

# Building a Sustainable Framework for Public Education Funding

ALASKA COUNCIL



OF SCHOOL ADMINISTRATORS

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Presented by: Dr. Lisa S. Parady, ACSA Executive Director

Clayton Holland, ASA Past-President

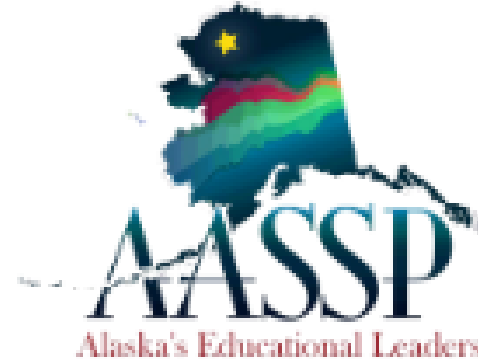
Katie Parrott, ALASBO President-Elect

Date: October 30, 2025

# Alaska Council of School Administrators



Alaska Superintendents  
Association



Alaska Association  
of Secondary  
School Principals



Alaska Association  
of Elementary  
School Principals



Alaska Association  
of School Business  
Officials



Council of  
Administrators of  
Special Education

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# CONCERNS FROM DISTRICT ADMINISTRATORS – INSTABILITY

- ▶ **Staffing Shortages & Retention**
- ▶ **Student Support & Accountability**
- ▶ **Program Cuts & Larger Class Sizes**
- ▶ **Facilities & Deferred Maintenance**
- ▶ **Funding Adequacy & Predictability**
- ▶ **Housing & Cost of Living for Staff**



# Key Funding and Infrastructure Concerns

- ▶ Eliminate unfunded and underfunded initiatives.  
Example: Alaska Reads Act
- ▶ **Solution:** Don't pass education legislation unless it includes sufficient funding.  
Education related legislation should have fiscal note that includes costs to school districts.
- ▶ Insufficient bandwidth in schools limits their ability to remain competitive with current technology, including emerging tools such as Artificial Intelligence (AI) - the next digital divide!
- ▶ **Solution:** Increase internet speeds to 1 Gbps and continue to leverage federal E-rate dollars.

# WHAT EDUCATION LEADERS ARE SAYING

**Education leaders report** that inadequate, unpredictable funding is driving staffing shortages, which in turn force program reductions and deferred maintenance – directly affecting student opportunities and school climate. The most common issues cited were staffing shortages at all levels and retention, program cuts and larger class sizes, and facilities/deferred maintenance, funding adequacy/predictability and staff housing plus attendance and special education pressures.

**Education leaders say the fixes are clear:** stabilize core funding (inflation-proof, multi-year), eliminate unfunded mandates, make compensation and benefits more competitive (including certification reciprocity and retirement), support staff housing where costs are high, and increase major-maintenance/capital funding – so districts can restore programs, retain talent and most importantly improve student outcomes and keep students safe.



