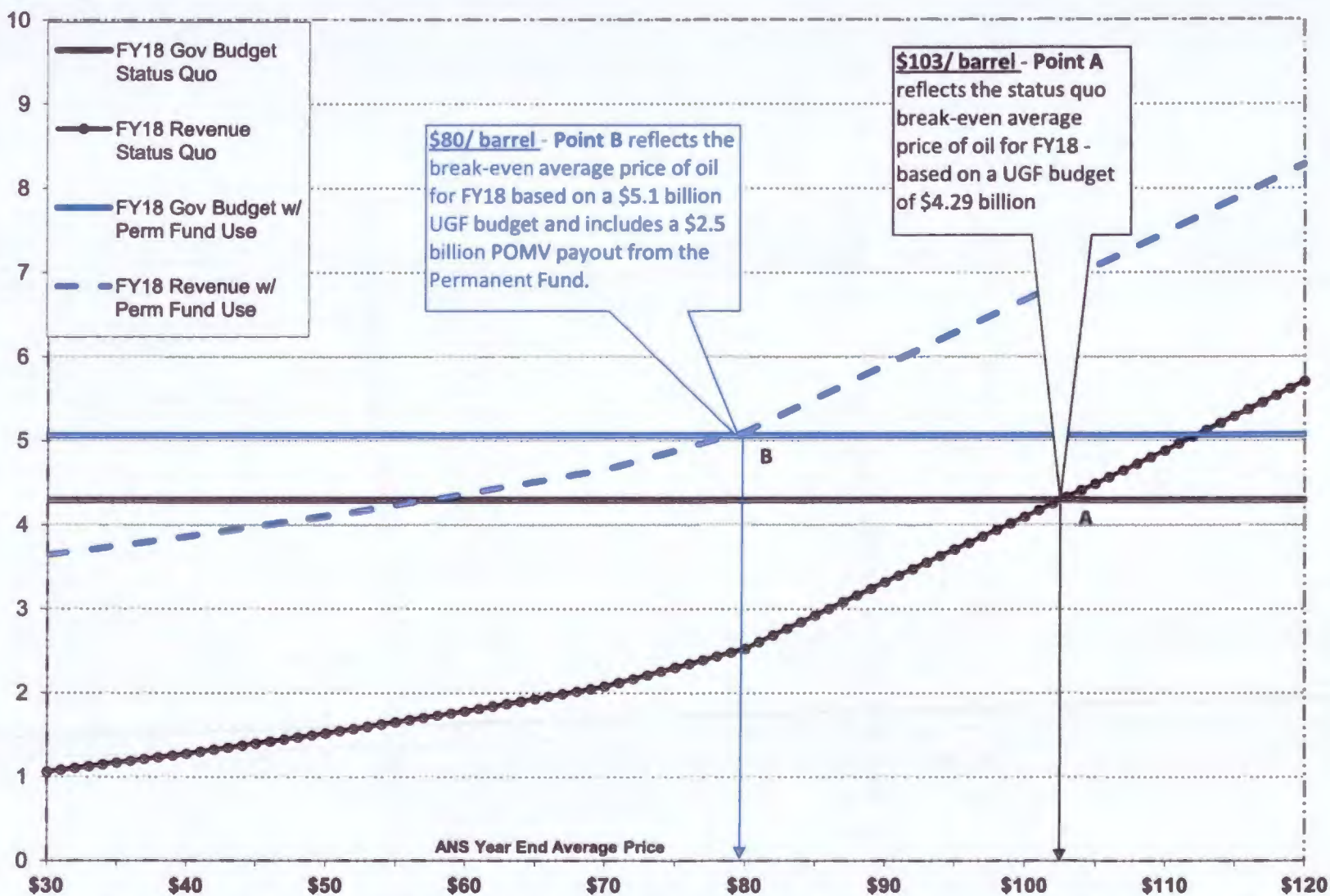
(\$ Billions)



Note: Status quo revenue is based on the DOR Fall 2016 revenue forecast and includes revenue not directly affected by oil prices. Three months of actual prices at an average of \$44.25/bbl are included. This has the effect of requiring a potentially higher price for the remainder of the year to equate to a year-end average in the graph (e.g. - a fiscal year price of \$70/ barrel would require nine months of prices at \$79/ barrel). A POMV payout from the ERA adds an additional \$3.1 billion to revenue for FY17 (\$2.4 billion POMV payout and an additional \$696 million for Dividends (appropriated in SLA 2016)).

FY18 Unrestricted General Fund - Fiscal Sensitivity Overlay

(\$ Billions)



Note: Status quo revenue is based on the DOR Fall 2016 revenue forecast and includes revenue not directly affected by oil prices. A POMV payout from the ERA adds an additional \$2.5 billion to revenue at all prices of oil.

State of Alaska Fiscal Summary-- FY17 and FY18 (Part 2)

(\$ millions)

Approximate Balances of Reserve Accounts

	FY17				FY18			
	BoY Balance	In	Out	EoY Balance	BoY Balance	In	Out	EoY Balance
Permanent Fund Principal – Market Value (no appropriations allowed)	44,163.0	834.0	0.0	44,997.0	44,997.0	505.1	0.0	45,502.1
Undesignated Reserves	16,911.6	3,320.9	3,641.5	16,591.0	16,591.0	3,599.4	3,392.6	16,797.8
Total Excluding Permanent Fund	7,646.5	449.9	537.0	7,559.3	7,559.3	151.4	840.9	6,869.8
Constitutional Budget Reserve Fund (cash) (1)	7,331.4	449.9	537.0	7,244.3	7,244.3	151.4	840.9	6,554.8
Statutory Budget Reserve Fund (1)	288.0	-	-	288.0	288.0	-	-	288.0
Alaska Housing Capital Corporation Fund (1)	27.1	-	-	27.1	27.1	-	-	27.1
Permanent Fund Earnings Reserve Account	9,265.1	2,871.0	3,104.5	9,031.6	9,031.6	3,448.0	2,551.7	9,928.0
Designated Reserves	1,500.5	1,367.2	1,484.2	1,383.6	1,383.6	1,344.5	1,414.7	1,313.4
Alaska Capital Income Fund	(0.5)	31.0	33.0	(2.5)	(2.5)	26.0	21.2	2.3
Alaska Higher Education Investment Fund	439.5	22.9	113.0	349.3	349.3	18.7	81.9	286.1
Revenue Sharing Fund	114.7	13.6	38.2	90.0	90.0	-	30.0	60.0
Power Cost Equalization Endowment	946.9	56.8	57.0	946.8	946.8	56.8	38.6	965.0
Reserves (Excluding Permanent Fund Principal)	18,412.1	4,688.1	5,125.7	17,974.5	17,974.5	4,943.9	4,807.2	18,111.2
Unrestricted General Fund Appropriations				5,107.2				5,069.4
Years of Reserves (Reserves/UGF Appropriations)				3.52				3.57

(1) CBR, SBR and AHCC balances are estimated. The Alaska Comprehensive Annual Financial Report, which has final numbers for FY16, was not available at publication.

Introduction to the Office of Management and Budget's Reports

Operating Budget Bill

Annual appropriations covering ongoing operations. Appropriations are typically made for a fiscal year, with funds lapsing at the end of the fiscal year.

Capital Budget Bill

Appropriations for items exceeding one year and that usually cost more than \$25,000. Appropriations lapse only if funds remain after the project is completed.

Mental Health Budget Bill

Operating and Capital appropriations related to the state's integrated comprehensive mental health program under AS 37.14.003(a)

What the Columns Mean – the Annual Operating Budget Cycle

The following stages of the operating budget cycle are displayed in various combinations to show incremental changes or comparisons.

Conference Committee (Enacted)	Authorized	Management Plan	Governor Prior Year Actuals	Governor's Amended Supplemental
Final budget passed by the Legislature. Governor has 20 days after it is sent to exercise line item veto power.	Includes impacts of legislative actions not included in Conf. Committee such as new legislation and vetoes. Released publicly Dec 15 th .	Implementation plan done part-way into the fiscal year which may include changes that do not require legislative approval. Used as a base for the next year's budget development. Released publicly Dec 15 th .	Governor's proposed budget for the next fiscal year. Actuals for the last completed fiscal year represent money spent during the fiscal year.	Governor's Amended reflects final decisions and changes to the budget proposed by the Governor. The Supplemental budget provides additional funds or changes to appropriations in the current fiscal year budget.
May/June	July	August	December 15th	February

How the Operating Budget is Organized

The operating budget is presented in one of two ways. Departments, Result Delivery Units, and Components are used in management reports. Departments, Appropriations, and Allocations are used in the budget bills. Agencies generally cannot move money between appropriations but they do have discretion across allocations.

Department	Results Delivery Unit (RDU)	Component
Highest level of the budget structure	Second level of the budget structure. May relate to divisions and usually is equivalent to appropriations in the budget bill.	Lowest level of the budget structure. May relate to divisions and usually is equivalent to allocations in the budget bill.

How the Capital Budget is Organized

The capital budget is presented as projects within departments. Each project is classified as either an appropriation or allocation. Agencies generally cannot move money between appropriations but they do have discretion across allocations.

Where the Money is Spent

The following line item accounts are used to track categories of expenditure and correspond to accounts used in the state's accounting system.

Line 1000	Line 2000	Line 3000	Line 4000	Line 5000	Line 7000	Line 8000
Personal Services – state staffing costs. Positions counts are classified on reports as Full-time (PFT), Part-time (PPT) or Non-permanent (NP)	Travel – transportation and per diem expenditures	Services – contractual services by 3 rd parties	Commodities - items consumed within year or equipment under \$5,000.	Capital Outlay - for durable items valued between \$5,000 and \$25,000	Grants/Benefits - Funds disbursed by the state to units of local government and to individuals in payment of various benefits and claims	Miscellaneous – Expenditures not specifically covered by other line items

Where the Money is Coming From

4-digit fund codes specify funding sources for an appropriation. Each fund code is classified as one of four types: UGF, DGF, Other, or Federal.

Unrestricted General Fund (UGF)	Designated General Fund (DGF)	Other	Federal (Fed)
Money with no statutory restrictions on its use.	Money designated by the legislature for a specific purpose.	Money the legislature has limited discretion over. Includes "duplicated" funds such as interagency receipts where one state agency pays another.	Money received from the federal government.

For a more detailed look at the budget process, refer to the [Alaska Legislative Budget Handbook](#) available from the State of Alaska Division of Legislative Finance website at www.legfin.state.ak.us.

Condensed Budget Comparison FY2015, FY2017, FY2018

	Unrestricted General Fund			Unrestricted General Fund			
	FY2015	FY2017	FY2018	FY2015-2018		FY2017-2018	
Agency Operations	\$ 2,283.4	\$ 1,899.0	\$ 1,771.1	\$ (512.3)	-22.4%	\$ (127.9)	-6.7%
K-12 and Other Education Formula	\$ 1,351.5	\$ 1,255.1	\$ 1,261.3	\$ (90.2)	-6.7%	\$ 6.2	0.5%
Medicaid Formula	\$ 693.0	\$ 580.2	\$ 580.2	\$ (112.8)	-16.3%	\$ -	0.0%
Other Formula*	\$ 175.1	\$ 143.9	\$ 142.6	\$ (32.6)	-18.6%	\$ (1.3)	-0.9%
Total Agency	\$ 4,503.0	\$ 3,878.3	\$ 3,755.3	\$ (747.7)	-16.6%	\$ (123.0)	-3.2%
Tax Credits, Debt, Retirement, Etc.	\$ 979.9	\$ 384.1	\$ 460.3	\$ (519.6)	-53.0%	\$ 76.1	19.8%
Total Operating	\$ 5,482.9	\$ 4,262.4	\$ 4,215.6	\$ (1,267.3)	-23.1%	\$ (46.8)	-1.1%
Capital	\$ 594.9	\$ 96.1	\$ 115.2	\$ (479.7)	-80.6%	\$ 19.1	19.9%
Total Budget	\$ 6,077.8	\$ 4,358.5	\$ 4,330.8	\$ (1,747.0)	-28.7%	\$ (27.7)	-0.6%

	Unrestricted and Designated General Funds			Unrestricted and Designated General Funds			
	FY2015	FY2017	FY2018	FY2015-2018		FY2017-2018	
Agency Operations	\$ 2,950.1	\$ 2,631.9	\$ 2,556.4	\$ (393.7)	-13.3%	\$ (75.5)	-2.9%
K-12 and Other Education Formula	\$ 1,362.5	\$ 1,266.6	\$ 1,273.1	\$ (89.4)	-6.6%	\$ 6.4	0.5%
Medicaid Formula	\$ 694.8	\$ 580.6	\$ 580.6	\$ (114.2)	-16.4%	\$ -	0.0%
Other Formula*	\$ 237.2	\$ 208.1	\$ 204.3	\$ (32.9)	-13.9%	\$ (3.8)	-1.8%
Total Agency	\$ 5,244.6	\$ 4,687.3	\$ 4,614.5	\$ (630.1)	-12.0%	\$ (72.8)	-1.6%
Tax Credits, Debt, Retirement, Etc.	\$ 1,000.8	\$ 562.3	\$ 593.8	\$ (407.1)	-40.7%	\$ 31.4	5.6%
Total Operating	\$ 6,245.5	\$ 5,249.7	\$ 5,208.2	\$ (1,037.3)	-16.6%	\$ (41.5)	-0.8%
Capital	\$ 759.4	\$ 140.8	\$ 158.8	\$ (600.6)	-79.1%	\$ 18.0	12.8%
Total Budget	\$ 7,004.9	\$ 5,390.5	\$ 5,367.0	\$ (1,637.8)	-23.4%	\$ (23.4)	-0.4%

	All Funds (Unrestricted and Designated General Funds, Other Funds and Federal)***			All Funds (Unrestricted and Designated General Funds, Other Funds and Federal)			
	FY2015	FY2017	FY2018	FY2015-2018		FY2017-2018	
Agency Operations	\$ 4,369.2	\$ 4,114.7	\$ 4,015.6	\$ (353.6)	-8.1%	\$ (99.0)	-2.4%
K-12 and Other Education Formula	\$ 1,393.3	\$ 1,311.1	\$ 1,313.8	\$ (79.4)	-5.7%	\$ 2.8	0.2%
Medicaid Formula	\$ 1,663.9	\$ 1,729.2	\$ 1,752.4	\$ 88.5	5.3%	\$ 23.2	1.3%
Other Formula*	\$ 338.1	\$ 316.0	\$ 312.9	\$ (25.2)	-7.4%	\$ (3.1)	-1.0%
Total Agency	\$ 7,764.6	\$ 7,471.0	\$ 7,394.7	\$ (369.8)	-4.8%	\$ (76.3)	-1.0%
Tax Credits, Debt, Retirement, Etc.**	\$ 1,084.4	\$ 672.6	\$ 672.7	\$ (411.7)	-38.0%	\$ 0.0	0.0%
Total Operating	\$ 8,849.0	\$ 8,143.5	\$ 8,067.4	\$ (781.6)	-8.8%	\$ (76.1)	-0.9%
Capital	\$ 1,942.7	\$ 1,551.1	\$ 1,422.5	\$ (520.2)	-26.8%	\$ (128.6)	-8.3%
Total Budget	\$ 10,791.7	\$ 9,694.6	\$ 9,489.9	\$ (1,301.8)	-12.1%	\$ (204.8)	-2.1%
<i>Dividends^</i>	<i>\$ 1,342.0</i>	<i>\$ 695.7</i>	<i>\$ 695.7</i>	<i>\$ (646.3)</i>	<i>-48.2%</i>	<i>\$ -</i>	<i>0.0%</i>
<i>Fund Transfers</i>	<i>\$ 73.5</i>	<i>\$ 92.3</i>	<i>\$ 55.2</i>	<i>\$ (18.3)</i>	<i>-24.9%</i>	<i>\$ (37.1)</i>	<i>-40.2%</i>
<i>PF Inflation Proofing</i>	<i>\$ 867.0</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ (867.0)</i>	<i>-100.0%</i>	<i>\$ -</i>	<i>0.0%</i>
Total with Dividends and Transfers	\$ 13,074.2	\$ 10,482.6	\$ 10,240.8	\$ (2,833.5)	-21.7%	\$ (241.8)	-2.3%

Constitutional/Statutory Budget Reserve Draw~ \$ (3,849.1) \$ (2,922.9) \$ (2,758.0)

Constitutional/Statutory Budget Reserve Draw (with PFPA) \$ (3,849.1) \$ (462.9) \$ (891.7)

* All Other Formula includes 13 health components including foster care, subsidized adoptions, catastrophic & chronic illness, temporary assistance, general relief assistance, child care benefits, tribal assistance, senior benefits, energy assistance, adult public assistance as well as Power Cost Equalization, payment in lieu of taxes and national forest receipts (Through Commerce)

**Excludes \$3.0 billion transfer from the CBR to the Retirement Accounts in FY2015

~2015 Draw based on Management Plan. Actual Draw was \$2,774.7

^Dividends were classified as designated general funds prior to FY2018. The FY2018 proposed legislation and budget reclassifies dividends to unrestricted general funds.

*** All funds budget totals exclude duplicated fund sources, typically classified as "other," and may not match other statewide reports with all funds.

UGF/DGF/Other/Fed Summary by Department (1088)

Excludes Transfers

Scenario: FY2018 Governor (13956)

Department	UGF	DGF	Other	Federal	Total	PFT	PPT	NP Positions	Total
Department of Administration	69,036.1	30,462.3	233,332.3	3,622.9	336,453.6	1,143	14	24	1,181
Department of Commerce, Community, and Economic Development	11,536.6	82,448.2	58,461.7	20,356.3	172,802.8	512	0	5	517
Department of Corrections	258,304.4	28,796.2	14,240.0	7,686.0	309,026.6	1,899	0	0	1,899
Department of Education and Early Development	1,297,126.4	26,071.5	57,620.8	241,157.5	1,621,976.2	279	15	4	298
Department of Environmental Conservation	15,297.9	29,892.2	12,801.5	23,896.6	81,888.2	488	0	1	489
Department of Fish and Game	50,516.4	14,897.5	67,729.1	67,019.5	200,162.5	837	641	23	1,501
Office of the Governor	24,982.8	0.0	838.3	205.0	26,026.1	133	0	20	153
Department of Health and Social Services	1,063,072.8	97,099.9	101,021.6	1,463,744.8	2,724,939.1	3,365	47	80	3,492
Department of Labor and Workforce Development	20,982.0	36,365.3	20,410.1	84,337.9	162,095.3	710	58	7	775
Department of Law	48,915.4	2,867.0	31,607.0	1,489.4	84,878.8	503	0	0	503
Department of Military and Veterans Affairs	16,560.3	28.4	10,192.0	30,995.1	57,775.8	269	2	1	272
Department of Natural Resources	59,222.2	30,694.2	38,509.1	24,320.1	152,745.6	628	213	64	905
Department of Public Safety	154,567.7	8,851.4	15,098.0	12,138.0	190,655.1	813	18	8	839
Department of Revenue	25,400.4	10,702.3	260,794.5	78,665.5	375,562.7	810	33	16	859
Department of Transportation/Public Facilities	145,691.4	126,872.2	306,651.6	2,045.3	581,260.5	2,881	339	137	3,357
University of Alaska	325,033.5	332,184.5	86,640.4	143,852.7	887,711.1	4,078	192	0	4,270
Judiciary	104,814.8	518.0	1,806.1	1,225.6	108,364.5	739	37	5	781
Legislature	65,225.0	594.9	809.8	0.0	66,629.7	236	310	0	546
Debt Service	209,416.9	18,604.1	54,540.2	5,248.3	287,809.5	0	0	0	0
Branch-wide Appropriations	-1,005.2	-161.7	-607.7	-43.3	-1,817.9	0	0	0	0
Direct Appropriations to Retirement Accounts	134,239.6	58,287.0	0.0	0.0	192,526.6	0	0	0	0
Fund Capitalization	116,640.0	1,571.4	9,503.8	22,393.2	150,108.4	0	0	0	0
Special Appropriations	0.0	55,000.0	0.0	0.0	55,000.0	0	0	0	0
Total:	4,215,577.4	992,646.8	1,382,000.2	2,234,356.4	8,824,580.8	20,323	1,919	395	22,637

Cuts and Closures to Date (December 15, 2016)

- Department of Commerce Community and Economic Development (DCCED) general fund dollars have been cut by 60 percent from FY15 to FY17.
- Minimal capital energy projects to support affordable power in Alaska's small communities. Repairing and maintaining rural Alaska's energy infrastructure is critical to avoiding loss of power, fuel leaks, and contamination. Declining funding for alternative energy, energy efficiency, and renewable energy projects increases reliance on fossil fuels, which leads to energy cost instability for rural communities already facing high energy costs.
- DCCED manages 'named entity' legislative grants, which are the primary mechanism for funding projects like roofs for municipal facilities, textbooks for schools, technology parity for rural and urban schools, infrastructure, erosion management, and domestic violence shelter construction. The value of these grants is down 60 percent from three years ago - \$2.4 billion to \$925 million.
- Distributions from the Community Revenue Program, which changes to the Community Assistance Program on January 1, 2017, are down from \$60 million in FY2015, \$57 million in FY2016, to \$38 million in FY2017.
- Funding for tourism marketing has decreased. Reduced marketing of Alaska as a destination will impact the number of visitors to Alaska in the future. At its peak, \$18.7 million was appropriated for tourism marketing.
- Seafood marketing is funded by increasing amounts of fish taxes collected from the seafood industry.
- DCCED is focusing on developing a Comprehensive Economic Development Strategy, partnering with public, private, and tribal entities around the state to create an economic roadmap that will guide future investment, and strengthen Alaska's private economy.
- Department of Environmental Conservation (DEC) makes up less than 0.5 percent of the state's total operating UGF. Annual UGF dollars have been cut by 29.4% since FY14 with a loss of 57 positions.
- DEC is consolidating lease space, combining programs, streamlining processes, centralizing administrative services, closing field offices, and instituting other efficiency measures.
- The Food Safety Program has closed field offices and efforts are being made to coordinate with trips paid for by the U.S. Food and Drug Administration to inspect seafood processors selling to national and international markets in rural communities.

- DEC inspectors only visit restaurants and other food establishments in rural communities as time permits.
- Last year, DEC inspected only 37% of the state's 4,797 permanent retail food facilities – well below the federal benchmark.
- DEC's state grant program for municipal water and sewer projects in communities with more than 1,000 residents has been scaled back from \$33 million four years ago to \$4.7 million in the current fiscal year – a reduction of over 85%.
- No new funds for grants are anticipated over the next few fiscal years, and DEC is now trying to address the continuing needs of larger communities through revolving loan programs funded through federal sources.
- DEC Drinking Water Program eliminated regulation of public systems servicing less than 25 people and cut back on technical support provided to smaller communities.
- Since FY 15, the Department of Health and Social Services (DHSS) UGF has been cut by \$169.3 million (13.5 percent)
- Alaska Affordable Heating Program clients whose income falls between 151 and 225 percent of the poverty level will no longer receive assistance, impacting approximately 2,100 households statewide.
- Senior Benefits Program benefits for the highest income level went from \$125 to \$76/ month.
- The Division of Juvenile Justice closed Ketchikan Regional Youth Facility in September. Youth who were living at the facility were moved to Juneau and 15 state employees working at the facility received lay-off notices.
- Units at McLaughlin Youth Center in Anchorage were combined to improve efficiency.
- Bed counts at the Fairbanks Youth Facility detention unit were reduced from 20 to 12 this year.
- Alaskans are waiting longer to be admitted to the Pioneer Home because of staff reductions. At any given time, approximately 30 beds are unavailable for new residents.
- The Alaska Pioneer Homes saw an 8.5 percent rate increase to cover costs.

- The Public Health Nursing program budget was decreased by 20 percent in UGF. Public health centers in Cordova, Ft. Yukon, Galena, Haines, Seward, and Wrangell were closed, and 31 positions were eliminated.
- Bureau of Vital Statistics office closed in Fairbanks, eliminating two full time positions.
- The Alaska Public Health Laboratories UGF budget was reduced by 20 percent (\$827,000). Five positions were eliminated, which will delay lab test result reporting and eliminate tests such as those for measles, mumps, and rubella. Epidemiological investigation testing and test supported by federal funds will continue, but the turn-around time for lab results will be longer.
- The Department of Labor and Workforce Development (DLWD) UGF Budget has been reduced by \$11 million in past two years (33 percent).
 - o Merged two divisions, eliminated staff positions, cut back travel, and consolidated lease spaces.
- DLWD cut funding to key training partners by \$3.5 million – Alaska Construction Academy, Alaska Technical Center in Kotzebue, Northwestern Alaska Career and Technical Center in Nome, Southwest Alaska Vocational and Education Center in King Salmon, and the Alaska Vocational Technical Center in Seward.
- Job centers in Barrow, Kotzebue, and Seward closed.
- Occupational Safety and Health and Wage and Hour programs have been cut by \$1.1 million, making it more difficult to ensure Alaskans are working in safe, legal working environments.
- AVTEC Anchorage campus closed and Allied Health Program eliminated.
- Department of Law has lost over 76 positions in past four years, and had its budget cut by over 26 percent.
- Cuts directly to Department of Law hit three main areas:
 - o Protection of Alaskans, including children, vulnerable adults, victims of crimes, and consumers;
 - o Defending State's rights by ensuring collection of money owed to the State (such as oil production taxes) and challenging the federal government when it overreaches; and
 - o Protecting the State from liability through upfront advice and good governance.
- Last year (before SB 91), the number of criminal cases Law had to decline to prosecute rose 6 percent because of budget cuts.

- Because of budget cuts and staff losses, Department of Law is forced to prioritize the crimes it prosecutes and focus on the most serious offenses, regardless of the direction given by SB 91.
- Department of Law's Consumer Protection Unit has gone from four attorneys and an investigator to two attorneys. This has led to a 30% reduction in efforts on consumer protection, including antitrust actions and review and investigation into consumer complaints.
- Law's Child Protection attorneys have had a 55% increase in their caseload--each attorney is covering an average of 89 cases; the recommended caseload in this area is 60 per attorney. This means longer stays in foster care and children being in limbo before a permanent solution is attained.
- Law's ability to pursue enforcement actions for DEC cost recovery for oil spills and contaminated sites has gone down; this means negative impacts to property owners and property values in the area of the spill or contamination.
- The Department of Military and Veterans Affairs (DMVA) cut its operating budget from \$26.4 million in 2013 to \$15.6 million in 2017 – a 40 percent reduction.
- DMVA cut its state-funded workforce from 339 positions in 2013 to 270 positions in 2017 – a 20 percent reduction.
- DMVA achieved cuts by enacting the following measures:
 - o Restructured shift schedules, reducing Alaska Military Youth Academy overtime by 40 percent;
 - o Turned off utilities at vacant armories across the state;
 - o Enabled employees traveling to stay in armories instead of hotels;
 - o Revised Alaska Aerospace Corporation's business model so it is self-sustaining without state funding;
 - o Replaced statewide disaster preparedness conferences with regional events to reduce travel costs and increase participation by minimally-manned local governments;
 - o Imposed mandatory furloughs to reduce salary of top executives (Commissioner, Deputy Commissioner and division directors);
 - o Reduced travel to rural communities to assist with emergency preparedness or recruiting for AMYA;
 - o Eliminated DMVA's award-winning *Warriors* magazine, despite substantial private sector support;
 - o Reduced AMYA cadet stipends; simultaneously, used federal grant money to stand up a pre-apprenticeship training program;
 - o Maintained the number of veterans service officers despite annual growth of the veteran population with commensurate need for services; increased number of

Alaskans assisted with veterans matters in the same time frame by over 3,000 to 61,635 last year; and

- Reduced preventative maintenance at Alaska National Guard facilities.
- With a state budget of just over \$16 million, DMVA brought in nearly \$618M million in federal funds this year, a return on investment of about 39:1.
- Department of Revenue (DOR) has cut 75 positions, about 8% of our workforce, since FY15. During that same time period, the department's UGF spend has been reduced \$8.4 million or about 24.9%.
- In order to maintain capacity, DOR has taken advantage of technology and consolidation wherever possible.
- The Child Support Services Division has moved to electronic banking in multiple areas including a new payment portal— allowing credit card payments by non-custodial parents, eliminating paper warrants to custodial parents – reducing paper checks from 15,000 to 1,200/month, and is in the process of re-platforming it's case management system.
- The Permanent Fund Dividend Division has increased the use of personalized online customer service options to allow for a more efficient allocation of staff working eligibility cases. Additionally, the division is working with vendors to develop third party fraud prevention systems.
- Personnel in the Tax Division have been reduced by 19 positions between FY15 and FY17 (15 percent). This has occurred while the state has added the new tax on marijuana, implemented multiple procedural changes, and helped develop and support the administration's fiscal plan before the legislature.
- The Tax Division is reducing the number contract services, including the annual task of forecasting North Slope oil production. This is now being done by the Department of Natural Resources rather than an outside petroleum engineer, saving about \$100,000 per year.
- From FY15 to FY16, the Tax Division reduced spending on travel by 50% and external services by 39%.
- The last two years has also seen the completion of the rollout of the Tax Revenue Management System, known as Gentax. This is an integrated taxpayer data portal, communication, document handling, and auditing system that has enabled the retirement of over a dozen stand-alone proprietary tax programs covering the 24 different taxes administered by the division. While resulting in certain efficiencies in processing, it also has enabled tax staff to identify additional potential discrepancies and audit targets. Gentax's data management capabilities, combined with new legislation that will require most taxpayers to file online, will further increase efficiencies in future years.
- Child Support Services Division (CSSD) lost 27 positions in FY 17.

- In FY 17, CSSD collected and disbursed about \$110 million for custodial parents. A single caseworker collects an average of \$1.2 million each year. The position reductions mean remaining caseworkers must each collect another \$400,000 to maintain current levels.
- Potential impacts to CSSD include:
 - o Increased caseloads, lower collections, slower response times, and fewer enforcement actions
 - o Closure of the Fairbanks field office
 - o Closure of the Customer Service Center
 - o Educational outreach program limited to locations within driving distance
 - o Elimination of outreach in rural communities
 - o Elimination of all prisoner outreach
- CSSD has proactively instituted efficiencies to reduce the impact of budget cuts on staff. These include:
 - o A new payment portal– allowing credit card payments by non-custodial parents and self-employed
 - o Access to financial information by outside entities– reducing verification requests from 100 daily to less than 2/day
 - o Case management system enhancements and clean-up – eliminating work-arounds and accounting errors that required staff to monitor and fix.
 - o Completion of historical records imaging project– eliminating off-site storage
 - o Stratifying caseloads to reduce number of cases assigned
 - o Eliminating paper warrants to custodial parents – reducing paper checks from 15,000 to 1,200/month
 - o Leasing equipment instead of purchasing
 - o Regulation changes eliminating unnecessary handling of certain case actions.
- Utilizing technology at the Permanent Fund Dividend Division to gain efficiencies, including personalized customer service options online. As the Division's secure online portal becomes more accessible it will become the main access point for Alaskans to gain information and update their application details.
- In response to budget cuts, the PFD Division has reduced phone technicians, increasing hold times and directing more questions to the Division website.
- In an effort to reduce overall costs, the State Treasury Division has begun managing more of its investments in-house. This transition will improve net investment returns as it will cost less to hire internal investment staff than pay external management firms.
- Department of Transportation and Public Facilities (DOTPF) UGF budget reduced from \$278 million in FY 15 to \$218 million in FY 17 (22 percent).
- DOTPF's ability to deliver needed transportation services including snow and ice removal, pot hole and guardrail repair, rural airport operations, and regular scheduled ferries has been diminished.

- DOTPF equipment operators have been reduced by 10 percent statewide. Older equipment has been parked and the replacement of all equipment has been delayed.
- Fewer needed commodities like salt and sand for roads have been purchased by DOTPF.
- Due to reductions in resources available, hub airports like Deadhorse, Bethel, Dillingham, Unalaska, Petersburg, and Wrangell will have fewer hours of cleared runway surface, runway lighting and condition reporting.
- In FY 15, Alaska Marine Highway System provided 334 weeks of service, a 17 percent reduction since FY2013. In FY 17, AHMS will provide 340 weeks of service.
- \$3.2 million cut from the Community Jails contract at Department of Corrections (DOC)
- \$1.5 million cut from the Community Residential Center contract at DOC
- \$7.5 million cut to inmate health care, thanks to Medicaid expansion general fund reductions
- \$3.59 million cut at Department of Corrections due to SB 91 reductions
- \$2.4 million cut to Goose Creek Correctional Center due to court video hearings and reduced transportation costs
- \$2.1 million cut to DOC through department-wide salary reductions and furloughs
- Palmer Correctional Center is closed and repurposed, resulting in a \$5.6 million cut at DOC
- Department of Education and Early Development (DEED) non-formula UGF budget has been reduced by \$21.6 million (38 percent) since FY15.
 - o Since 2015, DEED has eliminated 52 full-time and 14 non-permanent positions
 - o DEED consolidated lease space and cut back travel
- In addition to UGF and unallocated reductions, DEED has had the following reductions/ program eliminations:
 - o Increases to the Foundation Program (HB278, FY15) for additional state aid to school districts were repealed for FY16 and FY17 (\$52 million)
 - o The School Debt Reimbursement program was partially vetoed in FY17 (\$30.5 million);
 - o Approximately \$6.35 million cut from Pupil Transportation
 - o The Statewide Mentor Program was eliminated (\$1.5 million). This program provided mentors to beginning teachers and principals to increase retention and student achievement
 - o Statewide Literacy and K-12 Literacy programs have been eliminated (\$470,000)

- The STEM program expansion project was reduced (\$3 million)
 - DEED funding for the Alaska Native Science and Engineering Program (ANSEP) was eliminated (\$960,000)
 - Funding for Online with Libraries Program (OWL) was reduced (\$100,000)
 - School Broadband Access Grants have been reduced (\$5 million to \$2.7 million)
- Reorganization within the Division of Forestry, resulting in 35 positions being cut in 2015.
 - 16 seasonal wildland firefighters in Southwest Alaska and support positions in McGrath
- Key DNR forester position responsible for managing activities in the Haines State Forest
- Department of Natural Resources (DNR) closed six Recorder's Office locations in rural communities
- DNR has designated more state park lands for "passive management", meaning funds are no longer available to operate restrooms and clean up trash. Additionally, some state park facilities are being maintained by other agencies or private contractors. This includes state parks in Sitka and Valdez.
- DNR plans to revise its fee structures to ensure essential services are being provided to Alaskans. The department has also received authority to sell merchandise to offset funding cuts for state parks. However, raising fees and selling merchandise will not raise sufficient funds to avoid additional cuts in DNR.
- Department of Fish and Game's (DF&G) UGF budget has been reduced \$29 million (37 percent) and 182 positions were eliminated since FY 15.
 - The Commercial Fisheries Division reduced fisheries management and research projects, program support, and lab projects.
 - The Wildlife Conservation division reduced management, research and habitat management projects.
 - Travel was significantly reduced department-wide.
 - Administrative functions for small divisions were merged, resulting in over \$500,000 savings.
- Department of Public Safety eliminated 68 permanent and 14 temporary positions since FY16
- Village Public Safety Officer (VPSO) program was reduced by \$2.1 million since FY 16. Reductions included:
 - Eliminated five VPSO trooper support positions
 - Reduced travel
 - Eliminating retention incentives
 - Suspending annual regional training

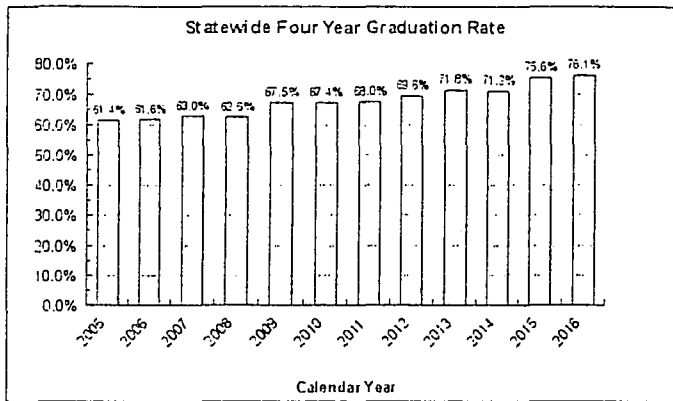
- Eliminating field training program
 - Reducing equipment purchases
- DPS discontinued the Drug Abuse Resistance Education (DARE) program (\$155,000)
- DPS moved P/V Stimson's base of operations from Dutch Harbor to Kodiak (\$500,000)
- Closed Alaska State Trooper posts in Talkeetna and Yakutat
- DPS eliminated Fairbanks-based helicopter services
- Funding for the Council on Domestic Violence and Sexual Assault has been reduced by \$1.19 million since FY 16. Reductions included:
 - Research and evaluation activities (\$290,000)
 - Public education and awareness efforts (\$157,000)
 - Funds to victim services grants and prevention activities (\$87,000)
 - Funds to emerging programs (\$210,000)
 - Funds to Kids Club Moms Empowerment program (\$84,000)
 - Consulting costs (\$103,000)
 - Travel and supplies (\$65,000)
 - Community-based batterer intervention programs (\$200,000)
- Overtime, patrol sea days, and patrol flights reduced for Alaska Wildlife Troopers (\$185,000)
- DPS eliminated leases for one office space and three trooper housing leases (\$92,000)
- DPS reduced overtime and premium pay (\$982,600)
- Alaska State Troopers removed 17 vehicles from its fleet (\$150,000)



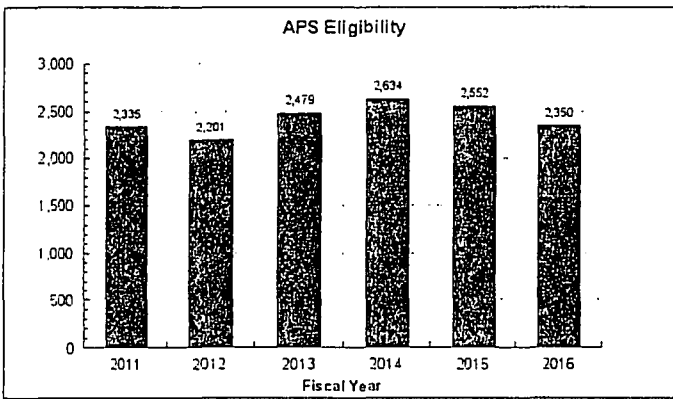
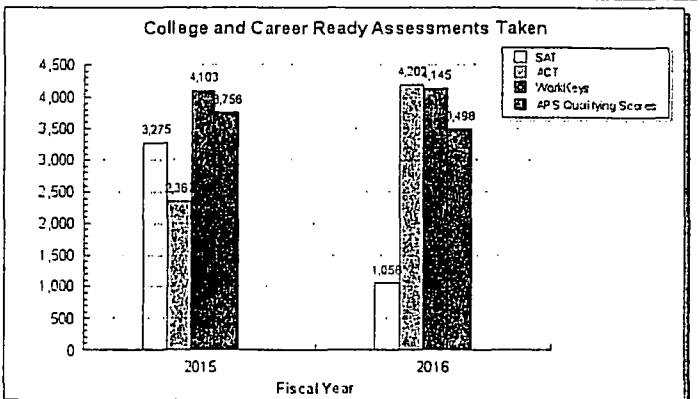
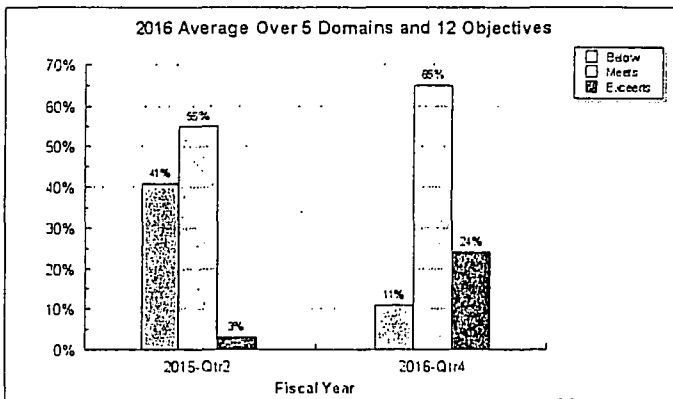
FY2018 Governor's Budget

December 15, 2016

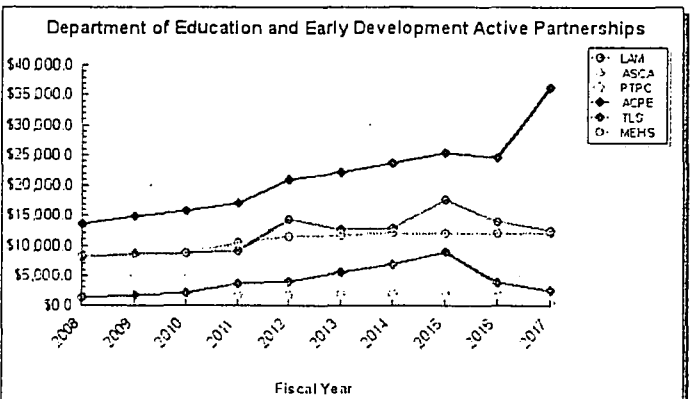
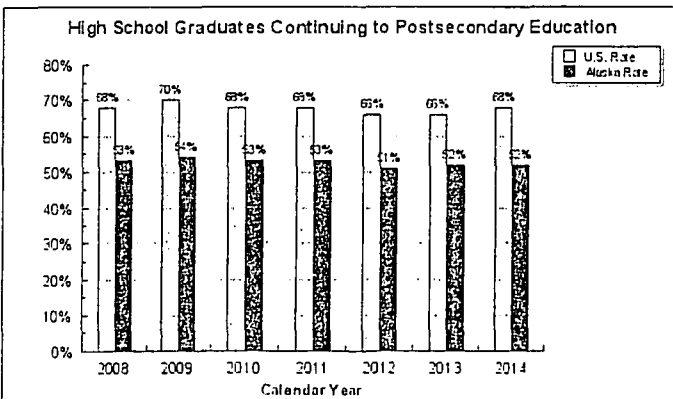
3. Develop, implement and maintain School Effectiveness Programs



Target: Provide a Statewide System of Support to facilitate school effectiveness measures



4. Maintain Active Partnerships for Pre-K through 20 and lifelong learning





FY2018 Governor's Budget

December 15, 2016

Department of Education and Early Development

Mission

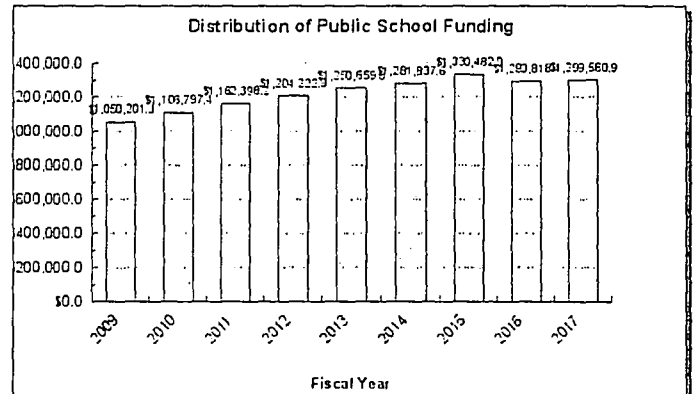
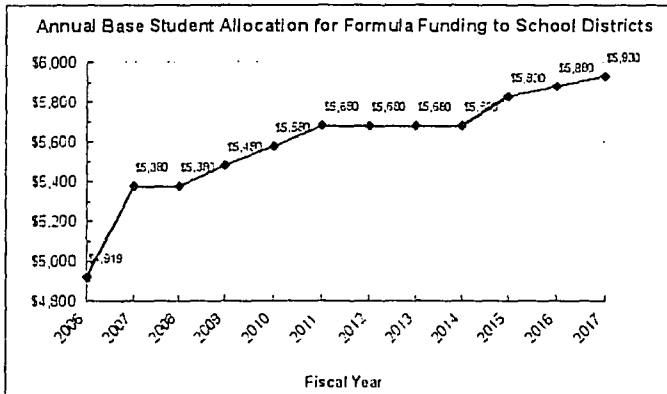
To ensure quality standards-based instruction to improve academic achievement for all students. Alaska Constitution Article 7, Sec. 1; AS 14.17

Core Services (in priority order)	UGF	DGF	Other	Fed	Total	PFT	PPT	NP	% GF
1 Public School Funding	1,255,309.0	0.0	23,650.0	20,791.0	1,299,750.0	0	0	0	95.4%
2 Fiscal Accountability, Compliance and Oversight	10,918.5	912.3	2,388.6	217,750.5	231,969.9	95	0	0	0.9%
3 School Effectiveness Programs	11,879.1	11,500.0	0.0	279.2	23,658.3	6	0	0	1.8%
4 Active Partnerships	12,727.0	13,166.1	36,182.6	3,105.2	65,180.9	193	14	7	2.0%
FY2017 Management Plan	1,290,833.6	25,578.4	62,221.2	241,925.9	1,620,559.1	294	14	7	

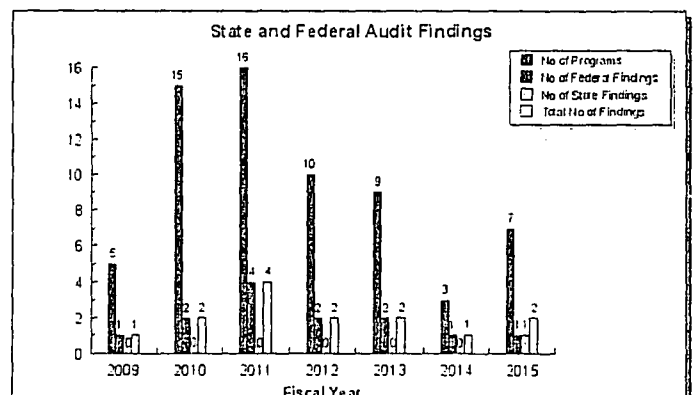
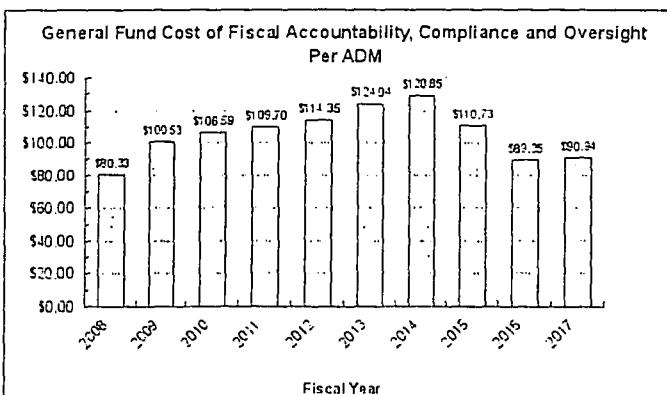
Measures by Core Service

(Additional performance information is available on the web at <https://omb.alaska.gov/results/>.)

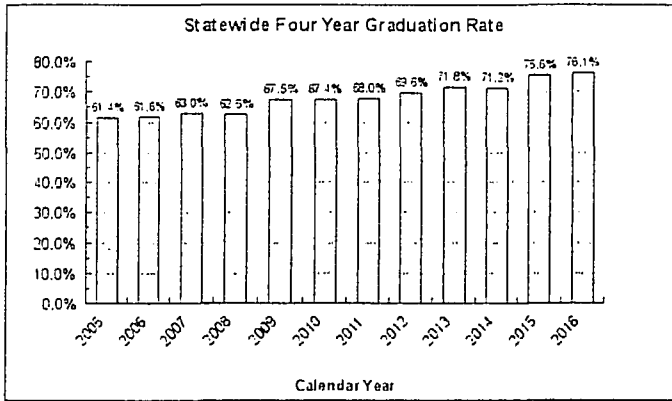
1. Distribute Public School Funding to school districts and other educational institutions



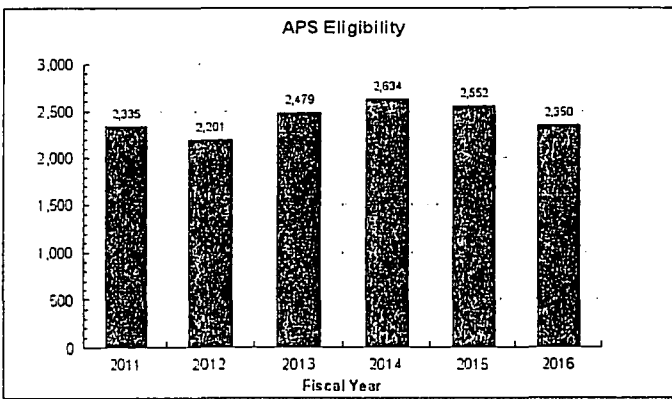
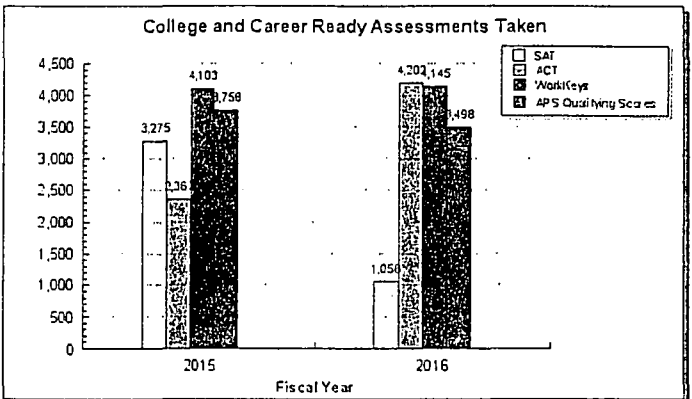
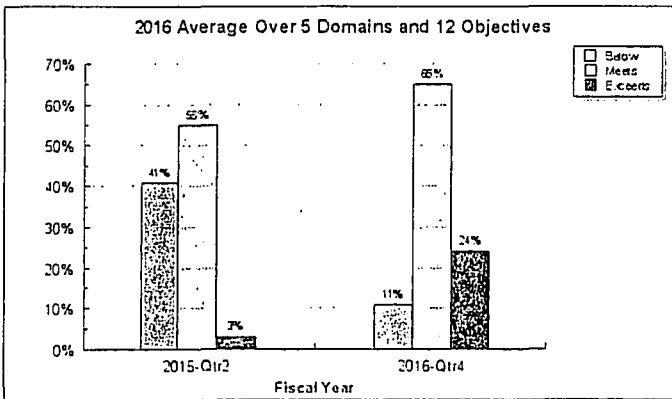
2. Provide Fiscal Accountability, Compliance and Oversight



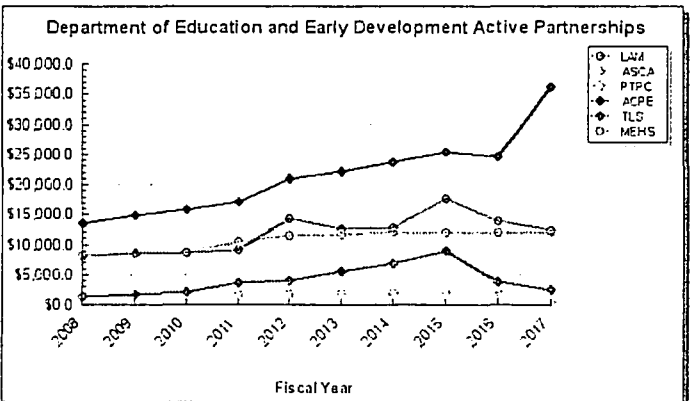
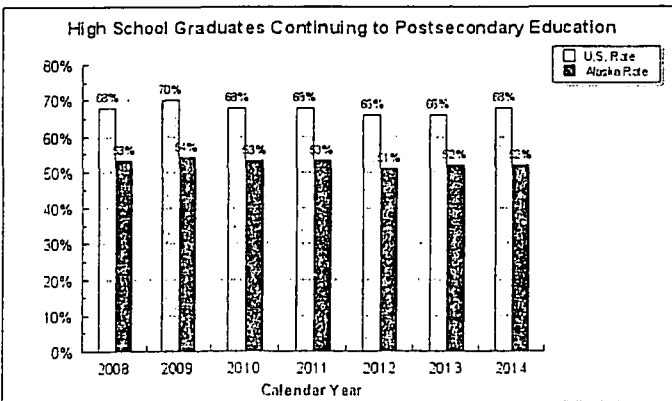
3. Develop, implement and maintain School Effectiveness Programs



Target: Provide a Statewide System of Support to facilitate school effectiveness measures



4. Maintain Active Partnerships for Pre-K through 20 and lifelong learning



Major Department Accomplishments in 2016

- State Board of Education and Early Development began the strategic planning process and identified three strategic priorities: Empower local control of educational decisions; modernize the state's educational system; and ensure high-quality educators for Alaska's children;
- Facilitated the Spring Leadership Conference for 175 educators from across Alaska to begin work on Alaska's State Plan for the new Every Student Succeeds Act (ESSA);
- Coordinated with partner organizations to sponsor implementation and leadership training with Alaska stakeholders to implement the educator evaluation requirements;
- Continued the review of the Mt. Edgecumbe High School curriculum by staff, including the presentation of the beginning of the science review and preparation for the adoption of math, before the State Board of Education and Early Development;
- Continued to fulfill the department's core mission while undergoing leadership changes throughout the department, including recruiting for and hiring a new Commissioner late in FY2016;
- Implemented \$15.6 million in unrestricted general fund (UGF) reductions to the department's non-formula agency budget, while maintaining core service functions, and continued to provide services and technical support to Alaska's school districts and educational leaders;
- Completed construction of the Alaska State Libraries, Archives, and Museums facility, and worked with the legislature to name the facility (Father Andrew. P. Kashevaroff (APK) Building); and,
- Continued to implement the Alaska Performance Scholarship (APS) in collaboration with the Alaska Commission on Postsecondary Education, the Alaska Department of Labor and Workforce Development, and Alaska school districts.

Key Department Challenges

1. Increase student achievement in language arts and mathematics

Through supporting staff professional development, reviewing school improvement plans, and providing coaches, the department works to support schools' improvement efforts, particularly schools with low levels of student achievement. In 2012 Alaska adopted more rigorous reading and math standards aligned to the expectations of post-secondary training. Students who meet these standards will graduate prepared to enter post-secondary options without requiring additional remedial training or courses. While the department works with local school districts to ensure their locally adopted curriculum and instructional programs are aligned to standards, many small, rural districts struggle to maintain consistent efforts related to curriculum, instructional programs, and school-based assessments due to lack of capacity and frequent staff turnover. Additionally, students in these districts may lack access to high-level course offerings and rich elective course options. The department must consider how best to support these districts and whether current support systems need to be restructured in order to most effectively use available federal and state funds.

2. Fully implement new assessments aligned to the language arts and mathematics standards under ESSA

Alaska's assessment system is composed of five statewide assessments including a standards-based assessment to measure student attainment of the state's standards; the Kindergarten Developmental Profile; an alternate assessment for students with significant cognitive disabilities; an assessment to identify English language proficiency; and biennial participation in the National Assessment of Education Progress.

As outlined in Alaska statutes and regulations, the state administers summative (end-of-year) assessments for three primary purposes. First, statewide assessments provide one of the resources parents, educators, and policy makers can use to determine how Alaska's schools are performing. Second, statewide assessments provide data for nurturing and tracking school improvement efforts. Finally, statewide assessments help to ensure equity for students since the results are available for all schools in Alaska and are disaggregated by subgroups including economically disadvantaged students, student with disabilities, English language learners, and ethnic groups.

HB 156 restricts the Alaska Department of Education and Early Development (DEED) from requiring a school district or school to administer a statewide assessment before July 1, 2018. It does not relieve DEED from its responsibility to select and make a statewide summative assessment available to all districts and schools. DEED looks forward to working with all stakeholders to identify and make available to Alaska districts and schools statewide summative assessments in English language arts, mathematics, and science for spring 2017. It is in the best interest of Alaska's

students that data from statewide assessments is available to inform parents, educators, the public, and policy makers about school performance, as well as to nourish school improvement and ensure an equitable educational opportunity.

3. Implementation of ESSA and a new school accountability system

ESSA was passed by Congress and signed by the President in December 2015. ESSA reauthorizes the Elementary and Secondary Education Act of 1965 (ESEA) and will replace No Child Left Behind (NCLB) and Alaska's current NCLB Flexibility Waiver. Alaska's transition to, and implementation of, ESSA will be a thorough and thoughtful process informed by meaningful consultation with state and local education stakeholders. ESSA requires that State Educational Agencies (SEAs) develop a State Plan addressing three components: Standards and Assessments; School, District, and State Accountability Systems; and School Support and Improvement. SEAs must develop state plans "with timely and meaningful consultation with the Governor, members of the State legislature and State board of education, local educational agencies, representatives of Indian tribes located in the State, teachers, principals, other school leaders, charter school leaders, specialized instructional support personnel, paraprofessionals, administrators, other staff, and parents." (Every Student Succeeds Act, Sec. 1111)

To facilitate the transition to ESSA, DEED is conducting a review of the work required to fully implement the new law. As with implementation of any program of such significance and complexity, changes will occur over the course of months and even years. Some changes were initiated immediately upon signing, some will be implemented relatively quickly, and others will be finalized over the next two years only upon receipt of additional federal regulations and guidance and collaborative input by state and local education stakeholders.

Significant Changes in Results to be Delivered in FY2018

- Implement new statewide assessments as required by state and federal law;
- Anticipate receipt of the US Department of Education's approval of Alaska's ESSA application;
- Support school districts in using data from statewide assessments to inform local improvement efforts;
- Support adjustments to locally adopted curriculum and instructional programs to improve student achievement;
- Implement a new comprehensive accountability system for schools to provide information parents, educators, and policy makers can use to determine how Alaska's schools are performing;
- Support school districts as they fully implement new assessment and accountability systems;
- Provide focused, coordinated and coherent district and school improvement support services to create more effective educational programs and improve student achievement;
- Provide support for increasing the statewide graduation rate;
- Begin the process to implement recommendations from the department's performance review under HB30 (Chapter 19 SLA 2013); and,
- Evaluate how the department can be best structured and administered to meet its state and federal responsibilities having undergone significant budgetary reductions over the past two years.

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Summary of Department Budget Changes by RDU

From FY2017 Management Plan to FY2018 Governor

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2017 Management Plan	1,290,833.6	25,578.4	62,221.2	241,925.9	1,620,559.1
Adjustments which get you to start of year:					
-K-12 Aid to School Districts	1,249,086.4	0.0	0.0	0.0	1,249,086.4
One-time items:					
-K-12 Aid to School Districts	-1,242,954.3	0.0	0.0	0.0	-1,242,954.3
-Education Support Services	-500.0	0.0	0.0	0.0	-500.0
-Teaching and Learning Support	-2,820.0	0.0	-75.0	0.0	-2,895.0
-AK Libraries Archives Museums	-661.8	0.0	0.0	0.0	-661.8
Adjustments which continue current level of service:					
-Education Support Services	222.5	0.0	12.9	0.0	235.4
-Teaching and Learning Support	2,844.6	4.0	50.0	30.2	2,928.8
-Commissions and Boards	1.6	2.9	0.2	3.2	7.9
-Mt. Edgecumbe Boarding School	10.9	0.0	75.1	0.0	86.0
-State Facilities Maintenance	-1,030.0	0.0	6.9	0.0	-1,023.1
-AK Libraries Archives Museums	1,741.7	4.3	0.2	0.3	1,746.5
-Alaska Postsecondary Education	0.0	0.9	197.5	0.0	198.4
Proposed budget increases:					
-K-12 Support	31.5	0.0	0.0	0.0	31.5
-Education Support Services	0.0	0.0	73.0	0.0	73.0
-Teaching and Learning Support	250.0	0.0	0.0	0.0	250.0
-Mt. Edgecumbe Boarding School	100.0	0.0	0.0	0.0	100.0
-State Facilities Maintenance	0.0	0.0	1,130.0	0.0	1,130.0
-Alaska Postsecondary Education	0.0	231.0	0.0	0.0	231.0
-AK Performance Scholarship Awd	0.0	250.0	0.0	0.0	250.0
Proposed budget decreases:					
-K-12 Aid to School Districts	0.0	0.0	-3,650.0	0.0	-3,650.0
-Education Support Services	0.0	0.0	-179.5	0.0	-179.5
-Teaching and Learning Support	-0.2	0.0	-202.8	0.0	-203.0
-Commissions and Boards	-4.5	0.0	0.0	-2.1	-6.6

Summary of Department Budget Changes by RDU

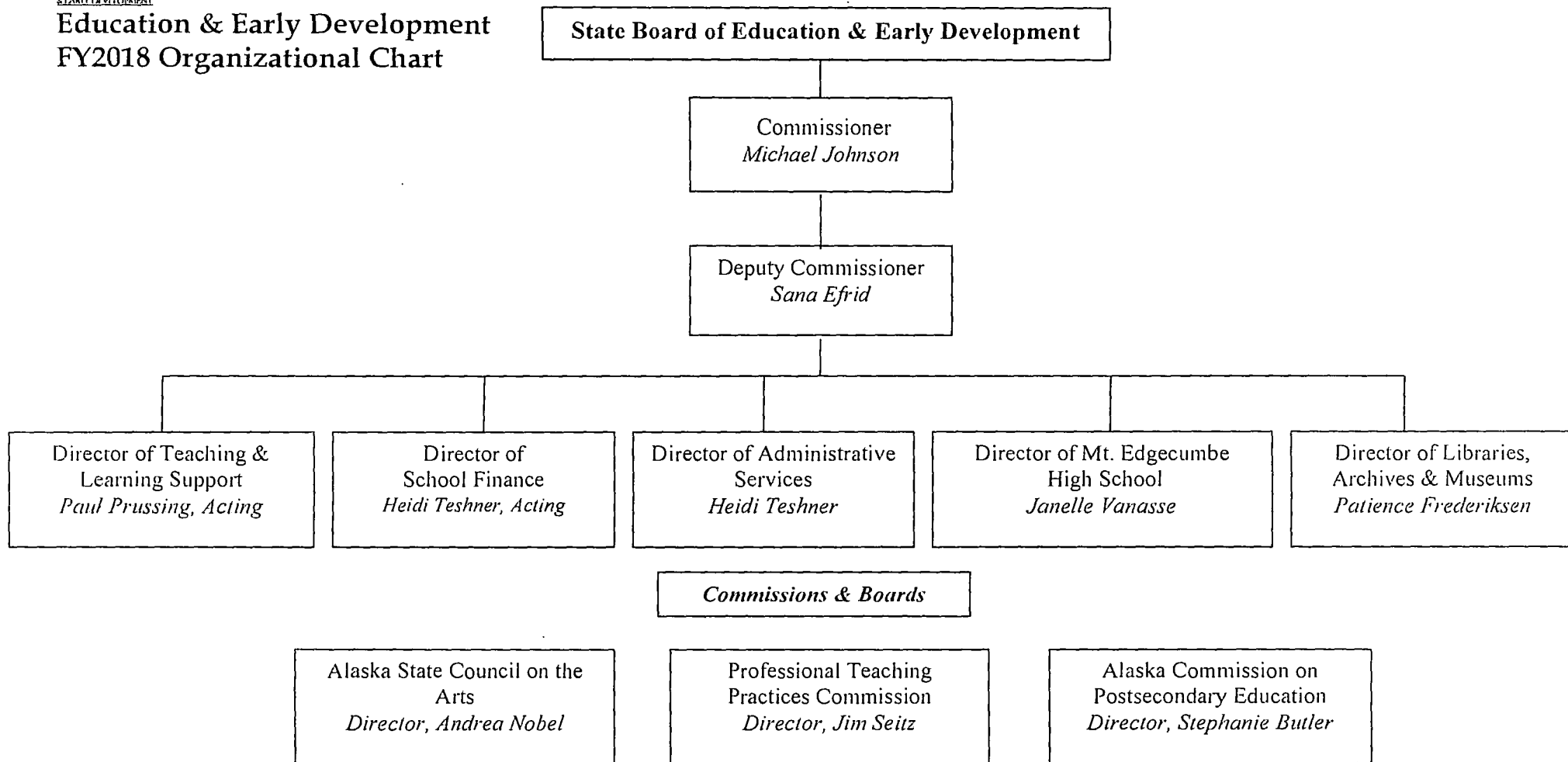
From FY2017 Management Plan to FY2018 Governor

All dollars shown in thousands

	<u>Unrestricted</u> <u>Gen (UGF)</u>	<u>Designated</u> <u>Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal</u> <u>Funds</u>	<u>Total Funds</u>
-State Facilities Maintenance	0.0	0.0	-26.0	0.0	-26.0
-AK Libraries Archives Museums	-25.6	0.0	-100.0	0.0	-125.6
-Alaska Postsecondary Education	0.0	0.0	-1,626.6	-800.0	-2,426.6
-Alaska Student Loan Corporation	0.0	0.0	-286.3	0.0	-286.3
FY2018 Governor	1,297,126.4	26,071.5	57,620.8	241,157.5	1,621,976.2

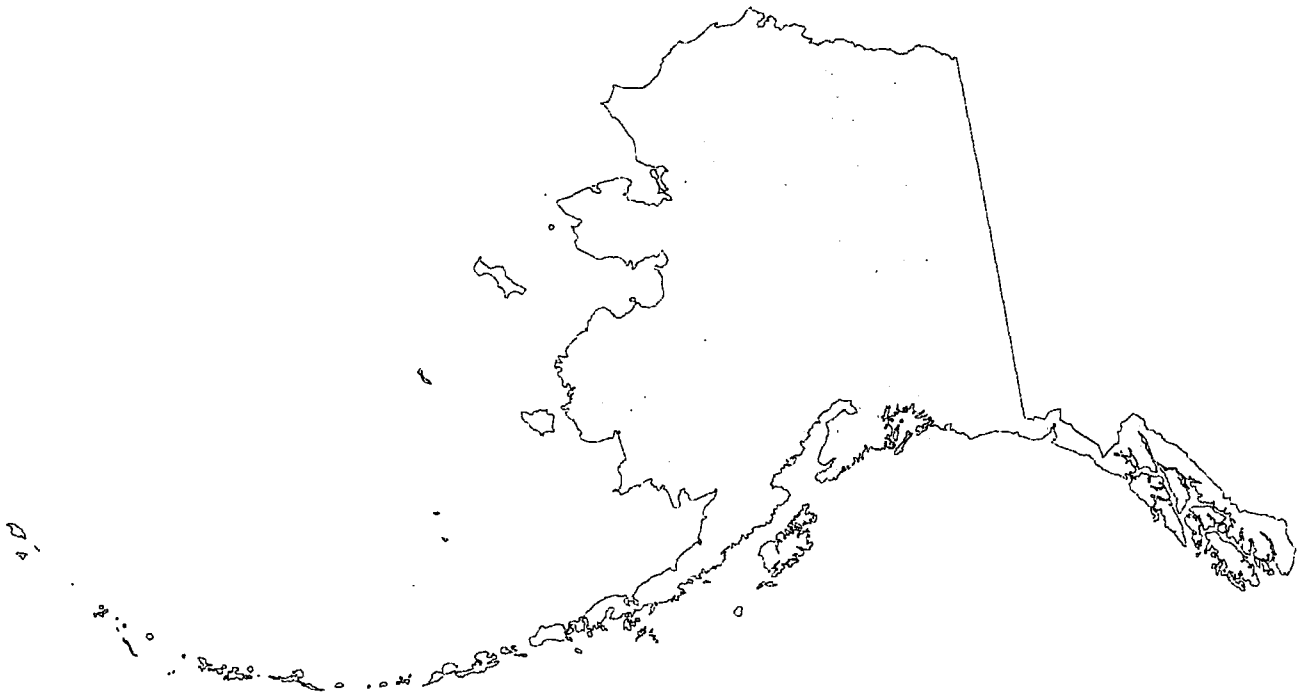


Education & Early Development
FY2018 Organizational Chart



The Fiscal Year 2018 Budget:

Legislative Fiscal Analyst's Overview of the Governor's Request



Legislative Finance Division

www.legfin.akleg.gov

(q) The sum of \$1,176,466,600 is appropriated from the general fund to the public education fund (AS 14.17.300) for state aid for public school funding for the fiscal year ending June 30, 2018.

(r) If the appropriation made in (q) of this section is insufficient to provide the full amount of state aid calculated under the school funding formula under AS 14.17.410(b), the amount necessary to fund the total amount calculated under AS 14.17.410(b) is appropriated from the general fund to the public education fund (AS 14.17.300).

Subsections (q) and (r) replace the previous year's language, which read, "the amount necessary to fund the total amount for the fiscal year ending June 30, 2017, of state aid calculated under the public school funding formula under AS 14.17.410(b), estimated to be \$1,163,984,500, is appropriated from the general fund to the public education fund (AS 14.17.300)."

Subsection (q) appropriates \$1.176 billion to the public education fund (PEF) for the foundation formula. Subsection (r) appropriates any amount above that needed to fully pay out the formula.

Legislative Fiscal Analyst Comment: This appropriation is intended to fully fund the foundation formula for FY18 K-12 education. However, the language doing so is oddly structured. If the amount needed is less than \$1.176 billion, money will remain in the PEF at the end of the year.

Legislative Fiscal Analyst Recommendation: Revert to language used in FY17.

(s) The sum of \$72,619,800 is appropriated from the general fund to the public education fund (AS 14.17.300) to fund transportation of students under AS 14.09.010 for the fiscal year ending June 30, 2018.

Legislative Fiscal Analyst Comment: This appropriation funds part of the statutory formula for pupil transportation, but not all of it. The department estimates that fully funding the formula would cost \$79 million. There is no statutory provision for prorating funding for pupil transportation.

(t) The sum of \$40,640,000 is appropriated from the general fund to the regional educational attendance area and small municipal school district school fund (AS 14.11.030(a)).

Subsection (t) appropriates \$40.6 million to the Regional Educational Attendance Area and Small Municipal School District (REAA) School Fund, which was created to assist in funding school construction projects in regional education attendance areas. Per the consent decree and settlement agreement of *Kasayulie vs. State of Alaska*, the creation of the fund and adoption of the funding mechanism set forth in AS 14.11.025 provides a remedy for perceived constitutional violations.

Legislative Fiscal Analyst Comment: Although created in Chapter 93, SLA 2010, this fund did not become effective until July 1, 2012 (FY13). The enabling language is similar to that of the School Construction Fund (AS 14.11.005) and the Major Maintenance Grant Fund (AS 14.11.007), with the exception that statutory guidelines establish annual appropriations to the REAA Fund. In addition, the School Construction Fund and the Major Maintenance Grant Fund have matching requirements and the REAA Fund does not.

The distinction may be important. Because the legislature's practice is to limit fund transfers as much as possible in order to encourage budget clarity, the appropriations for school maintenance and construction appear as direct general fund appropriations for projects rather than as appropriations to a fund and then from a fund. The unique position of the REAA Fund as a court remedy may make that simplification less than ideal for funding rural school construction. Ideally, there should be a way to identify a fund balance if appropriations for REAA school construction in any year are less than guidelines suggest.

The consent decree for the *Kasayulie vs. State* case required the Governor to include funding for two REAA schools in his FY13 capital budget. Both the Emmonak school (\$36.1 million) and the Koliganek school (\$24.9 million) were included. Both appropriations eventually used general funds and showed as allocations under the school construction grant fund. FY13 appropriations for rural school construction exceeded the \$35.5 million that met the guidelines of AS 14.11.025.

The REAA School Fund was used directly to pay for FY14 school construction in Nightmute (\$33 million) and Kuinerramiut (\$13.2 million). In addition, \$25 million was appropriated from the REAA Fund for the Kwethluk School.

Kwethluk received an additional \$31.5 million in FY15. The FY15 budget also included \$9 million from the REAA fund for a school in St. Mary's School District (plus an additional \$2.8 million UGF).

In FY16, \$38.8 million was deposited into the REAA School Fund and there were no appropriations from the fund, leaving a fund balance of \$38.7 million. In FY17, \$31.2 million was deposited into the fund (after a veto of \$10.4 million by the Governor), and \$7.1 million was appropriated to the Bethel Regional High School Central Kitchen and Multipurpose Addition, leaving a fund balance of \$62.8 million.

The Governor's request proposes depositing \$40.6 million into the fund (per the statutory formula), bringing the balance of the fund to approximately \$103.4 million. The Governor requested no FY18 appropriations from the REAA Fund. Per AS 14.11.030(b), the fund balance in excess of \$70 million will lapse to the general fund.

The Governor's FY18 budget places the REAA Fund appropriation in the Fund Capitalizations section rather than in the Fund Transfers section.

Legislative Fiscal Analyst Recommendation: Consider

1. moving the REAA fund appropriation to the Fund Transfers section
2. modifying statute to say the balance of the fund is “available for appropriation” rather than “available for expenditure” and
3. adding (to the capital bill) appropriations for specific projects.

As is, the appropriation allows Department of Education and Early Development to determine the amount and timing of expenditures for rural schools. This erodes the legislature’s power of appropriation.

Sec. 22. FUND TRANSFERS. (a) The federal funds received by the state under 42 U.S.C. 6506a(l) or former 42 U.S.C. 6508 not appropriated for grants under AS 37.05.530(d) are appropriated as follows:

(1) to the principal of the Alaska permanent fund (art. IX, sec. 15, Constitution of the State of Alaska) and the public school trust fund (AS 37.14.110(a)), according to AS 37.05.530(g)(1) and (2); and

(2) to the principal of the Alaska permanent fund (art. IX, sec. 15, Constitution of the State of Alaska), the public school trust fund (AS 37.14.110(a)), and the power cost equalization and rural electric capitalization fund (AS 42.45.100(a)), according to AS 37.05.530(g)(3).

Subsection (a) appropriates the lapsing balance of NPR-A grants [per AS 37.05.530(g)]. No lapsing balance is anticipated.

Funding: The estimated fiscal impact of this section is zero.

Legislative Fiscal Analyst Recommendation: Remaining balances should not be appropriated to the Power Cost Equalization and Rural Electric Capitalization Fund, which is no longer active. The intent of AS 37.05.530(g)(3) would be most closely followed by appropriating remaining balances to the Power Cost Equalization endowment fund [AS 42.45.070(a)]. AS 37.05.530(g) should also be revised. As noted, no lapsing balance is anticipated.

(b) The loan origination fees collected by the Alaska Commission on Postsecondary Education for the fiscal year ending June 30, 2017, are appropriated to the origination fee account (AS 14.43.120(u)) within the education loan fund (AS 14.42.210(a)) of the Alaska Student Loan Corporation for the purposes specified in AS 14.43.120(u).

Subsection (b) appropriates origination fees charged on student loans to the origination fee account within the student loan fund. The fees are intended to offset loan losses due to death, disability, bankruptcy and default.

Funding: The amount of the loan origination fee is capped by regulation at 5% and set by the corporation. The Alaska Commission on Postsecondary Education set the

origination fee at 0% for FY17, and has no plans to introduce a fee in FY18. Because the appropriation earmarks money within a fund, there is no impact on state expenditures.

Legislative Fiscal Analyst Recommendation: The fiscal year ending should be changed to June 30, 2018.

(c) The following amounts are appropriated to the oil and hazardous substance release prevention account (AS 46.08.010(a)(1)) in the oil and hazardous substance release prevention and response fund (AS 46.08.010(a)) from the sources indicated:

(1) the balance of the oil and hazardous substance release prevention mitigation account (AS 46.08.020(b)) in the general fund on July 1, 2017, estimated to be \$1,500,000, not otherwise appropriated by this Act;

(2) the amount collected for the fiscal year ending June 30, 2017, estimated to be \$6,640,000, from the surcharge levied under AS 43.55.300; and

Subsection (c)(1) and (2) appropriate (to the Oil and Hazardous Substance Release Prevention Account) the balance of the Release Prevention Mitigation Account and the FY17 collections from the four cent per barrel surcharge on oil produced in the State. Amendments effective April 1, 2006 changed the per barrel surcharge from \$0.03 to \$0.04.

(3) the amount collected for the fiscal year ending June 30, 2018, estimated to be \$7,200,000, from the surcharge levied under AS 43.40.005.

Subsection (c)(3) appropriates revenue collected by the motor fuel surcharge to the Oil and Hazardous Substance Release Prevention Account.

(d) The following amounts are appropriated to the oil and hazardous substance release response account (AS 46.08.010(a)(2)) in the oil and hazardous substance release prevention and response fund (AS 46.08.010(a)) from the following sources:

(1) the balance of the oil and hazardous substance release response mitigation account (AS 46.08.025(b)) in the general fund on July 1, 2017, estimated to be \$700,000, not otherwise appropriated by this Act; and

(2) the amount collected for the fiscal year ending June 30, 2017, from the surcharge levied under AS 43.55.201, estimated to be \$1,660,000.

Subsection (d) appropriates (to the Oil and Hazardous Substance Release Response Account) the balance of the Release Response Mitigation Account and the FY17 collections from the \$0.01 per barrel surcharge on oil produced in the State. Amendments effective April 1, 2006 changed the per barrel surcharge from \$0.02 to \$0.01.

Legislative Fiscal Analyst Comment: Per AS 43.55.221(d), the surcharge is suspended when the balance of the response account exceeds \$50 million. The Commissioner of the Department of Revenue reported that the surcharge was suspended effective January 1,

Legislative Fiscal Analyst's Overview of the Governor's FY2018 Request

Department of Education and Early Development

All Dollars in Thousands

	(GF Only)	Change	% Change	See Note:
FY17 Conference Committee (GF Only)	\$1,321,255.7			
FY17 Fiscal Notes	-			
CarryForward	-			
Misc Adjustments	6,350.0			
Multi-Years/Specials	500.0			
Vetoed	(11,693.7)			
FY17 Management Plan (GF only)	\$1,316,412.0	(\$4,843.7)	-0.4%	
One-time Items Removed	(76,601.6)			
Misc Adjustments	72,619.8			4
Agency Transfer In/ Out	-			
Temporary Increments (IncTs)	-			
Maintenance Increments	3,681.8			9
FY18 Contractual Salary Increases	121.6			
FY18 Adjusted Base Budget (GF only)	\$1,316,233.6	(\$178.4)	0.0%	
Lang/Lang OTIs/MiscAdj/Carryforward/MultiYears/Contingent	6,132.1			8
FY18 Governor's GF Increments/Decrements/Fund Changes	832.2			
FY18 Governor's Agency Request (GF only)	\$1,323,197.9	\$6,964.3	0.5%	
FY18 Governor's Increments, Decrements, Fund Changes and Language	FY18 Adjusted Base Budget (GF Only)	FY18 Governor's Request (GF only)	Change from FY18 Adj Base to FY18 Governor's Request	See Note:
Allocation			\$6,964.3	
Foundation Program	1,170,334.5	1,176,466.6	6,132.1	8
Special Schools	3,532.4	3,563.9	31.5	
State System of Support	1,597.7	1,847.7	250.0	1
Teacher Certification	916.5	916.3	(0.2)	
AK State Council on the Arts	708.2	703.7	(4.5)	5
Mt. Edgecumbe Boarding School	4,716.2	4,816.2	100.0	2
Library Operations	8,022.9	7,997.3	(25.6)	5
ACPE Admin & Operations	5,883.7	6,008.7	125.0	3
WWAMI Medical Education	2,964.8	3,070.8	106.0	6
AK Performance Scholarship Award	11,500.0	11,750.0	250.0	3
Non-General Fund Agency Summary	FY18 Adjusted Base Budget	FY18 Governor's Request	Change from FY18 Adj Base to FY18 Governor's Request	See Note:
Other State Funds (all allocations)	62,439.0	57,620.8	(4,818.2)	
Federal Funds (all allocations)	241,959.6	241,157.5	(802.1)	
Total Non-General Funds (all allocations)	\$304,398.6	\$298,778.3	(\$5,620.3)	
Position Changes (From FY17 Authorized to Gov)	333	298	(35)	
PFT	311	279	(32)	5 & 7
PPT	15	15	-	
Temp	7	4	(3)	7
Governor's Capital Request	State Funds (GF + Other)	Federal Funds	Total	See Note:
Planning and Research	-	-	-	
Maintenance and Repairs	-	-	-	
Remodel, Reconstruction and Upgrades	-	-	-	
New Construction and Land Acquisition	-	-	-	
Equipment and Materials	-	-	-	
Information Systems and Technology	-	-	-	
Other	-	-	-	
TOTAL CAPITAL	\$0.0	\$0.0	\$0.0	

Department of Education and Early Development

The Department of Education and Early Development (DEED) is responsible for funding and regulating the state's K-12 schools—including ensuring quality standards-based instruction to improve academic achievement for all students—as well as administering school debt reimbursement and grants for school construction/major maintenance. Core services include the following:

- distribute public school funding to school districts and other educational institutions;
- provide fiscal accountability, compliance and oversight;
- develop, implement, and maintain school effectiveness programs; and
- maintain active partnerships for Pre-K through 20 and lifelong learning.

The department also houses commissions and boards (including the Professional Teaching Practices Commission, the Alaska State Council on the Arts and the Alaska Commission on Postsecondary Education) and is responsible for Mt. Edgecumbe High School; EED State Facilities Maintenance; and Alaska State Libraries, Archives and Museums.

BUDGET SUMMARY

The FY18 Department of Education and Early Development general fund operating budget submitted by the Governor on December 15, 2016 is \$6,964.3 (0.5%) above the FY18 Adjusted Base – a \$6,483.3 (0.5%) increase in Unrestricted General Funds (UGF) and a \$481.0 (1.9%) increase in Designated General Funds (DGF). Significant issues are highlighted in the notes below and correspond to the numbers in the last column of the preceding spreadsheet.

