



ALASKA STATE LEGISLATURE

SENATE FINANCE BUDGET SUBCOMMITTEE

DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT

DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT FY2019 SENATE FINANCE BUDGET SUBCOMMITTEE NARRATIVE REPORT April 3, 2018

CHAIR:

Sen. Gary Stevens
State Capitol Room 429
(907) 465-4925

MEMBERS:

Sen. John Coghill
State Capitol Room 119
(907) 465-3719

Sen. Tom Begich
State Capitol Room 419
(907) 465-3704

Committee Aide:

Katrina Matheny
(907) 465-4713

RECOMMENDATIONS:

The Senate Finance Budget Subcommittee for the Department of Education & Early Development submits a recommended operating budget for FY2019 to the Senate Finance Committee as follows:

Unrestricted General Funds (UGF)	\$ 43,595.9
Designated General Funds (DGF)	26,077.1
Other Funds	46,462.0
Federal Funds	251,090.2

TOTAL	\$367,225.2
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BUDGET ACTION:

The Senate Finance Budget Subcommittee for the Department of Education & Early Development received an agency budget overview on February 13, 2018 and held a final meeting on April 3, 2018, to analyze the Governor's amended budget.

The following are the budget action highlights:

- Education Support and Admin Services - Student and School Achievement – Development, Updating and Adoption of New Science Standards – Funded 50% of the Governor's request - \$50.0 UGF (OTI at Governor's request)
- Education Support and Admin Services - Early Learning Coordination – Additional Early Learning Programs Support - Funded 50% of the Governor's request - \$600.0 UGF (OTI)
- Education Support and Admin Services – Student and School Achievement – Accepted the Governor's amendment to add a research analyst position to collect and analyze data

associated with the Alaska Education Challenge & ESSA implementation. - \$97.8 UGF (OTI)

Both the early learning program support and the data analyst position are being funded as one-time items, so they can be reevaluated next year to determine their effectiveness.

Additional Action:

- Public School Fund Revenue Adjustment – (\$18,000.0) 1066 Public School (Other)- This reduces the Public School Trust Fund Appropriation to match anticipated revenue under existing law and mirrors the House action.

Aside from the aforementioned changes, the subcommittee recommends adoption of the Department of Education & Early Development's amended budget.

Between the FY15 Management Plan and the FY19 Senate Subcommittee Budget, UGF has decreased by \$25,577.3 (37%) and the number of positions have decreased by 80 (64 PFT, 2 PPT and 14 Temp. positions).

STRUCTURE CHANGE:

Alaska Commission on Postsecondary Education – Rename appropriation to match the agency name.

ATTACHED REPORTS:

The Senate Finance Budget Subcommittee for the Department of Education & Early Development adopts the attached reports:

Legislative Finance Division Reports – Senate Structure

1. Agency Totals – FY2019 Operating Budget
2. Transaction Comparison between 19ADJ Base and Senate Subcomm
3. Transaction Comparison between 19Gov Amd and Senate Subcomm
4. Wordage



Senator Gary Stevens, Chair

Senate Finance Budget Subcommittee for the Department of Education & Early Development