# STAFFING SHORTAGES & RETENTION

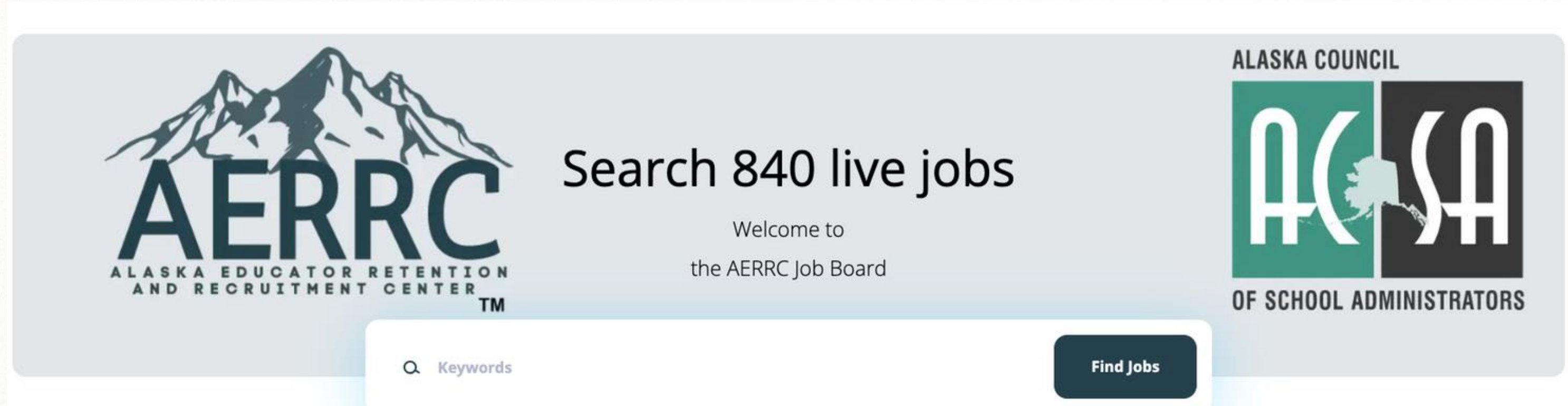
## Education Funding Problem

Uncompetitive pay and benefits, small applicant pools—especially in rural areas—and high housing and living costs drive teacher, paraprofessionals and specialist staff shortages. These vacancies lead to larger class sizes, burnout, and reduced instructional quality.

## Education Funding Solution

Increase and stabilize education funding to ensure competitive salaries, benefits, and working conditions for educators - teachers, paraprofessionals and specialists. Strategic investment in recruitment initiatives, mentorship programs, and professional development can help attract and retain high-quality educators. Sustainable funding allows schools to maintain manageable class sizes, support staff well-being, and improve instructional quality for all students.

# STAFFING SHORTAGES & RETENTION



[jobs.aerrc.org](https://jobs.aerrc.org)



# HOUSING AND COST OF LIVING FOR STAFF

## **Education Funding Problem**

Housing and cost of living challenges for educators—particularly in remote communities, now also impacting urban communities—significantly undermine recruitment and retention efforts. Even when districts successfully identify qualified candidates, limited and expensive staff housing options often prevent them from accepting or maintaining employment. This specifically impacts international hire.

## **Education Funding Solution**

Increase education funding to support affordable, high-quality staff housing and cost-of-living adjustments for educators, especially in remote and rural areas. By investing in sustainable housing initiatives and competitive compensation, districts can attract and retain qualified educators, strengthening stability and continuity in local schools.



# PROGRAM CUTS & LARGER CLASS SIZES

## Education Funding Problem

Budget shortfalls force schools to cut **electives, activities, and interventions** to protect core classes—resulting in **larger class sizes** and **fewer enrichment opportunities**.

Students lose access to **targeted supports** and **well-rounded learning experiences**, impacting engagement and achievement.

## Education Funding Solution

Secure **sustainable, equitable funding** that:

- Keeps **class sizes small**
- Restores **enrichment and intervention programs**
- Ties the **Base Student Allocation** to inflation similar to other state funded agencies
- Supports **student success and teacher effectiveness**

# STUDENT SUPPORT

## **Education Funding Problem**

Inadequate or reduced education funding limits access to essential student supports such as, high quality instruction, academic interventions, counseling, and specialized services. This shortage negatively impacts student well-being, mental health, and academic success, particularly for those who rely most on these critical resources.