PROGRAM EXPANSION

1. State System of Support – Innovative Best Practice Initiative: \$250.0

UGF. The Governor's request includes a one-time increment (IncOTI) of \$250.0 to the State System of Support allocation to encourage school districts to strengthen and expand innovative student learning opportunities through effective district-level partnerships. The program was reduced by \$379.4 in FY17. This increment will be used to reexamine and redefine the program to be more efficient and effective.

Legislative Fiscal Analyst Comment: A performance review of DEED carried out by the Division of Legislative Audit in early 2016 found that the State System of Support “does not provide adequate services and resources to assist struggling schools.” That finding preceded the FY17 decrement to the program. The review recommended that the program be revamped and modernized.

2. Mt. Edgecumbe High School – Warm Storage and Maintenance Costs for the New Mt. Edgecumbe Aquatic Center: \$100.0 UGF. Construction of the Mount Edgecumbe High School Aquatic Center will be completed and ready to operate in FY18. Fully operating the center is anticipated to cost \$583.1 per year, which includes additional personnel. While the department explored options to get other entities to cover a portion of the cost of operating the facility, no agreements are in place. Instead, the department requests \$100.0 to cover the cost of keeping the pool winterized but not operational.

3. **Alaska Performance Scholarship (APS) Awards/Alaska Education Grant – Increase Scholarships to Meet Program Demand: \$375.0 Higher Education Investment Fund (DGF).** The Alaska Performance Scholarship (APS) program provides scholarships to Alaska high school students who take a more rigorous curriculum, get good grades, and score well on college placement or work ready exams. The APS award total is based on estimated demand for the program. This is the sixth year of the program, and demand is expected to increase. The Governor's budget includes an increment of \$250.0 for the APS, increasing the total awards to \$11,750.0. The Governor's budget also includes an increase of \$125.0 to the Alaska Education Grant, a needs-based grant program that is set in statute to equal half the amount allocated to the APS.

FUNDING REDUCTIONS AND MAINTENANCE OF SERVICES

4. **Pupil Transportation – Maintain Funding at the Reduced FY17 Level.** In FY17, the Governor vetoed \$6,350.0 from Pupil Transportation. The funding was prorated to districts. In FY18, the Governor's budget proposes funding the formula at the same amount \$72,619.8, which is 8.8 percent (or \$6,409.8) below the estimated statutory formula.
5. **Transfers to Shared Services of Alaska (SSoA) and Office of Information Technology (OIT).** In order to provide internal services at a reduced cost, the Executive Branch will implement phased consolidation of (1) cross-department services such as travel, accounts payable, P-Cards, procurement, facilities management, collection of delinquent accounts and centralized mail and print services, and of (2) information technology services. Departments transferred a total of 77 positions to SSoA (5 PFT from DEED) and another 68 positions to OIT (1 from DEED).
- Departments have decremented a total of \$763.8 (\$332.8 UGF) in the FY18 budget. This represents a 10% cut related to transferred positions with the remaining 90% of funding transferred to the contractual line to fund Reimbursable Services Agreements with the SSoA. The FY18 share of savings attributable to the Department of Education and Early Development is \$49.5 (\$30.1 of UGF). For more information, see the Operating Budget Overview in the *FY18 Legislative Fiscal Analyst's Overview of the Governor's Request*.
6. **WWAMI Program Contractual Increase: \$106.0 Higher Education Fund (DGF).** The WWAMI (Washington, Wyoming, Alaska, Montana, and Idaho) Program is a multi-state agreement with the University of Washington's School of Medicine. The contract with UW is increasing by \$106.0, to a total of \$3,070.8.

Legislative Fiscal Analyst Comment: Using the Higher Education Investment Fund to pay for WWAMI is a non-designated use of the fund. See item 10 below.
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7. **Alaska Commission on Postsecondary Education – Delete Vacant Positions: (\$625.1) Total and (7) positions.** The Governor's budget eliminates four permanent, full-time positions and three long-term, non-perm positions and associated funding totaling \$625.1 [\$231.5 Statutory Designated Program Receipts (Other) and \$393.6 Interagency Receipts (Other)].

OTHER ISSUES

8. **K-12 Formula Fully Funded: \$1.2 billion.** The Governor's budget fully funds the K-12 Formula and does not propose any changes for this item. The statutory base student allocation is \$5,930.
9. **Treatment of FY17 Language Increments.** In the FY17 budget, several items were restored by the Conference Committee as one-time language items and included language specifying that the items would be in the FY18 Adjusted Base. These items are:
- \$200.0 for Erin's Law (within Executive Administration)
 - \$320.0 for Best Beginnings (within Early Learning Coordination)
 - \$500.0 for Parents As Teachers (within Early Learning Coordination)
 - \$2,000.0 for Pre-Kindergarten Grants
 - \$661.8 for Online with Libraries (OWL)
10. **Use of Higher Education Investment Fund for Non-Designated Purposes: \$5,926.3 DGF Total.** The Higher Education Investment Fund (code 1226) is considered a designated fund source. By statute, the fund is to be used for the Alaska Performance Scholarship and the Alaska Education Grant, including the cost of administering the latter program. However, beginning in the FY16 budget, the fund has been used for a variety of non-designated purposes. In the FY18 Governor's budget, it is being used for the following non-designated purposes in DEED:
- \$2,717.3 for School Broadband Access Grants (School BAG);
 - \$138.2 for Live Homework Help; and,
 - \$3,070.8 the WWAMI Medical Education.

In addition, \$58,287.0 is used to make contributions to State retirement systems.

All of the above items would normally be funded with UGF. In FY17, only \$17.3 million of the \$113 million appropriated from the Higher Education Investment Fund was used for purposes designated by statute.

Legislative Fiscal Analyst Comment: After the draws from the fund in FY17, the end-of-year balance of the fund is estimated to decline from \$458.7 million to \$347.4 million. If the FY18 Governor's request is approved, the end-of-year balance will fall to an estimated \$284.2 million, after investment returns. This balance is not sufficient to sustainably pay for the designated programs, let alone the other non-designated uses of the fund.

Legislative Fiscal Analyst Recommendation: The legislature should use the Higher Education Investment Fund only for designated purposes, or should eliminate it altogether and deposit the remaining balance in the general fund. Using it unsustainably for non-designated purposes hides the true size of the budget.

ORGANIZATIONAL CHANGES

There are no organizational changes requested.

CAPITAL REQUEST

The Governor did not request any capital projects for the Department of Education and Early Development.

SCHOOL DEBT REIMBURSEMENT

The school debt reimbursement program is shown on the Debt Service Summary Table in the *FY18 Legislative Analyst's Overview of the Governor's Request*. The program was funded at a level sufficient to pay all anticipated FY18 claims for reimbursement.

ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Finance

P.O. Box 113200

Juneau, AK 99811-3200

(907) 465-3795

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MEMORANDUM

DATE: January 21, 2017

TO: Senator Lyman Hoffman, Senate Finance Co-Chair
Senator Anna MacKinnon, Senate Finance Co-Chair
Representative Paul Seaton, House Finance Co-Chair
Representative Neal Foster, House Finance Co-Chair

FROM: David Teal
Director of Legislative Finance Division

SUBJECT: Agency responses to FY17 Legislative Intent Language

This memorandum restates FY17 legislative intent (*italics*) for each agency and provides agency responses (indented) to our request for status reports. Due to the quantity of intent language this year, two documents are provided.

1. A summary table with all legislative intent and a concise statement on the status of the intent.
2. A detailed report with legislative intent, agency responses and Legislative Finance Division comments.

For complete responses, see the intent item number and page number in the first two columns of the summary table.

DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT**Mt. Edgecumbe Boarding School/Mt. Edgecumbe Boarding School**

Operating Budget (CCS HB 256)

15. *It is the intent of the legislature that the department identify a source of funding other than general funds for the operating cost of the Mount Edgecumbe High School Aquatics Facility.*

The Department of Education & Early Development (DEED) is exploring options for identifying sources of funding other than general funds for the operating costs of the Mount Edgecumbe High School (MEHS) Aquatics Facility. DEED/MEHS has had preliminary discussions with various potential users and stakeholders of the aquatics facility, including the Sitka School District, City and Borough of Sitka, U.S. Coast Guard, the Southeast Alaska Regional Health Consortium (SEARHC), and the Alaska State Troopers. In addition, DEED/MEHS is working with the Department of Transportation & Public Facilities (DOTPF) and the aquatic facility contractors to identify a potential fee schedule that can be assessed for use of the aquatics facility. While there have been no commitments from stakeholders to provide any funding at this point in time, conversations are expected to continue in the coming months. Furthermore, the operations and maintenance costs that have been identified still exceed any revenues DEED/MEHS could expect to receive from stakeholders or through the fee schedule, so it is anticipated that DEED/MEHS will still need to receive a direct appropriation of general funds in order to operating the aquatics facility.

Legislative Fiscal Analyst Comment: The department has worked with stakeholders to find non-general fund sources of funding for the aquatics facility, which will reduce but not eliminate the general fund request for its operation. In the FY18 Governor's budget, the department is requesting an increment of \$100.0 UGF for operation of the facility.

Alaska Postsecondary Education Commission/Program Administration & Operations

Operating Budget (CCS HB 256)

16. *It is the intent of the Legislature that the Alaska Commission on Postsecondary Education review all services offered in relation to its mission and core services, and report back to the Legislature no later than January 21, 2017 with recommendations on statute changes that would reduce the number of services offered by the Commission.*

It is the intent of the legislature that the Alaska Commission on Postsecondary Education will develop a plan to privately service the Alaska Student Loan Corporation's remaining loan portfolio and deliver a report to the Finance committees no later than January 17, 2017.

The Alaska Commission on Postsecondary Education has taken steps to address the

legislative intent language in CCS HB 256. A report with recommendations on statute changes as well as a report on developing a plan to privately services the Alaska Student Loan Corporation's remaining loan portfolio are both on-going and will be forth coming to the Legislature.

Department of Education and Early Development

Capital Budget (HCS CSSB 138)

17. It is the intent of the legislature that the Department of Education and Early Development add to their criteria when reviewing project applications for school major maintenance grants (AS 14.11.007) that all eligible energy efficiency improvements be excluded from the grant process and the grantee be redirected to work with the Alaska Housing Finance Corporation on receiving a loan through the Alaska Energy Efficiency Revolving Loan Fund (AS 18.56.855).

The Department of Education & Early Development (DEED) is aware of the legislative intent language expressed in HCS CSSB 138. The Alaska Energy Efficiency Revolving Loan Fund Program (AEERLP) will not accommodate DEED's major maintenance grant capital improvement projects (CIP). This is due to the CIPs being predominately mixed scope projects, or small projects. Mixed scope projects combine work for multiple needs such as code upgrades, rehabilitation, and energy upgrades. These mixed scope projects would generally not meet the required annual energy cost savings to pay back an AHFC loan because energy efficiencies are commingled and not a majority of the work under the CIP. CIPs are submitted as mixed scope because aging systems need repair along with other needs and the work is not discrete. If an attempt were made to carve a mixed scope project into multiple small projects, prices could be negatively impacted by loss of economy of scale, duplicate effort, and loss of a competitive bid climate due to smaller projects.

While the AEERLP encompasses all public buildings, not just schools, the AEERLP requires applicants to purchase energy audits, contract with energy service companies (ESCO's), and meet other underwriter requirements in addition to the qualifying savings to meet loan payments. For those that meet the strict loan criteria, the cost of capital through AHFC compared to the marketplace may be an impediment. In addition, municipalities and school districts have individual conditions around borrowing money including voter approval and other requirements that would need to be vetted at a local level.

DEED's CIP program uses a consistent and transparent ranking process as outlined in statute. Specifically, AS 14.11.013(c)(3) gives DEED authority to remove a project from the CIP list.

AS 14.11.013(c)(3) states: (c) the department may

(3) reject project requests and omit them from the six-year schedule due to

(A) incomplete information or documentation provided by the district;

(B) a determination by the department that existing facilities can adequately serve the

program requirements, or that alternative projects are in the best interests of the state;
(C) a determination that the project is not in the best interest of the state.

While none of the reasons provided in (A) through (C) above directly address removal based on energy efficiencies, and directing school districts to the AEERLP, during the review process DEED could direct school districts to the AEERLP if the CIP were found to have a majority of elements that appeared to meet the AHFC loan criteria. While DEED could incorporate this into our process, it is likely this would only address a small percentage of projects due to the mixed scope within the majority of the submitted CIPs.

Legislative Fiscal Analyst Comment: The department reviewed the possible benefits of AEERLP, but found that it would meet very few needs. To make this a viable option for school districts, the loan program may need to be modified, rather than DEED's process.

	A	B	C	D	E	F	G	H	I	J	K
1	DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT										
2											
3	FY	Appropriation	Allocation	Formula/ NonForm	Category	Description	GF	Other	Fed	Total Funds	Notes
4											
5	FY05- FY17	K-12 Support	Foundation Program	F	Base student allocation (BSA)	GF Foundation Program increased about 56% (up \$436.7 million, from \$727.3 million to \$1,164.0 billion)—this increase includes BSA increases + other permanent formula increases	436,669.1			436,669.1	During this period, the Base Student Allocation has risen 30% (from \$4,576 to the current \$5,930). FY05: \$4,576 FY06: \$4,919 FY07-FY08: \$5,380 FY09: \$5,480 FY10: \$5,580 FY11-14: \$5,680 FY15: \$5,830 FY16: \$5,880 FY17: \$5,930
6	FY10- FY15	K-12 Support	Foundation Program	F	Other Permanent Formula increases	Charter and Alternative Schools, VocEd factor, correspondence multiplier, and changes to required local effort					FY10: \$1,314.3 Increased Charter and Alternative Schools Funding (SB 57 fiscal note) FY12: \$11,731.5 (SB 84 fiscal note) creating a high school vocational education factor adjustment of 1.01 in the foundation formula. FY13: \$27,207.7 comprised of the following: – \$5,911.3 additional annual funding for school districts for increasing the Career Technical Education/ VOC ED factor from 1.01 to 1.015 (SB 182 fiscal note) – \$21,296.4 provision for required local effort at a consistent 2.65 mill rate (SB 182 fiscal note) FY15: \$6,659.9 comprised of the following: – \$6,176.0 increase due to correspondence multiplier change from 0.8 to 0.9 (HB 278 fiscal note) – \$483.9 increase due to charter school size changes (HB 278 fiscal note)

**Highlights of Significant Budget Changes
(FY05 to FY17)**

	A	B	C	D	E	F	G	H	I	J	K
1	DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT										
2											
3	FY	Appropriation	Allocation	Formula/ NonForm	Category	Description	GF	Other	Fed	Total Funds	Notes
4											
7	FY05- FY15	K-12 Support	Foundation Program	N	Non-Formula increases to school districts	One-time grants to school districts – items that added money to school district operating budgets without actually increasing the BSA.	220,572.0			220,572.0	<p>FY05: \$2,063.4 (\$609.3 for grants to municipalities/ school districts (SB100) + \$1,454.1 for additional grants to school districts and REAAs (SB 283)</p> <p>FY06: \$1,454.1 second-year funding of additional grants to school districts and REAAs (SB 283)</p> <p>FY07: \$35,000.0 (HB13 – one-time fiscal note appropriations for Cost Factor Adjustments (\$24 million) + School Improvement Grants (\$11 million)</p> <p>FY08: \$69,101.0 comprised of the following: –\$24,007.3 Operating Language to replace Grants for District Cost Factor from FY07 –\$10,543.2 Operating Language to replace School Improvement Grants from FY07 –\$24,007.3 Additional Grants for District Cost Factors (SB 53) –\$10,543.2 Additional School Improvement Grants (SB 53)</p> <p>FY12: \$20,000.0 Supplemental energy aid to school districts (appropriated in FY11 for use in FY12 - HB 108)</p> <p>FY13 – \$25,000.0 Aid to school districts to be distributed in proportion to the Adjusted Average Daily Membership (SB 160, sec. 21)</p> <p>FY14 – \$25,000.0 (IncOTI) Aid to school districts for Fixed Cost Increases (HB 65, sec. 15)</p> <p>FY15 – \$42,953.5 (IncOTI) in addition to the Foundation Formula increases in FY15 for State Aid to School Districts (HB 278)</p> <p>HB 278 also included \$32,243.7 for FY16 and \$19,904.2 for FY17. These amounts were subsequently removed in the FY15 supplemental budget.</p>
8											

	A	B	C	D	E	F	G	H	I	J	K
1	DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT										
2											
3	FY	Appropriation	Allocation	Formula/ NonForm	Category	Description	GF	Other	Fed	Total Funds	Notes
4											
9	FY10- FY11	K-12 Support	Foundation Program	N	Pre-Kindergarten	Age 4 Pre-K Program funds to develop a new preschool program to provide voluntary, comprehensive, half-day for four- and five-year olds based on the standards set forth in the Alaska Early Learning Guidelines.	4,000.0			4,000.0	Participating school districts were funded through a competitive grant process. —FY10 \$2 million OTI —FY11 \$2 million OTI In FY12, the legislature reduced funding for this program to \$1.7 million and moved it to the Teaching and Learning Support appropriation, Early Learning Coordination allocation (see continuing notes under that section).
10	FY05- FY17	K-12 Support	Pupil Transportation	F	Contractual Formula increases	Pupil Transportation costs have risen by \$19 million	18,978.3			18,978.3	Total change includes \$11,593.2 in increased FY13 Pupil Transportation funding due to revisions in the Pupil Transportation Program funding formula (SB 182). It also includes a Governor's veto of \$6.35 million in FY17.
11	FY12	K-12 Support	Pupil Transportation	F	Supplemental payment to school districts	Grant for additional school district pupil transportation costs	8,103.3			8,103.3	FY12 – \$8,103.3 Supplemental payments for pupil transportation (SB 182)
12	FY07- FY09	K-12 Support	School Performance Incentive Program	N	School Staff Performance Incentive Payments	Ch. 41, SLA 2006 (HB13) established a 3-yr bonus program for Certified and Non-certified school personnel.	13,100.0			13,100.0	Funding was appropriated as follows with department actuals as shown: —FY07 \$5.8 million / Actual = \$1.88 million —FY08 \$2.5 million / Actual = \$1.37 million —FY09 \$4.8 million / Actual = \$431,500 While not considered a formula program, performance incentive payments were based on specific criterion (AS 14.03.126). Unused funding lapsed back into the general fund.
13	FY14	K-12 Support	Boarding Home Grants	F	Fiscal Note	District Operated Boarding Schools	1,660.7			1,660.7	SB 47 (Chapter 48, SLA 2013) amends AS 14.16.200, doubling state funding for districts operating statewide residential educational programs. The funding supports a stipend for students plus one round-trip ticket to and from the school to the student's home district.
14	FY15- 16	K-12 Support	Boarding Home Grants	F	New Programs - Governor's Request	District Operated Boarding Schools	1,697.4			1,697.4	Chapter 48, SLA 2013 (SB 47) provided an approval process for the addition of new residential programs and increased funding for existing ones. FY15: \$961.3 for four new programs. FY16: \$736.1 for additional new and expanded programs.
15	FY15	K-12 Support	Boarding Home Grants	F	Fiscal Note	Residential Stipend - Boarding Home Grants	2,249.5			2,249.5	HB 278 impact. Amends AS 14.16.200, State funding for districts operating residential schools. It increases the stipend rate to 1.5 times the current law beginning in FY2015. The fiscal note cost includes the seven currently approved programs. Rates vary by region.

**Highlights of Significant Budget Changes
(FY05 to FY17)**

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16	FY14- FY15	K-12 Support	Special Schools	F	Fiscal Note	Special Education Service Agency	376.4			376.4	HB 87 (Chapter 23, SLA 2013) extends the sunset date for the Special Education Service Agency (SESA) to June 30, 2021 and amends AS 14.30.650 by increasing the SESA funding formula from \$15.75 times the average daily membership (ADM) to \$18.65 times the ADM. This fiscal note reflects the <i>additional</i> funding mandated by that formula change (\$374.8); also, in FY15, a formula adjustment of \$1.6 was approved to reflect the SESA total required for FY2015 of \$3,393.3.
17	FY15	K-12 Support	Alaska Challenge Youth Academy	F	Structural Change	Transfer the Alaska Challenge Youth Academy responsibility to the Department of Military and Veterans' Affairs	(4,791.4)			(4,791.4)	Chapter 72, SLA 2013 (HB 180) established the Alaska Military Youth Academy (AMYA) within the Department of Military and Veterans' Affairs as part of the National Guard Youth Program established under 32 U.S.C. 509. It also repealed AS 14.30.740 [the funding formula for the Alaska Challenge Youth Academy (ACYA) that was in the Department of Education and Early Development (DEED)]. Beginning in FY15, funding is appropriated directly to the Department of Military and Veterans' Affairs Alaska Military Youth Academy allocation.
18	FY17	Education Support Services	Executive Administration	N	Funding Reduction	Reduce Funding by \$85.9 UGF	(85.9)			(85.9)	The legislature reduced funding by \$85.9 without specifying the reduction. The Governor reduced funding by \$75.8 and deleted one position.
19	FY17	Education Support Services	Executive Administration	N	New Programs	\$200.0 to assist with implementation of Alaska Safe Children's Act (Erin's Law)	200.0			200.0	The legislature added an increment of \$200.0 to assist with the implementation of the Alaska Safe Children's Act, which passed in 2015. The legislation requires school districts to develop sexual abuse prevention curriculum, which is estimated to cost districts about \$500.0.
20	FY17	Education Support Services	Executive Administration	N	New Programs	\$300.0 to assist with the implementation of the federal Every Student Succeeds Act, to be spent in FY17-18	300.0			300.0	The legislature added a multi-year increment of \$500.0 to assist with the implementation of the federal Every Student Succeeds Act, to be spent in FY17-18. The governor vetoed \$200.0 of the funding.
21	FY17	Education Support Services	Administrative Services	N	Legislative Deletion	Reduce funding by \$60.2 UGF	(60.2)			(60.2)	The legislature reduced funding by \$60.2 without specifying the reduction.
22	FY17	Education Support Services	Information Services	N	Legislative Deletion	Reduce funding by \$37.2 UGF	(37.2)			(37.2)	The legislature reduced funding by \$37.2 without specifying the reduction.
23	FY15	Education Support Services	School Finance & Facilities	N	Internal Efficiencies - Governor's Request	Reduce Current Funding Based on Internal Efficiencies	(217.8)			(217.8)	Following departmental review, core services were aligned into functional categories to allow for funding and workflow efficiencies.

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	FY15	Education Support Services	School Finance & Facilities	N	Fiscal Note	One-Time School Design and Construction Report PCN: 1 Temporary position	620.1			620.1	This fiscal note added one-time funding associated with the passage of Section 53, Chapter 15, SLA 2014 (HB 278), which requires the Department of Education & Early Development to prepare and submit a report to the legislature not later than 6/15/15, on the benefits and disadvantages of using prototypical designs for school construction in both the Railbelt and rural areas of the State.
24											
25	FY17	Education Support Services	School Finance & Facilities	N	Funding Reduction	Reduce Funding by \$229.7 UGF PCNs: 2 PFT positions eliminated	(229.7)			(229.7)	
	FY09- FY15	Teaching and Learning Support	Student and School Achievement	N	Student Assessment	Standards Based Assessment and High School Graduation Qualifying Exam (HSGQE) Contract Increases and Elimination	0.0			0.0	From FY09-FY14, the contracts for the HSGQE increased by \$2 million based on an expanded scope of work, bringing the total to \$2.7 million. HB 278 eliminated the HSGQE beginning in FY15, replacing the requirement with the College and Career Readiness Assessment.
26											
	FY09- FY15	Teaching and Learning Support	Student and School Achievement	N	Student Assessment	Funding for WorkReady/College Ready Initiative for WorkKeys	0.0			0.0	\$414.0 in UGF was added to the budget in FY09. Administered in partnership with Dept. of Labor & Workforce Development. Provided students with the ability to take WorkKeys, an alternative skills assessment, without fees. This funding was subsequently removed from the budget in FY16.
27											
28	FY09	Teaching and Learning Support	Student and School Achievement	N	Student Assessment	Alaska Longitudinal Data System	610.0			610.0	Program designed to improve student performance through enhanced reporting on long-term performance of students.
	FY15 - FY16	Teaching and Learning Support	Student and School Achievement	N	Fiscal Note/ STEM	Pilot Program to Expand High School STEM Program to Middle School	0.0			0.0	HB 278 impact. The legislature also provided \$3 million to fund the addition of a pilot program to expand the High School STEM Program to Middle School. This is a three-year pilot program. In the FY16 budget, the funding was reduced from \$3 million to \$1 million. The remaining funding was transferred to the ANSEP allocation. In FY17, the remaining funding was also eliminated.
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30	FY11 - FY16	Teaching and Learning Support	ANSEP	N	Student Performance	Alaska Native Science & Engineering Program (ANSEP)	0.0			0.0	\$960.0 UGF was added to the budget in FY11. Ongoing funds to be administered by the Department through a reimbursable agreement with the University of Alaska Anchorage. In FY16, ANSEP was transferred from Student and School Achievement to its own allocation and funding was reduced by \$300.0. In FY17, the remaining funding was eliminated.
31	FY12- FY14	Teaching and Learning Support	Student and School Achievement	N	Student Performance	Theme-based Learning Pilot Program Development for the Iditarod School District from FY2012 - FY2014.	1,500.0			1,500.0	Base budget grant for three years (not to exceed a total of \$1.5 million by the end of FY14). --FY12 \$500.0 --FY13 \$500.0 --FY14 \$500.0 (initially funded by a fiscal note to SB 84 [Ch. 7 FSSLA2011])
32	FY13- FY15	Teaching and Learning Support	Student and School Achievement	N	Student Performance	Funding for the Support of a Statewide Literacy Program	0.0			0.0	The Governor requested \$300.0 GF in Grant funding for implementation of the Alaska State Literacy Blueprint, developed by a team of literacy leaders and approved by the State Board of Education in March 2011. The Legislature reduced the request to \$150.0. This funding was subsequently removed from the budget in FY16.
33	FY13	Teaching and Learning Support	Student and School Achievement	N	Student Performance	Grant to North Slope Borough School District for Curriculum Alignment, Integration & Mapping	330.0			330.0	FY13 was the third and final year of the grant (it was not funded by the state for years one and two). No overhead is taken and no positions are funded at DEED from this funding.

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34	FY14	Teaching and Learning Support	Student and School Achievement	N	Student Performance	Kindergarten through Third Grade Literacy Project	0.0			0.0	A Governor's request for \$320.0 UGF was approved by the legislature to fund implementation of a literacy project designed to provide for pre- and post-screening assessments for students in kindergarten through third grade (approximately 40,000 students). This funding was subsequently removed from the budget in FY16.
35	FY14	Teaching and Learning Support	Student and School Achievement	N	Budget Structure Change/ Student Performance	In FY14, the legislature approved \$2 million of the Governor's request for Digitizing Education in Alaska (originally requested at \$5.9 million) but divided that funding specifically into three new allocations within the Teaching and Learning Support appropriation: Alaska Learning Network (AKLN), Online with Libraries (OWL), and Live Homework Help.					
36	FY14- FY15	Teaching and Learning Support	Alaska Learning Network (AKLN)	N	Budget Structure Change (FY14)/ Student Performance	Creation of New Allocation and Transfer in of Funds for the Alaska Learning Network (Digitizing Education in Alaska)	0.0			0.0	This increase supported a consortium of all 53 school districts in Alaska. The AKLN offered online opportunities from outside vendors to students, including credit recovery, dual credit with the University of Alaska and access to courses that qualify for the Alaska Performance Scholarship). FY14: \$1,100.0 FY15: \$850.0 Funding for the program was eliminated in the FY16 budget.
37	FY15	Teaching and Learning Support	Student and School Achievement	N	Internal Efficiencies - Governor's Request	Delete Long-Term Vacant Positions and Reduce Expenditure Level PCNS: 2 PFT positions eliminated	(382.2)		(16.0)	(398.2)	At the Governor's Request, two long-term vacant Juneau PFT PCNs were deleted, with associated funding of \$180.4 (\$164.4 UGF/ \$16.0 Fed Rcpts). Also, core services were aligned into functional categories to allow for funding and workflow efficiencies, providing a further reduction of \$217.8 UGF.
38	FY15	Teaching and Learning Support	Student and School Achievement	N	Student Assessment	Eliminate Funding for the TerraNova Assessment	(253.6)			(253.6)	All funding for the TerraNova Assessment (a norm-referenced nationally standardized achievement test) was eliminated by the legislature for FY15. In April 2013, the Alaska State Board of Education adopted regulations repealing the requirements for a standardized norm-referenced test administration, the reporting of norm-reference test results, and for related school and student questionnaires.
39	FY15	Teaching and Learning Support	Student and School Achievement	N	Fiscal Note	Restraint, Seclusion and Crisis Training	14.0			14.0	HB 210 (Chapter 95, SLA 2014) pertains to crisis intervention training for school personnel and requires school districts to report new data to the department regarding safety plans and crisis conditions. The legislature approved the addition of \$14.0 UGF beginning in FY15.

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40	FY15- FY16	Teaching and Learning Support	Student and School Achievement	N	Student Assessment/ Fiscal Note	College Career Readiness SAT/ACT/WorkKeys	0.0			0.0	HB 278 impact. The High School Graduation Qualifying Examination (HSGQE) was repealed and replaced with a requirement to participate in a college and career readiness assessment (paid for by the department with estimated funding of \$525.0 UGF). In the following session, HB 44 removed this requirement effective after the 2015-16 school year. In FY16, the fund source was changed to the Higher Ed Fund (DGF), and in FY17 was eliminated from the budget.
41	FY16 - FY17	Teaching and Learning Support	Student and School Achievement	N	Legislative Deletion	Alaska Resource Education (formerly known as AMEREF) grant eliminated	(100.0)			(100.0)	Until FY16, DEED granted \$100.0 UGF to Alaska Resource Education, a nonprofit organization. In FY16, the legislature reduced the grant to \$25.0. In FY17, it was eliminated entirely.
42	FY15 - FY16	Teaching and Learning Support	Student and School Achievement	N	Fiscal Note	Military Family Data Reporting	10.0			10.0	HB 278 impact. An additional \$80.0 UGF was added to fund reporting system software modifications and technical assistance for school districts to reflect changes in reporting requirements. In FY16, the amount was reduced to an ongoing cost of \$10.0 UGF per year.
43	FY15	Teaching and Learning Support	Student and School Achievement	N	Fiscal Note/ Grants to Charter Schools	Charter School Grants	168.8			168.8	HB 278 impact. The legislature added \$168.8 UGF to provide a one-time grant to new charter schools in the amount of \$500 per student enrolled in the school on October 1 of the first year in which the school applies for the grant.
44	FY15	Teaching and Learning Support	Student and School Achievement	N	Fiscal Note/ TVEP	Reflect Increases in the TVEP Funding Resulting in an Increase from .15 of 1% to .16 of 1%	30.1			30.1	HB 278 impact. AS 23.14.835(d) is amended to reflect increases in the TVEP Funding Formula from .15 of 1% to .16 of 1% (estimated at \$30.1 Technical and Vocational Education Program funding [DGF]). This funding is a grant from DEED to the Galena Interior Learning Academy. HB 278 also extended the TVEP program through June 30, 2017—it had been scheduled to sunset on June 30, 2014.
45	FY16 - FY17	Teaching and Learning Support	Student and School Achievement	N	Funding Reduction	Funding Reductions totaling \$1,378.6 PCNs: 5 PFT positions eliminated	(1,378.6)		(54.6)	(1,433.2)	In FY16, the legislature reduced the Teaching and Learning Support appropriation by \$400.0 without specifying the reduction. In FY17, the legislature and governor reduced the component by a further \$978.6 UGF and \$54.6 Fed and deleted five positions.

1/11/2017

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Legislative Finance Division

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46	FY11-17	Teaching and Learning Support	State System of Support	N	Budget Structure Change/ Student Performance	Content Specialists for Math, Science, and Reading PCNs: 3 PFT positions added	162.3			162.3	<p>New Allocation "State System of Support" created in FY11 with the Transfer In of \$1.3 million from Executive Administration/ Education Support Services Appropriation (\$1,332.6 w/ 3 PFT) + the \$291.7 increment with three new positions.</p> <p>Content Specialists were hired to work with school districts to help them align their curriculum to Alaska Grade Level Expectations in reading, math, and science. This was established in response to the Moore vs. State case, in which the state's oversight of public schools was found to be deficient.</p> <p>FY11: \$291.7 increment FY12: additional \$400.0 one-time increment FY13: \$250.0 added to base, level funding through FY16 FY17: \$379.4 decrement</p>
47	FY07-FY16	Teaching and Learning Support	Statewide Mentoring Program	N	Student Performance	Began with \$3.9 million GF in FY07 to provide mentoring for new teachers and principals. Funding was reduced in FY12, FY13, FY15 and FY16, and eliminated in FY17.	0.0			0.0	<p>The Statewide Mentoring Program began in 2003 and was cited in the state's defense in the Moore vs. State case. The program provided mentoring for new teachers and principals. In FY07, the program was broken out into a separate allocation</p> <p>FY07 - FY11: \$3.9 million UGF FY12: \$3.15 million UGF FY13: \$3.0 million UGF FY14: \$3.0 million UGF FY15: \$2.3 million UGF FY16: \$1.0 million UGF, \$500.0 Higher Ed Fund (DGF) FY17: \$0.0</p>
48	FY17	Teaching and Learning Support	Child Nutrition	N	Legislative Deletion	Reduce Funding by \$17.8 UGF	(17.8)			(17.8)	The legislature reduced funding by \$17.8 without specifying the reduction.
49	FY08	Teaching and Learning Support	Early Learning Programs	N	Budget Structure Change/ Early Learning	Creation of new allocation and funding to support the new Early Learning Program that was developed and endorsed by statewide stakeholders as well as by the State School Board	400.0			400.0	<p>One-time funding for the following:</p> <ul style="list-style-type: none"> -\$150.0 Early Learning Guidelines to provide training and specific curriculum development; -\$150.0 Development of a Statewide Plan for Voluntary Early Childhood Education; and -\$100.0 Ready to Read, Ready to Learn Administrative and Council Support. <p>In FY09, this allocation was absorbed into the new Early Learning Coordination allocation (see following note).</p>

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50	FY09	Teaching and Learning Support	Early Learning Coordination	N	Budget Structure Change/ Head Start	Up until FY08, the Head Start Grant allocation (\$6.1 million GF) was an individual component within the Teaching and Learning Support appropriation. In FY09, the legislature renamed the component Early Learning Coordination and combined it with all other Early Learning Programs.					
51	FY09- FY10	Teaching and Learning Support	Early Learning Coordination	N	Head Start	Additional Funding for Head Start Grants	1,200.0			1,200.0	Increments (targeted to serve additional children) were added to base Head Start funding: —FY09 \$600.0 —FY10 \$600.0
52	FY09	Teaching and Learning Support	Early Learning Coordination	N	Early Learning	Early Learning Coordination Funding PCNS: 1 PFT position added	307.1			307.1	For continued development and administration of the Early Learning Guidelines
53	FY11- FY12	Teaching and Learning Support	Early Learning Coordination	N	Best Beginnings	Best Beginnings One-Time Item - Imagination Library Initiative and Development of Local Early Childhood Councils	580.0			580.0	Funds for the support of early literacy and the Imagination Library in providing matching grants to local communities to purchase children's books. FY11 \$380.0 FY12 \$200.0
54	FY11	Teaching and Learning Support	Early Learning Coordination	N	Best Beginnings/ Pre-Kindergarten	Funding for Best Beginnings and/or to existing providers of Parents as Teachers pre-kindergarten efforts	320.0			320.0	Funding for the Best Beginnings program has fluctuated since its establishment as a one-time item in FY10: FY10: \$200.0 FY11: \$600.0 FY12-15: \$937.5 FY16-17: \$320.0
55	FY12	Teaching and Learning Support	Early Learning Coordination	N	Student Performance	Funding for a contract with an Early Learning Coordinator for Intervention Districts (specifically directed to the Lower Yukon and Yupit School Districts)	300.0			300.0	In 2007, in <i>Moore v. Alaska</i> , an Alaska trial court held that the state had failed to provide adequate supervision and oversight to remedy underperformance in certain schools. Issues include curriculum design, professional training and retention, pre-kindergarten and other intensive early learning, and remediation plans for individual students. In total, five school districts were identified—Yupit, Lower Yukon, Yukon Flats, Yukon-Koyukuk, and Northwest Arctic.

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56	FY12- FY17	Teaching and Learning Support	Early Learning Coordination	N	Parents as Teachers	Funding Changes to the Parents as Teachers Grant Program	500.0			500.0	<p>SB 182 (Ch19 SLA 2012) increased funding for the Parents as Teachers (PAT) program for FY13-15 by \$373.0, to a total of \$1,042.5.</p> <p>In FY14, the legislature removed a total of \$362.0 UGF from PAT: \$242.5 from the grant program, and \$119.5 for the Early Childhood Education position which acted as the Parents as Teachers coordinator. This left the overall PAT program with an ongoing budget for FY14 of \$680.5.</p> <p>In FY16, the additional funding provided by SB182 ended. The legislature increased funding for PAT to \$700.0, but the Governor reduced funding to \$500.0 in both years.</p> <p>FY12: \$300.0 FY13: \$1,042.5 FY14-15: \$680.5 FY16-17: \$500.0</p>
57	FY17	Teaching and Learning Support	Early Learning Coordination	N	Legislative Deletion	Reduce Funding by \$106.3 UGF	(106.3)			(106.3)	The legislature reduced funding by \$106.3 without specifying the reduction.
58	FY12- FY16	Teaching and Learning Support	Pre-Kindergarten Grants	N	Pre-Kindergarten	Funding for Pre-Kindergarten Grants	2,000.0			2,000.0	<p>Pre-Kindergarten grants were moved from the K-12 Formula to a separate allocation beginning in FY13.</p> <p>FY12: \$1,700.0 UGF FY13: \$2,800.0 UGF FY14-17: \$2,000.0 UGF</p>
59	FY15- FY17	Commissions and Boards	Alaska State Council on the Arts	N	New/Expanded Program	Increased Statutory Designated Program Receipt authorization for Rasmuson funding for the Harper Arts Touring Program and Margaret A. Cargill Foundation funding for Alaska Arts Education Planning Partnership Project		960.0		960.0	<p>In FY15, the legislature approved base funding of \$160.0 to allow for increased management and administration of the Harper Arts Touring Program sponsored by the Rasmuson Foundation. The legislature also approved an RPL authorizing receipt of funding from the Margaret A. Cargill Foundation for the Alaska Arts Education Planning Partnership Project. No general fund match requirement and no new positions are needed for these programs. In FY17, the legislature approved an additional \$800.0 increase in SDPR for additional receipts from the Margaret A. Cargill Foundation.</p>
60	FY16 - FY17	Commissions and Boards	Alaska State Council on the Arts	N	Funding Reduction	Funding reductions totaling \$111.5 UGF	(112.0)			(112.0)	<p>In FY16, the legislature reduced UGF funding (including GF/Match) by 10%, equal to \$80.4. In FY17, the legislature reduced GF/Match by an additional \$31.1 and the Governor reduced UGF by \$0.5</p>

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61	FY16	Commissions and Boards	Professional Teaching Practices Commission	N	Funding Source Change	Replace \$303.9 UGF with GF/PR by increasing licensing fees	0.0			0.0	In response to legislative intent, the department increased teacher licensing fees to pay for the Professional Teaching Practices Commission. Beginning in FY16, the program became entirely fee-supported.
62	FY16	State Facilities Maintenance	EED State Facilities Rent	N	New/Expanded Program	One-time increment to support dual occupancy for the State Libraries, Archives, and Museums (SLAM) facility	200.0			200.0	The SLAM building was completed in April 2016. For three months (April-June 2016), the department was responsible for both the new SLAM building and existing leased space.
63	FY14- FY17	Alaska Library and Museums	Online with Libraries (OWL)	N	Budget Structure Change/ Student Performance	Creation of new allocation and addition of funds for Online with Libraries (part of Digitizing Education in Alaska). Allocation moved to Alaska Library and Museums appropriation in FY16.	661.8			661.8	The OWL project specifically supports local libraries and communities by supplying bandwidth, or improved bandwidth, that allows access to state and federal support services, licenses, training, and educational opportunities. It was funded at \$761.8 UGF beginning in FY14. In FY16, this program was changed from UGF to the Higher Education Investment Fund (DGF). In FY17, the funding was changed back to UGF and was reduced by \$100.0.
64	FY14- FY16	Alaska Library and Museums	Live Homework Help	N	Budget Structure Change/ Student Performance	Creation of new allocation and Addition of Funds for Live Homework Help (part of Digitizing Education in Alaska). Allocation moved to Alaska Library and Museums appropriation in FY16.	138.2			138.2	The funding in this allocation will allow students to access help via chat-line from a live tutor. Assistance is available to any Alaskan student at any level, including college, from 1 pm until midnight. In FY16, this program was changed from UGF to the Higher Education Investment Fund (DGF).
65	FY17	Alaska Library and Museums	Library Operations	N	Fiscal Note	Broadband Grant	2,717.3			2,717.3	HB 278 impact. Each fiscal year, a district in which one or more schools qualify for a discounted rate for internet services under the federal universal services program (47 U.S.C. 254) is eligible to receive an amount for each school that is equal to the amount needed to bring the applicant's speed to 10 mps. FY15: \$5 million UGF FY16: \$3.6 million total--\$1.8 million UGF, \$1.8 million Higher Ed Fund (DGF) FY17: \$2.7 million Higher Ed Fund (DGF)
66	FY16 - FY17	Alaska Library and Museums	Library Operations	N	Funding Reduction	Reductions in funding totaling \$773.8 UGF	(773.8)			(773.8)	In FY16, the legislature cut the Alaska Library, Archives and Museums appropriation by \$422.5. \$273.8 of which was spread to the Library Operations allocation. The legislature further reduced funding for the Library Operations allocation by \$500.0 without specifying the reduction.

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67	FY16 - FY17	Alaska Library and Museums	Archives	N	Funding Reduction	Reductions in funding totaling \$89.2 UGF	(89.2)			(89.2)	In FY16, the legislature cut the Alaska Library, Archives and Museums appropriation by \$422.5, \$68.7 of which was spread to the Archives allocation. The legislature further reduced funding for the Archives allocation by \$20.5 without specifying the reduction.
68	FY16 - FY17	Alaska Library and Museums	Museum Operations	N	Funding Reduction	Reductions in funding totaling \$580.0 UGF	(580.0)			(580.0)	In FY16, the legislature cut the Alaska Library, Archives and Museums appropriation by \$422.5, \$80.0 of which was spread to the Museum Operations allocation. The legislature further reduced funding for the Museum Operations allocation by \$500.0 without specifying the reduction.
69	FY12- FY16	Alaska Postsecondary Education Commission	Program Administration & Operations	F	Alaska Education Grant	Alaska Education Grant (AEG) Funding	5,832.8			5,832.8	In FY12, the Legislature approved \$3 million in Alaska Education Grant Funding. In FY13, HB104 established the Alaska Higher Education Investment Fund to pay for Alaska Performance Scholarships (APS) and for the Alaska Education Grants (AEG). The bill set up a proportional allocation of funding structure with two-thirds of each year's appropriation allocated to APS and one-third of the appropriation allocated to AEG, up to seven percent of the fund's balance. Funding for the grants has increased as follows: FY12: \$3 million FY13: \$4 million FY14: \$4 million FY15: \$5.5 million FY16-17: \$5.75 million Beginning in FY15, ACPE also began using \$82.8 from the Higher Education Investment Fund to cover the cost of maintenance for the the grant administration software (SB 195 fiscal note).
70	FY16	Alaska Postsecondary Education Commission	Program Administration & Operations	N	ACPE	Reduced ACPE funding for ANSWERS, Outreach Efforts		(925.0)		(925.0)	The legislature removed a total of \$925.0 of ASLC Receipt authority from ACPE. \$700.0 of the reduction was to eliminate funding for ANSWERS, a longitudinal data system. The remaining \$225.0 was to reduce outreach efforts.
71	FY07- FY11	Alaska Postsecondary Education Commission	WWAMI Medical Education	N		Increase of \$1.45 million primarily between FY08 - FY11 for expansion of the annual class size of Alaskan participants in the WWAMI regional medical program at the University of Washington	1,457.5			1,457.5	The annual class size doubled in size (from 10 to 20 participants) at the UW School of Medicine (Chapter 5, SLA2007, AS 14.42.030(d)). -FY07 \$39.4 -FY08 \$151.3 -FY09 \$432.1 -FY10 \$524.7 -FY11 \$310.0

**Highlights of Significant Budget Changes
(FY05 to FY17)**

	A	B	C	D	E	F	G	H	I	J	K
1	DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT										
2											
3	FY	Appropriation	Allocation	Formula/ NonForm	Category	Description	GF	Other	Fed	Total Funds	Notes
4											
72	FY16	Alaska Postsecondary Education Commission	WWAMI Medical Education	N	WWAMI	Fund Source Change from UGF to Higher Education Investment Fund (DGF)	0.0			0.0	In FY16, the legislature changed WWAMI's entire \$2,964.8 budget from UGF to the Higher Education Investment Fund, which is considered DGF.
73	FY12- FY16	AK Performance Scholarship Awards	AK Performance Scholarship Awards	F	Alaska Performance Scholarship	Alaska Performance Scholarship (APS) funding for the merit-based scholarships	11,500.0			11,500.0	<p>New appropriation/allocation beginning with \$6 million in FY12.</p> <p>In 2012, HB 104 (Alaska Performance Scholarships) (Chapter 74, SLA2012) was passed which established the Alaska Higher Education Investment Fund and added another \$4.9 million by fiscal note to the program, totaling \$8 million for FY13. (Also see note above concerning the AlaskAdvantage Education Grants.) Beginning in FY14, the amount was fully funded with the Higher Education Investment Fund.</p> <p>FY12: \$6 million FY13-14: \$8 million FY15: \$11 million FY16-17: \$11.5 million</p>
74	FY16	Alaska Student Loan Corporation	Loan Servicing	N	Budget Structure Change	Creation of new Alaska Student Loan Corporation appropriation					In FY16, the legislature approved the Governor's request for a structure change to reflect the Alaska Student Loan Corporation's status as a distinct legal entity from the Alaska Commission on Postsecondary Education. Fund code 1106 was also renamed "ASLC Receipts" for the same reason.

DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT
FY17 - Increment Status

Legislative Additions

Item #	Appropriation/ Allocation	Description	Amount/Fund Source	Comment	GF Dec?	LFD Questions	Agency Comments
1	Executive Administration	Multi-Year Appropriation to Implement Every Student Succeeds Act (FY17-18)	\$300.0 UGF	The legislature added an increment of \$500.0 to assist with the implementation of the federal Every Student Succeeds Act, to be spent in FY17 and FY18. The Governor vetoed \$200.0 of the \$500.0 appropriated by the legislature—leaving \$300.0.	No	What is the funding being used for? How much of the funding will be used in FY17?	In FY17 funding is being utilized to support the DEED Education Policy Coordinator position, stakeholder outreach, related travel, and grants have been provided to school district stakeholders for ESSA planning input. It is estimated that approximately \$200.0 will be used in FY17.
2	Executive Administration	Alaska Safe Children's Act (Erin's Law) - Base budget item in FY2018	\$200.0 UGF	The legislature added an increment of \$200.0 to assist with the implementation of the Alaska Safe Children's Act (also known as Erin's Law), which passed in 2015. The legislation requires school districts to develop sexual abuse prevention curriculum, which is estimated to cost districts about \$500.0.	No	What is the funding being used for? Is it supporting work within the department, or being transferred to school districts?	In the initial year (FY17) funding will be issued as grants to school districts to support district preparations to comply with the Alaska Safe Children's Act (primarily for the purchase of new classroom curriculum based on recommendations of the Task Force). After the initial grant award year, it will be necessary for minimal funding to be utilized by the department so eLearning Programs, and other technical assistance efforts, can continue to deliver the Act's required teacher training to district personnel. Grants will continue to be disbursed to districts to cover on-going curricula purchases and training of teachers on delivering the curricula.

Department of Education and Early Development							
Heidi Teshner, Administrative Services Director, (907) 465-2875							
Name of Component/Program	Purpose of Fee	Authorizing Statute or Regulation	FY2016 Fee	FY2017 Fee	Proposed FY2018 Fee	Amount of FY2018 Budget Increase due to Fee Change (If no increase, enter "N/A")	Explain changes made to regulations and any proposed changes to statutes. If fee revenue is considered non-UGF, please note its designation (i.e., GF/PR, etc.)
Child Nutrition	Distribution of USDA Commodities	AS 14.07.030(11)	\$3.19 / case	\$3.19 / case	\$3.24 / case	N/A	Federal Receipts - donated commodities
Teacher Certification	Teacher Certification Fees	AS 14.20.020(c) 4 AAC 12.300(g)(1)	\$200.00	\$200.00	\$200.00	N/A	General Fund Program Receipts
Teacher Certification	Retired Certification Fees	4 AAC 12.380(e)	\$240.00	\$240.00	\$240.00	N/A	General Fund Program Receipts
Teacher Certification	Certificated copy of Certificate	4 AAC 12.300(g)(4)	\$25.00	\$25.00	\$25.00	N/A	General Fund Program Receipts
Teacher Certification	Nonacademic Credit	4 AAC 12.300(g)(5)	\$50.00	\$50.00	\$50.00	N/A	General Fund Program Receipts
Teacher Certification	Public Safety/FBI criminal background checks	AS 14.20.020(c)	\$60.00	\$60.00	\$60.00	N/A	General Fund Program Receipts
Alaska State Council on the Arts	Eskimo Doll Catalog Sales/Other ASCA publications	AS 44.27.052	\$10 - \$12	\$10 - \$12	\$10 - \$12	N/A	General Fund Program Receipts
Alaska State Council on the Arts	Silver Hand Permits	AS 45.65.020(b)(2) AS 45.65.040(c)	\$20.00	\$20.00	\$20.00	N/A	General Fund Program Receipts
Mt. Edgecumbe High School	Housing Rental	AS 14.07.030(12)	\$1,500.00/ mo.	\$1,500.00/ mo.	\$1,500.00/ mo.	N/A	General Fund Program Receipts
Mt. Edgecumbe High School	Travel fees	AS 14.07.030(12)	\$150.00	\$150.00	\$150.00	N/A	General Fund Program Receipts
Mt. Edgecumbe High School	Student activity fees	AS 14.07.030(12)	\$50.00	\$50.00	\$50.00	N/A	General Fund Program Receipts
Mt. Edgecumbe High School	Yearbook fees	AS 14.07.030(12)	\$50.00	\$50.00	\$50.00	N/A	General Fund Program Receipts
Library Operations	Historical photo reproduction	AS 14.56.030(10) 4 AAC 57.910(a)(1)	\$25.00	\$25.00	\$25.00	N/A	General Fund Program Receipts
Library Operations	Photocopies	AS 14.56.030(10) 4 AAC 57.910(a)(4)	\$0.10/pg self-service plus \$50.00/hour staff time if needed	\$0.10/pg self-service plus \$50.00/hour staff time if needed	\$0.10/pg self-service plus \$50.00/hour staff time if needed	N/A	General Fund Program Receipts
Library Operations	Professional Services	AS 14.56.030(10) 4 AAC 57.910(a)(5)	up to \$50.00/hr	up to \$50.00/hr	up to \$50.00/hr	N/A	General Fund Program Receipts

Department of Education and Early Development							
Heidi Teshner, Administrative Services Director, (907) 465-2875							
Name of Component/Program	Purpose of Fee	Authorizing Statute or Regulation	FY2016 Fee	FY2017 Fee	Proposed FY2018 Fee	Amount of FY2018 Budget Increase due to Fee Change (If no increase, enter "N/A")	Explain changes made to regulations and any proposed changes to statutes. If fee revenue is considered non-UGF, please note its designation (i.e., GF/PR, etc.)
Library Operations	Interlibrary loans-rush request	4 AAC 57.910(a)(2)(A)	\$10/request	\$10/request	\$10/request	N/A	General Fund Program Receipts
Library Operations	Interlibrary loans-out of state request	4 AAC 57.910(a)(2)(B)	\$15/loan	\$15/loan	\$15/loan	N/A	General Fund Program Receipts
Library Operations	Interlibrary loans-out of state request for copies	4 AAC 57.910(a)(2)(C)	\$15 + .25 per page/request	\$15 + .25 per page/request	\$15 + .25 per page/request	N/A	General Fund Program Receipts
Archives	Photocopies	AS 40.21.030(5) 4 AAC 59.065(a)(1)	\$0.10/pg self-service plus \$50.00/hour staff time if needed	\$0.10/pg self-service plus \$50.00/hour staff time if needed	\$0.10/pg self-service plus \$50.00/hour staff time if needed	N/A	General Fund Program Receipts
Archives	Microfiche	AS 40.21.030(5) 4 AAC 59.065(a)(2)(A)	actual cost of media plus \$50.00/hour staff time	actual cost of media plus \$50.00/hour staff time	actual cost of media plus \$50.00/hour staff time	N/A	General Fund Program Receipts
Archives	Microfilm	AS 40.21.030(5) 4 AAC 59.065(a)(2)(B)	actual cost of media plus \$50.00/hour staff time	actual cost of media plus \$50.00/hour staff time	actual cost of media plus \$50.00/hour staff time	N/A	General Fund Program Receipts
Archives	Audio-Visual Records	AS 40.21.030(5) 4 AAC 59.065(a)(4)	actual cost of media plus \$50.00/hour staff time	actual cost of media plus \$50.00/hour staff time	actual cost of media plus \$50.00/hour staff time	N/A	General Fund Program Receipts
Archives	Electronic Records	AS 40.21.030(5) 4 AAC 59.065(a)(5)	actual cost of media plus \$50.00/hour staff time	actual cost of media plus \$50.00/hour staff time	actual cost of media plus \$50.00/hour staff time	N/A	General Fund Program Receipts
Archives	Photographs	AS 40.21.030(5) 4 AAC 59.065(a)(2)	\$25.00	\$25.00	\$25.00	N/A	General Fund Program Receipts
Museum Operations	Admission Fee	AS 14.57.010(c) 4 AAC 58.010(a)	\$5 winter, \$12 summer AK State Museum; \$3 winter, \$5 summer Sheldon Jackson	\$5 winter, \$12 summer AK State Museum; \$3 winter, \$5 summer Sheldon Jackson	\$5 winter, \$12 summer AK State Museum; \$3 winter, \$5 summer Sheldon Jackson	N/A	General Fund Program Receipts

Department of Education and Early Development							
Heidi Teshner, Administrative Services Director, (907) 465-2875							
Name of Component/Program	Purpose of Fee	Authorizing Statute or Regulation	FY2016 Fee	FY2017 Fee	Proposed FY2018 Fee	Amount of FY2018 Budget Increase due to Fee Change (If no increase, enter "N/A")	Explain changes made to regulations and any proposed changes to statutes. If fee revenue is considered non-UGF, please note its designation (i.e., GF/PR, etc.)
Museum Operations	Annual Pass	AS 14.57.010(c) 4 AAC 58.010(b)	\$25.00	\$25.00	\$25.00	N/A	General Fund Program Receipts
Museum Operations	Professional Service	AS 14.57.010(c) 4 AAC 58.010(d)	up to \$50.00/hr	up to \$50.00/hr	up to \$50.00/hr	N/A	General Fund Program Receipts
Museum Operations	Traveling exhibits	AS 14.57.010(c) 4 AAC 58.010(e)	actual cost of providing exhibit	actual cost of providing exhibit	actual cost of providing exhibit	N/A	General Fund Program Receipts
Museum Operations	Loan of Artifacts	AS 14.57.010(c) 4 AAC 58.010(g)	\$100.00	\$150.00	\$150.00	N/A	General Fund Program Receipts
Museum Operations	Photo Reproduction	AS 14.57.010(c) 4 AAC 58.010(f)	\$25.00	\$25.00	\$25.00	N/A	General Fund Program Receipts
Alaska Commission on Postsecondary Education (ACPE) - Program Administration and Operations	Institutional Authorizations	AS 14.48.090 AS 14.48.200 20 AAC 17.055(1)	\$2,500.00	\$2,500.00	\$2,500.00	N/A	General Fund Program Receipts
ACPE - Program Administration and Operations	Initial renewal	AS 14.48.090 20 AAC 17.055(2)	\$500-\$2,500	\$500-\$2,500	\$500-\$2,500	N/A	General Fund Program Receipts
ACPE - Program Administration and Operations	Loan origination	AS 14.43.120(u)	Not to exceed 5% of loan amount	Not to exceed 5% of loan amount	Not to exceed 5% of loan amount	N/A	Alaska Student Loan Corporation Receipts

Department of Education and Early Development							
Heidi Teshner, Administrative Services Director, (907) 465-2875							
Name of Component/Program	Purpose of Fee	Authorizing Statute or Regulation	FY2016 Fee	FY2017 Fee	Proposed FY2018 Fee	Amount of FY2018 Budget Increase due to Fee Change (If no increase, enter "N/A")	Explain changes made to regulations and any proposed changes to statutes. If fee revenue is considered non-UGF, please note its designation (i.e., GF/PR, etc.)
Alaska Commission on Postsecondary Education (ACPE) - Program Administration and Operations	Institutional Authorizations	AS 14.48.090 AS 14.48.200 20 AAC 17.055(1)	\$2,500.00	\$2,500.00	\$2,500.00	N/A	General Fund Program Receipts
ACPE - Program Administration and Operations	Initial renewal	AS 14.48.090 20 AAC 17.055(2)	\$500-\$2,500	\$500-\$2,500	\$500-\$2,500	N/A	General Fund Program Receipts
ACPE - Program Administration and Operations	Loan origination	AS 14.43.120(u)	Not to exceed 5% of loan amount	Not to exceed 5% of loan amount	Not to exceed 5% of loan amount	N/A	Alaska Student Loan Corporation Receipts

Fiscal Year 2018 Subcommittee Book

Department of Education and Early Development Governor's Operating Budget Request



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Column Definitions

16Actual (FY16 LFD Actual) - FY16 actual expenditures as adjusted by LFD.

15MgtPln (FY15 Management Plan) - Authorized level of expenditures at the beginning of FY15 plus position adjustments and transfers (made at an agency's discretion) within appropriations.

17 CC (FY17 Conference Committee) - The FY17 operating budget as approved by the Conference Committee on the Operating and Mental Health appropriation bills. The column does not include fiscal notes appropriated in Sec. 2 of HB 256/HB 257, special legislation or reappropriations. Appropriations in the language sections of the FY17 operating budget bills are included in the Conference Committee column.

17 Auth (FY17 Authorized) - The Conference Committee operating budget (adjusted for vetoes) plus fiscal notes appropriated in Sec. 2 of HB 256/HB 257, updated CC language estimates, operating appropriations made by other bills, reappropriations, and funding carried forward from previous fiscal years.

17MgtPln (FY17 Management Plan) - Authorized level of expenditures at the beginning of FY17 plus position adjustments and transfers (made at an agency's discretion) within appropriations.

18Adj Base (FY18 Adjusted Base) - FY17 Management Plan less one-time items, plus FY18 adjustments for position counts, funding transfers, line item transfers, temporary increments (IncT) from prior years, and additions for statewide items (risk management and most salary and benefit increases). The Adjusted Base is the "first cut" of the FY18 budget; it is the base to which the Governor's and the Legislature's increments, decrements, and fund changes are added.

18Gov (FY18 Governor Request) - Includes FY18 Adjusted Base plus the Governor's operating budget bill requests for increases (increments), decreases (decrements), fund source changes, and language transactions submitted by the Governor on December 15, 2016.

17 RPL (FY17 Revised Program Legis) - FY17 Revised Programs reviewed and approved by the LB&A Committee.

GovSup (FY17 Gov Sup) - FY17 supplemental operating appropriations as submitted by the Governor on December 15, 2016. Capital supplementals are excluded from this column.

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Department of Education and Early Development

All Dollars in Thousands

	(GF Only)	Change	% Change	See Note
FY17 Conference Committee (GF Only)	\$1,321,255.7			
FY17 Fiscal Notes	-			
Carry Forward	-			
Misc Adjustments	6,350.0			
Multi-Years/Specials	500.0			
Vetoes	(11,693.7)			
FY17 Management Plan (GF only)	\$1,316,412.0	(\$4,843.7)	-0.4%	
One-time Items Removed	(76,601.6)			
Misc Adjustments	72,619.8			4
Agency Transfer In/ Out	-			
Temporary Increments (IncTs)	-			
Maintenance Increments	3,681.8			9
FY18 Contractual Salary Increases	121.6			
FY18 Adjusted Base Budget (GF only)	\$1,316,233.6	(\$178.4)	0.0%	
Lang/Lang OTIs/MiscAdj/Carryforward/Multi Years/Contingent	6,132.1			8
FY18 Governor's GF Increments/Decrements/Fund Changes	832.2			
FY18 Governor's Agency Request (GF only)	\$1,323,197.9	\$6,964.3	0.5%	
FY18 Governor's Increments, Decrements, Fund Changes and Language	FY18 Adjusted Base Budget (GF Only)	FY18 Governor's Request (GF only)	Change from FY18 Adj Base to FY18 Governor's Request	See Note:
Allocation			\$6,964.3	
Foundation Program	1,170,334.5	1,176,466.6	6,132.1	8
Special Schools	3,532.4	3,563.9	31.5	
State System of Support	1,597.7	1,847.7	250.0	1
Teacher Certification	916.5	916.3	(0.2)	
AK State Council on the Arts	708.2	703.7	(4.5)	5
Mt. Edgecumbe Boarding School	4,716.2	4,816.2	100.0	2
Library Operations	8,022.9	7,997.3	(25.6)	5
ACPE Admin & Operations	5,883.7	6,006.7	123.0	3
WWAMI Medical Education	2,964.8	3,070.8	106.0	6
AK Performance Scholarship Award	11,500.0	11,750.0	250.0	3
Non-General Fund Agency Summary	FY18 Adjusted Base Budget	FY18 Governor's Request	Change from FY18 Adj Base to FY18 Governor's Request	See Note:
Other State Funds (all allocations)	62,439.0	57,620.8	(4,818.2)	
Federal Funds (all allocations)	241,959.6	241,157.5	(802.1)	
Total Non-General Funds (all allocations)	\$304,398.6	\$298,778.3	(\$5,620.3)	
Position Changes (From FY17 Authorized to Gov)	333	298	(35)	
PFT	311	279	(32)	5 & 7
PPT	15	15	-	
Temp	7	4	(3)	7
Governor's Capital Request	State Funds (GF + Other)	Federal Funds	Total	See Note:
Planning and Research	-	-	-	
Maintenance and Repairs	-	-	-	
Remodel, Reconstruction and Upgrades	-	-	-	
New Construction and Land Acquisition	-	-	-	
Equipment and Materials	-	-	-	
Information Systems and Technology	-	-	-	
Other	-	-	-	
TOTAL CAPITAL	\$0.0	\$0.0	\$0.0	

Department of Education and Early Development

The Department of Education and Early Development (DEED) is responsible for funding and regulating the state's K-12 schools—including ensuring quality standards-based instruction to improve academic achievement for all students—as well as administering school debt reimbursement and grants for school construction/major maintenance. Core services include the following:

- distribute public school funding to school districts and other educational institutions;
- provide fiscal accountability, compliance and oversight;
- develop, implement, and maintain school effectiveness programs; and
- maintain active partnerships for Pre-K through 20 and lifelong learning.

The department also houses commissions and boards (including the Professional Teaching Practices Commission, the Alaska State Council on the Arts and the Alaska Commission on Postsecondary Education) and is responsible for Mt. Edgecumbe High School; EED State Facilities Maintenance; and Alaska State Libraries, Archives and Museums.

BUDGET SUMMARY

The FY18 Department of Education and Early Development general fund operating budget submitted by the Governor on December 15, 2016 is \$6,964.3 (0.5%) above the FY18 Adjusted Base – a \$6,483.3 (0.5%) increase in Unrestricted General Funds (UGF) and a \$481.0 (1.9%) increase in Designated General Funds (DGF). Significant issues are highlighted in the notes below and correspond to the numbers in the last column of the preceding spreadsheet.

PROGRAM EXPANSION

- 1. State System of Support – Innovative Best Practice Initiative: \$250.0 UGF.** The Governor's request includes a one-time increment (IncOTI) of \$250.0 to the State System of Support allocation to encourage school districts to strengthen and expand innovative student learning opportunities through effective district-level partnerships. The program was reduced by \$379.4 in FY17. This increment will be used to reexamine and redefine the program to be more efficient and effective.

Legislative Fiscal Analyst Comment: A performance review of DEED carried out by the Division of Legislative Audit in early 2016 found that the State System of Support “does not provide adequate services and resources to assist struggling schools.” That finding preceded the FY17 decrement to the program. The review recommended that the program be revamped and modernized.

- 2. Mt. Edgecumbe High School – Warm Storage and Maintenance Costs for the New Mt. Edgecumbe Aquatic Center: \$100.0 UGF.** Construction of the Mount Edgecumbe High School Aquatic Center will be completed and ready to operate in FY18. Fully operating the center is anticipated to cost \$583.1 per year, which includes additional personnel. While the department explored options to get other entities to cover a portion of the cost of operating the facility, no agreements are in place. Instead, the department requests \$100.0 to cover the cost of keeping the pool winterized but not operational.

3. **Alaska Performance Scholarship (APS) Awards/Alaska Education Grant – Increase Scholarships to Meet Program Demand: \$375.0 Higher Education Investment Fund (DGF).** The Alaska Performance Scholarship (APS) program provides scholarships to Alaska high school students who take a more rigorous curriculum, get good grades, and score well on college placement or work ready exams. The APS award total is based on estimated demand for the program. This is the sixth year of the program, and demand is expected to increase. The Governor's budget includes an increment of \$250.0 for the APS, increasing the total awards to \$11,750.0. The Governor's budget also includes an increase of \$125.0 to the Alaska Education Grant, a needs-based grant program that is set in statute to equal half the amount allocated to the APS.

FUNDING REDUCTIONS AND MAINTENANCE OF SERVICES

4. **Pupil Transportation – Maintain Funding at the Reduced FY17 Level.** In FY17, the Governor vetoed \$6,350.0 from Pupil Transportation. The funding was prorated to districts. In FY18, the Governor's budget proposes funding the formula at the same amount \$72,619.8, which is 8.8 percent (or \$6,409.8) below the estimated statutory formula.

5. **Transfers to Shared Services of Alaska (SSoA) and Office of Information Technology (OIT).** In order to provide internal services at a reduced cost, the Executive Branch will implement phased consolidation of (1) cross-department services such as travel, accounts payable, P-Cards, procurement, facilities management, collection of delinquent accounts and centralized mail and print services, and of (2) information technology services. Departments transferred a total of 77 positions to SSoA (5 PFT from DEED) and another 68 positions to OIT (1 from DEED).

Departments have decremented a total of \$763.8 (\$332.8 UGF) in the FY18 budget. This represents a 10% cut related to transferred positions with the remaining 90% of funding transferred to the contractual line to fund Reimbursable Services Agreements with the SSoA. The FY18 share of savings attributable to the Department of Education and Early Development is \$49.5 (\$30.1 of UGF). For more information, see the Operating Budget Overview in the *FY18 Legislative Fiscal Analyst's Overview of the Governor's Request*.

6. **WWAMI Program Contractual Increase: \$106.0 Higher Education Fund (DGF).** The WWAMI (Washington, Wyoming, Alaska, Montana, and Idaho) Program is a multi-state agreement with the University of Washington's School of Medicine. The contract with UW is increasing by \$106.0, to a total of \$3,070.8.

Legislative Fiscal Analyst Comment: Using the Higher Education Investment Fund to pay for WWAMI is a non-designated use of the fund. See item 10 below.

7. **Alaska Commission on Postsecondary Education – Delete Vacant Positions: (\$625.1) Total and (7) positions.** The Governor's budget eliminates four permanent, full-time positions and three long-term, non-perm positions and associated funding totaling \$625.1 [\$231.5 Statutory Designated Program Receipts (Other) and \$393.6 Interagency Receipts (Other)].

OTHER ISSUES

8. **K-12 Formula Fully Funded: \$1.2 billion.** The Governor's budget fully funds the K-12 Formula and does not propose any changes for this item. The statutory base student allocation is \$5,930.

9. **Treatment of FY17 Language Increments.** In the FY17 budget, several items were restored by the Conference Committee as one-time language items and included language specifying that the items would be in the FY18 Adjusted Base. These items are:

- \$200.0 for Erin's Law (within Executive Administration)
- \$320.0 for Best Beginnings (within Early Learning Coordination)
- \$500.0 for Parents As Teachers (within Early Learning Coordination)
- \$2,000.0 for Pre-Kindergarten Grants
- \$661.8 for Online with Libraries (OWL)

10. **Use of Higher Education Investment Fund for Non-Designated Purposes: \$5,926.3 DGF Total.** The Higher Education Investment Fund (code 1226) is considered a designated fund source. By statute, the fund is to be used for the Alaska Performance Scholarship and the Alaska Education Grant, including the cost of administering the latter program. However, beginning in the FY16 budget, the fund has been used for a variety of non-designated purposes. In the FY18 Governor's budget, it is being used for the following non-designated purposes in DEED:

- \$2,717.3 for School Broadband Access Grants (School BAG);
- \$138.2 for Live Homework Help; and,
- \$3,070.8 the WWAMI Medical Education.

In addition, \$58,287.0 is used to make contributions to State retirement systems.

All of the above items would normally be funded with UGF. In FY17, only \$17.3 million of the \$113 million appropriated from the Higher Education Investment Fund was used for purposes designated by statute.

Legislative Fiscal Analyst Comment: After the draws from the fund in FY17, the end-of-year balance of the fund is estimated to decline from \$458.7 million to \$347.4 million. If the FY18 Governor's request is approved, the end-of-year balance will fall to an estimated \$284.2 million, after investment returns. This balance is not sufficient to sustainably pay for the designated programs, let alone the other non-designated uses of the fund.

Legislative Fiscal Analyst Recommendation: The legislature should use the Higher Education Investment Fund only for designated purposes, or should eliminate it altogether and deposit the remaining balance in the general fund. Using it unsustainably for non-designated purposes hides the true size of the budget.

ORGANIZATIONAL CHANGES

There are no organizational changes requested.

CAPITAL REQUEST

The Governor did not request any capital projects for the Department of Education and Early Development.

SCHOOL DEBT REIMBURSEMENT

The school debt reimbursement program is shown on the Debt Service Summary Table in the *FY18 Legislative Analyst's Overview of the Governor's Request*. The program was funded at a level sufficient to pay all anticipated FY18 claims for reimbursement.