2018 Legislature - Operating Budget Agency Totals - Senate Structure

Numbers

Agency: Department of Education and Early Development

	[1] 19Adj Base	[2] 19GovAmd	[3] SenateSub	[4] House	[3] - [1] 19Adj Bas to SenateSub	19GovAmd to SenateSub	[3] - [2] SenateSub	[4] - [3] SenateSub to House
Total	382,711.1	385,875.2	367,225.2	367,980.8	-15,485.9	-18,650.0	-4.8 %	755.6 0.2 %
Objects of Expenditure								
1 Personal Services	31,922.1	31,835.5	31,835.5	31,835.5	-86.6	0.0	-0.3 %	0.0
2 Travel	1,280.1	1,460.6	1,420.6	1,460.6	140.5	-40.0	11.0 %	40.0
3 Services	49,827.8	48,294.3	48,289.3	48,294.3	-1,538.5	-5.0	-3.1 %	5.0
4 Commodities	1,442.5	1,643.0	1,638.0	1,643.0	195.5	-5.0	13.6 %	5.0
5 Capital Outlay	109.5	109.5	109.5	109.5	0.0	0.0	0.0 %	0.0
7 Grants, Benefits	298,129.1	302,532.3	283,932.3	284,637.9	-14,196.8	-18,600.0	-4.8 %	705.6
8 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	-6.1 %	0.0
Funding Sources								
1002 Fed Rcpts (Fed)	230,172.4	229,916.5	229,916.5	229,916.5	-255.9	0.0	-0.1 %	0.0
1003 G/F Match (UGF)	1,028.8	1,028.8	1,028.8	1,028.8	0.0	0.0	0.0 %	0.0
1004 Gen Fund (UGF)	41,552.8	42,839.3	42,189.3	42,944.9	636.5	-650.0	1.5 %	755.6
1005 GF/Prgm (DGF)	1,909.6	2,115.4	2,115.4	2,115.4	205.8	0.0	10.8 %	0.0
1007 I/A Rcpts (Other)	23,545.3	22,947.7	22,947.7	22,947.7	-597.6	0.0	-2.5 %	0.0
1014 Donat Comm (Fed)	382.7	382.7	382.7	382.7	0.0	0.0	0.0 %	0.0
1037 GF/MH (UGF)	377.8	377.8	377.8	377.8	0.0	0.0	0.0 %	0.0
1043 Impact Aid (Fed)	20,791.0	20,791.0	20,791.0	20,791.0	0.0	0.0	0.0 %	0.0
1066 Pub School (Other)	24,662.6	28,000.0	10,000.0	10,000.0	-14,662.6	-18,000.0	-59.5 %	0.0
1092 MHTAAR (Other)	0.0	50.0	50.0	50.0	50.0	0.0	>999 %	0.0
1106 ASLC Rcpts (Other)	12,144.0	11,742.8	11,742.8	11,742.8	-401.2	0.0	-3.3 %	0.0
1108 Stat Desig (Other)	2,057.2	1,691.5	1,691.5	1,691.5	-365.7	0.0	-17.8 %	0.0
1145 AIPP Fund (Other)	30.0	30.0	30.0	30.0	0.0	0.0	0.0 %	0.0
1151 VoTech Ed (DGF)	478.8	437.9	437.9	437.9	-40.9	0.0	-8.5 %	0.0
1226 High Ed (DGF)	23,578.1	23,523.8	23,523.8	23,523.8	-54.3	0.0	-0.2 %	0.0

2018 Legislature - Operating Budget Agency Totals - Senate Structure

Numbers

Agency: Department of Education and Early Development

	[1] 19Adj Base	[2] 19GovAmd	[3] SenateSub	[4] House	[3] - [1] 19Adj Bas to SenateSub	[3] - [2] 19GovAmd to SenateSub	[4] - [3] SenateSub to House
<u>Positions</u>							
Perm Full Time	266	267	267	267	1 0.4 %	0	0
Perm Part Time	13	13	13	13	0	0	0
Temporary	4	4	4	4	0	0	0
<u>Funding Summary</u>							
Unrestricted General (UGF)	42,959.4	44,245.9	43,595.9	44,351.5	636.5 1.5 %	-650.0 -1.5 %	755.6 1.7 %
Designated General (DGF)	25,966.5	26,077.1	26,077.1	26,077.1	110.6 0.4 %	0.0	0.0
Other State Funds (Other)	62,439.1	64,462.0	46,462.0	46,462.0	-15,977.1 -25.6 %	-18,000.0 -27.9 %	0.0
Federal Receipts (Fed)	251,346.1	251,090.2	251,090.2	251,090.2	-255.9 -0.1 %	0.0	0.0

Column Definitions

19Adj Base (FY19 Adjusted Base) - FY18 Management Plan less one-time items, plus FY19 adjustments for position counts, funding transfers, line item transfers, temporary increments (IncT) from prior years, and additions for statewide items (risk management and most salary and benefit increases). The Adjusted Base is the "first cut" of the FY19 budget; it is the base to which the Governor's and the Legislature's increments, decrements, and fund changes are added.

19GovAmd (FY19 Governor Amended) - FY19 Governor's Amended Budget (Includes Governor's Dec 15th budget, the Governor's Amendments submitted on the 30th day and amendments submitted on May 11, 2018).

SenateSub (Senate Subcommittee) - The version of the FY19 operating budget adopted by the Senate Finance Subcommittees.

House (House) - The version of the FY19 operating bill adopted by the House.

