

DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT

9. Department of Education and Early Development / Judiciary

Capital Bill (HCS CSSB 57(FIN) am H(efd fld H), Sec. 12)

COMPLIANCE MAY BE DETERMINED AT A LATER DATE

(a) The proceeds from the sale of the Stratton Library building in Sitka are appropriated from the general fund to the Department of Education and Early Development, Alaska state libraries, archives and museums, for renovation and repair of, and other necessary projects related to, the Sheldon Jackson Museum in Sitka and other buildings and facilities. It is the intent of the legislature that the department and the Alaska Court System negotiate in good faith to facilitate the sale and, if the parties agree on the terms of the sale, that the Alaska Court System submit a request for a supplemental appropriation in the amount of the purchase price.

The Department of Education and Early has reached an agreement with the Alaska Court System for the purchase of the Stratton Library for \$2,000,000, contingent on the appropriation of funds to the Courts sufficient for the purchase.

10. Education Support and Admin Services / School Finance & Facilities

Operating Bill (CCS HB 53 (brf sup maj fld H), Sec. 1)

It is the intent of the legislature that a school district report to the Department twice annually, once by the end of the count period set out in AS 14.17.500, and on February 1, 2026, the balance of each of the following funds: 1) school operating fund, 2) special revenue funds, 3) capital project funds, 4) other governmental funds. Additionally, each fund shall be reported based on the following classifications: 1) nonspendable fund balance, 2) restricted fund balance, 3) committed fund balance, 4) assigned fund balance, 5) unassigned balance. The Department shall provide these reports and associated data in electronic format to the Co-chairs of the Finance committees and to the Legislative Finance Division by December 20, 2025 and by February 15, 2026.

The Department of Education & Early Development (DEED) shared the legislative intent language with school district superintendents and business managers in communications over the summer and provided the reporting template in early October.

The DEED is utilizing the reporting template collaboratively developed with the Alaska Association of School Business Officials (ALASBO) for the initial FY2024 collection to gather the current fiscal year school district data. Using the same template provides school district personnel familiarity with report and internal data gathering processes.

The DEED will collect data on a timeline similar to the FY2024 and FY2025 collections, which had been developed based on feedback received from school district leadership, with the overall timeline was adjusted to align with school district payroll processes. For the first round of reporting, districts will report their Fund Balances as of October 31 (to be submitted to the DEED

by November 25, 2025, for submission to the Alaska Legislature by December 20, 2025). The second round of reporting will show Fund Balances as of December 31, 2025, (to be submitted to the DEED by January 25, 2026, for submission to the Alaska Legislature by February 15, 2026).

Legislative Fiscal Analyst Comment: The Department provided the requested report on December 19, 2025. It is included in this packet as **Attachment 7**.

11. Facility Maintenance and Operations / Facilities Rent State Owned

Operating Bill (CCS HB 53 (brf sup maj fld H), Sec. 1)

NON-COMPLIANCE

It is the intent of the legislature that the Department not enter into new leases, expand office space, or otherwise incur new facilities costs.

The Department of Education and Early Development (DEED) shares the goal of fiscal discipline and efficient use of State resources while maintaining the operational capacity necessary to carry out its statutory responsibilities.

The DEED expanded its office footprint in the Anchorage Atwood Building, as of July 1, 2025, by obtaining a lease for adjoining office spaces. This action responded to the Department's identified workspace shortage associated with expanded in-person staffing in Anchorage and facilitated the co-location of teams critical to program coordination and effective service delivery. The additional lease cost and minor structural changes were accommodated within the DEED's existing facilities appropriation.

The DEED remains committed to transparent, efficient, and well-coordinated management of its facilities portfolio and will continue to ensure that facilities planning supports operational needs while maintaining fiscal accountability.