



31st Alaska State Legislature

House Finance Budget Subcommittee

Department of Education and Early Development

FY20 Operating Budget

Chair:

Rep. Dan Ortiz
Capitol Room 513
465-3824

Members:

Rep. Harriet Drummond
Capitol Room 108
465-3875

Rep. Andi Story
Capitol Room 13
465-3744

Rep. Grier Hopkins
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465-3779

Committee Aide:

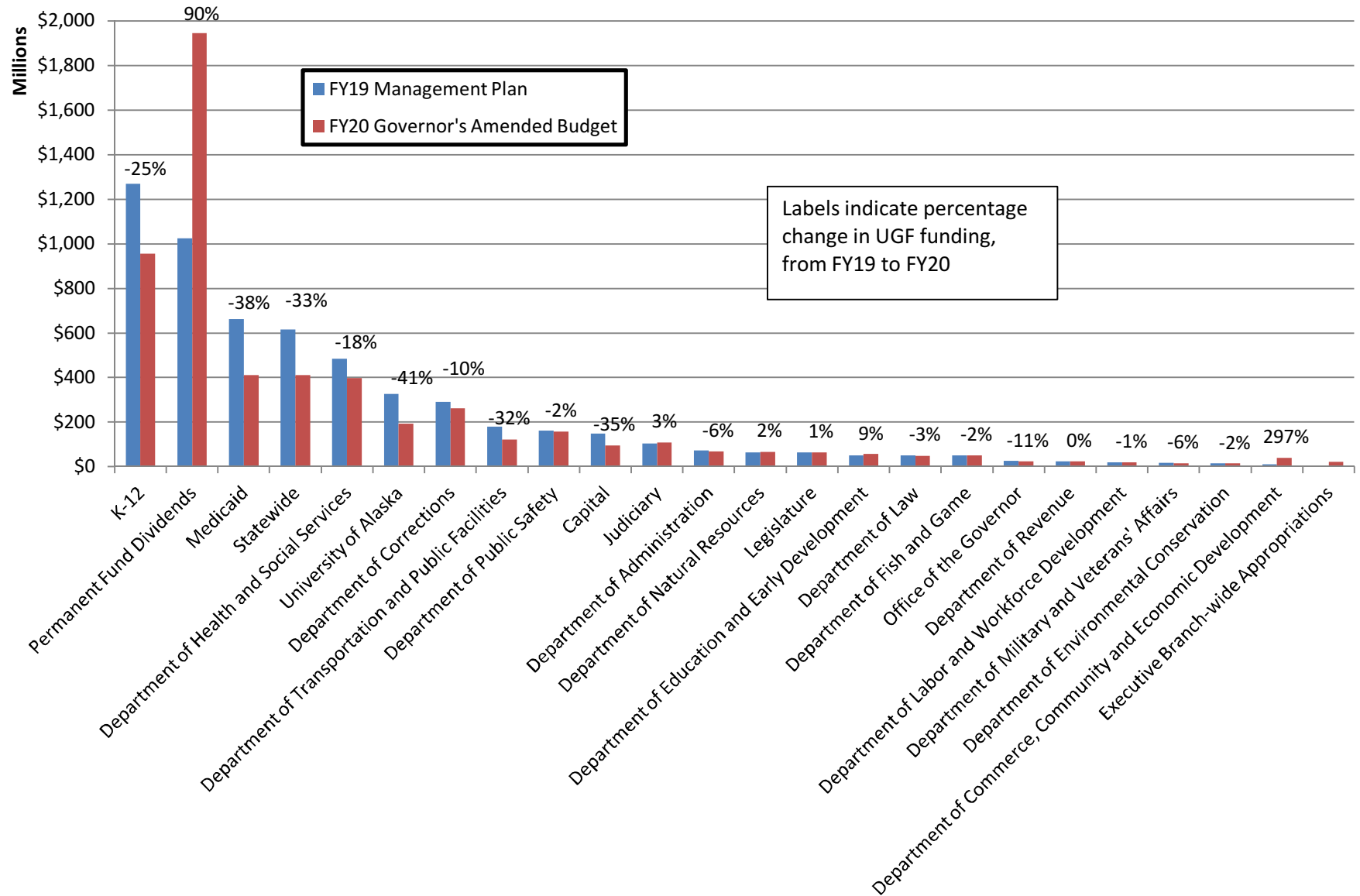
Caroline Hamp
465-2357

Committee Schedule
House Finance Subcommittee
Department of Education and Early Development (DEED)

Binder Contents

1. Swoop Graph
2. Balance of Reserves
3. Real Per Capita UGF
4. LFD: Fiscal Situation Overview
5. Ten-Year Budget Look Back Graphs
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8. FY2015-FY2020 UGF Allocation Summary
9. Changes proposed in the Governor's Amended FY2020 Budget
10. OMB Prioritization of Agency Programs (will be included once received)
11. Allocation Program Requirements
12. Department Ten-Year Plan
13. Agency Narrative
14. Key Performance Indicators
15. Highlights of Major Budget Changes from FY2005-FY2019