2018 Legislature - Operating Budget Transaction Compare - Senate Structure Between 19Adj Base and SenateSub

Numbers
Differences
Agencies: Educ

Agency: Department of Education and Early Development

K-12 Aid to School Districts

Foundation Program

Increase Public School Trust Fund Estimate

1066 Pub School (Other) 3,337.4

LFD Adjust: Reduce Public School Trust Fund

Estimate to Amount Available without

Legislation

1066 Pub School (Other) -18,000.0

LFD Adjust: Fiscal Note for SB96/HB 213 to

Increase Public School Trust Fund Usage to

\$28 million

1066 Pub School (Other) 18,000.0

H DOE 1 - Public School Fund revenue

adjustment

Offered by Representative Ortiz

1066 Pub School (Other) -18,000.0

* Allocation Difference *

** Appropriation Difference **

K-12 Support

Special Schools

Special Education Service Agency Calculation

1004 Gen Fund (UGF) -5.7

* Allocation Difference *

** Appropriation Difference **

Education Support and Admin Services

Child Nutrition

Increase Federal Receipt Authority For

Additional Program Grants

1002 Fed Rcpts (Fed) 3,000.0

* Allocation Difference *

Student and School Achievement

MH Trust: Cont - Alaska Autism Resource

Center (Through FY28)

1092 MHTAAR (Other) 50.0

Reduce Federal Receipt Authority to Align with

Anticipated Spending

1002 Fed Rcpts (Fed) -3,250.0

Increase Interagency Receipt Authorization to

Align Budget with Anticipated Interagency

Agreements

1007 IIA Rcpts (Other) 800.0

Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	THP
SenateSub	Inc	3,337.4	0.0	0.0	0.0	0.0	0.0	3,337.4	0.0	0	0	0
SenateSub	MisAdj	-18,000.0	0.0	0.0	0.0	0.0	0.0	-18,000.0	0.0	0	0	0
SenateSub	FisNot	18,000.0	0.0	0.0	0.0	0.0	0.0	18,000.0	0.0	0	0	0
SenateSub	Dec	-18,000.0	0.0	0.0	0.0	0.0	0.0	-18,000.0	0.0	0	0	0
		-14,662.6	0.0	0.0	0.0	0.0	0.0	-14,662.6	0.0	0	0	0
		-14,662.6	0.0	0.0	0.0	0.0	0.0	-14,662.6	0.0	0	0	0
SenateSub	Dec	-5.7	0.0	0.0	0.0	0.0	0.0	-5.7	0.0	0	0	0
		-5.7	0.0	0.0	0.0	0.0	0.0	-5.7	0.0	0	0	0
		-5.7	0.0	0.0	0.0	0.0	0.0	-5.7	0.0	0	0	0
SenateSub	Inc	3,000.0	74.8	0.0	0.0	0.0	0.0	2,925.2	0.0	0	0	0
		3,000.0	74.8	0.0	0.0	0.0	0.0	2,925.2	0.0	0	0	0
SenateSub	IncT	50.0	0.0	0.0	0.0	0.0	0.0	50.0	0.0	0	0	0
SenateSub	Dec	-3,250.0	0.0	0.0	0.0	0.0	0.0	-3,250.0	0.0	0	0	0
SenateSub	Inc	800.0	83.7	9.0	114.4	10.0	0.0	582.9	0.0	0	0	0