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Multi-year Allocation Summary - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Allocation	ID⇒ Session⇒ Column⇒	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 15MgtPln to 18Gov	[5] - [3] 2017 17MgtPln to 18Gov	[5] - [4] 2017 18Adj Bas to 18Gov
K-12 Aid to School Districts									
Foundation Program		1,198,664.3	1,202,408.1	1,214,775.5	1,214,775.5	1,217,257.6	18,593.3 1.6 %	2,482.1 0.2 %	2,482.1 0.2 %
Pupil Transportation		76,773.9	78,611.7	72,619.8	72,619.8	72,619.8	-4,154.1 -5.4 %	0.0	0.0
Additional Foundation Funding		95,101.4	0.0	0.0	0.0	0.0	-95,101.4 -100.0 %	0.0	0.0
Appropriation Total		1,370,539.6	1,281,019.8	1,287,395.3	1,287,395.3	1,289,877.4	-80,662.2 -5.9 %	2,482.1 0.2 %	2,482.1 0.2 %
K-12 Support									
Boarding Home Grants		6,960.3	6,618.0	7,553.2	7,553.2	7,553.2	592.9 8.5 %	0.0	0.0
Youth in Detention		1,100.0	1,100.0	1,100.0	1,100.0	1,100.0	0.0	0.0	0.0
Special Schools		3,693.3	3,417.1	3,532.4	3,532.4	3,563.9	-129.4 -3.5 %	31.5 0.9 %	31.5 0.9 %
Appropriation Total		11,753.6	11,135.1	12,185.6	12,185.6	12,217.1	463.5 3.9 %	31.5 0.3 %	31.5 0.3 %
Education Support Services									
Executive Administration		903.4	876.3	1,326.5	1,037.0	1,037.0	133.6 14.8 %	-289.5 -21.8 %	0.0
Administrative Services		1,649.5	1,698.4	1,729.5	1,740.8	1,671.3	21.8 1.3 %	-58.2 -3.4 %	-69.5 -4.0 %
Information Services		1,052.9	773.1	1,028.0	1,031.9	921.9	-131.0 -12.4 %	-106.1 -10.3 %	-110.0 -10.7 %
School Finance & Facilities		3,064.9	2,315.2	2,120.7	2,130.4	2,203.4	-861.5 -28.1 %	82.7 3.9 %	73.0 3.4 %
Appropriation Total		6,670.7	5,663.0	6,204.7	5,940.1	5,833.6	-837.1 -12.5 %	-371.1 -6.0 %	-106.5 -1.8 %
Teaching and Learning Support									
Student and School Achievement		167,563.7	131,692.8	160,653.1	160,619.2	160,466.4	-7,097.3 -4.2 %	-186.7 -0.1 %	-152.8 -0.1 %
ANSEP		0.0	1,385.2	0.0	0.0	0.0	0.0	0.0	0.0
Alaska Learning Network		850.0	0.0	0.0	0.0	0.0	-850.0 -100.0 %	0.0	0.0
State System of Support		1,962.5	1,974.5	1,594.3	1,597.7	1,847.7	-114.8 -5.8 %	253.4 15.9 %	250.0 15.6 %
Statewide Mentoring		2,300.0	1,500.0	0.0	0.0	0.0	-2,300.0 -100.0 %	0.0	0.0
Teacher Certification		920.6	631.2	928.9	932.9	932.7	12.1 1.3 %	3.8 0.4 %	-0.2
Child Nutrition		52,701.8	63,958.1	63,788.5	63,796.1	63,796.1	11,094.3 21.1 %	7.6	0.0
Early Learning Coordination		9,461.1	8,465.8	8,564.0	8,566.7	8,566.7	-894.4 -9.5 %	2.7	0.0
Pre-Kindergarten Grants		2,000.0	1,976.2	2,000.0	2,000.0	2,000.0	0.0	0.0	0.0
Appropriation Total		237,759.7	211,583.8	237,528.8	237,512.6	237,609.6	-150.1 -0.1 %	80.8	97.0

Multi-year Allocation Summary - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Allocation	ID⇒ Session⇒ Column⇒	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017 15MgtPln to 18Gov		[5] - [3] 2017 2017 17MgtPln to 18Gov		[5] - [4] 2017 2017 18Adj Bas to 18Gov	
Commissions and Boards												
Professional Teaching Practice		299.8	279.4	300.1	303.0	303.0	3.2	1.1 %	2.9	1.0 %	0.0	
AK State Council on the Arts		2,071.1	2,334.2	2,770.1	2,775.1	2,768.5	697.4	33.7 %	-1.6	-0.1 %	-6.6	-0.2 %
Appropriation Total		2,370.9	2,613.6	3,070.2	3,078.1	3,071.5	700.6	29.5 %	1.3		-6.6	-0.2 %
Mt. Edgecumbe Boarding School												
Mt. Edgecumbe Boarding School		10,775.6	10,490.3	10,828.0	10,914.0	11,014.0	238.4	2.2 %	186.0	1.7 %	100.0	0.9 %
Appropriation Total		10,775.6	10,490.3	10,828.0	10,914.0	11,014.0	238.4	2.2 %	186.0	1.7 %	100.0	0.9 %
State Facilities Maintenance												
State Facilities Maintenance		1,185.3	1,106.7	1,185.8	1,192.7	2,322.7	1,137.4	96.0 %	1,136.9	95.9 %	1,130.0	94.7 %
EED State Facilities Rent		2,124.2	2,106.0	2,124.2	1,094.2	1,068.2	-1,056.0	-49.7 %	-1,056.0	-49.7 %	-26.0	-2.4 %
Appropriation Total		3,309.5	3,212.7	3,310.0	2,286.9	3,390.9	81.4	2.5 %	80.9	2.4 %	1,104.0	48.3 %
Libraries, Archives & Museums												
Library Operations		14,226.5	9,311.9	8,622.5	9,681.5	9,555.9	-4,670.6	-32.8 %	933.4	10.8 %	-125.6	-1.3 %
Archives		1,321.7	1,193.4	1,249.6	1,261.7	1,261.7	-60.0	-4.5 %	12.1	1.0 %	0.0	
Museum Operations		2,115.4	1,718.4	1,695.0	1,708.6	1,708.6	-406.8	-19.2 %	13.6	0.8 %	0.0	
Online with Libraries (OWL)		761.8	760.4	661.8	661.8	661.8	-100.0	-13.1 %	0.0		0.0	
Live Homework Help		138.2	138.2	138.2	138.2	138.2	0.0		0.0		0.0	
Appropriation Total		18,563.6	13,122.3	12,367.1	13,451.8	13,326.2	-5,237.4	-28.2 %	959.1	7.8 %	-125.6	-0.9 %
Alaska Postsecondary Education												
Program Admin & Operations		22,353.9	18,964.7	20,971.6	21,170.0	18,868.4	-3,485.5	-15.6 %	-2,103.2	-10.0 %	-2,301.6	-10.9 %
WWAMI Medical Education		2,964.8	2,833.1	2,964.8	2,964.8	3,070.8	106.0	3.6 %	106.0	3.6 %	106.0	3.6 %
Appropriation Total		25,318.7	21,797.8	23,936.4	24,134.8	21,939.2	-3,379.5	-13.3 %	-1,997.2	-8.3 %	-2,195.6	-9.1 %
AK Performance Scholarship Awd												
AK Performance Scholarship Awd		11,000.0	11,066.6	11,500.0	11,500.0	11,750.0	750.0	6.8 %	250.0	2.2 %	250.0	2.2 %
Appropriation Total		11,000.0	11,066.6	11,500.0	11,500.0	11,750.0	750.0	6.8 %	250.0	2.2 %	250.0	2.2 %

Multi-year Allocation Summary - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

	ID⇒ Session⇒ Column⇒	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 15MgtPln to 18Gov	[5] - [3] 2017 17MgtPln to 18Gov	[5] - [4] 2017 18Adj Bas to 18Gov	
AK Student Loan Corporation										
Loan Servicing		0.0	12,191.3	12,233.0	12,233.0	11,946.7	11,946.7 >999 %	-286.3 -2.3 %	-286.3 -2.3 %	
Appropriation Total		0.0	12,191.3	12,233.0	12,233.0	11,946.7	11,946.7 >999 %	-286.3 -2.3 %	-286.3 -2.3 %	
Agency Total		1,698,061.9	1,583,896.3	1,620,559.1	1,620,632.2	1,621,976.2	-76,085.7 -4.5 %	1,417.1 0.1 %	1,344.0 0.1 %	
Funding Summary										
Unrestricted General (UGF)		1,408,921.8	1,299,093.3	1,290,833.6	1,290,643.1	1,297,126.4	-111,795.4 -7.9 %	6,292.8 0.5 %	6,483.3 0.5 %	
Designated General (DGF)		18,444.7	24,511.7	25,578.4	25,590.5	26,071.5	7,626.8 41.3 %	493.1 1.9 %	481.0 1.9 %	
Other State Funds (Other)		36,804.8	49,447.9	62,221.2	62,439.0	57,620.8	20,816.0 56.6 %	-4,600.4 -7.4 %	-4,818.2 -7.7 %	
Federal Receipts (Fed)		233,890.6	210,843.4	241,925.9	241,959.6	241,157.5	7,266.9 3.1 %	-768.4 -0.3 %	-802.1 -0.3 %	

Multi-year Allocation Summary - Operating Budget - FY 2018 Governor Structure

Numbers and Language
Fund Groups: General Funds

Agency: Department of Education and Early Development

Allocation	ID⇒ Session⇒ Column⇒	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017		[5] - [3] 2017 2017		[5] - [4] 2017 2017	
							15MgtPln	2017	17MgtPln	2017	18Adj Bas	2017
							to 18Gov		to 18Gov		to 18Gov	
K-12 Aid to School Districts												
Foundation Program		1,167,873.3	1,168,617.1	1,170,334.5	1,170,334.5	1,176,466.6	8,593.3	0.7 %	6,132.1	0.5 %	6,132.1	0.5 %
Pupil Transportation		76,773.9	78,611.7	72,619.8	72,619.8	72,619.8	-4,154.1	-5.4 %	0.0		0.0	
Additional Foundation Funding		95,101.4	0.0	0.0	0.0	0.0	-95,101.4	-100.0 %	0.0		0.0	
Appropriation Total		1,339,748.6	1,247,228.8	1,242,954.3	1,242,954.3	1,249,086.4	-90,662.2	-6.8 %	6,132.1	0.5 %	6,132.1	0.5 %
K-12 Support												
Boarding Home Grants		6,960.3	6,618.0	7,553.2	7,553.2	7,553.2	592.9	8.5 %	0.0		0.0	
Youth in Detention		1,100.0	1,100.0	1,100.0	1,100.0	1,100.0	0.0		0.0		0.0	
Special Schools		3,693.3	3,417.1	3,532.4	3,532.4	3,563.9	-129.4	-3.5 %	31.5	0.9 %	31.5	0.9 %
Appropriation Total		11,753.6	11,135.1	12,185.6	12,185.6	12,217.1	463.5	3.9 %	31.5	0.3 %	31.5	0.3 %
Education Support Services												
Executive Administration		881.0	876.3	1,304.1	1,014.6	1,014.6	133.6	15.2 %	-289.5	-22.2 %	0.0	
Administrative Services		769.1	899.3	837.3	842.7	842.7	73.6	9.6 %	5.4	0.6 %	0.0	
Information Services		306.6	282.1	270.9	271.1	271.1	-35.5	-11.6 %	0.2	0.1 %	0.0	
School Finance & Facilities		2,256.3	1,494.1	1,301.2	1,307.6	1,307.6	-948.7	-42.0 %	6.4	0.5 %	0.0	
Appropriation Total		4,213.0	3,551.8	3,713.5	3,436.0	3,436.0	-777.0	-18.4 %	-277.5	-7.5 %	0.0	
Teaching and Learning Support												
Student and School Achievement		12,875.5	7,486.4	6,075.1	6,094.5	6,094.5	-6,781.0	-52.7 %	19.4	0.3 %	0.0	
ANSEP		0.0	1,385.2	0.0	0.0	0.0	0.0		0.0		0.0	
Alaska Learning Network		850.0	0.0	0.0	0.0	0.0	-850.0	-100.0 %	0.0		0.0	
State System of Support		1,962.5	1,974.5	1,594.3	1,597.7	1,847.7	-114.8	-5.8 %	253.4	15.9 %	250.0	15.6 %
Statewide Mentoring		2,300.0	1,500.0	0.0	0.0	0.0	-2,300.0	-100.0 %	0.0		0.0	
Teacher Certification		904.2	631.2	912.5	916.5	916.3	12.1	1.3 %	3.8	0.4 %	-0.2	
Child Nutrition		101.8	103.6	85.7	86.5	86.5	-15.3	-15.0 %	0.8	0.9 %	0.0	
Early Learning Coordination		9,185.8	8,386.7	8,284.8	8,285.8	8,285.8	-900.0	-9.8 %	1.0		0.0	
Pre-Kindergarten Grants		2,000.0	1,976.2	2,000.0	2,000.0	2,000.0	0.0		0.0		0.0	
Appropriation Total		30,179.8	23,443.8	18,952.4	18,981.0	19,230.8	-10,949.0	-36.3 %	278.4	1.5 %	249.8	1.3 %

Multi-year Allocation Summary - Operating Budget - FY 2018 Governor Structure

Numbers and Language
Fund Groups: General Funds

Agency: Department of Education and Early Development

Allocation	ID⇒ Session⇒ Column⇒	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017 15MgtPln to 18Gov		[5] - [3] 2017 2017 17MgtPln to 18Gov		[5] - [4] 2017 2017 18Adj Bas to 18Gov	
Commissions and Boards												
Professional Teaching Practice		299.8	279.4	300.1	303.0	303.0	3.2	1.1 %	2.9	1.0 %	0.0	
AK State Council on the Arts		814.0	732.3	706.6	708.2	703.7	-110.3	-13.6 %	-2.9	-0.4 %	-4.5	-0.6 %
Appropriation Total		1,113.8	1,011.7	1,006.7	1,011.2	1,006.7	-107.1	-9.6 %	0.0		-4.5	-0.4 %
Mt. Edgecumbe Boarding School												
Mt. Edgecumbe Boarding School		4,680.1	4,142.8	4,705.3	4,716.2	4,816.2	136.1	2.9 %	110.9	2.4 %	100.0	2.1 %
Appropriation Total		4,680.1	4,142.8	4,705.3	4,716.2	4,816.2	136.1	2.9 %	110.9	2.4 %	100.0	2.1 %
State Facilities Maintenance												
EED State Facilities Rent		2,098.2	2,106.0	2,098.2	1,068.2	1,068.2	-1,030.0	-49.1 %	-1,030.0	-49.1 %	0.0	
Appropriation Total		2,098.2	2,106.0	2,098.2	1,068.2	1,068.2	-1,030.0	-49.1 %	-1,030.0	-49.1 %	0.0	
Libraries, Archives & Museums												
Library Operations		9,952.8	8,029.7	6,964.2	8,022.9	7,997.3	-1,955.5	-19.6 %	1,033.1	14.8 %	-25.6	-0.3 %
Archives		1,123.6	1,068.1	1,049.2	1,061.1	1,061.1	-62.5	-5.6 %	11.9	1.1 %	0.0	
Museum Operations		2,055.4	1,710.8	1,635.0	1,648.6	1,648.6	-406.8	-19.8 %	13.6	0.8 %	0.0	
Online with Libraries (OWL)		761.8	760.4	661.8	661.8	661.8	-100.0	-13.1 %	0.0		0.0	
Live Homework Help		138.2	138.2	138.2	138.2	138.2	0.0		0.0		0.0	
Appropriation Total		14,031.8	11,707.2	10,448.4	11,532.6	11,507.0	-2,524.8	-18.0 %	1,058.6	10.1 %	-25.6	-0.2 %
Alaska Postsecondary Education												
Program Admin & Operations		5,582.8	5,378.1	5,882.8	5,883.7	6,008.7	425.9	7.6 %	125.9	2.1 %	125.0	2.1 %
WWAMI Medical Education		2,964.8	2,833.1	2,964.8	2,964.8	3,070.8	106.0	3.6 %	106.0	3.6 %	106.0	3.6 %
Appropriation Total		8,547.6	8,211.2	8,847.6	8,848.5	9,079.5	531.9	6.2 %	231.9	2.6 %	231.0	2.6 %
AK Performance Scholarship Awd												
AK Performance Scholarship Awd		11,000.0	11,066.6	11,500.0	11,500.0	11,750.0	750.0	6.8 %	250.0	2.2 %	250.0	2.2 %
Appropriation Total		11,000.0	11,066.6	11,500.0	11,500.0	11,750.0	750.0	6.8 %	250.0	2.2 %	250.0	2.2 %
Agency Total		1,427,366.5	1,323,605.0	1,316,412.0	1,316,233.6	1,323,197.9	-104,168.6	-7.3 %	6,785.9	0.5 %	6,964.3	0.5 %

Multi-year Allocation Summary - Operating Budget - FY 2018 Governor Structure

Numbers and Language
Fund Groups: General Funds

Agency: Department of Education and Early Development

	ID⇒	[1]	[2]	[3]	[4]	[5]	[5] - [1]		[5] - [3]		[5] - [4]	
	Session⇒	2015	2017	2017	2017	2017	2015	2017	2017	2017	2017	2017
Allocation	Column⇒	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov		17MgtPln to 18Gov		18Adj Bas to 18Gov	
Funding Summary												
Unrestricted General (UGF)		1,408,921.8	1,299,093.3	1,290,833.6	1,290,643.1	1,297,126.4	-111,795.4	-7.9 %	6,292.8	0.5 %	6,483.3	0.5 %
Designated General (DGF)		18,444.7	24,511.7	25,578.4	25,590.5	26,071.5	7,626.8	41.3 %	493.1	1.9 %	481.0	1.9 %

Multi-year Allocation Summary - Operating Budget - FY 2018 Governor Structure

Numbers and Language
Fund Groups: Unrestricted General

Agency: Department of Education and Early Development

Allocation	ID=> Session=> Column=>	[1] 2015 15MgtPln	[2] 2017 16Actua]	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 15MgtPln to 18Gov	[5] - [3] 2017 17MgtPln to 18Gov	[5] - [4] 2017 18Adj Bas to 18Gov
K-12 Aid to School Districts									
Foundation Program		1,167,873.3	1,168,617.1	1,170,334.5	1,170,334.5	1,176,466.6	8,593.3 0.7 %	6,132.1 0.5 %	6,132.1 0.5 %
Pupil Transportation		76,773.9	78,611.7	72,619.8	72,619.8	72,619.8	-4,154.1 -5.4 %	0.0	0.0
Additional Foundation Funding		95,101.4	0.0	0.0	0.0	0.0	-95,101.4 -100.0 %	0.0	0.0
Appropriation Total		1,339,748.6	1,247,228.8	1,242,954.3	1,242,954.3	1,249,086.4	-90,662.2 -6.8 %	6,132.1 0.5 %	6,132.1 0.5 %
K-12 Support									
Boarding Home Grants		6,960.3	6,618.0	7,553.2	7,553.2	7,553.2	592.9 8.5 %	0.0	0.0
Youth in Detention		1,100.0	1,100.0	1,100.0	1,100.0	1,100.0	0.0	0.0	0.0
Special Schools		3,693.3	3,417.1	3,532.4	3,532.4	3,563.9	-129.4 -3.5 %	31.5 0.9 %	31.5 0.9 %
Appropriation Total		11,753.6	11,135.1	12,185.6	12,185.6	12,217.1	463.5 3.9 %	31.5 0.3 %	31.5 0.3 %
Education Support Services									
Executive Administration		881.0	876.3	1,304.1	1,014.6	1,014.6	133.6 15.2 %	-289.5 22.2 %	0.0
Administrative Services		769.1	899.3	837.3	842.7	842.7	73.6 9.6 %	5.4 0.6 %	0.0
Information Services		306.6	282.1	270.9	271.1	271.1	-35.5 -11.6 %	0.2 0.1 %	0.0
School Finance & Facilities		2,256.3	1,494.1	1,301.2	1,307.6	1,307.6	-948.7 -42.0 %	6.4 0.5 %	0.0
Appropriation Total		4,213.0	3,551.8	3,713.5	3,436.0	3,436.0	-777.0 -18.4 %	-277.5 -7.5 %	0.0
Teaching and Learning Support									
Student and School Achievement		12,410.9	6,509.5	5,543.5	5,562.9	5,562.9	-6,848.0 -55.2 %	19.4 0.3 %	0.0
ANSEP		0.0	1,385.2	0.0	0.0	0.0	0.0	0.0	0.0
Alaska Learning Network		850.0	0.0	0.0	0.0	0.0	-850.0 -100.0 %	0.0	0.0
State System of Support		1,962.5	1,974.5	1,594.3	1,597.7	1,847.7	-114.8 -5.8 %	253.4 15.9 %	250.0 15.6 %
Statewide Mentoring		2,300.0	1,000.0	0.0	0.0	0.0	-2,300.0 -100.0 %	0.0	0.0
Teacher Certification		0.2	0.0	0.2	0.2	0.0	-0.2 -100.0 %	-0.2 -100.0 %	-0.2 -100.0 %
Child Nutrition		101.8	103.6	85.7	86.5	86.5	-15.3 -15.0 %	0.8 0.9 %	0.0
Early Learning Coordination		9,185.8	8,386.7	8,284.8	8,285.8	8,285.8	-900.0 -9.8 %	1.0	0.0
Pre-Kindergarten Grants		2,000.0	1,976.2	2,000.0	2,000.0	2,000.0	0.0	0.0	0.0
Appropriation Total		28,811.2	21,335.7	17,508.5	17,533.1	17,782.9	-11,028.3 -38.3 %	274.4 1.6 %	249.8 1.4 %

Multi-year Allocation Summary - Operating Budget - FY 2018 Governor Structure

Numbers and Language
Fund Groups: Unrestricted General

Agency: Department of Education and Early Development

Allocation	ID⇒ Session⇒ Column⇒	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017 15MgtPln to 18Gov		[5] - [3] 2017 2017 17MgtPln to 18Gov		[5] - [4] 2017 2017 18Adj Bas to 18Gov	
Commissions and Boards												
Professional Teaching Practice		299.8	4.4	0.0	0.0	0.0	-299.8	-100.0 %	0.0		0.0	
AK State Council on the Arts		803.1	729.6	695.7	697.3	692.8	-110.3	-13.7 %	-2.9	-0.4 %	-4.5	-0.6 %
Appropriation Total		1,102.9	734.0	695.7	697.3	692.8	-410.1	-37.2 %	-2.9	-0.4 %	-4.5	-0.6 %
Mt. Edgecumbe Boarding School												
Mt. Edgecumbe Boarding School		4,622.7	4,085.4	4,647.9	4,658.8	4,758.8	136.1	2.9 %	110.9	2.4 %	100.0	2.1 %
Appropriation Total		4,622.7	4,085.4	4,647.9	4,658.8	4,758.8	136.1	2.9 %	110.9	2.4 %	100.0	2.1 %
State Facilities Maintenance												
EED State Facilities Rent		2,098.2	2,106.0	2,098.2	1,068.2	1,068.2	-1,030.0	-49.1 %	-1,030.0	-49.1 %	0.0	
Appropriation Total		2,098.2	2,106.0	2,098.2	1,068.2	1,068.2	-1,030.0	-49.1 %	-1,030.0	-49.1 %	0.0	
Libraries, Archives & Museums												
Library Operations		9,889.8	6,212.2	4,183.9	5,242.6	5,217.0	-4,672.8	-47.2 %	1,033.1	24.7 %	-25.6	-0.5 %
Archives		1,123.6	1,068.1	1,049.2	1,061.1	1,061.1	-62.5	-5.6 %	11.9	1.1 %	0.0	
Museum Operations		1,693.4	1,636.2	1,135.0	1,144.3	1,144.3	-549.1	-32.4 %	9.3	0.8 %	0.0	
Online with Libraries (OWL)		761.8	0.0	661.8	661.8	661.8	-100.0	-13.1 %	0.0		0.0	
Live Homework Help		138.2	0.0	0.0	0.0	0.0	138.2	-100.0 %	0.0		0.0	
Appropriation Total		13,606.8	8,916.5	7,029.9	8,109.8	8,084.2	-5,522.6	-40.6 %	1,054.3	15.0 %	-25.6	-0.3 %
Alaska Postsecondary Education												
WWAMI Medical Education		2,964.8	0.0	0.0	0.0	0.0	-2,964.8	-100.0 %	0.0		0.0	
Appropriation Total		2,964.8	0.0	0.0	0.0	0.0	-2,964.8	-100.0 %	0.0		0.0	
Agency Total		1,408,921.8	1,299,093.3	1,290,833.6	1,290,643.1	1,297,126.4	-111,795.4	-7.9 %	6,292.8	0.5 %	6,483.3	0.5 %
Funding Summary												
Unrestricted General (UGF)		1,408,921.8	1,299,093.3	1,290,833.6	1,290,643.1	1,297,126.4	-111,795.4	-7.9 %	6,292.8	0.5 %	6,483.3	0.5 %

Multi-year Agency Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

ID→ Session→ Column→	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017 15MgtPln to 18Gov		[5] - [3] 2017 2017 17MgtPln to 18Gov		[5] - [4] 2017 2017 18Adj Bas to 18Gov	
Total	1,698,061.9	1,583,896.3	1,620,559.1	1,620,632.2	1,621,976.2	-76,085.7	-4.5 %	1,417.1	0.1 %	1,344.0	0.1 %
Objects of Expenditure											
1 Personal Services	37,774.3	34,319.5	33,525.6	33,589.1	32,881.4	-4,892.9	-13.0 %	-644.2	-1.9 %	-707.7	-2.1 %
2 Travel	1,913.8	1,383.0	1,766.9	1,566.9	1,544.8	-369.0	-19.3 %	-222.1	-12.6 %	-22.1	-1.4 %
3 Services	47,600.1	43,839.6	51,905.4	51,936.3	51,067.4	3,467.3	7.3 %	-838.0	-1.6 %	-868.9	-1.7 %
4 Commodities	1,662.4	1,373.9	1,585.0	1,670.0	1,594.9	-67.5	-4.1 %	9.9	0.6 %	-75.1	-4.5 %
5 Capital Outlay	104.6	131.5	104.6	104.6	104.6	0.0		0.0		0.0	
7 Grants, Benefits	1,609,006.7	1,502,848.8	1,531,671.6	1,531,765.3	1,534,783.1	-74,223.6	-4.6 %	3,111.5	0.2 %	3,017.8	0.2 %
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
Funding Sources											
1002 Fed Rcpts (Fed)	210,717.5	189,791.0	220,754.7	220,786.4	219,984.3	9,266.8	4.4 %	-770.4	-0.3 %	-802.1	-0.4 %
1003 G/F Match (UGF)	1,107.6	1,063.5	1,028.5	1,032.0	1,027.5	-80.1	-7.2 %	-1.0	-0.1 %	-4.5	-0.4 %
1004 Gen Fund (UGF)	1,407,436.4	1,297,654.4	1,289,427.3	1,289,233.3	1,295,721.1	-111,715.3	-7.9 %	6,293.8	0.5 %	6,487.8	0.5 %
1005 GF/Prgrm (DGF)	1,397.3	1,058.4	1,893.7	1,905.8	1,905.8	508.5	36.4 %	12.1	0.6 %	0.0	
1007 I/A Rcpts (Other)	11,546.3	22,838.4	23,614.4	23,906.8	23,536.9	11,990.6	103.8 %	-77.5	-0.3 %	-369.9	-1.5 %
1014 Donat Comm (Fed)	376.7	261.4	380.2	382.2	382.2	5.5	1.5 %	2.0	0.5 %	0.0	
1037 GF/MH (UGF)	377.8	375.4	377.8	377.8	377.8	0.0		0.0		0.0	
1043 Impact Aid (Fed)	20,791.0	20,791.0	20,791.0	20,791.0	20,791.0	0.0		0.0		0.0	
1061 CIP Rcpts (Other)	0.0	176.4	0.0	0.0	0.0	0.0		0.0		0.0	
1066 Pub School (Other)	10,000.0	13,000.0	23,650.0	23,650.0	20,000.0	10,000.0	100.0 %	-3,650.0	-15.4 %	-3,650.0	-15.4 %
1092 MHTAAR (Other)	100.0	100.0	75.0	0.0	50.0	-50.0	-50.0 %	-25.0	-33.3 %	50.0	>999 %
1106 ASLC Rcpts (Other)	13,274.5	12,191.3	12,233.0	12,233.0	11,946.7	-1,327.8	-10.0 %	-286.3	-2.3 %	-286.3	-2.3 %
1108 Stat Desig (Other)	1,854.0	1,122.1	2,618.8	2,619.2	2,057.2	203.2	11.0 %	-561.6	-21.4 %	-562.0	-21.5 %
1145 AIPP Fund (Other)	30.0	19.7	30.0	30.0	30.0	0.0		0.0		0.0	
1151 VoTech Ed (DGF)	464.6	500.4	531.6	531.6	531.6	67.0	14.4 %	0.0		0.0	
1212 Stimulus09 (Fed)	2,005.4	0.0	0.0	0.0	0.0	-2,005.4	-100.0 %	0.0		0.0	
1226 High Ed (DGF)	16,582.8	22,952.9	23,153.1	23,153.1	23,634.1	7,051.3	42.5 %	481.0	2.1 %	481.0	2.1 %

Multi-year Agency Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

ID⇒ Session⇒ Column⇒	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 15MgtPln to 18Gov	[5] - [3] 2017 17MgtPln to 18Gov	[5] - [4] 2017 18Adj Bas to 18Gov
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Positions

Perm Full Time	331	326	294	284	279	-52 -15.7 %	-15 -5.1 %	-5 -1.8 %
Perm Part Time	15	15	14	15	15	0	1 7.1 %	0
Temporary	18	15	7	7	4	-14 -77.8 %	-3 -42.9 %	-3 -42.9 %

Funding Summary

Unrestricted General (UGF)	1,408,921.8	1,299,093.3	1,290,833.6	1,290,643.1	1,297,126.4	-111,795.4 -7.9 %	6,292.8 0.5 %	6,483.3 0.5 %
Designated General (DGF)	18,444.7	24,511.7	25,578.4	25,590.5	26,071.5	7,626.8 41.3 %	493.1 1.9 %	481.0 1.9 %
Other State Funds (Other)	36,804.8	49,447.9	62,221.2	62,439.0	57,620.8	20,816.0 56.6 %	-4,600.4 -7.4 %	-4,818.2 -7.7 %
Federal Receipts (Fed)	233,890.6	210,843.4	241,925.9	241,959.6	241,157.5	7,266.9 3.1 %	-768.4 -0.3 %	-802.1 -0.3 %



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Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: K-12 Aid to School Districts

Allocation: Foundation Program

ID⇒ Session⇒ Column⇒	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 15MgtPln to 18Gov	[5] - [3] 2017 17MgtPln to 18Gov	[5] - [4] 2017 18Adj Bas to 18Gov
Total	1,198,664.3	1,202,408.1	1,214,775.5	1,214,775.5	1,217,257.6	18,593.3 1.6 %	2,482.1 0.2 %	2,482.1 0.2 %
<u>Objects of Expenditure</u>								
1 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3 Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7 Grants, Benefits	1,198,664.3	1,202,408.1	1,214,775.5	1,214,775.5	1,217,257.6	18,593.3 1.6 %	2,482.1 0.2 %	2,482.1 0.2 %
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Funding Sources</u>								
1004 Gen Fund (UGF)	1,167,873.3	1,168,617.1	1,170,334.5	1,170,334.5	1,176,466.6	8,593.3 0.7 %	6,132.1 0.5 %	6,132.1 0.5 %
1043 Impact Aid (Fed)	20,791.0	20,791.0	20,791.0	20,791.0	20,791.0	0.0	0.0	0.0
1066 Pub School (Other)	10,000.0	13,000.0	23,650.0	23,650.0	20,000.0	10,000.0 100.0 %	-3,650.0 -15.4 %	-3,650.0 -15.4 %
<u>Positions</u>								
Perm Full Time	0	0	0	0	0	0	0	0
Perm Part Time	0	0	0	0	0	0	0	0
Temporary	0	0	0	0	0	0	0	0

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Agency: Department of Education and Early Development

Numbers and Language

Appropriation: K-12 Aid to School Districts
Allocation: Foundation Program

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
* * * FY17 Conference Committee * * *												
FY17 Conference Committee	ConfCom	50,791.0	0.0	0.0	0.0	0.0	0.0	50,791.0	0.0	0	0	0
1043 Impact Aid (Fed) 20,791.0												
1066 Pub School (Other) 30,000.0												
L FY17 Conference Committee	LangCC	1,163,984.5	0.0	0.0	0.0	0.0	0.0	1,163,984.5	0.0	0	0	0
1004 Gen Fund (UGF) 1,163,984.5												
FY17 Conference Committee Total		1,214,775.5	0.0	0.0	0.0	0.0	0.0	1,214,775.5	0.0	0	0	0
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
Reduce Foundation Program Sec1 Ch3 4SSLA2016 P12 L6 (HB256)	Veto	-6,350.0	0.0	0.0	0.0	0.0	0.0	-6,350.0	0.0	0	0	0
1066 Pub School (Other) -6,350.0												
L Increase UGF Tracking for Foundation Program Expenditures	MisAdj	6,350.0	0.0	0.0	0.0	0.0	0.0	6,350.0	0.0	0	0	0
1004 Gen Fund (UGF) 6,350.0												
FY17 Authorized Total		1,214,775.5	0.0	0.0	0.0	0.0	0.0	1,214,775.5	0.0	0	0	0
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
FY17 Management Plan Total		1,214,775.5	0.0	0.0	0.0	0.0	0.0	1,214,775.5	0.0	0	0	0
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
FY18 Adjusted Base Total		1,214,775.5	0.0	0.0	0.0	0.0	0.0	1,214,775.5	0.0	0	0	0
* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *												
L Reverse Tracking Estimated FY2017 Foundation Expenditures from Public Education Fund	OTI	-1,170,334.5	0.0	0.0	0.0	0.0	0.0	-1,170,334.5	0.0	0	0	0
1004 Gen Fund (UGF) -1,170,334.5												
L Estimated FY2018 Foundation Expenditures from Public Education Fund	MisAdj	1,176,466.6	0.0	0.0	0.0	0.0	0.0	1,176,466.6	0.0	0	0	0
1004 Gen Fund (UGF) 1,176,466.6												
Reduce Public School Trust Fund Estimate	MisAdj	-3,650.0	0.0	0.0	0.0	0.0	0.0	-3,650.0	0.0	0	0	0
1066 Pub School (Other) -3,650.0												
FY18 Governor Request Total		1,217,257.6	0.0	0.0	0.0	0.0	0.0	1,217,257.6	0.0	0	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: K-12 Aid to School Districts

Allocation: Pupil Transportation

ID⇒ Session⇒ Column⇒	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017 15MgtPln to 18Gov		[5] - [3] 2017 2017 17MgtPln to 18Gov		[5] - [4] 2017 2017 18Adj Bas to 18Gov	
Total	76,773.9	78,611.7	72,619.8	72,619.8	72,619.8	-4,154.1	-5.4 %	0.0		0.0	
<u>Objects of Expenditure</u>											
1 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
3 Services	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
4 Commodities	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	76,773.9	78,611.7	72,619.8	72,619.8	72,619.8	-4,154.1	-5.4 %	0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1004 Gen Fund (UGF)	76,773.9	78,611.7	72,619.8	72,619.8	72,619.8	-4,154.1	-5.4 %	0.0		0.0	
<u>Positions</u>											
Perm Full Time	0	0	0	0	0	0		0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: K-12 Aid to School Districts
Allocation: Pupil Transportation

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
* * * FY17 Conference Committee * * *												
L FY17 Conference Committee	LangCC	78,969.8	0.0	0.0	0.0	0.0	0.0	78,969.8	0.0	0	0	0
1004 Gen Fund (UGF)		78,969.8										
FY17 Conference Committee Total		78,969.8	0.0	0.0	0.0	0.0	0.0	78,969.8	0.0	0	0	0
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
L Reduce Pupil Transportation Program Expenditures	Veto	-6,350.0	0.0	0.0	0.0	0.0	0.0	-6,350.0	0.0	0	0	0
1004 Gen Fund (UGF)		-6,350.0										
FY17 Authorized Total		72,619.8	0.0	0.0	0.0	0.0	0.0	72,619.8	0.0	0	0	0
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
FY17 Management Plan Total		72,619.8	0.0	0.0	0.0	0.0	0.0	72,619.8	0.0	0	0	0
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
L Reverse Tracking FY2017 Estimated Draw for Pupil Transportation Expenditures from the Public Education Fund	OTI	-72,619.8	0.0	0.0	0.0	0.0	0.0	-72,619.8	0.0	0	0	0
1004 Gen Fund (UGF)		-72,619.8										
L FY2018 Estimated Draw for Pupil Transportation Expenditures from the Public Education Fund	MisAdj	72,619.8	0.0	0.0	0.0	0.0	0.0	72,619.8	0.0	0	0	0
1004 Gen Fund (UGF)		72,619.8										
FY18 Adjusted Base Total		72,619.8	0.0	0.0	0.0	0.0	0.0	72,619.8	0.0	0	0	0
* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *												
FY18 Governor Request Total		72,619.8	0.0	0.0	0.0	0.0	0.0	72,619.8	0.0	0	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: K-12 Aid to School Districts

Allocation: Additional Foundation Funding

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]		[5] - [3]		[5] - [4]	
Session=>	2015	2017	2017	2017	2017	2015	2017	2017	2017	2017	2017
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov		17MgtPln to 18Gov		18Adj Bas to 18Gov	
Total	95,101.4	0.0	0.0	0.0	0.0	-95,101.4	-100.0 %	0.0		0.0	
<u>Objects of Expenditure</u>											
1 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
3 Services	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
4 Commodities	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	95,101.4	0.0	0.0	0.0	0.0	-95,101.4	-100.0 %	0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1004 Gen Fund (UGF)	95,101.4	0.0	0.0	0.0	0.0	-95,101.4	-100.0 %	0.0		0.0	
<u>Positions</u>											
Perm Full Time	0	0	0	0	0	0		0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget Transaction Change Detail - Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

**Appropriation: K-12 Aid to School Districts
Allocation: Additional Foundation Funding**

Transaction Title		Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
L	FY17 Conference Committee												
	1004 Gen Fund (UGF)		4,727.2										
	FY17 Conference Committee Total		4,727.2	0.0	0.0	0.0	0.0	0.0	4,727.2	0.0	0	0	0
L	Delete Additional Foundation Funding Sec32(b) Ch3 4SSLA2016 P95												
	L13(HB256)												
	1004 Gen Fund (UGF)		-4,727.2										
	FY17 Authorized Total		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
	FY17 Management Plan Total		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
	FY18 Adjusted Base Total		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
	FY18 Governor Request Total		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: K-12 Support
Allocation: Boarding Home Grants

ID=> Session=> Column=>	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017 15MgtPln to 18Gov		[5] - [3] 2017 2017 17MgtPln to 18Gov		[5] - [4] 2017 2017 18Adj Bas to 18Gov	
Total	6,960.3	6,618.0	7,553.2	7,553.2	7,553.2	592.9	8.5 %	0.0		0.0	
<u>Objects of Expenditure</u>											
1 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
3 Services	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
4 Commodities	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	6,960.3	6,618.0	7,553.2	7,553.2	7,553.2	592.9	8.5 %	0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1004 Gen Fund (UGF)	6,960.3	6,618.0	7,553.2	7,553.2	7,553.2	592.9	8.5 %	0.0		0.0	
<u>Positions</u>											
Perm Full Time	0	0	0	0	0	0		0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Agency: Department of Education and Early Development

Numbers and Language

Appropriation: K-12 Support
Allocation: Boarding Home Grants

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
FY17 Conference Committee												
1004 Gen Fund (UGF)	7,553.2											
FY17 Conference Committee Total		7,553.2	0.0	0.0	0.0	0.0	0.0	7,553.2	0.0	0	0	0
*** Changes from FY17 Conference Committee to FY17 Authorized ***												
FY17 Authorized Total		7,553.2	0.0	0.0	0.0	0.0	0.0	7,553.2	0.0	0	0	0
*** Changes from FY17 Authorized to FY17 Management Plan ***												
FY17 Management Plan Total		7,553.2	0.0	0.0	0.0	0.0	0.0	7,553.2	0.0	0	0	0
*** Changes from FY17 Management Plan to FY18 Adjusted Base ***												
FY18 Adjusted Base Total		7,553.2	0.0	0.0	0.0	0.0	0.0	7,553.2	0.0	0	0	0
*** Changes from FY18 Adjusted Base to FY18 Governor Request ***												
FY18 Governor Request Total		7,553.2	0.0	0.0	0.0	0.0	0.0	7,553.2	0.0	0	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: K-12 Support
Allocation: Youth in Detention

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]	[5] - [3]	[5] - [4]
Session=>	2015	2017	2017	2017	2017	2015	2017	2017
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov	17MgtPln to 18Gov	18Adj Bas to 18Gov
Total	1,100.0	1,100.0	1,100.0	1,100.0	1,100.0	0.0	0.0	0.0
<u>Objects of Expenditure</u>								
1 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3 Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7 Grants, Benefits	1,100.0	1,100.0	1,100.0	1,100.0	1,100.0	0.0	0.0	0.0
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Funding Sources</u>								
1004 Gen Fund (UGF)	1,100.0	1,100.0	1,100.0	1,100.0	1,100.0	0.0	0.0	0.0
<u>Positions</u>								
Perm Full Time	0	0	0	0	0	0	0	0
Perm Part Time	0	0	0	0	0	0	0	0
Temporary	0	0	0	0	0	0	0	0

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Agency: Department of Education and Early Development

Numbers and Language

Appropriation: K-12 Support
Allocation: Youth in Detention

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
FY17 Conference Committee												
1004 Gen Fund (UGF)		1,100.0	0.0	0.0	0.0	0.0	0.0	1,100.0	0.0	0	0	0
FY17 Conference Committee Total		1,100.0	0.0	0.0	0.0	0.0	0.0	1,100.0	0.0	0	0	0
*** Changes from FY17 Conference Committee to FY17 Authorized ***												
FY17 Authorized Total		1,100.0	0.0	0.0	0.0	0.0	0.0	1,100.0	0.0	0	0	0
*** Changes from FY17 Authorized to FY17 Management Plan ***												
FY17 Management Plan Total		1,100.0	0.0	0.0	0.0	0.0	0.0	1,100.0	0.0	0	0	0
*** Changes from FY17 Management Plan to FY18 Adjusted Base ***												
FY18 Adjusted Base Total		1,100.0	0.0	0.0	0.0	0.0	0.0	1,100.0	0.0	0	0	0
*** Changes from FY18 Adjusted Base to FY18 Governor Request ***												
FY18 Governor Request Total		1,100.0	0.0	0.0	0.0	0.0	0.0	1,100.0	0.0	0	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: K-12 Support

Allocation: Special Schools

ID=> Session=> Column=>	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 15MgtPln to 18Gov	[5] - [3] 2017 17MgtPln to 18Gov	[5] - [4] 2017 18Adj Bas to 18Gov
Total	3,693.3	3,417.1	3,532.4	3,532.4	3,563.9	-129.4 -3.5 %	31.5 0.9 %	31.5 0.9 %
<u>Objects of Expenditure</u>								
1 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3 Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7 Grants, Benefits	3,693.3	3,417.1	3,532.4	3,532.4	3,563.9	-129.4 -3.5 %	31.5 0.9 %	31.5 0.9 %
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Funding Sources</u>								
1004 Gen Fund (UGF)	3,693.3	3,417.1	3,532.4	3,532.4	3,563.9	-129.4 -3.5 %	31.5 0.9 %	31.5 0.9 %
<u>Positions</u>								
Perm Full Time	0	0	0	0	0	0	0	0
Perm Part Time	0	0	0	0	0	0	0	0
Temporary	0	0	0	0	0	0	0	0

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Agency: Department of Education and Early Development

Numbers and Language

Appropriation: K-12 Support
Allocation: Special Schools

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
FY17 Conference Committee	ConfCom	* * * FY17 Conference Committee * * *										
1004 Gen Fund (UGF) 3,532.4		3,532.4	0.0	0.0	0.0	0.0	0.0	3,532.4	0.0	0	0	0
FY17 Conference Committee Total		3,532.4	0.0	0.0	0.0	0.0	0.0	3,532.4	0.0	0	0	0
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
FY17 Authorized Total		3,532.4	0.0	0.0	0.0	0.0	0.0	3,532.4	0.0	0	0	0
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
FY17 Management Plan Total		3,532.4	0.0	0.0	0.0	0.0	0.0	3,532.4	0.0	0	0	0
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
FY18 Adjusted Base Total		3,532.4	0.0	0.0	0.0	0.0	0.0	3,532.4	0.0	0	0	0
* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *												
Special Education Service Agency Calculation	Inc											
1004 Gen Fund (UGF) 31.5		31.5	0.0	0.0	0.0	0.0	0.0	31.5	0.0	0	0	0
FY18 Governor Request Total		3,563.9	0.0	0.0	0.0	0.0	0.0	3,563.9	0.0	0	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Education Support Services

Allocation: Executive Administration

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]		[5] - [3]		[5] - [4]	
Session=>	2015	2017	2017	2017	2017	2015	2017	2017	2017	2017	2017
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov		17MgtPln to 18Gov		18Adj Bas to 18Gov	
Total	903.4	876.3	1,326.5	1,037.0	1,037.0	133.6	14.8 %	-289.5	-21.8 %	0.0	
<u>Objects of Expenditure</u>											
1 Personal Services	670.6	701.1	715.4	725.9	725.9	55.3	8.2 %	10.5	1.5 %	0.0	
2 Travel	95.5	71.2	45.4	45.4	45.4	-50.1	-52.5 %	0.0		0.0	
3 Services	105.9	84.2	350.2	50.2	50.2	-55.7	-52.6 %	-300.0	-85.7 %	0.0	
4 Commodities	31.4	19.8	15.5	15.5	15.5	-15.9	-50.6 %	0.0		0.0	
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	0.0	0.0	200.0	200.0	200.0	200.0	>999 %	0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1004 Gen Fund (UGF)	881.0	876.3	1,304.1	1,014.6	1,014.6	133.6	15.2 %	-289.5	-22.2 %	0.0	
1007 I/A Rcpts (Other)	22.4	0.0	22.4	22.4	22.4	0.0		0.0		0.0	
<u>Positions</u>											
Perm Full Time	5	5	5	5	5	0		0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Education Support Services

Allocation: Executive Administration

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
* * * FY17 Conference Committee * * *												
FY17 Conference Committee	ConfCom	826.5	723.8	37.0	50.2	15.5	0.0	0.0	0.0	5	0	0
1004 Gen Fund (UGF)		804.1										
1007 I/A Rcpts (Other)		22.4										
L FY17 Conference Committee	LangCC	200.0	0.0	0.0	0.0	0.0	0.0	200.0	0.0	0	0	0
1004 Gen Fund (UGF)		200.0										
FY17 Conference Committee Total		1,026.5	723.8	37.0	50.2	15.5	0.0	200.0	0.0	5	0	0
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
L Every Student Succeeds Act Support Funding Sec20 Ch2 4SSLA2016 P36 L21 (SB138) (FY17 & FY18)	Special	500.0	0.0	0.0	500.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		500.0										
L Reduce Every Student Succeeds Act Funding Sec20 Ch2 4SSLA2016 P36 L21 (SB138)	Veto	-200.0	0.0	0.0	-200.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		-200.0										
FY17 Authorized Total		1,326.5	723.8	37.0	350.2	15.5	0.0	200.0	0.0	5	0	0
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
Align Authority to Comply with Vacancy Factor Guidelines	LIT	0.0	-8.4	8.4	0.0	0.0	0.0	0.0	0.0	0	0	0
FY17 Management Plan Total		1,326.5	715.4	45.4	350.2	15.5	0.0	200.0	0.0	5	0	0
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
FY2018 Salary and Health Insurance Increases	SalAdj	0.5	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		0.5										
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	10.0	10.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		10.0										
L Reverse Multi-Year Appropriation Related to Every Student Succeeds Act Implementation	OTI	-300.0	0.0	0.0	-300.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		-300.0										
L Reverse Implementation of HB44 Erns Law Ch2, SSSLA15 HB256 Amendment 29-LS8006A.31 Wallace P2 L6	OTI	-200.0	0.0	0.0	0.0	0.0	0.0	-200.0	0.0	0	0	0
1004 Gen Fund (UGF)		-200.0										
Restore Implementation of HB44 Ern's Law CH2, SSSLA15 (in Adjusted Base per FY17 language)	IncM	200.0	0.0	0.0	0.0	0.0	0.0	200.0	0.0	0	0	0
1004 Gen Fund (UGF)		200.0										
FY18 Adjusted Base Total		1,037.0	725.9	45.4	50.2	15.5	0.0	200.0	0.0	5	0	0
* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *												
FY18 Governor Request Total		1,037.0	725.9	45.4	50.2	15.5	0.0	200.0	0.0	5	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Education Support Services

Allocation: Administrative Services

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]		[5] - [3]		[5] - [4]	
Session=>	2015	2017	2017	2017	2017	2015	2017	2017	2017	2017	2017
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov		17MgtPln to 18Gov		18Adj Bas to 18Gov	
Total	1,649.5	1,698.4	1,729.5	1,740.8	1,671.3	21.8	1.3 %	-58.2	-3.4 %	-69.5	-4.0 %
<u>Objects of Expenditure</u>											
1 Personal Services	1,234.9	1,276.6	1,314.2	1,265.3	1,255.8	20.9	1.7 %	-58.4	-4.4 %	-9.5	-0.8 %
2 Travel	5.4	5.5	0.0	0.0	0.0	-5.4	-100.0 %	0.0		0.0	
3 Services	388.4	399.9	385.3	460.5	400.5	12.1	3.1 %	15.2	3.9 %	-60.0	-13.0 %
4 Commodities	20.8	16.4	30.0	15.0	15.0	-5.8	-27.9 %	-15.0	-50.0 %	0.0	
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1002 Fed Rcpts (Fed)	145.0	131.9	145.0	145.0	145.0	0.0		0.0		0.0	
1004 Gen Fund (UGF)	769.1	899.3	837.3	842.7	842.7	73.6	9.6 %	5.4	0.6 %	0.0	
1007 I/A Rcpts (Other)	735.4	667.2	747.2	753.1	683.6	-51.8	-7.0 %	-63.6	-8.5 %	-69.5	-9.2 %
<u>Positions</u>											
Perm Full Time	10	11	11	10	10	0		-1	-9.1 %	0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	1	1	0	0	0	-1	-100.0 %	0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Education Support Services
Allocation: Administrative Services

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
FY17 Conference Committee	ConfCom	*** FY17 Conference Committee *** 1,729.5	1,339.2	0.0	370.3	20.0	0.0	0.0	0.0	11	0	0
1002 Fed Rcpts (Fed)		145.0										
1004 Gen Fund (UGF)		837.3										
1007 I/A Rcpts (Other)		747.2										
FY17 Conference Committee Total		1,729.5	1,339.2	0.0	370.3	20.0	0.0	0.0	0.0	11	0	0
*** Changes from FY17 Conference Committee to FY17 Authorized ***												
FY17 Authorized Total		1,729.5	1,339.2	0.0	370.3	20.0	0.0	0.0	0.0	11	0	0
*** Changes from FY17 Authorized to FY17 Management Plan ***												
Align Authority to Comply with Vacancy Factor Guidelines	LIT	0.0	-25.0	0.0	15.0	10.0	0.0	0.0	0.0	0	0	0
FY17 Management Plan Total		1,729.5	1,314.2	0.0	385.3	30.0	0.0	0.0	0.0	11	0	0
*** Changes from FY17 Management Plan to FY18 Adjusted Base ***												
Transfer to Department of Administration for Shared Services of Alaska Implementation	ATrOut	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
Align Budget Authorization with Anticipated Expenditures	LIT	0.0	25.5	0.0	-10.5	-15.0	0.0	0.0	0.0	0	0	0
Align Authority for Shared Services of Alaska Reimbursable Services Agreement	LIT	0.0	-85.7	0.0	85.7	0.0	0.0	0.0	0.0	0	0	0
FY2018 Salary and Health Insurance Increases	SalAdj	4.1	4.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		2.3										
1007 I/A Rcpts (Other)		1.8										
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	7.5	7.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		3.1										
1007 I/A Rcpts (Other)		4.4										
Supervisory Unit 15 Hour Furlough Contract Terms	SalAdj	-0.3	-0.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other)		-0.3										
FY18 Adjusted Base Total		1,740.8	1,265.3	0.0	460.5	15.0	0.0	0.0	0.0	10	0	0
*** Changes from FY18 Adjusted Base to FY18 Governor Request ***												
Reduce Uncollectible Interagency Receipt Authority	Dec	-60.0	0.0	0.0	-60.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other)		-60.0										
Savings from Shared Services of Alaska Implementation	Dec	-9.5	-9.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other)		-9.5										
FY18 Governor Request Total		1,671.3	1,255.8	0.0	400.5	15.0	0.0	0.0	0.0	10	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Education Support Services

Allocation: Information Services

ID=> Session=> Column=>	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017 15MgtPln to 18Gov		[5] - [3] 2017 2017 17MgtPln to 18Gov		[5] - [4] 2017 2017 18Adj Bas to 18Gov	
Total	1,052.9	773.1	1,028.0	1,031.9	921.9	-131.0	-12.4 %	-106.1	-10.3 %	-110.0	-10.7 %
<u>Objects of Expenditure</u>											
1 Personal Services	889.6	689.8	801.2	648.8	615.9	-273.7	-30.8 %	-185.3	-23.1 %	-32.9	-5.1 %
2 Travel	5.2	6.8	0.0	0.0	0.0	-5.2	-100.0 %	0.0		0.0	
3 Services	143.9	40.2	145.4	301.7	248.8	104.9	72.9 %	103.4	71.1 %	-52.9	-17.5 %
4 Commodities	8.2	36.3	75.4	75.4	51.2	43.0	524.4 %	-24.2	-32.1 %	-24.2	-32.1 %
5 Capital Outlay	6.0	0.0	6.0	6.0	6.0	0.0		0.0		0.0	
7 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1004 Gen Fund (UGF)	306.6	282.1	270.9	271.1	271.1	-35.5	-11.6 %	0.2	0.1 %	0.0	
1007 I/A Rcpts (Other)	746.3	491.0	757.1	760.8	650.8	-95.5	-12.8 %	-106.3	-14.0 %	-110.0	-14.5 %
<u>Positions</u>											
Perm Full Time	7	7	7	6	5	-2	-28.6 %	-2	-28.6 %	-1	-16.7 %
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Agency: Department of Education and Early Development

Numbers and Language

Appropriation: Education Support Services
Allocation: Information Services

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
* * * FY17 Conference Committee * * *												
FY17 Conference Committee	ConfCom	1,028.0	869.2	0.0	145.4	7.4	6.0	0.0	0.0	7	0	0
1004 Gen Fund (UGF)		270.9										
1007 I/A Rcpts (Other)		757.1										
FY17 Conference Committee Total		1,028.0	869.2	0.0	145.4	7.4	6.0	0.0	0.0	7	0	0
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
FY17 Authorized Total		1,028.0	869.2	0.0	145.4	7.4	6.0	0.0	0.0	7	0	0
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
Align Authority to Comply with Vacancy Factor Guidelines	LIT	0.0	-68.0	0.0	0.0	68.0	0.0	0.0	0.0	0	0	0
FY17 Management Plan Total		1,028.0	801.2	0.0	145.4	75.4	6.0	0.0	0.0	7	0	0
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
Transfer to Department of Administration for Centralized Office of Information Technology Implementation	ATrOut	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
Align Authority for Centralized Office of Information Technology Reimbursable Services Agreement	LIT	0.0	-156.3	0.0	156.3	0.0	0.0	0.0	0.0	0	0	0
FY2018 Salary and Health Insurance Increases	SalAdj	2.5	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		0.3										
1007 I/A Rcpts (Other)		2.2										
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	2.5	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		0.6										
1007 I/A Rcpts (Other)		1.9										
Supervisory Unit 15 Hour Furlough Contract Terms	SalAdj	-1.1	-1.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		-0.7										
1007 I/A Rcpts (Other)		-0.4										
FY18 Adjusted Base Total		1,031.9	648.8	0.0	301.7	75.4	6.0	0.0	0.0	6	0	0
* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *												
Reduce Uncollectible Interagency Receipt Authority and Vacant Position (05-8727)	Dec	-110.0	-32.9	0.0	-52.9	-24.2	0.0	0.0	0.0	-1	0	0
1007 I/A Rcpts (Other)		-110.0										
FY18 Governor Request Total		921.9	615.9	0.0	248.8	51.2	6.0	0.0	0.0	5	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Education Support Services

Allocation: School Finance & Facilities

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]		[5] - [3]		[5] - [4]	
Session=>	2015	2017	2017	2017	2017	2015	2017	2017	2017	2017	2017
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov		17MgtPln to 18Gov		18Adj Bas to 18Gov	
Total	3,064.9	2,315.2	2,120.7	2,130.4	2,203.4	-861.5	-28.1 %	82.7	3.9 %	73.0	3.4 %
<u>Objects of Expenditure</u>											
1 Personal Services	1,780.0	1,396.9	1,448.7	1,458.4	1,458.4	-321.6	-18.1 %	9.7	0.7 %	0.0	
2 Travel	45.9	28.7	19.6	19.6	19.6	-26.3	-57.3 %	0.0		0.0	
3 Services	1,225.5	884.1	646.4	646.4	719.4	-506.1	-41.3 %	73.0	11.3 %	73.0	11.3 %
4 Commodities	7.5	5.5	0.0	0.0	0.0	-7.5	-100.0 %	0.0		0.0	
5 Capital Outlay	6.0	0.0	6.0	6.0	6.0	0.0		0.0		0.0	
7 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1004 Gen Fund (UGF)	2,256.3	1,494.1	1,301.2	1,307.6	1,307.6	-948.7	-42.0 %	6.4	0.5 %	0.0	
1007 I/A Rcpts (Other)	808.6	821.1	819.5	822.8	895.8	87.2	10.8 %	76.3	9.3 %	73.0	8.9 %
<u>Positions</u>											
Perm Full Time	14	13	11	11	11	-3	-21.4 %	0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	1	1	0	0	0	-1	-100.0 %	0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Agency: Department of Education and Early Development

Numbers and Language

Appropriation: Education Support Services
Allocation: School Finance & Facilities

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
* * * FY17 Conference Committee * * *												
FY17 Conference Committee	ConfCom	2,120.7	1,448.7	19.6	646.4	0.0	6.0	0.0	0.0	11	0	0
1004 Gen Fund (UGF)		1,301.2										
1007 I/A Rcpts (Other)		819.5										
L FY17 Conference Committee	LangCC	116.5	0.0	0.0	0.0	0.0	0.0	116.5	0.0	0	0	0
1004 Gen Fund (UGF)		116.5										
FY17 Conference Committee Total		2,237.2	1,448.7	19.6	646.4	0.0	6.0	116.5	0.0	11	0	0
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
L Delete Grant to Mat-Su District for Transporting Students to AK Middle College (Sec14 Ch3 4SSLA2016 P76 L28)(HB256)	Veto	-116.5	0.0	0.0	0.0	0.0	0.0	-116.5	0.0	0	0	0
1004 Gen Fund (UGF)		-116.5										
FY17 Authorized Total		2,120.7	1,448.7	19.6	646.4	0.0	6.0	0.0	0.0	11	0	0
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
FY17 Management Plan Total		2,120.7	1,448.7	19.6	646.4	0.0	6.0	0.0	0.0	11	0	0
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
FY2018 Salary and Health Insurance Increases	SalAdj	3.9	3.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		2.3										
1007 I/A Rcpts (Other)		1.6										
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	7.2	7.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		4.8										
1007 I/A Rcpts (Other)		2.4										
Supervisory Unit 15 Hour Furlough Contract Terms	SalAdj	-1.4	-1.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		-0.7										
1007 I/A Rcpts (Other)		-0.7										
FY18 Adjusted Base Total		2,130.4	1,458.4	19.6	646.4	0.0	6.0	0.0	0.0	11	0	0
* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *												
Increase Interagency Receipt Authorization for Contractual Obligations	Inc	73.0	0.0	0.0	73.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other)		73.0										
FY18 Governor Request Total		2,203.4	1,458.4	19.6	719.4	0.0	6.0	0.0	0.0	11	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Teaching and Learning Support

Allocation: Student and School Achievement

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]		[5] - [3]		[5] - [4]	
Session=>	2015	2017	2017	2017	2017	2015	2017	2017	2017	2017	2017
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov		17MgtPln to 18Gov		18Adj Bas to 18Gov	
Total	167,563.7	131,692.8	160,653.1	160,619.2	160,466.4	-7,097.3	-4.2 %	-186.7	-0.1 %	-152.8	-0.1 %
<u>Objects of Expenditure</u>											
1 Personal Services	7,009.2	5,565.3	5,170.9	5,412.0	5,412.0	-1,597.2	-22.8 %	241.1	4.7 %	0.0	
2 Travel	473.4	299.5	469.3	469.3	447.2	-26.2	-5.5 %	-22.1	-4.7 %	-22.1	-4.7 %
3 Services	19,020.0	9,937.1	17,994.8	17,794.8	17,785.8	-1,234.2	-6.5 %	-209.0	-1.2 %	-9.0	-0.1 %
4 Commodities	198.7	108.7	198.7	198.7	197.8	-0.9	-0.5 %	-0.9	-0.5 %	-0.9	-0.5 %
5 Capital Outlay	5.0	0.1	5.0	5.0	5.0	0.0		0.0		0.0	
7 Grants, Benefits	140,857.4	115,782.1	136,814.4	136,739.4	136,618.6	-4,238.8	-3.0 %	-195.8	-0.1 %	-120.8	-0.1 %
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1002 Fed Rcpts (Fed)	153,987.9	122,810.3	153,902.7	153,924.4	153,924.4	-63.5		21.7		0.0	
1003 G/F Match (UGF)	258.3	263.7	262.2	263.4	263.4	5.1	2.0 %	1.2	0.5 %	0.0	
1004 Gen Fund (UGF)	11,774.8	5,870.4	4,903.5	4,921.7	4,921.7	-6,853.1	-58.2 %	18.2	0.4 %	0.0	
1007 I/A Rcpts (Other)	347.5	1,295.1	347.5	347.5	347.5	0.0		0.0		0.0	
1037 GF/MH (UGF)	377.8	375.4	377.8	377.8	377.8	0.0		0.0		0.0	
1092 MHTAAR (Other)	100.0	100.0	75.0	0.0	50.0	-50.0	-50.0 %	-25.0	-33.3 %	50.0	>999 %
1108 Stat Desig (Other)	252.8	1.0	252.8	252.8	50.0	-202.8	-80.2 %	-202.8	-80.2 %	-202.8	-80.2 %
1151 VoTech Ed (DGF)	464.6	500.4	531.6	531.6	531.6	67.0	14.4 %	0.0		0.0	
1226 High Ed (DGF)	0.0	476.5	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Positions</u>											
Perm Full Time	65	63	48	46	46	-19	-29.2 %	-2	-4.2 %	0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Teaching and Learning Support
Allocation: Student and School Achievement

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
* * * FY17 Conference Committee * * *												
FY17 Conference Committee	ConfCom	160,653.1	6,241.2	469.3	16,924.5	198.7	5.0	136,814.4	0.0	55	0	0
1002 Fed Rcpts (Fed)		153,902.7										
1003 G/F Match (UGF)		262.2										
1004 Gen Fund (UGF)		4,903.5										
1007 I/A Rcpts (Other)		347.5										
1037 GF/MH (UGF)		377.8										
1092 MHTAAR (Other)		75.0										
1108 Stat Desig (Other)		252.8										
1151 VoTech Ed (DGF)		531.6										
FY17 Conference Committee Total		160,653.1	6,241.2	469.3	16,924.5	198.7	5.0	136,814.4	0.0	55	0	0
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
FY17 Authorized Total		160,653.1	6,241.2	469.3	16,924.5	198.7	5.0	136,814.4	0.0	55	0	0
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
Align Authority as a Result of Enacted Reductions and Deletion of Long Term Vacancies	LIT	0.0	-1,070.3	0.0	1,070.3	0.0	0.0	0.0	0.0	0	0	0
Delete Position as a Result of Enacted Reductions, Long-term Vacancies and Department Efficiencies	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-7	0	0
FY17 Management Plan Total		160,653.1	5,170.9	469.3	17,994.8	198.7	5.0	136,814.4	0.0	48	0	0
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
Line Item Transfer to Align Allocations with Anticipated Expenditures	LIT	0.0	200.0	0.0	-200.0	0.0	0.0	0.0	0.0	0	0	0
Reverse Mental Health Trust Recommendation	OTI	-75.0	0.0	0.0	0.0	0.0	0.0	-75.0	0.0	0	0	0
1092 MHTAAR (Other)		-75.0										
Delete Vacant Positions (05-1488, 05-1032)	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2	0	0
FY2018 Salary and Health Insurance Increases	SalAdj	17.5	17.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed)		11.5										
1003 G/F Match (UGF)		1.2										
1004 Gen Fund (UGF)		4.8										
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	27.3	27.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed)		12.2										
1004 Gen Fund (UGF)		15.1										
Supervisory Unit 15 Hour Furlough Contract Terms	SalAdj	-3.7	-3.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed)		-2.0										
1004 Gen Fund (UGF)		-1.7										
FY18 Adjusted Base Total		160,619.2	5,412.0	469.3	17,794.8	198.7	5.0	136,739.4	0.0	46	0	0
* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *												
MH Trust: Cont - Grant 180 Alaska Autism Resource Center	IncM	50.0	0.0	0.0	0.0	0.0	0.0	50.0	0.0	0	0	0
1092 MHTAAR (Other)		50.0										
Reduce Statutory Designated Program Receipt Authorization to Align with Anticipated Revenue	Dec	-202.8	0.0	-22.1	-9.0	-0.9	0.0	-170.8	0.0	0	0	0
1108 Stat Desig (Other)		-202.8										
FY18 Governor Request Total		160,466.4	5,412.0	447.2	17,785.8	197.8	5.0	136,618.6	0.0	46	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Teaching and Learning Support

Allocation: Alaska Native Science and Engineering Program

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]	[5] - [3]	[5] - [4]
Session=>	2015	2017	2017	2017	2017	2015	2017	2017
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov	17MgtPln to 18Gov	18Adj Bas to 18Gov
Total	0.0	1,385.2	0.0	0.0	0.0	0.0	0.0	0.0
<u>Objects of Expenditure</u>								
1 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3 Services	0.0	385.2	0.0	0.0	0.0	0.0	0.0	0.0
4 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7 Grants, Benefits	0.0	1,000.0	0.0	0.0	0.0	0.0	0.0	0.0
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Funding Sources</u>								
1004 Gen Fund (UGF)	0.0	1,385.2	0.0	0.0	0.0	0.0	0.0	0.0
<u>Positions</u>								
Perm Full Time	0	0	0	0	0	0	0	0
Perm Part Time	0	0	0	0	0	0	0	0
Temporary	0	0	0	0	0	0	0	0



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Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Teaching and Learning Support

Allocation: Alaska Learning Network

ID=> Session=> Column=>	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017 15MgtPln to 18Gov	[5] - [3] 2017 2017 17MgtPln to 18Gov	[5] - [4] 2017 2017 18Adj Bas to 18Gov
Total	850.0	0.0	0.0	0.0	0.0	-850.0 -100.0 %	0.0	0.0
<u>Objects of Expenditure</u>								
1 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3 Services	850.0	0.0	0.0	0.0	0.0	-850.0 -100.0 %	0.0	0.0
4 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Funding Sources</u>								
1004 Gen Fund (UGF)	850.0	0.0	0.0	0.0	0.0	-850.0 -100.0 %	0.0	0.0
<u>Positions</u>								
Perm Full Time	0	0	0	0	0	0	0	0
Perm Part Time	0	0	0	0	0	0	0	0
Temporary	0	0	0	0	0	0	0	0

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Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Teaching and Learning Support

Allocation: State System of Support

ID=> Session=> Column=>	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 15MgtPln to 18Gov	[5] - [3] 2017 17MgtPln to 18Gov	[5] - [4] 2017 18Adj Bas to 18Gov
Total	1,962.5	1,974.5	1,594.3	1,597.7	1,847.7	-114.8 -5.8 %	253.4 15.9 %	250.0 15.6 %
<u>Objects of Expenditure</u>								
1 Personal Services	809.2	470.0	325.7	334.9	334.9	-474.3 -58.6 %	9.2 2.8 %	0.0
2 Travel	40.0	27.1	79.3	79.3	79.3	39.3 98.3 %	0.0	0.0
3 Services	1,099.8	1,385.6	1,099.8	1,094.0	1,094.0	-5.8 -0.5 %	-5.8 -0.5 %	0.0
4 Commodities	13.5	4.2	29.5	29.5	29.5	16.0 118.5 %	0.0	0.0
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7 Grants, Benefits	0.0	87.6	60.0	60.0	310.0	310.0 >999 %	250.0 416.7 %	250.0 416.7 %
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Funding Sources</u>								
1004 Gen Fund (UGF)	1,962.5	1,974.5	1,594.3	1,597.7	1,847.7	-114.8 -5.8 %	253.4 15.9 %	250.0 15.6 %
<u>Positions</u>								
Perm Full Time	7	6	3	3	3	-4 -57.1 %	0	0
Perm Part Time	0	0	0	0	0	0	0	0
Temporary	0	0	0	0	0	0	0	0

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Agency: Department of Education and Early Development

Numbers and Language

Appropriation: Teaching and Learning Support
Allocation: State System of Support

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
*** FY17 Conference Committee ***												
FY17 Conference Committee	ConfCom	1,594.3	302.9	102.1	1,099.8	29.5	0.0	60.0	0.0	6	0	0
1004 Gen Fund (UGF)		1,594.3										
FY17 Conference Committee Total		1,594.3	302.9	102.1	1,099.8	29.5	0.0	60.0	0.0	6	0	0
*** Changes from FY17 Conference Committee to FY17 Authorized ***												
FY17 Authorized Total		1,594.3	302.9	102.1	1,099.8	29.5	0.0	60.0	0.0	6	0	0
*** Changes from FY17 Authorized to FY17 Management Plan ***												
Align Authority to Comply with Vacancy Factor Guidelines	LIT	0.0	22.8	-22.8	0.0	0.0	0.0	0.0	0.0	0	0	0
Delete Positions as a Result of Enacted Reduction	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-3	0	0
FY17 Management Plan Total		1,594.3	325.7	79.3	1,099.8	29.5	0.0	60.0	0.0	3	0	0
*** Changes from FY17 Management Plan to FY18 Adjusted Base ***												
Line Item Transfer to Comply With Vacancy Factor Guidelines	LIT	0.0	5.8	0.0	-5.8	0.0	0.0	0.0	0.0	0	0	0
FY2018 Salary and Health Insurance Increases	SalAdj	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		1.0										
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	2.4	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		2.4										
FY18 Adjusted Base Total		1,597.7	334.9	79.3	1,094.0	29.5	0.0	60.0	0.0	3	0	0
*** Changes from FY18 Adjusted Base to FY18 Governor Request ***												
Innovative / Best Practice Initiative	IncOTI	250.0	0.0	0.0	0.0	0.0	0.0	250.0	0.0	0	0	0
1004 Gen Fund (UGF)		250.0										
FY18 Governor Request Total		1,847.7	334.9	79.3	1,094.0	29.5	0.0	310.0	0.0	3	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Teaching and Learning Support
Allocation: Statewide Mentoring Program

ID=> Session=> Column=>	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 15MgtPln to 18Gov	[5] - [3] 2017 17MgtPln to 18Gov	[5] - [4] 2017 18Adj Bas to 18Gov
Total	2,300.0	1,500.0	0.0	0.0	0.0	-2,300.0 -100.0 %	0.0	0.0
<u>Objects of Expenditure</u>								
1 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3 Services	2,300.0	1,500.0	0.0	0.0	0.0	-2,300.0 -100.0 %	0.0	0.0
4 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Funding Sources</u>								
1004 Gen Fund (UGF)	2,300.0	1,000.0	0.0	0.0	0.0	-2,300.0 -100.0 %	0.0	0.0
1226 High Ed (DGF)	0.0	500.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Positions</u>								
Perm Full Time	0	0	0	0	0	0	0	0
Perm Part Time	0	0	0	0	0	0	0	0
Temporary	0	0	0	0	0	0	0	0

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Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Teaching and Learning Support

Allocation: Teacher Certification

ID=> Session=> Column=>	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017 15MgtPln to 18Gov		[5] - [3] 2017 2017 17MgtPln to 18Gov		[5] - [4] 2017 2017 18Adj Bas to 18Gov	
Total	920.6	631.2	928.9	932.9	932.7	12.1	1.3 %	3.8	0.4 %	-0.2	
<u>Objects of Expenditure</u>											
1 Personal Services	472.8	519.7	499.3	503.3	503.1	30.3	6.4 %	3.8	0.8 %	-0.2	
2 Travel	19.0	9.1	19.0	19.0	19.0	0.0		0.0		0.0	
3 Services	403.7	97.6	385.5	385.5	385.5	-18.2	-4.5 %	0.0		0.0	
4 Commodities	10.0	4.8	10.0	10.0	10.0	0.0		0.0		0.0	
5 Capital Outlay	15.1	0.0	15.1	15.1	15.1	0.0		0.0		0.0	
7 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1004 Gen Fund (UGF)	0.2	0.0	0.2	0.2	0.0	-0.2	-100.0 %	-0.2	-100.0 %	-0.2	-100.0 %
1005 GF/Prgm (DGF)	904.0	631.2	912.3	916.3	916.3	12.3	1.4 %	4.0	0.4 %	0.0	
1007 I/A Rcpts (Other)	16.4	0.0	16.4	16.4	16.4	0.0		0.0		0.0	
<u>Positions</u>											
Perm Full Time	5	5	5	5	5	0		0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Agency: Department of Education and Early Development

Numbers and Language

Appropriation: Teaching and Learning Support
Allocation: Teacher Certification

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
*** FY17 Conference Committee ***												
FY17 Conference Committee	ConfCom	928.9	499.3	19.0	385.5	10.0	15.1	0.0	0.0	5	0	0
1004 Gen Fund (UGF)		0.2										
1005 GF/Prgm (DGF)		912.3										
1007 I/A Rcpts (Other)		16.4										
FY17 Conference Committee Total		928.9	499.3	19.0	385.5	10.0	15.1	0.0	0.0	5	0	0
*** Changes from FY17 Conference Committee to FY17 Authorized ***												
FY17 Authorized Total		928.9	499.3	19.0	385.5	10.0	15.1	0.0	0.0	5	0	0
*** Changes from FY17 Authorized to FY17 Management Plan ***												
FY17 Management Plan Total		928.9	499.3	19.0	385.5	10.0	15.1	0.0	0.0	5	0	0
*** Changes from FY17 Management Plan to FY18 Adjusted Base ***												
FY2018 Salary and Health Insurance Increases	SalAdj	2.1	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm (DGF)		2.1										
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	2.5	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm (DGF)		2.5										
Supervisory Unit 15 Hour Furlough Contract Terms	SalAdj	-0.6	-0.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm (DGF)		-0.6										
FY18 Adjusted Base Total		932.9	503.3	19.0	385.5	10.0	15.1	0.0	0.0	5	0	0
*** Changes from FY18 Adjusted Base to FY18 Governor Request ***												
Delete Remaining General Fund Authorization	Dec	-0.2	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		-0.2										
FY18 Governor Request Total		932.7	503.1	19.0	385.5	10.0	15.1	0.0	0.0	5	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Teaching and Learning Support

Allocation: Child Nutrition

ID=> Session=> Column=>	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017 15MgtPln to 18Gov		[5] - [3] 2017 2017 17MgtPln to 18Gov		[5] - [4] 2017 2017 18Adj Bas to 18Gov	
Total	52,701.8	63,958.1	63,788.5	63,796.1	63,796.1	11,094.3	21.1 %	7.6		0.0	
<u>Objects of Expenditure</u>											
1 Personal Services	862.7	1,081.3	935.4	943.0	943.0	80.3	9.3 %	7.6	0.8 %	0.0	
2 Travel	44.7	71.1	44.7	44.7	44.7	0.0		0.0		0.0	
3 Services	1,346.7	1,934.9	1,306.7	1,306.7	1,306.7	-40.0	-3.0 %	0.0		0.0	
4 Commodities	15.0	123.2	15.0	15.0	15.0	0.0		0.0		0.0	
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	50,432.7	60,747.6	61,486.7	61,486.7	61,486.7	11,054.0	21.9 %	0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1002 Fed Rcpts (Fed)	52,223.3	63,593.1	63,322.6	63,327.4	63,327.4	11,104.1	21.3 %	4.8		0.0	
1003 G/F Match (UGF)	69.3	70.7	70.6	71.3	71.3	2.0	2.9 %	0.7	1.0 %	0.0	
1004 Gen Fund (UGF)	32.5	32.9	15.1	15.2	15.2	-17.3	-53.2 %	0.1	0.7 %	0.0	
1014 Donat Comm (Fed)	376.7	261.4	380.2	382.2	382.2	5.5	1.5 %	2.0	0.5 %	0.0	
<u>Positions</u>											
Perm Full Time	9	10	9	9	9	0		0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Teaching and Learning Support
Allocation: Child Nutrition

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
* * * FY17 Conference Committee * * *												
FY17 Conference Committee	ConfCom	63,788.5	989.4	44.7	1,306.7	15.0	0.0	61,432.7	0.0	10	0	0
1002 Fed Rcpts (Fed)		63,322.6										
1003 G/F Match (UGF)		70.6										
1004 Gen Fund (UGF)		15.1										
1014 Donat Comm (Fed)		380.2										
FY17 Conference Committee Total		63,788.5	989.4	44.7	1,306.7	15.0	0.0	61,432.7	0.0	10	0	0
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
FY17 Authorized Total		63,788.5	989.4	44.7	1,306.7	15.0	0.0	61,432.7	0.0	10	0	0
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
Align Authority to Comply with Vacancy Factor Guidelines	LIT	0.0	-54.0	0.0	0.0	0.0	0.0	54.0	0.0	0	0	0
Delete Positions as a Result of Department Efficiencies	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
FY17 Management Plan Total		63,788.5	935.4	44.7	1,306.7	15.0	0.0	61,486.7	0.0	9	0	0
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
FY2018 Salary and Health Insurance Increases	SalAdj	3.6	3.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed)		2.9										
1003 G/F Match (UGF)		0.1										
1004 Gen Fund (UGF)		0.1										
1014 Donat Comm (Fed)		0.5										
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	4.9	4.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed)		2.4										
1003 G/F Match (UGF)		0.8										
1014 Donat Comm (Fed)		1.7										
Supervisory Unit 15 Hour Furlough Contract Terms	SalAdj	-0.9	-0.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed)		-0.5										
1003 G/F Match (UGF)		-0.2										
1014 Donat Comm (Fed)		-0.2										
FY18 Adjusted Base Total		63,796.1	943.0	44.7	1,306.7	15.0	0.0	61,486.7	0.0	9	0	0
* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *												
FY18 Governor Request Total		63,796.1	943.0	44.7	1,306.7	15.0	0.0	61,486.7	0.0	9	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Teaching and Learning Support

Allocation: Early Learning Coordination

ID=> Session=> Column=>	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017 15MgtPln to 18Gov		[5] - [3] 2017 2017 17MgtPln to 18Gov		[5] - [4] 2017 2017 18Adj Bas to 18Gov	
Total	9,461.1	8,465.8	8,564.0	8,566.7	8,566.7	-894.4	-9.5 %	2.7		0.0	
<u>Objects of Expenditure</u>											
1 Personal Services	355.2	271.7	251.0	253.7	253.7	-101.5	-28.6 %	2.7	1.1 %	0.0	
2 Travel	37.0	19.9	51.3	51.3	51.3	14.3	38.6 %	0.0		0.0	
3 Services	265.1	145.3	162.2	162.2	162.2	-102.9	-38.8 %	0.0		0.0	
4 Commodities	15.5	4.9	95.8	95.8	95.8	80.3	518.1 %	0.0		0.0	
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	8,788.3	8,024.0	8,003.7	8,003.7	8,003.7	-784.6	-8.9 %	0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1002 Fed Rcpts (Fed)	275.3	79.1	279.2	280.9	280.9	5.6	2.0 %	1.7	0.6 %	0.0	
1004 Gen Fund (UGF)	9,185.8	8,386.7	8,284.8	8,285.8	8,285.8	-900.0	-9.8 %	1.0		0.0	
<u>Positions</u>											
Perm Full Time	3	3	2	2	2	-1	-33.3 %	0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Agency: Department of Education and Early Development

Numbers and Language

Appropriation: Teaching and Learning Support
Allocation: Early Learning Coordination

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
* * * FY17 Conference Committee * * *												
FY17 Conference Committee	ConfCom	7,744.0	325.5	37.0	137.0	15.5	0.0	7,229.0	0.0	3	0	0
1002 Fed Rcpts (Fed) 279.2												
1004 Gen Fund (UGF) 7,464.8												
L FY17 Conference Committee	LangCC	1,020.0	0.0	0.0	0.0	0.0	0.0	1,020.0	0.0	0	0	0
1004 Gen Fund (UGF) 1,020.0												
FY17 Conference Committee Total		8,764.0	325.5	37.0	137.0	15.5	0.0	8,249.0	0.0	3	0	0
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
L Reduce Parents As Teachers Sec 32(c) Ch3 4SSLA2016 P95 L17 (HB256)	Veto	-200.0	0.0	0.0	0.0	0.0	0.0	-200.0	0.0	0	0	0
1004 Gen Fund (UGF) -200.0												
FY17 Authorized Total		8,564.0	325.5	37.0	137.0	15.5	0.0	8,049.0	0.0	3	0	0
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
Align Authority to Anticipated Expenditures	LIT	0.0	-74.5	14.3	25.2	80.3	0.0	-45.3	0.0	0	0	0
Transfer Position To MEHS as a Result of Department Efficiencies	TrOut	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
FY17 Management Plan Total		8,564.0	251.0	51.3	162.2	95.8	0.0	8,003.7	0.0	2	0	0
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
FY2018 Salary and Health Insurance Increases	SalAdj	0.5	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed) 0.3												
1004 Gen Fund (UGF) 0.2												
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	2.5	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed) 1.6												
1004 Gen Fund (UGF) 0.9												
Supervisory Unit 15 Hour Furlough Contract Terms	SalAdj	-0.3	-0.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed) -0.2												
1004 Gen Fund (UGF) -0.1												
L Reverse Best Beginnings HB256 CC Amendment 29-LS8006A.31 Wallace P2 L6	OTI	-320.0	0.0	0.0	0.0	0.0	0.0	-320.0	0.0	0	0	0
1004 Gen Fund (UGF) -320.0												
Restore Best Beginnings (in Adjusted Base per FY17 Language)	IncM	320.0	0.0	0.0	0.0	0.0	0.0	320.0	0.0	0	0	0
1004 Gen Fund (UGF) 320.0												
L Reverse Parents As Teachers	OTI	-500.0	0.0	0.0	0.0	0.0	0.0	-500.0	0.0	0	0	0
1004 Gen Fund (UGF) -500.0												
Restore Parents As Teachers (in Adjusted Base per FY17 language)	IncM	500.0	0.0	0.0	0.0	0.0	0.0	500.0	0.0	0	0	0
1004 Gen Fund (UGF) 500.0												
FY18 Adjusted Base Total		8,566.7	253.7	51.3	162.2	95.8	0.0	8,003.7	0.0	2	0	0
* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *												
FY18 Governor Request Total		8,566.7	253.7	51.3	162.2	95.8	0.0	8,003.7	0.0	2	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Teaching and Learning Support

Allocation: Pre-Kindergarten Grants

ID=> Session=> Column=>	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 15MgtPln to 18Gov	[5] - [3] 2017 17MgtPln to 18Gov	[5] - [4] 2017 18Adj Bas to 18Gov
Total	2,000.0	1,976.2	2,000.0	2,000.0	2,000.0	0.0	0.0	0.0
<u>Objects of Expenditure</u>								
1 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3 Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7 Grants, Benefits	2,000.0	1,976.2	2,000.0	2,000.0	2,000.0	0.0	0.0	0.0
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Funding Sources</u>								
1004 Gen Fund (UGF)	2,000.0	1,976.2	2,000.0	2,000.0	2,000.0	0.0	0.0	0.0
<u>Positions</u>								
Perm Full Time	0	0	0	0	0	0	0	0
Perm Part Time	0	0	0	0	0	0	0	0
Temporary	0	0	0	0	0	0	0	0

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Teaching and Learning Support
Allocation: Pre-Kindergarten Grants

Transaction Title		Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
L	FY17 Conference Committee												
	1004 Gen Fund (UGF)		2,000.0										
	FY17 Conference Committee Total	LangCC	2,000.0	0.0	0.0	0.0	0.0	0.0	2,000.0	0.0	0	0	0
	FY17 Authorized Total		2,000.0	0.0	0.0	0.0	0.0	0.0	2,000.0	0.0	0	0	0
	FY17 Management Plan Total		2,000.0	0.0	0.0	0.0	0.0	0.0	2,000.0	0.0	0	0	0
L	Reverse Pre-Kindergarten Grants-CC Amendment 29-LS8006A.31												
	Wallace P2 L10	OTI	-2,000.0	0.0	0.0	0.0	0.0	0.0	-2,000.0	0.0	0	0	0
	1004 Gen Fund (UGF)		-2,000.0										
	Restore Pre-Kindergarten Grants (in Adjusted Base per FY17 Language)	IncM	2,000.0	0.0	0.0	0.0	0.0	0.0	2,000.0	0.0	0	0	0
	1004 Gen Fund (UGF)		2,000.0										
	FY18 Adjusted Base Total		2,000.0	0.0	0.0	0.0	0.0	0.0	2,000.0	0.0	0	0	0
	FY18 Governor Request Total		2,000.0	0.0	0.0	0.0	0.0	0.0	2,000.0	0.0	0	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Commissions and Boards

Allocation: Professional Teaching Practices Commission

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]		[5] - [3]		[5] - [4]	
Session=>	2015	2017	2017	2017	2017	2015	2017	2017	2017	2017	2017
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln	18Gov	17MgtPln	18Gov	18Adj Bas	18Gov
Total	299.8	279.4	300.1	303.0	303.0	3.2	1.1 %	2.9	1.0 %	0.0	
Objects of Expenditure											
1 Personal Services	207.0	214.9	208.6	216.2	216.2	9.2	4.4 %	7.6	3.6 %	0.0	
2 Travel	16.7	10.0	16.7	16.7	16.7	0.0		0.0		0.0	
3 Services	73.5	53.5	72.2	67.5	67.5	-6.0	-8.2 %	-4.7	-6.5 %	0.0	
4 Commodities	2.6	1.0	2.6	2.6	2.6	0.0		0.0		0.0	
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
Funding Sources											
1004 Gen Fund (UGF)	299.8	4.4	0.0	0.0	0.0	-299.8	-100.0 %	0.0		0.0	
1005 GF/Prgm (DGF)	0.0	275.0	300.1	303.0	303.0	303.0	>999 %	2.9	1.0 %	0.0	
Positions											
Perm Full Time	2	2	2	2	2	0		0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Commissions and Boards

Allocation: Professional Teaching Practices Commission

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
*** FY17 Conference Committee ***												
FY17 Conference Committee	ConfCom	300.1	216.3	16.7	64.5	2.6	0.0	0.0	0.0	2	0	0
1005 GF/Prgm (DGF)		300.1										
FY17 Conference Committee Total		300.1	216.3	16.7	64.5	2.6	0.0	0.0	0.0	2	0	0
*** Changes from FY17 Conference Committee to FY17 Authorized ***												
FY17 Authorized Total		300.1	216.3	16.7	64.5	2.6	0.0	0.0	0.0	2	0	0
*** Changes from FY17 Authorized to FY17 Management Plan ***												
Align Authority to Comply with Vacancy Factor Guidelines	LIT	0.0	-7.7	0.0	7.7	0.0	0.0	0.0	0.0	0	0	0
FY17 Management Plan Total		300.1	208.6	16.7	72.2	2.6	0.0	0.0	0.0	2	0	0
*** Changes from FY17 Management Plan to FY18 Adjusted Base ***												
Line Item Transfer to Comply with Vacancy Factor Guidelines	LIT	0.0	4.7	0.0	-4.7	0.0	0.0	0.0	0.0	0	0	0
FY2018 Salary and Health Insurance Increases	SalAdj	0.5	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm (DGF)		0.5										
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	2.4	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm (DGF)		2.4										
FY18 Adjusted Base Total		303.0	216.2	16.7	67.5	2.6	0.0	0.0	0.0	2	0	0
*** Changes from FY18 Adjusted Base to FY18 Governor Request ***												
FY18 Governor Request Total		303.0	216.2	16.7	67.5	2.6	0.0	0.0	0.0	2	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Commissions and Boards

Allocation: Alaska State Council on the Arts

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]		[5] - [3]		[5] - [4]	
Session=>	2015	2017	2017	2017	2017	2015	2017	2017	2017	2017	2017
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov		17MgtPln to 18Gov		18Adj Bas to 18Gov	
Total	2,071.1	2,334.2	2,770.1	2,775.1	2,768.5	697.4	33.7 %	-1.6	-0.1 %	-6.6	-0.2 %
<u>Objects of Expenditure</u>											
1 Personal Services	638.0	637.0	658.8	574.0	567.4	-70.6	-11.1 %	-91.4	-13.9 %	-6.6	-1.1 %
2 Travel	32.6	61.0	82.6	82.6	82.6	50.0	153.4 %	0.0		0.0	
3 Services	431.9	262.5	561.2	620.5	620.5	188.6	43.7 %	59.3	10.6 %	0.0	
4 Commodities	20.4	38.8	26.6	26.6	26.6	6.2	30.4 %	0.0		0.0	
5 Capital Outlay	10.0	19.3	10.0	10.0	10.0	0.0		0.0		0.0	
7 Grants, Benefits	938.2	1,315.6	1,430.9	1,461.4	1,461.4	523.2	55.8 %	30.5	2.1 %	0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1002 Fed Rcpts (Fed)	798.9	700.6	805.2	808.4	806.3	7.4	0.9 %	1.1	0.1 %	-2.1	-0.3 %
1003 G/F Match (UGF)	780.0	729.1	695.7	697.3	692.8	-87.2	-11.2 %	-2.9	-0.4 %	-4.5	-0.6 %
1004 Gen Fund (UGF)	23.1	0.5	0.0	0.0	0.0	-23.1	-100.0 %	0.0		0.0	
1005 GF/Prgm (DGF)	10.9	2.7	10.9	10.9	10.9	0.0		0.0		0.0	
1007 I/A Rcpts (Other)	7.0	5.0	7.0	7.0	7.0	0.0		0.0		0.0	
1108 Stat Desig (Other)	421.2	876.6	1,221.3	1,221.5	1,221.5	800.3	190.0 %	0.2		0.0	
1145 AIPP Fund (Other)	30.0	19.7	30.0	30.0	30.0	0.0		0.0		0.0	
<u>Positions</u>											
Perm Full Time	6	6	6	5	5	-1	-16.7 %	-1	-16.7 %	0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Agency: Department of Education and Early Development

Numbers and Language

Appropriation: Commissions and Boards
Allocation: Alaska State Council on the Arts

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
*** FY17 Conference Committee ***												
FY17 Conference Committee	ConfCom	2,770.1	665.0	82.6	561.2	20.4	10.0	1,430.9	0.0	6	0	0
1002 Fed Rcpts (Fed)		805.2										
1003 G/F Match (UGF)		695.7										
1005 GF/Prgm (DGF)		10.9										
1007 I/A Rcpts (Other)		7.0										
1108 Stat Desig (Other)		1,221.3										
1145 AIPP Fund (Other)		30.0										
FY17 Conference Committee Total		2,770.1	665.0	82.6	561.2	20.4	10.0	1,430.9	0.0	6	0	0
*** Changes from FY17 Conference Committee to FY17 Authorized ***												
FY17 Authorized Total		2,770.1	665.0	82.6	561.2	20.4	10.0	1,430.9	0.0	6	0	0
*** Changes from FY17 Authorized to FY17 Management Plan ***												
Align Authority to Comply with Vacancy Factor Guidelines	LIT	0.0	-6.2	0.0	0.0	6.2	0.0	0.0	0.0	0	0	0
FY17 Management Plan Total		2,770.1	658.8	82.6	561.2	26.6	10.0	1,430.9	0.0	6	0	0
*** Changes from FY17 Management Plan to FY18 Adjusted Base ***												
Transfer to Department of Administration for Shared Services of Alaska Implementation	ATrOut	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
Line Item Transfer to Align Authorization with Anticipated Expenditures	LIT	0.0	-30.5	0.0	0.0	0.0	0.0	30.5	0.0	0	0	0
Align Authority for Shared Services of Alaska Reimbursable Services Agreement	LIT	0.0	-59.3	0.0	59.3	0.0	0.0	0.0	0.0	0	0	0
FY2018 Salary and Health Insurance Increases	SalAdj	2.6	2.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed)		0.8										
1003 G/F Match (UGF)		1.6										
1108 Stat Desig (Other)		0.2										
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	2.4	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed)		2.4										
FY18 Adjusted Base Total		2,775.1	574.0	82.6	620.5	26.6	10.0	1,461.4	0.0	5	0	0
*** Changes from FY18 Adjusted Base to FY18 Governor Request ***												
Savings from Shared Services of Alaska Implementation	Dec	-6.6	-6.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed)		-2.1										
1003 G/F Match (UGF)		-4.5										
FY18 Governor Request Total		2,768.5	567.4	82.6	620.5	26.6	10.0	1,461.4	0.0	5	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Mt. Edgecumbe Boarding School