A Comparison of the FY19 Budget with the Governor's Amended FY20 Budget Request (UGF only)



State of Alaska Fiscal Summary-- FY19 and FY20 (Part 2)

(\$ millions)

Approximate Balances of Reserve Accounts

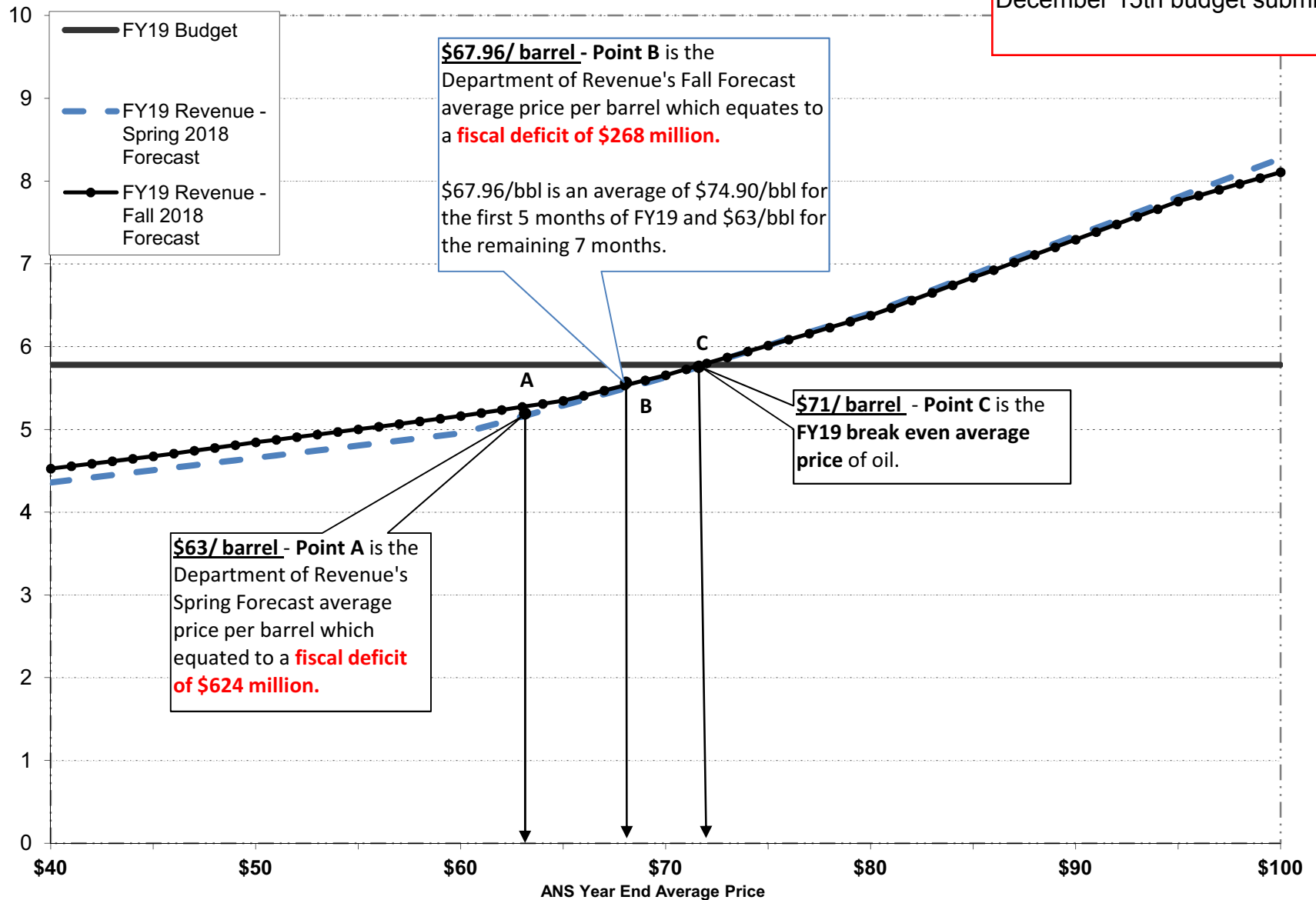
| | FY19 | | | | FY20 | | | |
|---|-----------------|----------------|----------------|-----------------|-----------------|----------------|----------------|-----------------|
| | BoY Balance | In | Out | EoY Balance | BoY Balance | In | Out | EoY Balance |
| Permanent Fund Principal -- Market Value (no appropriations allowed) | 46,202.0 | 962.0 | 0.0 | 47,164.0 | 47,164.0 | 2,833.0 | 0.0 | 49,997.0 |
| | | | | | | | | |
| Undesignated Reserves | 19,028.3 | 3,992.2 | 3,992.6 | 21,444.2 | 21,444.2 | 3,986.6 | 5,358.9 | 20,071.9 |
| Total Excluding Permanent Fund | 2,579.9 | 203.2 | 331.6 | 2,452.2 | 2,452.2 | 228.6 | 52.9 | 2,627.9 |
| Constitutional Budget Reserve Fund (cash) | 2,360.1 | 176.2 | 267.8 | 2,268.5 | 2,268.5 | 190.8 | 14.9 | 2,444.4 |
| Statutory Budget Reserve Fund | 172.4 | - | - | 172.4 | 172.4 | - | - | 172.4 |
| Alaska Housing Capital Corporation Fund | 22.0 | - | 21.8 | 0.2 | 0.2 | - | - | 0.2 |
| Alaska Capital Income Fund | 26.0 | 27.0 | 42.0 | 11.0 | 11.0 | 37.8 | 38.0 | 10.8 |
| Permanent Fund Earnings Reserve Account | 18,864.0 | 3,789.0 | 3,661.0 | 18,992.0 | 18,992.0 | 3,758.0 | 5,306.0 | 17,444.0 |
| | | | | | | | | |
| Designated Reserves | 1,491.0 | 1,318.0 | 1,388.9 | 1,420.1 | 1,420.1 | 1,352.1 | 1,357.7 | 1,414.6 |
| Alaska Higher Education Investment Fund | 344.3 | 19.9 | 23.5 | 340.7 | 340.7 | 19.8 | 21.1 | 339.4 |
| Community Assistance Fund | 90.0 | 34.0 | 34.0 | 90.0 | 90.0 | 30.0 | 30.0 | 90.0 |
| Power Cost Equalization Endowment | 1,056.7 | 21.1 | 88.4 | 989.4 | 989.4 | 59.4 | 63.6 | 985.2 |
| | | | | | | | | |
| Reserves (Excluding Permanent Fund Principal) | 20,519.2 | 5,310.2 | 5,381.5 | 22,864.3 | 22,864.3 | 5,338.7 | 6,716.5 | 21,486.5 |
| Unrestricted General Fund Appropriations | | | | 5,778.1 | | | | 5,212.9 |
| Years of Reserves (Reserves/UGF Appropriations) | | | | 3.96 | | | | 4.12 |