## **Education Funding Solution**

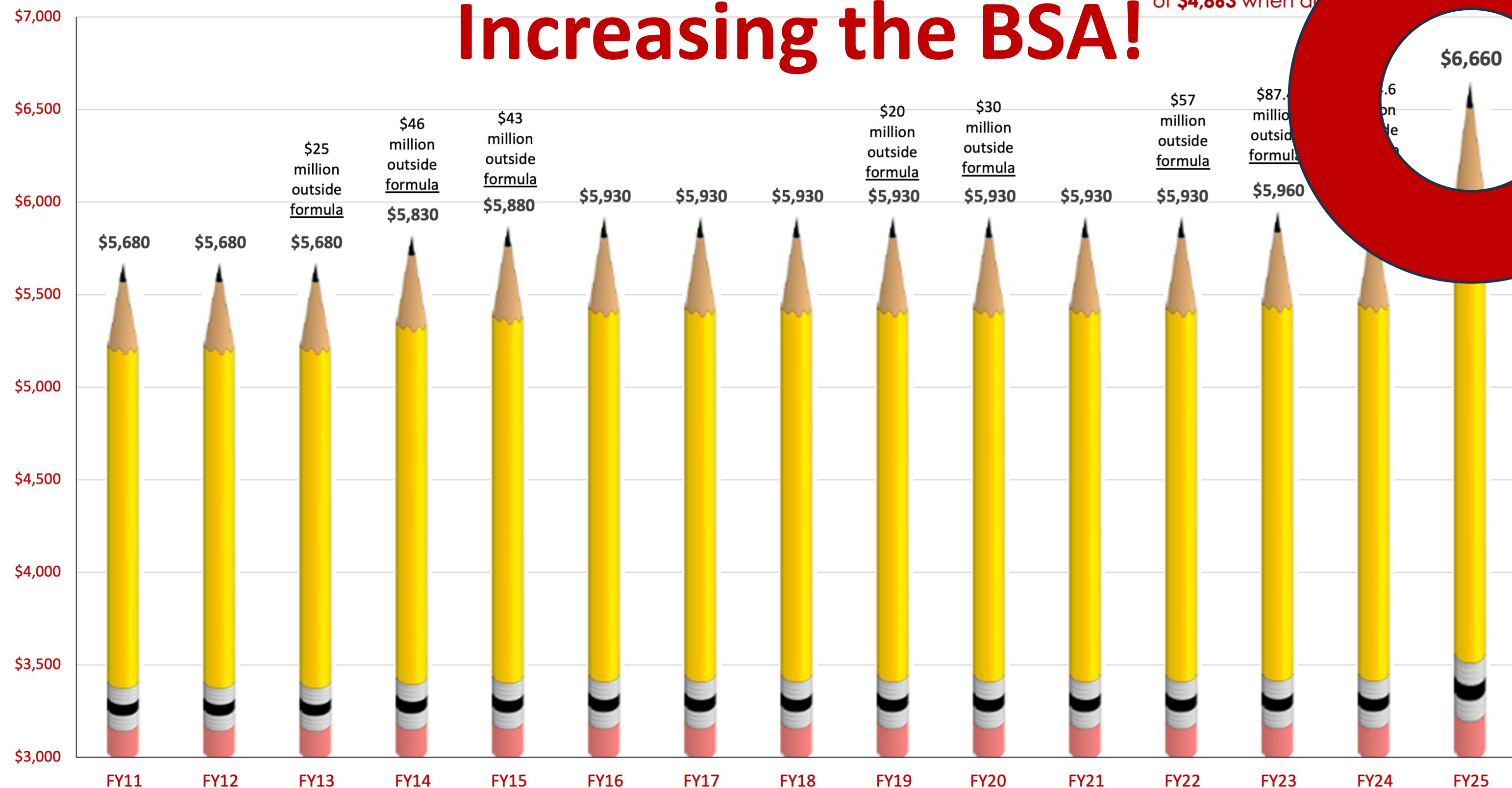
Sustainable and equitable education funding ensures all students have access to high quality instruction, appropriate interventions, counseling, and specialized services. Investing in these supports, based on a common accountability system, strengthens student well-being, improves academic achievement, and builds a foundation for long-term success in school and beyond.