Allocation: Mt. Edgecumbe Boarding School

ID=> Session=> Column=>	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017 15MgtPln to 18Gov	[5] - [3] 2017 2017 17MgtPln to 18Gov	[5] - [4] 2017 2017 18Adj Bas to 18Gov
Total	10,775.6	10,490.3	10,828.0	10,914.0	11,014.0	238.4 2.2 %	186.0 1.7 %	100.0 0.9 %
Objects of Expenditure								
1 Personal Services	4,524.7	4,547.0	4,574.5	4,660.5	4,660.5	135.8 3.0 %	86.0 1.9 %	0.0
2 Travel	805.9	582.8	805.9	605.9	605.9	-200.0 -24.8 %	-200.0 -24.8 %	0.0
3 Services	5,124.8	4,923.4	5,127.4	5,227.4	5,327.4	202.6 4.0 %	200.0 3.9 %	100.0 1.9 %
4 Commodities	293.2	415.1	293.2	393.2	393.2	100.0 34.1 %	100.0 34.1 %	0.0
5 Capital Outlay	27.0	22.0	27.0	27.0	27.0	0.0	0.0	0.0
7 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Funding Sources								
1004 Gen Fund (UGF)	4,622.7	4,085.4	4,647.9	4,658.8	4,758.8	136.1 2.9 %	110.9 2.4 %	100.0 2.1 %
1005 GF/Prgm (DGF)	57.4	57.4	57.4	57.4	57.4	0.0	0.0	0.0
1007 I/A Rcpts (Other)	5,925.5	6,193.9	5,952.7	6,027.8	6,027.8	102.3 1.7 %	75.1 1.3 %	0.0
1108 Stat Desig (Other)	170.0	153.6	170.0	170.0	170.0	0.0	0.0	0.0
Positions								
Perm Full Time	36	37	38	37	37	1 2.8 %	-1 -2.6 %	0
Perm Part Time	11	11	11	12	12	1 9.1 %	1 9.1 %	0
Temporary	0	0	0	0	0	0	0	0

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Mt. Edgecumbe Boarding School

Allocation: Mt. Edgecumbe Boarding School

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
*** FY17 Conference Committee ***												
FY17 Conference Committee	ConfCom	10,828.0	4,574.5	805.9	5,127.4	293.2	27.0	0.0	0.0	37	11	0
1004 Gen Fund (UGF)		4,647.9										
1005 GF/Prgm (DGF)		57.4										
1007 I/A Rcpts (Other)		5,952.7										
1108 Stat Desig (Other)		170.0										
FY17 Conference Committee Total		10,828.0	4,574.5	805.9	5,127.4	293.2	27.0	0.0	0.0	37	11	0
*** Changes from FY17 Conference Committee to FY17 Authorized ***												
FY17 Authorized Total		10,828.0	4,574.5	805.9	5,127.4	293.2	27.0	0.0	0.0	37	11	0
*** Changes from FY17 Authorized to FY17 Management Plan ***												
Transfer Position From Early Learning Coordination as a Result of Department Efficiencies	TrIn	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
FY17 Management Plan Total		10,828.0	4,574.5	805.9	5,127.4	293.2	27.0	0.0	0.0	38	11	0
*** Changes from FY17 Management Plan to FY18 Adjusted Base ***												
Align Authority For Projected Expenditures	LIT	0.0	0.0	-200.0	100.0	100.0	0.0	0.0	0.0	0	0	0
Change Position from Full Time to Part Time (05-2329)	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	1	0
FY2018 Salary and Health Insurance Increases	SalAdj	6.5	6.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		6.0										
1007 I/A Rcpts (Other)		0.5										
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	79.6	79.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		4.9										
1007 I/A Rcpts (Other)		74.7										
Supervisory Unit 15 Hour Furlough Contract Terms	SalAdj	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other)		-0.1										
FY18 Adjusted Base Total		10,914.0	4,660.5	605.9	5,227.4	393.2	27.0	0.0	0.0	37	12	0
*** Changes from FY18 Adjusted Base to FY18 Governor Request ***												
Warm Storage and Maintenance Costs for the new Mt. Edgecumbe Aquatic Center	Inc	100.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		100.0										
FY18 Governor Request Total		11,014.0	4,660.5	605.9	5,327.4	393.2	27.0	0.0	0.0	37	12	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: State Facilities Maintenance

Allocation: State Facilities Maintenance

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]		[5] - [3]		[5] - [4]	
Session=>	2015	2017	2017	2017	2017	2015	2017	2017	2017	2017	2017
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov		17MgtPln to 18Gov		18Adj Bas to 18Gov	
Total	1,185.3	1,106.7	1,185.8	1,192.7	2,322.7	1,137.4	96.0 %	1,136.9	95.9 %	1,130.0	94.7 %
<u>Objects of Expenditure</u>											
1 Personal Services	731.9	597.6	641.2	656.4	656.4	-75.5	-10.3 %	15.2	2.4 %	0.0	
2 Travel	1.4	0.1	1.4	1.4	1.4	0.0		0.0		0.0	
3 Services	169.3	260.1	232.7	224.4	1,354.4	1,185.1	700.0 %	1,121.7	482.0 %	1,130.0	503.6 %
4 Commodities	247.2	213.6	275.0	275.0	275.0	27.8	11.2 %	0.0		0.0	
5 Capital Outlay	35.5	35.3	35.5	35.5	35.5	0.0		0.0		0.0	
7 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1007 I/A Rcpts (Other)	1,185.3	1,106.7	1,185.8	1,192.7	2,322.7	1,137.4	96.0 %	1,136.9	95.9 %	1,130.0	94.7 %
<u>Positions</u>											
Perm Full Time	8	7	7	7	7	-1	-12.5 %	0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Agency: Department of Education and Early Development

Numbers and Language

Appropriation: State Facilities Maintenance
Allocation: State Facilities Maintenance

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
FY17 Conference Committee	ConfCom	*** FY17 Conference Committee ***										
1007 I/A Rcpts (Other) 1,185.8		1,185.8	641.2	1.4	232.7	275.0	35.5	0.0	0.0	7	0	0
FY17 Conference Committee Total		1,185.8	641.2	1.4	232.7	275.0	35.5	0.0	0.0	7	0	0
		*** Changes from FY17 Conference Committee to FY17 Authorized ***										
FY17 Authorized Total		1,185.8	641.2	1.4	232.7	275.0	35.5	0.0	0.0	7	0	0
		*** Changes from FY17 Authorized to FY17 Management Plan ***										
FY17 Management Plan Total		1,185.8	641.2	1.4	232.7	275.0	35.5	0.0	0.0	7	0	0
		*** Changes from FY17 Management Plan to FY18 Adjusted Base ***										
Line Item Transfer to Comply with Vacancy Factor Guidelines	LIT	0.0	8.3	0.0	-8.3	0.0	0.0	0.0	0.0	0	0	0
FY2018 Salary and Health Insurance Increases	SalAdj	4.8	4.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other) 4.8												
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	2.4	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other) 2.4												
Supervisory Unit 15 Hour Furlough Contract Terms	SalAdj	-0.3	-0.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other) -0.3												
FY18 Adjusted Base Total		1,192.7	656.4	1.4	224.4	275.0	35.5	0.0	0.0	7	0	0
		*** Changes from FY18 Adjusted Base to FY18 Governor Request ***										
Warm Storage and Maintenance Costs of the New Mt. Edgecumbe Aquatic Center	Inc	100.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other) 100.0												
Operations and Maintenance Costs for the Andrew P. Kashevaroff Facility	Inc	1,030.0	0.0	0.0	1,030.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other) 1,030.0												
FY18 Governor Request Total		2,322.7	656.4	1.4	1,354.4	275.0	35.5	0.0	0.0	7	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: State Facilities Maintenance

Allocation: EED State Facilities Rent

ID=> Session=> Column=>	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017 15MgtPln to 18Gov		[5] - [3] 2017 2017 17MgtPln to 18Gov		[5] - [4] 2017 2017 18Adj Bas to 18Gov	
Total	2,124.2	2,106.0	2,124.2	1,094.2	1,068.2	-1,056.0	-49.7 %	-1,056.0	-49.7 %	-26.0	-2.4 %
<u>Objects of Expenditure</u>											
1 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
3 Services	2,124.2	2,105.9	2,124.2	1,094.2	1,068.2	-1,056.0	-49.7 %	-1,056.0	-49.7 %	-26.0	-2.4 %
4 Commodities	0.0	0.1	0.0	0.0	0.0	0.0		0.0		0.0	
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1004 Gen Fund (UGF)	2,098.2	2,106.0	2,098.2	1,068.2	1,068.2	-1,030.0	-49.1 %	-1,030.0	-49.1 %	0.0	
1007 I/A Rcpts (Other)	26.0	0.0	26.0	26.0	0.0	-26.0	-100.0 %	-26.0	-100.0 %	-26.0	-100.0 %
<u>Positions</u>											
Perm Full Time	0	0	0	0	0	0		0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Agency: Department of Education and Early Development

Numbers and Language

Appropriation: State Facilities Maintenance
Allocation: EED State Facilities Rent

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
* * * FY17 Conference Committee * * *												
FY17 Conference Committee	ConfCom	2,124.2	0.0	0.0	2,124.2	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		2,098.2										
1007 I/A Rcpts (Other)		26.0										
FY17 Conference Committee Total		2,124.2	0.0	0.0	2,124.2	0.0	0.0	0.0	0.0	0	0	0
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
FY17 Authorized Total		2,124.2	0.0	0.0	2,124.2	0.0	0.0	0.0	0.0	0	0	0
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
FY17 Management Plan Total		2,124.2	0.0	0.0	2,124.2	0.0	0.0	0.0	0.0	0	0	0
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
Transfer to Library Operations for Operations and Maintenance Costs of Andrew P. Kashevaroff Facility	TrOut	-1,030.0	0.0	0.0	-1,030.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		-1,030.0										
FY18 Adjusted Base Total		1,094.2	0.0	0.0	1,094.2	0.0	0.0	0.0	0.0	0	0	0
* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *												
Delete Interagency Receipt Authorization	Dec	-26.0	0.0	0.0	-26.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other)		-26.0										
FY18 Governor Request Total		1,068.2	0.0	0.0	1,068.2	0.0	0.0	0.0	0.0	0	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska State Libraries, Archives and Museums

Allocation: Library Operations

ID=> Session=> Column=>	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017 15MgtPln to 18Gov		[5] - [3] 2017 2017 17MgtPln to 18Gov		[5] - [4] 2017 2017 18Adj Bas to 18Gov	
Total	14,226.5	9,311.9	8,622.5	9,681.5	9,555.9	-4,670.6	-32.8 %	933.4	10.8 %	-125.6	-1.3 %
Objects of Expenditure											
1 Personal Services	3,829.1	3,376.2	3,069.7	2,868.2	2,842.6	-986.5	-25.8 %	-227.1	-7.4 %	-25.6	-0.9 %
2 Travel	141.0	19.8	71.7	71.7	71.7	-69.3	-49.1 %	0.0		0.0	
3 Services	2,630.5	734.6	554.5	1,815.0	1,765.0	-865.5	-32.9 %	1,210.5	218.3 %	-50.0	-2.8 %
4 Commodities	534.6	172.7	345.2	345.2	295.2	-239.4	-44.8 %	-50.0	-14.5 %	-50.0	-14.5 %
5 Capital Outlay	0.0	7.5	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	7,091.3	5,001.1	4,581.4	4,581.4	4,581.4	-2,509.9	-35.4 %	0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
Funding Sources											
1002 Fed Rcpts (Fed)	1,200.0	999.1	1,300.0	1,300.3	1,300.3	100.3	8.4 %	0.3		0.0	
1004 Gen Fund (UGF)	9,889.8	6,212.2	4,183.9	5,242.6	5,217.0	-4,672.8	-47.2 %	1,033.1	24.7 %	-25.6	-0.5 %
1005 GF/Prgm (DGF)	63.0	17.5	63.0	63.0	63.0	0.0		0.0		0.0	
1007 I/A Rcpts (Other)	158.3	106.7	158.3	158.3	158.3	0.0		0.0		0.0	
1061 CIP Rcpts (Other)	0.0	176.4	0.0	0.0	0.0	0.0		0.0		0.0	
1108 Stat Desig (Other)	910.0	0.0	200.0	200.0	100.0	-810.0	-89.0 %	-100.0	-50.0 %	-100.0	-50.0 %
1212 Stimulus09 (Fed)	2,005.4	0.0	0.0	0.0	0.0	-2,005.4	-100.0 %	0.0		0.0	
1226 High Ed (DGF)	0.0	1,800.0	2,717.3	2,717.3	2,717.3	2,717.3	>999 %	0.0		0.0	
Positions											
Perm Full Time	35	31	27	25	25	-10	-28.6 %	-2	-7.4 %	0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	5	2	3	1	1	-4	-80.0 %	-2	-66.7 %	0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska State Libraries, Archives and Museums

Allocation: Library Operations

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
* * * FY17 Conference Committee * * *												
FY17 Conference Committee	ConfCom	5,905.2	3,069.7	71.7	527.3	345.2	0.0	1,891.3	0.0	31	0	3
1002 Fed Rcpts (Fed)		1,300.0										
1004 Gen Fund (UGF)		4,183.9										
1005 GF/Prgm (DGF)		63.0										
1007 I/A Rcpts (Other)		158.3										
1108 Stat Desig (Other)		200.0										
FY17 Conference Committee	ConfCom	2,717.3	0.0	0.0	0.0	0.0	0.0	2,717.3	0.0	0	0	0
1226 High Ed (DGF)		2,717.3										
FY17 Conference Committee Total		8,622.5	3,069.7	71.7	527.3	345.2	0.0	4,608.6	0.0	31	0	3
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
FY17 Authorized Total		8,622.5	3,069.7	71.7	527.3	345.2	0.0	4,608.6	0.0	31	0	3
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
Align Authority With Anticipated Expenditures for Broadband Assistance Grants	LIT	0.0	0.0	0.0	27.2	0.0	0.0	-27.2	0.0	0	0	0
Delete Positions as a Result of Enacted Reduction	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-4	0	0
FY17 Management Plan Total		8,622.5	3,069.7	71.7	554.5	345.2	0.0	4,581.4	0.0	27	0	3
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
Transfer to Department of Administration for Shared Services of Alaska Implementation	ATrOut	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2	0	0
Align Authority for Shared Services of Alaska Reimbursable Services Agreement	LIT	0.0	-230.5	0.0	230.5	0.0	0.0	0.0	0.0	0	0	0
Delete Two Non-Permanent Positions (05-N13002, 05-N13003)	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	-2
FY2018 Salary and Health Insurance Increases	SalAdj	11.2	11.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed)		0.3										
1004 Gen Fund (UGF)		10.9										
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	19.5	19.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		19.5										
Supervisory Unit 15 Hour Furlough Contract Terms	SalAdj	-1.7	-1.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		-1.7										
Transfer from EED State Facilities Rent for Operations and Maintenance Costs of Andrew P. Kachevaroff Facility	TrIn	1,030.0	0.0	0.0	1,030.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		1,030.0										
FY18 Adjusted Base Total		9,681.5	2,868.2	71.7	1,815.0	345.2	0.0	4,581.4	0.0	25	0	1
* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *												
Reduce Statutory Designated Program Receipt Authorization to Align with Anticipated Revenue	Dec	-100.0	0.0	0.0	-50.0	-50.0	0.0	0.0	0.0	0	0	0
1108 Stat Desig (Other)		-100.0										
Savings from Shared Services of Alaska Implementation	Dec	-25.6	-25.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		-25.6										
FY18 Governor Request Total		9,555.9	2,842.6	71.7	1,765.0	295.2	0.0	4,581.4	0.0	25	0	1

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska State Libraries, Archives and Museums

Allocation: Archives

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]		[5] - [3]		[5] - [4]	
Session=>	2015	2017	2017	2017	2017	2015	2017	2017	2017	2017	2017
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov	17MgtPln to 18Gov	17MgtPln to 18Gov	18Adj Bas to 18Gov	18Adj Bas to 18Gov	17MgtPln to 18Gov
Total	1,321.7	1,193.4	1,249.6	1,261.7	1,261.7	-60.0	-4.5 %	12.1	1.0 %	0.0	
<u>Objects of Expenditure</u>											
1 Personal Services	1,149.2	1,050.5	1,038.6	1,050.7	1,050.7	-98.5	-8.6 %	12.1	1.2 %	0.0	
2 Travel	21.9	8.5	5.1	5.1	5.1	-16.8	-76.7 %	0.0		0.0	
3 Services	83.3	116.0	174.9	174.9	174.9	91.6	110.0 %	0.0		0.0	
4 Commodities	67.3	18.4	31.0	31.0	31.0	-36.3	-53.9 %	0.0		0.0	
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1002 Fed Rcpts (Fed)	40.0	15.8	40.0	40.0	40.0	0.0		0.0		0.0	
1004 Gen Fund (UGF)	1,123.6	1,068.1	1,049.2	1,061.1	1,061.1	-62.5	-5.6 %	11.9	1.1 %	0.0	
1007 I/A Rcpts (Other)	158.1	109.5	160.4	160.6	160.6	2.5	1.6 %	0.2	0.1 %	0.0	
<u>Positions</u>											
Perm Full Time	10	10	10	10	10	0		0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska State Libraries, Archives and Museums

Allocation: Archives

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
* * * FY17 Conference Committee * * *												
FY17 Conference Committee	ConfCom	1,249.6	1,156.5	5.1	57.0	31.0	0.0	0.0	0.0	10	0	0
1002 Fed Rcpts (Fed)		40.0										
1004 Gen Fund (UGF)		1,049.2										
1007 I/A Rcpts (Other)		160.4										
FY17 Conference Committee Total		1,249.6	1,156.5	5.1	57.0	31.0	0.0	0.0	0.0	10	0	0
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
FY17 Authorized Total		1,249.6	1,156.5	5.1	57.0	31.0	0.0	0.0	0.0	10	0	0
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
Align Authority to Comply with Vacancy Factor Guidelines	LIT	0.0	-117.9	0.0	117.9	0.0	0.0	0.0	0.0	0	0	0
FY17 Management Plan Total		1,249.6	1,038.6	5.1	174.9	31.0	0.0	0.0	0.0	10	0	0
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
FY2018 Salary and Health Insurance Increases	SalAdj	3.1	3.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		3.1										
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	9.8	9.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		9.6										
1007 I/A Rcpts (Other)		0.2										
Supervisory Unit 15 Hour Furlough Contract Terms	SalAdj	-0.8	-0.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		-0.8										
FY18 Adjusted Base Total		1,261.7	1,050.7	5.1	174.9	31.0	0.0	0.0	0.0	10	0	0
* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *												
FY18 Governor Request Total		1,261.7	1,050.7	5.1	174.9	31.0	0.0	0.0	0.0	10	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska State Libraries, Archives and Museums

Allocation: Museum Operations

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]		[5] - [3]		[5] - [4]	
Session=>	2015	2017	2017	2017	2017	2015	2017	2017	2017	2017	2017
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov		17MgtPln to 18Gov		18Adj Bas to 18Gov	
Total	2,115.4	1,718.4	1,695.0	1,708.6	1,708.6	-406.8	-19.2 %	13.6	0.8 %	0.0	
<u>Objects of Expenditure</u>											
1 Personal Services	1,594.8	1,369.9	1,452.1	1,465.7	1,465.7	-129.1	-8.1 %	13.6	0.9 %	0.0	
2 Travel	10.5	12.3	12.2	12.2	12.2	1.7	16.2 %	0.0		0.0	
3 Services	336.2	106.3	91.8	91.8	91.8	-244.4	-72.7 %	0.0		0.0	
4 Commodities	68.3	92.0	33.3	33.3	33.3	-35.0	-51.2 %	0.0		0.0	
5 Capital Outlay	0.0	32.3	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	105.6	105.6	105.6	105.6	105.6	0.0		0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1002 Fed Rcpts (Fed)	60.0	7.6	60.0	60.0	60.0	0.0		0.0		0.0	
1004 Gen Fund (UGF)	1,693.4	1,636.2	1,135.0	1,144.3	1,144.3	-549.1	-32.4 %	9.3	0.8 %	0.0	
1005 GF/Prgm (DGF)	362.0	74.6	500.0	504.3	504.3	142.3	39.3 %	4.3	0.9 %	0.0	
<u>Positions</u>											
Perm Full Time	14	14	14	13	13	-1	-7.1 %	-1	-7.1 %	0	
Perm Part Time	4	4	3	3	3	-1	-25.0 %	0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska State Libraries, Archives and Museums

Allocation: Museum Operations

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
*** FY17 Conference Committee ***												
FY17 Conference Committee	ConfCom	1,695.0	1,282.1	12.2	261.8	33.3	0.0	105.6	0.0	14	4	0
1002 Fed Rcpts (Fed)		60.0										
1004 Gen Fund (UGF)		1,135.0										
1005 GF/Prgm (DGF)		500.0										
FY17 Conference Committee Total		1,695.0	1,282.1	12.2	261.8	33.3	0.0	105.6	0.0	14	4	0
*** Changes from FY17 Conference Committee to FY17 Authorized ***												
FY17 Authorized Total		1,695.0	1,282.1	12.2	261.8	33.3	0.0	105.6	0.0	14	4	0
*** Changes from FY17 Authorized to FY17 Management Plan ***												
Align Authority as a Result of Enacted Reductions	LIT	0.0	170.0	0.0	-170.0	0.0	0.0	0.0	0.0	0	0	0
Delete Positions as a Result of Enacted Reduction	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	-1	0
FY17 Management Plan Total		1,695.0	1,452.1	12.2	91.8	33.3	0.0	105.6	0.0	14	3	0
*** Changes from FY17 Management Plan to FY18 Adjusted Base ***												
Delete Vacant Position as a Result of Agency Reorganization (05-4104)	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
FY2018 Salary and Health Insurance Increases	SalAdj	5.0	5.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		3.5										
1005 GF/Prgm (DGF)		1.5										
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	9.6	9.6	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		6.8										
1005 GF/Prgm (DGF)		2.8										
Supervisory Unit 15 Hour Furlough Contract Terms	SalAdj	-1.0	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		-1.0										
FY18 Adjusted Base Total		1,708.6	1,465.7	12.2	91.8	33.3	0.0	105.6	0.0	13	3	0
*** Changes from FY18 Adjusted Base to FY18 Governor Request ***												
FY18 Governor Request Total		1,708.6	1,465.7	12.2	91.8	33.3	0.0	105.6	0.0	13	3	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska State Libraries, Archives and Museums

Allocation: Online with Libraries (OWL)

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]		[5] - [3]		[5] - [4]	
Session=>	2015	2017	2017	2017	2017	2015	2017	2017	2017	2017	2017
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov		17MgtPln to 18Gov		18Adj Bas to 18Gov	
Total	761.8	760.4	661.8	661.8	661.8	-100.0	-13.1 %	0.0		0.0	
<u>Objects of Expenditure</u>											
1 Personal Services	0.0	94.8	111.8	115.4	115.4	115.4	>999 %	3.6	3.2 %	0.0	
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
3 Services	761.8	492.5	392.0	388.4	388.4	-373.4	-49.0 %	-3.6	-0.9 %	0.0	
4 Commodities	0.0	19.1	0.0	0.0	0.0	0.0		0.0		0.0	
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	0.0	154.0	158.0	158.0	158.0	158.0	>999 %	0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1004 Gen Fund (UGF)	761.8	0.0	661.8	661.8	661.8	-100.0	-13.1 %	0.0		0.0	
1226 High Ed (DGF)	0.0	760.4	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Positions</u>											
Perm Full Time	0	1	1	1	1	1	>999 %	0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska State Libraries, Archives and Museums

Allocation: Online with Libraries (OWL)

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
* * * FY17 Conference Committee * * *												
FY17 Conference Committee	ConfCom	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1	0	0
L FY17 Conference Committee	LangCC	761.8	117.2	0.0	644.6	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		761.8										
FY17 Conference Committee Total		761.8	117.2	0.0	644.6	0.0	0.0	0.0	0.0	1	0	0
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
L Reduce Online With Libraries Sec32(f) Ch3 4SSLA2016 P95 L28 (HB256)	Veto	-100.0	0.0	0.0	-100.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		-100.0										
FY17 Authorized Total		661.8	117.2	0.0	544.6	0.0	0.0	0.0	0.0	1	0	0
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
Align Authority to Comply with Vacancy Factor Guidelines	LIT	0.0	-5.4	0.0	5.4	0.0	0.0	0.0	0.0	0	0	0
Align Authority With Anticipated Expenditures for Program Grants to Alaska Libraries	LIT	0.0	0.0	0.0	-158.0	0.0	0.0	158.0	0.0	0	0	0
FY17 Management Plan Total		661.8	111.8	0.0	392.0	0.0	0.0	158.0	0.0	1	0	0
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
Line Item Transfer to Comply with Vacancy Factor Guidelines	LIT	0.0	3.6	0.0	-3.6	0.0	0.0	0.0	0.0	0	0	0
L Reverse Online With Libraries	OTI	-661.8	-117.2	0.0	-544.6	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		-661.8										
Restore Online With Libraries (in Adjusted Base per FY17 language)	IncM	661.8	117.2	0.0	544.6	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF)		661.8										
FY18 Adjusted Base Total		661.8	115.4	0.0	388.4	0.0	0.0	158.0	0.0	1	0	0
* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *												
FY18 Governor Request Total		661.8	115.4	0.0	388.4	0.0	0.0	158.0	0.0	1	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska State Libraries, Archives and Museums

Allocation: Live Homework Help

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]		[5] - [3]		[5] - [4]	
Session=>	2015	2017	2017	2017	2017	2015	2017	2017	2017	2017	2017
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov		17MgtPln to 18Gov		18Adj Bas to 18Gov	
Total	138.2	138.2	138.2	138.2	138.2	0.0		0.0		0.0	
<u>Objects of Expenditure</u>											
1 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
3 Services	138.2	0.0	138.2	0.0	0.0	-138.2	-100.0 %	-138.2	-100.0 %	0.0	
4 Commodities	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	0.0	138.2	0.0	138.2	138.2	138.2	>999 %	138.2	>999 %	0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1004 Gen Fund (UGF)	138.2	0.0	0.0	0.0	0.0	-138.2	-100.0 %	0.0		0.0	
1226 High Ed (DGF)	0.0	138.2	138.2	138.2	138.2	138.2	>999 %	0.0		0.0	
<u>Positions</u>											
Perm Full Time	0	0	0	0	0	0		0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska State Libraries, Archives and Museums

Allocation: Live Homework Help

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
FY17 Conference Committee 1226 High Ed (DGF) 138.2	ConfCom	138.2	0.0	0.0	138.2	0.0	0.0	0.0	0.0	0	0	0
FY17 Conference Committee Total		138.2	0.0	0.0	138.2	0.0	0.0	0.0	0.0	0	0	0
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
FY17 Authorized Total		138.2	0.0	0.0	138.2	0.0	0.0	0.0	0.0	0	0	0
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
FY17 Management Plan Total		138.2	0.0	0.0	138.2	0.0	0.0	0.0	0.0	0	0	0
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
Align Budget Authorization Based on Anticipated Expenditures	LIT	0.0	0.0	0.0	-138.2	0.0	0.0	138.2	0.0	0	0	0
FY18 Adjusted Base Total		138.2	0.0	0.0	0.0	0.0	0.0	138.2	0.0	0	0	0
* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *												
FY18 Governor Request Total		138.2	0.0	0.0	0.0	0.0	0.0	138.2	0.0	0	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska Postsecondary Education Commission

Allocation: Program Administration & Operations

ID=> Session=> Column=>	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 2017 15MgtPln to 18Gov		[5] - [3] 2017 2017 17MgtPln to 18Gov		[5] - [4] 2017 2017 18Adj Bas to 18Gov	
Total	22,353.9	18,964.7	20,971.6	21,170.0	18,868.4	-3,485.5	-15.6 %	-2,103.2	-10.0 %	-2,301.6	-10.9 %
<u>Objects of Expenditure</u>											
1 Personal Services	11,015.4	10,459.2	10,308.5	10,436.7	9,803.8	-1,211.6	-11.0 %	-504.7	-4.9 %	-632.9	-6.1 %
2 Travel	117.7	149.6	42.7	42.7	42.7	-75.0	-63.7 %	0.0		0.0	
3 Services	5,612.6	2,966.3	4,762.2	4,832.4	3,038.7	-2,573.9	-45.9 %	-1,723.5	-36.2 %	-1,793.7	-37.1 %
4 Commodities	108.2	79.3	108.2	108.2	108.2	0.0		0.0		0.0	
5 Capital Outlay	0.0	15.0	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	5,500.0	5,295.3	5,750.0	5,750.0	5,875.0	375.0	6.8 %	125.0	2.2 %	125.0	2.2 %
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1002 Fed Rcpts (Fed)	1,987.1	1,453.5	900.0	900.0	100.0	-1,887.1	-95.0 %	-800.0	-88.9 %	-800.0	-88.9 %
1005 GF/Prgm (DGF)	0.0	0.0	50.0	50.9	50.9	50.9	>999 %	0.9	1.8 %	0.0	
1007 I/A Rcpts (Other)	1,409.5	12,042.2	13,414.1	13,611.4	12,244.0	10,834.5	768.7 %	-1,170.1	-8.7 %	-1,367.4	-10.0 %
1106 ASLC Rcpts (Other)	13,274.5	0.0	0.0	0.0	0.0	-13,274.5	-100.0 %	0.0		0.0	
1108 Stat Desig (Other)	100.0	90.9	774.7	774.9	515.7	415.7	415.7 %	-259.0	-33.4 %	-259.2	-33.4 %
1226 High Ed (DGF)	5,582.8	5,378.1	5,832.8	5,832.8	5,957.8	375.0	6.7 %	125.0	2.1 %	125.0	2.1 %
<u>Positions</u>											
Perm Full Time	95	95	88	87	83	-12	-12.6 %	-5	-5.7 %	-4	-4.6 %
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	11	11	4	6	3	-8	-72.7 %	-1	-25.0 %	-3	-50.0 %

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska Postsecondary Education Commission

Allocation: Program Administration & Operations

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
* * * FY17 Conference Committee * * *												
FY17 Conference Committee	ConfCom	20,971.6	11,113.6	42.7	3,957.1	108.2	0.0	5,750.0	0.0	90	0	4
1002 Fed Rcpts (Fed)		900.0										
1005 GF/Prgm (DGF)		50.0										
1007 I/A Rcpts (Other)		13,414.1										
1108 Stat Desig (Other)		774.7										
1226 High Ed (DGF)		5,832.8										
FY17 Conference Committee Total		20,971.6	11,113.6	42.7	3,957.1	108.2	0.0	5,750.0	0.0	90	0	4
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
FY17 Authorized Total		20,971.6	11,113.6	42.7	3,957.1	108.2	0.0	5,750.0	0.0	90	0	4
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
Align Authority as a Result of Enacted Reductions	LIT	0.0	-805.1	0.0	805.1	0.0	0.0	0.0	0.0	0	0	0
Delete Positions as a Result of FY17 Legislative Reductions and Long Term Vacancies	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2	0	0
FY17 Management Plan Total		20,971.6	10,308.5	42.7	4,762.2	108.2	0.0	5,750.0	0.0	88	0	4
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
Transfer to Department of Administration for Shared Services of Alaska Implementation	ATrOut	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1	0	0
Align Authority for Shared Services of Alaska Reimbursable Services Agreement	LIT	0.0	-70.2	0.0	70.2	0.0	0.0	0.0	0.0	0	0	0
Budget for Two Student Interns (05-PS18, 05-PS28)	PosAdj	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	2
FY2018 Alaska Care & PSEA Health Insurance Increase	SalAdj	198.4	198.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm (DGF)		0.9										
1007 I/A Rcpts (Other)		197.3										
1108 Stat Desig (Other)		0.2										
FY18 Adjusted Base Total		21,170.0	10,436.7	42.7	4,832.4	108.2	0.0	5,750.0	0.0	87	0	6
* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *												
Savings from Shared Services of Alaska Implementation	Dec	-7.8	-7.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other)		-7.8										
Delete Vacant Positions (05-0304, 05-0307, 05-0415, 05-0432, 05-T087, 05-T088, 05-T089)	Dec	-625.1	-625.1	0.0	0.0	0.0	0.0	0.0	0.0	-4	0	-3
1007 I/A Rcpts (Other)		-393.6										
1108 Stat Desig (Other)		-231.5										
Reduce Authorization to Align with Anticipated Expenditures	Dec	-1,793.7	0.0	0.0	-1,793.7	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed)		-800.0										
1007 I/A Rcpts (Other)		-966.0										
1108 Stat Desig (Other)		-27.7										
Increase Alaska Education Grant by \$125.0 (Half of Alaska Performance Scholarship Increase per Statutory Formula)	Inc	125.0	0.0	0.0	0.0	0.0	0.0	125.0	0.0	0	0	0
1226 High Ed (DGF)		125.0										
FY18 Governor Request Total		18,868.4	9,803.8	42.7	3,038.7	108.2	0.0	5,875.0	0.0	83	0	3

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska Postsecondary Education Commission

Allocation: WWAMI Medical Education

ID⇒ Session⇒ Column⇒	[1] 2015 15MgtPln	[2] 2017 16Actual	[3] 2017 17MgtPln	[4] 2017 18Adj Base	[5] 2017 18Gov	[5] - [1] 2015 15MgtPln to 18Gov	[5] - [3] 2017 17MgtPln to 18Gov	[5] - [4] 2017 18Adj Bas to 18Gov
Total	2,964.8	2,833.1	2,964.8	2,964.8	3,070.8	106.0 3.6 %	106.0 3.6 %	106.0 3.6 %
<u>Objects of Expenditure</u>								
1 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3 Services	2,964.8	2,833.1	2,964.8	2,964.8	3,070.8	106.0 3.6 %	106.0 3.6 %	106.0 3.6 %
4 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Funding Sources</u>								
1004 Gen Fund (UGF)	2,964.8	0.0	0.0	0.0	0.0	-2,964.8 -100.0 %	0.0	0.0
1226 High Ed (DGF)	0.0	2,833.1	2,964.8	2,964.8	3,070.8	3,070.8 >999 %	106.0 3.6 %	106.0 3.6 %
<u>Positions</u>								
Perm Full Time	0	0	0	0	0	0	0	0
Perm Part Time	0	0	0	0	0	0	0	0
Temporary	0	0	0	0	0	0	0	0

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska Postsecondary Education Commission

Allocation: WWAMI Medical Education

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
		* * * FY17 Conference Committee * * *										
FY17 Conference Committee 1226 High Ed (DGF) 2,964.8	ConfCom	2,964.8	0.0	0.0	2,964.8	0.0	0.0	0.0	0.0	0	0	0
FY17 Conference Committee Total		2,964.8	0.0	0.0	2,964.8	0.0	0.0	0.0	0.0	0	0	0
		* * * Changes from FY17 Conference Committee to FY17 Authorized * * *										
FY17 Authorized Total		2,964.8	0.0	0.0	2,964.8	0.0	0.0	0.0	0.0	0	0	0
		* * * Changes from FY17 Authorized to FY17 Management Plan * * *										
FY17 Management Plan Total		2,964.8	0.0	0.0	2,964.8	0.0	0.0	0.0	0.0	0	0	0
		* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *										
FY18 Adjusted Base Total		2,964.8	0.0	0.0	2,964.8	0.0	0.0	0.0	0.0	0	0	0
		* * * Changes from FY18 Adjusted Base to FY18 Governor Request * * *										
WWAMI Program Contractual Increase 1226 High Ed (DGF) 106.0	Inc	106.0	0.0	0.0	106.0	0.0	0.0	0.0	0.0	0	0	0
FY18 Governor Request Total		3,070.8	0.0	0.0	3,070.8	0.0	0.0	0.0	0.0	0	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska Performance Scholarship Awards

Allocation: Alaska Performance Scholarship Awards

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]		[5] - [3]		[5] - [4]	
Session=>	2015	2017	2017	2017	2017	2015	2017	2017	2017	2017	2017
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov		17MgtPln to 18Gov		18Adj Bas to 18Gov	
Total	11,000.0	11,066.6	11,500.0	11,500.0	11,750.0	750.0	6.8 %	250.0	2.2 %	250.0	2.2 %
<u>Objects of Expenditure</u>											
1 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
3 Services	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
4 Commodities	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	11,000.0	11,066.6	11,500.0	11,500.0	11,750.0	750.0	6.8 %	250.0	2.2 %	250.0	2.2 %
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1226 High Ed (DGF)	11,000.0	11,066.6	11,500.0	11,500.0	11,750.0	750.0	6.8 %	250.0	2.2 %	250.0	2.2 %
<u>Positions</u>											
Perm Full Time	0	0	0	0	0	0		0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska Performance Scholarship Awards

Allocation: Alaska Performance Scholarship Awards

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
FY17 Conference Committee	ConfCom	*** FY17 Conference Committee ***										
1226 High Ed (DGF) 11,500.0		11,500.0	0.0	0.0	0.0	0.0	0.0	11,500.0	0.0	0	0	0
FY17 Conference Committee Total		11,500.0	0.0	0.0	0.0	0.0	0.0	11,500.0	0.0	0	0	0
		*** Changes from FY17 Conference Committee to FY17 Authorized ***										
FY17 Authorized Total		11,500.0	0.0	0.0	0.0	0.0	0.0	11,500.0	0.0	0	0	0
		*** Changes from FY17 Authorized to FY17 Management Plan ***										
FY17 Management Plan Total		11,500.0	0.0	0.0	0.0	0.0	0.0	11,500.0	0.0	0	0	0
		*** Changes from FY17 Management Plan to FY18 Adjusted Base ***										
FY18 Adjusted Base Total		11,500.0	0.0	0.0	0.0	0.0	0.0	11,500.0	0.0	0	0	0
		*** Changes from FY18 Adjusted Base to FY18 Governor Request ***										
Increase Alaska Performance Scholarship Awards Program by \$250.0 to Meet Increased Demand	Inc	250.0	0.0	0.0	0.0	0.0	0.0	250.0	0.0	0	0	0
1226 High Ed (DGF) 250.0												
FY18 Governor Request Total		11,750.0	0.0	0.0	0.0	0.0	0.0	11,750.0	0.0	0	0	0

Multi-year Allocation Totals - Operating Budget - FY 2018 Governor Structure

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska Student Loan Corporation

Allocation: Loan Servicing

ID=>	[1]	[2]	[3]	[4]	[5]	[5] - [1]	[5] - [3]	[5] - [4]			
Session=>	2015	2017	2017	2017	2017	2015	2017	2017			
Column=>	15MgtPln	16Actual	17MgtPln	18Adj Base	18Gov	15MgtPln to 18Gov	17MgtPln to 18Gov	18Adj Bas to 18Gov			
Total	0.0	12,191.3	12,233.0	12,233.0	11,946.7	11,946.7	>999 %	-286.3	-2.3 %	-286.3	-2.3 %
<u>Objects of Expenditure</u>											
1 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
2 Travel	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
3 Services	0.0	12,191.3	12,233.0	12,233.0	11,946.7	11,946.7	>999 %	-286.3	-2.3 %	-286.3	-2.3 %
4 Commodities	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
5 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
7 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0	
<u>Funding Sources</u>											
1106 ASLC Rcpts (Other)	0.0	12,191.3	12,233.0	12,233.0	11,946.7	11,946.7	>999 %	-286.3	-2.3 %	-286.3	-2.3 %
<u>Positions</u>											
Perm Full Time	0	0	0	0	0	0		0		0	
Perm Part Time	0	0	0	0	0	0		0		0	
Temporary	0	0	0	0	0	0		0		0	

2017 Legislature - Operating Budget **Transaction Change Detail - Governor Structure**

Numbers and Language

Agency: Department of Education and Early Development

Appropriation: Alaska Student Loan Corporation
Allocation: Loan Servicing

Transaction Title	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
FY17 Conference Committee												
1106 ASLC Rcpts (Other) 12,233.0	ConfCom	12,233.0	0.0	0.0	12,233.0	0.0	0.0	0.0	0.0	0	0	0
FY17 Conference Committee Total		12,233.0	0.0	0.0	12,233.0	0.0	0.0	0.0	0.0	0	0	0
* * * Changes from FY17 Conference Committee to FY17 Authorized * * *												
FY17 Authorized Total		12,233.0	0.0	0.0	12,233.0	0.0	0.0	0.0	0.0	0	0	0
* * * Changes from FY17 Authorized to FY17 Management Plan * * *												
FY17 Management Plan Total		12,233.0	0.0	0.0	12,233.0	0.0	0.0	0.0	0.0	0	0	0
* * * Changes from FY17 Management Plan to FY18 Adjusted Base * * *												
FY18 Adjusted Base Total		12,233.0	0.0	0.0	12,233.0	0.0	0.0	0.0	0.0	0	0	0
Reduce Receipt Authorization As a Result of ACPE Position Deletions and Efficiencies												
1106 ASLC Rcpts (Other) -286.3	Dec	-286.3	0.0	0.0	-286.3	0.0	0.0	0.0	0.0	0	0	0
FY18 Governor Request Total		11,946.7	0.0	0.0	11,946.7	0.0	0.0	0.0	0.0	0	0	0

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**2017 Legislature - Operating Budget
Wordage Report - Governor Structure**

Agency: Department of Education and Early Development

18Gov

Ap: Teaching and Learning Support

Al: Teacher Certification

Conditional Language

The amount allocated for Teacher Certification includes the unexpended and unobligated balance on June 30, 2017, of the Department of Education and Early Development receipts from teacher certification fees under AS 14.20.020(c).

X

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Transaction Type Definitions

16Act	Prior year actual expenditures. Transactions are received from OMB and reviewed (and possibly edited) by Legislative Finance.
16Final	Prior year final budget authorization. Transactions are received from OMB and reviewed (and possibly edited) by Legislative Finance.
ATrIn	Inter-Agency Transfer Into an agency/allocation. Totals for ATrIn and ATrOut net zero statewide.
ATrOut	Inter-Agency Transfer Out of an agency/allocation. Totals for ATrIn and ATrOut net zero statewide.
CarryFwd	Authorization brought forward from the prior year's budget.
Cntngt	An appropriation that is effective only if the "contingency" occurs. For example, an appropriation may be dependent on the passage of legislation or voter approval (as with GO Bonds).
ConfCom	FY17 Conference Committee.
Dec	Decrement (reduction) of funds (may include positions).
FisNot	Fiscal Note appropriations for legislation effective in FY18.
FisNot17	Fiscal Note appropriations for legislation effective in FY17.
FndChg	Net Zero Fund Source Change.
FsNotOth	Fiscal notes that are not included in section 2 of the operating budget bill. This transaction can be used for operating and for capital fiscal notes.
Inc	Increment (addition) of funds (may include positions).
IncM	Increment (addition) of funds to maintain the level of services provided in the prior fiscal year. Used only when a requested fund source and amount were appropriated for the prior year.
IncOTI	One-time increment (addition) of funds (may include positions) that will be removed from the base budget in the next fiscal year.
IncT	A temporary increment (IncT) adds money to the base for a specified period. Removal from the base before the termination year requires legislative action.
Lang	Appropriations in the language sections of the operating budget bill(s); generally treated as one-time increments.
LangCC	Appropriations in the language sections of the operating budget bill(s) during the prior year Conference Committee.
LIT	Line Item Transfer moves funding between line items to reflect planned expenditures.
MisAdj	Miscellaneous adjustment is typically used to make adjustments that do not meet the definitions of other transaction types.
MultiYr	Appropriations affecting multiple fiscal years. (The entire appropriation is attributed to the first fiscal year in which the money may be spent).
OTI	One Time Item identifies a reduction made to an agency's base when FY17 funding will not be available for the current budget cycle (FY18).
PosAdj	Position increases or decreases with no funding change.
ReAprop	Identifies reappropriations of prior appropriations.
RPL	Revised Program - Legislative are budget additions reviewed/approved by the Legislative Budget and Audit Committee.
SalAdj	Identifies Salary and Benefits adjustments and COLA distributions.
Special	Special appropriations are language operating appropriations made in bills other than the operating budget bill.
Suppl	Supplemental appropriations are effective in the prior fiscal year (FY17), regardless of the fiscal year(s) in which the money may be used.
TrIn	Transfers Into an allocation from another allocation within an agency. Totals for TrIn and TrOut net zero department-wide.
TrOut	Transfers Out of an allocation to another allocation within an agency. Totals for TrIn and TrOut net zero department-wide.
Unalloc	Legislative unallocated reductions or additions to be spread per agency discretion.
Veto	Transactions reflecting vetoed appropriations.



**Performance Review of the Alaska Department of
Education and Early Development
EXECUTIVE SUMMARY**

EXECUTIVE SUMMARY
Report Submitted to the State of Alaska Division of Legislative Audit





EXECUTIVE SUMMARY

In accordance with House Bill 30 (Chapter 19, SLA 2013), a performance review was conducted on the Alaska Department of Education and Early Development (DEED). The review began in June 2015 and concluded in May 2016. Through a competitive bidding process, the Alaska Division of Legislative Audit (DLA) selected Public Works, LLC to conduct the DEED performance review, with subcontractor JJC and Associates, LLC managing the project.

Methodology

Public Works provided an objective and thorough examination of the department's performance in fulfilling its statutory obligations and stated mission across all core services. The process included identification of areas where departmental operations could be streamlined to increase efficiency and reduce costs, while continuously improving the quality of the standards-based education provided to the youth of Alaska.

The Public Works review analyzed hundreds of documents in support of the review, including those concerning DEED's strategic plan, State Board structure, State Board policies and procedures, staff responsibilities, operations, personnel, management systems, and other divisions and functions under review. The review team analyzed data including, but not limited to, strategic plans, State Board documents, data on performance measures, performance metrics, and workload/productivity measures, operational policies, procedures, and processes and relevant statutes or regulations, organizational structure, and staffing of key DEED divisions.

The Public Works review team conducted:

- Site visits to eight school districts, these included a minimum of one district in each of the five regions of Alaska, in both rural and urban areas. The school district site visits included central office interviews, focus groups of administrators and staff, and tours of a number of schools within each district.
- Over 250 individual interviews. These included interviews with DEED management and staff; a majority of State Board members; selected state senators and representatives; and leaders of numerous statewide educational leadership organizations.



- Numerous focus groups, held both at DEED and within the school districts.
- Surveys of DEED professional staff and all 54 school district superintendents

Additionally, members of the review team attended the Alaska Association of School Business Officials (ALASBO) Conference in December 2015 to interview numerous school district business officials. The review team also listened to the October 2015 State Board Meeting by teleconference.

Best practices research was conducted on a wide variety of topics including the organization of education departments in other states, state board policies and procedures, strategic planning, performance measures, teacher certification, teacher evaluation, technology strategies, and professional teaching practices.

The full report provides a total of 77 recommendations. Each recommendation is labeled as a Tier 1, Tier 2, or Tier 3 recommendation. This refers to the suggested level of importance or urgency of the implementation of the recommendation.

DEED Efforts and Unique Challenges

The Public Works team recognizes that Alaska faces unique challenges in providing efficient and effective services to its member school districts. Those challenges include, but are not limited to the following:

- Of Alaska's 54 school districts, the largest five enroll 71.3 percent of Alaska's students, and the largest seven enroll 78.2 percent, while 39 school districts each enroll less than one percent of the student population.
- Alaska has a large number of very small schools, each with only a handful of teachers. Of 507 schools, 123 schools have fewer than 50 students and 78 enroll 25 or fewer students. More than half of the total schools (298, or 58.7 percent) are Title IA schools. Three or fewer teachers are employed in 87 (17 percent) of the total schools (38 schools employ one teacher; 25 schools employ two teachers; and 37 schools employ three teachers).
- Alaska faces a key challenge in ensuring that its educational leaders have an understanding of the culture of Alaska Native students, and that teachers are well equipped with the necessary cross-cultural knowledge and skills (including linguistic skills) to effectively teach Alaska Native

students in a way that is relevant and appropriate to their communities. Alaska has 29,450 Alaska Native students out of a total K-12 enrollment of more than 131,882 (or 22.3 percent). With the inclusion of 1,693 American Indian students, the total Alaska Native/American Indian enrollment is 31,143 (or 23.6 percent of the total student population). In many villages, English is not the primary language. Alaska is home to at least 20 distinct indigenous languages. The challenge for DEED is to ensure that educational leaders acknowledge the state's tremendous diversity, and that teachers are well prepared to teach to in a cross-cultural context.

- Alaska further faces the challenge of retaining qualified educators and educational leaders who are prepared to teach in villages and areas that are geographically remote from the state's population centers and from urban infrastructure. Between 2013 and 2015, 30 (55.5 percent) of Alaska districts had a new superintendent, while of all schools, 88 (17 percent) had a turnover rate of 30 percent or higher.
- Alaska faces higher costs and more complicated logistics than those faced by other states for delivering education and professional development, and for transporting students, staff, and technical support professionals. This is because most of Alaska's schools are located in remote regions, many with no roads or other nearby education opportunities for children. For example:
 - The North Slope Borough School District, with an enrollment of fewer than 2,050 students attending 11 schools, is the nation's largest geographic school district, covering 88,000 square miles. The schools are not connected by roads. If the North Slope were an individual state, it would be our nation's 11th largest.
 - The Lower Kuskokwim School District, with an enrollment of 4,285 Yup'ik Eskimo students attending 28 schools, covers 23,792 square miles, an area roughly the size of Maryland, Vermont, and Connecticut combined. The schools are not connected by roads.
 - Kenai Peninsula Borough School District is one of the major "urban" organized school districts in Alaska. It enrolls 9,150 students in 43 schools in 17 communities in a geographic area covering 25,600 square miles, larger than Rhode Island, Connecticut,



Massachusetts, and New Hampshire combined. Four villages in the district do not have road access.

- o Yukon-Koyukuk School District, with 10 schools and a student body of 283, and an additional 1,212 students enrolled in its statewide correspondence school program, encompasses nearly 62,000 square miles in Interior Alaska. Two communities have road access. If this district were a state, it would be the 21st largest in the nation.¹

Introduction and Overview

Defined in Alaska Constitution Article 7, Sec. 1; AS 14.17, the mission of DEED is to ensure high-quality standards-based instruction to improve academic achievement for all students. DEED provides four core services:

1. Public School Funding
2. Fiscal Accountability, Compliance and Oversight
3. School Effectiveness Programs
4. Active Partnerships

Six distinct themes emerged from the performance review and were identified by the Public Works review team. Each presents an area of challenge for the department:

1. Lack of clarity with regard to mission, vision, and strategic plan;
2. Local control balanced with the need for state leadership and technical assistance;
3. High staff turnover;
4. Insufficient use of data to drive decision-making;
5. Technology challenges; and
6. Lack of proactive engagement with the legislature to provide the data and information needed to garner appropriate funding and support for various education initiatives

The review team found that DEED has done an adequate job of ensuring that funding is appropriately distributed to districts based on legislative appropriation, by statute, and in accordance with the foundation formula, other formula programs, or legislative intent for funding outside the primary funding formulas.

¹ Unique Challenges Facing Alaska, Division of Teaching and Learning document provided by DEED, 2016.



We did not find any major issues with the department's management of state, federal, and other funding by providing comprehensive fiscal and administrative services.

However, the review team recommends that the State Board of Education and DEED finalize the new strategic plan to ensure there is clarity and focus to DEED's core mission and goals. This is particularly important to ensure the effective implementation of School Effectiveness Programs. Additionally, the state is lacking a clear vision in its strategic plan for innovative use of technology to enhance the effectiveness and efficiency of educational opportunities and operational functions.

Three significant areas in which the review team found DEED to be deficient in accomplishing its mission are: 1) communicating a clear and coherent mission, vision, and strategic plan; 2) maximizing opportunities for collaboration and active partnerships with government entities, and other public and private organizations in pursuit of state educational goals; and 3) assisting school districts by providing programs, technical on-site and distance-delivery support, and early intervention services in efforts to increase the statewide graduation rate.

- While many of the units within DEED provide high-quality services, there is a "cry" from many districts (particularly rural districts) for more technical assistance, professional development, and training. Districts appreciate the flexibility of local control, but are requesting more support from DEED, not only in improving student achievement, but also in addressing technical and operational challenges.
- Alaska has higher than average total revenue, per pupil spending, and teacher salaries in comparison with selected peer states, but disappointingly, has lower test scores and graduation rates. This discrepancy underlines the need for state support in struggling schools.
- Significant gaps in achievement exist among subgroups of Alaskan students, evidenced in state assessment scores and the National Assessment of Educational Progress (NAEP).
- DEED is more heavily focused on compliance and monitoring than its peer state education agencies due to its large number of federally funded positions (relative to the size of the agency). Additionally, DEED is heavily



focused on state-mandated programs initiated by the Alaska State Legislature. As a result, DEED's role has become primarily one of administering state and federal funds.

In summary, the review team finds DEED to be only partially successful in achieving its mission through effectively and efficiently delivering its core services, goals, programs, and objectives. Much remains to be accomplished, including the completion of a focused strategic plan for DEED and a re-thinking of DEED's methods of delivering services to school districts. DEED's success, however, is also dependent upon the legislature's support for a data-driven approach to improving the educational opportunities for all Alaska public school students. The recommendations of the Public Works review team are intended to assist the state in carrying out its constitutional mission to ensure quality standards-based instruction to improve academic achievement for all students.

Summary of Findings by Objective

This performance review report is organized by the 14 objectives established in the RFP. Detailed information regarding the findings and recommendations for each objective are included in the full report. A brief overview of the conclusions from each of the 14 objectives is presented below. Because some of the objectives are closely related – and their findings interconnected – the review team has combined some of the objectives under one section for the purpose of the report.

Summary of Findings for Objective 1

For Objective 1, Public Works evaluated DEED's success in achieving its mission through effectively and efficiently delivering its core services, goals, programs, and objectives.

The Public Works review team found a lack of clarity and agreement within DEED as to what DEED's mission and strategic plan consist of and, therefore, the team found DEED to be only partially successful in the full accomplishment of its mission.

Two significant areas in which the review team found DEED to be deficient in accomplishing its mission are: 1) assisting school districts by providing programs, on-site and distance-delivery technical support, and early intervention services to increase the statewide graduation rate; and 2) maximizing opportunities for collaboration and active partnerships with government entities and other public



and private organizations in pursuit of state educational goals. The review team provides several recommendations to remedy these deficiencies.

The review team identified ambiguity in the current governance structure of the Alaska State Board of Education (State Board), which does not explicitly define the roles of the State Board, the governor, the commissioner of education, and the legislature with respect to leadership, oversight, and authority over the state's K-12 education policies and activities. As a result, the review team recommends that the current governance structure of DEED be altered in such a way as to ensure role clarity and to establish a clear reporting structure for the commissioner of education position.

Summary of Findings for Objective 2

For Objective 2, Public Works determined whether the department's results-based measures demonstrate effectiveness and efficiency of the department's core services, goals, programs, and objectives.

The performance measures in place in Alaska represent a traditional set of initiatives that lack clarity and a logical sequence to effectively measure success.

DEED is caught between two policy and philosophical views. On the one hand, the United States Department of Education (USDOE) imposes absolute requirements that must be met in order to receive millions of dollars in federal aid. Alaska must create a performance measurement system that meets certain guidelines for approval by USDOE. At the other end of the spectrum are state leaders who represent the view that Alaska should determine its own policies without interference from the federal government, and believe the USDOE requirements are overreaching in nature. DEED is challenged by the need to be responsive to both of these two different policy and philosophical views.

Given the changes in state educational leadership, DEED has a unique opportunity at this time to address the weaknesses of its performance measures and assessment programs, and to build on the strengths of what works to positively impact student performance. These opportunities include:

- A new State Board of Education appointed by the governor with a mandate fostered in part by the governor's priorities and expectations.



- The retirement of the previous commissioner and the opportunity to hire a new commissioner who is likely to be philosophically aligned with the governor and State Board of Education.
- The enactment of a new federal approach through reauthorization of the Elementary and Secondary Act, giving states much wider latitude for state and local control of the use of federal funds.
- The opportunity to create a new assessment system that meets federal guidelines and replaces the recently-eliminated federally required standardized testing program.
- The development of a new strategic plan by the State Board of Education that has the potential to bring coordination and alignment and a focus on student performance as a priority to Alaska.

Summary of Findings for Objectives 3, 4, and 10

For Objective 3, Public Works identified DEED's authority to collect fees, conduct inspections, enforce state law, or impose penalties.

For Objective 4, Public Works recommended improvements to agency practices and procedures, including the means to decrease regulatory burdens or restrictions without decreasing public service.

For Objective 10, Public Works identified the extent to which DEED performs all of its statutorily defined duties and the extent to which statutory, regulatory, budgetary or other changes are necessary to enable the agency better to serve the public's interest, and to correct problems identified during the review.

Due to the interconnectedness of findings related to Objectives 3, 4, and 10, for the purposes of this report, the review team has combined findings and recommendations for these objectives.

DEED places a high priority on statutory compliance and meeting all of the duties prescribed for state education agencies in state and federal law. In austere budget times, Department leaders often reference statutory mandates to ensure that legal requirements are met while making cuts to discretionary programs and services. During this review, the review team did not identify any areas of statutory non-compliance by DEED.



Several DEED offices – including the Child Nutrition Program; Alaska State Council on the Arts; Division of Libraries, Archives and Museums; and Mt. Edgecombe High School – currently charge fees to support programs and services. Current fee amounts, structures, policies, procedures, and statutes were reviewed for this report.

The project team reviewed current inspection policies, procedures, regulations, and statutes in preparation of this report. No deficiencies were noted in DEED's inspection and penalty operations and oversight.

The need for statutory and regulatory modifications was discussed in virtually every interview and meeting conducted for this review. The legislature and the Department have made, and should continue to make incremental changes to statutes and regulations as needed to reflect changes in policy and emerging practices in the field. This report has identified several areas where statutory modifications could lead to greater departmental effectiveness or efficiency.

Summary of Findings for Objectives 5 and 6

For Objective 5, Public Works identified areas in which agency programs and jurisdictions overlap, and to assess the quality of interagency cooperation in those areas.

For Objective 6, Public Works identified services provided by programs and functions duplicated by another government agency or private entity, and recommended the most effective and efficient way to perform those services.

Due to the interconnectedness of findings related to Objectives 5 and 6, for the purposes of this report, the review team has combined findings and recommendations these objectives. Objective 9 is also closely related to these findings; specific examples of program overlap and functional duplication are addressed under Objective 9 in the context of program and functional consolidation.

Analysis of DEED's partnerships finds the agency has been partially successful in furthering its mission through effective interagency cooperation and high-quality partnerships. The level of partnership development is strong in some instances, and weak in others.



The findings and recommendations provided in this report reflect the opportunity to improve partnerships that are apparently either poorly managed or are non-substantive (i.e. exist on paper only). At the same time, DEED is to be commended for a number of highly effective partnerships. Building on what works and making improvements in challenging areas will be critical to the future success of DEED and its many partners.

The need for stronger communication processes with DEED partners – and especially with school personnel and organizations – is noteworthy. The need for stronger communication lines between DEED personnel and the State Board of Education is also addressed under Objective 1. Communications processes generally should be prioritized for significant improvement as the organization transitions under a new commissioner.

An important limitation in evaluating many of DEED's partnerships is the lack of quantifiable data to assess their effectiveness; several so-called partnerships are in effect simply funding streams, and it is left to the beneficiary partner to document success, or lack thereof.

Public Works identified one key area of overlap/duplication of effort in the management of educator licensing responsibilities between the Professional Teaching Practices Commission (PTPC) and DEED's Teacher Certification Office. The PTPC also duplicates some services of the University of Alaska's teacher education programs, such as providing professional ethics training to candidates for graduation from these programs. These duplications of effort generate unnecessary costs to DEED in personnel time, travel, and facilities expenses. The review team finds that Alaska addresses educator misconduct through a system that is unnecessarily expensive and elaborate given the relatively small population of educators, and the significant fiscal challenges faced by the state.

Since the review team recommends consolidation of duplicative or overlapping functions, this finding is addressed in further detail under Objective 9 (see **Chapter 7 Consolidation or Reductions**).

Summary of Findings for Objective 7

For Objective 7, Public Works evaluated whether DEED promptly and effectively addresses complaints.



Few concerns are registered against the Department of Education and Early Development via the formal mechanism of complaint to the Office of the State Ombudsman. These issues are consistently addressed in a timely and effective fashion by DEED.

Personnel in the Office of the State Ombudsman compiled complaints about DEED that were received from 2006 to the present. During this ten-year period, 35 contacts about DEED were initiated. Seventeen of these contacts were actual complaints. Other contacts were resolved as informational referrals; e.g., individuals who needed information about where to address a concern, individuals who were frustrated with local districts, etc.

There were no discernible thematic patterns in the 17 contacts that were actual complaints. Further, there were very few complaints that would rise to a matter of significant concern. Once assisted or referred to a resource to address their issues, no complainants further redress from the Office of the State Ombudsman.

Summary of Findings for Objective 8

For Objective 8, Public Works evaluated DEED's process for implementing technology and recommended new types or uses of technology to improve agency efficiency and effectiveness.

Within its internal operations, DEED uses technology in a manner consistent with most state education agencies. These uses lie primarily in the area of improving internal agency efficiency and communications and collecting district and school data for the purposes of federal and state reporting as well as calculating funding allocations. For these purposes, DEED's use of technology is adequate. At the same time, there are areas where improvements should be made. These are spelled out in the body of the report.

Lastly, while the use of technology *within* DEED is consistent with most state education agencies, some states are offering services to school districts that go far beyond what is in currently in place, or planned by DEED. Even in strong local control states, education agencies offer such services to districts as:

- Statewide internet and broadband services;
- Instructional management systems;
- Digital content libraries;
- Longitudinal data systems and dashboards for teachers and administrators; and



- Opt-in student information systems and IEP systems.

Summary of Findings for Objective 9

For Objective 9, Public Works identified agencies that could be terminated or consolidated, cost reductions, and potential program- or cost- reductions based on policy changes.

Public Works found one key area where DEED could consolidate offices for cost reductions: The review team recommends that DEED eliminate duplication of work processes between the PTPC, university teacher preparation programs, and DEED, and that the legislature amend AS Title 14, Chapter 20, Article 5. Professional Teaching Practices Act to consolidate the PTPC's work into the Teacher Certification Office's work.

Summary of Findings for Objective 11

For Objective 11, Public Works evaluated DEED's process for developing capital projects.

The process DEED uses to review capital projects is systematic and effective at incorporating a variety of criteria provided by the legislature into its project evaluation and priority ranking system. Additionally, the application requirements DEED imposes on districts encourage districts to follow best practices for the capital programs.

Overall, the review team found that DEED has a robust process for reviewing capital projects. However, there is a perception among some superintendents that the process is cumbersome and expensive. Although DEED's Grant Committee Review worked to improve the grant review process in 2012, additional revisions could be made to make the application process less cumbersome and scoring more straightforward.

Summary of Findings for Objectives 12 and 13

For Objective 12, Public Works evaluated the appropriateness of the budget reductions proposed by DEED in response to AS 44.66.020(c)(2).

For Objective 13, Public Works evaluated whether DEED's priorities reported to the legislature under AS 37.07.050(a)(13) and the list of programs or elements of programs provided under AS 44.66.020(c)(2) are consistent with the results of the review.

Due to the interconnectedness of findings related to Objectives 12 and 13, for the purposes of this report the review team has combined findings and recommendations for these objectives.

For Objective 12, the review team evaluated whether:

- The agency prioritized in accordance with AS 44.66.020(c)(2) when it developed the recommended cuts provided to the review team; and
- The department acted in good faith when recommending activities that can effectively be reduced without threatening the department's ability to meet its mission.

For Objective 13, the review team was asked to:

- Determine whether the findings of the review indicated that DEED focuses upon the mission statement, goals and results-based measures that are reported to the legislature and profiled in the state's Office of Management and Budget key performance indicators; and
- Offer a conclusion as to whether the budget reductions addressed under Objective 12 comport with DEED's mission statement, goals and results-based measures.

The review team evaluated how the proposed funding reductions would affect DEED's ability to meet its legislated priorities, and whether alternate funding reductions might be more aligned with the department's strategic priorities.

Overall, the review team found that DEED acted in good faith when recommending funding reductions that totaled ten percent of its available General Fund. The majority of the activities the department selected for funding reduction can effectively be reduced without significantly threatening the department's ability to complete its mission, although that does not mean that the cuts will not have an impact on quality or effectiveness. However, four of the selected reductions address a current need, and one of those may be considered critical for the department to meet its mission.



The four proposed budget reductions that may affect the department's ability to meet its mission are:

- Removing college and career readiness assessment funding;
- Eliminating Parents as Teachers and Best Beginnings grants;
- Eliminating Pre-K funding for a pilot project; and
- Reducing broadband funding for school districts.

As alternatives to these proposed reductions, the review team identified other potential long-term cost reductions during the course of the review. These proposed changes are identified at the end of Chapter 9 in **Exhibit 9-3**. Given the timing of this report's release, DEED and the legislature have already made the proposed cuts that the review team was asked to evaluate; however, the review team recommends that DEED seek to restore funding for Parents as Teachers, Best Beginnings, and Pre-K services, that was eliminated in the 2016 legislative session.

DEED appears, in large part, to organize its work in a manner consistent with the mission, goals, and performance-based measures that are reported to the legislature and profiled in the state's Office of Management and Budget key performance indicators. Such goals and measures constitute an important dimension of public accountability.

Summary of Findings for Objective 14

For Objective 14, Public Works identified other elements appropriate to the performance review that were not specifically related to Objectives 1 through 13; however, the review team's findings demonstrate that the following topics are important for DEED to consider and/or address to enhance its efficiency and effectiveness.

The performance review found that DEED is not capitalizing on potential statewide savings found in school district transportation. For example, DEED does not:

- Reimburse districts for the cost of adult crossing guards if they can be provided more economically than school bus service;
- Develop age and mileage standards for bus replacement;
- Require districts to track the cost of field trips and activity buses;
- Monitor whether districts are enforcing 1.5 mile walk zones for schools; or

- Encourage or require school districts to include a fuel cap clause in school transportation contracts.

The review team recommends that DEED implement policies and procedures to assist districts in reducing transportation costs.

This section of the report also addresses DEED's Uniform Chart of Accounts for Alaska School Districts. The current process does not adequately address 21st Century technology and services. Public Works' recommendations are intended to assist DEED in making its Chart of Accounts more clear, consistent and informative for parents and policymakers regarding Alaska's school finance efforts.

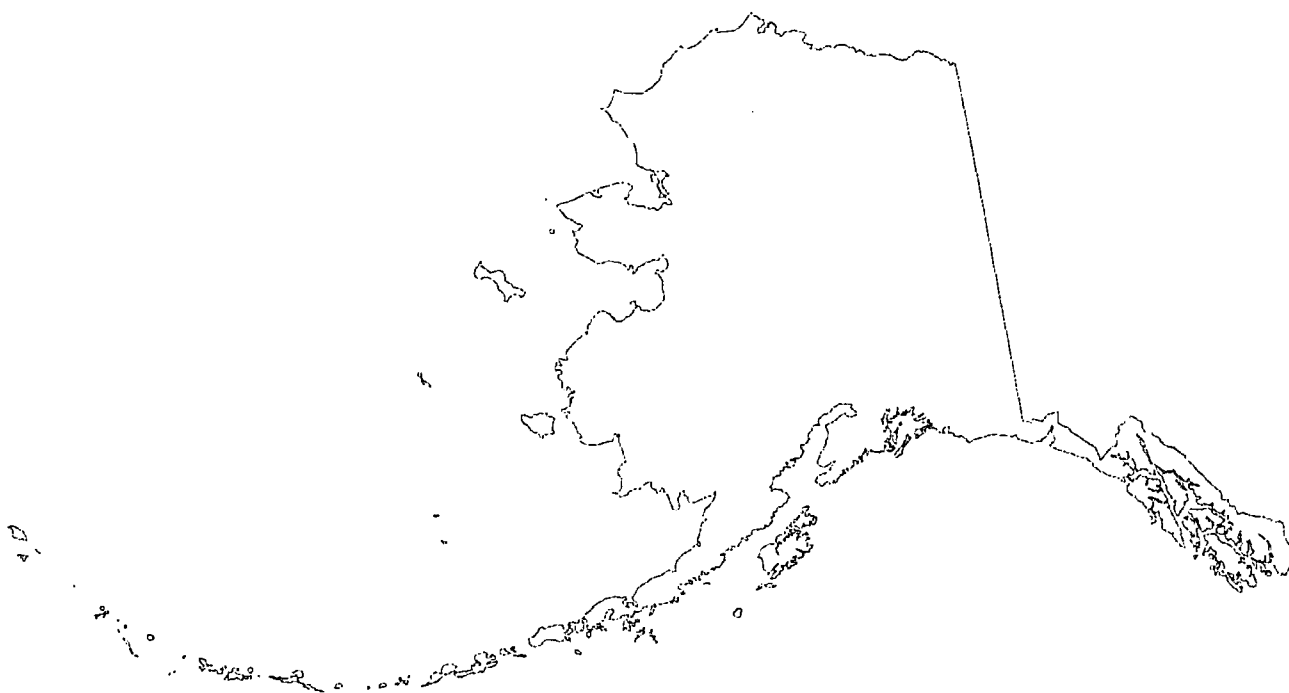
Additionally, this section also includes findings and recommendations related to the Library, Archives, and Museum (LAM) unit, Mt. Edgecumbe High School (MEHS), and a recommendation to assist DEED in more actively evaluating programs to make sound data-driven program decisions.

Commendations

In addition to providing recommendations, the Public Works report also identifies 22 areas where DEED is performing well, implementing best practices, and addressing inefficiencies. Those areas include, but are not limited to:

- The State Board of Education's work on initiating a more robust and visible strategic plan;
- DEED's successful implementation of the requirements of the Alaska Safe Children's Act (HB44);
- DEED's strong partnerships with other state entities to improve its Career and Technical Education initiatives;
- Formal complaints are processed in a timely and appropriate manner;
- Significant improvement in DEED's Teacher Certification section;
- DEED's use of software tools for improving data collections from districts; and
- DEED's efforts to improve food and nutrition services to districts.

Indirect Expenditure Report



January 2017

Legislative Finance Division

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Introduction

HB 306 (Ch. 61, SLA 14) requires that the Department of Revenue (DOR) and Division of Legislative Finance prepare biennial reports to the legislature on indirect expenditures. AS 43.05.095 defines an indirect expenditure as an express provision of state law that results in foregone revenue for the state by providing:

1. a tax credit or other credit;
2. an exemption, but does not include federal tax exemptions adopted by reference in AS 43.20.021;
3. a discount;
4. a deduction, but does not include costs incurred in the ordinary course of business that are deducted in the calculation of a tax under this title or in the calculation of a royalty or net profit share payment for a lease issued under AS 38; or
5. a differential allowance.

The first DOR report, covering FY09-13, was released in July of 2014, and the Legislative Finance Report was released in January of 2015. The second DOR report was released in July of 2016, covering FY11-15.

The Legislative Finance Division's report builds on the DOR report and is due to the legislature on the first day of the 2017 legislative session. While DOR's report covers all agencies each biennium, AS 24.20.235 limits the Legislative Finance report to a few agencies each biennium.

For the 2017 report, Legislative Finance covered the following departments:

1. Administration;
2. Alaska Court System (Judiciary);
3. Education and Early Development, including the Alaska Student Loan Corporation and Alaska Commission on Postsecondary Education;
4. Environmental Conservation;
5. Natural Resources; and
6. Transportation.

In addition, HB 306 instituted a sunset cycle for existing tax credits. In 2018, the Education Tax Credit is set to sunset. This report includes updated data and a detailed recommendation for changes to that credit.

For the 2015 report Legislative Finance covered the following departments, which will be revisited in the 2021 report:

1. Commerce, Community and Economic Development;
2. Fish and Game;
3. Health and Social Services;
4. Labor and Workforce Development; and
5. Revenue.

Legislative Finance's 2019 report is set to cover all agencies not reviewed in 2015 or 2017. However, none of the remaining agencies have participated in the Indirect Expenditure reporting process up to this

point. Changes to HB 306 may be necessary to get these other agencies, such as the University of Alaska, to participate. Otherwise, Legislative Finance will not have any agencies to review in the 2019 report.

Per HB 306, this report includes:

1. an estimate of the revenue foregone by the state because of the indirect expenditure;
2. an estimate of the monetary benefit of the indirect expenditure to the recipients of the benefit of the indirect expenditure;
3. a determination of whether the legislative intent of the indirect expenditure is being met and, if necessary, a determination of why the legislative of the indirect expenditure is not being met;
4. a recommendation as to whether each indirect expenditure should be continued, modified, or terminated, and a basis for the recommendation;
5. the expected effect on the economy of the state if the recommendation is executed; and
6. an explanation of the methodology and assumptions used in preparing the report.

Methodology and Assumptions

The Division of Legislative Finance reviewed the Department of Revenue's report and created a spreadsheet that allows the provisions to be presented in several ways, such as sorted by recommendation or fiscal impact. This report is generated from that spreadsheet and includes the information prepared by both DOR and Legislative Finance.

For the "estimate of revenue foregone by the state," Legislative Finance assumed that the revenue foregone was equal to the estimated revenue impact reported by DOR for the most recent year in the report (FY15). It also assumed in most cases that the estimate of annual revenue to recipients equaled this amount divided by the number of recipients in that year (exceptions are noted). This is not necessarily an accurate depiction of the impact for each recipient, because the impact may be variable. However, it is the best estimate possible with the information available.

To determine whether legislative intent was being met, Legislative Finance based its answers on the legislative intent reported by DOR. Legislative Finance asked agencies for supplemental information when necessary to make a recommendation. In many cases, it is impossible to determine whether legislative intent is being met due to vague intent, inadequate information, or because the provision is too recent.

Legislative Finance did not make recommendations for any provisions authorized, modified, or considered since 2014 because it is too soon to judge the impact of the provisions. In cases where the provisions have not been revisited for many years, Legislative Finance recommended reconsideration of the provision even if it appeared to be meeting legislative intent because the original intent may no longer be valid. Other indirect expenditures were evaluated on a case-by-case basis.

For the expected impact on the economy of repealing or modifying credits, Legislative Finance assumed that it was the same as the amount of foregone revenue. For the most part, the recommendations would not result in a significant economic impact because there are few, if any, recommendations to repeal large tax credits.

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**Department of
Education and Early
Development, Alaska Student
Loan Corp, Alaska Commission
on Postsecondary Education**

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Education and Early Development, Alaska Student Loan^{2.1} Corp, Alaska Commission on Postsecondary Education

Applicable Program
Alaska Student Loan Program

Indirect Expenditure Name
Credit: education loan forgiveness- Alaska
Student Loan (ASL) Program

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Under certain conditions up to 50% of a borrower's obligation to repay loan principal and interest is discharged.

(2) Type

Credit

(3) Authorizing Statute, Regulation or Other Authority

AS 14.43.120(j)

(4) Year Enacted

1971

(5) Sunset or Repeal Date

Repealed 1987

(6) Legislative Intent

Provide incentive for college students to return to or remain in Alaska.

(7) Public Purpose

Encourage Alaska residents to complete postsecondary education and reside in Alaska thereafter.

(8) Estimated Revenue Impact

FY 2011 - \$2,335

FY 2012 - \$11,613

FY 2013 - \$275

FY 2014 - \$0

FY 2015 - \$340

(9) Cost to Administer

Automated; minimal manual intervention

(10) Number of Beneficiaries / Who Benefits

Varies. There are currently fewer than 200 ASL borrowers with outstanding loans containing forgiveness provisions.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$340

(2) Estimate of Annual Monetary Benefit to Recipients

\$2

(3) Legislative Intent Met?

Yes

2.1 **Education and Early Development, Alaska Student Loan Corp, Alaska Comission on Postsecondary Education**



Applicable Program

Alaska Student Loan Program

Indirect Expenditure Name

Credit: education loan forgiveness- Alaska Student Loan (ASL) Program

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

N/A - program was terminated in 1987, so remaining cost is due to legacy impact.



Education and Early Development, Alaska Student Loan^{2.2} Corp, Alaska Commission on Postsecondary Education

Applicable Program
Institutional Authorization

Indirect Expenditure Name
Exemption from authorization

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Out-of-state postsecondary institutions offering distance education to Alaska students are exempt from authorization. Fee to institution for authorization is \$2,500; fee for exemption is \$100.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 14.48.030

(4) Year Enacted

1976

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Ensure no disincentive for institutions to enroll Alaska students.

(7) Public Purpose

Maximize higher education options for Alaska students.

(8) Estimated Revenue Impact

FY 2011 - NA

FY 2012 - NA

FY 2013 - \$285,000

FY 2014 - \$250,000

FY 2015 - \$300,000

Note: Estimate 100 institutions would seek authorization if required which assumes 25% of current 400 exempt distance ed providers would seek authorization if required.

(9) Cost to Administer

Estimated at \$20,000 annually, based on percent of staff processing time.

(10) Number of Beneficiaries / Who Benefits

Four hundred out-of-state colleges and universities offering distance education to Alaskans. All Alaska students using distance education. No data on how many students are participating.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$300,000

(2) Estimate of Annual Monetary Benefit to Recipients

\$2,400

2.2 **Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education**

☐ **Applicable Program**
Institutional Authorization

Indirect Expenditure Name
Exemption from authorization

Legislative Finance Analysis per AS 24.20.235

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend continuation based on meeting legislative intent.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education^{2.3}

Applicable Program

Multiple Education Loan Programs

Indirect Expenditure Name

Interest deduction

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Alaska Student Loan Corporation (ASLC) annually approves a discount of some percent value to be provided to borrowers who meet specific criteria.

(2) Type

Deduction

(3) Authorizing Statute, Regulation or Other Authority

AS 14.42.200-.210

(4) Year Enacted

2001

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Provide lowest possible costs of education loans to Alaska students.

(7) Public Purpose

Lower education loan costs to borrowers.

(8) Estimated Revenue Impact

FY 2011 - \$1,068,046

FY 2012 - \$1,072,285

FY 2013 - \$1,102,193

FY 2014 - \$1,013,492

FY 2015 - \$968,722

(9) Cost to Administer

Automated; minimal manual intervention

(10) Number of Beneficiaries / Who Benefits

Eligible borrowers. At 6/30/2015 there were approximately 14,700 borrowers with outstanding loans who could be eligible for a benefit in any given year.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$968,722

(2) Estimate of Annual Monetary Benefit to Recipients

\$66

(3) Legislative Intent Met?

Yes

2.3 **Education and Early Development, Alaska Student Loan Corp, Alaska Comission on Postsecondary Education**

☐ **Applicable Program**
Multiple Education Loan Programs

Indirect Expenditure Name
Interest deduction

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation based on meeting legislative intent. Currently, ASLC provides a 0.5% discount for Alaska presence for certain loans, and a 0.25% discount for automatic payment.

Education and Early Development, Alaska Student Loan^{2.4} Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Discount for closing time admission

Department of Revenue Submission per AS 43.05.095**(1) Description of Provision**

Half-price discount on admission fee near closing time.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

4 AAC 58.010(c); AS 14.57.010(c)

(4) Year Enacted

2010

(5) Sunset or Repeal Date

None

(6) Legislative Intent

N/A

(7) Public Purpose

In the public interest

(8) Estimated Revenue Impact

FY 2011 - \$563

FY 2012 - \$1,110

FY 2013 - \$672

FY 2014 - \$0

FY 2015 - \$0

Note: The Alaska State Museum closed in FY2014 for the construction of the new facility, and remained closed through FY2015 and most of FY2016.

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Varies. There were 0 half-price discounts in FY15.

Legislative Finance Analysis per AS 24.20.235**(1) Estimate of Annual Revenue Foregone by the State**

\$0

(2) Estimate of Annual Monetary Benefit to Recipients

\$0

(3) Legislative Intent Met?

N/A

2.4 **Education and Early Development, Alaska Student Loan Corp, Alaska Comission on Postsecondary Education**

<input type="radio"/> Applicable Program	Indirect Expenditure Name
State Museum, Sheldon Jackson Museum	Discount for closing time admission

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation - this is a reasonable discount for the department to maintain.

Education and Early Development, Alaska Student Loan^{2.5} Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Discounts for special events

Department of Revenue Submission per AS 43.05.095**(1) Description of Provision**

Special events - adults, youth, families.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

4 AAC 58.010(c); AS 14.57.010(c)

(4) Year Enacted

1987

(5) Sunset or Repeal Date

None

(6) Legislative Intent

N/A

(7) Public Purpose

In the public interest

(8) Estimated Revenue Impact

FY 2011 - \$30,148

FY 2012 - \$41,725

FY 2013 - \$39,362

FY 2014 - \$4,667

FY 2015 - \$4,040

Note: The Alaska State Museum closed in FY2014 for the construction of the new facility, and remained closed through FY2015 and most of FY2016.