2018 Legislature - Operating Budget Transaction Compare - Senate Structure Between 19Adj Base and SenateSub

Numbers
Differences
Agencies: Educ

Agency: Department of Education and Early Development

	Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
Education Support and Admin Services (continued)													
Student and School Achievement (continued)													
Alaska Technical and Vocational Education Formula Funding	SenateSub	Dec	-40.9	0.0	0.0	0.0	0.0	0.0	-40.9	0.0	0	0	0
1151 VoTech Ed (DGF) \$50.0 Increase for the Development, Updating and Adoption of New Science Standards	SenateSub	IncOTI	50.0	0.0	35.0	10.0	5.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund (UGF) Additional Support for Data Collection, Analysis, and Reporting as One-Time Item	SenateSub	IncOTI	97.8	88.2	0.0	9.6	0.0	0.0	0.0	0.0	1	0	0
1004 Gen Fund (UGF)			97.8										
* Allocation Difference *			-2,293.1	171.9	44.0	134.0	15.0	0.0	-2,658.0	0.0	1	0	0
Teacher Certification													
Remove Interagency Receipt Authorization to Align Authorization with Anticipated Revenue	SenateSub	Dec	-16.4	0.0	-4.0	-12.4	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts (Other)			-16.4										
* Allocation Difference *			-16.4	0.0	-4.0	-12.4	0.0	0.0	0.0	0.0	0	0	0
Early Learning Coordination													
Reduce Federal Receipt Authorization to Align Expenditures with Anticipated Revenue	SenateSub	Dec	-155.9	-1.7	0.0	0.0	0.0	0.0	-154.2	0.0	0	0	0
1002 Fed Rcpts (Fed)			-155.9										
\$600.0 for Additional Early Learning Programs as One-Time Item	SenateSub	IncOTI	600.0	0.0	0.0	0.0	0.0	0.0	600.0	0.0	0	0	0
1004 Gen Fund (UGF)			600.0										
* Allocation Difference *			444.1	-1.7	0.0	0.0	0.0	0.0	445.8	0.0	0	0	0
** Appropriation Difference **			1,134.6	245.0	40.0	121.6	15.0	0.0	713.0	0.0	1	0	0
Commissions and Boards													
Professional Teaching Practices Commission													
Remove Funding for Position Deleted in FY18 Management Plan	SenateSub	Dec	-44.2	14.6	0.0	-58.8	0.0	0.0	0.0	0.0	0	0	0
1005 GF/Prgm (DGF)			-44.2										
* Allocation Difference *			-44.2	14.6	0.0	-58.8	0.0	0.0	0.0	0.0	0	0	0
** Appropriation Difference **			-44.2	14.6	0.0	-58.8	0.0	0.0	0.0	0.0	0	0	0
Mt. Edgecumbe Boarding School													
Mt. Edgecumbe Boarding School													
Increase Federal Receipt Authority to Budget for Anticipated Revenue	SenateSub	Inc	250.0	55.0	20.0	75.0	100.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts (Fed)			250.0										
Increase Interagency Receipt Authority to Budget for Anticipated Revenue	SenateSub	Inc	250.0	0.0	80.5	89.0	80.5	0.0	0.0	0.0	0	0	0

**2018 Legislature - Operating Budget
Transaction Compare - Senate Structure
Between 19Adj Base and SenateSub**

**Numbers
Differences
Agencies: Educ**

Agency: Department of Education and Early Development

	Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	THP
Mt. Edgcumbe Boarding School (continued)												
Mt. Edgcumbe Boarding School (continued)												
Increase Interagency Receipt Authority to Budget for Anticipated Revenue (continued)												
1007 I/A Rcpts (Other) 250.0												
* Allocation Difference *												
			500.0	55.0	100.5	164.0	180.5	0.0	0.0	0.0	0	0
Mount Edgcumbe Boarding School Facilities Maintenance												
GA 3 2/14 Add General Fund Program Receipt												
Authorization for the Mt. Edgcumbe Aquatic Center												
1005 GF/Prgm (DGF) 250.0												
* Allocation Difference *												
** Appropriation Difference **												
			250.0	0.0	0.0	250.0	0.0	0.0	0.0	0.0	0	0
			750.0	55.0	100.5	414.0	180.5	0.0	0.0	0.0	0	0
State Facilities Rent												
State Facilities Maintenance												
Delete APK Facility Interagency Receipt Authorization												
1007 I/A Rcpts (Other) -1,030.0												
Remove Warm Storage and Maintenance Costs for the new Mt. Edgcumbe High School Aquatic Center												
1007 I/A Rcpts (Other) -100.0												
* Allocation Difference *												
** Appropriation Difference **												
			-1,030.0	0.0	0.0	-1,030.0	0.0	0.0	0.0	0.0	0	0
			-100.0	0.0	0.0	-100.0	0.0	0.0	0.0	0.0	0	0
			-1,130.0	0.0	0.0	-1,130.0	0.0	0.0	0.0	0.0	0	0
			-1,130.0	0.0	0.0	-1,130.0	0.0	0.0	0.0	0.0	0	0
Alaska State Libraries, Archives and Museums												
Library Operations												
Reduce School Broadband Access Grant Funding to Align with Anticipated Expenditures												
1226 High Ed (DGF) -135.9												
* Allocation Difference *												
			-135.9	0.0	0.0	0.0	0.0	0.0	-135.9	0.0	0	0
Museum Operations												
Eliminate Support for Museum Operations Grant-in-Aid Program												
1004 Gen Fund (UGF) -105.6												
* Allocation Difference *												
** Appropriation Difference **												
			-105.6	0.0	0.0	0.0	0.0	0.0	-105.6	0.0	0	0
			-241.5	0.0	0.0	0.0	0.0	0.0	-241.5	0.0	0	0