Based on the Governor's December 15th budget submission.

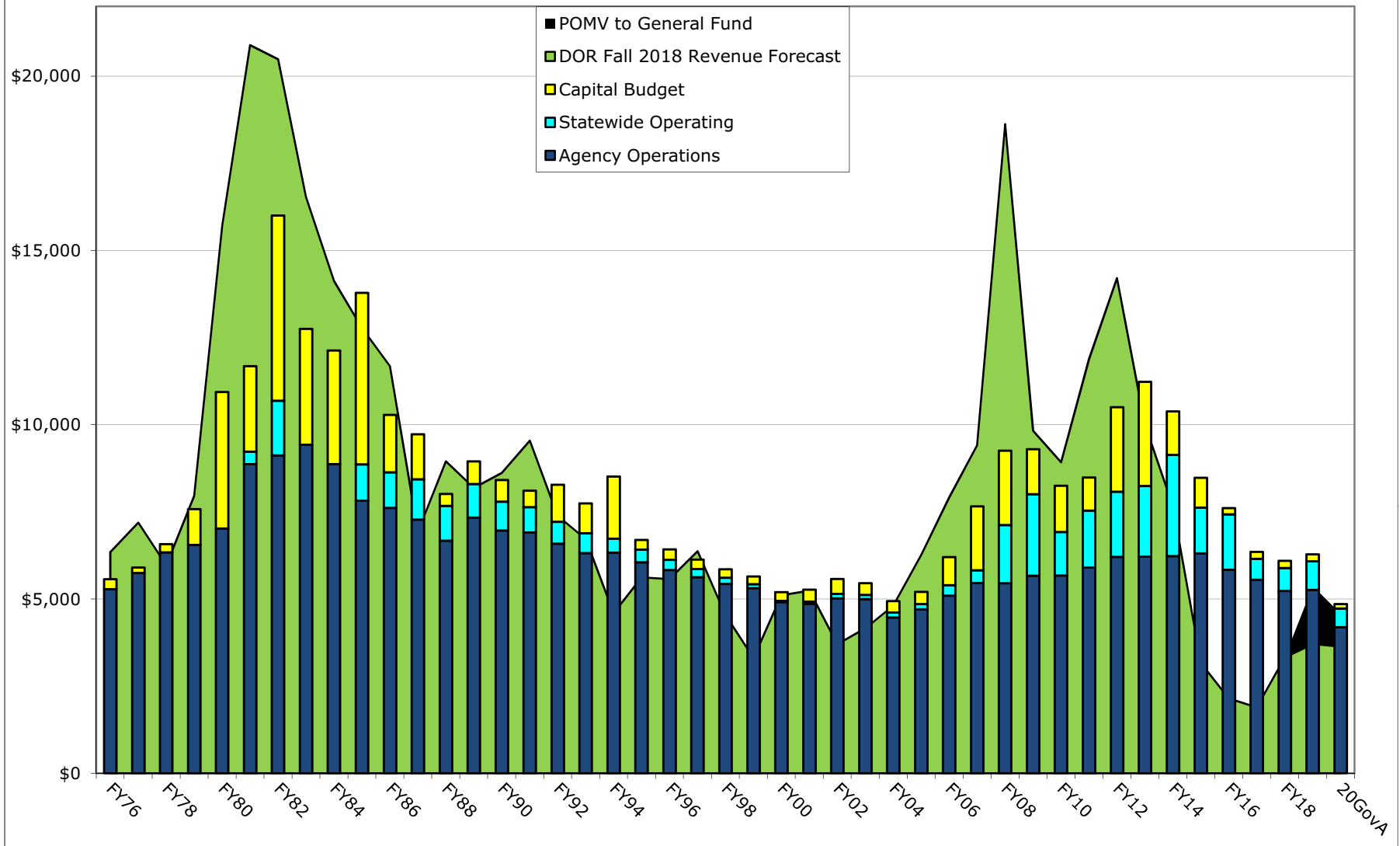
FY19 Unrestricted General Fund - Fiscal Sensitivity **\$5.75 Billion UGF Budget**