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Varies. There were 926 visitors for special events in FY15.

Legislative Finance Analysis per AS 24.20.235**(1) Estimate of Annual Revenue Foregone by the State**

\$4,040

(2) Estimate of Annual Monetary Benefit to Recipients

\$4

(3) Legislative Intent Met?

N/A

2.5 **Education and Early Development, Alaska Student Loan Corp, Alaska Comission on Postsecondary Education**

<input type="radio"/> Applicable Program	Indirect Expenditure Name
State Museum, Sheldon Jackson Museum	Discounts for special events

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation - this is a reasonable discount for the department to maintain.

Education and Early Development, Alaska Student Loan^{2.6} Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Free admission for military

Department of Revenue Submission per AS 43.05.095**(1) Description of Provision**

Blue Star Military discount//Free admission to active military and their immediate families.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

National Program; AS 14.57.010(c)

(4) Year Enacted

2010

(5) Sunset or Repeal Date

None

(6) Legislative Intent

N/A

(7) Public Purpose

Federal program to benefit those serving our country in the military.

(8) Estimated Revenue Impact

FY 2011 - \$460

FY 2012 - \$1,344

FY 2013 - \$812

FY 2014 - \$30

FY 2015 - \$30

Note: The Alaska State Museum closed in FY2014 for the construction of the new facility, and remained closed through FY2015 and most of FY2016.

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Varies. There were 6 military discounts in FY15.

Legislative Finance Analysis per AS 24.20.235**(1) Estimate of Annual Revenue Foregone by the State**

\$30

(2) Estimate of Annual Monetary Benefit to Recipients

\$5

(3) Legislative Intent Met?

N/A

2.6 **Education and Early Development, Alaska Student Loan Corp, Alaska Comission on Postsecondary Education**

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Free admission for military

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation - this is a reasonable discount for the department to maintain.

Education and Early Development, Alaska Student Loan^{2.7} Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Free admission for students

Department of Revenue Submission per AS 43.05.095**(1) Description of Provision**

Entry Fee waived for those 18 years or younger.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

4 AAC 58.010(a); AS 14.57.010(c)

(4) Year Enacted

1987

(5) Sunset or Repeal Date

None

(6) Legislative Intent

N/A

(7) Public Purpose

Student Discount

(8) Estimated Revenue Impact

FY 2011 - \$35,066

FY 2012 - \$44,348

FY 2013 - \$42,609

FY 2014 - \$5,647

FY 2015 - \$6,030

Note: The Alaska State Museum closed in FY2014 for the construction of the new facility, and remained closed through FY2015 and most of FY2016.

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Varies. There were 1,468 student discounts in FY15.

Legislative Finance Analysis per AS 24.20.235**(1) Estimate of Annual Revenue Foregone by the State**

\$6,030

(2) Estimate of Annual Monetary Benefit to Recipients

\$4

(3) Legislative Intent Met?

N/A

2.7 **Education and Early Development, Alaska Student Loan Corp, Alaska Comission on Postsecondary Education**

☐ **Applicable Program**

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Free ddmission for students

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation - this is a reasonable discount for the department to maintain.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education^{2.8}

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Senior citizen discount

Department of Revenue Submission per AS 43.05.095**(1) Description of Provision**

Entry Fee//Senior Discount - \$1.00 off for those 65 years or older.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

4 AAC 58.010(a); AS 14.57.010(c)

(4) Year Enacted

2012

(5) Sunset or Repeal Date

None

(6) Legislative Intent

N/A

(7) Public Purpose

Senior Citizen Discount

(8) Estimated Revenue Impact

FY 2011 - Not in effect until FY 2012

FY 2012 - \$3,762

FY 2013 - \$9,601

FY 2014 - \$1,929

FY 2015 - \$2,079

Note: The Alaska State Museum closed in FY2014 for the construction of the new facility, and remained closed through FY2015 and most of FY2016.

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Varies. There were 2,079 senior discounts in FY15.

Legislative Finance Analysis per AS 24.20.235**(1) Estimate of Annual Revenue Foregone by the State**

\$2,079

(2) Estimate of Annual Monetary Benefit to Recipients

\$1

(3) Legislative Intent Met?

N/A

2.8 **Education and Early Development, Alaska Student Loan Corp, Alaska Comission on Postsecondary Education**

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Senior citizen discount

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation - this is a reasonable discount for the department to maintain.

Education and Early Development, Alaska Student Loan^{2.9} Corp, Alaska Commission on Postsecondary Education

Applicable Program
State Museum, Sheldon Jackson Museum

Indirect Expenditure Name
Tour company discount

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Discount on entry fee for tour company visitors according the schedule at the bottom of this sheet:

# of Visitors	ASM // SJM Discount
1-500	2.00 // 1.00
501-2,500	2.25 // 1.25
2,501-5,000	2.75 // 1.75
7,501-10,000	3.00 // 2.00
Over 10,000	3.50 // N/A

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

Letters of Agreement; AS 14.57.010(c)

(4) Year Enacted

Prior to 1999

(5) Sunset or Repeal Date

None

(6) Legislative Intent

N/A

(7) Public Purpose

Net benefit to the museum as it draws visitors that may not have visited the museum otherwise.

(8) Estimated Revenue Impact

FY 2011 - \$14,004

FY 2012 - \$21,222

FY 2013 - \$38,952

FY 2014 - \$31,937

FY 2015 - \$7,419

Note: The Alaska State Museum closed in FY2014 for the construction of the new facility, and remained closed through FY2015 and most of FY2016.

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Varies. 3 tour operators brought 4,763 visitors in FY15.

Legislative Finance Analysis per AS 24.20.235

2.9 **Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education**

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Tour company discount

Legislative Finance Analysis per AS 24.20.235

(10) Number of Beneficiaries / Who Benefits (cont.)

(1) Estimate of Annual Revenue Foregone by the State

\$7,419

(2) Estimate of Annual Monetary Benefit to Recipients

\$2

(3) Legislative Intent Met?

N/A

(4) Should it be Continued, Modified or Terminated?

Recommend continuation. This discount likely brings in additional revenue.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

2.10

Applicable Program
Teacher Education Loan (TEL)

Indirect Expenditure Name
Education loan forgiveness

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Under certain conditions 100% of a borrower's obligation to repay loan principal and interest is discharged.

(2) Type

Credit

(3) Authorizing Statute, Regulation or Other Authority

AS 14.43.600-.700

(4) Year Enacted

1984

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Develop rural residents as teachers for rural Alaska.

(7) Public Purpose

Encourage Alaska high school graduates to become elementary/secondary educators and teach in rural Alaska communities.

(8) Estimated Revenue Impact

FY 2011 - \$265,914

FY 2012 - \$132,150

FY 2013 - \$97,018

FY 2014 - \$159,676

FY 2015 - \$67,094

Forgiveness eligible loans to new program participants are no longer being made effective with FY2015.

(9) Cost to Administer

Automated; minimal manual intervention

(10) Number of Beneficiaries / Who Benefits

Borrowers of Teacher Education Loans. At 6/30/2015 there were 410 borrowers with outstanding TEL loans.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$67,094

(2) Estimate of Annual Monetary Benefit to Recipients

\$164

(3) Legislative Intent Met?

Yes

2.10

Education and Early Development, Alaska Student Loan Corp, Alaska Comission on Postsecondary Education



Applicable Program

Teacher Education Loan (TEL)

Indirect Expenditure Name

Education loan forgiveness

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

N/A - program was terminated in 2015, so remaining cost is due to legacy impact.



Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education^{2.11}

Applicable Program

Winn Brindle Memorial Education Program
(WB)

Indirect Expenditure Name

Credit: Education loan forgiveness- Winn
Brindle Memorial Education Program

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Under certain conditions 50% of a borrower's obligation to repay loan principal is discharged.

(2) Type

Credit

(3) Authorizing Statute, Regulation or Other Authority

AS 14.43.250-.325

(4) Year Enacted

1986

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Attract students to careers supporting Alaska fisheries.

(7) Public Purpose

Encourage Alaska high school graduates to be trained in some fisheries-related occupation and be employed in that occupation in Alaska.

(8) Estimated Revenue Impact

FY 2011 - \$105,613

FY 2012 - \$71,260

FY 2013 - \$60,053

FY 2014 - Amount Reported in DOR section

FY 2015 - Amount Reported in DOR section

Revenue that the state forgoes is the tax credit provided by the Department of Revenue. Once a donation is made to the WB Memorial Education loan account, loans are made to qualifying borrowers. Any activity related to those loans (such as forgiveness or interest subsidizes) impact the WB Memorial Education loan account.

(9) Cost to Administer

Automated; minimal manual intervention.

(10) Number of Beneficiaries / Who Benefits

Varies. There are currently 164 borrowers with outstanding WB loans.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

N/A

2.11

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

☐ **Applicable Program**

Winn Brindle Memorial Education Program
(WB)

Indirect Expenditure Name

Credit: Education loan forgiveness- Winn
Brindle Memorial Education Program

Legislative Finance Analysis per AS 24.20.235

(2) Estimate of Annual Benefit to Recipients (cont.)

N/A

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend that this be removed from the Department of Education section - it appears to double-count foregone revenue already reported in the Department of Revenue section.

2.12

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

VWAMI Graduate Medical Education Program

Indirect Expenditure Name

Financial support

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

The financial support to be repaid is equal to 50% of amount paid for program and its participants.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

AS 14.43.510

(4) Year Enacted

2007

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Support Alaskans' medical training and reward practice in Alaska.

(7) Public Purpose

(8) Estimated Revenue Impact

FY 2011 - \$1,622,013

FY 2012 - \$1,638,596

FY 2013 - \$1,589,307

FY 2014 - \$1,578,552

FY 2015 - \$1,581,258

(9) Cost to Administer

Automated; minimal manual intervention.

(10) Number of Beneficiaries / Who Benefits

Participants of the program. At 6/30/2015 there were 183 participants with outstanding VWAMI loans.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$1,581,258

(2) Estimate of Annual Monetary Benefit to Recipients

\$8,641

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend the rate be re-evaluated. The next item discharges the remainder of the loan based on participants returning to Alaska. There may be merit in providing a stronger incentive to return to the state by increasing the

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

☐ Applicable Program

WWAMI Graduate Medical Education Program

Indirect Expenditure Name

Financial support

Legislative Finance Analysis per AS 24.20.235

(4) Should it be Continued, Modified or Terminated? (cont.)

amount of the loan that must be repaid by participants who do not return.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

2.13

Applicable Program

WWAMI Graduate Medical Education Program

Indirect Expenditure Name

Loan forgiveness

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Under certain conditions 100% of a WWAMI participant's obligation to repay 50% of financial support provided by the state is discharged.

(2) Type

Credit

(3) Authorizing Statute, Regulation or Other Authority

AS 14.43.510

(4) Year Enacted

2007

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Support Alaskans' medical training and reward practice in Alaska.

(7) Public Purpose

Encourage Alaskan WWAMI participants to return to or remain in Alaska to practice in their medical field.

(8) Estimated Revenue Impact

FY 2011 - \$145,515

FY 2012 - \$292,725

FY 2013 - \$336,403

FY 2014 - \$530,089

FY 2015 - \$529,876

(9) Cost to Administer

Automated; minimal manual intervention.

(10) Number of Beneficiaries / Who Benefits

Participants of the program who return to Alaska to practice. At 6/30/2015 there were 183 participants with outstanding WWAMI loans.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$529,876

(2) Estimate of Annual Monetary Benefit to Recipients

\$2,896

(3) Legislative Intent Met?

Yes

2.13

Education and Early Development, Alaska Student Loan Corp, Alaska Comission on Postsecondary Education

☐ **Applicable Program**

WWAMI Graduate Medical Education Program

Indirect Expenditure Name

Loan forgiveness

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation based on meeting legislative intent.

2.14

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

WWAMI Graduate Medical Education Program

Indirect Expenditure Name

Subsidized Interest Period

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Interest is not charged to the participant while pursuing their education in the medical education program

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 14.43.510

(4) Year Enacted

2007

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Support Alaskans' medical training and reward practice in Alaska.

(7) Public Purpose

(8) Estimated Revenue Impact

FY 2011 - \$177,962

FY 2012 - \$569,331

FY 2013 - \$383,575

FY 2014 - \$310,659

FY 2015 - \$296,782

(9) Cost to Administer

Automated; minimal manual intervention.

(10) Number of Beneficiaries / Who Benefits

40 Program participants

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$296,782

(2) Estimate of Annual Monetary Benefit to Recipients

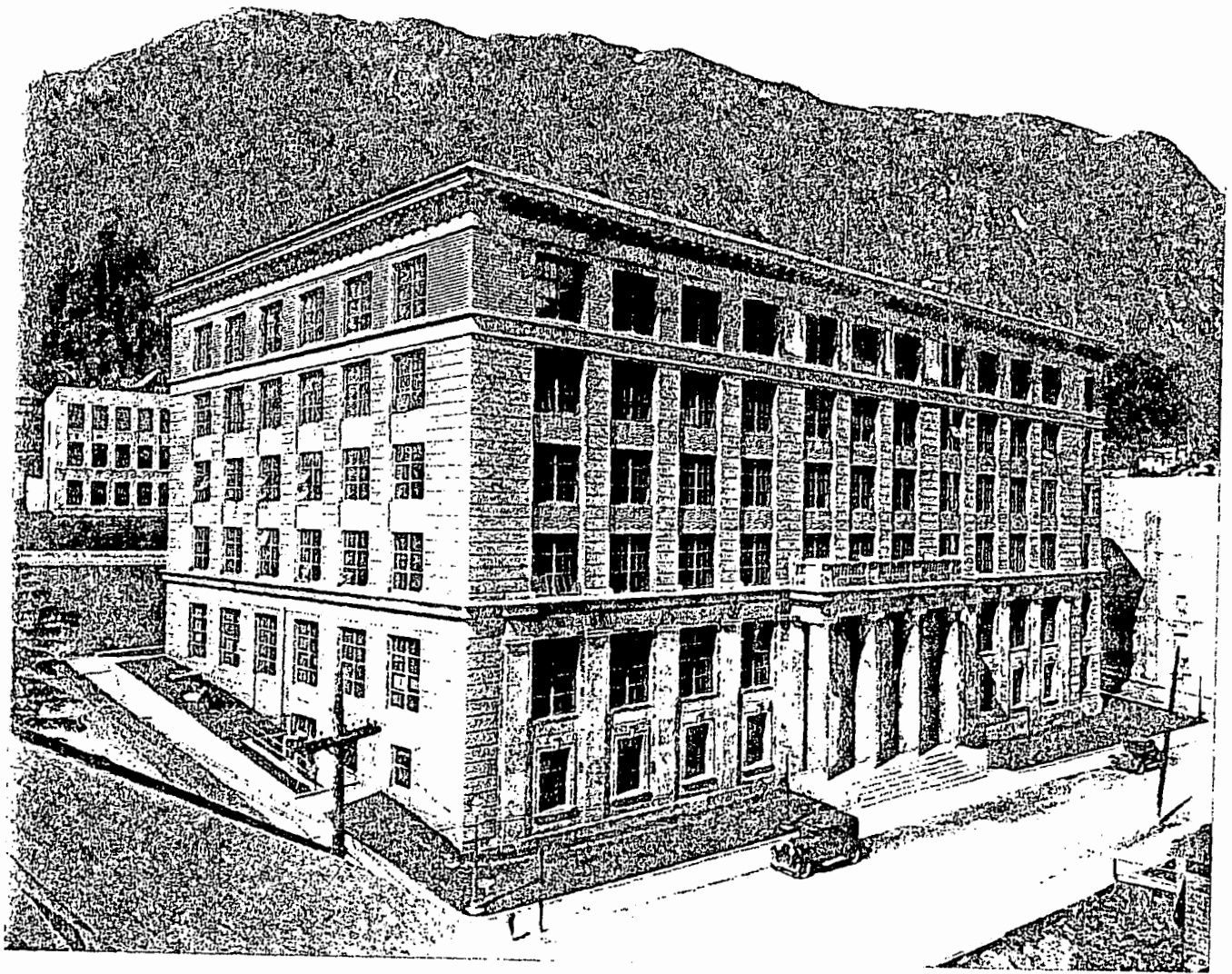
\$7,420

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

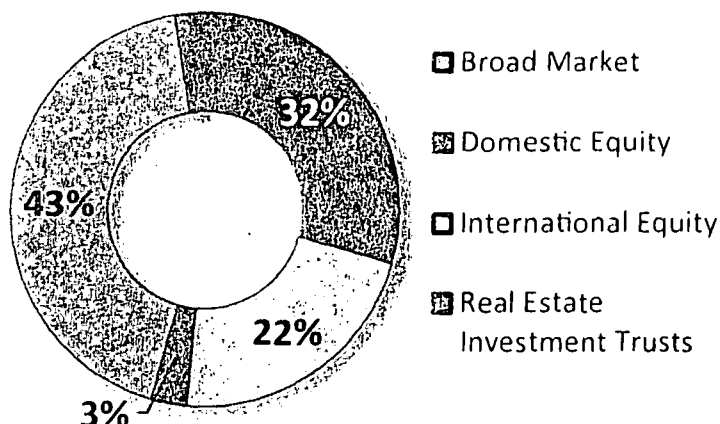
Recommend continuation based on meeting legislative intent.



Revenue Sources Book Fall 2016

Public School Trust Fund – Principal Assets

Moderate risk: long-term investment horizon



Broad Market: Barclays U.S. Aggregate. Domestic Equity: Russell 3000 Index. International Equity: MSCI ACWI ex-U.S. Real Estate Investment Trusts: FTSE NAREIT All Equity Index.

Public School Trust Fund

Asset allocation and summary

	Target Percent Allocation	Performance Benchmark
Treasury Pool		
Broad Market Fixed Income Pool	43%	Barclays U.S. Aggregate
Domestic Equity Pool	32%	Russell 3000 Index
International Equity Pool	22%	MSCI ACWI ex-U.S.
Real Estate Investment Trusts	3%	FTSE NAREIT All Equity Index
Short-Term Fixed Income Pool	0%	Allocation up to 2%
Public School Fund Balance: Sept. 30, 2016	\$610.4	million
Long-Term Expected Rate of Return	6.08%	Callan's returns
Probability of Negative Return Over 1 Year	28.63%	

Public School Trust Fund

Revenue, in millions of dollars

Fiscal Year	Millions of Dollars		
	History 2016	Forecast 2017	2018

Restricted

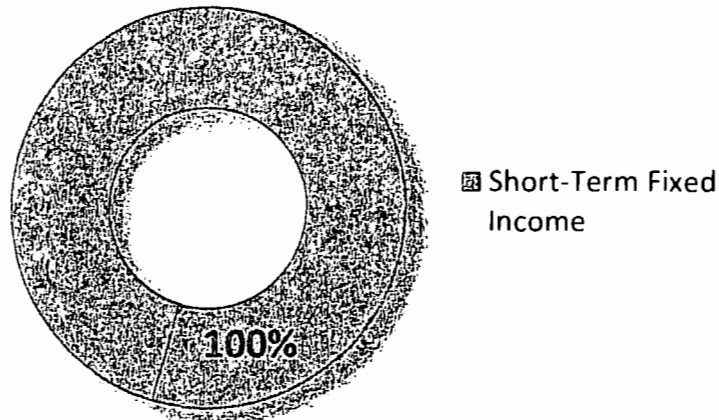
Restricted – Designated General Fund

Public School Trust Fund Total Investment Income	11.9	43.8	36.6
Public School Trust Fund Income Distributed ¹	13.0	14.8	14.3

¹ Public School Trust Fund Income Distributed reflects the Alaska Department of Education and Early Development's Actual and Projected Appropriations.

Public School Trust Fund – Income Assets

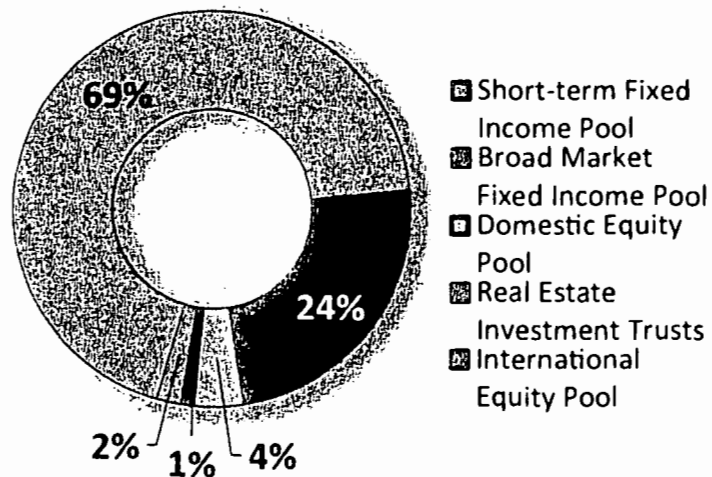
Low risk: short-term investment horizon



Short-term: three-month U.S. T-Bill.

Constitutional Budget Reserve Fund

Main account, moderate risk: intermediate horizon



Short-term: three-month U.S. T-Bill. Broad Market: Barclays U.S. Aggregate. Domestic Equity: Russell 3000. International Equity: MSCI ACWI ex-U.S. Real Estate Investment Trusts: FTSE NAREIT All Equity Index.



Chapter 9

State Endowment Funds

An Overview

This chapter compares important attributes of five of the state's major endowment funds: the Alaska Permanent Fund, Mental Health Trust Fund, Public School Trust Fund, Power Cost Equalization Fund, and University of Alaska Endowment.

The University of Alaska Endowment is included in this comparison because it is one of Alaska's public endowment funds that uses the annual distribution calculation method typical of the vast majority of endowments in the United States and Canada.

The fiduciary for each of these endowment funds has the responsibility for establishing an asset-allocation policy for each fund. Table 9-1 compares the current asset-allocation policies for these endowments.

Under the standards adopted by the Governmental Accounting Standards Board, public funds calculate and report their income by recognizing changes in the value of securities as income, or losses, as they occur at the end of each trading day. They do this regardless of whether the securities are actually sold and the income, or losses, are taken or realized. All five of these endowments report annual income on this basis.

However, the Alaska Permanent Fund, Mental Health Trust Fund, and Public School Trust Fund use other measures of annual income for determining their distributions. The Alaska Permanent Fund and the Mental Health Trust Fund are both administered by the Alaska Permanent Fund Corporation (APFC).

In determining the amount of income available for distribution each year for the two funds managed by the Alaska Permanent Fund Corporation, gains or losses on individual investments are not recognized until the investment is sold. For calculating distributable income for the Public School Trust Fund, only interest earned and dividends received are treated

as income. Gains and losses in the value of individual investments are never recognized as income. By law, those gains and losses remain with the principal of the fund.

Alaska Permanent Fund

Each year, the APFC calculates the amount of net income realized by the Permanent Fund and this amount plus any surplus funds already in the Earnings Reserve Account are available for appropriation by the Alaska Legislature. The APFC also annually calculates the "income available for distribution," which is defined by statute as 21% of the net income of the Permanent Fund for the last five fiscal years. Subject to annual appropriation by the Alaska Legislature, 50% of the "income available for distribution" is transferred to the dividend fund (AS 43.23.045).

Following the calculation of net income and any appropriated transfer of funds to the dividend fund, APFC calculates an amount sufficient to offset the effects of inflation on the principal of the Permanent Fund using a formula set out in statute. Subject to annual appropriation by the Alaska Legislature, APFC then transfers this amount from the Earnings Reserve Account to the principal of the Permanent Fund. The principal of the Permanent Fund is made up of all oil and gas royalty contributions and legislative appropriations to the principal or corpus of the Permanent Fund.

Mental Health Trust

Earnings from the Alaska Mental Health Trust Fund, which is managed by the Alaska Permanent Fund Corporation, are for use in ensuring an integrated comprehensive mental health program for the state. Current statute requires net income earned on the principal of the fund to be calculated in the same manner as the Alaska Permanent Fund. Only realized income is ultimately made available for distribution to the Mental Health Trust.

State Endowment Funds

Target asset allocations, in percentages

Strategy-Based	Cash	Real Estate	Domestic	Domestic	International
		Investment Trusts			
Public School Trust Fund	0%	3%	Bonds	Equity	Equity
Power Cost Equalization Endowment Fund	0%	3%	32%	38%	27%
Risk-Based	Cash	Capital	Diversifying	Inflation	Deflation
		Appreciation			
University of Alaska Endowment	1%	61%	Strategies	Sensitive	Sensitive
Risk-Based		Cash and	Company	Real Assets	Special
		Interest Rates			
Alaska Permanent Fund		6%	Exposure	19%	20%
Mental Health Trust		6%	55%	19%	20%
		Cash	Broad Market	Domestic	International
			Fixed Income		
Other Mental Health Trust Investments		10%	29%	Equity	Equity

The Alaska Mental Health Trust Authority Board of Trustees has established a percent-of-market-value distribution model where distributions from cash investments managed by APFC and the Department of Revenue are limited to 4.25% of the four-year moving-average net asset value. This reduces the volatility of program funding while budget reserves ensure funding continues even when markets are down. Funding is also made available for mental health programs from spendable income generated by the Mental Health Trust's directly owned commercial real estate portfolio as well as other revenue generated from land that is managed by the Alaska Department of Natural Resources' Trust Land Office. The balance of funding consists of both interest earned on cash holdings, and the unexpended balance of expired appropriations lapsing back to the fund.

The Mental Health Trust has a policy to periodically make transfers and/or assign funds to offset the effects of inflation in order to preserve the purchasing power of the fund.

Public School Trust Fund

The distributable income of the Public School Trust Fund, interest and dividends, moves from the principal account assets to the income account. The Department of Revenue's Treasury Division transfers money

each month to a separate income account within the trust fund, where it is held pending annual appropriation by the Alaska Legislature. Once appropriated, the income assets are available for expenditures that support the state public school system.

The asset-allocation policy is such that, when combined with the requirement that the fund's capital gains and losses remain part of the principal, the retained capital gains are adequate to inflation-proof the fund.

Power Cost Equalization Endowment Fund

AS 42.45.080(c) states that on July 1 of each year, the Department of Revenue commissioner shall determine the monthly average market value of the Power Cost Equalization Endowment Fund for the previous three closed fiscal years; and the earnings of the fund for the previous closed fiscal year. Five percent of the amount determined by the commissioner may be appropriated for the fiscal year beginning the following July 1 for: 1) funding the power cost equalization and rural electric capitalization fund (AS 42.45.100); 2) reimbursement to the Department of Revenue for the costs of establishing and managing the fund; and 3) reimbursement of other costs of administration of the fund. If the amount appropriated is insufficient to



Chapter 10

Public Entities and the University of Alaska

Overview

The State of Alaska has established the following public corporations and entities to carry out certain public policies:

- Alaska Aerospace Corporation (AAC)
- Alaska Energy Authority (AEA)
- Alaska Gasline Development Corporation (AGDC)
- Alaska Housing Finance Corporation (AHFC)
- Alaska Industrial Development and Export Authority (AIDEA)
- Alaska Mental Health Trust Authority (AMHTA)
- Alaska Municipal Bond Bank Authority (AMBBA)
- Alaska Railroad Corporation (ARC)
- Alaska Seafood Marketing Institute (ASMI)
- Alaska Student Loan Corporation (ASLC)
- University of Alaska (UA)

These 11 entities are components of state government presented in the state's Comprehensive Annual Financial Report. Information in this section is provided by these entities. The Alaska Housing Finance Corporation, Alaska Industrial Development and Export Authority, Alaska Student Loan Corporation, and Alaska Municipal Bond Bank Authority pay, or may elect to pay, some portion of their income as an annual dividend to the state. This chapter summarizes the missions, financing, and dividends of these corporations and other public entities.

Missions, Financing and Dividends

Alaska Aerospace Corporation

The Alaska Aerospace Corporation (AAC) operates and maintains the Pacific Spaceport Complex – Alaska (PSCA), a commercial spaceport in Kodiak, Alaska, which provides commercial rocket vehicle launch support services. It promotes space-related business, research, education, and economic growth in the state.

The state has supported AAC in the past through funding for capital and operating expenses. In Fiscal Year 2016, the state did not contribute to the maintenance operations of PSCA. AAC does not pay a dividend or return capital to the state.

Alaska Energy Authority

The Alaska Energy Authority (AEA) provides loans to utilities, communities, and individuals to pay for the purchase or upgrade of equipment, and for bulk fuel purchases. Additionally, the agency administers the Power Cost Equalization program, subsidizing rural electric costs with earnings from the Power Cost Equalization Endowment. AEA receives federal and state money to provide technical advice and assistance in energy planning, emergency response management, and energy infrastructure construction and conservation in rural Alaska. AEA owns, operates, and maintains (under contractual agreements) state-owned power projects, such as the Bradley Lake Hydroelectric Project and the Alaska Intertie.

The AEA was established in 1976 to finance and operate power projects. This corporation has also administered rural energy programs at various times, including the present. As a result of legislatively mandated reorganizations, capital has moved into and out of the corporation.

AEA does not pay a dividend or return capital to the state on a regular basis.

Alaska Gasline Development Corporation

The Alaska Gasline Development Corporation (AGDC) has early beginnings dating back to 2009 when declining Cook Inlet gas supplies resulted in energy brown outs and crippling interior energy costs in communities across Alaska. In 2010, the Alaska Legislature passed House Bill 369 creating AGDC.

Today, AGDC is an independent, public corporation of the state. Its corporate vision is to maximize the benefit of Alaska's vast North Slope natural gas resource through the development of infrastructure necessary

Public Entities – FY 2016 Financial Facts

In millions of dollars

	Millions of Dollars				
	Total Assets	Assets Less Liabilities Book Value	FY 2015 Operating Budget	FY 2016 Operating Budget	Total Positions ¹
Alaska Aerospace Corporation	99.4	50.0	10.1	11.0	17
Alaska Energy Authority	1,502.3 ²	1,395.4	48.9	41.6 ³	See AIDEA ⁴
Alaska Gasline Development Corporation ⁵	128.4	125.8	10.4	13.3	38
Alaska Housing Finance Corporation	3,930.6 ²	1,499.5 ⁶	93.7	93.5	350
Alaska Industrial Development and Export Authority	1,509.7 ²	1,311.8	16.5	14.3	106
Alaska Mental Health Trust Authority	603.2	585.2	3.9	4.0	16
Alaska Municipal Bond Bank Authority	1,163.9	56.1	0.8	0.9	2
Alaska Railroad Corporation ⁷	1,114.1	320.7	137.9	121.6	647
Alaska Seafood Marketing Institute	20.7	14.0	26.7	24.4	20
Alaska Student Loan Corporation ⁸	339.4	224.4	13.3	12.5	88
University of Alaska	2,284.1	1,551.1	924.9	915.6	4,739

¹ Permanent full time, permanent part time and temporary are included in total positions.

² AIDEA, AEA, and AHFC's asset totals include deferred outflow of resources.

³ Includes AEA multi-year operating appropriation for Statewide Project Development, Alternative Energy and Efficiency.

⁴ AIDEA provides staff for the activities of the AEA. A significant portion of AIDEA's staff is engaged in AEA programs.

⁵ AGDC's numbers are unaudited and subject to revision.

⁶ Assets and deferred outflows of resources less liabilities and deferred inflows of resources.

⁷ The Alaska Railroad reports financial data on a calendar-year basis. Assets and book value shown in this table are from audited Dec. 31, 2015, financial statements. The revised operating budgets figure shown here is for calendar year 2015 and CY 2016.

⁸ ASLC contracts with the Alaska Commission on Postsecondary Education to service its loan portfolio and provide staff support. Budget and positions reported are those of ACPE's funded by ASLC.

to move the gas into Alaska communities and international markets. This vision has been refined into AGDC's mission of "Alaska Moving Forward: Providing Natural Gas to the World."

AGDC is pursuing two options for delivery of North Slope natural gas to Alaskans and potential international markets: the Alaska Liquefied Natural Gas (LNG) Project is AGDC's primary project, and the Alaska Stand Alone Pipeline (ASAP) is its secondary and backup project.

Major milestones in AGDC's history:

- May 2013 – The enactment of House Bill 4 where AGDC received the power, authority, and multi-year funding to advance the ASAP project through open season and sanctioning. House Bill 4 also established AGDC as an independent, public corporation of the state. Today, AGDC continues to have a legal existence separate and distinct from the State of Alaska, while maintaining its structure within the Alaska

Department of Commerce, Community, and Economic Development for administrative purposes.

- April 2014 – The passage of Senate Bill 138 expanded AGDC's mission and authority to include primary responsibility for developing an Alaska liquefied natural gas project on the state's behalf. That legislation also directed AGDC to assist the departments of Revenue and Natural Resources in maximizing the value of the state's gas. At that time, the Legislature appropriated \$69.8 million to fund the state's equity participation in the Alaska LNG Project.

AGDC is responsible for two funds that it uses to finance its operations and activities for both the ASAP and Alaska LNG projects.

The first fund, the In-State Natural Gas Pipeline Fund (AS 31.25.100), was established in 2013 to pay for the planning and engineering of the ASAP in-state natural

gas pipeline project. The State of Alaska appropriated approximately \$395 million to the fund and AGDC. However, in 2015, the Legislature appropriated \$157 million from the fund to other departments in state government (Sec 9, Ch. 1, SSSLA 15).

The second fund, the Alaska LNG Project Fund (AS 31.25.110), was established in 2014 to fund state expenditures associated with the Alaska LNG Project and the state's equity participation in that venture. When the fund was originally authorized, the state received a 25% ownership interest in the project. The fund has been capitalized with appropriations totaling \$69.8 million. Since then, AGDC has taken over the leadership of the project with 100% responsibility of management and oversight.

Signed into law Nov. 6, 2015, Senate Bill 3001 appropriated approximately \$144.1 million from the state's general fund to the Alaska LNG Project Fund to acquire the interest held by TransCanada in the Alaska LNG project, and to continue to fund the state's share of preliminary front-end engineering and design work.

In 2017, AGDC intends to file a Section 8 Federal Energy Regulatory Commission application for the Alaska LNG Project and is marketing the project internationally to investors, suppliers, and potential customers.

Alaska Housing Finance Corporation

The Alaska Housing Finance Corporation (AHFC) was created in 1971 to ensure that Alaskans, especially those of low to moderate income and those in remote or underdeveloped areas of the state, have adequate housing at a reasonable cost. The corporation administers federally and state-funded multi-residential, senior and low-income housing, residential energy, and home-weatherization programs. Using proceeds from the sale of bonds backed by its corporate assets, AHFC also purchases home mortgages from Alaska banks.

Income from payments on those mortgages repays bondholders and supplements the corporation's income, enabling the corporation to pay an annual dividend and/or return of capital to the state in some years. In recent years, the Alaska Legislature has authorized AHFC to finance the construction of schools, University of Alaska housing, and other capital projects identified by the Legislature. AHFC also managed the Alaska Gasline Development Corporation as a subsidiary until 2013, when AGDC became an independent entity.

The Legislature appropriated \$739.9 million in cash and \$292.5 million in mortgages held by the general fund to the corporation between 1976 and 1984.

Payments on mortgages, including additional mortgages purchased with cash, have helped build the corporation's asset base and allow it to return some capital to the state each year. In 1993, AHFC received an additional \$27.7 million in cash and \$9.3 million in equity when the Legislature merged the Alaska State Housing Authority with AHFC.

In 2003, the Legislature enacted legislation (House Bill 256) to modify the law that created the AHFC, putting into place a transfer plan between the AHFC and the state. The governor signed the legislation into law the same year, and the Legislature modified it in 2006 with Senate Bill 236. The law calls for annual transfers that do not exceed the lesser of (1) 75% of adjusted change in net position for the fiscal year two years prior to the current fiscal year or (2) \$103 million less debt service on certain state capital project bonds, less any legislative appropriation of AHFC's unrestricted, unencumbered funds other than appropriations of its operating budget. Since 1991, AHFC has paid nearly \$2 billion total in dividends to the state, including \$19.1 million in FY 2016.

Alaska Industrial Development and Export Authority

The Alaska Industrial Development and Export Authority (AIDEA) provides various means of financing and investment to advance economic growth and job opportunities in Alaska. AIDEA's financing tools include loan participations, direct loans, credit enhancements, issuing of revenue bonds, and equity investments in projects. AIDEA also makes financing available for industrial, commercial, and other business enterprises in Alaska. The corporation generates income from interest on its loans, investments, leases, and operations of its properties.

Between 1981 and 1991, the State of Alaska transferred various loan portfolios worth \$297.1 million and \$69.2 million in cash to the corporation. Since then, it has sustained itself without further state assistance while also paying annual dividends to the state. As defined by statute, AIDEA must make available to the state each year not less than 25% and not more than 50% of its audited "net income" (as defined in statute) for the "base year." The "base year" is the fiscal year ending two years prior to the end of the fiscal year in which the dividend payment is made to the State of Alaska. In no case may the dividend exceed the base year unrestricted audited "net income." The actual transfer of the dividend requires a legislative appropriation that may be a line item vetoed by the governor. Since 1997, AIDEA has paid more than \$373 million in dividends to the state treasury, including \$17.7 million in FY 2016.

Public Entities – FY 2016 Revenue and Dividends

In millions of dollars

	Millions of Dollars				
	Revenue	Expenditures	Net Income	Dividend	State Contribution
Alaska Aerospace Corporation	1.4	12.3 ¹	-10.9	0.0	0.1 ²
Alaska Energy Authority	52.6	93.8	-31.4	0.0	9.8
Alaska Gasline Development Corporation ³	145.2	293.1	-147.9	0.0	144.3
Alaska Housing Finance Corporation	274.2	260.1 ⁴	14.1	19.1	0.2
Alaska Industrial Development and Export Authority	77.6	40.1	21.2	17.7	1.4
Alaska Mental Health Trust Authority	12.5	26.1	-13.6	0.0	0.0
Alaska Municipal Bond Bank Authority	46.3	46.3	0.0	0.0	0.0
Alaska Railroad Corporation	183.8	172.9	10.9	0.0	0.0
Alaska Seafood Marketing Institute	13.9 ⁵	15.9 ⁶	-2.0	0.0	4.9
Alaska Student Loan Corporation	18.4	14.8	3.5	0.0	0.0
University of Alaska	772.4	848.7	-68.6	0.0	359.3 ⁷

¹For AAC, insurance payments and capitalized expenditures for rebuilding launch complex are not included.

²For AAC, on-behalf payments made by the State of Alaska for pension included in "State Contribution."

³AGDC's numbers are unaudited and subject to revision.

⁴For AHFC, "Expenditures" include operating expenses, nonoperating expenses, special items, and transfers, as applicable.

⁵Revenue from the Seafood Marketing Assessment Tax of \$9.5 mil are included in the Revenue column, not the State contribution column.

⁶ASMI expenses increased by \$3.5 million related to GASB 68 for Net Pension Obligation.

⁷Does not include on-behalf payments made by the State of Alaska for pension.

Alaska Mental Health Trust Authority

The Alaska Mental Health Trust Authority, a public corporation of the state within the Department of Revenue, carries out the state's obligations under the Mental Health Enabling Act of 1956, namely to ensure an integrated comprehensive mental health program. The Mental Health Enabling Act established the Alaska Mental Health Trust as a perpetual trust and capitalized it with 1 million acres of land that were to be managed to generate income for mental health services in Alaska. During the course of class-action litigation, the Alaska Supreme Court concluded the state breached its fiduciary duty while managing Trust land. A 1994 settlement created the Alaska Mental Health Trust Authority and established a seven-member board of trustees to oversee it. The settlement recapitalized the Mental Health Trust with \$200 million and 1 million acres of land consisting of original Trust land as well as replacement land.

Earnings on this asset base are used to fund a variety of programs and are accounted for separately in

the annual Mental Health budget, which is typically passed in conjunction with the operating budget.

Under the terms of the settlement and state statute, the Alaska Permanent Fund Corporation manages the cash principal. The Alaska Department of Natural Resources manages the land assets and a portfolio of directly owned real estate investments. The Trust Authority operates similar to a private foundation to administer, protect and enhance the Mental Health Trust. The Trust Authority provides leadership in advocacy, planning, implementing and funding Alaska's comprehensive integrated mental health program and coordinates with state agencies on programs and services to help improve the lives of Trust beneficiaries.

Alaska Municipal Bond Bank Authority

The Alaska Municipal Bond Bank Authority (AMBBA) lends monies to authorized borrowers within the state to finance capital projects, primarily through the issuance of AMBBA bonds. Bond proceeds are used to purchase authorized borrower's debt instruments.

Limited State of Alaska credit support combined with a cross-collateralized loan portfolio and pooled reserve fund structure result in a strong credit rating, and enable the AMBBA to sell bonds with lower interest rates than authorized borrowers could obtain on their own.

Between 1976 and 2016, the total State of Alaska-appropriated equity to the AMBBA was \$33.4 million, and total transfers back to the state were \$27.8 million. For the last nine years, the state's operating budget has not appropriated any AMBBA net earnings to the AMBBA. Due to the current low-interest rate environment, there has been no statutory net income amount available for transfer since FY 2011.

Alaska Railroad Corporation

The Alaska Railroad Corporation operates 683 track miles, providing both freight and passenger rail services between Seward and Fairbanks, including a spur line to Whittier and the Ted Stevens Anchorage International Airport. The corporation serves the ports of Whittier, Seward, and Anchorage as well as Denali National Park and military installations. In addition, the corporation generates revenues from its real estate assets.

The state bought the railroad from the federal government in 1985. The purchase price of \$22.7 million was recorded as the state's capitalization. The corporation does not pay a cash dividend to the state's general fund.

Alaska Seafood Marketing Institute

The Alaska Seafood Marketing Institute is a marketing organization with the mission of increasing the economic value of Alaska seafood. It conducts advertising campaigns and public relations for the seafood industry, and works directly with foodservice distributors, retailers and restaurants to build the "Alaska seafood" brand. ASMI is a public-private partnership and receives funding from the state, federal government, and private industry.

The state levies the Seafood Marketing Assessment, a 0.5% assessment on fisheries, to support ASMI's operations. In addition, in FY 2016, ASMI received \$4.2 million in federal funding and \$4.9 million from the state's general fund.

Alaska Student Loan Corporation

The Alaska Student Loan Corporation issues debt and recycles student loan payments to finance other student loans. Payments of the student loans also provide funding for the corporation's operations.

In fiscal year 1988, the State of Alaska transferred \$260 million of existing student loans to the corporation. Additional appropriations of cash between FY 1988 and FY 1992 totaled \$46.7 million.

The corporation, at the discretion of its board of directors, may make available to the state a return of contributed capital or dividend for any base year in which the net income of the corporation is \$2 million or more. A base year is defined as the year two years before the payment year. If the board authorizes a payment, it must be between 10% and 35% of net income for the base year (AS 14.42.295).

The corporation may also issue bonds in an aggregate amount not to exceed \$280 million, for the purpose of financing projects of the state (AS 14.42.220). To date, the corporation has issued \$163 million in bonds, the proceeds of which have been appropriated to fund capital projects of the state.

University of Alaska

The University of Alaska is a constitutionally created corporation of the State of Alaska that is authorized to hold title to real and personal property and to issue debt in its own name. The University of Alaska system is the only public institution of higher learning in the state. It has a university in Anchorage, another in Fairbanks and a third in Juneau. The universities have extended satellite colleges and sites throughout the state. The system's administrative offices are located on the Fairbanks campus. The University is governed by an 11-member Board of Regents, which is appointed by the governor.

The University of Alaska system is primarily supported by the state's general fund appropriations, student tuition and fees, as well as grant and contract revenue from the State of Alaska, federal agencies, and private sponsors, including the University of Alaska Foundation.

Public School Funding Program Overview

Updated September 2015



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FY2016 Projected Entitlement 8-9

STUDENT BASED FORMULA

District Adjusted Average Daily Membership (ADM)

- Step 1. Adjust: ADM for School Size
 - Step 2. Apply: District Cost Factor
 - Step 3. Apply: Special Needs Factor
 - Step 4. Apply: Vocational & Technical Funding
 - Step 5. Add: Intensive Services Count
 - Step 6. Add: Correspondence Student Counts
- = District Adjusted (ADM)**

ADM Reporting Requirements

ADM – is the average number of enrolled students during the 20-school day count period. The 20-school day count ends the fourth Friday of October. Reports are due within two weeks after the end of the 20-school day count period.

School Size Adjustment [Step 1]

For each school in the district subtract from the ADM **all** correspondence counts. Adjust the remaining ADM of each school using the school size factor table, on page 4.

1. A community with an ADM under 10:
Added to the smallest school with an ADM greater than 10.
2. A community with an ADM from 10 - 100:
Grades K-12 ADM combined and adjusted once, adjusted as one school.
3. A community with an ADM from 101 – 425:
ADM for grades K-6 and 7-12 are adjusted separately; adjusted as two schools.
4. A community with an ADM greater than 425:
Each facility administered as one school, counted as one school,
ADM is adjusted as one school.

* Alternative school with an ADM of 175 or greater *and* administered as a separate facility the ADM will be adjusted separately, unless:

- A. It's new and the 1st year of service with ADM between 120 to 175 receives an adjustment of 1.33; OR
- B. It had an ADM of 175 or greater in the prior year but drops below 175 in the current fiscal year receives an adjustment of 1.33; OR
- C. It has an ADM of less than 175 shall be counted as a part of the school in the district with the *highest* ADM.

* Charter school with an ADM of 150 or greater is adjusted as a separate facility unless:

- A. It's new and the 1st year of service with ADM between 75 to 150 receives an adjustment of 1.45; OR
- B. It had an ADM of at least 75 in the prior year the current fiscal year receives an adjustment of 1.45; OR
- C. It continues to stay below 75 ADM then it receives an adjustment of 1.18.

Select the appropriate formula from the school size factor table to calculate the adjusted ADM for each school.

School Size Table

Reference:	School Size:	Formula:
1.	10-19.99	39.60
2.	20-29.99	$39.60 + (1.62 * (ADM - 20))$
3.	30-74.99	$55.80 + (1.49 * (ADM - 30))$
4.	75-149.99	$122.85 + (1.27 * (ADM - 75))$
5.	150-249.99	$218.10 + (1.08 * (ADM - 150))$
6.	250-399.99	$326.10 + (.97 * (ADM - 250))$
7.	400-749.99	$471.60 + (.92 * (ADM - 400))$
8.	Over 750	$793.60 + (.84 * (ADM - 750))$

Correspondence student counts are not adjusted for size (see step 5).

Hold Harmless [Step 1a]

The Hold Harmless [HH] provision was established for those districts experiencing a reduction in enrollment. To determine eligibility for this provision the district's sum total of the adjusted ADM for school size is compared against the prior fiscal year [FY], or base year, to see if a decrease of 5% or greater has occurred. The HH provision is available to eligible districts for up to three years provided the total school size adjusted ADM continues to stay below the base year. The district uses the FY before the decrease as a base FY to offset the decrease, according to the following method:

- 75% of school size adjusted ADM difference between the current FY to the base FY.
- 50% of school size adjusted ADM difference between the second FY to the base FY.
- 25% of school size adjusted ADM difference between the third FY to the base FY.

District Cost Factors [Step 2]

- Cost factors are specific to each school district and will range from 1.000 to 2.116.
- The department monitors the district cost factors and submits a report to the legislature on January 15 every other fiscal year, beginning in FY01.

The district's school size adjusted ADM is multiplied by the district cost factor.

Special Needs Funding [Step 3]

Vocational education, special education (except intensive special education), gifted/talented education, and bilingual/bicultural education are block funded. A district must file a plan with the department indicating the special needs services that will be provided, per AS 14.17.420 (b), to qualify for special needs funding.

The districts' previously adjusted ADM is now multiplied by the Special Needs factor of 1.20.

Vocational & Technical Funding [Step 4]

(Now referred to as Career & Technical Education or CTE)

These funds are intended to assist districts in providing vocational and technical instruction for students enrolled in grades 7 through 12. This excludes costs associated with administrative expenses; and instruction in general literacy, math, and job readiness skills, AS 14.17.420(a)(3). *(Enacted in 2011)*

The districts' previously adjusted ADM is now multiplied by the Career & Technical Education factor of 1.015.

Intensive Services Funding [Step 5]

A school district receives funding for intensive special education students that:

- Are receiving intensive services;
- Are enrolled on the last day of the 20-school day count period, and;
- Have an established Individual Education Plan (IEP).

The districts intensive student count is multiplied by 13.

The district's intensive count is added to the previously adjusted ADM.

Correspondence Programs [Step 6]

Funding for correspondence programs is calculated by multiplying the correspondence ADM by 90%.

The district's correspondence count is now added to the previously adjusted ADM to arrive at the Final Adjusted ADM.

Basic Need

Multiply the district Final Adjusted ADM by the Base Student Allocation [BSA] to determine Basic Need. The BSA is \$5,880 for FY2016.

PUBLIC SCHOOL FUNDING ELEMENTS

The components of Public School Funding are *State Aid*, *Required Local Contribution*, and *Title VIII Impact Aid*.

Required Local Contribution

The local requirement is the equivalent of 2.65 mill tax levy on the full and true value of the taxable real and personal property in the district; and not to exceed 45% of the district's basic need for the preceding fiscal year.

Title VIII Impact Aid

Federal Impact Aid provides funds to school districts for children of parents living and/or working on federal property "in-lieu of local tax revenues." After deductions, 90% of the eligible funds are used in the calculation of state aid.

State Aid Entitlement

Basic Need minus a Required Local Contribution minus 90% eligible Federal Impact Aid plus the amount of funding 'Floor' plus Quality School Grants equals State Aid Entitlement.

ADDITIONAL FUNDS ABOVE BASIC NEED

Maximum Local Contribution

The City or Borough can contribute more than is required but may not exceed the maximum local contribution. To calculate this use the required local contribution plus 23% of basic need and those state funds calculated on adjusted ADM **or** a 2-mill equivalent of the full and true value of the taxable and real property within the district; whichever is *greater*. The additional amount is added to the required local effort to reach the maximum local contribution.

For Example:

Nome:

*23% of Basic Need & additional funding distributed on AADM = \$2,204,213 OR
.002 of Full & True Value = \$736,695*

RESULT:

Required Local Effort: \$ 976,121

Additional Local Contribution: +\$2,204,213 /23% of Basic Need & funds calculated on AADM]

Maximum Local Contribution: \$3,180,334

Quality School Grants

The district's adjusted ADM multiplied by \$16 generates the amount the school district is eligible to receive.

Example: Nome Public Schools**Column****I. Basic Need Calculation**

Projected ADM	704.00	M
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Determining School Size Adjustment

[Use Table from page 4]

ADM

Nome Elementary School = 375

Nome/Beltz Jr. & Senior High = 245

Anvil City Science Academy = 60

Nome Youth Facility = 14

$326.10 + (.97 * (375 - 250)) = 447.35$
$218.10 + (1.08 * (245 - 150)) = 320.70$
$1.18 * 60 = 70.80$
$14 = 39.60$

FY16 School Size adjusted ADM **878.45**

less FY15 School Size adjusted ADM - 900.42

District's decrease in School Size adjustment over prior year less than 5%, did not activate hold harmless.

School Size Adjusted ADM	878.45	O
--------------------------	--------	---

Apply District Cost Factor	x 1.450	P
	1,273.75	Q

Apply Special Needs Factor	x 1.20	
	1,528.50	R

Apply the Career Technical Education Factor	x 1.015	
	1,551.43	S

Add Intensive Service Counts	+ 65.00	U
(5 x 13) = 65.00	1,616.43	V

Add Correspondence Counts	+ 9.00	W
(10 * .90) = 9.00		

District Adjusted ADM	1,625.43	X
-----------------------	-----------------	---

Multiply by \$5,880 base allocation	x \$5,880.00	
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Basic Need:	\$ 9,557,528	B
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II. Nome's State Aid

Basic Need	\$9,557,528	B
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Required Local Contribution	(976,121)	C
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Eligible Impact Aid	+ (27,811)	F
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State Aid	\$8,553,596	G
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III. Quality Schools Grant

District adjusted ADM x \$16	1,625.43	X
------------------------------	----------	---

x \$16.00	
-----------	--

\$26,007	H
----------	---

IV. Components of State Aid

State Aid	\$8,553,596	G
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Quality Schools Grant	+ 26,007	H
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Total State Aid Entitlement	\$8,579,603	I
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Alaska Department of Education & Early Development

FY2016 Foundation Projection

A	B	C	D	E	F	G	H	I
School District	\$5,880 Basic Need	Minimum Required Local Effort	Eligible Federal Impact Aid Total prior to applying %	Impact AID Percent	Deductible Impact AID 90%	BSA State AID	Quality Schools	FY16 PROJECTED Total State Entitlement
Alaska Gateway	8,062,774	0	294,554	100.00%	265,099	7,797,675	21,940	7,819,615
Aleutian Region	1,419,138	0	22,465	100.00%	20,219	1,398,919	3,862	1,402,781
Aleutians East	5,782,274	604,811	637,573	49.02%	281,284	4,896,179	15,734	4,911,913
Anchorage	431,922,221	100,375,631	18,861,520	49.31%	8,370,554	323,176,036	1,175,299	324,351,335
Annette Island	5,340,922	0	1,557,223	100.00%	1,401,501	3,939,421	14,533	3,953,954
Bering Strait	39,980,707	0	11,402,778	100.00%	10,262,500	29,718,207	108,791	29,826,998
Bristol Bay	2,235,635	886,650	93,402	62.22%	52,303	1,296,682	6,083	1,302,765
Chatham	3,637,721	0	141,729	100.00%	127,556	3,510,165	9,899	3,520,064
Chugach	2,716,972	0	43,705	100.00%	39,335	2,677,637	7,393	2,685,030
Copper River	6,560,434	0	309,224	100.00%	278,302	6,282,132	17,852	6,299,984
Cordova	4,708,175	762,555	24,416	43.23%	9,500	3,936,120	12,811	3,948,931
Craig	5,533,786	354,984	513,809	46.11%	213,226	4,965,576	15,058	4,980,634
Delta/Greely	10,009,289	0	401,227	100.00%	361,104	9,648,185	27,236	9,675,421
Denali	7,163,722	659,242	6,294	29.79%	1,687	6,502,793	19,493	6,522,286
Dillingham	7,130,382	564,492	632,806	42.80%	243,757	6,322,133	19,402	6,341,535
Fairbanks	152,952,912	28,676,941	12,774,232	56.94%	6,546,283	117,729,688	416,198	118,145,886
Galena	23,120,572	91,718	147,113	7.65%	10,129	23,018,725	62,913	23,081,638
Haines	3,638,838	1,029,497	0	65.19%	0	2,609,341	9,902	2,619,243
Hoonah	2,444,492	198,963	170,063	36.12%	55,284	2,190,245	6,652	2,196,897
Hydaburg	1,749,829	40,539	80,925	28.48%	20,743	1,688,547	4,761	1,693,308
Iditarod Area	6,219,394	0	253,376	100.00%	228,038	5,991,356	16,924	6,008,280
Juneau	51,550,607	13,027,948	0	53.07%	0	38,522,659	140,274	38,662,933
Kake	2,211,468	81,569	346,585	50.73%	158,240	1,971,659	6,018	1,977,677
Kashunamiut	6,027,764	0	1,914,980	100.00%	1,723,482	4,304,282	16,402	4,320,684
Kenai Peninsula	103,606,247	24,344,153	0	54.85%	0	79,262,094	281,922	79,544,016
Ketchikan Gateway	27,414,206	4,713,589	0	59.56%	0	22,700,617	74,596	22,775,213
Klawock	2,579,615	143,289	452,604	65.73%	267,747	2,168,579	7,019	2,175,598
Kodiak Island	31,436,950	4,273,074	1,734,947	38.89%	607,249	26,556,627	85,543	26,642,170
Kuspuk	8,140,801	0	1,803,345	100.00%	1,623,011	6,517,790	22,152	6,539,942
Lake & Peninsula	9,955,252	373,073	1,477,111	34.26%	455,452	9,126,727	27,089	9,153,816
Lower Kuskokwim	77,718,782	0	16,527,855	100.00%	14,875,070	62,843,712	211,480	63,055,192
Lower Yukon	42,617,711	0	10,250,100	100.00%	9,225,090	33,392,621	115,967	33,508,588
Mat-Su	184,652,580	26,670,537	0	51.40%	0	157,982,043	502,456	158,484,499
Nenana	7,451,195	69,659	636	70.17%	402	7,381,134	20,275	7,401,409
Nome	9,557,528	976,121	71,946	42.95%	27,811	8,553,596	26,007	8,579,603
North Slope	30,765,160	13,902,242	3,109,638	38.53%	1,078,329	15,784,589	83,715	15,868,304
Northwest Arctic	41,168,173	1,839,364	4,808,191	25.20%	1,090,498	38,238,311	112,022	38,350,333
Pelican *	418,891	25,835	0	79.13%	0	393,056	80,574	473,630
Petersburg	6,810,980	1,136,837	0	59.25%	0	5,674,143	18,533	5,692,676
Pribilof	1,989,674	0	387,997	100.00%	349,197	1,640,477	5,414	1,645,891
Saint Mary's	3,603,970	64,063	0	53.25%	0	3,539,907	9,807	3,549,714
Sitka	16,596,535	3,174,144	11,686	59.73%	6,282	13,416,109	45,161	13,461,270
Skagway	1,248,148	542,619	0	47.36%	0	705,529	3,396	708,925
Southeast Island	6,244,325	0	0	100.00%	0	6,244,325	16,991	6,261,316
Southwest Region	12,993,095	0	3,668,721	100.00%	3,301,849	9,691,246	35,355	9,726,601
Tanana	1,071,512	35,382	157,885	100.00%	142,097	894,033	2,916	896,949
Unalaska	6,144,953	1,644,393	24,979	56.60%	12,724	4,487,836	16,721	4,504,557
Valdez	8,188,253	3,544,007	4,464	39.73%	1,596	4,642,650	22,281	4,664,931
Wrangell	4,008,808	535,855	599	77.62%	418	3,472,535	10,908	3,483,443
Yakutat	1,461,004	208,843	140,034	45.46%	57,294	1,194,867	3,976	1,198,843
Yukon Flats	8,178,551	0	722,628	100.00%	650,365	7,528,186	22,255	7,550,441
Yukon/Koyukuk	14,464,565	0	1,005,871	100.00%	905,284	13,559,281	39,359	13,598,640
Yupit	9,535,126	0	2,719,817	100.00%	2,447,835	7,087,291	25,946	7,113,237
Mt. Edgecumbe	4,036,091	0	1,003,715	100.00%	903,344	3,132,747	10,983	3,143,730
TOTALS:	1,476,178,709	235,572,619	100,714,768		68,699,070	1,171,907,020	4,096,249	1,202,030,569

* Pelican's "floor" is rolled into Quality Schools.

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8-14

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8-17

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Behind TAB 12

ALASKA STATE LEGISLATURE

HOUSE FINANCE COMMITTEE

Representative Paul Seaton
Co-Chair
(907) 465-2689
Rep.Paul.Seaton@akleg.gov

Alaska State Capitol - Rm 505



Representative Neal Foster
Co-Chair
(907) 465-3789
Rep.Neal.Foster@akleg.gov

Alaska State Capitol - Rm 410

MEMORANDUM

DATE: January 18, 2017
TO: House Finance Members
FROM: Representative Paul Seaton, Co-Chair
House Finance Committee
RE: FY18 Operating Budget Subcommittees

A handwritten signature in black ink that reads "Paul Seaton".

This memo provides a fairly high level framework for the reviewing the operating budget by the House Finance Operating Budget Subcommittees. This process is meant to increase subcommittee members' understanding of the responsibilities and challenges facing the departments and to prompt policy discussion and changes.

The Governor's budget proposal includes two pieces of legislation: a Permanent Fund bill and a motor fuel tax increase bill. Without passage of the Governor's proposed legislation or some variation of it, the budget deficit is expected to be \$2.9 billion in FY17 and \$2.7 billion in FY18. These deficits are calculated based upon 0.506 MBD at \$46.81 per barrel for FY17 and 0.470 mbd at \$54.00 per barrel for FY18. The price of ANS West Coast on January 17 was \$54.83.

Given declining oil production and the low price of ANS, our task is to help chart a course for state government that strikes a balance between the level of government Alaskans need and want, and what we can afford.

Please be sure to read the Legislative Finance Division's (LFD) Legislative Fiscal Analyst's Overview of the Governor's Request as soon as possible. There is a wealth of valuable information in this publication. A copy has been distributed to each HFC member, extra copies are in the 5th floor copier room 523, and you'll also find it on LFD's website:
<http://www.legfin.akleg.gov/Overview/DisplayReports.php>

During the first week of session, HFC will have the following presentations:

- Wednesday, Jan. 18 Fall 2016 Revenue Forecast, Commissioner Hoffbeck & Dan Stickel
- Friday, Jan. 20 FY18 Budget Overview and Fiscal Summary, David Teal, LFD Director

Overview of the Governor's FY18 Budget, Pat Pitney, LFD Director

During the second week of session, HFC will have department budget overviews; generally three per afternoon. The purpose of the department budget overviews is to provide an opportunity for the entire HFC to hear from department leadership about their budget, their programs and their overall performance. Key information about each program has been requested, including, but not limited to:

- Funding by funding group (UGF, DGF, Other and Federal);
- Number of PFTs, PPTs, and NP budgeted positions;
- Number of Alaskans served;
- Percentage of costs recovered through fees;
- Department assessment of the program's importance (critical, important, beneficial, or status quo);
- Department assessment of the program's effectiveness; and
- Whether the program is constitutionally, federally, or statutorily required.

The department HFC overview presentation helps set the stage for subcommittees to identify lower priority programs that simply can no longer be funded in our current fiscal environment. The subcommittees are not to focus on or make final recommendations regarding individual positions, specific expenditures, across the board reductions, or unallocated reductions.

Subcommittees are expected to begin their work as soon as possible. Given the new subcommittee composition, it is critical that the subcommittee chair identify subcommittee meeting topics prior to setting the subcommittee meeting schedule. Items could include, but are certainly not limited to:

1. Review of the department's program listing, with particular attention on those programs funded with Unrestricted General Funds (UGF). Are they still priority programs given our current fiscal constraints? Should they be eliminated or modified in order to save UGF?
2. Indirect Expenditures – What are the priority statutory changes necessary to increase revenue?
3. Other statutory changes that could increase revenue or decrease expenditures.

LFD's Alaska Legislative Budget Handbook (the Swiss Army Knife) on pages 21- 23 includes tips for running effective subcommittee meetings, including scheduling and communicating with departments and LFD, and information about the subcommittee process. Please note, however, that some of the subcommittee information is not applicable to our new subcommittee process. For instance, subcommittees won't have to find a meeting room as the standing/special committee meeting location will be the site for subcommittee meetings. The subcommittee close-outs will also be different as there will not be a Budget Action Sheet (BA). The final work product of the subcommittee will be a narrative report (template to be provided later) with budget amendments to be considered by HFC.

Subcommittee Administration and Operation

Meetings

Each House Finance (HFC) majority member is the chair of two or three agency budget subcommittees. This year the membership of each subcommittee is an existing standing or special committee. Minority HFC members have also been added to some subcommittees. If necessary, both HFC co-chairs may be called upon to serve as alternate subcommittee members.

With the subcommittee chair working in conjunction with the standing/special committee chair, I envision that the January and February meetings of the standing/special committee will devote at least 50% of each meeting to the subcommittee. Some departments, however, may need more subcommittee

time while some may need less. In addition, some subcommittees may need to adjust the normal standing/special committees' start times from 1:00 p.m. to 12:15 p.m. to accommodate HFC's daily meeting schedule of 1:30 – 3:30 p.m. or extend their meeting time in the afternoon. Saturday meetings may also be an option, but we hope to minimize time changes from the regularly scheduled standing/special committees' time slots for better public access to the subcommittee process.

If a subcommittee meeting and a standing/special committee meeting are to be scheduled back-to-back, remember to leave five or ten minutes between the meetings so the House Records secretary has time to either set up to record or to close down the recording and documents for the standing/special committee. If possible, scheduling the subcommittee first during the day may reduce the possibility of the standing/special committee not completing its agenda and having to recess for the subcommittee meeting and reconvene after the subcommittee meeting.

- Senate Floor staff is responsible for the following locations – Sergeant-At-Arms 465-4987:
 - Beltz Room 105, Thomas Stewart Legislative Office Building (TSLOB)
 - Fahrenkamp Room 203, Capitol
 - Butrovich Room 205, Capitol
- House Floor staff is responsible for:
 - TSLOB Conference Room – Micaela Bradner 465-3869 or Matt Simpson 465-6806
- House Committee Aide staff are responsible for the following locations:
 - Finance Room 519, Capitol – Jenny Martin 465-2689
 - Judiciary Room 120, Capitol – 465-4919
 - Resources Room 124, Capitol – 465-4939
 - State Affairs Room 106, Capitol – Kristin Kranendonk 465-3875
 - Transportation Room 17, Capitol – Laura Stidolph 465-4976
- The scheduling memo must be provided to the Chief Clerk by 4:00 p.m. Thursday for the following week's meetings.
- Subcommittee chair is responsible for contacting departments and establishing the agenda.
- Create a subcommittee letterhead (a template has been provided to staff).
- Work cooperatively with agency staff and the LFD analyst assigned to the department when planning the number of and the agenda for each meeting.
 - Coordinate your meeting schedule with the Administrative Services Director of each assigned agency to take advantage of when agency staff will be in Juneau on other business and may be available for subcommittee meetings. Avoid, to the extent possible, having the agency incur travel expenses solely for subcommittee business.
 - A fiscal analyst from LFD is assigned to each agency budget and will assist the subcommittee. Please include your respective fiscal analyst in the budget process as much as possible and in any emails sent to the subcommittee and/or agency.
 - Also include the OMB analyst assigned to your department in any budget-related correspondence.
 - All subcommittee meetings must be streamed on AlaskaLegislature.TV. Use the teleconference network to request streaming of each meeting (the form below must be submitted to have the meeting streamed whether or not you actually expect to use the teleconference system) and when necessary to accommodate testifiers not located in Juneau.
 - Use this form from the Legislature's Intranet site to schedule a teleconference:

http://intranet.akleg.gov/lfo/teleconference_form.php

Call the Juneau L.I.O at 465-4648 for assistance.

- Subcommittees are strongly encouraged to incorporate public testimony into their agenda.
- Reserve the last two meetings for:
 - Draft closeout
 - Final closeout
- When necessary, schedule a pre-meeting briefing with the department the day before the scheduled subcommittee meeting to ensure that the meeting materials and presentation are what was anticipated. It is very helpful if the LFD analyst is also invited.
- Request that finalized meeting materials be provided by 5:00 p.m. the day prior to the scheduled meeting to allow for distribution to subcommittee members.
- Post all subcommittee documents on BASIS, whether prepared by members, the agency, or LFD staff.
- Subcommittee meetings are not taped or transcribed. However, a teleconferenced meeting does have an audio recording. Contact the Juneau L.I.O. to gain access.

Note: During the first week of session, meetings may be scheduled just 24 hours in advance. **For subcommittee meetings to be held during the week of January 23, the signed scheduling memo must be delivered to the House Clerk's office by 4:00 p.m., Thursday, January 19.**

Resources for Subcommittee Members

To ensure that all subcommittee members have access to the same information about the department, staff is responsible for preparing a binder of information for each subcommittee member. The binder should contain at a minimum:

- This instruction memo to subcommittee chairs from the HFC operating budget co-chair.
- LFD's Fiscal Summary, UGF Fiscal Sensitivity graphs and Approximate Balances of Reserve Accounts (from the Legislative Fiscal Analyst's Overview of the Governor's Budget (LFD's Overview)).
- Other LFD statewide budget charts, if any.
- Department pages from LFD's Overview.
- The department's HFC Overview presentation as it will contain some department-level LFD graphs and the department's program list.
- LFD's Subcommittee book.
- Heads Up meeting documents, if any were provided (most departments do not).
- Operating budget detail at the department-level from OMB's website <https://www.omb.alaska.gov//> or the detail budget books that includes
 - Mission,
 - Core services,
 - Measures by core services,
 - Major accomplishments,
 - Key challenges, and
 - Significant changes in results to be delivered.

- Any other communication/documentation provided by the department.
- Each department's portion of the statewide fee report (OMB's website).
- Each department's pages from LFD's 2015 or 2017 Indirect Expenditure Report.
 - The 2015 report is on LFD's website:
<http://www.legfin.akleg.gov/IEBooks/2015IndirectExpenditureReport.pdf>
 - Hard copies are in the 5th floor copier room 523.
 - The 2015 report includes the Departments of Commerce, Community, and Economic Development; Fish and Game; Health and Social Services; and Revenue.
 - The 2017 report is found at:
<http://www.legfin.akleg.gov/IEBooks/2017IndirectExpenditureReport.pdf>
 - It includes the Departments of Administration, Education and Early Development, Environmental Conservation, Natural Resources, Revenue (Education Credit only) Transportation and Public Facilities (AMHS Tariff Discounts/Passes only), and the Judiciary.
 - The Department of Revenue prepares a biennial Indirect Expenditure report on every department. However, it is just the data and does not include LFD's analysis. The Department of Revenue's report is found at:
<http://tax.alaska.gov/programs/documentviewer/viewer.aspx?1267r>
- Tabs for each of the planned subcommittee meetings that will include information provided by the department for their presentations.

There are many other additional resources available, some of which you may decide you want to include in the binders. Those resources, include, but are not limited to:

- Other information from LFD (LFD's website, first four under the Analysis Tools tab)
 - 10-year look back graphs,
 - Budget highlights,
 - Transaction detail with notes,
 - Status of current year changes, and
 - FY17 Legislative Intent Letter.
- Legislative Audit recommendations and departmental response, if applicable (Legislative Audit's website).
 - Other information available on OMB's website
 - Budget Terminology,
 - UGF Reduction by Department FY15 Management Plan to FY18 Governor (called "FY2015 to FY2018 Agency Reductions, 12-15-16" on the website),
 - State Cuts and Closures to Date (December 15, 2016),
 - Operating budget detail for each Results Delivery Unit (RDU)/component from OMB's website or the detail budget books that includes

- Mission,
- Core services,
- Measures by core services,
- Major accomplishments,
- Key challenges, and
- Significant changes in results to be delivered.
- 10-Year Plan.
- Lease – Purchase Agreements Report.
- Personal Services Transfer Reports.
- Links to the:
 - Department of Administration’s Comprehensive Annual Financial Report (CAFR)
 - Department of Revenue’s Revenue Sources Book Fall 2016 (and prior issues).
- Capital budget project list and detail (LFD’s or OMB’s website).

Subcommittee Requirements and Work Product

- Subcommittees are to review the numbers section of their agency budgets at a program level with the purpose of identifying programs that, given our current fiscal situation, may be ripe for elimination or modification.
- Understanding the four budget fund groups is essential to the subcommittee review process:
 - **Unrestricted General Funds (UGF)** – No statutory designations or restrictions on the use of these funds. Deficits refer only to UGF. **Deficits do not occur in other fund groups.** Accordingly UGF-funded programs will be the primary review areas.
 - **Designated General Funds (DGF)** – Although the Constitution prohibits the dedication of funds (with a few exceptions), the legislature has statutorily designated funds in this group for a specific purpose. Programs funded with DGF should also be reviewed as some unspent DGF fund sources lapse into the general fund.
 - **Other Funds** – The legislature has limited discretion (includes dedicated and duplicated funding).
 - **Federal Funds** – Funding received from the federal government. The legislature has limited discretion over the use of this funding.
- Language sections of the operating and mental health budget bills are not under the purview of subcommittees as my office reviews the language sections. Discuss any recommendations for language section changes with my office prior to including any language section recommendations in the subcommittee’s final closeout report.
- Any proposed changes to the comprehensive mental health program shall be discussed with Representative Gara, Chair of the Department of Health and Social Services Subcommittee, prior to incorporation in any subcommittees’ recommendations.
- Subcommittees are also to review the governor’s budget amendments that will be submitted on February 15. The HFC Assistant will deliver the relevant amendments to the subcommittee chair as soon as possible. (The amendments will also be posted on OMB’s website on February 15.)

- **The subcommittee's work is to be completed and all final reporting documents submitted to LFD and my office by 5:00 p.m., February 24, 2017. However, subcommittees that are able to do so are encouraged to close out prior to February 24. I anticipate that HFC would then take up those subcommittee recommendations before the last week of February.**
 - A narrative report will be required (template to be sent out later) that describes the final recommendations of the subcommittee.
 - The final recommendations of the subcommittee may take several forms:
 - Suggested statutory changes.
 - Wordage changes. Wordage is narrative within section one (the numbers section) of the budget bill.
 - Legislative Intent. All proposed legislative intent is to be reviewed by the LFD analyst. Then discuss intent proposals with me prior to the draft closeout.
 - Budget structure changes. Work with your LFD analyst on these recommendations. As of today, we are not sure how or if this type of amendment will be accommodated by the new LFD amendment system under development.
 - Budget changes. The subcommittee chair's staff will enter all of the subcommittee's recommended budget changes into a new LFD amendment system. The amendment system will generate a report that will accompany the narrative report. The amendments will subsequently be considered by the full HFC. More information and training will be forthcoming when the new amendment system is finalized.
 - There will be no Budget Action Sheet (BA Sheet) this year in conjunction with this new subcommittee process.
 - The closeout narrative and all accompanying documents will be posted on LFD's website to help the public understand the subcommittee's recommendations and the reasons for them.

Supplemental Budget Request

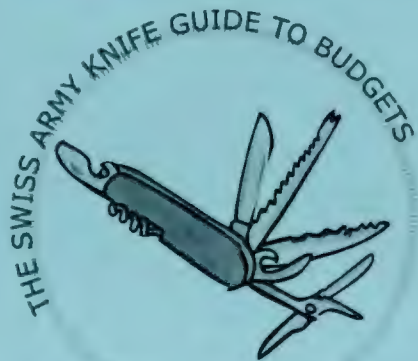
- The governor's FY17 supplemental budget request is due on the 15th legislative day, January 31, 2017.
- LFD will update their "status of current year changes" document to include Section 1 (numbers section) operating supplemental items for each department.
- Subcommittees do not take any action on the supplemental budget request.
- The governor's supplemental request will be considered by the HFC as a whole in a format and at a time determined by the co-chairs.
- Subcommittee chairs, however, should be prepared to discuss agency supplemental requests with me and in the HFC.

We have a lot of work to do in a very short period of time. February 24, the anticipated subcommittee closeout deadline, is just Day 39 of this legislative session. I encourage you to be diligent in guiding the subcommittee work process to the development of reasonable recommendations that will garner support in the HFC and produce a budget that funds the services Alaskans need and can afford.

Please feel free to contact me or my staff, Joan Brown at 465-6587 or Arnold Liebelt at 465-6256, if you have questions or suggestions.

cc: David Teal, Director
Legislative Finance Division

Pat Pitney, Director
Office of Management and Budget



Alaska Legislative Budget Handbook

PROVIDED BY THE ALASKA LEGISLATIVE FINANCE DIVISION

For Legislators and Legislative Staff

OCTOBER, 2016

THIS GUIDE IS A
TOOL FOR BUILDING
ALASKA'S BUDGET.





This publication was produced by the Legislative Finance Division in October, 2016. The Legislative Finance Division provides services necessary to analyze and produce the State's budgets.

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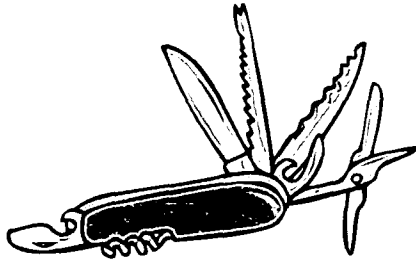
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Legislative Finance Division



The primary function of the LFD staff is to provide budget and revenue analysis to the legislature.

Per AS 24.20.231 the Legislative Finance Division (LFD) serves the legislature with a nonpartisan staff. The Division's fiscal analysts, under the supervision of the Legislative Fiscal Analyst (director), provide analysis and evaluation of agency and governor budget requests and legislative proposals.

Legislative Finance Division analysts operate under a policy of confidentiality. All budget work and personal requests by legislators and aides are confidential until released by the requestor (or discussed at a public meeting). The LFD analysts respond to requests for information from all legislators; analysts provide similar information in response to similar requests.

In addition to providing budget and revenue analysis to the legislature, the LFD staff support the finance committees during the development of the state budget. Analysts must:

- Develop and maintain working relationships with subcommittee chairs and staff, with agency heads and

directors and with the governor's budget staff.

- Thoroughly understand programs, policies, and proposals in order to add value to the budget process.
- Maintain a comprehensive budget database for budget production and reporting throughout the legislative budget process.
- Monitor legislation with significant fiscal impact (i.e., those with fiscal notes) and insert approved fiscal notes into an appropriation bill (usually the final operating budget bill).
- Provide the Legislative Budget & Audit Committee with detailed analyses of revised program requests and objective recommendations when appropriate, and enter actions in the data system.
- Perform special reviews of agencies, programs and issues.
- Respond to information requests from *all* legislators and from the public.

Specialized Duties

In addition to specific agency operating budget assignments, individual analysts are responsible for various statewide issues. Specific agency assignments and specialized duties of each analyst are listed in this section.

- *Capital Budget Coordination:* Work directly with finance committee chairs and their staff to develop the capital budget; coordinate the production of capital appropriation bills; maintain capital budget backup files; assist with planning and ongoing adjustments to the LFD capital budget database and report formats; point of contact for all capital appropriation issues.
- *Operating Budget Coordination:* Coordinate development of the operating budget by compiling individual agency budgets into appropriation bills; compile final appropriation data for the *Summary of Appropriations*; coordinate special assignments of a statewide nature; assist with planning and ongoing adjustments to the LFD operating budget database and report formats; coordinate development of budget "how-to" handbook and other publications.
- *Revenue Analysis:* Provide staff expertise on revenue and economic issues including tax policy and taxation issues, and the Alaska Permanent Fund; operate and maintain economic/revenue models.
- *Debt/Debt Service Analysis:* Provide staff expertise on state debt and debt service including debt outstanding, debt service requirements and projections.
- *Supplemental Budget:* Monitor statewide supplemental appropriation bills and coordinate statewide analyses of supplemental requests; maintain central supplemental backup files.
- *Fund Tracking:* Prepare analyses and regular updates on various reserve accounts and special purpose funds to ensure that balances are sufficient to cover appropriations, propose actions to correct projected imbalances, and track the amount of available funding and the amounts appropriated throughout the budget process.
- *Fiscal Note Coordination:* Coordinate with legislators and appropriate legislative staff to ensure that the desired fiscal notes are included in an appropriation bill; track bills through the subcommittee process to ensure that modifications are reflected accurately in the fiscal notes; collaborate with programmers to make refinements to the automated fiscal note system as glitches surface; communicate changes in the automated fiscal note system to all stakeholders to ensure smooth adoption of changes or new features.
- *Fiscal Summary:* Update the fiscal summary in December (when the Governor's budget request is received) and in June (when the final budget is adopted).

Agency and Special Assignments

David Teal, Director/Legislative Fiscal Analyst465-3002
 Ildiko Nylen, Administrative Officer.....(main line) 465-3795

Agency Assignment	Analyst.....	Phone
Administration	Danith Watts	465-5435
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Corrections	Kelly Cunningham	465-3821
Court System	Kelly Cunningham	465-3821
Education & Early Development	Alexei Painter	465-5434
Environmental Conservation	Alexei Painter	465-5434
Fish and Game	Amanda Ryder.....	465-5411
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Law.....	Danith Watts	465-5435
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Operating Budget Coordinator.....	Lacey Sanders.....	465-5410
Statewide Debt/Revenues	Rob Carpenter	465-5413
Supplemental Budget Coordinator	Rob Carpenter	465-5413
Fund Tracking.....	Alexei Painter	465-5434
Fiscal Note Coordinator	Kelly Cunningham	465-3821
Fiscal Summary	Alexei Painter	465-5434

Legislative Finance Division

Fiscal Analysts

Fiscal Analyst	Agency/Assignment	Phone
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Amanda Ryder.....	Fish and Game Health and Social Services.....	465-5411
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Purpose of this Guide



Handbook Purpose

The Alaska Legislative Budget Handbook is designed to provide legislators and aides with a step-by-step budget primer. It will help you understand the appropriations (budget) process and will give you the necessary tools to develop a budget.

This publication is organized in the following way:

- **Operating Budget.** Because the operating budget bill is scrutinized more intensely than other appropriation bills (and is worked on by more people), this publication begins with a look at the operating appropriations process. The process is broken into three pieces: pre-session activity, session activity, and post-session activity.

- **Capital Budget.** A step-by-step primer to help the reader work through the development of the capital budget.
- **Supplemental Budget.** General information on appropriations affecting the current fiscal year.
- **Budget Resources.**
- **Fund Sources and Fund Groups.** How and why they are created.
- **Appropriation Law.** Article IX of the Constitution and relevant Alaska Statutes.
- **Glossary.**

Tip



Tips & Information:

This publication's sidebars contain tips and information for finance committee aides as they analyze the budget and navigate the budget process.

General Information

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Alaska's Appropriation Process

Both the governor and the legislature play major parts in the appropriation (or budget) process. The Alaska Constitution requires the governor to submit a budget and associated appropriation bills for the next fiscal year and a bill (or bills) covering new or additional revenue recommendations (Article IX, Section 12), and it bestows the power of appropriation to the legislature. Article IX, Section 13 mandates that no money can be withdrawn from the treasury except in accordance with appropriations made by law. Alaska is one of several states in which agencies cannot spend federal receipts without an appropriation.