# Alaska K-12 Funding Base Student Allocation Fiscal Year 2011 - 2026

# Thank you for Increasing the BSA!

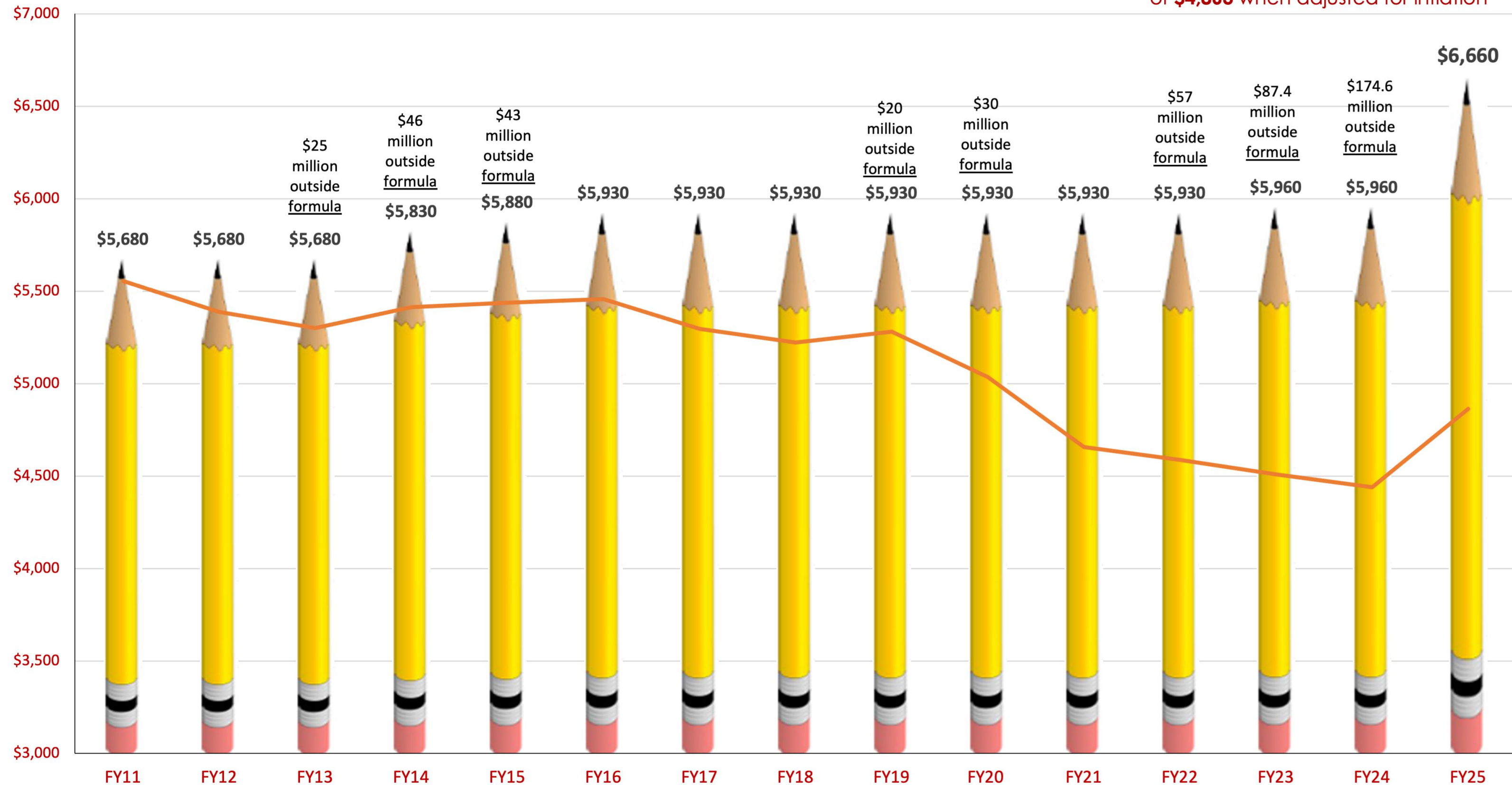
Data source: Legislative Finance  
Line shows inflation adjusted  
value (year not shown)  
BSA of \$5,960 in FY2026  
of \$4,863 when adjusted



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# Alaska K-12 Funding Base Student Allocation Fiscal Year 2011 - 2026

Data source: Legislative Finance  
Line shows inflation adjusted to FY11 value (year not shown on graph);  
BSA of \$5,960 in FY26 has an FY11 value of **\$4,863** when adjusted for inflation



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# FUNDING ADEQUACY & PREDICTIBILITY

## Education Funding Problem

Funding for education lacks adequacy and predictability. The base student allocation has not kept pace with inflation, and late or unpredictable budgets—combined with unfunded mandates—make multi-year planning nearly impossible. These factors have created ongoing structural deficits that undermine the financial stability of Alaska’s public schools.

