



# Anchorage School District

## Education Center

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March 27, 2018

House Education Committee  
Alaska State House of Representatives  
State Capitol Room 514  
Juneau AK, 99801

Dear Members of the House Education Committee,

As the Superintendent of the Anchorage School District (ASD), I am writing today to provide additional support for House Bill 406. As previously shared, this legislation would provide a phased period in which school districts could plan for school consolidation when experiencing decreased enrollment. Presently, the funding formula for schools does not take into account the needed transition funding to plan for efficient use of facilities and staffing.

Questions were posed about revenue school districts would receive as a result of the legislation and how those funds would compare to actual costs associated with school consolidation. If passed in its present form, the bill would result in no additional funding for ASD, but would, essentially, equate to flat funding. The State would provide the same amount of revenue per student as received prior to a consolidation.

Absent legislation to hold districts harmless from the present school size cost factor, ASD would experience a direct decrease in funding per pupil upon school consolidation, as schools gaining students actually receive less per student as their memberships increase per the state funding formula BSA model. HB 406 will allow time and space for the District to implement cost-savings initiatives during the first several years after a school consolidation (such as leasing a facility, possible bond for the funds required to demo a school, etc.).

Although a closed school will achieve some cost savings by lowering administrative costs (principal, support staff, nurse, custodians, counselor, etc.), teacher costs will stay the same as teacher PTR follows students to the consolidated school(s). Costs to maintain the infrastructure, for the near term, will continue to draw from the operational budget. These costs may include but are limited to the following:

- Unbudgeted costs to relocate school and classroom furniture, supplies, books, computers, projectors, etc.
- Potential increase in the number of counselors or assistant principals to the combined school(s) – dependent on the District's population-based metrics

*Educating All Students for Success in Life*

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- Utility costs for the short-term as the District can't afford to allow pipes to freeze in the winter, safety lights in and around community playgrounds are needed, etc.
- A potential bond to demolish outdated facilities may require in excess of one year to obtain voter approval, followed by up to two years to plan and demolish a building.
- If retained the building would require maintenance and sustainment costs to continue – at least for the short term.
- Long-term cost-avoidance, for planned future bond requirements, would be realized for any facility that would be demolished.

Again, the Anchorage School Board recognizes the fiscal realities which you are facing and appreciate your willingness to provide school districts with increased flexibility and discretion in a time of constricting resources. ASD embraces innovation and supports creative solutions. I want to thank you for the opportunity to share my support for your work.

This bill is a win/win for local taxpayers as well as for the state. The capital costs of a school building would influence Alaska's monetary resources long term (building and construction/major maintenance), coupled with operational costs, the state is impacted greatly. Please allow school districts the necessary resources to make good decisions for the future without impacting the educational opportunities of students today.

Respectfully,



Deena M. Bishop, Ed.D.  
Superintendent

cc: Tam Agosti-Gisler, President, Anchorage School District