The governor typically submits the following appropriation bills for legislative consideration:

- the operating budget bill;
- the mental health bill (containing both operating and capital mental health appropriations);
- a supplemental budget bill; and
- a capital budget bill.

The bills the legislature usually passes are the operating budget bill, the mental health bill, and the capital bill (although informally called the capital bill, it has become an omnibus bill containing appropriations for capital projects, operating items, supplemental appropriations, and repeal/reappropriations of previous appropriations).

Major appropriation bills typically contain two major parts—a numbers section and language sections. The **numbers section** is generated by the Legislative Finance Division using software that summarizes thousands of database transactions. The bill shows only the sums of these transactions arranged by appropriation and allocation within each agency. When the numbers section of the bill is complete, LFD sends the bill to the Legislative Legal Services Division where the language sections are appended.

The **language sections** (generated by Legislative Legal Services Division) typically appropriate funding that is a bit more difficult to specify, such as an open-ended appropriation of



Appropriation:

An appropriation is authorization to spend funds for a stated purpose. However, “appropriation” is often used to refer to the bold type within the numbers section of an appropriation bill.

General Information

funding from the federal government for fighting fires (the amount needed is unknown until the end of the fire fighting season).

Each appropriation bill contains one (or more) of the following types of appropriations:

- **Operating**—Annual appropriations covering ongoing operations of state programs. Operating budget appropriations are typically made for a fiscal year, with any unexpended and unobligated funds lapsing at the end of the fiscal year.
- **Capital**—An appropriation for items that have an anticipated life that exceeds one year and that usually cost more than \$25,000. Capital budget appropriations lapse only if funds remain after the project is completed.
- **Supplemental**—An appropriation increasing or decreasing the operating or capital budget for the current fiscal year.
- **Repeal/Reappropriation**—These appropriations typically change a previously authorized capital project to reflect title change or purpose, or to utilize

a potentially lapsing balance for a new project. Operating reappropriations are rarer, but some occur nearly every year.

- **Fiscal Note**—Fiscal notes are usually prepared by agencies affected by new bills. They specify funding sources and amounts associated with new legislation, but money identified in a fiscal note cannot be spent unless it is appropriated (usually in the operating budget). *For detailed information on fiscal notes, please see the Fiscal Notes section in this publication.*



Appropriations and Appropriation (or Budget) Structure

It is difficult to have a meaningful conversation about state budgeting without using the term "appropriation." Understanding what an appropriation is and why there are separate appropriations in a budget bill is vital to understanding the appropriation process. The following questions about appropriations are frequently asked.

What is an appropriation?

"Appropriation" may refer to statutory authorization to spend money. "Appropriation" may also refer to the structure of an appropriation bill. In this usage, "appropriation" refers to the bold type within the numbers sections of appropriations bills.

Appropriation (or Budget) Structure.

Numbers sections of budget bills contain a budget structure for each agency that is broken out by appropriations and allocations.

Appropriation structure (appearing in bold) determines how money can be spent. Funding in one appropriation cannot be used in any other appropriation. In the sample page, the bold words and numbers indicate that the Village Public Safety Officer Program (VPSO), the Alaska Police Standards

Council, and the Council on Domestic Violence and Sexual Assault are appropriations.

Allocations are indented and appear in non-bold type and are sub-units of appropriations. Allocations are expenditure guidelines for a state program; agencies can move money freely between allocations within an appropriation. For instance, funding from the Alaska Bureau of Investigation allocation can be used in the AK Bureau of Alcohol & Drug Enforcement allocation. However, none of this funding could be used in the VPSO Contracts allocation because the VPSO Contracts allocation is in a different appropriation.

	Allocations	Appropriation Items	General Funds	Other Funds
1				
2	4,888,000			
3	Alaska Bureau of			
4	Investigation	2,242,600		
5	AK Bureau of Alcohol & Drug			
6	Enforcement	11,619,300		
7	AK Bureau of Wildlife			
8	Enforcement	2,832,600		
9	Aircraft Section	3,390,200		
10	Marine Enforcement		5,803,100	5,685,400
11	Village Public Safety Officer			117,700
12	Program	5,436,400		
13	VPSO Contracts	366,700		990,000
14	Support		990,000	
15	Alaska Police Standards			
16	Council			
17	The amount appropriated by this appropriation includes up to \$125,000 of the unexpended			
18	and unobligated balance on June 30, 2004, of the receipts collected under AS 12.25.195(c).			
19	AS 12.55.039, AS 28.05.151, and AS 29.25.074 and receipts collected under AS			
20	18.65.220(7).			
21	Alaska Police Standards	990,000		
22	Council		9,599,400	854,000
23	Council on Domestic Violence			8,745,400
24	and Sexual Assault			
25	Notwithstanding AS 43.23.028(b)(2), up to 10% of the amount appropriated by this			
26	appropriation under AS 43.23.028(b)(2) to the Council on Domestic Violence and Sexual			
27	Assault may be used to fund operations and grant administration.			
28	It is the intent of the legislature that the Council on Domestic Violence and Sexual Assault			
29	use all of the federal grant funds awarded to the Council in federal fiscal year 2005 for the			
30	grants and services required of the federal grant awards in state fiscal year 2005 to the			
31	maximum extent allowable by the federal grants.			
32	Council on Domestic	9,399,400		
33	Violence and Sexual Assault			

General Information

14



Beginning in FY05, OMB submitted the Governor's budget with an organizational structure containing "Results Delivery Units" (RDUs) instead of appropriations and "components" instead of allocations. Although the RDUs and components typically align with appropriations and allocations as they appear in the operating bill, the Legislative Finance Division works with a *budget* structure comprised of appropriations and allocations rather than an *organizational* structure comprised of RDUs and components.

Why is appropriation structure important?

The power of appropriation resides in the legislature. However, agencies have substantial flexibility in determining how money is used after it is appropriated. As noted above, agencies can transfer money freely between allocations within an appropriation. They can also use money appropriated to them for any purpose that is consistent with the responsibilities/mission of the allocation/appropriation (unless specifically limited by language in the bill). The point is that the power of appropriation is less specific than many people realize.

Structure can be used to increase the strength of the legislature's hand. Breaking appropriations into smaller pieces reduces agency flexibility. As an extreme example, the legislature may identify a grant as the only item in an appropriation. The agency could not increase the grant by moving other money across appropriation lines, and could not use the grant money for any other purpose. Structure is a way of ensuring that funding desired for one program cannot be used in another. Note, however, that the legislature cannot make an agency spend money for a particular purpose; they can only ensure that the money can't be spent for other purposes.

Why is language inserted into the numbers section of the budget?

In addition to appropriations and allocations, language (commonly called wordage in order to differentiate it from the language sections of the bill) is inserted into the numbers section of the bill. Wordage in an appropriations bill is typically one of two types:

- **Conditional Language**

Conditional language has the force of law and applies to the appropriation or allocation in which the wordage is placed. For instance, in the sample page of the bill, conditional language under the Council on Domestic Violence and Sexual Assault appropriation limits the operations and grant administration costs to 10% of the total funding appropriated.

- **Intent Language**

Intent language is a stated goal of the legislature in enacting legislation and always begins with "It is the intent of the legislature...." Intent does not have the force of law, but it may be used to provide guidance on the use of an appropriation.

Why doesn't the bill show line items?

Line items in a budget indicate how an agency plans to spend appropriated funding (i.e., on personal services, travel, services, commodities, capital outlay, grants and benefits, or miscellaneous line items). Including line items in the bill would make the budget bill look more complicated than it already does. Line item information is provided in reports prepared by LFD. As previously noted, agencies have substantial flexibility in determining how money is used after it is appropriated. In addition to transferring money freely between allocations within an appropriation, agencies can transfer funding between line items. For instance, if an agency's copier breaks and funding in the services line is tight, the agency can move funding from its travel line (or any other line) to its services line to repair the broken copier. For more information on line items please see information on the *Governor's Budget Request Books* in the "Budget Resources" section of this publication.

Why aren't positions included in the budget bill?

Positions are not included in the budget bill for the same reasons that line items are not included. Although the legislature may appropriate funding to an agency with the expectation that the funding will be used for a certain number of positions, the agency has complete control over which (and how many) positions are in the budget. Sometimes legislators target a specific position for elimination without realizing that, if desired, the agency can still retain that position. Position information is provided in reports prepared by LFD.



Appropriation structure can be used to increase the legislature's control over the budget.

Breaking appropriations into smaller pieces reduces agency flexibility.

Operating Budget Process

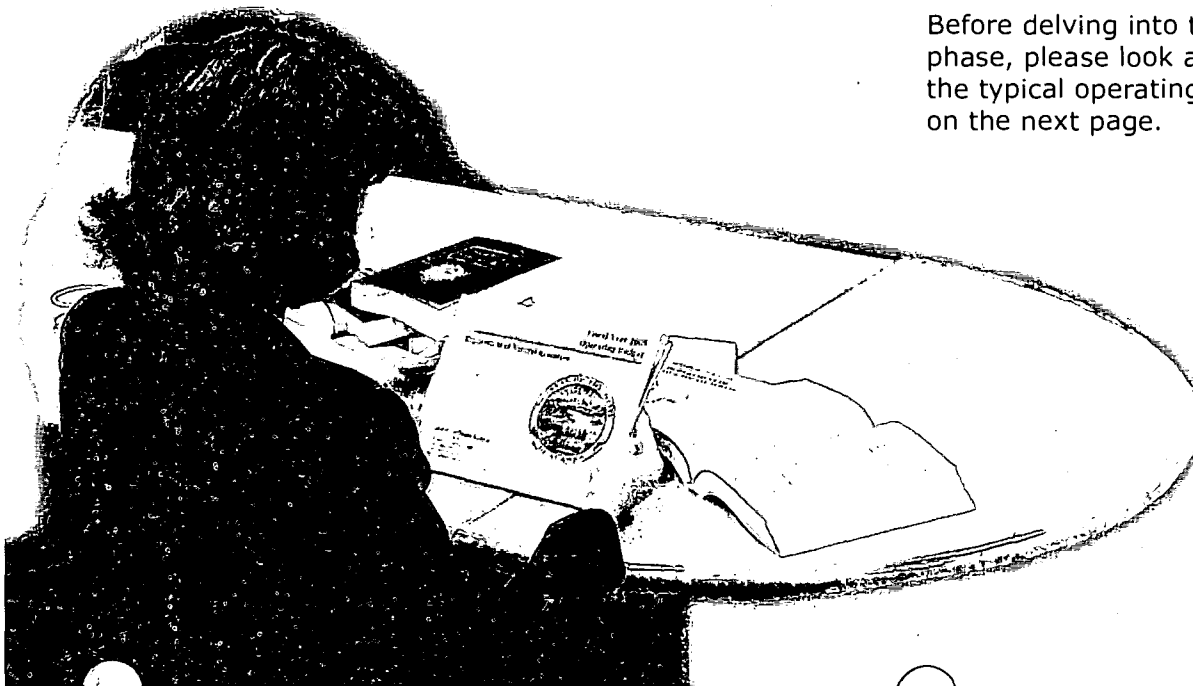
Alaska's budget process is continuous and iterative, involving all levels and branches of government. Those involved in the budget process deal with different references of time - looking backward to gain from experience, implementing and monitoring the current year budget, and planning for future public needs.

Preparation of the operating budget begins long before the legislature convenes. This chapter breaks the

budget preparation process into three distinct phases:

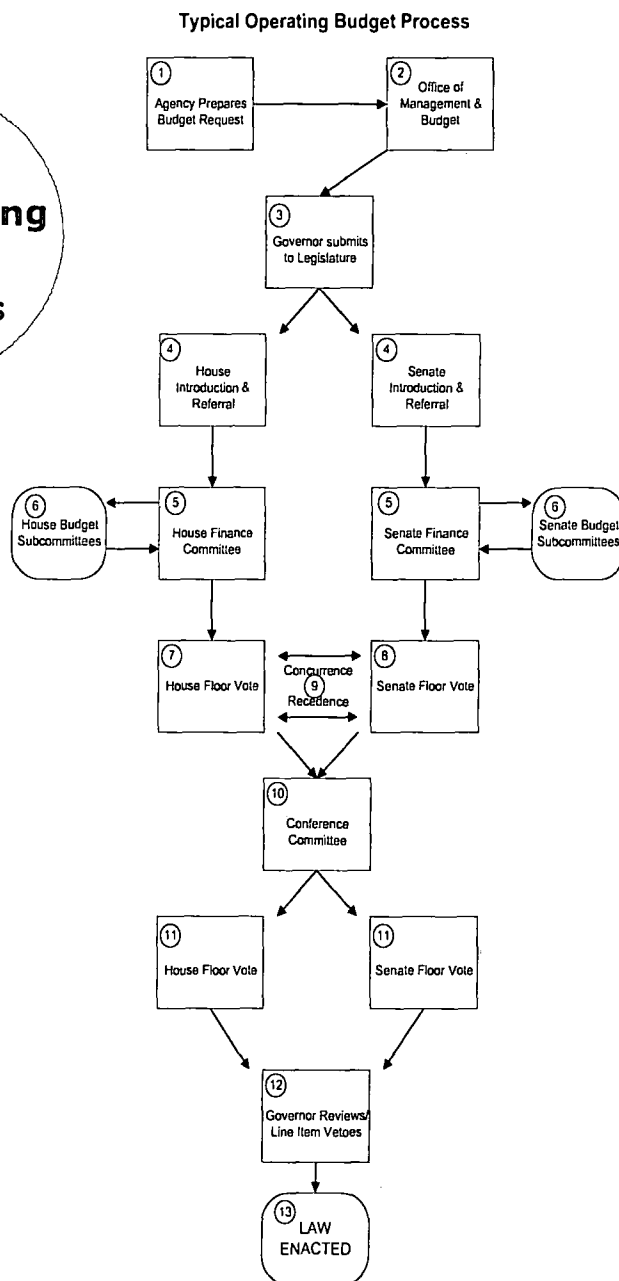
- 1 Pre-Session Activity**
- 2 Session Activity**
- 3 Post-Session Activity**

Before delving into the details of each phase, please look at a diagram of the typical operating budget process on the next page.



By December 15th of each year, the governor must submit the proposed operating, capital, and mental health appropriation bills to the legislature.

Typical Operating Budget Process



① State agencies prepare their budgets during the late summer and fall of each year and submit them to the Governor's Office of Management and Budget (OMB) for review.

② OMB checks agency requests for accuracy and format and prepares recommendations to the Governor.

③ The governor reviews agency requests, sets budget amounts and submits the appropriation bill and budget documents to the legislature by December 15. This has generally been a draft bill with the actual bill referred to the House Rules Committee prior to the State of the Budget Address. The governor may submit budget amendments through the 30th day of the session.

④ The House and Senate Rules Committees introduce companion bills (HB & SB) which receive their first reading and are referred to House and Senate Finance Committees, respectively.

⑤ The House and Senate Finance Committees receive the bills.

⑥ The finance committees appoint subcommittees to work on each department's budget. These subcommittees submit recommendations to the full finance committees. Each finance committee finalizes the budget by department and moves a committee substitute bill out of committee. Though work usually progresses simultaneously, the House typically acts on the bill first, then submits its version to the Senate.

⑦ The bill goes to the floor of the House in second reading and can be amended at this point. The bill is then moved to third reading, voted on, and sent to the Senate.

⑧ The Senate Finance Committee completes its work and sends its own committee substitute to the floor of the Senate, where it can be amended and then voted on.

⑨ The Senate version is sent back to the House for concurrence. Typically, the House does not concur, but asks the Senate to recede from their amendments. The Senate usually does not recede, and a conference committee is appointed.

⑩ ⑪ The Conference Committee works out a compromise version of the budget and sends this version to the House and Senate floors for the final vote. No amendments are allowed to the Conference Committee bills.

⑫ After the bill's approval by both houses, the bill is sent to the governor, who has 20 working days (excluding Sundays) to review the bill and exercise line item veto power, if desired.

⑬ The bill becomes law and is typically effective on the first day of a fiscal year, but most appropriations bills contain sections with other effective dates.

1 Pre-Session Activity

Agency Budget Requests

The budget process begins with agency requests to the Office of Management and Budget (OMB). Departments usually request the funds necessary to continue current program levels (existing staff and support costs, debt service, and formula driven programs), but an agency budget may include new or expanded programs and possibly consolidation, reduction or elimination of existing programs.

Governor's Budget Request

Individual agencies are not in a position to determine how their priorities fit within available state funds. Prior to establishing the Constitutional Budget Reserve Fund (CBRF), agencies requested what they believed they needed to carry out their mandates. It was the role of the governor to prioritize these needs within available funds and to propose a balanced spending plan to the legislative branch. With the creation of the CBRF in 1991, the governor continued to review agency requests, but often relied on withdrawals from the CBRF to balance the budget.

Until the early 1990s, the governor's budget submission included each agency's request. In recent years the governor has submitted the budget without agency requests so that differences between agency requests and the governor's request are no longer obvious.

By December 15th of each year, per AS.37.07.020(a), the governor must submit the proposed operating, capital, and mental health appropriation bills to the legislature. Concurrently, OMB sends the Legislative Finance Division (LFD) the records of changes (in the form of budget transactions) from the prior year budget to the proposed

budget. The operating budget transactions for the mental health bill are included with the other operating budget transactions. By early January the governor releases more detailed budget information on the OMB website, and in a set of books (OMB calls them the *Governor's Budget Summary Books* but they are also referred to as the *Governor's Detailed Budget Books*). For more information on the content of these books, please see the "Budget Resources" section in this publication.

Legislative Finance's Analysis of the Governor's Budget Request

When the budget bills (and transactions showing changes from the prior year) are received from OMB, the LFD staff begins their review and analysis. When the analysis is complete, the Legislative Finance Division publishes:

- The *Governor's Operating Budget Request Books* (also known as the *Subcommittee Books*). These books are the working documents used by the legislature to review the governor's budget. The information in these books is summarized by appropriations and allocations and includes position counts, line items, and dollar figures for the prior year, current year, and the request year.
- The *Legislative Fiscal Analyst Overview of the Governor's Request*. This booklet is a narrative overview of the major changes in each department's budget as well as a general discussion of the governor's budget request. For more information on what these publications contain, please see the "Budget Resources" section in this publication.

Tip

Conducting a Detailed Analysis of the Governor's Budget Request

Talk to staff previously assigned to the budget to become acquainted with past approaches in the analysis and committee decision making process.

Analyze PROGRAMS as well as the FUNDING level. The typical base for funding comparisons is the legislatively approved level (as adjusted within executive branch authority). Generally, this information appears in the previous year's "Management Plan" column.

When reviewing a program's funding, consider the following:

1. Is it consistent with the existing approved level?
2. Does it include expenditures that were originally approved on a nonrecurring basis?
3. Are there existing activities that may be less essential than new programs or expansions?
4. Are there activities that should be eliminated or would be better performed by another agency (state or local)?

When reviewing a requested funding increase due to an **increased workload**, consider the following:

1. Is the projected workload increase self-generated, i.e., are activity levels controllable by the agency or do they truly reflect increased demand by the public or other beneficiaries?
2. Is the proposed volume consistent with workload patterns of recent years and adequately justified?
3. Are the levels of staff, support costs, and facilities accurately related to workload/staffing ratios, economies of scale, and/or seasonal peaks/valleys? The existing capacity to absorb increased workload should be considered first.
4. What is the impact if the increase is not approved?

When reviewing **programs** consider the following:

Program Adjustments:

Was a prior year increment intended for continuation or was it considered a one-time measure to meet an emergency need that is no longer critical?

continued on next page

Operating Budget: Pre-Session

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Tip

Conducting a Detailed Analysis of the Governor's Budget Request continued

New Programs:

1. The appropriateness of the agency to perform the service--is it presently provided by, or should it be provided by, another state agency, local entity or private organization?
2. Are there revenue sources that may be available to defray the costs of implementing the new program, i.e., user fees?

Program Improvements:

1. What is the product or effect?
2. Why is it proposed and what (who) originated the demand?
3. What is the impact on existing programs?
4. What criteria were used to develop staff and support costs? Are they valid?
5. History--was the proposal previously considered and denied? Why?
6. Is the improvement a higher priority than an existing program?
7. Have future costs and benefits been considered?

Reduced or Eliminated Programs:

1. The impact of the services that will be eliminated.
2. Whether an action would increase costs in another program or agency (state or local).
3. Whether statutory changes are necessary.
4. Alternative programs and alternative actions.

If a funding increase is requested for the **operation of new facilities**, consider the following:

1. The status of the capital project--is the capital project already approved or is the request contingent upon a future appropriation? If under construction, what is the latest estimate on when it will come on line?
2. What standards or other verifiable information is available to support the estimated operating costs of the facility?
3. Are offsetting savings available and, if so, are they reflected in the request?

2 Activity During Session

The Alaska Legislature is required by statute (AS 24.05.090) to convene in regular session annually on the third Tuesday in January. The legislature is comprised of 20 senators and 40 representatives. Each body has a finance committee. The House Finance Committee has eleven members. The Senate Finance Committee has seven members. As committees of general fiscal referral, the House and Senate Finance Committees receive all appropriation measures, all revenue measures, and all bills having significant fiscal impact.

Finance Subcommittees

For the purpose of holding budget hearings and developing specific budgetary recommendations, the finance committees have established subcommittees for each agency's budget. The House and Senate Finance Committee co-chairs may set agency targets (normally unrestricted general fund targets) that the subcommittees are expected to meet. House and Senate targets may differ; targets are the prerogative of each co-chair.

Subcommittees are charged with reviewing the governor's request, hearing testimony by agency personnel and other interested parties, and developing budget recommendations to be presented to the full finance committee. At the direction of the operating co-chairs, subcommittees may review only the numbers section (section 1) of the bill. Language sections, most of which deal with statewide issues, are often reviewed and revised by the finance co-chairs.

Tip

Preparing for and Running Effective Subcommittee Meetings

DO NOT DELAY. The earlier you organize your subcommittee schedule, the greater the probability of obtaining preferred meeting times and locations (meeting rooms are at a premium) and of ensuring the availability of appropriate agency personnel. Subcommittee chairs may wish to hold joint sessions with their subcommittee counterpart in the other body, especially early overview sessions.

Please work with your Legislative Finance fiscal analyst when scheduling subcommittee hearings/overviews. Your analyst also serves other House and Senate finance subcommittees; including him or her in the scheduling process will help eliminate conflicting meeting schedules.

If there are issues for which you wish to have a special briefing (e.g., the impact of national health care reform on Alaska health care program or the status of the State's compliance with the federal Clean Air Act requirements) be sure to include those meetings in your scheduling to assure attendance by all involved parties.

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Operating Budget: During Session

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Tip

Preparing for and Running Effective Subcommittee Meetings continued

Before Subcommittee Hearings Begin

1. Meet with your Legislative Finance analyst.

Your analyst can give you a briefing on major agency-specific issues and events from last session, issues anticipated to be brought forward by the agency, and issues that have developed over the interim (e.g., RPL's, and internal reorganizations).

2. Do your homework.

- a. Read relevant portions of the Legislative Finance publication, *Overview of the Governor's Request*.
- b. Read your agency's *Governor's Budget Request Books* (also known as the *Subcommittee Books*), which are generated by Legislative Finance. These publications highlight changes from the previous session's Conference Committee action so you know what changes occurred and why.
- c. Read and understand the *Governor's Budget Summary Books* (also referred to as the *Governor's Detailed Budget Books*).
- d. Look at your agency's websites.

3. Prepare a list of possible questions and have your agency respond to questions prior to (or at) the meeting.

At least three days in advance of each scheduled finance subcommittee meeting, work with your Legislative Finance analyst to prepare a list of possible questions relevant to the program or division staff scheduled to testify. Directing questions to the agency prior to the meeting

enables the agency to obtain answers from the most knowledgeable agency staff, and ensures answers that are more comprehensive and accurate.

4. Working through the Subcommittee Hearings Agency Handouts.

Agencies typically have overview information prepared for distribution to subcommittee members. Insist that your agencies provide your office with copies of what they plan to distribute at the hearing **NO LATER THAN 24 HOURS BEFORE A SUBCOMMITTEE HEARING**. This allows time to distribute the information to all subcommittee members (and your Legislative Finance analyst) in advance of the hearing, giving subcommittee members time to formulate questions.

5. Fiscal Information from Legislative Finance.

Upon receiving the governor's operating budget request, your Legislative Finance analyst will prepare a report tracking all changes from the final conference committee action last session. Work with your Legislative Finance analyst so that you know what changes occurred and why.

6. Subcommittee Reports, Narrative, and Draft Bill Subcommittee Narrative.

Along with a standard set of reports prepared by Legislative Finance, the subcommittee chair submits a narrative describing the subcommittee's budget recommendations to the full finance committee. *Prior to submitting the narrative to the co-chair, it is helpful to have your Legislative Finance fiscal analyst proof it to make sure the narrative is consistent with subcommittee actions as reported by LFD.*

Subcommittee Reports, Narrative, and a Draft Bill for the Full Finance Committee

Standard Subcommittee Reports.

In general, the finance committee co-chairs require "standard" subcommittee reports prepared by LFD staff along with a narrative prepared by committee staff. Beginning with the FY11 budget process, co-chairs also require a "Budget Action" spreadsheet (or "BA Sheet"). The LFD reports are the official subcommittee reports; the BA Sheets provide the Finance co-chairs with a summary of subcommittee action in an Excel template. Standard reports ensure:

1. Consistent and accurate presentation of subcommittee actions;
2. Smooth transition to full committee action; and
3. Improved access (via web posting).

The standard subcommittee reports include:

- Budget Action (BA) Sheet—includes all transactions requested by the governor and independent subcommittee additions and/or deletions. This spreadsheet automatically highlights governor's transactions that differ from subcommittee action;
- Agency Totals—highlights "big picture" changes in funding, positions, and line items;
- Allocation Summary (unrestricted general funds only)—at the appropriation/allocation level, this report highlights changes in general funds;
- Allocation Summary (all funds)—at the appropriation/allocation level, this report highlights funding changes of all funds;
- Transaction Comparison—lists the individual transactions generating the funding/position changes from one stage of the budget to the next; and

- Wordage Report—Language that is inserted in the numbers section of the operating budget bill. Wordage in an appropriations bill is typically conditional or intent language.

Subcommittee Recommendations Narrative.

Along with the standard reports, the subcommittee chair submits a narrative describing the subcommittee's budget recommendations to the full finance committee. Prior to submitting the narrative to the co-chair, it is helpful to have your Legislative Finance fiscal analyst proof it to make sure the narrative is consistent with subcommittee actions as reported by LFD.

Subcommittee Draft Bill.

The LFD drafts a bill incorporating the subcommittees' recommendations and the co-chairs' language recommendations, which the full finance committee typically adopts as a working draft.

Finance Committee Closeout Procedures

After the subcommittees' substitute bill is submitted to the full finance committee, public testimony is heard and the finance committee members prepare amendments. **Using the amendment template on LFD's web site**, both majority and minority finance committee members submit amendments to the finance committee co-chair **prior** to the full finance committee meeting. The co-chair organizes the amendments and reviews each amendment with the following in mind:

- Are there duplicate or overlapping amendments? If several members have prepared similar amendments and more than one of these amendments pass, the appropriation may receive more (or less) funding than intended. The co-chair will work with members to decide which amendment(s) should be included in the packet.

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Tip

Please take a careful look at the bill and, if an amendment is desired, find a finance committee member to submit the amendment. Finance committee amendments may be submitted only by a finance committee member. (An amendment template may be obtained from the LFD web site).

- Does the amendment contain an accurate appropriation reference? Information on appropriation/allocation structure is vital to determining where funding should be placed.
- Is the funding source workable? Amendments competing for a limited funding source are common. Care must be taken that approving these amendments does not overappropriate the funding source. Similarly, proposed decrements cannot remove funding that is not in the bill (i.e., remove a funding source that isn't appropriated or remove more funding than the amount appropriated by the draft bill).

See the tip in the box on the left. The adopted amendments are incorporated into a committee substitute bill, which is then sent to the floor for additional amendments and a final vote.

Conference Committee Process

The House and Senate work independently, therefore, differences in the bills they produce are inevitable. A conference committee is appointed to reconcile differences between the House and Senate versions of the operating budget bills. Unlike conference committees for many other bills where an actual comparison between the hard copies of the two versions of the bills occur, the conference committee for

the operating and mental health budget actually compare differences in *budget transactions* between the house and senate versions of the bills.

Packet to be sent to the Senate President and the Speaker of the House.

After the conference committee has been appointed, LFD prepares a packet for the conference committee to send to the Senate President and the Speaker of the House. The packet includes a letter to the Senate President and the Speaker of the House requesting, for specified bills, limited powers of free conference for specific points that are included in the following reports:

1. Allocations with items subject to conference;
2. Language sections of the bill that are subject to conference;
3. Structural changes subject to conference;
4. The Mental Health bill's capital projects subject to conference;
5. Uniform Rule 42. The conference committee process is conducted under Uniform Rule 42. (*Uniform Rule 42 can be found under the "APPROPRIATION LAW and UNIFORM RULE 42" section in this publication.*)

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Conference Committee Motion Sheets.

Legislative Finance prepares "motion sheets" to clarify items subject to conference (see example below). These sheets show, by transaction, all conferenceable items in each agency's budget, and statewide items (such as debt service and special appropriations). After the conferees have received them, the motion sheets are available on the LFD website.

HSS

Conference Committee Motion Sheet
FY17 Operating and Mental Health Bills

Indicates language
Indicates structure change

Department of Health and Social Services

H or S

Number	Appropriation	Allocation	Description	House Change	Fund Code	Fund Source	Position Change	Senate Change	Fund Code	Fund Source	Position Change	Notes	Version Adopted
TOTAL				(5,892.2)			4	(15,264.8)			(2)		
1	Behavioral Health	Behavioral Health Treatment and Recovery Grants	Dec: Reduce funding for BH Treatment & Recovery Grants	(1,010.0)	1007	GF/AM						The House also approved a \$30 million multi-year (FY16-FY18) supplemental appropriation for a Pilot Program to Develop Additional Substance Use Disorder Services as part of an existing substance abuse programs (continuum of care). See item 1 in Supplementals.	H or S
2	Children's Services	Foster Care Base Rate	FndEng: Replace UGF with Federal Rpts to reflect savings from separating foster care licensing from residential care licensing					3,325.5 (2,778.5)	1002 1004	Fed Rpts Gen Fund		The Senate fund change reflects an increase in federal Title IV-E funding that can be collected by changing regulations to increase the number of fully licensed foster care homes.	H or S H or S
3	Juvenile Justice	House: Home Youth Facility Senate: Unallocated Reduction/Addition	House Funds Home Youth Facility as in OCTI. Senate option creates unallocated reduction in DJJ with intent language that one of the facilities be closed.	(1,850.5)	1004	Gen Fund	(12)	(1,510.0)	1004	Gen Fund		House funds the Home Youth Facility as in OCTI. Senate creates an unallocated reduction in DJJ with intent language that one of the facilities be closed. Senate items 3, 4 and 5 are related.	H or S H or S
4	Juvenile Justice	Home Youth Facility	Allocation Legislative Intent House: It is the intent of the legislature that the Division of Juvenile Justice collaborate with the community of Home and with tribal and public health organizations to transition the Home Youth Facility from state to local ownership, and to deliver to the Legislature by January 17, 2017, a plan for utilizing the facility to better meet regional needs for youth correctional, health and rehabilitative services. Senate: None									Senate items 3, 4 and 5 are related.	H or S

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Tip

Conference committee members attempt to reach an agreement on motions prior to the meetings. Public discussion is limited and testimony is unusual. Please take a careful look at the motion sheets for the agencies or issues you may be following and speak to your conferees if you have concerns. Conference committee is often the final opportunity to make operating budget changes.

Operating Budget: During Session

Fiscal Notes.

The conference committee also decides which fiscal notes will be attached to the operating budget. If a fiscal note is not attached to an appropriation bill, the fiscal note's funding is NOT appropriated. (*More details on fiscal notes are included in the "Fiscal Notes" section below.*)

After conference committee differences are resolved.

After the conference committee has resolved the differences (and made fiscal note decisions), the conference committee's substitute bills are sent to both floors for a vote and then transmitted to the governor. Conference Committee bills cannot be amended on the floor.

Governor Signs the Operating Budget Bill

If an appropriation bill is transmitted to the governor after session, Article II, Section 17 of Alaska's Constitution states that the governor has 20 working days (excluding Sundays) to review the bill and exercise line item veto power (if desired). The bill becomes law and is typically effective with the beginning of the fiscal year on July 1; however, most appropriation bills also have sections with other effective dates.

Accessing the Constitutional Budget Reserve Fund (CBRF)

Depending on oil prices, a draw from the CBRF to balance the budget may be required. Appropriations from the CBRF have typically occurred in the capital budget because it is usually the last appropriation bill to pass. Article IX, Section 17 of Alaska's Constitution establishes a Budget Reserve Fund and subsections (b) & (c) outline procedures for appropriating money from the fund. The two ways appropriations from the CBRF can occur are as follows:

Simple majority vote.

Subsection (b) allows appropriations from the CBRF with a simple majority vote of the legislature, but only under two conditions:

1. The amount *available for appropriation* must be less than the *amount appropriated* for the prior year; and
2. The amount appropriated from the CBRF must not allow total appropriations to exceed the total amount appropriated for the prior year.

A $\frac{3}{4}$ vote of the legislature.

Subsection (c) allows unlimited appropriations from the CBRF with a $\frac{3}{4}$ vote of the legislature. Until fiscal year 2004, each annual budget (for the last decade) included a $\frac{3}{4}$ vote because the requirements of subsection (b) had never been met.

After the legislature passes the budget (with the CBRF vote), the legislature transmits the bill to the Governor's Office for the governor's signature.

Fiscal Notes

This section consists of answers to questions the Legislative Finance Division (LFD) is most frequently asked about fiscal notes.

What bills need fiscal notes?

Fiscal notes are attached to *all* non-appropriation bills to show the financial impact of the legislation on an agency. Many bills have fiscal notes that show no fiscal impact (i.e., a zero fiscal note). A fiscal note can go through multiple versions as a bill progresses and changes.

Who prepares fiscal notes?

Fiscal notes are typically prepared by each agency affected by the bill. The Governor's Office forwards them to the Legislative Finance Division, the Office of Budget and Management (OMB), the member sponsoring the legislation and the requester of the fiscal note. Occasionally the sponsor of a bill will prepare a fiscal note or a committee will revise a fiscal note.

The latest fiscal note instructions can be found on the LFD website at www.legfin.akleg.gov under the Fiscal Note dropdown.

Where do I get copies of fiscal notes?

Copies of fiscal notes that have passed out of committee may be found in the Bill Action and Status Inquiry Software Section (BASIS) on the Alaska State Legislature's website or the Legislative Finance Division's website at www.legfin.akleg.gov. Both websites provide the current status of a fiscal note.

What does the Legislative Finance fiscal note system provide that BASIS does not?

The most important enhancement is the ability to run reports. A user can select a particular set of bills (by time period, body of origin, sponsoring committee, or agency affected). There is an option to suppress zero fiscal notes and the user can limit the report to bills passed out of (or currently in) a particular committee. The shortest—and perhaps most useful—reports are those on a single bill.

All reports show the chronology of each fiscal note's passage through the legislative process; they show how and why a note was revised, and active notes are easy to identify because they are always at the end of the list.

The reports offer a summary of fiscal note appropriations for the upcoming fiscal year. In any report, the user can pull up a copy of the actual fiscal note by clicking the version letter of the associated bill.

Because one of Legislative Finance's primary functions is to track bills with fiscal impact moving in and out of the Finance Committees, fiscal notes on the Legislative Finance Division's website will include a stamp reflecting passage out of a Finance Committee.

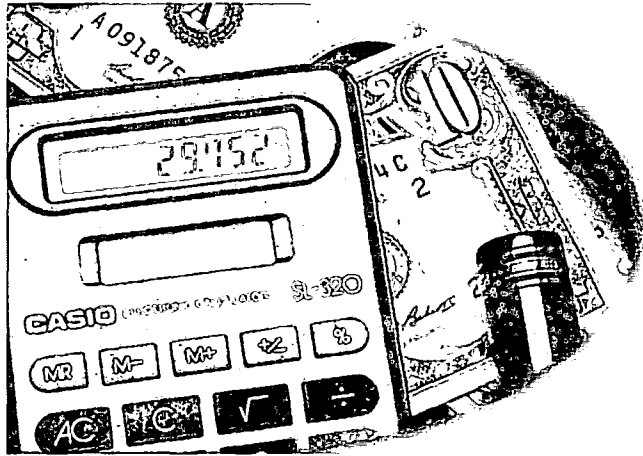
What information is included in fiscal notes?

According to AS 24.08.035(c), a fiscal note for a bill or resolution must contain the following information:

- (1) the fiscal impact on existing programs;
- (2) the fiscal impact of new programs or activities;
- (3) a line item detail of the fiscal impact;
- (4) the source of funds expected to be utilized by general fund source, federal fund source, or other identified source;
- (5) the number of new positions that may be required, identified as full-time, part-time, or temporary;

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Fiscal notes do not appropriate funding--they are only estimates of the fiscal impact of the bill.

The amounts requested in a fiscal note should receive the same level of scrutiny given to other budget increments.

- (6) an analysis of how the figures in the fiscal note were derived;
- (7) additional information necessary to explain the fiscal note;
- (8) a fiscal impact projection for the current fiscal year and for the succeeding five fiscal years; and
- (9) formal information consisting of

- (A) the bill or resolution number,
- (B) the name of the prime sponsors,
- (C) the date the fiscal note was prepared,
- (D) the name of the committee requesting the fiscal note,
- (E) the name and phone number of the person who prepared the fiscal note, and
- (F) the budget request unit, program, or subprogram affected.

What if I question the assumptions of the fiscal note(s)?

Fiscal notes contain the agency's *estimates* of the bill's costs and should be carefully analyzed. Please read OMB's fiscal note instructions (located on the LFD website), then go through the questions included in the sidebar, "Tips for Conducting a Detailed Analysis of the Governor's Budget Request," located in the "Pre-Session Activity" section of this publication.

Questions may be directed to the agency contact responsible for preparing the fiscal note and/or you may request that a Legislative Finance analyst review the fiscal note(s) to determine the validity of estimated costs, new position requirements, fund sources, and five-year projections.

Tip

To obtain a copy of the latest fiscal note *passed out of committee* go to BASIS or to the Legislative Finance website at:

www.legfin.akleg.gov

To obtain a copy of the latest fiscal note for a bill *still in committee*, please contact the chair of that committee.

Why do some bills have multiple fiscal notes?

Bills may have multiple fiscal notes for the following reasons:

- *More than one agency is affected by the bill.* Because fiscal notes are prepared by each agency affected by the bill, a bill that affects more than one agency will have a fiscal note prepared by each of those agencies.
- *More than one appropriation or allocation within the agency is affected.* A separate fiscal note is prepared for each allocation affected by a bill.
- *A bill revision changes the estimated cost of the bill.* Fiscal notes are revised each time a bill is revised in a manner that affects costs.
- *Fiscal note assumptions are questioned or updated.* Even if a bill is unchanged, a committee member (or agency) may change a fiscal note to reflect costs in keeping with updated information.

Please be careful to obtain the latest version(s) of fiscal note(s).

What happens to fiscal notes?

Once a bill has been read across the floor, the Senate Secretary's or Chief Clerk's offices enter the fiscal information into the BASIS system. This occurs when a bill is being referred to a committee or is being reported from a committee.

The House and Senate Finance Committees provide the Legislative Finance Division with final versions of fiscal notes accompanying legislation reported out of their respective committees. These fiscal notes are then used by the conference committee to develop a listing of new legislation and to appropriate funds for implementation of new legislation.

For information on how changes can be made to fiscal notes, please see the answer to the question: "Why do some bills have multiple fiscal notes?" on the previous page.

When do fiscal notes have to be delivered?

Unless otherwise requested, the deadline for delivery of a fiscal note to the legislative committee is within three days of the request.

Are funds appropriated through fiscal notes?

No. Fiscal notes do not appropriate funding--they are only estimates of the fiscal impact of the bill. The following must occur for a fiscal note appropriation to be valid: (1) the bill is enacted; and (2) the fiscal note attached to an enacted appropriations bill survives the governor's line item veto.

Once a bill has passed the legislature, what happens?

When a bill or resolution has passed it doesn't automatically go to the governor for signature. First it has to go through an enrolling process at Legal Services. After the bill has been enrolled, the Senate Secretary and Chief Clerk coordinate sending bills to the President and Speaker for signature. Once they have been signed, and upon direction of Senate and House leadership, the bill is sent to the governor for action.

What if the Governor doesn't sign a bill?

While the legislature is in session, a bill becomes law if the governor neither signs nor vetoes it within fifteen days, Sundays excepted, after it's delivered to him. If the legislature is not in session, a bill becomes law if the governor neither signs nor vetoes a bill within twenty days, Sundays excepted, after it's delivered to him.

3 Post-Session Activity

Interim Publications

After the governor has signed all appropriation bills (and bills with relevant fiscal notes), the Legislative Finance Division generates several publications documenting the appropriation actions that occurred during the past session. These publications include the *Conference Committee Books (CC Books)*, *Summary of Appropriations*, and the *House District Reports*.

For more detail on information included in these publications, please see the "Budget Resources" section of this publication.

Revised Program Legislative (RPLs) Process

A Revised Program Legislative (RPL) is a type of budget revision that is subject to legislative review. That review occurs under AS 37.07.080(h), which states that an agency request for an increase in an appropriation item must be submitted through the Office of Management and Budget (OMB) to the Legislative Budget and Audit (LB&A) Committee for review.

An RPL can provide authority to receive and expend *additional* receipts, but cannot create a new appropriation. Creating a new appropriation would improperly delegate the legislature's power of appropriation to a committee [See Legal Services memorandum

21-LS0121 (November 5, 1998) on this subject].

In order to avoid the improper delegation of authority, both operating and capital budget bills typically include a non-specific appropriation of several types of receipts that "exceed the amounts appropriated in this Act" conditioned on compliance with review by the Legislative Budget and Audit Committee.

The review process offers an opportunity to delay, but not stop, the expenditure of money. If the LB&A Committee either fails to approve an RPL or fails to discuss an RPL, the Governor may notify the legislature that the agency intends to spend the receipts despite lack of approval by the LB&A Committee. Expenditure can commence 45 days after submitting an RPL to the LB&A Committee (assuming the requested additional receipts were validly appropriated by the full legislature). Also note that the additional receipts associated with an RPL are subject to the same lapse dates and other restrictions as the underlying appropriation.

Committee approval of an RPL merely allows immediate expenditure of additional receipts that were non-specifically appropriated by the full legislature.

Note that spending money not appropriated by the full legislature, even with Committee approval, would violate the Constitutional prohibition of withdrawing money from the treasury without a valid appropriation.

After the governor has signed all appropriation bills (and bills with relevant fiscal notes), the Legislative Finance Division generates several publications documenting the appropriation actions that occurred during

Statutes for Revised Program Legislative (RPL)

Sec. 37.07.080. Program execution.



A Revised Program Legislative (RPL) is a type of budget revision requiring legislative involvement because it supplements a specific appropriation made by the full legislature.

As a practical matter, the “45-day rule” is rarely used. Typically, an RPL that appears unlikely to receive Committee approval is withdrawn prior to the scheduled Committee vote.

LFD RPL Analyses

About two weeks before each LB&A meeting, OMB delivers to LFD each RPL they wish to see placed on the agenda, with accompanying back-up.

The roles of the Legislative Finance Division in this process include:

- Analyzing RPLs. Analyses and recommendations are inserted in the RPL document. Clarifications, differences with contentions in the agency request, and a summary of issues may be included;
- Distributing the RPLs and the LFD analysis to the LB&A Committee; and
- Preparing RPL discussion items for LB&A Committee meetings.

(h) The increase of an appropriation item based on additional federal or other program receipts not specifically appropriated by the full legislature may be expended in accordance with the following procedures:

- (1) the governor shall submit a revised program to the Legislative Budget and Audit Committee for review;
- (2) 45 days shall elapse before commencement of expenditures under the revised program unless the Legislative Budget and Audit Committee earlier recommends that the state take part in the federally or otherwise funded activity;
- (3) should the Legislative Budget and Audit Committee recommend within the 45-day period that the state not initiate the additional activity, the governor shall again review the revised program and if the governor determines to authorize the expenditure, the governor shall provide the Legislative Budget and Audit Committee with a statement of the governor’s reasons before commencement of expenditures under the revised program.

Capital Budget

By statute, the governor is required to develop and recommend to the legislature a six-year capital improvement program. An appropriation bill covering year one of the ongoing plan (the upcoming fiscal year) must be submitted to the legislature on the 15th day of December, just prior to each regular legislative session. The legislature reviews the proposed capital improvement program and current year appropriation bill and makes decisions necessary to support state services.

What is typically included in a capital appropriations bill?

Typical capital projects may include the following:

- New infrastructure construction
- Capital improvements to existing infrastructure
- Infrastructure maintenance/deferred maintenance
- Information technology upgrades
- Major equipment purchases
- Materials stockpiling
- State equipment fleet replacement
- Trail/parks construction and maintenance
- Land purchases
- Grants to Municipalities, Communities and Organizations

Are there recurring agency programs/requests?

There are several ongoing capital programs within state agencies that require expenditure authority on an annual basis. These programs are often the result of recurring federal funding. Examples include the following:

- Department of Environmental Conservation
 - Water and Wastewater Infrastructure projects
- Department of Transportation and Public Facilities
 - Airport Improvement Program
 - Surface Transportation Program
- Alaska Housing Finance Corporation
 - Supplemental Housing Development Program
 - Low Income Weatherization
 - Senior Citizens Housing Development Program

Also, the Department of Education and Early Development (DEED) typically submits requests for new school construction and school maintenance. DEED maintains a prioritized needs list for rural school construction and maintenance/ renovation.¹ The backlog is substantial and gets attention regularly.

What is a capital appropriation?

As defined by AS 37.07.120(4), "...an allocation or appropriation item for an asset with an anticipated life exceeding one year and cost exceeding \$25,000 and includes land acquisition, construction, structural improvement, engineering and design for the project and equipment and repair costs."

Additional rules used to identify "capital" items by Legislative Finance include 1) Grants to communities or organizations; the funding is typically administered by the state, but is not used for "operating" state agencies. 2) Special contractual studies - studies or research of a temporary nature by non-state personnel; these studies could take multiple years and technically produce an asset at a cost exceeding \$25,000. Studies performed by state employees may be added to the operating budget as "IncOTI's". 3) Does the project pertain to the operations of the agency? For example, law enforcement training or patrol improvement funding in Public Safety may be more appropriately added to the operating budget. The funding is ongoing and pertinent to the mission of the agency.

What is CAPSIS?

CAPSIS is the Legislative Finance **Capital Project Submission and Information System**. Created in 2007, and under continuous refinement, this internet based user interface allows each legislative office to input their capital project priorities for submission to the co-chair's office. In-depth information for each project is captured in a digital format that can be retained in perpetuity and readily located by Legislative Finance. The information is available to the public on the internet and is transmitted to OMB for post-session veto analysis.

Why is capital project backup information necessary?

Backup information is a critical ingredient to a complete capital bill. All legislative additions require backup materials. This backup is utilized by the co-chair's office to ascertain the merit of each project and determine how it can fit into the overall appropriation level. The information is also utilized by the Governor's Office in their veto analysis. Furthermore, the back-up provides critical information for the Department of Commerce, Community and Economic Development to administer grants.

All project back-up is kept on file by Legislative Finance and is available on the LFD website to the public. Backup materials document the need for funding and include any pertinent information and correspondence that may be useful in the

future for determining the purpose of the appropriation and whether or not the funds were spent as intended by the legislature.

How does the committee substitute bill get amended?

One or several full finance committee meetings can be scheduled to amend the committee substitute bill. Formal amendments to the bill can be offered in these meetings. Legislative Finance and Legislative Legal Services are available to assist in the development of amendments (*see the sidebar to the right*).

What happens to the bill after it is passed from the finance committee?

After the bill is amended in the full finance committee, the bill is passed to the rules committee for scheduling on the body's floor. On the floor, the amendment process can be repeated if desired or necessary.

After the bill passes a particular body, it is passed to the other body where the process is repeated.

What about re-appropriations?

The unwritten rule with regard to capital projects in any particular legislator's district is "hands off my money." In other words, it is customary to re-appropriate any remaining funding from a completed capital project back to the district it resided in originally. This is not required by law, but helps maintain civility.

Tip

Any legislator wishing to modify the bill needs to contact the co-chair responsible for the bill. It might also prove beneficial to approach the co-chair regarding any amendments that may be offered in a finance committee meeting.

Amendments

It is recommended that Legislative Finance review proposed amendments for accuracy. This avoids technical problems that may need to be addressed later. Legislative Finance prefers to have "numbers section" amendments follow the template that can be found on our website at the following address:

<http://www.legfin.akleg.gov/>

Using the template helps prevent errant action and provides the details necessary for Legislative Finance to perform its duties and answer future questions.



When do capital appropriations lapse?

A typical capital bill includes a provision stating that capital projects lapse under AS 37.25.020 unless otherwise stated. This provision states that an appropriation is valid for the life of the project and that the unexpended balance shall be carried forward to subsequent fiscal years **IF** substantial and ongoing work has begun within five years of the appropriation effective date.

This lapse provision was modified during the 2014 legislative session via HB 306 (Ch 61, SLA 14). Previously, the latter part of the provision requiring "substantial and ongoing work" wasn't included. Allowing for capital projects to remain effective for the "life of the project", with no further qualifiers, left much subjectivity into the interpretation of when a project should lapse. The intent of the lapse revision was to make it clear that projects only remain effective if substantial work has begun within five years, and if that work remains ongoing. No longer would agencies be allowed to sit on capital money with the intent of some day building out a project.

The revision to the lapse provision was modeled after AS 37.05.315(b), the lapse provision for Grants to Municipalities. In a similar manner, the revision was applied to the lapse provision for Grants to Named Recipients (AS 37.05.316) and Grants to Unincorporated Communities (AS 37.05.317).

Other typical requests include deferred maintenance on state facilities. Most agencies request some amount of funding for this purpose.

Which supporting staff is responsible for the individual sections of the bill?

The capital bill contains two primary sections with two different responsible supporting staff groups. Legislative Finance is responsible for drafting what is referred to as the "numbers sections" of the bill. Legislative Legal Services is responsible for drafting what is referred to as the "language sections." These are the individual descriptive appropriations in the back of the bill (following the numbers sections).

Although Legislative Finance does not draft the "language sections," it tracks the amounts and types of funding contained in those sections. In addition, effective dates and lapse dates are monitored.

Effective dates play an integral part in determining whether an appropriation is considered a supplemental appropriation or upcoming fiscal year appropriation.

What is the process for developing the capital bill?

After the governor makes a recommendation to the legislature, identical capital bills are referred

to the finance committees of both bodies. Both bodies typically work simultaneously on their own bills with varying degrees of cooperation. There are generally fewer public meetings than on the operating bills, and formal action often occurs late in the session. It is customary for one co-chair of each body's finance committee to oversee review and modification of the capital bill. Often, the co-chair will have full committee meetings reviewing each project in the governor's bill. Subcommittees have been formed in the past to further explore topics, but it is not common.

After review by the full committee, the co-chair's staff works with committee members, other legislators, Legislative Finance and Legislative Legal Services to complete a committee substitute bill.

How do I get capital projects in the bill?

As the co-chair's office develops a committee substitute bill, each legislative office is requested to submit their capital project priorities by a certain deadline. Numerous factors affect whether funding is allocated for individual legislator priorities. However, to make sure your priorities are considered, submit detailed capital project back-up information in a timely manner via the Legislative Finance Capital Project Submission and Information System (CAPSIS).

How do I find out about capital project funding available for re-appropriation?

Grantees typically contact their respective legislator for action when funding is available. However, the Department of Commerce, Community & Economic Development (DCCED) customarily notifies grantees of pending lapsing funding. This is done as a courtesy by the agency, but also serves as a mechanism to monitor and maintain grant records. Furthermore, a letter is typically sent to each legislative office notifying them of potentially lapsing funding in their districts.

What happens when my district receives a legislative grant?

A typical capital appropriation bill will contain numerous legislative grants to various municipalities, boroughs, unincorporated communities and named recipients. After the bill is enacted into law, DCCED will notify grantees of the availability of the grant. The grantees must execute an agreement with DCCED stating that they will spend the grant for the purposes specified in the appropriation. Additionally, a completion date is set in the agreement. This is not a statutory lapse date for the funding, but a date agreed upon for project completion. This date can be extended indefinitely as long as the appropriation has a typical lapse date under AS 37.25.020 (see side bar on page 34).

How does Legislative Finance assign a House District (HD) to each project?

The house districts assigned to capital project appropriations are for informational purposes and have no binding legal significance. However, the HD assignments allow – to the best of our ability – a geographical comparison of an appropriated funding. The House District Summary Report provides this information.

Given that many capital projects have an impact on more than one house district, Legislative Finance may assign them to “areawide” districts. Additionally, “regional” districts may be used. These would be used for projects affecting an entire region of the state. A primary example lies in appropriations for the Alaska Marine Highway System. A new fast-ferry serving Southeast Alaska, would receive a “Southeast Region” district assignment.

Legislative Finance tries to assign each project to a particular area-wide/regional district that is most appropriate. Additionally, many legislators like to see a break-out of what projects reside in their districts, regardless of the impact they have regionally. Therefore, as of FY2005, Legislative Finance is recording a house district on an exact geographic basis and an areawide basis. If an

exact district cannot be assigned, an areawide district will apply to both. (See areawide and regional districts sidebar on following page.)

What is the appropriation structure?

Appropriations create statutory restrictions on the movement of money. Money cannot be moved between appropriations. Allocations, however, allow for flexibility in how funding can be utilized. An appropriation can have any number of allocations. Movement of funding between allocations is generally restricted in accordance with AS 37.07.080(e) which requires approval from the commissioner of an agency.

The capital bill can be developed very stringently, with many appropriations and few allocations, or conversely with many allocations and few appropriations. Usually, some sort of compromise structure is used. This provides the administration the flexibility to operate efficiently while maintaining appropriation restrictions where necessary. (See the program flexibility sidebar on the following page.)

What resources are available for developing the capital bill?

- 1. Legislative Finance Division.** Fiscal Analysts are available with expertise in all areas of the state budget. One particular analyst is responsible for coordinating analysis and development of the capital bill.
- 2. Legislative Finance Website.** The LFD website contains links to the most up-to-date capital budget information. Current and historical reports can be found summarizing or detailing items throughout the iterations of the capital bill. Additionally, individual project titles can be queried and project back-up can be accessed by **CLICKING ON ANY PROJECT TITLE** found in any report. Links to amendment forms and CAPSIS are also available.
- 3. Database reports.** Legislative Finance can generate custom reports that may not be found on the LFD website.
- 4. Governor's Project Detail.** As required by statute, the Office of Management and Budget prepares back-up documents detailing information about each capital project in the governor's capital bill. This back-up is available through OMB, Legislative Finance or the House and Senate Finance Committees.
- 5. Prior Year Backup.** Legislative Finance retains copies of prior year capital project backup information. With the development of CAPSIS, that back-up is readily available and more informative than ever.
- 6. IRIS and ALDER.** The Integrated Resource Information System (IRIS) and the ALaska Data Enterprise Reporting system (ALDER) can provide up-to-date information on historical capital appropriations. Legislative Finance, Legislative Audit, OMB and agency budget staff can access these systems.
- 7. Summary of Appropriations.** This document contains all appropriation bills passed during a specific session along with various budget reports.
- 8. House District Book.** This published document contains capital appropriations and capital re-appropriations sorted by house district.



Areawide & Regional Districts

Areawide and Regional Districts were created to summarize projects on the basis of the impact they have on a community. For example, road improvements made in House District 32, although geographically located in that particular district, have an impact on the entire community of Juneau. Similarly, many projects impact entire regions or the state in its entirety.

Program Flexibility

Often, a particular program in an agency will receive one appropriation for the program and numerous allocations within. This tends to occur in programs using primarily federal funding. Examples include DOT&PF's Airport Improvement Program and Surface Transportation Programs. Both of these are large, federally-funded programs with many dynamic factors that require program flexibility.

The Legislative Finance Division employs Fiscal Analysts with expertise in all areas of the state budget, including the capital budget.

What statutes govern the capital bill?

A. **Responsibilities of the Governor**

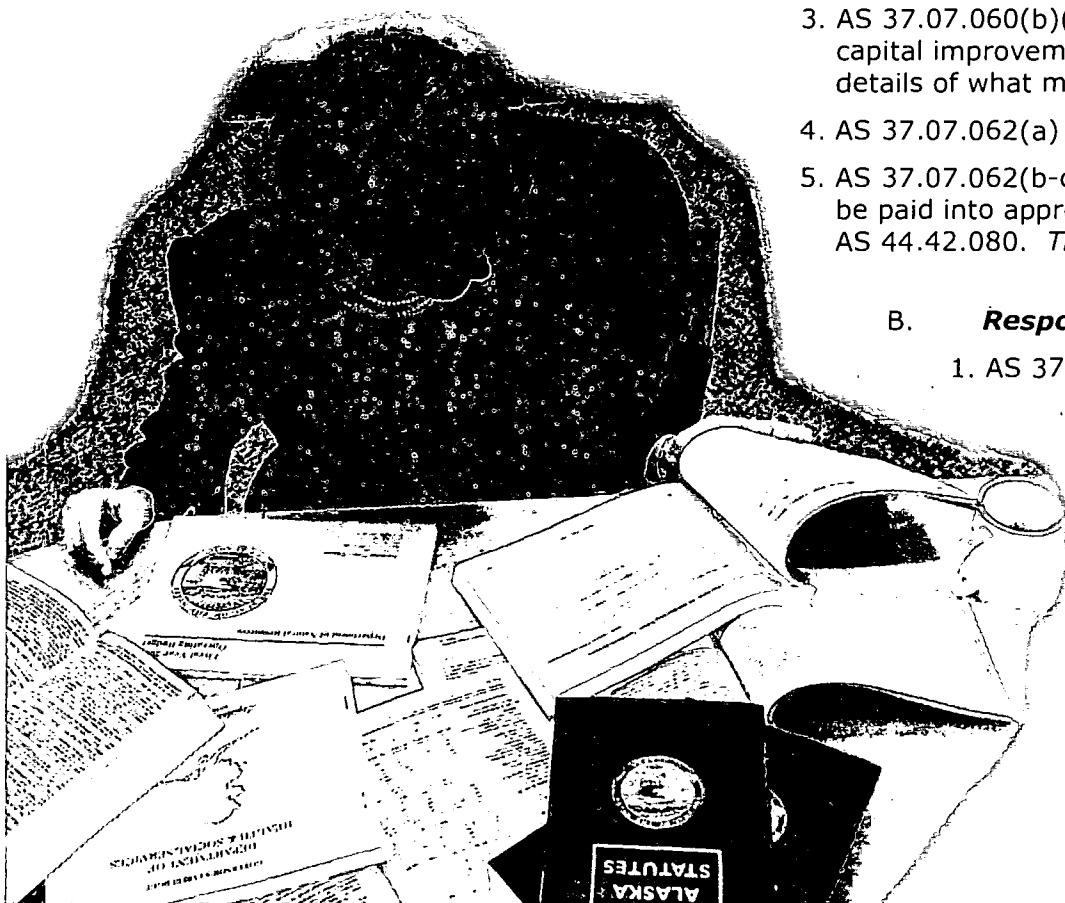
1. AS 37.07.020(a)(3) – appropriation bill for capital projects other than those in the comprehensive mental health program
2. AS 37.07.020(b) – capital improvements program covering the succeeding six fiscal years
3. AS 37.07.060(b)(3)(A-H) – recommendation to legislature for capital improvement program for succeeding six fiscal years with details of what must be included
4. AS 37.07.062(a) – project back-up information details
5. AS 37.07.062(b-c) – amounts appropriated for capital outlay shall be paid into appropriate capital project funds established under AS 44.42.080. *This appears to be obsolete. This does not occur.*

B. **Responsibilities of the Legislature**

1. AS 37.07.070 – Legislative Review

End Note

1. The majority of urban area school construction and maintenance funding is provided via a municipal debt reimbursement program (school debt reimbursement) that is addressed in the operating budget.



Supplemental Budget

*Two factors determine if an appropriation is a supplemental. One is that the **effective** date must be in the **current** fiscal year. Second is the appropriation must change the **funding** level in the **current** fiscal year.*

The governor annually requests appropriations (called supplemental appropriations) that modify the current fiscal year's budget. Supplemental requests may be divided into two bills—a "fast-track" supplemental bill and a "slow-track" supplemental bill—depending on the urgency of the request.

By law [AS 37.07.070(1)], the governor must submit supplemental requests to the legislature by the fifteenth day of session. The legislature can, and frequently does, modify and initiate supplemental appropriations throughout the legislative session. The following are answers to questions the Legislative Finance Division receives regarding supplemental appropriations:

What makes an appropriation a supplemental appropriation?

An appropriation is classified as a supplemental if

- (1) the effective date is in the current fiscal year, and
- (2) the appropriation impacts current year revenue.

For example, an appropriation to capitalize the Alaska Marine Highway

System Fund with an effective date of June 30th may be intended for use in future years, but its June 30th effective date and the use of current year revenue makes it a supplemental appropriation.

Is a reappropriation also a supplemental appropriation?

A repeal/reappropriation uses money from a prior fiscal year for a new purpose. Because the "old" money was already counted as spent in the year of the original appropriation, a repeal/reappropriation must avoid double counting.

Capital to Capital reappropriations

- may refer to fiscal years long closed
- are reported in the Summary of Appropriations, but
- have no budget transactions.

Operating to Capital and Operating to Operating reappropriations

- take money from the current year so are classified as supplementals
- have offsetting budget transactions that reflect a negative number (from) and a positive number (to), for a net zero.

What is the difference between a supplemental appropriation and a ratification?

The term "ratification" applies to legislative action approving an expenditure that occurred in a closed fiscal year and that was not previously authorized by the legislature. Because Article IX, section 13 of the Alaska Constitution prohibits withdrawal of money from the treasury without an appropriation, the legislature must act after the fact to approve an unauthorized expenditure in a closed fiscal year. A supplemental appropriation applies to the current, open fiscal year. If an over-expenditure is not addressed with a supplemental appropriation, it must be addressed with a ratification.

Do supplemental appropriations have to be appropriated in a separate appropriation bill?

No. Supplemental appropriations may appear in any appropriation bill.

Can a supplemental appropriation cross fiscal years?

Yes. When an appropriation is needed for multiple fiscal years, language in the bill can extend the lapse date for that appropriation for as many fiscal years as needed. If no lapse date is specified, funding for an operating appropriation lapses at the end of the fiscal year.

Why does the governor submit a "fast-track" supplemental bill and a "slow-track" supplemental bill?

The governor may submit a *fast-track supplemental bill* for items that the governor (or legislature) believes should be funded earlier than the typical last day of session supplemental effective date. The adoption of a fast track bill is not a sure thing. Fast track items may simply be appended to the capital bill (with an early effective date). There is rarely a separate slow track bill; slow track items are typically included in the capital bill (with an effective date of June 30 and/or the last day of session).

Does the Legislative Finance Division generate the supplemental bills?

Legislative Finance generates the numbers sections of the supplemental bills and Legislative Legal Services generates the language sections. Transactions for both the numbers and language sections are included in the LFD budget system for informational and reporting purposes.


The fast-track supplemental bill contains items that should be funded early in the session. For example, if a winter flood washes out an Anchorage road, DOT&PF may want to begin road repairs immediately.

Supplemental Budget

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How do I know which supplemental appropriations passed?

There are two ways to find out which supplemental appropriations pass: First, closely examine the effective date of all appropriations in each appropriation bill that passes. The second (and simpler) way is to obtain supplemental reports generated by LFD. Reports on all supplementals that pass are included in the *Conference Committee Books*, the *Summary of Appropriations*, and posted on LFD's website.

**Alaska Division of
Legislative Finance**

Home Operating Capital Supplemental Fiscal Notes LB&A Publications Analysis Tools Links

Legislative Finance Division provides services necessary to analyze and produce the state's budgets.

Budget Reports:
08-05-2016 - Conference Committee Books
07-28-2016 - Enacted Capital Budget Reports
06-30-2016 - Enacted Operating Budget Reports

RPLs:
12-23-2015 - Informational Memo for Medicaid Expansion RPLs (Not addressed by the LB&A Committee)
12-23-2015 - RPL Packet for Medicaid Expansion Submitted July 17, 2015
12-07-2015 - RPL Approval Letter for December 7, 2015 Meeting
12-02-2015 - RPL Packet for December 7, 2015 Meeting

Informational Papers:
07-09-2016 - Informational Paper 17-1 Alaska Revenue and Expenditures FY07 - FY17
01-26-2015 - Informational Paper 16-3 Positions, Vacancy Factors and Legislative Control
11-02-2015 - Informational Paper 16-2 Distributional Analysis of Revenue Proposals
11-02-2015 - Informational Paper 16-2 Distributional Analysis of Revenue Options Spreadsheet
10-22-2015 - Informational Paper 16-1 Pension Obligation Bonds

Other:
08-15-2016 - FY17 Summary of Appropriations
08-10-2016 - FY17 Fiscal Summary
08-10-2016 - Budget History Graphs
08-10-2016 - Budget History Data (Excel)
07-05-2016 - FY17 Veto Analysis
02-04-2016 - FY16 Legislative Intent Letter
01-16-2015 - 2015 Indirect Expenditure Book
11-04-2014 - Swiss Army Knife Legislative Budget Handbook
01-27-2012 - Fiscal Note System
01-27-2011 - CAPSIS

See Also	Juneau Office	Individual Contacts
> State of Alaska	430 Main Street	> Contact an Analyst
> State Legislature	PO Box 113300	> Email the Webmaster
> Legislative Budget & Audit Committee	Juneau, AK 99801	
> Division of Legislative Audit	Phone: (907)465-3795	

Reports Generated by Legislative Finance's Budget System

The Legislative Finance Division typically posts (on our website) a series of reports at each step of the budget review process. Legislators, staff, and the general public can request custom reports from the Legislative Finance budget system. Reports can be generated for multiple fiscal years on a statewide basis or by specific agency or house district (capital projects only). A range of detail—from statewide summaries to lists of transactions—can be produced quickly and emailed to requestors. Analysts can help determine which reports best fit needs and help interpret results.

Fiscal Summary

Twice a year—after the governor's budget is released in December and after the legislature passes its final budget—Legislative Finance produces a concise two-year summary of statewide revenues and appropriations. The primary function of the Fiscal Summary is to depict the overall "fiscal health" of the state. Therefore, emphasis is applied to the Unrestricted General Fund Revenue and the Unrestricted General Fund Appropriations. Calculating the difference of the two provides the projected fiscal surplus or fiscal gap.

The summary is organized into two main sections (revenue and appropriations) with

columns for each of the major fund source groups. The appropriation categories are Agency Operations, Statewide Operations, Capital Infrastructure, and Fund Transfers followed by a section for Permanent Fund appropriations. Each category has a subsection for current year and supplemental (prior year) appropriations. The major fund group columns consist of Unrestricted General Funds, Designated General Funds, Other State Funds and Federal Funds (see Fund Group definitions in the "Fund Sources & Fund Groups" section in this publication).

Part two of the Summary provides approximate balances of savings accounts that are available for appropriation. The savings (or reserves) are categorized as Undesignated (i.e., set aside without a particular purpose) or Designated (i.e., set aside for a particular purpose). A Reserve Ratio calculation provided at the bottom indicates the number of years reserves would last at the current level of appropriations (and assuming zero revenue).

Part three, the Fiscal Sensitivity Graph, depicts projected Unrestricted General Fund Revenue at various year-end average prices of Alaska North Slope crude and the associated fiscal surplus/gap given the current Unrestricted General Fund Budget. A key take-away point from the graph is the "break-even price" of oil associated with the given budget.



Legislators, staff, and the general public can request custom reports from the Legislative Finance budget system.

Budget Resources

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State of Alaska Fiscal Summary--FY16 and FY17 (Part 1)

(\$ millions)

	FY16 Budget						FY17 Budget						Change in UGF	
	Unrestricted General Funds	Designated General Funds	Total General Funds	Other State Funds	Federal Receipts	All Funds	Unrestricted General Funds	Designated General Funds	Total General Funds	Other State Funds	Federal Receipts	All Funds	\$	%
1 REVENUE	1,292.8	941.0	2,233.8	641.4	3,463.1	6,338.2	1,186.5	1,094.8	2,281.3	735.4	3,536.2	6,552.8	(106.3)	-8.2%
2 Unrestricted General Fund Revenue (Spring 2016) (1)	1,336.9	-	1,336.9	-	-	1,336.9	1,246.4	-	1,246.4	-	-	1,246.4		
3 Carryforward and Repeals (2)	16.5	-	16.5	-	-	16.5	-	-	-	-	-	-		
4 Adjustments and Fiscal Notes (3)	(60.6)	-	(60.6)	-	-	(60.6)	(59.9)	-	(59.9)	-	-	(59.9)		
5 Designated General Fund Revenue (4)	-	941.0	941.0	-	-	941.0	-	1,094.8	1,094.8	-	-	1,094.8		
6 Other State Funds and Federal Receipts	-	-	-	641.4	3,463.1	4,104.4	-	-	-	735.4	3,536.2	4,271.6		
APPROPRIATIONS														
7 TOTAL OPERATING APPROPRIATIONS	5,311.9	832.4	6,144.3	612.3	2,187.2	8,943.7	4,212.1	1,011.0	5,223.1	650.4	2,211.0	8,084.5	(1,099.8)	-20.7%
8 Agency Operations	4,171.8	806.8	4,978.6	559.4	2,158.4	7,696.4	3,863.7	887.8	4,751.5	569.0	2,182.1	7,502.6	(308.1)	-7.4%
9 Current Fiscal Year Appropriations (Includes Fiscal Notes)	4,096.1	805.0	4,901.1	558.9	2,153.7	7,613.7	3,863.7	887.8	4,751.5	569.0	2,182.1	7,502.6	(232.4)	-5.7%
10 Agency Operations (Non-Formula)	2,040.4	714.1	2,754.5	553.5	906.1	4,214.0	1,884.4	788.0	2,672.4	563.8	908.6	4,144.8	(156.0)	-7.6%
11 K-12 Foundation Formula and Pupil Transportation	1,247.5	13.0	1,260.5	-	20.8	1,281.3	1,243.0	23.7	1,266.6	-	20.8	1,287.4	(4.5)	-0.4%
12 Medicaid Services (Formula)	635.1	1.8	636.9	2.8	966.2	1,606.0	580.2	0.4	580.6	5.2	1,143.3	1,729.1	(55.0)	-8.7%
13 Other Formula Programs	173.1	76.2	249.3	-	100.8	350.1	156.2	75.7	231.8	-	109.4	341.2	(16.9)	-9.8%
14 Revised Programs Legislatively Approved	-	-	-	2.6	159.7	162.3	-	-	-	-	-	-	-	-
15 Fiscal Notes (FY16 notes are included in MgtPin) (non-additive)	-	-	-	-	-	-	2.1	59.2	61.3	2.2	16.1	79.6	-	-
16 Vetoes (non-additive) (5)	-	-	-	-	-	-	(18.4)	(7.5)	(25.9)	(17.2)	(0.8)	(43.9)	-	-
17 Duplicated Authorization (non-additive) (6)	-	-	-	747.3	-	747.3	-	-	-	746.9	-	746.9	-	-
18 Supplemental Appropriations (Agency Operations) (7)	75.7	1.8	77.5	0.5	4.8	82.7	-	-	-	-	-	-	-	-
19 Vetoes (non-additive)	(15.8)	-	(15.8)	-	-	(15.8)	-	-	-	-	-	-	-	-
20 Statewide Obligations	1,140.1	25.6	1,165.7	52.9	28.7	1,247.3	348.4	123.2	471.7	81.3	28.9	581.9	(791.7)	-69.4%
21 Current Fiscal Year Appropriations	982.1	25.6	1,007.6	48.7	28.7	1,085.1	348.4	123.2	471.7	81.3	28.9	581.9	(633.6)	-64.5%
22 Debt Service	206.2	23.9	230.1	43.3	5.2	278.7	182.2	18.3	200.5	76.0	5.2	281.7	(24.0)	-11.6%
23 Fund Capitalization	502.0	1.7	503.7	5.4	23.5	532.5	32.0	15.1	47.1	5.3	23.6	76.1	(470.0)	-93.6%
24 Community Assistance	-	-	-	-	-	-	-	13.6	13.6	-	-	13.6	-	-
25 Oil & Gas Production Tax Credits (7)	500.0	-	500.0	-	-	500.0	30.0	-	30.0	-	-	30.0	(470.0)	-94.0%
26 Other Fund Capitalization	2.0	1.7	3.7	5.4	23.5	32.5	2.0	1.6	3.6	5.3	23.6	32.5	-	0.0%
27 Retirement Costs: Actuarial Recommendation	265.3	-	265.3	-	-	265.3	134.2	89.8	224.1	-	-	224.1	(131.0)	-49.4%
28 Judgments, Claims and Settlements	8.6	-	8.6	-	-	8.6	-	-	-	-	-	-	(8.6)	-100.0%
29 Vetoes (non-additive)	-	-	-	-	-	-	(35.5)	-	(35.5)	-	-	(35.5)	-	-
30 Duplicated Authorization (non-additive) (6)	-	-	-	15.4	-	15.4	-	-	-	12.2	-	12.2	-	-
31 Supplemental Appropriations (Statewide)	158.0	-	158.0	4.2	-	162.2	-	-	-	-	-	-	-	-
32 AKLNG and In-state Pipeline (8)	155.6	-	155.6	4.2	-	159.8	-	-	-	-	-	-	-	-
33 Other Special	2.4	-	2.4	-	-	2.4	-	-	-	-	-	-	-	-
34 Vetoes (non-additive) (7)	(430.0)	-	(430.0)	-	-	(430.0)	-	-	-	-	-	-	-	-
35 TOTAL CAPITAL APPROPRIATIONS	127.6	69.1	196.7	29.1	1,275.9	1,501.7	96.1	44.5	140.6	85.0	1,325.2	1,550.8	(31.5)	-24.7%
36 Current Fiscal Year Appropriations	118.4	56.6	175.0	27.7	1,275.9	1,478.6	96.1	44.5	140.6	85.0	1,325.2	1,550.8	(22.3)	-18.8%
37 Project Appropriations & RPLs (Revised Programs)	118.4	56.6	175.0	27.7	1,275.9	1,478.6	96.1	44.5	140.6	85.0	1,325.2	1,550.8	(22.3)	-18.8%
38 Capital Vetoes (non-additive)	-	-	-	-	-	-	(0.8)	(0.3)	(1.0)	-	-	(1.0)	-	-
39 Duplicated Authorization (non-additive) (6)	-	-	-	32.5	-	32.5	-	-	-	31.5	-	31.5	-	-
40 Supplemental Appropriations (Capital)	9.2	12.5	21.7	1.4	-	23.1	-	-	-	-	-	-	-	-
41 Capital Projects (net of Duplication)	9.2	12.5	21.7	1.4	-	23.1	-	-	-	-	-	-	(9.2)	-100.0%
42 Money on the Street (includes all fund sources) (9)	127.6	69.1	196.7	61.5	1,275.9	1,534.1	96.1	44.5	140.6	116.5	1,325.2	1,582.3	(31.5)	-24.7%
43 Pre-Transfers Authorization (unduplicated)	5,439.5	901.5	6,341.0	641.4	3,463.1	10,445.4	4,308.3	1,055.5	5,363.7	735.4	3,536.2	9,635.3	(1,131.3)	-20.8%
44 Pre-Transfers Surplus/(Deficit)	(4,146.8)	Revenue Covers	23.8%	of Appropriations	-	-	(3,121.8)	Revenue Covers	27.5%	of Appropriations	-	-	-	-

August 5, 2016

Budget Resources

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State of Alaska Fiscal Summary--FY16 and FY17 (Part 1)

(\$ millions)

	FY16 Budget						FY17 Budget						Change in UGF	
	Unrestricted General Funds	Designated General Funds	Total General Funds	Other State Funds	Federal Receipts	All Funds	Unrestricted General Funds	Designated General Funds	Total General Funds	Other State Funds	Federal Receipts	All Funds	\$	%
45 Fund Transfers (10)	(226.1)	39.6	(186.5)	-	-	(186.5)	46.8	39.3	86.1	-	-	86.1	272.9	-120.7%
46 Current Fiscal Year Transfers	(226.1)	39.6	(186.5)	-	-	(186.5)	46.8	39.3	86.1	-	-	86.1	272.9	-120.7%
47 Designated Reserves (Public Education Fund)	(280.5)	-	(280.5)	-	-	(280.5)	-	-	-	-	-	-	280.5	-100.0%
48 Oil & Hazardous Substance Fund	15.6	7.5	23.0	-	-	23.0	15.5	7.2	22.7	-	-	22.7	(0.0)	-0.1%
49 REAA School Fund	38.8	-	38.8	-	-	38.8	31.2	-	31.2	-	-	31.2	(7.6)	-19.5%
50 Vaccine Assessment Account	-	31.2	31.2	-	-	31.2	-	31.2	31.2	-	-	31.2	-	-
51 Other Funds	-	0.9	0.9	-	-	0.9	-	0.9	0.9	-	-	0.9	-	-
52 Vetoes (non-additive)	-	-	-	-	-	-	(10.4)	-	(10.4)	-	-	(10.4)	-	-
53 Supplemental Appropriations (Fund Transfers)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
54 Vetoes (non-additive)	(80.0)	-	(80.0)	-	-	(80.0)	-	-	-	-	-	-	-	-
55 Post-Transfers Authorization (unduplicated)	5,213.4	941.0	6,154.4	641.4	3,463.1	10,258.8	4,355.0	1,094.8	5,449.8	735.4	3,536.2	9,721.4	(858.4)	-16.5%
56 Post-Transfer Balance to/(from) the SBR or CBR (11)	(3,920.6)	Revenue Covers	24.8%	of Appropriations			(3,168.5)	Revenue Covers	27.2%	of Appropriations				
57 Permanent Fund	-	1,474.4	1,474.4	170.8	-	1,645.2	15.7	765.0	780.7	168.9	-	949.7	-	-
58 Permanent Fund Dividends	-	1,405.0	1,405.0	-	-	1,405.0	-	695.7	695.7	-	-	695.7	-	-
59 Alaska Capital Income Fund	-	21.0	21.0	-	-	21.0	15.7	21.0	36.7	-	-	36.7	-	-
60 Permanent Fund Corporation (included in op/cap budget) (12)	-	-	-	162.3	-	162.3	-	-	-	160.4	-	160.4	-	-
61 Other Uses of Earnings (included in op/cap budget) (12)	-	48.4	48.4	8.6	-	57.0	-	48.4	48.4	8.6	-	56.9	-	-
62 Vetoes (non-additive)	-	-	-	-	-	-	-	(666.4)	(666.4)	-	-	(666.4)	-	-
63 Total Authorization (unduplicated)	5,213.4	2,367.0	7,580.4	641.4	3,463.1	11,684.8	4,370.7	1,811.4	6,182.2	735.4	3,536.2	10,453.7	(842.7)	-16.2%
FISCAL YEAR SUMMARY	5,439.5	2,327.5	7,767.0	641.4	3,463.1	11,871.4	4,324.0	1,772.1	6,096.1	735.4	3,536.2	10,367.7	(1,115.5)	-20.5%
Agency Operations	4,171.8	806.8	4,978.6	559.4	2,158.4	7,696.4	3,863.7	887.8	4,751.5	569.0	2,182.1	7,502.6	(308.1)	-7.4%
Statewide Operations	1,140.1	25.6	1,165.7	52.9	28.7	1,247.3	348.4	123.2	471.7	81.3	28.9	581.9	(791.7)	-69.4%
Total Operating	5,311.9	832.4	6,144.3	612.3	2,187.2	8,943.7	4,212.1	1,011.0	5,223.1	650.4	2,211.0	8,084.5	(1,099.8)	-20.7%
Capital	127.6	69.1	196.7	29.1	1,275.9	1,501.7	96.1	44.5	140.6	85.0	1,325.2	1,550.8	(31.5)	-24.7%
Unduplicated Appropriation of Permanent Fund Earnings	0.0	1,426.0	1,426.0	0.0	0.0	1,426.0	15.7	716.7	732.4	0.0	0.0	732.4	-	-
Transfers (non-additive)	(226.1)	39.6	(186.5)	-	-	(186.5)	46.8	39.3	86.1	-	-	86.1	272.9	-120.7%

Notes:

- The Department of Revenue's Spring 2016 oil forecast for FY16 is 0.538 mbd at \$39.99 per barrel; the FY17 forecast is 0.523 mbd at \$38.89 per barrel.
- Carryforward is money that was appropriated in a prior year that is made available for spending in a later year via multiyear appropriations. Repeals increase revenue by reducing prior year authorization. Total carryforward into FY17 will be unknown until the close of FY16.
- For FY16, revenue is adjusted downward per the fiscal note for HB 374, which reclassified \$60.6 million of insurance premium taxes from UGF to DGF. For FY17, revenue is adjusted by \$60.0 million for HB 374; downward by \$5 million to reflect increased program receipt usage by DNR in the FY17 budget, downward by \$3 million for reclassifying marijuana tax revenue from UGF to DGF; and upward by \$8.1 million for the fiscal note for HB 373, approving a sale of royalty oil to Tesoro.
- Designated general funds include 1) program receipts that are restricted to the program that generates the receipts and 2) revenue that is statutorily designated for a specific purpose.
- Governor's vetoes include \$6.35 million of Public School Trust Funds for the K-12 formula. This veto causes an increase in UGF by the same amount. The UGF increase is included in the totals, but not in the veto line.
- Duplicated authorization is in the budget twice, such as when funds flow in and out of a holding account or one agency pays another for services provided. Duplicated authorization also includes the expenditure of bond proceeds when debt service on bonds (which includes repayment of principal) will be reflected in future operating budgets.
- The governor vetoed \$200 million for oil and gas tax credits in the FY16 budget and a \$430 million FY16 supplemental appropriation. At the end of FY17, the Department of Revenue expects that taxpayers will have \$747.5 million in credits available to purchase in excess of the funding in the budget.
- FY16 Supplemental Appropriations for agency operations and fund transfers include appropriations made in SB 3001, passed in October 2015.
- Including duplicated fund sources in the amount of capital spending provides a valuable measure of "money on the street" because it includes projects funded with bond proceeds and other duplicated fund sources.
- "Fund Transfers" refer to appropriations that move money from one fund to another within the Treasury. Although transfers are not true expenditures, they reduce the amount of money available for other purposes so must be included in the calculation of the surplus/deficit. For reserve accounts, a positive number indicates a deposit and a negative number indicates a withdrawal. When money is withdrawn and spent, the expenditure is included in the operating or capital budget, as appropriate.
- The post-transfer withdrawal necessary to balance the budget is anticipated to be \$3,920.6 million and \$3,168.5 million from the CBR in FY16 and FY17, respectively.
- Amounts shown on lines 60 and 61 can be considered duplicated appropriations -- they are included in the operating or capital budgets above. The Designated General Funds column includes amounts associated with the dividend program in FY16, but those amounts become UGF under the Governor's plan. Amounts in the Other column reflect gross earnings of the Permanent Fund.