# FUNDING ADEQUACY & PREDICTIBILITY

## Education Funding Solution

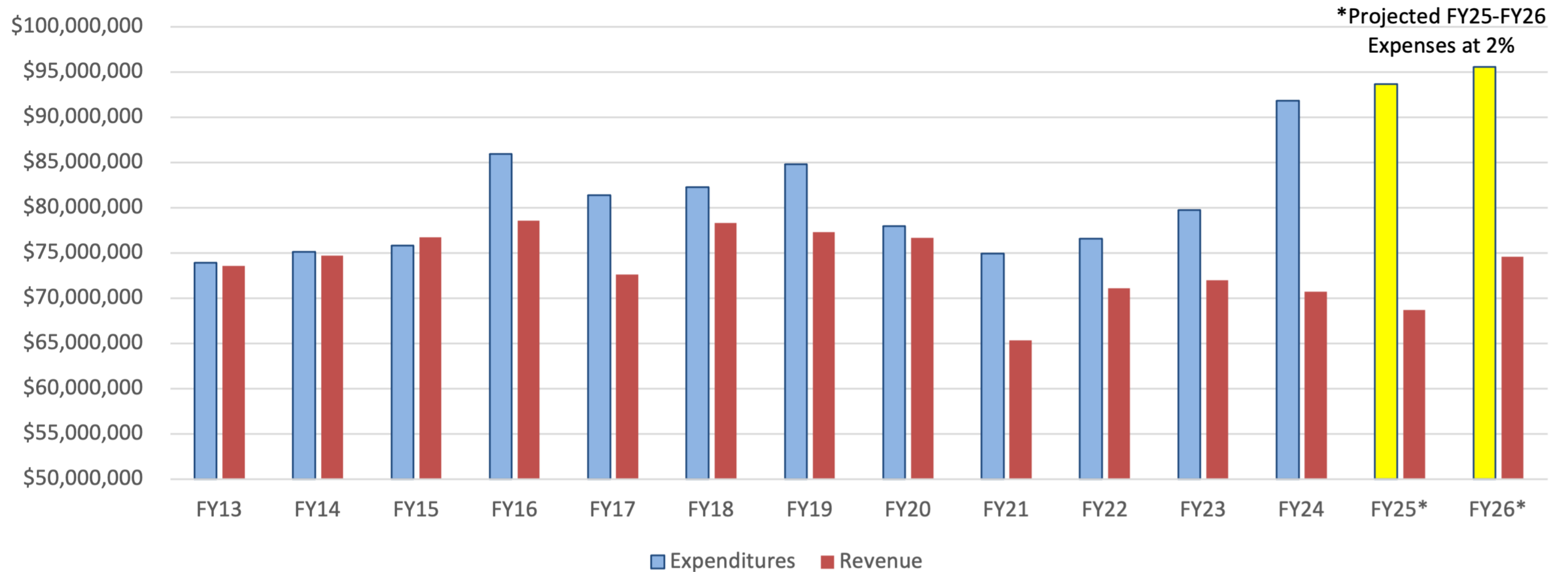
To ensure long-term stability and effective planning, Alaska needs a predictable and adequate education funding model. This includes regularly adjusting the base student allocation for inflation, establishing multi-year budget commitments, and fully funding state mandates.

In addition, the state should commission a **comprehensive review of the current funding model** by independent **school finance experts**. This review should result in recommendations to modernize and update the formula, including for example revised **district cost factors, technology, residential schools** and other equity adjustments to ensure resources align with the true cost of providing education across Alaska's diverse regions.

A stable, data-driven, and transparent funding framework will allow districts to plan responsibly, support educators, and focus on improving student outcomes.



## Statewide Transportation Revenue and Expenditure History



# FACILITIES & DEFERRED MAINTENANCE

## Education Funding Problem

Aging school facilities and systems and insufficient capital funding have resulted in unsafe, outdated, and deteriorating learning environments. Many schools lack the financial resources necessary to maintain, repair, or modernize their buildings—leading to health and safety risks, inefficient energy systems, and learning spaces that fail to meet the needs of 21st-century education.

## Education Funding Solution

Increase and stabilize state and local investments in school infrastructure through dedicated capital improvement funds. Establish long-term funding mechanisms and processes that prioritize facility maintenance, modernization, and safety upgrades. By ensuring reliable funding streams, districts can create healthy, safe, and innovative learning environments that support student success and community well-being.



# THE IMPACTS ON ALASKA'S STUDENTS

**STUDENT ACHIEVEMENT** – the infrastructure that supports student achievement is cracked and crumbling. When funding is inadequate, the pursuit of knowledge shifts from a disciplined endeavor to a struggle for survival.

**Fewer options & Supports:**

Cuts to electives and interventions reduce enrichment and targeted help.

**Less individualized attention:**

Larger classes and staff churn limit one-on-one time and continuity of instruction

**School Climate & Safety:**

Deferred maintenance and building issues affect learning environments and can disrupt operations

**Strategic drift:** Unpredictable funding undermines long-range planning, making it harder to sustain improvements

# WHAT DISTRICT LEADERS SAY WOULD HELP

**Academic excellence and opportunity is only possible when public education is adequately funded. This includes all neighborhood, charter and correspondence schools.**

**Stabilize Core Funding** – Inflation proof the BSA, predictable multi-year budgeting and reduce unfunded mandates

**Strengthen Recruitment and Retention** – More competitive compensation/benefits, streamlined certification, support grow your own strategies, stabilize international hire, and improve retirement competitiveness

**Address Staff Housing** in high-cost/remote areas (allowances or partnerships)

**Increase Major Maintenance and Capital Support** for critical facilities needs



# Questions?

**The following are available to answer any questions:**

Clayton Holland, Superintendent, Kenai Peninsula Borough School District

Dr. Randy Trani, Superintendent, Mat-Su Borough School District

Frank Hauser, Superintendent, Juneau School District

Katie Parrott, Senior Director, Office of Management and Budget, Anchorage School District

Dr. Lisa S. Parady, Executive Director, ACSA