(\$ Billions)

Based on the Governor's
December 15th budget submission.



Real Per Capita Unrestricted General Fund Revenue/ Budget History (2018 dollars Per Person)



Introduction

The Legislative Finance Division typically spends the weeks just before legislative sessions preparing material designed to help legislators make budget/policy decisions. Gubernatorial transition years often force an abbreviated analysis of the Governor's budget proposal. FY20 is no exception; Governor Dunleavy has clearly stated that the December 15 budget is a placeholder that will lose relevancy during the amendment process as his policies and priorities replace those of Governor Walker.

The Legislative Finance Division reviews items contained in appropriation bills; we avoid discussion of campaign promises and press releases, just as we avoid speculation regarding the reception budget proposals might receive in the legislature. That policy leaves few specific budget items to analyze at this time.

The December 15 budget submitted by Governor Dunleavy for FY20 is identical to the budget Governor Walker released in late November with two exceptions:

1. the December budget contains a \$1.6 billion unallocated reduction; and
2. the November budget proposed permanent fund dividends (PFDs) of \$1,800 per citizen while the December budget increased that amount to approximately \$3,000. The estimated cost of paying PFDs at Governor Dunleavy's proposed level is \$1.944 billion, just over \$920 million more than was paid out in FY19.

In addition to reviewing appropriation bills, the Legislative Finance Division analyzes revenue projections and both the short- and long-term fiscal outlook. We find the Fall 2018 revenue forecast to be reasonable. The November forecast released by the Walker administration was based on information gathered in early October, when prices had recently jumped from the mid \$70 range to the mid \$80 range. The price forecast— \$77 for FY19 and \$75 for FY20—appears unreasonably optimistic in retrospect, and the Dunleavy administration quickly revised prices downward to match those projected in the Spring: \$68 for FY19 and \$64 for FY20.

Barely a month later, some might claim the revised revenue forecast is also optimistic—if oil remains at the current level (in the mid \$50 range) for the remainder of FY19, the average price for the year would be near the \$63 level forecast last Spring. The implication of unexpectedly low current prices is that the FY20 revenue forecast may be optimistic. We have neither the data nor expertise to challenge the many assumptions—Alaska production, world supply and demand, capital expenditures, tax credits, etc.—that generate the Department of Revenue's forecast. As in the past, we will use the official revenue forecast in our two-year fiscal summary—see page 10—and in our long-term fiscal model.

The fiscal model uses revenue and expenditure forecasts to project budget surpluses/deficits through FY28. It also generates projections for dividends and balances of the permanent fund and various reserve accounts. The model is ready to produce scenarios to help analyze policy/spending/revenue options.

There is, however, one huge caveat regarding model output: the model's long-term expenditure plan was prepared by the Walker administration. The Governor is required by AS 37.07.020(b) to submit a ten-year expenditure plan to the legislature. If the Dunleavy administration intends to change the path of expenditures, the Governor must provide a new spending plan that reflects the fiscal future he envisions.

A lack of formal spending plans—both for FY20 and the long-term—limits our ability to provide comprehensive fiscal analysis of the Governor's intentions. It does not, however, preclude discussion of Alaska's fiscal situation. We can discuss a few issues that will help readers grasp linkages between budget/policy decisions and the State's fiscal future.

Alaska's fiscal situation

Casual observers of the fiscal landscape may conclude that everything appears much as it has for years: spending exceeds revenue and the legislature will argue inconclusively about whether new revenue is needed to fill the deficit and discuss how—and how much—spending should be cut. In the end, draws from reserves will fill the deficit and everyone will hope for higher oil prices in the future.

More astute observers see a landscape very unlike the past and wonder how casual observers can fail to conclude that we live in different fiscal world.

Spending in excess of revenue is not a small, temporary problem; we have faced multi-billion dollar deficits for six consecutive years and projections show continued large deficits. Legislators and citizens have lived with deficits for so long—with no ill effects—that they justifiably ask “Why are deficits a problem?”

The fiscal impact of deficits has been hidden by our ability to draw from reserves. When deficits can be filled by budget language that simply fills the deficit regardless of revenue or expenditure levels, no other action is required. When revenue sets no limit on expenditures, is it any wonder that some people believe expenditures spun out of control? Yet deficits persist and life goes on. The conclusion is that deficits are not a problem as long as savings balances are able to fill them for many years into the future.