August 5, 2016

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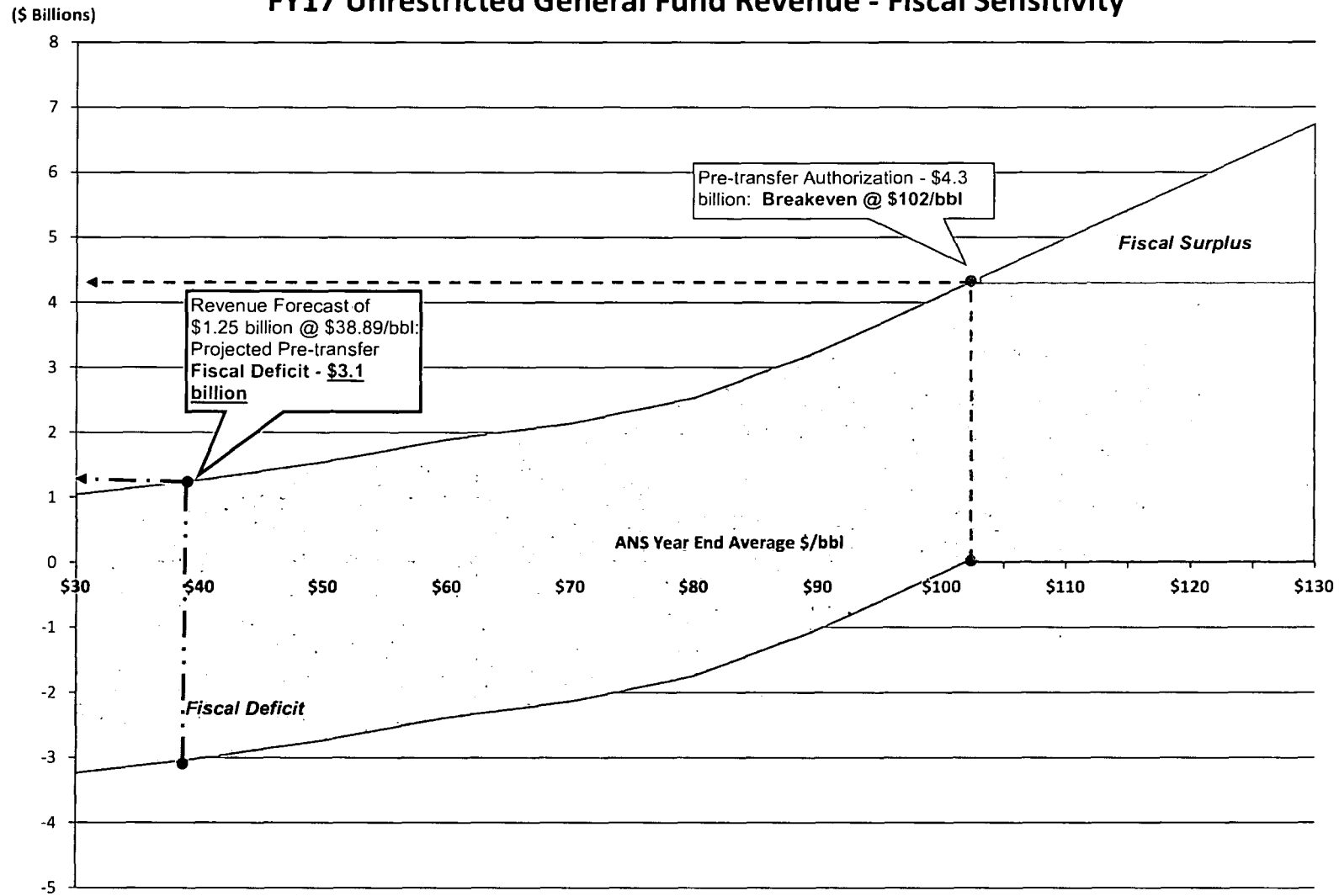
State of Alaska Fiscal Summary-- FY16 and FY17 (Part 2)

(\$ millions)

Approximate Balances of Reserve Accounts

	FY16				FY17			
	BoY Balance	In	Out	EoY Balance	BoY Balance	In	Out	EoY Balance
Permanent Fund Principal -- Market Value (no appropriations allowed)	45,638.0	(3,388.0)	-	42,250.0	42,250.0	915.0	-	43,165.0
Undesignated Reserves	17,625.1	1,615.5	5,310.6	13,930.0	13,930.0	2,730.8	3,886.2	12,774.6
Total Excluding Permanent Fund	10,463.0	85.5	3,920.6	6,627.9	6,627.9	115.8	3,168.5	3,575.2
Constitutional Budget Reserve Fund (cash)	10,153.8	85.5	3,920.6	6,318.7	6,318.7	115.8	3,168.5	3,265.9
Statutory Budget Reserve Fund	288.0	-	-	288.0	288.0	-	-	288.0
Alaska Housing Capital Corporation Fund	21.3	-	-	21.3	21.3	-	-	21.3
Permanent Fund Earnings Reserve Account	7,162.1	1,530.0	1,390.0	7,302.1	7,302.1	2,615.0	717.7	9,199.5
Designated Reserves	1,761.5	1,192.2	1,413.7	1,540.0	1,540.0	1,381.6	1,502.7	1,418.9
Alaska Capital Income Fund	27.1	17.0	43.2	0.8	0.8	37.7	45.5	(7.0)
Alaska Higher Education Investment Fund	458.7	4.0	24.0	438.6	438.6	22.8	113.0	348.4
Public Education Fund	134.5	1,113.0	1,247.5	0.0	0.0	1,249.3	1,249.3	0.0
Community Assistance Fund	172.0	-	57.3	114.7	114.7	13.6	38.2	90.0
Power Cost Equalization Endowment	969.3	58.2	41.7	985.8	985.8	58.2	56.7	987.4
Reserves (Excluding Permanent Fund Principal)	19,386.7	2,807.7	6,724.4	15,470.0	15,470.0	4,112.4	5,388.8	14,193.5
Unrestricted General Fund Appropriations				5,213.4				4,370.7
Years of Reserves (Reserves/UGF Appropriations)				2.97				3.25

FY17 Unrestricted General Fund Revenue - Fiscal Sensitivity



Note: Revenue figures are based on the DOR Spring 2016 forecast and include revenue not directly affected by oil prices.

The Fiscal Year 2017 Budget: Legislative Fiscal Analyst's Overview of the Governor's Request



Legislative Finance Division
www.legfin.akleg.gov

Overview of the Governor's Request

Published at the beginning of each session, The Fiscal Year "xx" Budget: Legislative Fiscal Analyst's Overview of the Governor's Request provides a "first look" at the governor's proposed budget and gives a succinct view of the work facing the finance committees in the months ahead. The Overview is prepared by Legislative Finance analysts and contains analyses of the governor's operating budget from a statewide perspective, including summaries of agency responsibilities and major funding and organizational changes proposed by the governor, breakdowns by line item and type of program, and multi-year spending comparisons.

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Governor's Budget Summary Books (or Governor's Detail Budget Books)

Along with a proposed operating budget bill, the governor releases a set of books providing detailed information on the governor's request. Copies of these books (usually 1-5 three-ring volumes for each agency) are available in both the House and Senate finance committee rooms and may be checked out by staff. The detail books contain a great deal of information, including the following:

Department Summary: This form provides a departmental summary of the following:

- The mission;
- Core services (in priority order);
- Measures by core service;
- Major accomplishments for the previous year;
- Key department challenges; and
- Significant changes in results to be delivered.

Department of Environmental Conservation

Department of Environmental Conservation

Mission

Protect human health and the environment. AS 46.03.010, AS 44.46.020

Core Services (in priority order)	UGF	OGF	Other	Fed	Total	PFT	PPT	NP	% GF
1) Protecting Human Health	11,025.8	6,272.9	9,021.1	12,011.5	38,331.3	239	0	2	36.5%
2) Protecting the Environment	9,067.5	20,969.5	5,367.9	11,617.4	47,022.3	284	0	0	63.5%
FY2016 Management Plan	20,093.3	27,242.4	14,389.0	23,628.9	85,353.6	523	0	2	

Measures by Core Service
(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

1. Protecting Human Health

State Environmental Health Laboratory Testing Processes Performed

Number of Days Air is Unhealthy for Sensitive Groups

Water Supply Systems in Compliance with Water Supply System Operator Certification Requirements

Safe and Sustainable Sanitation Facilities in Rural Alaska

FY2017 Governor
Department of Environmental Conservation

Released December 9, 2015
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Component — Air Quality

Component: Air Quality

Contribution to Department's Mission

Identify, prevent, abate, and control air pollution to protect public health and the environment in a cost-effective, accountable manner.

Core Services

- Issue air quality permits to facilities that release regulated pollutants.
- Provide compliance assistance and enforcement (inspections and operating report reviews).
- Provide community assistance to protect air quality.
- Conduct air quality assessments.

Major Component Accomplishments in 2015

- Contributed to the multi-agency effort to comment on the EPA proposed Clean Power Plan rules. The Clean Power Plan is a sweeping plan that more closely resembles an energy plan than a traditional air quality regulation. The proposed Clean Power Plan compliance options included reducing emissions at coal and gas-fired electric generating units, substituting electricity production from higher carbon emission plants to lower carbon emission plants (re-dispatch), increasing renewable electricity in the state, and demand side (consumer) electricity reductions. As a result of these comments, EPA did not establish a final carbon dioxide (CO2) reduction performance standard for existing electrical generating units in Alaska. EPA plans to gather additional information for Alaska and develop a rule in the future.
- The Division has worked on regulation revisions to ensure that air quality regulations are consistent with Alaska statutes and federal requirements while reducing unnecessary burden on the public and affected industry.
- Updated fee regulations that support permitting and compliance work.
- Through a workgroup consisting of State, local, industry, and environmental organizations the Division analyzed potential air quality impacts from drilling operations to determine minimum necessary conditions to protect air quality. Based on this work, the workgroup will recommend appropriate changes in FY2016 to ease regulation of drilling operations.
- The Division received EPA approval in FY2015 of its online document receiving system, Air Online Services Permittee Portal. The Air Division may accept electronically signed submittals when permittees enter their information into electronic forms, thus improving efficiency and reducing data entry.
- The Division successfully submitted to EPA the federally required fine particulate matter air quality plan for Fairbanks North Star Borough (FNSB) Moderate non-attainment area. The plan and its regulations were developed to protect residents from the harmful effects of smoke inhalation. Staff continued to improve technical models and developed options to better control smoke from residential heating without unnecessarily limiting affordable home-heating options in the Fairbanks/North Pole area.
- Continued to develop and implement public education campaigns in rural Alaska and other fine particulate matter problem areas. This included a well-received, targeted campaign on air quality for rural school children.
- Advised the public when unhealthy air conditions occurred. The Division issued 37 air quality advisories for wildland fire smoke. Seven were issued in May 2014, and 30 were issued in June 2015. The Division supported the Fairbanks North Star Borough (FNSB) by issuing 40 air quality advisories for the FNSB fine particulate matter non-attainment during the winter of 2014/2015.
- Provided timely assistance to natural gas and other development projects ensuring that air quality permit concerns will not hinder or delay the projects.

FY2017 Governor
Department of Environmental Conservation

Released December 9, 2015
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Results Delivery Unit (RDU) Summary: This form summarizes a Results Delivery Unit's services and responsibilities. Information covered includes:

- The RDU's contribution to the department's mission;
- Results;
- Core services;
- Measures by Core Service(s);
- Major RDU accomplishments for the previous year;
- Key RDU challenges; and
- Significant changes in results to be delivered.

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<u>Component Detail All Funds</u>							
Department of Commerce, Community, and Economic Development							
Component: Banking and Securities (2808)							Non-Formula Component
RDU: Banking and Securities (536)							
	FY2015 Actuals	FY2016 Conference Committee	FY2016 Authorized	FY2016 Management Plan	FY2017 Governor	FY2016 Management Plan vs FY2017 Governor	
71000 Personal Services	2,252.2	2,467.7	2,467.7	2,515.1	2,515.1	0.0	0.0%
72000 Travel	147.4	242.1	226.2	198.8	198.8	0.0	0.0%
73000 Services	822.7	817.7	817.7	817.7	817.7	0.0	0.0%
74000 Commodities	33.5	46.4	46.4	46.4	46.4	0.0	0.0%
75000 Capital Outlay	0.0	28.0	28.0	8.0	8.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	3,255.8	3,601.9	3,586.0	3,586.0	3,586.0	0.0	0.0%
Fund Sources:							
1005GF/Prgm (DGF)	3,255.8	3,601.9	3,586.0	3,586.0	3,586.0	0.0	0.0%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	3,255.8	3,601.9	3,586.0	3,586.0	3,586.0	0.0	0.0%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	24	23	23	23	23	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

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- Personal Services Expenditure Detail:** The Personal Services Expenditure Detail form shows all Position Control Numbers (PCNs) assigned to a particular component. It also shows job class title, time status, bargaining unit, location, salary by range and step, number of months budgeted, annual salary, premium pay, annual benefits and total costs plus budgeted general fund amount. The form also summarizes the number of full-time, part-time, and non-permanent (budgeted) positions as well as budgeted vacancy factors. An organizational chart is also included for each component.

Personal Services Expenditure Detail Department of Commerce, Community, and Economic Development															
Scenario: FY2017 Governor (12995) Component: Banking and Securities (2808) RDU: Banking and Securities (536)															
PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
08-1280	Regulations Spec II	FT	A	GP	Juneau	205	16A / B	12.0		53,972	0	0	35,218	89,190	0
08-2041	Investigator III	FT	A	GP	Anchorage	200	18O / P	12.0		89,514	0	0	47,338	136,852	0
08-2110	Investigator II	FT	A	GP	Anchorage	200	16A / B	12.0		51,171	0	0	34,263	85,434	0
08-2112	Occup Licensing Examiner	FT	A	GP	Anchorage	200	13B / C	12.0		42,102	0	0	31,171	73,273	0
08-2210	Financial Instit Exam III	FT	A	GP	Anchorage	200	21G / J	12.0		87,186	0	0	46,544	133,730	0
08-2237	Division Operations Manager	FT	A	SS	Juneau	205	24L / M	12.0		126,722	0	0	59,046	185,768	0
08-3001	Division Director	FT	A	XE	Anchorage	N00	27F	12.0		122,988	0	0	57,858	180,846	0
08-3002	Administrative Assistant I	FT	A	GP	Juneau	205	12A	12.0		40,032	0	0	30,465	70,497	0
08-3003	Financial Instit Exam I	FT	A	GP	Anchorage	200	17B	12.0		55,296	0	0	35,670	90,966	0
08-3004	Securities Examiner I	FT	A	GP	Anchorage	200	21C	12.0		74,988	0	0	42,385	117,373	0
08-3008	Securities Examiner II	FT	A	SS	Anchorage	200	22D / E	12.0		88,623	0	0	46,558	135,181	0
08-3010	Securities Examiner I	FT	A	GP	Anchorage	200	21B / C	12.0		73,138	0	0	41,754	114,892	0
08-3014	Securities Examiner I	FT	A	GP	Anchorage	200	21J	12.0		89,436	0	0	47,311	136,747	0
08-3021	Financial Instit Exam IV	FT	A	SS	Anchorage	200	22J	12.0		95,544	0	0	48,918	144,462	0
08-3024	Business Reg Examiner	FT	A	GP	Juneau	205	13J	12.0		54,432	0	0	35,375	89,807	0
08-3027	Securities Examiner I	FT	A	GP	Anchorage	200	21E / F	12.0		81,394	0	0	44,569	125,963	0
08-3028	Business Reg Examiner	FT	A	GP	Juneau	205	13C / D	12.0		46,472	0	0	32,661	79,133	0
08-3030	Financial Instit Exam I	FT	A	GP	Anchorage	200	17B / C	12.0		55,551	0	0	35,757	91,308	0
08-3088	Financial Instit Exam II	FT	A	GP	Juneau	205	19C / D	12.0		70,720	0	0	40,929	111,649	0
08-3089	Secretary	FT	A	GP	Anchorage	200	11G	12.0		43,332	0	0	31,590	74,922	0
08-3099	Financial Instit Exam II	FT	A	GP	Anchorage	200	19E / F	12.0		70,532	0	0	40,865	111,397	0
08-3100	Financial Instit Exam III	FT	A	GP	Anchorage	200	21E / F	12.0		82,120	0	0	44,817	126,937	0
08-3101	Financial Instit Exam II	FT	A	GP	Anchorage	200	19C / D	12.0		66,126	0	0	39,363	105,489	0
Total Positions				New	Deleted										
Full Time Positions:		23		0	0										
Part Time Positions:		0		0	0										
Non Permanent Positions:		0		0	0										
Positions in Component:		23		0	0										
Total Component Months:		276.0													
													Total Salary Costs:		
													Total COLA:		
													Total Premium Pay::		
													Total Benefits:		
													Total Pre-Vacancy:		
													Minus Vacancy Adjustment of 3.70%:		
													Total Post-Vacancy:		
													Plus Lump Sum Premium Pay:		
													Personal Services Line 100:		

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column.
 [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

FY2017 Governor
 Department of Commerce, Community, and Economic Development

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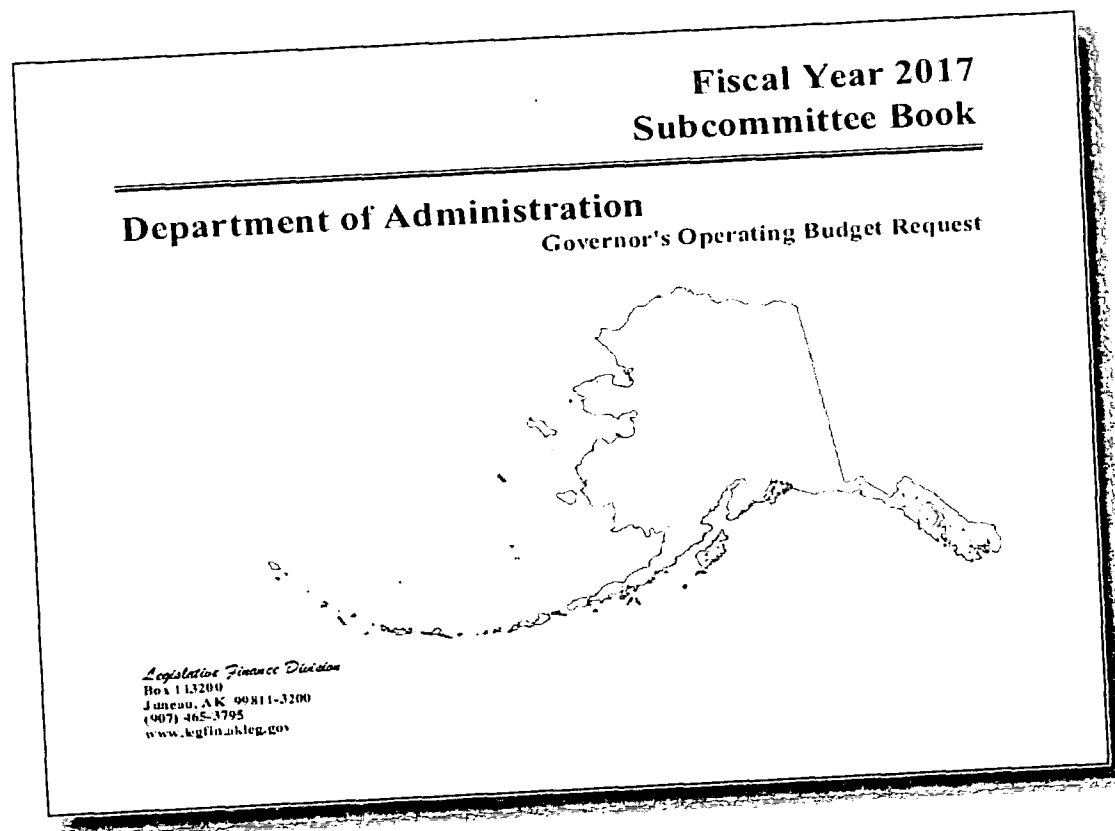
- **Line Item Detail:** Specific types of planned expenses are outlined by expenditure account in the Line Item Detail pages of the governor's budget submittal. The line item detail forms include each of the major categories in which component expenses are anticipated. These categories include, if applicable, Travel, Services (formerly Contractual or Contractual Services), Commodities, Capital Outlay (formerly Equipment) and Grants.

Line Item Detail					
Department of Commerce, Community, and Economic Development Services					
Component: Banking and Securities (2808)					
RDU: Banking and Securities (536)					
Line Number	Line Name		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
73000	Services		822.7	817.7	817.7
Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
73000 Services Detail Totals			822.7	817.7	817.7
73025	Education Services	Training, educational conferences, agency memberships, tuition, books and fees for work-related courses. CSBS and Supervisor Dues.	31.0	31.0	31.0
73050	Financial Services	Accounting, auditing, management consulting, grantee monitoring, loan servicing and insurance related services.	16.5	16.5	16.5
73075	Legal & Judicial Svc	Legal and judicial services.	0.4	0.4	0.4
73150	Information Technlgy	Software Licensing	120.6	120.6	120.6
73156	Telecommunication	Local, long-distance, and cellular telephone charges, television, data/network, telecommunication equipment, and other wireless charges from outside vendors.	6.5	6.5	6.5
73225	Delivery Services	Promotional materials distribution, courier services, and product shipping.	7.4	2.2	2.2
73450	Advertising & Promos	Professional Services - Promotional programs in the domestic and export markets.	0.5	0.5	0.5
73650	Struc/Infstruct/Land	Structure, infrastructure and land repairs, maintenance, rentals and leases.	2.1	2.1	2.1
73675	Equipment/Machinery	Machinery, furniture and equipment purchase, repair, maintenance, rental, and leases.	0.3	0.3	0.3
73750	Other Services (Non IA Svcs)	Program management/consulting, economic/development, safety-related services, printing, copying, and other services.	3.2	3.2	3.2
73805	IT-Non-Telecommunication	Admin Enterprise Technology Services - Multiple computer services - including mainframe applications, Alaska Budget System (ABS), antivirus and MICS.	15.7	15.7	15.7
73806	IT-Telecommunication	Admin Enterprise Technology Services - Non-telephone telecommunication services, including dedicated	37.1	37.1	37.1
FY2017 Governor			Released December 9, 2015		
Department of Commerce, Community, and Economic Development			Page 12		

Budget Resources

Governor's Operating Budget Request Books (or Subcommittee Books)

Legislative Finance produces these "Subcommittee Books" in early January. These books are the starting point for the operating budget subcommittee process. Each agency's "Subcommittee Book" summarizes funding information (all funds and general funds) and highlights the appropriation and allocation structure. Following the summary information, Allocation Detail reports provide information on line items, funding sources and positions. "Transaction Change Detail" reports show every change, by transaction, from the prior year's enacted budget to the governor's request.



Tip

Schedule a walk-through of the Governor's Budget Books

Staff are encouraged to contact the appropriate Legislative Finance fiscal analyst for a thorough walk-through of the Governor's Detail Budget Books and Short Forms. The best time to do this is soon after subcommittee assignments are made.

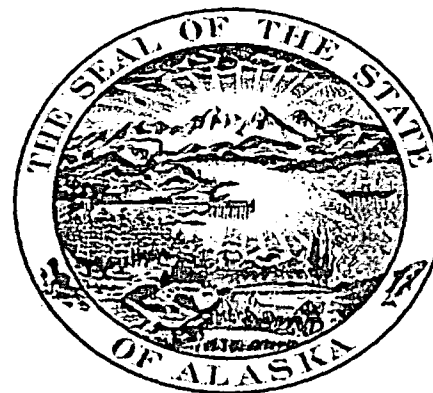
Conference Committee (CC) Books

These books are printed after the governor completes a review of the final budget bill. They are usually available in August. The reports compare the Governor's proposal (as amended), House, Senate and Conference Committee versions of the operating budget. A final "Enacted" column indicates any gubernatorial vetoes. Additional information in the conference committee report includes legislative intent, fiscal notes for new legislation, supplemental appropriations and revised programs requiring legislative approval (RPLs) impacting the prior fiscal year, plus special appropriations outside the operating budget bill.

Fiscal Year 2017 Operating Budget

Department of Commerce, Community and Economic Development

Conference Committee (CC) Book



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Budget Resources

Web Sites

Legislative Finance Division's site contains:

Operating, Capital, and Supplemental Budget reports, current RPL information, Fiscal Summary, Historical information

<http://www.legfin.akleg.gov>

Office of Management & Budget's site contains:

Operating, Capital and Supplemental Budget bills, Performance Measures, Fiscal Summary, various Forms and Manuals including Audit and Cost Recovery, RP, RPL, & RSA manuals and agreements.

<http://omb.alaska.gov/>

House District Reports

(formerly called Election District Report)

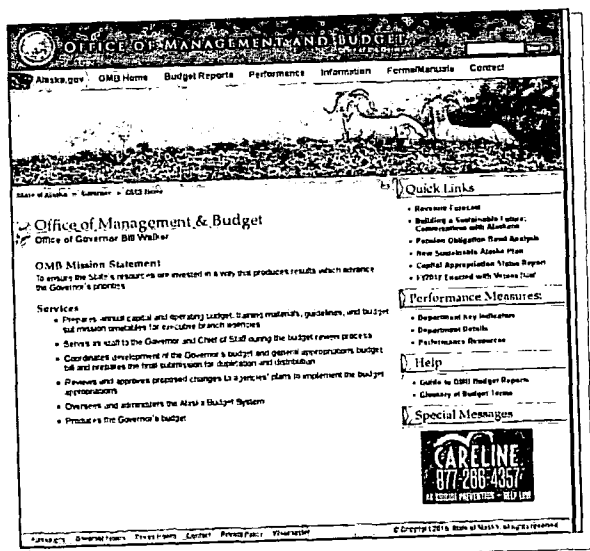
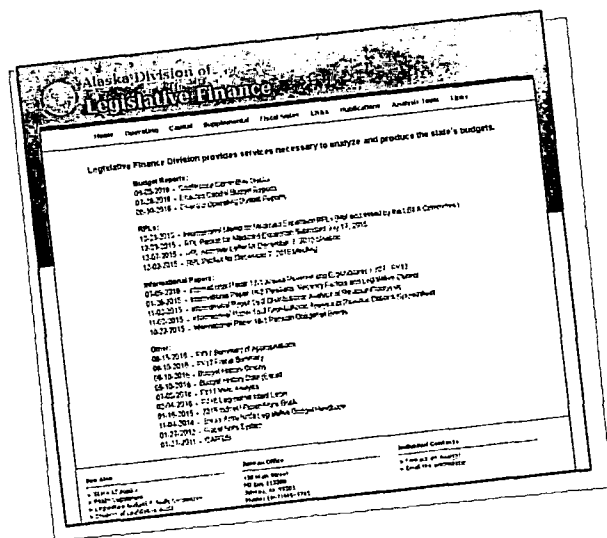
Contains reports of projects included in the capital and reappropriations bill sorted by election district and by agency.

Summary of Appropriations

The *Summary of Appropriations* includes the fiscal summary, revenue source projections, appropriations for the operating and capital budgets, debt service, loan fund capitalization and fund transfers, Revised Program Legislative (RPL), and supplementals. The *Summary of Appropriations* also contains a copy of all appropriation bills (with any vetoes or changes made by the governor) that passed in the previous session.

Revenue Sources Book

Produced by the Department of Revenue, this document details all revenue received (and projected to be received) by the state. This resource is often used when forecasting the fiscal gap/surplus. Forecasts are usually released in December and in April.



Budget Resources

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Introduction to the Office of Management and Budget's Reports

Operating Budget Bill

Annual appropriations covering ongoing operations. Appropriations are typically made for a fiscal year, with funds lapsing at the end of the fiscal year.

Capital Budget Bill

Appropriations for items exceeding one year and that usually cost more than \$25,000. Appropriations lapse only if funds remain after the project is completed.

Mental Health Budget Bill

Operating and Capital appropriations related to the state's integrated comprehensive mental health program under AS 37.14.003(a)

What the Columns Mean – the Annual Operating Budget Cycle

The following stages of the operating budget cycle are displayed in various combinations to show incremental changes or comparisons.

Conference Committee (Enacted)	Authorized	Management Plan	Governor Prior Year Actuals	Governor's Amended Supplemental
Final budget passed by the Legislature. Governor has 20 days after it is sent to exercise line item veto power.	Includes impacts of legislative actions not included in Conf. Committee such as new legislation and vetoes. Released publicly Dec 15 th .	Implementation plan done part-way into the fiscal year which may include changes that do not require legislative approval. Used as a base for the next year's budget development. Released publicly Dec 15 th .	Governor's proposed budget for the next fiscal year. Actuals for the last completed fiscal year represent money spent during the fiscal year.	Governor's Amended Supplemental reflects final decisions and changes to the budget proposed by the Governor. The Supplemental budget provides additional funds or changes to appropriations in the current fiscal year budget.
May/June	July	August	December 15th	February

How the Operating Budget is Organized

The operating budget is presented in one of two ways. Departments, Result Delivery Units, and Components are used in management reports. Departments, Appropriations, and Allocations are used in the budget bills. Agencies generally cannot move money between appropriations but they do have discretion across allocations.

Department	Results Delivery Unit (RDU)	Component
Highest level of the budget structure	Second level of the budget structure. May relate to divisions and usually is equivalent to appropriations in the budget bill.	Lowest level of the budget structure. May relate to divisions and usually is equivalent to allocations in the budget bill.

How the Capital Budget is Organized

The capital budget is presented as projects within departments. Each project is classified as either an appropriation or allocation. Agencies generally cannot move money between appropriations but they do have discretion across allocations.

Where the Money is Spent

The following line item accounts are used to track categories of expenditure and correspond to accounts used in the state's accounting system.

Line 1000	Line 2000	Line 3000	Line 4000	Line 5000	Line 7000	Line 8000
Personal Services – state staffing costs. Positions counts are classified on reports as Full-time (PFT), Part-time (PPT) or Non-permanent (NP)	Travel – transportation and per diem expenditures	Services – contractual services by 3 rd parties	Commodities – items consumed within year or equipment under \$5,000.	Capital Outlay – for durable items valued between \$5,000 and \$25,000	Grants/Benefits – Funds disbursed by the state to units of local government and to individuals in payment of various benefits and claims	Miscellaneous – Expenditures not specifically covered by other line items

Where the Money is Coming From

4-digit fund codes specify funding sources for an appropriation. Each fund code is classified as one of four types: UGF, DGF, Other, or Federal.

Unrestricted General Fund (UGF)	Designated General Fund (DGF)	Other	Federal (Fed)
Money with no statutory restrictions on its use.	Money designated by the legislature for a specific purpose.	Money the legislature has limited discretion over. Includes "duplicated" funds such as interagency receipts where one state agency pays another.	Money received from the federal government.

For a more detailed look at the budget process, refer to the *Alaska Legislative Budget Handbook* available from the State of Alaska Division of Legislative Finance website at www.legfin.state.ak.us.

Last updated December 10, 2015

Office of Management and Budget
State of Alaska

*Guide to OMB Budget Reports
can be found at
[www.omb.alaska.gov/ombfiles/
Guide_to_OMB_Budget_Reports.pdf](http://www.omb.alaska.gov/ombfiles/Guide_to_OMB_Budget_Reports.pdf)*



Fund Sources & Fund Groups

A valid appropriation must specify at least four things:

- a fund source;
- an amount;
- a stated purpose for the appropriation;
- a time frame in which the appropriation is valid (typically, operating budget appropriations are valid for one year and capital budget appropriations are valid for the life of the project—five years is standard).

Some appropriations also cite statutory expenditure authorization. This section discusses the fund source portion of a valid appropriation and why fund sources are summarized according to fund groups.

Fund Sources (or Fund Codes)

Although every appropriation requires specification of the source of funds, the numbers sections of appropriations bills do not list specific fund sources. Bills list funding at the appropriation level only as "General Funds" and "Other Funds." Allocation Detail reports generated by the Legislative Finance Division (LFD) must be used to determine individual fund sources used in an appropriation's allocations.

What is the difference between a fund source and a fund code?

Fund sources are one of the budget tools used to make appropriations. Because there are more than 200 fund sources and each fund

source has its own four-digit code, the terms "fund sources" and "fund codes" are often used interchangeably. Below are answers to common fund code questions.

Why are fund codes created?

All fund codes are created by LFD when a fund source is needed (or desired) in the budget process. Reasons new fund codes may be created include the following:

- **Legislation creates a new fund(s).** A fund code may be created when legislation creating a new fund is passed and an appropriation from this fund is made. *Note: A fund code is created only if an appropriation from that funding source occurs. For example, there is no fund code for the Alaska Permanent Fund because the principal cannot be spent [the Permanent Fund's Earnings Reserve Account (the account that pays the Permanent Fund Dividends) may be appropriated and has its own code].*

- **To track (and/or limit) appropriations from a particular revenue source.** A new fund code may be created when the legislature would like to track appropriations for a particular purpose. For example, both the dividends received from AIDEA and AIDEA's internal operating budget were once appropriated using a fund source called "corporate receipts." To separate appropriations for internal operations from dividends, two new fund codes were created (called "AIDEA Receipts" and "AIDEA Dividends").

Fund sources are one of the budget tools used to make appropriations. There are more than 200 fund sources and each fund source has its own four-digit code.

How many fund sources are there?

There are more than 200 fund sources and each fund source has its own four-digit code. The most commonly used funding sources are general funds (1004), general fund match (1003), and federal receipts (1002).

How do I find out what fund source a particular appropriation uses?

There are several ways to find out which fund source has been used for an appropriation:

- **Language sections** of an appropriation bill contain specific funding sources identified in the language;
- The **numbers section** of the operating budget includes a section listing all funding sources appropriated to each agency, but provides no further detail. At the appropriation level, the numbers section of an appropriation bill *summarizes* funding sources in four columns with the following titles:
 - o Allocations: includes the allocation's total funding;
 - o Appropriation Items: includes appropriation's entire total funding;
 - o General Funds: includes ALL general fund sources in the appropriation;
 - o Other Funds: includes all non-general funds (including federal funds).

To **obtain specific funding** at the appropriation/allocation level, one must look at the appropriation or allocation detail reports generated by Legislative Finance. These reports can be obtained from:

- the LFD website;
- LFD publications (for more information please see the "Budget Resources" section in this publication); or
- a LFD analyst.

Can one fund source be substituted for another?

Rarely. Appropriated fund sources are very specific and do not allow for substitution. A rare exception is that GF/Match and GF are interchangeable. This exception is made because the purpose of the GF/Match code—to track required match—is promoted when agencies are free to report actual match requirements.

Fund Groups

Fund Code Recategorization ("Budget Clarification" Project). Funding sources are often placed into funding groups in order to summarize budget activity. Traditionally, appropriations have been tallied in three groups: general funds, federal funds, and other funds. Over the years more and more funding moved from the general fund category to the other funds category, causing some budget-watchers to express the following concerns regarding the proliferation of "other funds."

- Appropriations of "other funds" got less scrutiny than appropriations of general funds, despite the fact that many "other funds" were so indistinguishable from general funds that they were referred to by names such as "spends like GF", "funny money" and "flexible funds."
- Despite continued statements recognizing that "other funds" were truly state funds, the media and the legislature focused on general funds to the extent that appropriations of "other funds" were often referred to as "off-budget." Of course, the "off-budget" label was a mischaracterization—other funds were (and have always been) included in the budget.
- Because "other funds" received less scrutiny they were overused, which made it more difficult to understand the budget and, perhaps more to the point, to make the best possible budget decisions.

As Legislative Finance worked with the Finance Committee Co-Chairs and OMB to present the budget in a more

Fund Sources & Fund Groups

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meaningful way, it became obvious that traditional fund code categories—general, federal and other—were incapable of distinguishing degrees of legislative discretion. The traditional “other funds” category included not only:

- Dedicated funds, trust funds, bonds and corporate receipts—that is, funds over which the legislature had limited discretion—but also
- Numerous fund sources with an identified use—or, more accurately, a suggested use (given constitutional prohibition of dedicated revenue)—that did not limit the legislature’s ability to appropriate the funds for another purpose.

Once the degree of discretion was identified as the key to improving budget presentation, the obvious solution was to create a fourth fund category. Adding a new category for designated general funds (the previous general fund category was for unrestricted general funds) sent a signal to the legislature that fund sources with designated (i.e., suggested) uses were not outside the purview of the legislature. Legislative Finance reviewed all fund codes and placed each fund code in one of the four fund categories. Most, but not all, movement from one category to another was from “other” to designated general funds.

Standard Fund Groups:

- “Unrestricted General”;
- “Designated General”;
- “Other”; and
- “Federal” fund groups

The four standard fund groups are helpful to the legislature and the public because they indicate the level of discretion the legislature has over the use of the funding. The fund groups’ definition and the legislative level of discretion is indicated below.

State general funds (GF) can be categorized as “unrestricted” or “designated” as follows:

1. **Unrestricted general funds (UGF):** As the name indicates, there are no statutory designations or restrictions on funding included in this group—funding in this group can be (and is) appropriated for any purpose.

2. **Designated general funds (DGF):** Although the Constitution prohibits the dedication of funds (with a few exceptions), and the Governmental Accounting Standards Board indicates that all state funds are technically part of the general fund, the legislature has statutorily designated some revenue sources for a specific purpose. For instance, by statute, up to seven percent of the Power Cost Equalization (PCE) Endowment Fund balance may be annually appropriated to fund the PCE program. Although the legislature may use this funding for another purpose, using the fund for other than statutory guidelines would conflict with legislative intent.

Tip

LFD can sort/filter fund codes and prepare reports to meet individual needs.

Fund Sources & Fund Groups

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3. **The "other" fund group** contains fund codes over which the legislature has limited discretion. It also includes duplicated funding (such as interagency receipts).

4. **The federal funds group** contains funding received from the federal government and, for the most part, the legislature has limited discretion over the use of this funding. Typically, federal funds must be spent as specified by the federal program.

State (Non-Duplicated) Funds.

This fund group gives the most accurate estimate of appropriated state funding. All state funding (both general funds and other funds) is counted – except duplicated expenditures. Reports using this fund group will not match the appropriations bill because the appropriations bill includes duplicated appropriations.

"Unrestricted" and "Restricted" funds

Another important distinction between funding sources is whether the funding is restricted or unrestricted. Funding can be restricted in two ways:

1. By purpose:

- **Restricted Funding** – Funding restricted by purpose can be appropriated (and spent) only for that particular purpose. For example, expenditures of most federal funding can occur only for the purpose specified by a federal grant. For instance, federal funding received for the restoration of bulk fuel tanks in rural villages cannot be redirected by the legislature to pave roads.
- **Unrestricted Funding** – Unrestricted funding can be appropriated for any purpose within the constraints of the appropriation's structure and mission. For instance, if the legislature

appropriated \$100,000 of general funds to the Department of Administration, Commissioner's Office to pay for a Deputy Commissioner, the money could actually be used to purchase a new copier or for any other purpose that fits the mission of the appropriation.

2. By amount available:

- **Restricted Funding** – The state's accounting system (AKSAS) places a restriction on expenditure of program receipts until the receipts are received. When the funding is received the restriction is lifted and the receipts can be spent. It is similar to having an empty checking account. You may have a full book of checks but cannot use them until a deposit is made. For example, expenditures of more than \$7 million in program receipts were authorized by the legislature in the Alaska Seafood Marketing Institute's (ASMI) budget. However, ASMI could spend only \$4.5 million because that was the amount received.
- **Unrestricted Funding** – An appropriation of unrestricted funding can be spent as soon as the appropriation is valid. Unrestricted funding is like having money in the bank.

Note: Regardless of how much revenue is received by a program, the accounting system places spending limits on both restricted and unrestricted funds. Spending limits on unrestricted revenue is the amount appropriated. Spending limits for restricted funding is the lesser of the amount received or the amount appropriated.

Fund Sources & Fund Groups

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Funding Codes Currently in Use as of 10/25/2016 (Alphabetical Order)

Fund Code	Fund Short Name	Fund Long name
1249	(DGF)	
1190	Adak Air (Fed)	Adak Airport Operations
1021	Agric RLF (DGF)	Agricultural Revolving Loan Fund
1245	AirPrt IA (Other)	Airport Lease I/A
1101	AAC Fund (Other)	Alaska Aerospace Corporation Fund
1197	AK Cap Fnd (DGF)	Alaska Capital Income Fund
1209	Capstone (DGF)	Alaska Capstone Avionics Revolving Loan Fund
1230	CleanAdmin (Other)	Alaska Clean Water Administrative Fund
1075	Cln Wtr Fd (Other)	Alaska Clean Water Fund
1248	ACHI Fund (DGF)	Alaska Comprehensive Health Insurance Fund
1231	DrinkAdmin (Other)	Alaska Drinking Water Administrative Fund
1100	Drk Wtr Fd (Other)	Alaska Drinking Water Fund
1107	AEA Rcpts (Other)	Alaska Energy Authority Corporate Receipts
1198	F&GRevBond (Other)	Alaska Fish and Game Revenue Bond Redemption Fund
1226	High Ed (DGF)	Alaska Higher Education Investment Fund
1213	AHCC (UGF)	Alaska Housing Capital Corporation Receipts
1139	AHFC Div (UGF)	Alaska Housing Finance Corporation Dividend
1103	AHFC Rcpts (Other)	Alaska Housing Finance Corporation Receipts
1113	AHFC Bonds (Other)	Alaska Housing Finance Corporation Statewide Bonds
1102	AIDEA Rcpt (Other)	Alaska Industrial Development & Export Authority Receipts
1140	AIDEA Div (UGF)	Alaska Industrial Development and Export Authority Dividend
1235	AGDC-LNG (Other)	Alaska Liquefied Natural Gas Project Fund
1236	AK LNG I/A (Other)	Alaska Liquefied Natural Gas Project Fund I/A
1076	Marine Hwy (DGF)	Alaska Marine Highway System Fund
1227	Micro RLF (DGF)	Alaska Microloan RLF
1104	AMBB Rcpts (Other)	Alaska Municipal Bond Bank Receipts
1162	AOGCC Rct (DGF)	Alaska Oil & Gas Conservation Commission Receipts
1199	Sportfish (Other)	Alaska Sport Fishing Enterprise Account
1186	ASLC Bonds (Other)	Alaska Student Loan Corporation Bonds
1150	ASLC Div (UGF)	Alaska Student Loan Corporation Dividend
1106	ASLC Rcpts (Other)	Alaska Student Loan Corporation Receipts
1181	Vets Endow (Other)	Alaska Veterans' Memorial Endowment Fund
1180	A/D T&P Fd (DGF)	Alcohol and Other Drug Abuse Treatment & Prevention Fund
1013	Al/Drg RLF (Fed)	Alcoholism and Drug Abuse Revolving Loan Fund
1082	Vessel Rep (DGF)	AMHS Vessel Replacement Fund
1202	Anat Fnd (DGF)	Anatomical Gift Awareness Fund
1145	AI PP Fund (Other)	Art in Public Places Fund
1218	146(c)code (DGF)	AS 37.05.146(c) codes that are not GFPR
1239	AvFuel Tax (Other)	Aviation Fuel Tax Account
1205	Ocn Ranger (DGF)	Berth Fees for the Ocean Ranger Program
1216	Boat Rcpts (Other)	Boat Registration Fees
1172	Bldg Safe (DGF)	Building Safety Account
1208	Fuel Bridg (DGF)	Bulk Fuel Bridge Loan Fund
1074	Bulk Fuel (DGF)	Bulk Fuel Revolving Loan Fund
1061	CIP Rcpts (Other)	Capital Improvement Project Receipts
1163	COP (Other)	Certificates of Participation
1221	Legal Serv (DGF)	Civil Legal Services Fund
1093	Clean Air (Other)	Clean Air Protection Fund

Legislative Finance Division

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Funding Codes Currently in Use as of 10/25/2016 (Alphabetical Order)

Fund Code	Fund Short Name	Fund Long name
1144	CWF Bond (Other)	Clean Water Fund Bond Receipts
1223	CharterRLF (DGF)	Commercial Charter Fisheries RLF
1201	CFEC Rcpts (DGF)	Commercial Fisheries Entry Commission Receipts
1036	Cm Fish Ln (DGF)	Commercial Fishing Loan Fund
1166	Vessel Com (DGF)	Commercial Passenger Vessel Environmental Compliance Fund
1206	CVP Tax (Other)	Commercial Vessel Passenger Excise Tax
1225	CQuota RLF (DGF)	Community Quota Entity RLF
1001	CBR Fund (Other)	Constitutional Budget Reserve Fund
1204	Contingent (UGF)	Contingent Appropriations Temp Code
1220	Crime VCF (Other)	Crime Victim Compensation Fund
1211	Gamble Tax (UGF)	Cruise Ship Gambling Tax
1133	CSSD Admin (Fed)	CSSD Administrative Cost Reimbursement
1016	CSSD Fed (Fed)	CSSD Federal Incentive Payments
1014	Donat Comm (Fed)	Donated Commodity/Handling Fee Account
1159	DWF Bond (Other)	Drinking Water Fund Bond Receipts
1185	Elect Fund (Other)	Election Fund
1054	STEP (DGF)	Employment Assistance and Training Program Account
1018	EVOS Civil (Other)	Exxon Valdez Oil Spill Trust--Civil
9999	Fatal Flaw (UGF)	Fatal Flaw
1043	Impact Aid (Fed)	Federal Impact Aid for K-12 Schools
1002	Fed Rcpts (Fed)	Federal Receipts
1212	Stimulus09 (Fed)	Federal Stimulus: ARRA 2009
1188	Fed Unstr (Fed)	Federal Unrestricted Receipts
1023	FICA Acct (Other)	FICA Administration Fund Account
1024	Fish/Game (Other)	Fish and Game Fund
1070	FishEn RLF (DGF)	Fisheries Enhancement Revolving Loan Fund
1032	Fish Fund (DGF)	Fishermen's Fund
1241	GF/LNG (UGF)	General Fund / LNG
1037	GF/MH (UGF)	General Fund / Mental Health
1003	G/F Match (UGF)	General Fund Match
1005	GF/Prgm (DGF)	General Fund/Program Receipts
1091	GF/Desig (Other)	General Funds - Designated
1008	G/O Bonds (Other)	General Obligation Bonds
1184	GOB DSFUND (DGF)	General Obligation Bond Debt Service Fund
1173	GF MisEarn (UGF)	GF Miscellaneous Earnings
1017	Group Ben (Other)	Group Health and Life Benefits Fund
1026	HwyCapital (Other)	Highways Equipment Working Capital Fund
1229	AGDC-ISP (Other)	In-State Natural Gas Pipeline Fund
1232	ISPF-I/A (Other)	In-State Natural Gas Pipeline Fund--Interagency
1081	Info Svc (Other)	Information Services Fund
1055	IA/OIL HAZ (Other)	Inter-Agency/Oil & Hazardous Waste
1007	I/A Rcpts (Other)	Interagency Receipts
1112	IntAptCons (Other)	International Airports Construction Fund
1027	IntAirport (Other)	International Airports Revenue Fund
1042	Jud Retire (Other)	Judicial Retirement System
1224	MariculRLF (DGF)	Mariculture RLF
1196	Master LOC (Other)	Master Lease Line of Credit
1247	MedRecover (DGF)	Medicaid Monetary Recoveries

Legislative Finance Division

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Fund Sources & Fund Groups

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Funding Codes Currently in Use as of 10/25/2016

(Alphabetical Order)

Fund Code	Fund Short Name	Fund Long name
1094	MHT Admin (Other)	Mental Health Trust Administration
1092	MHTAAR (Other)	Mental Health Trust Authority Authorized Receipts
1192	Mine Trust (Other)	Mine Reclamation Trust Fund
1233	MBB Bonds (Other)	Municipal Bond Bank Bonds
1045	Nat Guard (Other)	National Guard & Naval Militia Retirement System
1063	NPR Fund (Fed)	National Petroleum Reserve-Alaska Special Revenue Fund
1217	NGF Earn (Other)	Non-GF Miscellaneous Earnings
1052	Oil/Haz Fd (DGF)	Oil/Hazardous Release Prevention & Response Fund
1179	PFC (Other)	Passenger Facility Charges
1105	PF Gross (Other)	Permanent Fund Corporation Gross Receipts
1050	PFD Fund (DGF)	Permanent Fund Dividend Fund
1041	PF ERA (DGF)	Permanent Fund Earnings Reserve Account
1171	PFD Crim (DGF)	PFD Appropriations in lieu of Dividends to Criminals
1189	PCE Endow (DGF)	Power Cost Equalization Endowment Fund Earnings
1062	Power Proj (DGF)	Power Project Fund
1147	PublicBldg (Other)	Public Building Fund
1029	PERS Trust (Other)	Public Employees Retirement Trust Fund
1066	Pub School (Other)	Public School Trust Fund
1222	REAA Fund (DGF)	REAA and Small Municipal School District School Fund
1040	Real Est (DGF)	Real Estate Recovery Fund
1156	Rcpt Svcs (DGF)	Receipt Supported Services
1246	420 Fund (DGF)	Recidivism Reduction Fund
1141	RCA Rcpts (DGF)	Regulatory Commission of Alaska Receipts
1210	Ren Energy (DGF)	Renewable Energy Grant Fund
1009	Rev Bonds (Other)	Revenue Bonds
1244	AirptRcpts (Other)	Rural Airport Receipts
1164	Rural Dev (DGF)	Rural Development Initiative Fund
1030	School Fnd (DGF)	School Fund
1031	Sec Injury (DGF)	Second Injury Fund Reserve Account
1154	Shore Fish (DGF)	Shore Fisheries Development Lease Program
1170	SBED RLF (DGF)	Small Business Economic Development Revolving Loan Fund
1195	Snow Rcpts (DGF)	Snow Machine Registration Receipts
1234	LicPlates (DGF)	Special License Plates Receipts
1153	State Land (DGF)	State Land Disposal Income Fund
1108	Stat Desig (Other)	Statutory Designated Program Receipts
1033	Surpl Prop (Fed)	Surplus Federal Property Revolving Fund
1034	Teach Ret (Other)	Teachers Retirement Trust Fund
1151	VoTech Ed (DGF)	Technical Vocational Education Program Receipts
1178	temp code (UGF)	temporary code
1109	Test Fish (DGF)	Test Fisheries Receipts
1155	Timber Rcp (DGF)	Timber Sale Receipts
1168	Tob ED/CES (DGF)	Tobacco Use Education and Cessation Fund
1049	Tmg Bldg (DGF)	Training and Building Fund
1215	UCR Rcpts (Other)	Unified Carrier Registration Receipts
1174	UA I/A (Other)	University of Alaska Intra-Agency Transfers
1048	Univ Rcpt (DGF)	University of Alaska Restricted Receipts
1004	Gen Fund (UGF)	Unrestricted General Fund Receipts
1238	VaccAssess (DGF)	Vaccine Assessment Account

Funding Codes Currently in Use as of 10/25/2016

(Alphabetical Order)

Fund Code	Fund Short Name	Fund Long name
1200	VehRnlTax (DGF)	Vehicle Rental Tax Receipts
1117	VocRehab F (Other)	Voc Rehab Small Business Enterprise Revolving Fund (Federal)
1237	VocRehab S (DGF)	Voc Rehab Small Business Enterprise Revolving Fund (State)
1214	WhitTunnel (Other)	Whittier Tunnel Toll Receipts
1203	WCBenGF (DGF)	Workers Compensation Benefits Guarantee Fund
1157	Wrks Safe (DGF)	Workers Safety and Compensation Administration Account



The Constitution of the State of Alaska

Article IX Finance and Taxation

Section 9.1 - Taxing Power.

The power of taxation shall never be surrendered. This power shall not be suspended or contracted away, except as provided in this article.

Section 9.2 - Nondiscrimination.

The lands and other property belonging to citizens of the United States residing without the State shall never be taxed at a higher rate than the lands and other property belonging to the residents of the State.

Section 9.3 - Assessment Standards.

Standards for appraisal of all property assessed by the State or its political subdivisions shall be prescribed by law.

Section 9.4 - Exemptions.

The real and personal property of the State or its political subdivisions shall be exempt from taxation under conditions and exceptions which may be provided by law. All, or any portion of, property used exclusively for non-profit religious, charitable, cemetery, or educational purposes, as defined by law, shall be exempt from taxation. Other exemptions of like or different kind may be granted by general law. All valid existing exemptions shall be retained until otherwise provided by law.

Section 9.5 - Interests in Government Property.

Private leaseholds, contracts, or interests in land or property owned or held by the United States, the State, or its political subdivisions, shall be taxable to the extent of the interests.

Section 9.6 - Public Purpose.

No tax shall be levied, or appropriation of public money made, or public property transferred, nor shall the public credit be used, except for a public purpose.

Section 9.7 - Dedicated Funds.

The proceeds of any state tax or license shall not be dedicated to any special purpose, except as provided in Section 15 of this article or when required by the federal government for state participation in federal programs. This provision shall not prohibit the continuance of any dedication for special purposes existing upon the date of ratification of this section by the people of Alaska.

Section 9.8 - State Debt.

No state debt shall be contracted unless authorized by law for capital improvements or unless authorized by law for housing loans for veterans, and ratified by a majority of the qualified voters of the State who vote on the question. The State may, as provided by law and without ratification, contract debt for the purpose of repelling invasion, suppressing insurrection, defending the State in war, meeting natural disasters, or redeeming indebtedness outstanding at the time this constitution becomes effective.

Section 9.9 - Local Debts.

No debt shall be contracted by any political subdivision of the State, unless authorized for capital improvements by its governing body and ratified by a majority vote of those qualified to vote and voting on the question.

Section 9.10 - Interim Borrowing.

The State and its political subdivisions may borrow money to meet appropriations for any fiscal year in anticipation of the collection of the revenues for that year, but all debt so contracted shall be paid before the end of the next fiscal year.

Section 9.11 - Exceptions.

The restrictions on contracting debt do not apply to debt incurred through the issuance of revenue bonds by a public enterprise or public corporation of the State or a political subdivision, when the only security is the revenues of the enterprise or corporation. The restrictions do not apply to indebtedness to be paid from special assessments on the benefited property, nor do they apply to refunding indebtedness of the State or its political subdivisions.

Section 9.12 - Budget.

The governor shall submit to the legislature, at a time fixed by law, a budget for the next fiscal year setting forth all proposed expenditures and anticipated income of all departments, offices, and agencies of the State. The governor, at the same time, shall submit a general appropriation bill to authorize the proposed expenditures, and a bill or bills covering recommendations in the budget for new or additional revenues.

Section 9.13 - Expenditures.

No money shall be withdrawn from the treasury except in accordance with appropriations made by law. No obligation for the payment of money shall be incurred except as

authorized by law. Unobligated appropriations outstanding at the end of the period of time specified by law shall be void.

Section 9.14 - Legislative Post-Audit.

The legislature shall appoint an auditor to serve at its pleasure. He shall be a certified public accountant. The auditor shall conduct post-audits as prescribed by law and shall report to the legislature and to the governor.

Section 9.15 - Alaska Permanent Fund.

At least twenty-five per cent of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments and bonuses received by the State shall be placed in a permanent fund, the principal of which shall be used only for those income-producing investments specifically designated by law as eligible for permanent fund investments. All income from the permanent fund shall be deposited in the general fund unless otherwise provided by law.

Section 9.16 - Appropriation Limit.

Except for appropriations for Alaska permanent fund dividends, appropriations of revenue bond proceeds, appropriations required to pay the principal and interest on general obligation bonds, and appropriations of money received from a non-State source in trust for a specific purpose, including revenues of a public enterprise or public corporation of the State that issues revenue bonds, appropriations from the treasury made for a fiscal year shall not exceed \$2,500,000,000 by more than the cumulative change, derived from federal indices as prescribed by law, in population and inflation since July 1, 1981. Within this limit, at least one-

third shall be reserved for capital projects and loan appropriations. The legislature may exceed this limit in bills for appropriations to the Alaska permanent fund and in bills for appropriations for capital projects, whether of bond proceeds or otherwise, if each bill is approved by the governor, or passed by affirmative vote of three-fourths of the membership of the legislature over a veto or item veto, or becomes law without signature, and is also approved by the voters as prescribed by law. Each bill for appropriations for capital projects in excess of the limit shall be confined to capital projects of the same type, and the voters shall, as provided by law, be informed of the cost of operations and maintenance of the capital projects. No other appropriation in excess of this limit may be made except to meet a state of disaster declared by the governor as prescribed by law. The governor shall cause any unexpended and unappropriated balance to be invested so as to yield competitive market rates to the treasury.

Section 9.17 - Budget Reserve Fund.

(a) There is established as a separate fund in the State treasury the budget reserve fund. Except for money deposited into the permanent fund under Section 15 of this article, all money received by the State after July 1, 1990, as a result of the termination, through settlement or otherwise, of an administrative proceeding or of litigation in a State or federal court involving mineral lease bonuses, rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments or bonuses, or involving taxes imposed on mineral income, production, or property, shall be deposited in the budget reserve fund. Money in the budget reserve fund shall be invested so as to yield competitive market rates to the fund. Income of the fund shall be retained in the fund. Section 7 of this article does not apply to deposits made to the fund

under this subsection. Money may be appropriated from the fund only as authorized under (b) or (c) of this section.

(b) If the amount available for appropriation for a fiscal year is less than the amount appropriated for the previous fiscal year, an appropriation may be made from the budget reserve fund. However, the amount appropriated from the fund under this subsection may not exceed the amount necessary, when added to other funds available for appropriation, to provide for total appropriation equal to the amount of appropriations made in the previous calendar year for the previous fiscal year.

(c) An appropriation from the budget reserve fund may be made for any public purpose upon affirmative vote of three-fourths of the members of each house of the legislature.

(d) If an appropriation is made from the budget reserve fund, until the amount appropriated is repaid, the amount of money in the general fund available for appropriation at the end of each succeeding fiscal year shall be deposited in the budget reserve fund. The legislature shall implement this subsection by law.

Alaska Statutes

Title 37. Public Finance **Chapter 37.05. Fiscal Procedures Act** **Article 01. Administration**

Sec. 37.05.010. Bond of commissioner of administration.

The commissioner of administration, before entering upon official duties, shall execute a good and sufficient bond in the sum of \$10,000 payable to the state, conditioned upon the faithful performance of duties imposed by law. The premium on each bond shall be paid in the same manner as other expenses of the department.

Sec. 37.05.020. Regulations.

The Department of Administration shall adopt regulations for the performance of its powers or duties, the execution of its business, and its relations to and business with other state agencies.

Sec. 37.05.030. Financial reports and statements. [Repealed, Sec. 19 ch 6 SLA 1998].

Sec. 37.05.035. Annual state loan reports.

Each state agency that makes or purchases a loan shall prepare an annual report of the aggregate of all loans, by type, made or purchased by the state agency during the preceding fiscal year. The report must include the estimated rate of interest that would have been charged if the loan had been made or purchased at prevailing market rates and must include the difference between the return on the loan that would have been realized under that estimated rate of interest and the return on the loans under the interest rate actually charged. In the absence of a prevailing market rate in the state, the state agency shall use a rate that, in the judgment of the agency, is comparable to a prevailing market rate. The report must also include an analysis of the income groups benefited under the loan programs. By January 30 of each year the state agency shall notify the

legislature that the report prepared under this section is available.

Sec. 37.05.040. Legal custody of records. The commissioner has the legal custody of all records, memoranda, writing, entries, prints, representations, or combinations of them, of any act, transaction, occurrence, or event of the department.

Sec. 37.05.050. Federal funds. Federal funds received by an agency shall be deposited in the state treasury and disbursed in the same manner as other state money. Federal funds are subject to the fiscal controls imposed by this chapter, except where federal laws or regulations prevent the funds from being deposited, appropriated, allocated, accounted for, or expended as provided by this chapter and other laws not inconsistent with this chapter.

Sec. 37.05.060. - 37.05.120 [Repealed, Sec. 3 ch 188 SLA 1970].

Article 02. Uniform Accounting

Sec. 37.05.130. General powers.

The Department of Administration is responsible for all accounts and purchases.

Sec. 37.05.140. Accounting system.

(a) The Department of Administration shall maintain centralized accounting records that include the general and controlling accounts of the state. The state agencies shall prepare and transmit the documents prescribed by the department and shall submit the reports and statements required in order to carry out this chapter. Statistical or cost accounts related to the control accounts may be maintained by the department or by the agency as determined by the department, after consultation with the head of the agency concerned. Duplicate accounting records may not

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be maintained, except in the office of the Department of Administration as it directs.

(b) *[Repealed, Sec. 18 ch 9 SLA 1994].*

(c) *[Repealed, Sec. 18 ch 9 SLA 1994].*

(d) The Department of Administration after consultation with the head of the agency concerned may decide not to maintain all or any part of the accounting records for an agency if the department finds that to do so would result in an appreciable loss of federal grant-in-aid funds to defray the administrative costs of maintaining the records.

Sec. 37.05.142. Accounting for program receipts.

The Department of Administration shall establish and maintain separate accounts by program source for all program receipts that state agencies deposit under AS 37.10.050 or under another statute if the program receipts are exempted by law from the deposit requirements of AS 37.10.050.

Sec. 37.05.144. Appropriations based upon program receipts.

The annual estimated balance in each account maintained under AS 37.05.142 may be used by the legislature to make appropriations to state agencies to administer the programs generating the program receipts, to implement the laws related to the functions generating the program receipts, or to cover costs associated with the collection of the program receipts.

Sec. 37.05.146. Definition of program receipts and non-general fund program receipts.

(a) In AS 37.05.142 - 37.05.146 and AS 37.07.080 "program receipts" means fees, charges, income earned on assets, and other state money received by a state agency in connection with the performance of its functions. Unless otherwise provided in this section, program receipts are accounted for within, and appropriated from, the general fund of the state.

(b) The program receipts listed in this subsection are accounted for separately, and appropriations from these program receipts are not made from the unrestricted general fund:

- (1) federal receipts;
- (2) University of Alaska receipts (AS 14.40.491);
- (3) designated program receipts; in this paragraph, "designated program receipts" means money received by the state from a source other than the state or federal government that is restricted to a specific use by the terms of a gift, grant, bequest, or contract;
- (4) receipts of or from the trust established by AS 37.14.400 - 37.14.450, except reimbursements described in AS 37.14.410;
- (5) receipts of the Alaska Fire Standards Council for which a taxpayer is allowed a credit under AS 21.89.075.

(c) The program receipts of the following are accounted for separately, and appropriations from these program receipts are not made from the unrestricted general fund:

- (1) highway working capital fund (AS 44.68.210);
- (2) *[Repealed, Sec. 10 ch 58 SLA 2006].*
- (3) loan funds;
- (4) international airport revenue fund (AS 37.15.430);
- (5) corporate receipts earned or managed by a public corporation of the state;
- (6) fish and game fund (AS 16.05.100);
- (7) school fund (AS 43.50.140);
- (8) training and building fund (AS 23.20.130);
- (9) retirement funds (AS 14.25, AS 22.25, AS 26.05.222, AS 39.35, and former AS 39.37);
- (10) permanent fund (art. IX, sec. 15, Alaska Constitution);
- (11) public school trust fund (AS 37.14.110);
- (12) second injury fund (AS 23.30.040);
- (13) fishermen's fund (AS 23.35.060);
- (14) FICA administration fund (AS 39.30.050);
- (15) receipts of the employee benefits program established under AS 39.30.150 - 39.30.180;
- (16) receipts of the deferred compensation program established under AS 39.45;
- (17) clean air protection fund (AS 46.14.260);
- (18) receipts of the group insurance programs

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established under AS 39.30.090;
(19) mental health trust fund (AS 37.14.031);
(20) Alaska children's trust (AS 37.14.200);
(21) commercial fisheries test fishing operations (AS 16.05.050(a)(15));
(22) Regulatory Commission of Alaska under AS 42.05 and AS 42.06;
(23) Alaska Oil and Gas Conservation Commission under AS 31.05;
(24) receipts of the Department of Commerce, Community, and Economic Development under AS 08.01.065 and from fines and penalties collected in licensing and disciplinary actions for occupations under AS 08.01.010;
(25) receipts from the seafood marketing assessment under AS 16.51.120-16.51.170, and receipts of the Alaska Seafood Marketing Institute;
(26) the administrative cost charge under AS 44.33.113 for the state's role in the federal community development quota program;
(27) dive fishery management assessment receipts (AS 43.76.150), salmon fishery assessment receipts (AS 43.76.220), and permit buy-back assessment receipts (AS 43.76.300);
(28) process service fees collected by the Department of Public Safety;
(29) Alaska Commercial Fisheries Entry Commission under AS 16.05.490, 16.05.530, and AS 16.43;
(30) receipts of the Alaska Vocational Technical Center;
(31) Alaska Pioneers' Home and Alaska Veterans' Home care and support receipts under AS 47.55.030;
(32) receipts of the Department of Transportation and Public Facilities from tolls charged for use of the Whittier Tunnel;
(33) receipts of the Department of Commerce, Community and Economic Development, division of insurance, from license fees and fees for services;

(34) receipts of the Department of Commerce, Community, and Economic Development from its functions relating to banking, securities, and corporations;
(35) receipts of the Department of Corrections from the electronic prisoner monitoring program under AS 33.30.065 (d);
(36) receipts of the Department of Corrections from the operation of community residential centers;
(37) receipts of the Alaska Police Standards Council;
(38) receipts of the Department of Public Safety from fees for fire and life safety plan checks under AS 18.70.080 (b);
(39) receipts of the Department of Transportation and Public Facilities from the measurement standards and commercial vehicle enforcement program;
(40) receipts of the Department of Education and Early Development for teacher certification under AS 14.20.020;
(41) receipts of the Professional Teaching Practices Commission from professional certification fees;
(42) receipts of the Department of Health and Social Services, Bureau of Vital Statistics;
(43) receipts of the Department of Corrections from the inmate telephone system;
(44) receipts of the Department of Public Safety from the Alaska automated fingerprint system under AS 44.41.025 (b);
(45) receipts of the Department of Administration from the boat registration program under AS 05.25.096;
(46) state land disposal program (AS 38.04.022);
(47) shore fisheries development lease program account (AS 38.05.082(f));
(48) timber receipts account (AS 38.05.110);
(49) workers' safety and compensation administration account (AS 23.05.067);
(50) receipts of fees for recording and related services of the Department of Natural Resources

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(AS 40.17.030 (a)(10), 40.17.070; AS 44.37.025(b), 44.37.027(c); AS 45.29.303 (b), 45.29.525, and 45.29.619(b));
(51) receipts described in AS 46.03.482 (b)(1) and (2) received under the commercial passenger vessel environmental compliance program;
(52) receipts of the Department of Commerce, Community, and Economic Development for fees for business licenses and license endorsements under AS 43.70;
(53) receipts of fees for certain inspections deposited under AS 05.20.060, AS 18.60.360, 18.60.395, 18.60.800, and AS 18.62.030 in the building safety account created under AS 44.31.025;
(54) passenger facility charges collected at state-owned and operated airports under Federal Aviation Administration guidelines;
(55) money received by the Department of Environmental Conservation from the inspection of food under AS 17.20;
(56) fees received by the Department of Natural Resources under AS 41.21.026 for the use of state park system facilities;
(57) application and renewal fees received by the Department of Public Safety under AS 18.65.400 - 18.65.490 for licenses for security guards and security guard agencies;
(58) fees received by the Department of Public Safety under AS 18.65.700 - 18.65.790 for the issuance, renewal, and replacement of permits to carry concealed handguns;
(59) monetary recoveries by the Department of Health and Social Services of Medicaid expenditures from recipients, third parties, and providers under AS 47;
(60) the state's share of overpayments collected by the Department of Health and Social Services under AS 47.05.080;
(61) income received by the Department of Health and Social Services from a state or federal agency

for children in foster care under AS 47.14.100;
(62) fees received by the Department of Health and Social Services under AS 44.29.022 for nursing and planning services provided at health centers;
(63) fees received by the Department of Health and Social Services under AS 44.29.022 for genetic screening clinics and specialty clinics;
(64) fees received by the Department of Health and Social Services under AS 18.08.080 for the certification of emergency medical technicians, emergency medical dispatchers, and emergency medical technician instructors;
(65) fees collected by the Department of Health and Social Services under AS 44.29.022 from the certification of x-ray machines;
(66) fees collected under AS 44.29.022 by the Department of Health and Social Services under the Alcohol Safety Action Program;
(67) fees received by the Department of Health and Social Services under AS 47.32;
(68) charges, rentals, and fees for airport or air navigation facility contracts, leases, and other arrangements under AS 02.15.020 and 02.15.090;
(69) fees for utility facility permits under AS 02.15.102, encroachment permits under AS 02.15.106, utility right-of-way permits under AS 19.25.010, and utility facility permits under AS 35.10.210;
(70) recoveries of repair costs for damage to highway fixtures;
(71) the state's share of child support collections for reimbursement of the cost of the Alaska temporary assistance program as provided under AS 25.27.120, 25.27.130, and AS 47.27.040;
(72) vehicle registration fees collected under AS 28.10.421 and other fees and charges collected under AS 28.10.441;
(73) fees for drivers' licenses, drivers' permits, renewals, and driver skills tests collected under AS 28.15.271;

- (74) user fees and other fees collected by the Department of Education and Early Development under AS 14.57.010;
- (75) student tuition and other fees related to schools that are operated by the state and collected under AS 14.07.030;
- (76) receipts of fees for registration and renewal of registration for the sale of business opportunities under AS 45.66.040;
- (77) emission control permit receipts account (AS 46.14.265);
- (78) workers' compensation benefits guaranty fund (AS 23.30.082);
- (79) receipts of the Department of Environmental Conservation from the registration of pesticides and broadcast chemicals and the licensing of pesticide applicators under AS 44.46.025;
- (80) proceeds from prison employment, including deductions from prisoner wages for the cost of confinement under AS 33.30.201 (b) and forfeited wages under AS 33.30.201 (e);
- (81) fees collected under AS 18.74.080;
- (82) civil legal services fund under AS 37.05.590.
- (83) donations to the anatomical gift awareness fund under AS 13.50.150;
- (84) crime victim compensation fund (AS 18.67.162);
- (85) gifts, donations, and grants received by the Department of Military and Veterans' Affairs for the purpose of establishing and maintaining Alaska veterans' cemeteries under AS 26.10.030 and AS 44.35.035(b).
- (86) fines imposed and collected under AS 12.55.035.

Sec. 37.05.150. Funds and accounts.

The accounting system shall be in accordance with accepted principles of governmental (fund) accounting and shall include both budgetary and property accounts. The system must provide records showing at all times by funds, accounts, and other pertinent classifications the amounts

appropriated, the estimated revenue, actual revenue or receipts, the amounts available for expenditure, the total expenditures, the unliquidated obligations, actual balances on hand, and the unencumbered balances of appropriations for each state agency.

Sec. 37.05.151. [Renumbered as AS 37.05.500].

Sec. 37.05.152. [Renumbered as AS 37.05.510].

Sec. 37.05.153. [Renumbered as AS 37.05.520].

Sec. 37.05.156. [Renumbered as AS 37.05.540].

Sec. 37.05.157. , 37.05.158 Reserve for capital outlay account; reserve for energy facilities development account. [Repealed, Sec. 62 ch 14 SLA 1987].

Sec. 37.05.159. Reserve for emergency operating expenses account. [Repealed, Sec. 2 ch 58 SLA 1986].

Sec. 37.05.160. Property records.

The Department of Administration shall direct the use of inventory records by all state agencies to show all fixed and movable property of the state. The records must be based on a physical inventory and charged with all subsequent purchases and shall be reduced by all property traded in, condemned, or disposed of. The accuracy of the property record shall be verified periodically by actual inspection of the property by the department. The state agencies may be required to take physical inventory of properties annually and at other times as the department directs.

Sec. 37.05.165. Petty cash accounts.

The Department of Administration shall determine the amount of the petty cash accounts needed by each state agency and inspect the petty cash accounts at least once each year to determine that the total plus amounts of receipts for unreplenished disbursements is equal to the fixed sum of cash set aside. Shortages in petty cash accounts are a personal liability of the responsible head of the agency to whom the account is set aside. The department shall adopt necessary regulations governing use and replenishment of petty cash funds.

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Sec. 37.05.170. Restrictions on payments and obligations.

Payment may not be made and obligations may not be incurred against a fund unless the Department of Administration certifies that its records disclose that there is a sufficient unencumbered balance available in the fund and that an appropriation or expenditure authorization has been made for the purpose for which it is intended to incur the obligation.

Sec. 37.05.180. Limitation on payment of warrants.

A warrant upon the state treasury may not be paid unless presented at the office of the commissioner of revenue within six months of the date of its issuance. A warrant not presented within that time is presumed abandoned, except where the warrant is for the payment of a permanent fund dividend or a benefit payment or refund under AS 14.25, AS 22.25, AS 26.05, AS 39.30, AS 39.35, former AS 39.37, or AS 39.45. Money held for an abandoned warrant shall be delivered to the custody of the Department of Revenue to be administered as unclaimed property under AS 34.45.

Sec. 37.05.190. Pre-audit of claims.

(a) The Department of Administration shall examine and audit every receipt, account, bill, claim, refund, and demand on the funds in the state treasury arising from activities carried on by state agencies. It shall determine whether or not the obligation is incurred in accordance with laws and regulations adopted under authority of law, and that the amount is correct and is unpaid.

(b) The department may not approve for payment an account, bill, claim, refund, or demand on funds in the state treasury unless the claim is ordered by act of the legislature or is contracted against the state by an authorized officer or agent of the state.

Sec. 37.05.200. Pre-audit of receipts.

The Department of Revenue shall transmit to the Department of Administration copies of receipt documents showing all receipts received by the Department of Revenue. The receipt documents shall be audited, examined, and the amounts entered in the proper accounts in the records of the Department of Administration. The Department of Administration may adopt regulations to establish the system for providing current receipt documents.

Sec. 37.05.210. Fiscal reporting and statistics.

(a) The Department of Administration shall

(1) file with the governor and with the legislative auditor before December 16 a report of the financial transactions of the preceding fiscal year and of the financial condition of the state as of the end of that year, prepared in accordance with generally accepted accounting principles and audited by the legislative auditor in accordance with generally accepted audit standards, with comments and supplementary data that the Department of Administration considers necessary; this report shall be printed for the information of the legislature and the public;

(2) compile statistics necessary for the budget and other statistics required by the governor;

(3) file a travel and compensation report with the legislature by January 31 of each year containing detailed information for the previous calendar year of the salaries, per diem, travel expenses, relocation expenses, and any additional allowances for

(A) the governor, the lieutenant governor, and the chiefs of staff of the governor and lieutenant governor;

(B) the president and vice-president of the University of Alaska and the chancellors of the individual campuses of the university;

- (C) the commissioners or other executive heads of the principal departments in the executive branch of state government, and the deputy commissioners and division directors in those departments; and
- (D) the executive heads of public corporations created by law, including the Alaska Railroad Corporation.

(b) By January 21 of each year, the University of Alaska and each public corporation shall provide the information related to salaries, per diem, travel expenses, relocation expenses, and any additional allowances to the Department of Administration in the form and manner prescribed by the department.

Title 37. Public Finance **Chapter 37.05. Fiscal Procedures Act**

Article 06. Special Funds

Sec. 37.05.540. Budget reserve fund; appropriation limit.

(a) There is established as a separate fund in the state treasury the budget reserve fund. The budget reserve fund consists of appropriations to the fund. Money received by the state that is subject to the appropriation limit under (b) of this section and that exceeds that limit, may be appropriated to the budget reserve fund.

(b) Except for appropriations to the permanent fund or for Alaska permanent fund dividends, appropriations to the budget reserve fund, appropriations of revenue bond proceeds, appropriations required to pay the principal and interest on general obligation bonds, and appropriations of money received from a nonstate source in trust for a specific purpose, including revenue of a public enterprise or public corporation of the state that issues revenue bonds, appropriations from the mental health trust settlement income account (AS 37.14.036), and appropriations made to the mental health trust fund (AS 37.14.031), appropriations from the treasury made in a fiscal year may

not exceed appropriations made in the preceding fiscal year by more than five percent plus the change in population and inflation since the beginning of the preceding fiscal year. For purposes of applying this limit an appropriation is considered to be made in the fiscal year in which it is enacted and a reappropriation remains attributed to the fiscal year in which the original appropriation is enacted. The determination of the change in population for purposes of this subsection shall be based on an annual estimate of population by the Department of Labor and Workforce Development. The determination of the change in inflation for purposes of this subsection shall be based on the Consumer Price Index for all urban consumers for Anchorage prepared by the United States Bureau of Labor Statistics. The amount of money received by the state that is subject to the appropriation limit includes the balance in the general fund carried forward from the preceding fiscal year.

(c) If the legislature determines that the money subject to the appropriation limit received by the state in a fiscal year is less than the maximum permitted to be appropriated under (b) of this section, up to 25 percent of the balance of the budget reserve fund may be appropriated to the general fund.

(d) The Department of Revenue shall manage and invest assets of the budget reserve fund in the manner set out for the management and investment of the assets of the general fund under AS 37.10.070 . Income from investment of the budget reserve fund may be appropriated to the fund each year by law.

(e) Notwithstanding other provisions of this section, appropriations may be made from the budget reserve fund needed by the governor to meet a disaster. In this subsection, "disaster" has the meaning given in AS 26.23.900.

Title 37. Public Finance **Chapter 07. Executive Budget Act**

Sec. 37.07.010. Statement of policy. It is the purpose of this chapter to establish a comprehensive system for state program and financial management that furthers the capacity of the governor and legislature to plan and finance the services that they determine the state will provide for its citizens. The system must include procedures for

(1) the orderly establishment, continuing review, and periodic revision of the program goals and policies of state agencies and financial goals and policies of the state;

(2) the development, coordination and review of long-range program and financial plans that will implement established state goals and policies;

(3) the preparation, coordination, analysis, and enactment of a budget that is organized to focus on the services provided by state agencies and on the cost of those services and that provides for implementation of policies and plans, in the succeeding budget period;

(4) the evaluation of alternatives to existing policies, plans and procedures that offer potential for more efficient state services;

(5) the regular appraisal and reporting of program performance;

(6) public participation in the development of the annual budget, including opportunity for the public to review and comment upon the plans and programs of the Office of the Governor and all state agencies in the executive branch, the legislature, the judicial system, the University of Alaska, and the public corporations of the state.

Sec. 37.07.014. Responsibilities of the legislature.

(a) To carry out its legislative power under art. II, sec. 1, Constitution of the State of Alaska, and to promote results-based government, the legislature shall issue a mission statement for each agency and the desired results the agency should achieve. The legislature may issue a separate mission statement for a subunit of an agency.

A mission statement and desired results should promote the efficient, measured use of the state's resources. A mission statement and desired results constitute policy under which an agency shall operate, and, where appropriate, the mission statement may be implemented by statute.

(b) The legislature shall provide for a budget review function that promotes results-based government. The legislature shall adopt a method of measuring results for each agency, and measurements shall be reported semi-annually by each agency to the legislature. The reports shall be used by the legislature to evaluate whether the mission and desired results for that agency or subunit of the agency are being achieved.

(c) The legislature shall analyze the comprehensive operating and capital improvements programs and financial plans recommended by the governor.

(d) To foster results-based government, to carry out the mission statements, and to obtain desired results, the legislature shall authorize the comprehensive operating and capital improvements programs and financial plans. The legislature shall allocate the state's resources for effective and efficient delivery of public services by

(1) clearly identifying desired results;

(2) setting priorities;

(3) assigning accountability; and

(4) using methods for measuring, reporting, and evaluating results.

(e) The legislature shall

(1) provide for a post-audit function to cover financial transactions, program accomplishment, and compliance with legislative intent;

(2) adopt or revise the estimate of receipts required to balance the succeeding fiscal year's budget in order that proposed expenditures do not exceed estimated receipts for that fiscal year;

(3) adopt, revise, or initiate revenue measures in order to balance the succeeding fiscal year's budget and the capital improvements section of the budget for the succeeding six years.

