



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

Department of Education &  
Early Development

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**House Finance Committee**

*Follow-up on Committee Member Comments*

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**1. Provide the 10-year history of the average daily membership (ADM).**

Enclosed is a breakdown by school district of the total ADM (both brick and mortar and correspondence) from FY2011 through FY2021 OASIS Update (as of December 2020).

In addition, a more historical look at the ADMs from FY1988 – FY2020 by school district is available on the department's website under "Historical" at the following link:

<https://education.alaska.gov/schoolfinance/foundationfunding>.

**2. Provide the committee with information regarding the decrease in student count. Is the department looking deeper on where the students are going? Provide this information when the department has this data from school districts.**

The Department of Education & Early Development (DEED) is in the process of reaching out to school districts to obtain information about the students who are not enrolled in the public-school system in Alaska in FY2021 (the 2020-2021 school year). When available, DEED will provide a report of responses received to the committee.

**3. Provide the history behind the hold harmless 75% step down and the 5% hold harmless trigger calculation.**

The Hold Harmless provision was established under Chapter 9, SLA 2008 - HB 273, that was enacted in 2008, and came out of the Joint Legislative Education Funding Task Force (JLETF), which was established by Senate Concurrent Resolution 11 (SCR 11) in the first session of the 25<sup>th</sup> Alaska State Legislature.

The JLETF was charged with:

- Evaluating proposals that are based on available facts and conclusions pertaining to school district cost factors and the foundation formula;
- Recommending improvements or additions to the laws providing for education funding; and
- Taking public comments on education funding and school district cost factors.

The JLETF submitted a report of its finding and proposed legislative changes to the Governor and the Legislature by September 1, 2007. Enclosed is a copy of that report.

The following recommendation can be found on page 6 of the JLETF's September 1, 2007 report:

***Declining enrollment step-down***

*School districts occasionally experience abrupt declines in enrollment resulting from factors beyond the district's control or ability to predict in advance. The closing or realignment of military bases can have this effect. Under the school funding formula these abrupt enrollment declines result in an immediate and equally abrupt funding reduction.*

*The JLETF recommends that statute be adopted to provide a 'step-down' mechanism that buffers the effects of declining enrollment.*

As additional background, decreasing enrollment reduces state aid to school districts and, in some cases, forces school districts to close public schools. A school closure reduces the number of schools in a district which further reduces state aid through the funding formula. Prior to FY1999, the foundation funding program was based on instructional units and contained a hold-harmless provision for declining enrollment. When the new formula was adopted, it did not contain a hold harmless or a transition provision; and this issue had been raised and discussed numerous times after the new formula was adopted.

As a result, and enacted through HB 273, the Hold Harmless provision was established to assist school districts experiencing a reduction in their brick and mortar school(s) average daily membership after it has been adjusted for school size in the foundation formula.

**4. Provide a list of correspondence programs in the state.**

Enclosed is a list of correspondence programs within the State of Alaska. There is a total of 35 statewide and district-wide programs in 32 school districts.

Additional correspondence program information is available on the department's website at the following link: [https://education.alaska.gov/alaskan\\_schools/corres](https://education.alaska.gov/alaskan_schools/corres).

**5. Provide information on what Galena and Yukon Koyukuk are doing differently to attract kids to their correspondence programs.**

The Galena City School District and Yukon Koyukuk School District both have established correspondence programs with solid support staff that have been in place for many years. In addition, they are the two oldest programs with the best marketing program in the state. In regard to marketing their statewide programs, you can often hear them on the radio and they are continuously reaching out through other social media outlets such as Facebook. Also, word of mouth within the homeschool community has also elevated these two programs over other correspondence programs in Alaska. Many parents also go onto homeschool community forums and ask which programs are the best and in most cases, they are pointed to either Galena's or Yukon Koyukuk's program because the respondent has direct experience with one of these two programs.

Galena's Interior Distance Education of Alaska (IDEA) correspondence program is the largest and longest running correspondence program in Alaska. The following can be found on Galena's IDEA website (<https://www.ideafamilies.org/about-idea/>):

*"In June 1997, the Galena City School District began an innovative homeschool support program. At that time, all of the correspondence programs in Alaska, whether state-wide or in-district, sent a standard grade-level curriculum package to enrolled families and graded all of the student's work through the mail. Galena was*

*the first to recognize national statistics showing the excellent academic experience that most homeschoolers were providing for their children, and to honor the individuality of homeschool approaches. Galena hired several homeschooling parents to be on staff right at the inception of IDEA. Their primary role was to provide a homeschooler's perspective on every element of the program as it was created and developed. IDEA was founded on the then-unique principle of honoring the parent's ability to provide an excellent one-on-one tutoring experience, using individualized curriculum materials and educational methods. Much to the surprise of most educators in the state, 1,157 students were enrolled that first year, and enrollment tripled the following year. Eventually, IDEA enrollment rose to over 5,000 students. As a result of IDEA's unprecedented popularity, there are now many similar programs in Alaska that are smaller than IDEA. However, we were the first and we strive to be the best!"*

Yukon Koyukuk's Raven Homeschool correspondence program (<https://www.ravenhomeschool.com/Page/1>) used to be the Alyeska Central School (ACS), that was a part of the Department of Education and Early Development until FY2005 when the program was transferred to the Yukon Koyukuk School District. Yukon Koyukuk has inherited a solid program and has continued to move that program forward. The history of ACS goes back to 1975.