We no longer live in that fiscal world. Using the constitutional budget reserve fund (CBR) to fill massive, persistent deficits has depleted reserves. Because the CBR has insufficient money to continue filling deficits, we can no longer ignore deficits. In the long-term, revenue and expenditures must balance.

How can we balance the budget?

The passage of SB26 (during the 2018 legislative session) was a huge step toward balancing the budget. Alaska has traditionally relied upon oil production—almost exclusively—as a source of revenue. Traditional revenue sources cover about one-third of expenditures (excluding unallocated reductions) in the December 15 budget. Under SB26, a percentage of the market value of the permanent fund contributes to revenue.

The contribution is massive; at \$2.9 billion, the FY20 payout from the permanent fund exceeds the \$2.3 billion expected from traditional sources. Yet, in the absence of additional revenue or reductions from FY19 spending, a \$1.6 billion deficit remains.

How to fill deficits is a policy decision

With the depletion of reserve balances, Alaska has only the standard tools other states use to bring the budget into balance. The tools are:

1. increasing revenue and
2. reducing expenditures.

Some would include borrowing as a tool on the revenue side, but borrowing does not offer a long-term solution. Some would add shifting costs to local governments or to citizens as a tool on the expenditure side. But there is a distinction between shifting a problem and solving a problem.

Alaska was fortunate to have a third budget-balancing tool: using reserves to fill deficits. We used the tool very effectively—meaning we saved a good portion of surpluses and then drew money from reserves when oil revenue could not balance the budget. Establishing a large reserve balance was not an accident, we knew that reserves are essential when revenue is volatile.

The constitutional budget reserve fund (CBR) is not empty, but years of drawing money means the fund can serve only as a shock absorber that allows us to avoid the painful process of mid-year budget reductions in response to unanticipated revenue shortfalls. It can no longer serve as a tool to address massive long-term deficits.

Increasing revenue is an effective way to address long-term deficits, but is generally not an effective tool if the time horizon is short. It often takes a year or more to implement tax changes. Further, if the Governor and/or the legislature insist that tax increases are off the table, then the only remaining budget-balancing tool is reducing expenditures.

Decision time—where can cuts occur?

The correct answer—anywhere the legislature and Governor agree upon—is not very helpful. It may be more practical to paraphrase Willie Sutton, who—when asked by a journalist why he robbed banks—replied “Because that’s where the money is.” In our case, the lesson may be that we have to cut where the money is.

The blue bars in Figure 1 show where Alaska spends its unrestricted general funds (UGF). The red bars show how much money would be available for various expenditure items if cuts were the only tool used to balance the budget. Takeaway points include:

1. Permanent fund dividends are the largest single expenditure item, consuming 37% of projected revenue.
2. Adding departments that oversee the two big formula programs—K-12 education and Medicaid—brings expenditures to 86% of revenue.
3. If items were eliminated (from smallest to largest, with the exception of capital projects and statewide items) to produce a balanced budget, there would be no money available for any agencies except those that oversee K-12 education and Medicaid.
4. Eliminating unrestricted general funds in agencies (as indicated by “missing” red bars) to balance the budget would reduce total UGF expenditures by about 25%.
5. The figure describes a hypothetical situation that is intended only to show the relative size of spending on various items. In the real world, cuts to criminal justice agencies—and many other items—could not legally occur as shown.