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(f) To help fulfill the legislature's responsibilities under this section and achieve results-based government, each agency shall

- (1) allocate resources to achieve the mission and desired results established by the legislature;
- (2) express desired results established by the legislature and other program results in measurable terms;
- (3) measure progress towards mission statements and desired results established by the legislature and other results;
- (4) promote activities consistent with mission statements and desired results established by the legislature that reduce or avoid future costs;
- (5) plan for the short-term and the long-term using consistent assumptions for major demographic and other trends; and
- (6) require accountability at all levels for meeting program mission statements and desired results established by the legislature.

Sec. 37.07.016. Governor's use of mission statements.

To carry out the executive power under art. III, sec. 1 and sec. 16, Constitution of the State of Alaska, the governor shall use the mission statements and desired results issued by the legislature as a guide to implement and execute the law. The governor shall assure that each agency complies with the mission statement and achieves the desired results identified by the legislature.

Sec. 37.07.020. Responsibilities of the governor.

(a) The governor shall prepare a budget for the succeeding fiscal year that must cover all estimated receipts, including all grants, loans, and money received from the federal government and all proposed expenditures of the state government. The budget shall be organized so that the proposed expenditures for each agency are presented separately.

The budget must be accompanied by the information required under AS 37.07.050 and by the following separate bills:

- (1) an appropriation bill authorizing the operating and capital expenditures of the state's integrated comprehensive mental health program under AS 37.14.003(a);
- (2) an appropriation bill authorizing state operating expenditures other than those included in the state's integrated comprehensive mental health program;
- (3) an appropriation bill authorizing capital expenditures other than those included in the state's integrated comprehensive mental health program; and
- (4) a bill or bills covering recommendations, if any, in the budget for new or additional revenue. The budget for the succeeding fiscal year and each of the bills shall become public information on December 15 at which time the governor shall submit copies to the legislature and make copies available to the public. The bills, identical in content to the copies released on December 15, shall be delivered to the rules committee of each house before the fourth legislative day of the next regular session for introduction.

(b) In addition to the budget and bills submitted under (a) of this section, the governor shall submit a capital improvements program covering the succeeding six fiscal years. The governor shall also submit a fiscal plan with estimates of significant sources and uses of funds for the succeeding 10 fiscal years. The fiscal plan

- (1) must include sufficient details to identify
 - (A) significant sources of funds;
 - (B) significant uses of funds, including lump sum projections of
 - (i) operating expenditures;
 - (ii) capital expenditures;
 - (iii) debt service expenditures;
 - (iv) fund capitalizations;

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(v) appropriations of income of the Alaska permanent fund (art. IX, sec. 15, Constitution of the State of Alaska), if any;

- (2) must balance sources and uses of funds held while providing for essential state services and protecting the economic stability of the state;
- (3) must include projected balances of significant funds held in separate accounts, including the budget reserve fund (art. IX, sec. 17, Constitution of the State of Alaska), the public education fund (AS 14.17.300), and the Alaska capital income fund (AS 37.05.565);
- (4) must set out significant assumptions used in the projections with sufficient detail to enable the legislature to rely on the fiscal plan in understanding, evaluating, and resolving issues of state budgeting including information that supports major areas of operating increases, such as population demographics that affect the need for particular government services.

(c) Proposed expenditures may not exceed estimated revenue for the succeeding fiscal year. The expenditures proposed in the six-year capital improvements program and financial plan may not exceed the estimated revenue and bond authorizations passed and proposed.

(d) *[Repealed, Sec. 35 ch 126 SLA 1994].*

(e) The budget prepared under (a) of this section must present the proposed operating expenditures for each agency for annual facility operations, annual maintenance and repair, and periodic renewal and replacement for components of public buildings and facilities separately from the other proposed operating expenditures by the agency. Proposed annual appropriations for an agency's facility operations, maintenance and repair, and renewal and replacement for components of public buildings and facilities contained in an appropriation bill prepared under (a) of this section must be presented separately from appropriations for other proposed operating expenditures by the agency.

Sec. 37.07.030. Responsibilities of the legislature. [Repealed, Sec. 9 ch 27 SLA 1998].

Sec. 37.07.040. Office of management and budget.

The Alaska office of management and budget shall

(1) assist the governor in meeting the requirements of AS 37.07.020, including the coordination and analysis of state agency goals and objectives, plans, and budget requests;

(2) prepare for submission to the governor an annually updated six-year capital improvements program and the proposed capital improvements budget for the coming fiscal year, the latter to include individual project justification with documentation of estimated project cost;

(3) develop procedures to produce the information needed for effective policy decision making, including procedures to provide for the dissemination of information about plans, programs, and budget requests to be included in the annual budget and opportunity for public review and comment during the period of budget preparation;

(4) assist state agencies in their statement of goals and objectives to achieve, among other things, the legislature's mission and desired results, preparation of plans, assessments of the extent to which missions and desired results have been achieved, budget requests, and reporting of program performance; all documents forwarded by the office to a state agency containing instructions for the preparation of program plans and budget requests and the reporting of program performance are public information after the date they are forwarded;

(5) administer its responsibilities under the program execution provisions of this chapter so that the policy decisions and budget determinations of the governor and the legislature are implemented;

(6) provide the legislative finance division with the budget information it may request;

(7) provide the legislative finance division with an advance copy of the governor's budget workbooks at least seven days before the legislature convenes in a regular session;

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(8) prepare the proposed capital improvements budget for the coming fiscal year evaluating both state and local requests from the standpoint of need, equity, and priorities of the jurisdiction; other factors such as project amounts, population, local financial match, federal funds being used for local match, municipality or unincorporated community acceptance of the facility, and all associated costs of the facility may be considered;

(9) for each department in the executive branch, report to the legislature by the 45th day of each regular session the amount of money appropriated to the department that is expected to lapse into the general fund at the end of the current fiscal year;

(10) establish and administer a state agency program performance management system involving planning, performance budgeting, performance measurement, and program evaluation; the office shall ensure that information generated under this system is useful for managing and improving the efficiency and effectiveness of agency operations.

(11) by January 15, list each lease-purchase agreement entered into by an agency during the immediately preceding fiscal year for the acquisition of equipment or other personal property, together with a description of the property acquired and financial details, including the purchase price, the term for payments, the amount of each payment, and the amount of interest or financing charges paid.

(12) work with state agencies to develop a standardized methodology to collect and store energy consumption and expense data.

Sec. 37.07.045. Debt affordability analysis.

The Department of Revenue shall prepare a report that includes an inventory of state bonded debt, an estimate of state bonded debt that will be acquired within the next three years, and an evaluation of debt affordability. The report must conform to rating agency requirements for a debt affordability study. By January 31 each year, the report must be provided to the legislature for use in budget planning and made available to the public.

Sec. 37.07.050. Agency program and financial plans; mission statements.

(a) The agencies shall assure the development of a statewide system of results-based government designed to increase efficiency and effectiveness of state programs and services. Toward that end, each state agency shall, on a semi-annual basis, identify results-based measures that have been used to work toward achievement of the mission statement and desired results issued by the legislature and of other goals of the agency, and set out the results as measured. Each state agency shall also prepare information that shall be compiled and submitted on December 15 each year to the office, the legislature, and the legislative finance division; this information must

(1) identify the agency mission and desired results established by the legislature;

(2) identify the goals and objectives the agency will use to achieve the legislature's mission and desired results;

(3) set out the results of any user group surveys and, if the results do not agree with the mission and desired results, goals, and objectives, explain why;

(4) include written, defined methods of measuring results that apply to the responsibilities, products, and services of the agency;

(5) identify results-based measures that have been used to work toward achievement of the mission statement and desired results issued by the legislature and other goals of the agency and set out the results as measured;

(6) identify surveys or other methods of gathering user group opinions that have been used by the agency to identify ways to improve its programs;

(7) identify methods of measuring performance when the mission statement and desired results issued by the legislature involve more than one agency and make recommendations to eliminate duplication of government functions and waste;

(8) identify ways in which the agency has involved its employees in the development of methods

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of measuring results, including opportunities for employee representatives to participate in committees established to develop methods of measuring results;

(9) include the budget requested to carry out the agency's proposed plans in the succeeding fiscal year, including information reflecting the expenditures during the last fiscal year, the expenditures authorized for the current fiscal year, the expenditures proposed for the succeeding fiscal year, an explanation of the services to be provided, the number of total positions for all persons employed or under contract by the agency for personal services including those rendered for capital improvement projects, the need for the services, the cost of the services, and other information requested by the office;

(10) include a report of agency receipts during the last fiscal year, an estimate of receipts during the current fiscal year, and an estimate of receipts for the succeeding fiscal year;

(11) identify legislation required to implement the proposed programs and financial plans;

(12) include an evaluation of the advantages and disadvantages of specific alternatives to existing or proposed agency activities or administrative methods;

(13) prioritize the activities of the agency from the most important to the least important.

(b) The state agency proposals prepared under (a) of this section must describe the relationships of their program services to those of other agencies, of other governments, and of nongovernmental bodies.

(c) The office shall assist agencies in the preparation of their proposals under (a) of this section. This assistance may include technical assistance, organization of materials, centrally collected accounting, budgeting and personnel information, standards and guidelines formulation, population and other required data, and any other assistance

that will help the state agencies produce the information necessary for efficient agency management and effective decision-making by the governor and the legislature.

(d) If any state agency fails to transmit the program and financial information provided under (a) of this section on the specified date, the office may prepare the information.

(e) The office shall compile and submit to the governor-elect in any year when a new governor has been elected, not later than November 20, a summary of the program and financial information prepared by state agencies.

(f) Budget requests for boards and commissions and for those agency programs for the fiscal year following termination under AS 44.66 shall be prepared and submitted. The recommended appropriation request must include

(1) an identification of the objectives intended for the program and the problem or need that the activities and operations of the board, commission, or program is intended to address;

(2) an assessment of the degree to which the original objectives of the program have been achieved expressed in terms of performance, effects, or accomplishments of the program and of the program or need that it was intended to address;

(3) a statement of the performance and accomplishments of the program in each of the last four completed fiscal years and of the costs incurred in the operation of the program;

(4) a statement of the number and types of persons affected by operation of the program;

(5) a summary statement, for each of the last three completed fiscal years, of the number of personnel employed in carrying out the program and a summary of the cost of personnel employed under contract in carrying out the program;

(6) an assessment of the effect of the program on the economy of the state;

(7) an assessment of the degree to which the overall policies of the program, as expressed in regulations adopted by the agency, board, or

commission and its decisions, meet the objectives of the legislature in establishing the program;

(8) an analysis of the services and performance estimated to be achieved if the life of the agency, board, or commission were to be continued;

(9) a prioritized list of the activities the agency, board, or commission would be expected to perform if the life of the agency, board, or commission were to be continued, from the most important to the least important.

(g) All goals and objectives, plans, programs, estimates, budgets, and other documents forwarded to the office of management and budget by a state agency under this section are public information after the date they are forwarded.

(h) Each agency shall, with participation of its employees, develop methods for measuring agency results. A group or committee established by an agency to develop methods of measuring results shall include a representative of each of the bargaining units that represents employees of the agency.

Sec. 37.07.060. Governor's recommendation.

(a) The governor shall formulate the operating and capital budget, capital improvements program, and fiscal plan required to be recommended to the legislature by AS 37.07.020 after considering the state agency proposed program and financial plans prepared in accordance with AS 37.07.050, and other programs and alternatives that the governor considers appropriate. The plans must include the governor's recommended missions and results, recommended strategies to implement the missions and results, recommended measures for determining whether the missions and desired results are achieved, including an assessment of whether prior year missions and desired results have been achieved, recommended operating program for the succeeding fiscal year, recommended capital improvements program for the succeeding six fiscal years, recommended programs for the upgrading of public buildings and facilities prepared in accordance with

AS 35.10.015, and recommended revenue measures to support the programs.

(b) The governor shall present the proposed comprehensive operating and capital improvements programs, and fiscal plan if it is required under AS 37.07.020(b), in a message to a joint session of the legislature before the fourth legislative day following the convening of the legislature in regular session. The message must be accompanied by an explanatory report that summarizes recommended goals, plans, and appropriations. The report must contain

(1) the coordinated program goals and objectives which the governor recommends to guide the decisions on the proposed program plans and budget appropriations;

(2) the governor's operating program and budget recommendations for the succeeding fiscal year organized by agency as required by AS 37.07.020(a);

(3) the governor's capital improvements program and budget recommendations for the succeeding fiscal year and capital improvements program for the succeeding six fiscal years, which must include

(A) a description of each project, its estimated cost for the year construction is to start and the estimated cost of the project adjusted for inflation over the estimated period of construction, and the source of financing for the project; the project description for a new building or a new facility or for a major addition to a building or facility should include a site plan, preliminary drawings, and architect's or engineer's total cost estimate for the project;

(B) a summary of projects previously authorized and not yet completed;

(C) a summary, listed by agency, of all previously proposed projects that have been deferred beyond the six years covered by the plan and the year in which construction has been rescheduled to begin;

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- (D) a forecast of the debt structure of the state and the various debt ratios over the life of the state's bonds outstanding, bonds authorized and to be issued, and bond authorizations recommended in the plan;
- (E) a description of additional revenue measures needed to finance the plan in lieu of debt;
- (F) bond election bills to authorize the bonds required to fund the projects scheduled for the first three years of the plan;
- (G) projections of population of the state and its regions and communities;
- (H) economic data and projections necessary for the evaluation of the plan;
- (4) a summary of state receipts in the last fiscal year, a revised estimate for the current fiscal year, and an estimate for the succeeding fiscal year;
- (5) a summary of expenditures during the last fiscal year, those authorized for the current fiscal year, and an estimate for the succeeding fiscal year;
- (6) any additional information that will facilitate understanding of the governor's proposed programs and financial plans by the legislature and the public.

Sec. 37.07.062. Capital budget.

(a) Each appropriation bill authorizing capital expenditures required to be submitted to the legislature in AS 37.07.020 (a) must be accompanied by documents supporting the expenditures for each of the capital projects funds (AS 44.42.080). The documents must list, for each project, the (1) project identification number; (2) project title; (3) source of funding; (4) amount expended on the project during the preceding fiscal year, the amount authorized for the current fiscal year, and the amount proposed to be expended during the succeeding fiscal year; (5) estimated start for construction; (6) schedule of bond elections pertaining to the appropriation, including elections previously held. The total appropriation to each capital projects fund must be reflected in the balance sheet of each fund as of June 30 of each fiscal year.

(b) Upon the effective date of each appropriation bill authorizing capital expenditures, the amounts appropriated by the bill for capital outlay shall be paid into the appropriate capital project funds established under AS 44.42.080 .

(c) The balance sheet of each capital projects fund (AS 44.42.080) shall, at the end of each fiscal year, contain the following items so as to reflect the status of each fund and that the appropriations to each fund are not based upon a fiscal year:

- (1) cash with treasury - shows a normal debit balance;
- (2) bonds authorized and unissued - shows a normal debit balance; these are assets of each fund and shall be sold in accordance with the election date of each authorization; the proceeds are expended on a first-in, first-out basis;
- (3) bonds to be authorized - shows a normal debit balance; these shall be reflected in general obligation bond or revenue bond act proposals accompanying each year's capital improvements program revision; the general obligation bond act proposals are to provide funding for the three fiscal years following the general election date;
- (4) general fund; other - shows a normal debit balance; additional appropriations from the general fund above those required by law for capital outlay;
- (5) other funds - shows a normal debit balance; appropriations from other state funds for capital outlay;
- (6) federal aid - shows a normal debit balance; includes funds expected to be received from federal sources for capital projects;
- (7) expenditures, prior fiscal year - shows a normal credit balance;
- (8) encumbrances - shows a normal debit balance;
- (9) reserve for encumbrances - shows a normal credit balance;

(10) fund balance - shows a normal zero balance.

(d) The annual financial report of the state must contain the following statements for each capital projects fund:

- (1) balance sheet;
- (2) analysis of changes in bonds authorized and unissued;
- (3) analysis of changes in bonds to be authorized;
- (4) analysis of changes in funds to be provided by others;
- (5) statement of expenditures and encumbrances compared to appropriations.

Sec. 37.07.070. Legislative review.

The legislature shall consider the governor's proposed comprehensive operating and capital improvements programs and financial plan if it is required under AS 37.07.020(b), evaluate alternatives to the plans, make program selections among the various alternatives, and determine, subject to available revenues, the level of funding required to support authorized state services. The presiding officer of each house may refer the fiscal plan to one or more committees. If the fiscal plan is referred, the first committee of referral shall hold at least one hearing on it. The operating and capital budgets of each agency shall be separately reviewed. During each regular session of the legislature, legislative review of the governor's supplemental appropriation bills and the governor's budget amendments are governed by the following time limits:

- (1) requests by the governor for supplemental appropriations for state agency operating and capital budgets for the current fiscal year may be introduced by the rules committee only through the 15th legislative day;
- (2) requests by the governor for budget amendments to state agency budgets for the budget fiscal year may be received and reviewed by the finance committees only through the 30th legislative day.

Sec. 37.07.080. Program execution.

(a) Except as limited by executive decisions of the governor, the mission statements and desired results issued by the legislature, appropriations by the legislature, and other provisions of law, the several state agencies have full authority for administering their program service assignments and are responsible for their proper management.

(b) Each state agency shall prepare an annual plan for the operation of each of its assigned programs except for programs that are exempted from this requirement by the office. The operations plan shall be prepared in the form and content and be transmitted on the date prescribed by the office.

(c) The office shall

- (1) review each operations plan to determine that it is consistent with the executive decisions of the governor, the mission statement and desired results issued by the legislature, appropriations by the legislature, and other provisions of law, that it reflects proper planning and efficient management methods, and that appropriations have been made for the legislatively established purpose and will not be exhausted before the end of the fiscal year;
- (2) approve the operations plan if satisfied that it meets the requirements under (1) of this subsection; otherwise, the office shall require revision of the operations plan in whole or in part.

(d) A state agency may not increase the salaries of its employees, employ additional employees, or expend money or incur obligations except in accordance with law and properly approved operations plan.

(e) Transfers or changes between objects of expenditures or between allocations may be made by the head of an agency upon approval of the office. Transfers may not be made between appropriations, including transfers made through the use of a reimbursable service agreement or other agreement, except as provided in an act making the transfers between appropriations. However, a reimbursable service agreement or other agreement may be used to finance the provision of a service if

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(1) the agency that requires the service has, by law, the authority to obtain or provide the service and has an appropriation that may be used for that purpose; and

(2) the agency that provides the service bills the agency administering the available funds based on

(A) the actual cost to provide the service; or

(B) a cost allocation method approved by the office.

(f) The office shall report quarterly to the governor and the legislature on the operations of each state agency, relating actual accomplishments to those planned and modifying, if necessary, the operations plan of any agency for the balance of the fiscal year.

(g) The governor may direct the withholding or reduction of appropriations to a state agency at any time during the fiscal year only if the governor determines that the planned expenditures can no longer be made due to factors outside the control of the state which make the expenditure factually impossible.

(h) The increase of an appropriation item based on additional federal or other program receipts not specifically appropriated by the full legislature may be expended in accordance with the following procedures:

(1) the governor shall submit a revised program to the Legislative Budget and Audit Committee for review;

(2) 45 days shall elapse before commencement of expenditures under the revised program unless the Legislative Budget and Audit Committee earlier recommends that the state take part in the federally or otherwise funded activity;

(3) should the Legislative Budget and Audit Committee recommend within the 45-day period that the state not initiate the additional activity, the governor shall again review the revised program and if the governor determines to authorize the expenditure, the governor shall provide the Legislative Budget and Audit Committee with a statement of the governor's reasons before

commencement of expenditures under the revised program.

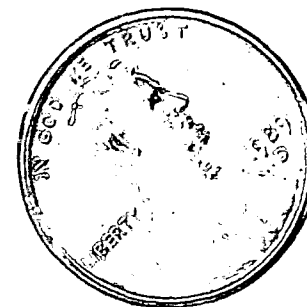
Sec. 37.07.090. Performance reporting. [Repealed, Sec. 9 ch 27 SLA 1998].

Sec. 37.07.100. Proposed supplemental or special appropriations.

The governor from time to time may transmit to the legislature proposed supplemental or special appropriations in accordance with AS 37.07.070 which in the governor's judgment are necessary. However, if the governor finds that an emergency situation necessitates the proposal of supplemental or special appropriations, the governor may transmit them to the legislature at any time. The governor shall accompany each proposal with a statement of the reasons for it, including the reasons for its omission from the budget.

Sec. 37.07.110. Interpretation of chapter.

This chapter shall be construed as supplemental to all other state laws not in conflict with it. If a section or part of a



section of this chapter is in conflict with federal requirements for a program for which federal grant-in-aid funds are available, the section or part, to the extent of the conflict, is inoperative.

Sec. 37.07.120. Definitions.

In this chapter,

(1) "agency" means a department, officer, institution, board, commission, bureau, division, or other administrative unit forming the state government and includes the Alaska Pioneers' Home, the Alaska Veterans' Home, and the University of Alaska, but does not include the legislature or the judiciary;

(2) "allocation" means an amount set out as a legislative guideline for expenditure by a state agency for a stated purpose within the total amount of an appropriation;

(3) "appropriation" means a maximum amount available for expenditure by a state agency for a stated purpose set out in an appropriation act;

(4) "capital projects" and "capital improvements" mean an allocation or appropriation item for an asset with an anticipated life exceeding one year and a cost exceeding \$25,000 and include land acquisition, construction, structural improvement, engineering and design for the project, and equipment and repair costs;

(5) "facility operations" means activities and expenses relating to the day-to-day operations of a building or facility, including utilities, janitorial service, security service, snow removal, and direct supervision of related maintenance activities;

(6) "fiscal year" means a year beginning on July 1 of one calendar year and ending on June 30 of the following calendar year;

(7) "maintenance and repair" means the day-to-day scheduled and preventive maintenance effort, including minor repair work, required to keep a building or facility operational and in a continuous state of readiness;

(8) "object of expenditure" means a line item of expenditure within an allocation or an appropriation;

(9) "office" means the Alaska office of management and budget established in the Office of the Governor by AS 44.19.141;

(10) "renewal and replacement" means the scheduled replacement of worn-out major building components and the replacement or retrofitting of obsolete or inefficient building systems in order to maintain or extend the life of a building or facility.

Sec. 37.07.130. Short title.

This chapter may be cited as the Executive Budget Act.

Uniform Rules

RULE 42. Conference and Free Conference Committees.

(a) If one house refuses to concur in the amendments of the other it so notifies the amending house and requests that it recede from its amendments. The vote on receding from amendments is taken by the calling of the roll and the recording of the yeas and nays in the journal. A house recedes from its amendments only by a majority vote of the full membership of the house. If the house refuses to recede, the presiding officer of each house appoints three members to sit as a Conference Committee. The committee meets when mutually agreeable to its members. If the committee reaches agreement on previously adopted amendments to a bill adopted by either house, the committee then submits an identical report to each house. The report is not subject to amendment in either house. If the report is adopted by each house the bill is enrolled, signed, and transmitted to the governor. If the members of the Conference Committee cannot agree on amendments, or if one or both houses refuses to adopt the committee report, the Conference Committee submits an identical written report to each house listing the specific points

of disagreement for which the committee requests powers of free conference. The presiding officer of each house may then give limited powers of free conference only on the specific points listed. If the members of a Conference Committee with limited powers of free conference cannot agree on amendments, or one or both houses refuses to adopt the committee report, it is then in order to appoint a Free Conference Committee. A member who served on a Conference Committee or a Conference Committee with limited powers of free conference may not be appointed to a subsequent Conference Committee or Free Conference Committee concerning the same measure. The vote on adoption of a conference committee report is taken by the calling of the roll and the recording of the yeas and nays in the journal. Adoption requires a majority vote of the full membership of each house.

(b) A Free Conference Committee is appointed in the same manner as a Conference Committee and may suggest in its report any new amendments clearly germane to the question. When a majority of the membership of the committee from each house agrees on amendments, the amendments are attached to the bill and reported back to each house in an identical report. The report is not subject to amendment in either house. If the report is adopted in each house, the bill is then ordered enrolled by its house of origin. If the members of a Free Conference Committee fail to agree on amendments or one or both houses refuses to adopt the free conference report, a second Free Conference Committee may be appointed, but no member of the first committee may be reappointed. A free conference report on a measure other than an appropriation bill may not be voted on by the house until at least 24 hours after the report is duplicated and delivered to the chief clerk or secretary of the house for distribution to each member. The chief clerk or secretary shall certify the time of delivery of the report for recording in the journal. The vote on adoption of a free conference committee report is taken by the calling of the roll and the recording of the yeas and nays in the journal.

Adoption requires a majority vote of the full membership of each house.

(c) A Conference Committee with limited powers of free conference or a Free Conference Committee may not include in its report on an appropriation bill an item which was not included in a version of that appropriation bill adopted in third reading by a house and the amount appropriated by an item may not exceed the higher amount appropriated by that item in a version of the bill adopted in third reading by a house. An item in an appropriation bill includes a line item, an allocation, and an appropriation. The report on an appropriation bill of a Conference Committee, a Conference Committee with limited powers of free conference, or a Free Conference Committee may not be voted on by the house until at least 24 hours after the report is duplicated and delivered to the chief clerk or secretary of the house for distribution to each member. The chief clerk or secretary shall certify the time of delivery of the report for recording in the journal.

(d) Notwithstanding the provisions of (c) of this rule, a Free Conference Committee may consider and include in its report on an appropriation bill appropriations as requested by attached fiscal notes on new legislation and resolutions that have been passed by both houses.

(e) A Conference Committee, a Conference Committee with limited powers of free conference, or a Free Conference Committee may not adopt a report that requires a change in the title of a bill other than a clerical or technical change.

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ABS – The Automated Budget System used by the Governor's Office of Management and Budget.

Accomplishment Measure – The indicator used to determine the extent to which the services, projects, or activities provided by a budget request unit achieve an objective.

Actuals – See Prior Year Actual.

Adjournment – The termination of legislative activities at the conclusion of each legislative day, or the ending of the first regular session of a legislature.

Adjournment Sine Die – The termination of a second regular session without setting a date for reconvening that has the effect of closing the session and terminating all unfinished business.

Agency – Generally a state department, but for budgeting purposes the Legislature, Court System and University of Alaska are also considered agencies.

Agency Budgeting – Structuring budget information by organizations established to administer the programs funded through the budget. The principal alternative to agency budgeting is program budgeting, which structures budget information by grouping all programs addressing a similar problem or need regardless of which agency administers the programs.

AKSAS – Alaska Statewide Accounting System. This system was replaced by the IRIS System. (See IRIS.)

ALDER – The Alaska Data Enterprise Reporting (ALDER) Data Warehouse is a statewide reporting system designed to integrate data from multiple systems into a unified environment with a single toolset for simpler and more effective reporting. Current reports access information from AKSAS and the state has begun efforts to include AKAPY (HR/Payroll) and Workplace Alaska (Recruitment) source data into the integrated reporting platform.

Allocation – A subunit of appropriations in an appropriation bill. An agency can move funding freely between allocations within an appropriation. (Also referred to as a component).

Appropriation – Authorization to spend funds for a stated purpose. Appropriations are often subdivided into allocations in the appropriations bill. The Alaska Constitution prohibits payment of money out of the treasury unless authorized by an appropriation.

Authority – The constitutional, statutory, regulatory, or executive requirement that a service be provided by the State. In budgetary terms, authority also means permission to spend money.

Authorized – See Current Year Authorized.

Authorized Position – A position that has been approved by the legislature (i.e., it is included in the authorized budget).

Bargaining Unit – A classification which determines which (if any) organized representation a position is associated with. The current bargaining units are: General Government (GG); Confidential (KK); Labor, Trades, and Crafts (LL); Public Safety (AA); Airport Police and Fire (AP); Correctional Officers (GC); Inland Boatman's Union (MM); Masters, Mates & Pilots (CC); National Marine Engineers' Beneficial Assoc (BB) and Supervisory (SS). Four position groups without collective bargaining representation are: Executive Branch Exempt/Partially Exempt (XE) and Excluded (EE); Legislative Branch (XL) and Judicial Branch (XJ).

Base (Operating) – The prior year's budget less one-time appropriations plus "unavoidable" statewide increases (such as salary adjustments) needed to maintain services at a status quo level.

Benchmark – A standard by which something can be measured or judged. For example, regional or fifty-state

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averages, “top ten” ratings or nationally recommended performance levels. In the absence of appropriate comparables, the result in a prior “starting point” year or recent multi-year average could be used.

Budget – The plan or authorization for revenues and expenditures for a fixed period of time. The governor must submit an operating, mental health, and capital budget to the legislature by December 15th.

Budget Amendment – A revision to an agency’s budget involving a formal request to change the dollar amount or scope of a project after the operating or capital budgets have been submitted to the legislature. Governor’s budget amendments are due to the legislature by the 30th day of the legislative session. Legislative amendments occur throughout the budget process.

Budget Request Unit (BRU) – A group of program activities (or allocations), organized to achieve a specific goal. These typically correspond to divisions within a department. BRUs were replaced with Results Delivery Units (RDUs) in FY05.

Budget Structure – The organization of a budget bill into appropriations and allocations. The budget structure limits where funding can be spent; funding can be transferred between allocations within an appropriation but cannot be transferred freely across appropriation lines.

Budget Year – The fiscal year for which the budget is being prepared (July 1 through June 30).

Capital Budget – A plan for the distribution of state financial resources for items which have an anticipated life that exceeds one year and which usually costs at least \$25,000. Capital budget appropriations lapse only if funds remain after the project is completed.

Capital Improvement Project (CIP) – A project listed in the capital budget. A project may include major expenditures for land acquisition, construction and structural improvements, one-time studies, and equipment purchases where the total project budget generally equals or exceeds \$25,000. Please refer to AS 37.07.120(4).

Capital Project Status Report (CPSR) – A report prepared annually by OMB that contains the status of currently authorized capital projects.

Carryforward – The amount of unspent money an agency is allowed to carry forward from one fiscal year to the next.

Capital Outlay (previously called Equipment) – Proposed expenditures for the purchase of durable items with a unit value between \$5,000 and \$25,000. Line 500 on the allocation detail pages, Governor’s Budget Request Books, and Conference Committee Books.

Certificates of Participation (COPs) – Certificates of participation in rent are similar to lease revenue bonds. The certificates represent fractional interests or share in lease payments from lessees and are sold to finance construction or purchase of leased facilities. The issuer can be a private developer, public agency, or other party acting as lessor.

Commodities (previously called Supplies) – Proposed expenditures for the purchase of items normally consumed or expended within one year of being acquired or equipment purchases valued under \$5,000. Line 400 on the allocation detail pages, Governor’s Budget Request Books, and Conference Committee Books.

Component – See Allocation.

Concurrent Resolution – A formalized motion reflecting the will, wish, view, or decision of both houses speaking concurrently.

Conditional Language – Language that sets limits or conditions on an appropriation or allocation in the numbers section of an appropriation bill. Conditional language has the force of law.

Conference Committee Books (CC Books) – Post-session publications produced by the Legislative Finance Division providing a detailed summary of each state agency’s operating budget at the individual allocation level.

Contractual Services ("Services") – Proposed expenditures for services provided by a third party including communications, printing and advertising, utilities, repairs and maintenance, equipment rentals and lease/purchases, judicial expense, professional services, and data processing chargeback costs. Line 300 on the allocation detail pages, Governor's Budget Request Books and Conference Committee Books.

Constitutional Budget Reserve Fund (CBRF) – Article IX, Section 17 of the Alaska Constitution, which became effective on January 2, 1991, established the CBRF as a separate fund in the state treasury, provided for deposit of proceeds of certain tax and mineral revenue disputes into the CBRF, established limitations on the legislature's ability to appropriate money from the fund, and required that sums withdrawn from the fund be repaid.

Current Year Authorized ("Authorized") – Funding appropriated by the legislature as adjusted by vetoes, fiscal notes, language items, special appropriations and adjustments for carryforward.

Dedicated Funds – Funds that are classified as "other" because they are limited to a specific purpose by the Constitution or by federal law. Funds that are dedicated solely by virtue of their dedicated status prior to the drafting of the State Constitution are classified as designated general funds because the legislature may change the stated purpose at any time.

Designated General Funds – Includes all non-federal, non-other fund codes that are designated for a specific purpose by statute. The legislature traditionally complies with designations, but may use these funds for any purpose at any time.

Detail Budget Books (also called Governor's Budget Summary) – Contains detailed information for each agency's budget request. Includes agency overview, RDU overviews, allocation goals and objectives, formula funded program calculations, personal services

detail, organizational charts, line item detail and revenue information.

Discretionary Capital Projects – Projects included in the capital budget by the legislature to address district priorities.

Duplicated Funds – Duplication occurs when money is appropriated more than once. For example, an appropriation of Interagency Receipts to one agency may be backed by an appropriation of general funds to another agency, making the Interagency Receipts an example of duplicated funds. The fund code clarification project of FY 2010-2011 greatly reduced the number of duplicated funds. Duplicated funds typically appear in budget reports prepared by the Legislative Finance Division.

Effective Date – The date on which an act takes effect. Unless otherwise specified in the law itself, the effective date is 90 days after enactment.

Engrossment – The preparation of an exact and official copy of a measure in the house of origin, along with amendments and proper signatures, before transmitting the measure to the other house.

Enrolled Bill – The final copy of a bill as approved by the legislature before transmittal to the governor.

Equipment – See Capital Outlay.

Executive Budget Act – The statute (AS 37.07) that establishes a system for state program and financial management that enables the governor and the legislature to plan and finance the services which they determine the State will provide for its citizens.

Executive Order – An order by the governor that has the force of law and makes changes in the organization of the executive branch or the assignment of agency functions. Executive Orders may be disapproved by the legislature meeting in joint session.

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Federal Medical Assistance Participation (FMAP) – The federal share of payments for eligible Medical Assistance services. The share is also applied to Alaska Temporary Assistance Program and foster care maintenance reimbursement. The FMAP rate is based on a formula driven by each state's per capita income and ranges from 50-83 percent.

Federal Receipts – Funds received by the State from the federal government to support expenditures made by state programs. The legislature appropriates federal funds along with other state funds.

Fiscal Note – An itemization of the estimated costs of proposed legislation, beyond those included in an agency's regular budget submission. Fiscal notes are usually prepared in conjunction with new bills and must be appropriated (usually in the operating budget) before funds may be spent.

Fiscal Year – The period of time over which the State budgets and accounts for funds. The state fiscal year begins on July 1 each year and ends on June 30 of the following year.

Formula Funded Program – A program with certain eligibility standards which provides that any person, group or place meeting those standards may receive a given level of benefits. The standards and benefits must be based in statute and/or regulations.

Fund – A sum of resources constituting a separate accounting entity created and maintained for a particular purpose and having transactions subject to legal or administration restrictions. All funds are managed by the Division of Finance in the Department of Administration. This term is distinguished from the term "funding" or "funds" which usually refers to the amount of dollars contained in a fund.

Funding Sources – Numeric codes used in the budget process to indicate the source of revenue from which expenditures will be supported. The most common funding sources are federal receipts, general fund match, general

fund, interagency receipts, and general fund/program receipts.

Funds – Generic term describing all funding sources which support state government and its activities.

General Fund – The general fund is the state's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

General Funds – The overall category of funding sources that are non-federal and are not included in the "Other" funds group.

General Obligation Bonds – Bonds backed by the full faith and credit of the issuing government.

Goal – The condition (external to the program) which a unit or agency intends to achieve through its activities. A goal statement will tell the reader why an agency is in business.

Governor's Budget Request Books (or Subcommittee Books) – Publications produced by Legislative Finance Division providing a detailed summary of the Governor's Operating Budget Request for each state agency at the individual allocation level. These publications are typically used as working documents by House and Senate Finance subcommittees.

Grants/Benefits – Funds disbursed by the State to units of local government and to individuals in payment of various benefits and claims. Types of grants include: Designated, Municipal, Named Recipient, Unincorporated, Competitive, Grants to Individuals, etc. Line 700 on the allocation detail pages, Governor's Budget Request Books and Conference Committee Books.

House District Report (formerly called Election District Report) – A report prepared annually by Legislative Finance Division that sorts capital projects and reappropriations by election district and contains historical information on capital funding.

Indirect Costs – Expenditures that cannot be directly charged to the program providing services. Indirect costs can be thought of as an overhead expense.

Intent – See Legislative Intent.

Interagency Receipts – Funds received from another state agency or from a separate appropriation within a state agency as a result of a contract for services. The contracted services must be beyond the expertise, capacity, or function of the contracting agency. Most interagency receipts stem from Reimbursable Services Agreements. Interagency receipts are funding sources for expenditures and may be budgeted or unbudgeted.

Interagency Transfers – Funds transferred to another state agency or between appropriations as payment for a service. For every dollar budgeted for interagency transfers, a corresponding dollar should be budgeted as interagency receipts in the receiving agency/allocation. Interagency transfers are a type of expenditure that is made to another state agency as opposed to the private sector. Interagency transfers are not a funding source in a budget but simply indicate that budgeted funds will be spent by another state agency. Interagency transfers are a "non-add" item on the budget forms, meaning they do not affect total expenditures or funding sources.

IRIS - The Integrated Resource Information System (IRIS) Project is a statewide effort to implement a new accounting, financial, procurement, payroll and human resource management software solution for the State of Alaska. IRIS replaced AKSAS beginning in FY16.

Land/Buildings – Proposed expenditures for all acquisitions of or additions to land and buildings which will not exceed \$25,000 per project. Line 600 on the allocation detail pages, Governor's Budget Request Books and Conference Committee Books. This expenditure code is no longer active.

Language Section – Appropriation items contained in the narrative section of the budget bill. These items generally include program and federal receipt language, debt service, fund transfers, loan balances returned to the general fund, loan fund appropriations, and other special items.

Lapse – The expiration of the authorization to spend funds. Unexpended or unobligated funds lapse.

Legislative Audit Division – An office that serves the Legislative Budget and Audit Committee with nonpartisan staff. The staff conducts performance post-audits and completes audits, reports and studies as requested by the Legislative Budget and Audit Committee.

Legislative Finance Division – An office that serves the Legislative Budget and Audit Committee and two standing finance committees with a nonpartisan staff. The staff's responsibilities include analysis of budget submissions, revenue requirements, comprehensive budget review, fiscal analysis, and review of revised programs.

Legislative Intent ("Intent") – A stated goal of the legislature in enacting legislation. Intent does not have the force of law, but it may be used to interpret statutory language.

Line Item – Expenditure object codes identified on the allocation detail pages, Governor's Budget Request Books and Conference Committee Books. Maintains consistency with accounting system.

Maintenance of Effort (MOE) Requirements – A requirement by the federal government that the State continue funding the program at a certain level (usually the same funding level as in the current or prior year) in order to receive federal funds.

Management Plan – Authorized level of expenditures at the beginning of the fiscal year plus adjustments to allocations within appropriations made at an agency's

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discretion. This may include position adjustments – adding or deleting positions with no changes to the allocation funding level.

Miscellaneous – This line item is used for expenditures that are not specifically covered by other line items. This includes state debt service payments and unallocated reductions or additions. Line 800 on the allocation detail pages, Governor's Budget Request Books and Conference Committee Books.

New Position – A new position is one not previously authorized by the legislature.

Nonpermanent Position – There are four types of statutory nonpermanent positions: (1) Substitute: A nonpermanent appointment to a position which is temporarily vacated by a permanent employee on leave. Appointments are limited to the duration of the incumbent's leave or an earlier specified date. (2) Normal: An appointment to complete a given work assignment which does not exceed 120 calendar days in a twelve-month period in one department. (3) Project: Appointments made for the duration of a specified project that is not a regular and continuing function of a department and that has an established probable date of termination. (4) Program: Appointments to nonpermanent positions of a limited duration created primarily to help the employee. Interns are in this category.

OMB – See Office of Management and Budget.

Objective – An intermediate step toward achieving a goal. It must specify a measurable change in the current status of a condition affecting people or places in Alaska (external to the program providing services) within a specific time period. An objective tells the reader what is going to be accomplished.

Office of Management and Budget (OMB) – An office within the Office of the Governor which assists the governor in determining the allocation of state resources and management of state programs. OMB is responsible for preparing the governor's budget.

Open-Ended Appropriation – An appropriation in which the level of funding necessary (but not specified) to fulfill an obligation is made available in the fiscal year. Budget documents will typically show an estimate of the amount expected to be spent. An example of this is standard language appropriating federal funds for fire suppression.

Operating Budget – A plan for the yearly distribution of state resources to cover the ongoing operations of state programs. Operating budget appropriations are typically made for a fiscal year and any unexpended or unobligated funds lapse, or revert, to the general fund at the end of the fiscal year.

Other Funds – The "other" fund group contains fund codes over which the legislature has limited discretion (such as bonds and debt service). Other funds includes all fund codes that are not included in the federal or general funds groups.

PCN – See Position Control Number.

Performance Planning and Evaluation Process – A planning, budgeting and evaluation process which begins with the development of goals and operating policies by the governor and his cabinet. The agencies develop goals and objectives congruent with the governor's goals, and the budget request units develop more specific goals, objectives, and performance measures (the operational plan) to carry out the agency goals. Following legislative and gubernatorial approval, performance measures are adjusted as needed and the budget is implemented. Finally, performance reports provide feedback in developing the next fiscal year's performance plan.

Permanent Full-Time (PFT) Position – A continuing position to be filled twelve months a year with a normal work schedule of 30 or more hours per week. The only exception is for educational institutions which operate only nine months per year.

Permanent Part-Time (PPT) Position – A continuing position to be filled twelve months a year with a normal work schedule of 30 hours or less per week.

Permanent Seasonal Position – A position required each year that is to be filled less than twelve months per year. Seasonal positions are also designated as full-time or part-time, depending upon the number of hours worked within a work week. On budget forms that show only permanent full-time and permanent part-time positions, seasonal positions should be included in the total for permanent part-time positions.

Personal Services – Proposed expenditures for the staffing costs of the budget request unit or allocation. The costs include salaries, premium pay and benefits for all permanent and non-permanent positions. Line 100 on the allocation detail pages, Governor's Budget Request Books and Conference Committee Books.

Personal Services Module - An ABS computerized calculation and report system for all positions and personal services costs.

Position - An authorized Position Control Number (PCN) for which there are specific duties that require the full-time or part-time services of one person (except where job sharing is approved). A position may or may not be filled. Therefore, a position is not equivalent to an employee.

Position Control Number (PCN) - A four to six-character code identifying a position. PCNs for authorized positions are assigned by the Division of Personnel. Exempt positions usually contain "X" and exempt temporary positions usually contain "T" in the first character of the PCN. The Personal Services Module identifies new position requests and positions which are not authorized, by using a non-numeric character such as "N" or "#" as the first character, and assigns a sequential number, e.g. N123 or #123. If the new position is authorized by the legislature, the Division of Personnel will assign an authorized number when it is filled. Occasionally, a position will contain a "?" as the first character; this identifies a new position that has not been established

through the Division of Personnel but has been authorized by the legislature.

Position Count - A tally of the number of positions or PCNs in an allocation or RDU by time status (such as full-time or part-time/seasonal).

Prior Year Actual - The actual, unaudited operating budget expenditures of the prior fiscal year, including supplementals, RPLs, encumbrances, and unbudgeted RSAs. Each department includes actual expenditures as part of its budget submittal.

Prior Year Authorized - The funds appropriated by the legislature and adjusted by the governor's veto or funding reduction decisions for the year preceding the current year.

Program Budgeting - The allocation of resources to groups of activities designed to accomplish similar goals regardless of which agency or division administers the programs or activities.

Project - An activity with a specific purpose designed to be accomplished within a specific time period. Projects may refer to a budgeting item in either the operating or capital budget.

RSA - See Reimbursable Services Agreement.

Range - A part of the salary schedule which indicates the amount of money paid per month to specific job classes. Changes in range are vertical movements up or down on the salary schedule, as opposed to step changes, which are horizontal movements within the same range.

Rate - The level of benefits that will be distributed to qualified recipients of a formula funded program for a specific time period.

Ratification - Appropriations for unauthorized expenditures made in a closed fiscal year.

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Reading - Refers to the three stages of the legislative process:

First Reading - Formal introduction by the clerk or secretary reading aloud the measure number, title, and sponsor. Committee referrals are made at this time.

Second Reading - The measure is returned to the floor of the House with a committee report. Debate is limited to amendments.

Third Reading - The measure is before a house for debate and final passage on a roll call vote. Amendments cannot be made in third reading; the measure must be returned to second reading for an amendment.

Referral - The sending or referring of a bill or other matter to a committee or committees for consideration and report.

Reimbursable Services Agreement (RSA) - An agreement or contract between two state agencies (or between appropriations within one agency) where one agency provides a service and the other agency provides funds in payment for the service. An RSA is allowed only when the requesting agency does not have the skills, expertise, or capability to carry out the necessary work or service. Also see Interagency Receipts.

Repeal/Reappropriation ("Reappropriation") - Changes to a previously authorized appropriation to reflect a change in title or purpose, or to utilize a lapsing balance for a new project or purpose. Although reappropriations typically occur for capital projects, it is not uncommon to reappropriate operating appropriations.

Resolution - Expression of the will, wish, or direction of the legislature. A resolution does not have the effect of law.

Restricted Funds - Appropriations that are restricted to the lower of the amount appropriated or the amount of revenue available for the activity.

Retirement System - The system administered by the Division of Retirement and Benefits in the Department of Administration which pays state employees for their service

by providing them with monthly retirement payments. The retirement systems are: Public Employees Retirement System (PERS), Elected Public Officers Retirement System (EPORS), Fireman-PERS, Peace Officer-PERS, the Teacher's Retirement System, (TRS), the Unlicensed Vessel Participant Annuity Retirement Plan (UVPARP), the Judicial Retirement System (JRS), and the National Guard and Naval Militia Retirement System (NGNMRS).

Revenue Bonds - Bonds on which the principal and interest are to be paid solely from money generated by the project they finance.

Revolving Fund - Funds established in law in which revenue (including loan payments) is credited back to the fund for the same use as the original appropriation.

Results Delivery Unit (RDU) - A group of allocations or program activities combined to achieve a specific goal.

Revised Program - A request to adjust approved funding by line item or between allocations within an appropriation that must be approved by the Office of Management and Budget. A request for additional authorization to receive and expend funds beyond budgeted authority requires the approval of the Legislative Budget and Audit Committee. See Revised Program/Legislative (RPL).

Revised Program/Legislative (RPL) - A request to increase budget expenditure authorization as a result of the availability of new or additional revenues from federal or other sources which are earmarked for specific uses and purposes. This type of Revised Program requires review by the Legislative Budget and Audit Committee.

Session - A meeting of the legislature; or the period during which the legislature conducts meetings for enactment of laws, between convening and final adjournment. The legislature convenes each year on the third Tuesday in January. Each legislature has a duration of two years, consisting of the "First Regular Session" and the "Second Regular Session."

Special Session – May be called by the governor or by two-thirds vote of the legislature and is limited to 30 calendar days. A special session called by the governor is limited to the subjects presented by the governor in the call.

State Funds – All non-federal funds.

Step – A horizontal movement within a range across the salary schedule.

Summary of Appropriations – A publication produced by Legislative Finance Division following each regular legislative session that includes all appropriations bills passed by the Legislature and enacted into law. The publication provides summary reports for operating, debt service, capital, loans, supplementals, and special appropriations.

Supplemental – Authorization by the legislature to spend or commit additional funds for the current or prior fiscal year to cover deficiencies. Deficiencies in funding for a program may be due to a law enacted after the transmission of the budget, public interest, audit exceptions, over-expenditure or anticipated over-expenditure, or other emergency or unforeseen circumstance. An agency must be able to demonstrate actions taken to run the program within the existing budget, the inability to transfer other funds within the department to cover the shortfall, and how the supplemental is in the best interest of the State.

Supplies – See Commodities.

Temporary Assistance for Needy Families (TANF) – The federal program that replaced the Aid to Families with Dependent Children program when it was eliminated and replaced with passage of welfare reform in 1996.

Tobacco Settlement – Ongoing payments that are deposited into the state's general fund as a result of the tobacco settlement agreement reached in 1998. Eighty percent of Alaska's settlement is used to retire "tobacco bonds" and twenty percent is used for tobacco education and cessation programs.

Transaction – An individual entry into the Legislative Finance budget system, which produces appropriations bills. A

transaction indicates fund source, amount, line item, and purpose for each entry.

Travel – Proposed transportation and per diem expenditures incurred while traveling on authorized state business and proposed expenditures associated with the moving or relocation of an employee. Line 200 on the allocation detail pages, Governor's Budget Request Books and Conference Committee Books.

Unbudgeted RSA – Usually a first-time or one-time contractual agreement between two state agencies (or between appropriations within one agency), including the University of Alaska and independent commissions, where one agency provides a service and the other agency provides funds in payment for the service. The need for the specific service was not anticipated and, therefore, not included in the agency budget requests.

Uniform Rules – Rules adopted by both houses sitting in joint session, setting out uniform procedures for enacting bills into law and adopting resolutions; required by the Alaska Constitution, Article II, Section 12.

Unrestricted Revenue – Revenue accruing to the State which has not been appropriated by the legislature as expenditures for a specific program. The revenue is credited to a fund and may be used for any purpose permitted by the fund. Departments report their unrestricted revenues in the detail budget books.

Vacancy Factor – The percentage by which personal services are purposely underfunded. Minimum and maximum vacancy factors are suggested by OMB and increase with the number of full-time positions.

Wordage – Clarifying language that is inserted in the numbers section of an appropriation bill. Wordage in an appropriations bill is typically conditional language or intent language.

IN Back
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Joint Hearing of the House & Senate Education Committees

Alaska Department of Education & Early Development

Dr. Michael Johnson, Commissioner

Sana Efird, Deputy Commissioner

Heidi Teshner, Administrative Services Director

January 20, 2017



Objectives

- Provide basic Alaska education facts and information
- Provide a broad overview of department functions along with statutory references for each function
- Provide an overview of basic information regarding DEED's budget
- Answer committee members' questions

Alaska's Vision & Mission for Public Education

Vision Statement

All students can succeed in their education and work, shape worthwhile and satisfying lives for themselves, exemplify the best values of society, and be effective in improving the character and quality of the world about them. *AS 14.03.015*

Mission Statement

An excellent education for every student every day.

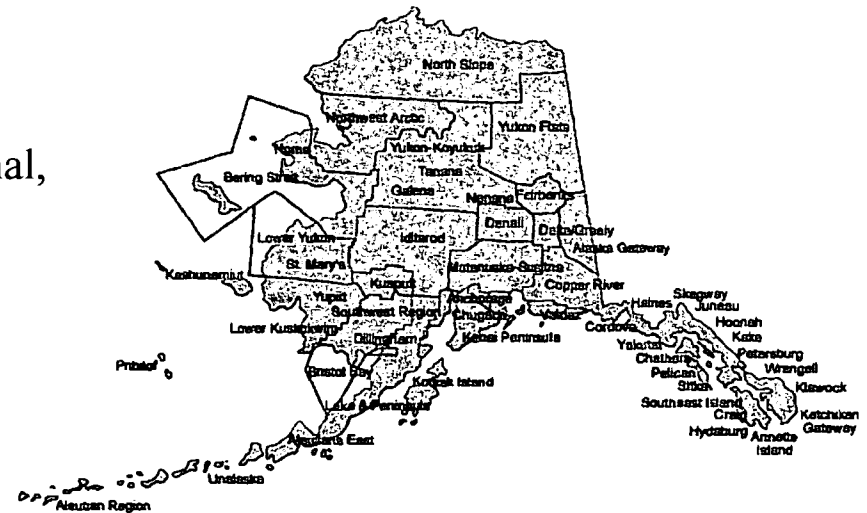


State Board of Education & Early Development's Strategic Priorities

1. Amplify student learning
2. Inspire community ownership of educational excellence
3. Modernize the education system
4. Ensure excellent educators
5. Promote safety and well-being

About Alaska Schools – The Basics

- 53 school districts plus Mt. Edgecumbe High School
- 507 operational schools in 2016-2017
- The public school system includes traditional, alternative, charter, correspondence, and residential boarding schools.
- Approximately 130,000 K-12 students on 10/1/2015
- On 10/1/2015, 9% of all K-12 students were enrolled in public correspondence schools.



Alaska State Constitution – Alaska Statutes

Alaska Constitution Section 7.1 – Public Education

Department Mission: To ensure standards-based instruction to improve academic achievement for all students.

Responsibility: To establish and maintain a system of public schools.

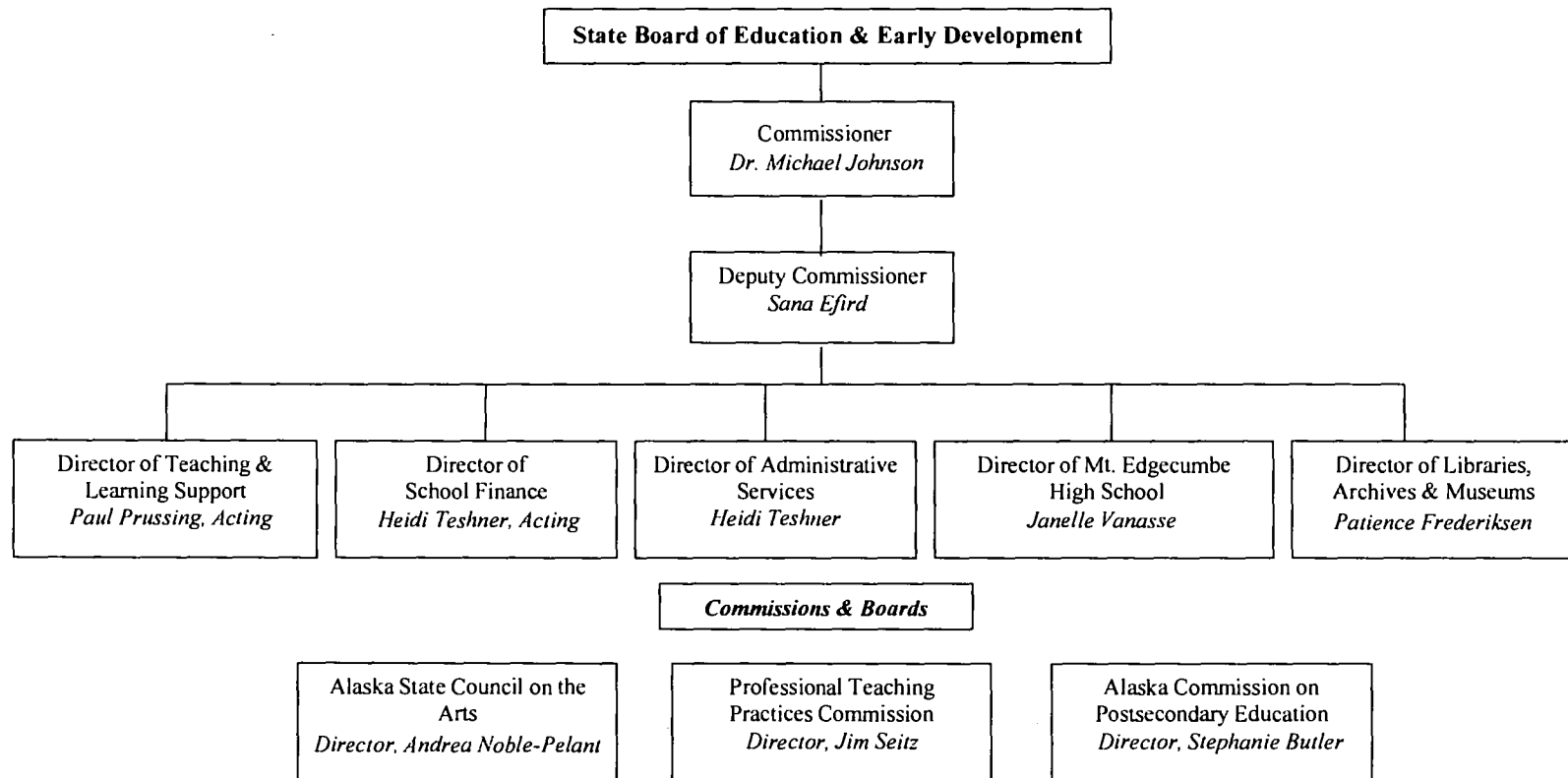
Key Functions: Fund, provide oversight and support, set standards, assess students towards standards.

State Education Policy – AS 14.03.015

The purpose of education is to help ensure that all students will succeed in their education and work.

Governing Statutes – Alaska Statutes Title 14

Organizational Chart



Structure Overview

- Office of the Commissioner
 - 5 full-time budgeted positions
 - 0.1% of DEED's FY2018 Operating Budget Request
 - \$1,037.0 total budget request (\$1,014.6 UGF)
 - Provides policy direction and support to Alaska's school districts, schools, students, parents, teachers, and department programs that increase student achievement.
- Administrative Services
 - 15 full-time budgeted positions
 - 0.2% of DEED's FY2018 Operating Budget Request
 - \$3,661.4 total budget request (\$2,182.0 UGF)
 - Provides centralized administrative management and financial, budget, procurement, human resources, and information technology support services to the department divisions; and state facilities rent.

Structure Overview

- School Finance and Facilities
 - 11 full-time budgeted positions
 - 0.1% of DEED's FY2018 Operating Budget Request
 - \$2,203.4 total budget request (\$1,307.6 UGF)
 - Allocates and accounts for resources distributed to Alaska school districts and Mt. Edgecumbe Boarding School and provides services that promote safe facilities which support quality education programs.
- Teaching and Learning Support
 - 65 full-time budgeted positions
 - 14.6% of DEED's FY2018 Operating Budget Request
 - \$237,609.6 total budget request (\$17,783.2 UGF)
 - Provides support through federal program funding and compliance; academic standards, academic assessment and accountability; state system of support to increase school effectiveness; and active partnerships.

Structure Overview

- Professional Teaching Practices Commission
 - 2 full-time budgeted positions
 - 0.0% of DEED's FY2018 Operating Budget Request
 - \$303.0 total budget request (\$0.0 UGF)
 - Serves as a preventative and positive force in working to enhance the professional performance of all educators, and ensures that members of the teaching profession in Alaska are qualified and ethical educators.
- Alaska State Council on the Arts
 - 5 full-time budgeted positions
 - 0.2% of DEED's FY2018 Operating Budget Request
 - \$2,768.5 total budget request (\$692.8 UGF)
 - Promotes and fosters the development of the arts for all Alaskans through education, partnerships, grants, and services.

Structure Overview

- Mt. Edgecumbe High School
 - 56 full and part-time budgeted positions
 - 0.8% of DEED's FY2018 Operating Budget Request
 - \$13,336.7 total budget request (\$4,758.8 UGF)
 - Provides a successful comprehensive residential high school for Alaskan students.
- Libraries, Archives & Museums
 - 53 full, part-time, and non-perm budgeted positions
 - 0.8% of DEED's FY2018 Operating Budget Request
 - \$13,326.2 total budget request (\$8,084.2 UGF)
 - Provides the public with access to government information; collects, organizes, preserves, and makes available materials that document the history of the state; and promotes the development of libraries , archives and museums statewide.

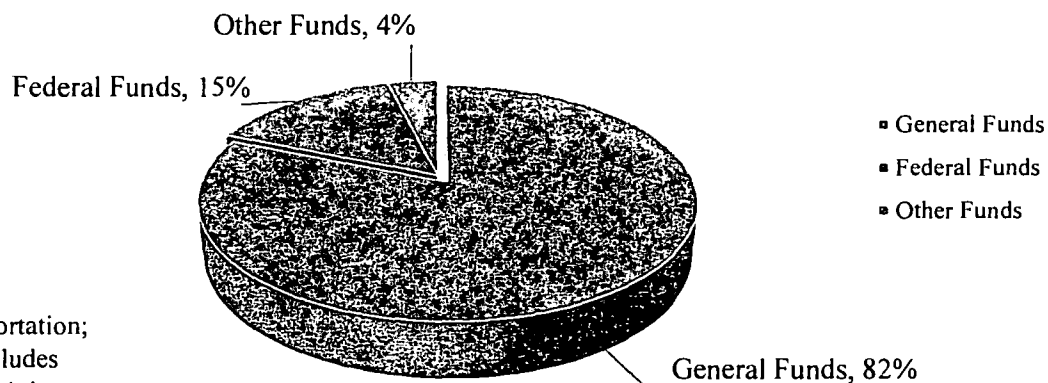
Structure Overview

- Alaska Commission on Postsecondary Education
 - 86 full-time and non-perm budgeted positions
 - 2.8% of DEED's FY2018 Operating Budget Request
 - \$45,635.9 total budget request (\$0.0 UGF)
 - Promotes access to and success in education and career training after high school; increases Alaska's physician workforce by providing public medical education to Alaskans and by providing residency training for medical school graduates (WWAMI Medical Education); Alaska Performance Scholarship Awards; and the Alaska Student Loan Corporation.

FY2018 Governor's Budget

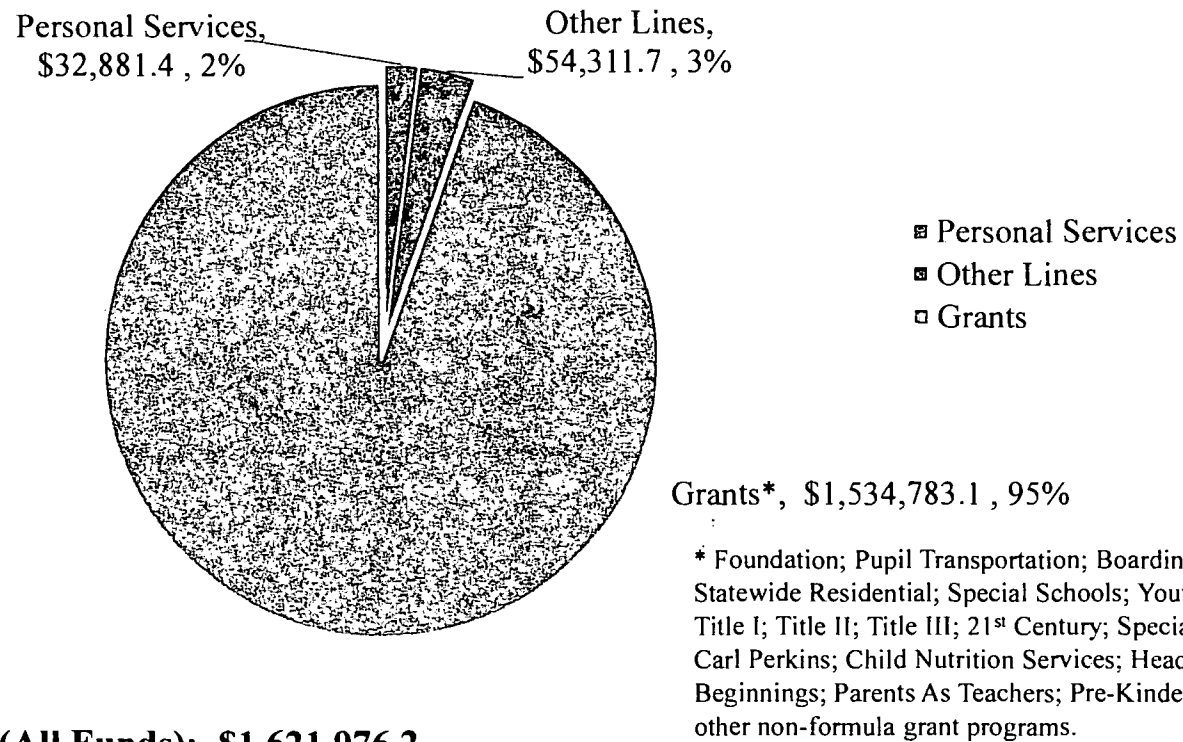
	Designated		Unrestricted		Federal		Other		Total	
	General Funds	%	General Funds	%	Funds	%	Funds	%		%
<i>K-12 Formula Programs*</i>	0.0	0%	1,261,303.5	97%	20,791.0	9%	20,000.0	35%	1,302,094.5	80%
<i>Agency and Program Operations</i>	26,071.5	100%	35,822.9	3%	220,366.5	91%	37,620.8	65%	319,881.7	20%
Total	26,071.5	2%	1,297,126.4	80%	241,157.5	15%	57,620.8	4%	1,621,976.2	

By Fund Source



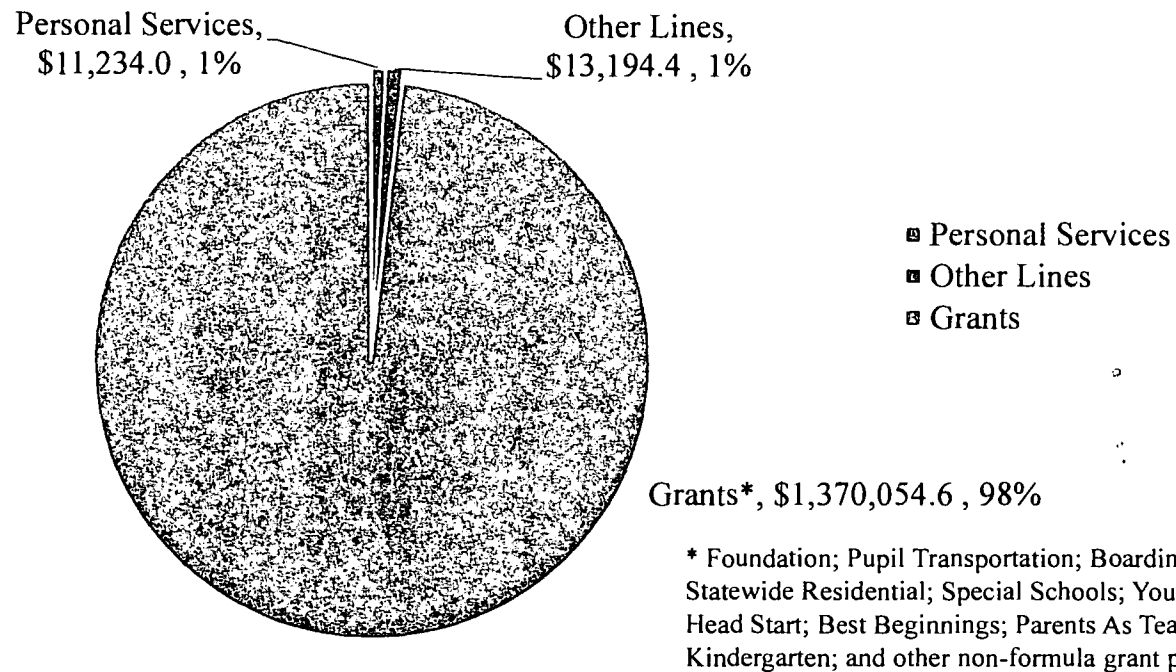
* Foundation; Pupil Transportation; Boarding Home Grants (includes Statewide Residential); Youth in Detention; and Special Schools.

FY2018 Governor's Budget by Line Item



Total Budget (All Funds): \$1,621,976.2

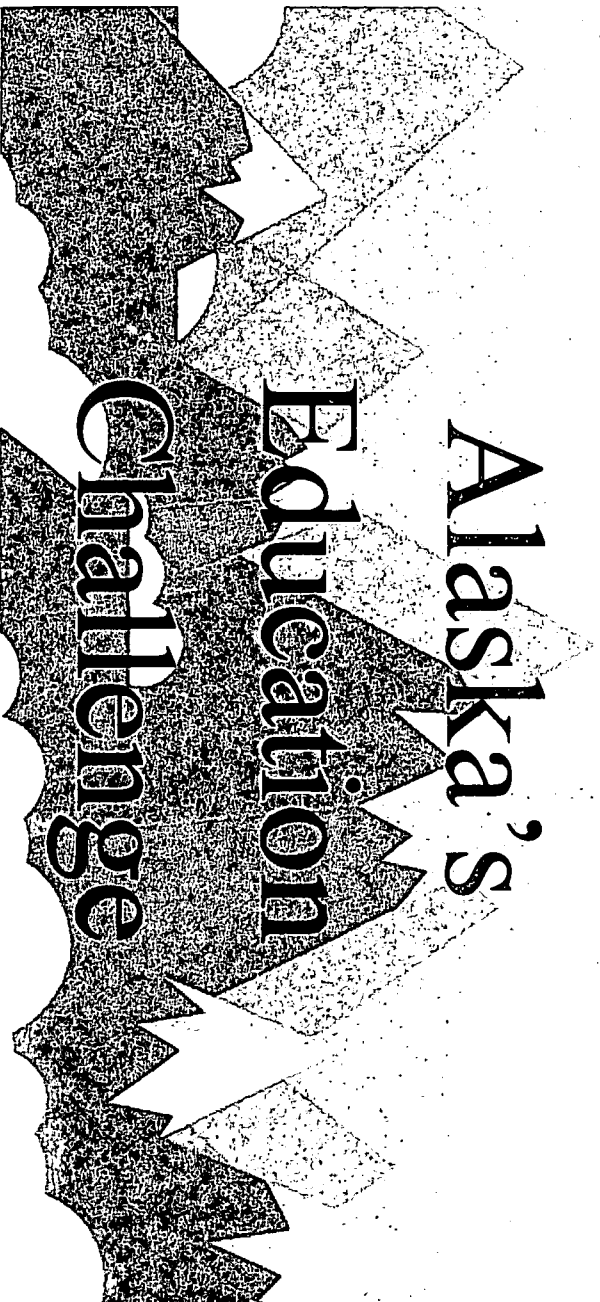
FY2018 Governor's Budget by Line Item (UGF Only)



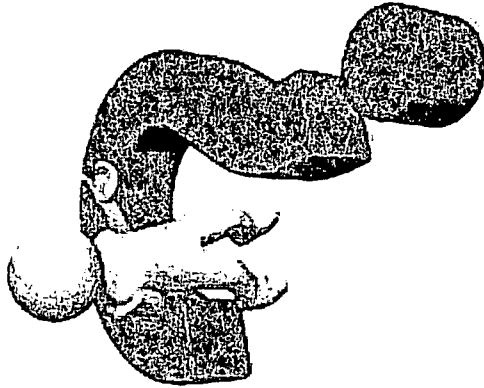
Total UGF Budget: \$1,394,483.0

Next Steps

*An Excellent Education for
Every Student Every Day*



Questions?



Alaska Department of Education & Early Development
FY2018 Governor's Budget

RDU	Component	Statutes	Regulations	Total Budget	Budget Breakdown	Fund Source(s)	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Miscellaneous	Total Budget
K-12 Aid to School Districts	Foundation	AS 14.17	4 AAC 09	\$ 1,217,257.6	\$ 1,176,466.6 20,791.0 20,000.0	1004 Gen Fund (UGF) 1043 Impact Aid (Fed) 1066 Pub School (Other)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,217,257.6	\$ -	\$ 1,217,257.6
K-12 Aid to School Districts	Pupil Transportation	AS 14.09	4 AAC 27	72,619.8	72,619.8	1004 Gen Fund (UGF)	-	-	-	-	-	72,619.8	-	72,619.8
K-12 Support	Boarding Home Grants	AS 14.16.200; AS 14.07.030(2)	4 AAC 09.050; 4 AAC 33.090	7,553.2	7,553.2	1004 Gen Fund (UGF)	-	-	-	-	-	7,553.2	-	7,553.2
K-12 Support	Youth in Detention	AS 14.07.020(5)	n/a	1,100.0	1,100.0	1004 Gen Fund (UGF)	-	-	-	-	-	1,100.0	-	1,100.0
K-12 Support	Special Schools	AS 14.30.600-660	4 AAC 33.060; 4 AAC 33.070	3,563.9	3,563.9	1004 Gen Fund (UGF)	-	-	-	-	-	3,563.9	-	3,563.9
Education Support Services	Executive Administration	AS 14	4 AAC	1,037.0	1,014.6 22.4	1004 Gen Fund (UGF) 1007 I/A Rcpts (Other)	725.9	45.4	50.2	15.5	-	200.0	-	1,037.0
Education Support Services	Administrative Services	AS 14; AS 23; AS 37; AS 39; AS 28.05.104	n/a	1,671.3	145.0 842.7 683.6	1002 Fed Rcpts (Fed) 1004 Gen Fund (UGF) 1007 I/A Rcpts (Other)	1,255.8	-	400.5	15.0	-	-	-	1,671.3
Education Support Services	Information Services	AS 14.07.010-030	n/a	921.9	271.1 650.8	1004 Gen Fund (UGF) 1007 I/A Rcpts (Other)	615.9	-	248.8	51.2	6.0	-	-	921.9
Education Support Services	School Finance & Facilities	AS 14.07.020-030; AS 14.50; AS 14.07.060; AS 14.11; AS 14.17; AS 14.03.140-150; AS 14.07.020(11); AS 14.07.030(4); AS 14.07.030(6); AS 14.08.111; AS 14.08.151; AS 14.14.050-065; AS 14.14.090; AS 37.15.011; AS 43.50.140	4 AAC 40; 4 AAC 09; 4 AAC 51.340; 4 AAC 52.700; 4 AAC 33; 4 AAC 31	2,203.4	1,307.6 895.8	1004 Gen Fund (UGF) 1007 I/A Rcpts (Other)	1,458.4	19.6	719.4	-	6.0	-	-	2,203.4
Teaching & Learning Support	Student & School Achievement	AS 14.30.360-370; AS 14.30.180-350; AS 14.50.080; AS 14.35.010-030; AS 14.30.400-410	4 AAC 05.080; 4 AAC 51.200-390; 4 AAC 06.800-899; 4 AAC 06.500-770; 4 AAC 52; 4 AAC 06.700-790; 4 AAC 60.010-180; 4 AAC 34.010-090; 4 AAC 19.010-060; 4 AAC 04.150-180	160,466.4	153,924.4 263.7 4,921.7 347.5 377.8 50.0 50.0 531.6	1002 Fed Rcpts (Fed) 1003 G/F Match (UGF) 1004 Gen Fund (UGF) 1007 I/A Rcpts (Other) 1037 GF/MH (UGF) 1092 MHTAAR (Other) 1108 Stat Desig (Other) 1151 VoTech Ed (DGF)	5,412.0	447.2	17,785.8	197.8	5.0	136,618.6	-	160,466.4
Teaching & Learning Support	State System of Support	AS 14.03.015; AS 14.03.123(a)(f); AS 14.07.020(a)(16)-(17)	4 AAC 06.840(j)-(l); 4 AAC 06.845(d); 4 AAC 06.850; 4 AAC 06.852; 4 AAC 06.872	1,847.7	1,847.7	1004 Gen Fund (UGF)	334.9	79.3	1,094.0	29.5	-	310.0	-	1,847.7
Teaching & Learning Support	Teacher Certification	AS 12.62.160; AS 14.20.010-040	4 AAC 12.010-900; 4 AAC 04.200-220	932.7	916.3 16.4	1005 GF/Prgrm (DGF) 1007 I/A Rcpts (Other)	503.1	19.0	385.5	10.0	15.1	-	-	932.7
Teaching & Learning Support	Child Nutrition Services	AS 14.50.010-080	n/a	63,796.1	63,327.4 71.3 15.2 382.2	1002 Fed Rcpts (Fed) 1003 G/F Match (UGF) 1004 Gen Fund (UGF) 1014 Donat Comm (Fed)	943.0	44.7	1,306.7	15.0	-	61,486.7	-	63,796.1

Alaska Department of Education & Early Development
FY2018 Governor's Budget

RDU	Component	Statutes	Regulations	Total Budget	Budget Breakdown	Fund Source(s)	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Miscellaneous	Total Budget
Teaching & Learning Support	Early Learning Coordination	AS 14.50.010-080; AS 14.38.010; AS 14.07.020(8)	n/a	8,566.7	280.9 8,285.8	1002 Fed Rcpts (Fed) 1004 Gen Fund (UGF)	253.7	51.3	162.2	95.8	-	8,003.7	-	8,566.7
Teaching & Learning Support	Pre-Kindergarten Grants	AS 14.07.020(8)	4 AAC 60.010-170	2,000.0	2,000.0	1004 Gen Fund (UGF)	-	-	-	-	-	2,000.0	-	2,000.0
Commissions and Boards	Professional Teaching Practices Commission	AS 14.20.030; AS 14.20.370-510; AS 44.62	4 AAC 12; 4 AAC 18; 20 AAC 10.010-900	303.0	303.0	1005 GF/Prm (DGF)	216.2	16.7	67.5	2.6	-	-	-	303.0
Commissions and Boards	Alaska State Council on the Arts	AS 44.27.040-060; AS 35.27.010-030; AS 45.65.010-070	20 AAC 30.010-985; 3 AAC 58.020-040	2,768.5	806.3 692.8 10.9 7.0 1,221.5 30.0	1002 Fed Rcpts (Fed) 1003 G/F Match (UGF) 1005 GF/Prm (DGF) 1007 I/A Rcpts (Other) 1108 Stat Desig (Other) 1145 AIPP Fund (Other)	567.4	82.6	620.5	26.6	10.0	1,461.4	-	2,768.5
Mt. Edgecumbe Boarding School	Mt. Edgecumbe Boarding School	AS 14.16.010-080; AS 14.17.440	4 AAC 33.080	11,014.0	4,758.8 57.4 6,027.8 170.0	1004 Gen Fund (UGF) 1005 GF/Prm (DGF) 1007 I/A Rcpts (Other) 1108 Stat Desig (Other)	4,660.5	605.9	5,327.4	393.2	27.0	-	-	11,014.0
State Facilities Maintenance	State Facilities Maintenance	AS 14.07.020; AS 44.27.020; AS 37.07.020(e)	n/a	2,322.7	2,322.7	1007 I/A Rcpts (Other)	656.4	1.4	1,354.4	275.0	35.5	-	-	2,322.7
State Facilities Maintenance	EED State Facilities Rent	AS 37.05.570	n/a	1,068.2	1,068.2	1004 Gen Fund (UGF)	-	-	1,068.2	-	-	-	-	1,068.2
Alaska Library and Museums	Library Operations	AS 14.56; AS 24.05.135; AS 40.21; AS 40.25.115(e); AS 44.27.020	4 AAC 59; 2 AAC 96.200(c)	9,555.9	1,300.3 5,217.0 63.0 158.3 100.0 2,717.3	1002 Fed Rcpts (Fed) 1004 Gen Fund (UGF) 1005 GF/Prm (DGF) 1007 I/A Rcpts (Other) 1108 Stat Desig (Other) 1226 High Ed (DGF)	2,842.6	71.7	1,765.0	295.2	-	4,581.4	-	9,555.9
Alaska Library and Museums	Archives	AS 40.21	4 AAC 59.005-070	1,261.7	40.0 1,061.1 160.6	1002 Fed Rcpts (Fed) 1004 Gen Fund (UGF) 1007 I/A Rcpts (Other)	1,050.7	5.1	174.9	31.0	-	-	-	1,261.7
Alaska Library and Museums	Museum Operations	AS 14.57	4 AAC 58	1,708.6	60.0 1,144.3 504.3	1002 Fed Rcpts (Fed) 1004 Gen Fund (UGF) 1005 GF/Prm (DGF)	1,465.7	12.2	91.8	33.3	-	105.6	-	1,708.6
Alaska Library and Museums	Online with Libraries	n/a	n/a	661.8	661.8	1004 Gen Fund (UGF)	115.4	-	388.4	-	-	158.0	-	661.8
Alaska Library and Museums	Live Homework Help	n/a	n/a	138.2	138.2	1226 High Ed (DGF)	-	-	-	-	-	138.2	-	138.2
Alaska Postsecondary Education Commission	Program Administration & Operations	AS 14.42.010-055; AS 14.42.100-990; AS 14.43.091-990; AS 14.44.010-060; AS 14.48.010-210	20 AAC 15.010-990; 20 AAC 16.005-900; 20 AAC 17.015-910; 20 AAC 18.005-990; 20 AAC 19.010-900	18,868.4	100.0 50.9 12,244.0 515.7 5,957.8	1002 Fed Rcpts (Fed) 1005 GF/Prm (DGF) 1007 I/A Rcpts (Other) 1108 Stat Desig (Other) 1226 High Ed (DGF)	9,803.8	42.7	3,038.7	108.2	-	5,875.0	-	18,868.4
Alaska Postsecondary Education Commission	WWAMI Medical Education	AS 14.42.033; AS 14.43.510	20 AAC 19.010-900	3,070.8	3,070.8	1226 High Ed (DGF)	-	-	3,070.8	-	-	-	-	3,070.8
Alaska Performance Scholarship Awards	Alaska Performance Scholarship Awards	AS 14.43.810-849	20 AAC 16.205-900	11,750.0	11,750.0	1226 High Ed (DGF)	-	-	-	-	-	11,750.0	-	11,750.0

Alaska Department of Education & Early Development
FY2018 Governor's Budget

RDU	Component	Statutes	Regulations	Total Budget	Budget Breakdown	Fund Source(s)	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Miscellaneous	Total Budget
Alaska Student Loan Corporation	Loan Servicing	AS 14.42.030; AS 14.42.100-990; AS 14.43.091-175; AS 14.43.600-790; AS 14.43.910-990; AS 14.44.040	20 AAC 15.086-590; 20 AAC 15.700-990; 20 AAC 18.005-990	11,946.7	11,946.7	1106 ASLC Rcpts (Other)	-	-	11,946.7	-	-	-	-	11,946.7
Total FY2018 Governor's				\$ 1,621,976.2			\$ 32,881.4	\$ 1,544.8	\$ 51,067.4	\$ 1,594.9	\$ 104.6	\$ 1,534,783.1	\$ -	\$ 1,621,976.2