**6. Provide information on broadband requirements for correspondence programs.**

The broadband requirements vary across Alaska. The Department of Education & Early Development does not have specific broadband requirements for the correspondence programs in Alaska. However, generally a minimum of 1.5mb of download and upload speed is needed, but a lot depends on other issues such as if it is a dedicated connection and if it is satellite. Satellite connections can have latency issues because of the travel of the signal, especially if they are older versions that are higher orbiting.

Internet related costs are typically an allowable use of the correspondence allotment. In addition, as an example, Yukon Koyukuk's Raven Homeschool correspondence program reimburses up to \$50/month per family for internet separate from the allotment (a \$600 value in addition to the regular student allotment). They also have a MiFi program available if a parent cannot get AT&T cellular service in their area which could possibly reduce the amount a parent needs to pay for internet service.

**7. Provide information on how \$3.8 million DEED allocation was spent or obligated.**

Under the Elementary and Secondary School Emergency Relief (ESSER) I Fund, the State of Alaska's total allocation was \$38,407,914, of which \$34,567,123 were allocations to Alaska school districts, and \$3,840,791 is the state's reservation portion (of which \$192,040 is for state administrative costs).

Of the \$3.8 million state reservation, the below table is a breakdown of how it has been allocated to date and the amount remaining to be obligated:

Grant/Contract Entity	ESSER I – DEED Funds	ESSER I – DEED Admin
Cook Inlet Tribal Council Digital Badging Project	\$50,000	
Mt. Edgecumbe IT Fiber and Hardware	\$200,000	
Northwest Evaluation Association (NWEA) Map Growth Data Consulting	\$48,000	
Teachers' Certification Digital/Paperless System	\$750,000	
Canvas Contract (2 years)	\$1,547,625	
Alaska Statewide Virtual System Additional Seats (Summer School)	\$150,000	
School Districts (Pelican, Skagway, Aleutian Region)	\$14,789	
Alaska Association of School Business Officials (ALASBO) Grant	\$50,000	
Department of Law - Legal Costs		\$97,853
HMB Contract (DEED's Grants Management System)		\$20,000
DEED Office Supplies		\$2,000
<b>TOTAL ALLOCATED TO DATE</b>	<b>\$ 2,810,414</b>	<b>\$ 119,853</b>
<b>Total DEED Award</b>	<b>\$ 3,648,751</b>	<b>\$ 192,040</b>
<b>Balance Available to Allocate</b>	<b>\$ 838,337</b>	<b>\$ 72,187</b>

**8. Has a determination been made by the administration about no need to freeze FY2020 enrollment number or pursue it as a policy measure?**

The administration is following the statutory formula set out in AS 14.17.410 in order to determine the FY2021 Foundation Program amounts by school district. There is no provision in statute that allows for anything but following statute. In addition, using the average daily membership from the October 2020 20-day count period ensures that the districts in which those students were attending and receiving educational services receive the revenue rightfully due to them.

**9. Clarification to response provided on the record:**

DEED would like to provide some clarification to what was provided on the record in response to Representative LeBon's questions regarding required and maximum local contributions.

For starters, the required local contribution is the lesser of (1) the equivalent of 2.65 mill tax levy on the full and true value of the taxable real and personal property in the district; or (2) cannot exceed 45% of the district's prior basic need for the preceding fiscal year.

In addition, the maximum local contribution is the greater of (1) 23% of basic need and any state funds calculated on the adjusted average daily membership; or (@) a 2-mill equivalent of the full and true value of the taxable and real property within the district.

Representative Lebon asked if there was an incentive for municipalities to fund at the required local contribution level versus above that to the maximum local contribution level. The department agreed to that statement; however, that was not an accurate response. Basic Need

less the Required Local Contribution less the Eligible Deductible Impact Aid equals State Aid. Since any local contribution amount beyond the required local contribution is not part of the calculation for determining the State Aid amount, there would not be additional funding from the State under the Foundation Formula for a municipality that funds beyond the required local contribution amount. That said, there is no incentive for a municipality to only fund at the required local contribution level.