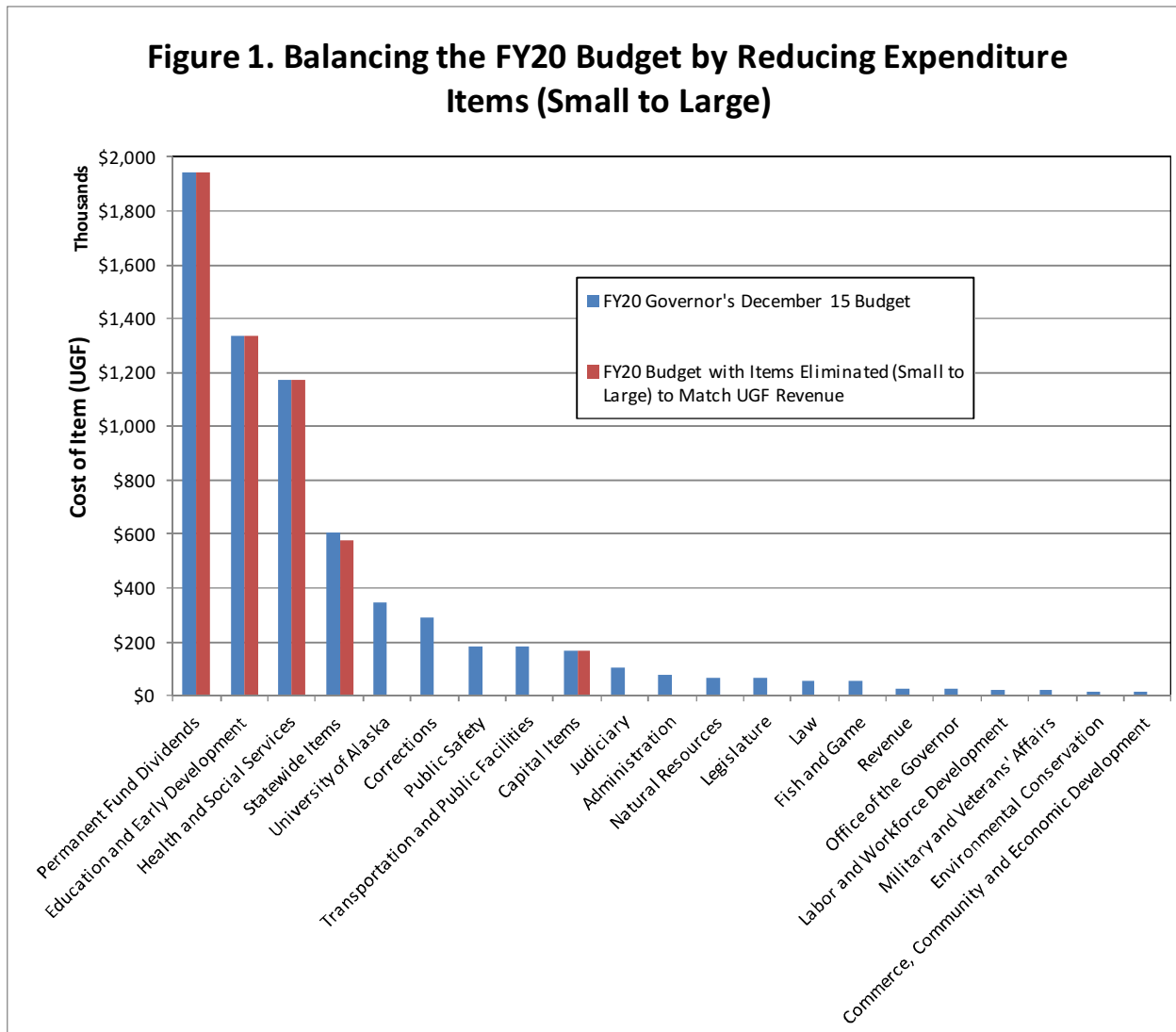
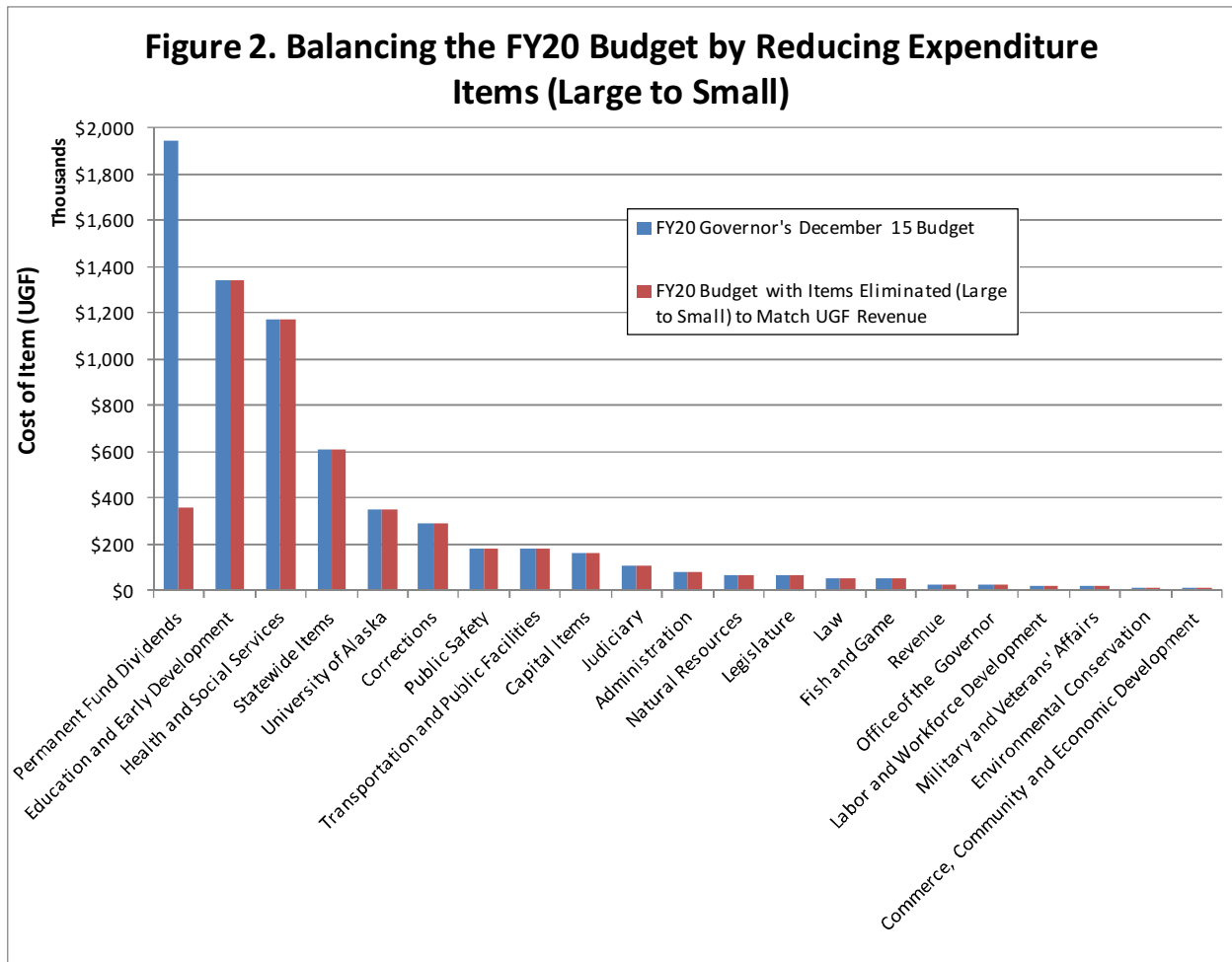