Alaska Commission on Postsecondary Education

2018 Legislature - Operating Budget Transaction Compare - Senate Structure Between 19Adj Base and SenateSub

Numbers
Differences
Agencies: Educ

Agency: Department of Education and Early Development

Column		Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	THP
Alaska Commission on Postsecondary Education (continued)													
Program Administration & Operations													
Reduce Authorization to Align Budget with Anticipated Revenue													
1002 Fed Rcpts (Fed)													
1007 I/A Rcpts (Other)													
1108 Stat Desig (Other)													
Reduce Interagency Receipt Authority Associated with Four Positions Deleted in FY2018 Management Plan													
1007 I/A Rcpts (Other)													
* Allocation Difference *													
WWAMI Medical Education													
Increase to Support WWAMI Contractual Obligation													
1226 High Ed (DGF)													
* Allocation Difference *													
** Appropriation Difference **													
Alaska Student Loan Corporation													
Loan Servicing													
Reduce Alaska Student Loan Corp Receipt Authorization Associated with Four Positions Deleted in FY2018 Management Plan													
1106 ASLC Rcpts (Other)													
* Allocation Difference *													
** Appropriation Difference **													
*** Agency Difference ***													
**** All Agencies Difference ****													

Column Definitions

19Adj Base (FY19 Adjusted Base) - FY18 Management Plan less one-time items, plus FY19 adjustments for position counts, funding transfers, line item transfers, temporary increments (IncT) from prior years, and additions for statewide items (risk management and most salary and benefit increases). The Adjusted Base is the "first cut" of the FY19 budget; it is the base to which the Governor's and the Legislature's increments, decrements, and fund changes are added.

SenateSub (Senate Subcommittee) - The version of the FY19 operating budget adopted by the Senate Finance Subcommittees.

2018 Legislature - Operating Budget Transaction Compare - Senate Structure Between 19GovAmd and SenateSub

Numbers
Differences
Agencies: Educ

Agency: Department of Education and Early Development

Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	THP
SenateSub	Dec	-18,000.0	0.0	0.0	0.0	0.0	0.0	-18,000.0	0.0	0	0
K-12 Aid to School Districts											
Foundation Program											
H DOE 1 - Public School Fund revenue adjustment											
Offered by Representative Ortiz											
1065 Pub School (Other) -18,000.0											
* Allocation Difference *											
** Appropriation Difference **											
Education Support and Admin Services											
Student and School Achievement											
Increase for the Development, Updating and Adoption of New Science Standards											
1004 Gen Fund (UGF) 100.0											
GA 2 2/14 Additional Support for Data Collection, Analysis, and Reporting											
1004 Gen Fund (UGF) 97.8											
\$50.0 Increase for the Development, Updating and Adoption of New Science Standards											
1004 Gen Fund (UGF) 50.0											
Additional Support for Data Collection, Analysis, and Reporting as One-Time Item											
1004 Gen Fund (UGF) 97.8											
* Allocation Difference *											
Early Learning Coordination											
Restore Funding for Additional Early Learning Programs Support											
1004 Gen Fund (UGF) 1,200.0											
\$600.0 for Additional Early Learning Programs as One-Time Item											
1004 Gen Fund (UGF) 600.0											
* Allocation Difference *											
** Appropriation Difference **											
*** Agency Difference ***											
**** All Agencies Difference ****											

Column Definitions

19GovAmd (FY19 Governor Amended) - FY19 Governor's Amended Budget (Includes Governor's Dec 15th budget, the Governor's Amendments submitted on the 30th day and amendments submitted on May 11, 2018).

SenateSub (Senate Subcommittee) - The version of the FY19 operating budget adopted by the Senate Finance Subcommittees.

2018 Legislature - Operating Budget
Wordage Report - Senate Structure

Agency: Department of Education and Early Development

19GovAmd HFC Total SenateSub

Ap: Education Support and Admin Services

Al: Teacher Certification

Conditional Language

The amount allocated for Teacher Certification includes the unexpended and unobligated balance on June 30, 2018, of the Department of Education and Early Development receipts from teacher certification fees under AS 14.20.020(c).

B B B