



Anchorage School District

Education Center

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April 21, 2025

Dear Members of the Alaska State Legislature,

Thank you, first and foremost, for your ongoing commitment to strengthening education funding and policy for the benefit of students across Alaska. We especially appreciated the hard work and collaboration that led to the passage of HB 69, which represented meaningful progress for our schools and communities.

As you deliberate a path forward, we have noted a growing number of public statements about the Anchorage School District's budget that are incomplete or incorrect — some of which have been shared by legislators and staff in public forums, constituent communications, and in committee hearings.

With so much at stake — not only for ASD but for all school districts across Alaska — it is critical that decisions be based on accurate and transparent information. We understand the budget process is complex and challenging. But sound decisions depend on sound data. The information below clarifies our financial position — what's true, what's not, and why it matters for Alaska's public education system.

ASD Follows State and National Financial Standards

ASD adheres to all State of Alaska accounting standards and the nationally recognized guidelines of the Governmental Accounting Standards Board (GASB). These standards ensure financial reporting is:

- Clear, accurate, and useful for public stakeholders
- Consistent across government entities to promote transparency and accountability

ASD has consistently been awarded the Certificate of Excellence in Financial Reporting Award from the International Association of School Business Officials annually for at least the past two decades. Any implication that ASD is hiding funds or inflating its deficit is categorically false and contradicts the way public education budgets are developed, audited, and reported.

Educating All Students for Success in Life

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Clarifying the \$88 Million Fund Balance

We've heard repeated claims — including from members of the Legislature — that ASD holds \$88 million in uncommitted fund balance that could be used to avoid budget cuts. This is misleading and omits critical facts.

Here's the actual breakdown of the \$88 million:

- **\$27 million** is legally restricted to protect the Municipality of Anchorage's bond rating and **cannot** be used for school operations
- **\$49 million** is already programmed into ASD's FY26 budget to offset next year's projected shortfall
- The remaining **\$6–8 million** is designated for emergency use — representing less than 2% of our annual operating budget. This reserve provides basic financial stability and allows us to respond to unforeseen events such as natural disasters, equipment failures, or other emergencies

ASD also maintains the largest public infrastructure portfolio in the state — 84 schools and 6 support facilities totaling 7.8 million square feet and valued at over \$2 billion. Since 2009, we've managed these assets through an integrated facilities plan to ensure safe, sustainable operations.

Bottom line: This is not “extra” money. Nearly all of it is restricted, pre-allocated, or set aside to protect student learning and operational continuity.

Understanding the \$41 Million Staffing Line

Some legislators have pointed to \$41 million in “unspent” staffing funds as potential savings. This reflects a misunderstanding of **attrition budgeting**, a standard practice among large school systems.

Each year, due to retirements, relocations, or other changes, some positions are vacated and remain temporarily unfilled. Districts account for these expected savings by **reducing the budget on the front end** — this is a planned, responsible approach.

In ASD's FY26 budget, we project:

- **\$15.5 million** in salary savings
- **\$26 million** in benefit savings
Total: **\$41 million** — and it is already factored into the budget.

This money is **not surplus**. It reflects expected, built-in savings based on historical trends. Suggesting it can be redirected ignores both the budgeting process and how large districts responsibly manage personnel costs.

Where Did the One-Time \$49 Million Go?

Another misconception relates to the \$49 million in one-time funding the Legislature allocated last year outside of the BSA formula. Some have claimed ASD failed to submit a spending plan. That is incorrect.

In reality:

- The \$49 million is fully incorporated into our [FY25 operating budget](#)
- We have communicated all relevant details through our adopted budget to the **Department of Education and Early Development**
- The funding is currently being used to **preserve staffing and student programs** that would otherwise have faced cuts

This money is not sitting idle — it is supporting classrooms and student success in real time.

As we approach the May 15 statutory deadline to issue layoff notices, ASD must prepare for every possible funding outcome. Without legislative action, we will be forced to proceed with staffing reductions that directly impact students, classrooms, and schools. If funding becomes available, we are ready to act swiftly to restore as many positions as possible.

ASD is not alone. Districts across Alaska — including in Mat-Su, Kenai, Fairbanks, Ketchikan, and Kodiak — are facing the same tough choices. Without meaningful investment, our state risks a widespread loss of educators and a diminished future for public education.

We appreciate the weight of your decisions and remain committed to partnering with you through this process. If you have questions, need additional data, or want help communicating with constituents, we welcome the opportunity to connect. This is a pivotal moment. Alaska's students, families, and educators are counting on all of us to lead with clarity, responsibility, and resolve.

Thank you for your time, service, and continued commitment to Alaska's students.

Regards,



Dr. Jharrett Bryantt
Superintendent
Anchorage School District