Figure 2 uses the same data, but balances the budget by cutting items from largest to smallest. The major points are:

1. If dividends were eliminated and all other items were funded as requested on December 15, there would be a budget surplus of about \$300 million; and
2. As the largest single expenditure, dividends are sure to be a fundamental topic during any discussion of cutting enough money to balance the budget.



Figures 1 and 2 are intended not only to show the range of outcomes associated with budget reductions, but also to highlight the difficulty of balancing the budget via reducing spending for agency operations. Other than Education and HSS, expenditure of unrestricted general funds in agencies comprises 23% of total expenditures and no individual agency accounts for more than 5% of total spending. As a basis of comparison, the budget deficit is equivalent to 24% of expenditures.

As a practical matter, balancing the budget with cuts alone requires cutting where the money is: dividends, K-12 and Medicaid. The choices are divisive, and decisions are certain to be difficult.

How much the legislature spends on dividends—or anything else—is a policy decision

When it comes to appropriations, the legislature must follow the constitution. However, the power of appropriation supersedes statute. For example, if a law were to increase the Base

Student Allocation (generally known as the BSA, which is a primary factor in determining K-12 spending) in each of the following three years, appropriations for K-12 spending might not increase. The changes to the BSA would occur, but the legislature is not required to fully fund the statutory formula. Similarly, the law provides a formula for permanent fund dividends (PFDs), but the legislature can appropriate any amount it chooses. That conclusion is not personal opinion; it is the ruling of the Alaska Supreme Court (*Wielechowski v State*, August 2017).

So why bother with statutory formulas? Accepting the guidance provided by law means sitting legislators don't have to argue every year about how much to spend on programs like education, Community Assistance, retirement contributions and power cost equalization. Statutory guidance makes it less likely that the Governor/legislature will shift costs from the State to local governments, businesses or to the people. In short, statutory guidance makes it easier to adopt a budget and plan for the future.

Arguments supporting statutory guidance prompt questions: We have statutory guidance on PFDs, so why argue about the amount paid as dividends? Why doesn't the legislature simply pay the amount determined by statute? Alternately, if the legislature is not going to follow statutes, why doesn't the legislature change the statutes?

Answering those questions can lead to discussion of complex issues like individual versus common rights to Alaska's resource wealth, distribution of income, and the extent to which the people of Alaska understand the fiscal situation. While we do not deny the importance of those issues, we tend to see the situation in terms of mathematical relationships.

There is a dollar-for-dollar trade-off between dividends and revenue, dividends and deficits, and dividends and government services

For those who doubt that dividends affect deficits, or that there is a dollar-for-dollar trade-off between dividends and government services, just look at the math. To simplify, let's assume the annual POMV (percent of market value, per SB26) payout from the permanent fund earnings reserve account (ERA) is \$3 billion. If \$1 billion goes to dividends, then \$2 billion is available for government services. Let's also assume that the budget is balanced in those circumstances. If dividends take \$2 billion of the payout from the ERA, then there is only \$1 billion left as revenue to the general fund and we face a \$1 billion deficit. In the absence of additional revenue, government services must be reduced by \$1 billion.

To say that increasing dividends takes money from education or other government services would reveal a biased perspective. It is just as accurate to say that spending money on government services takes money from dividends. It is fair to say that dividends compete with government services for available revenue. It is also fair to say that the competition during the

FY20 budget process is likely to be fierce, particularly if oil prices remain low and use of savings to balance the budget is minimal. In those circumstances, a FY20 deficit is possible/probable.

Reexamining the availability of budget-balancing tools

Legislators face numerous difficult choices. Perhaps the most difficult choice will be the selection of tools to balance the budget. Enhancing revenue is a difficult path, made more difficult because Alaskans are not accustomed to paying the cost of government.

Elementary math shows that cutting expenditures is also a difficult path, particularly when public expectations and legal requirements to provide essential state services and protect economic stability are considered.

The easy path is to balance the budget by drawing money from the permanent fund earnings reserve account (ERA), just as we used to draw money from the constitutional budget reserve fund (CBR). The dangers of this path may not be apparent until we have taken it for a few years.

Before choosing this path, Alaskans should consider the following scenario:

1. Drawing more from the ERA than envisioned under statutory guidelines reduces the real value of the permanent fund.
2. Lower permanent fund balances reduce future earnings and reduce both dividends and the payout to the general fund.
3. Reduced payout to the general fund increases deficits, which cause ever-increasing draws from the ERA.
4. The ERA goes the way of the CBR, shrinking to the point that a poor investment year leaves no money for either dividends or a payout to the general fund.

While legislators always face decisions that shape Alaska's future, the decisions they face this year are as tough and pivotal as any they are ever likely to make. The Legislative Finance Division offers our fiscal model and budget expertise to help legislators make informed decisions.

Published Analysis

The Legislative Finance Division typically publishes "subcommittee books" and narratives that are intended to help legislators understand the Governor's budget proposals. Reports presenting the December 15 budget submittal are posted on our website, but we do not intend to publish subcommittee materials until the Governor submits amendments.

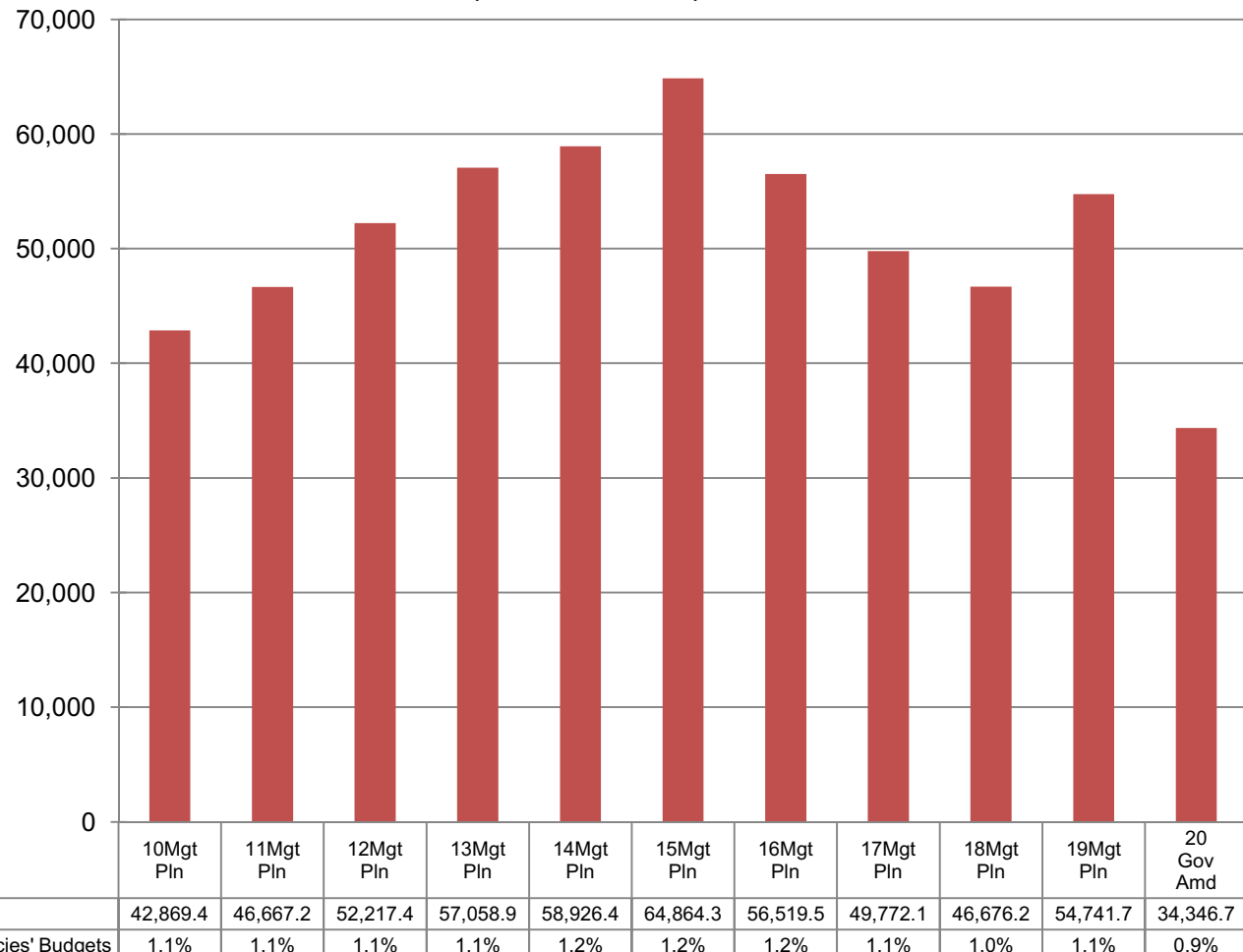
Education & Early Development Budget Compared to All Agencies Budgets (Non-Formula Only) (GF Only) (\$ Thousands)

The department's Non-Formula GF budget declined by \$30.5 million between its peak in FY15 and the FY20 Gov Amended.

The department's Non-Formula GF budget declined by \$8.5 million from FY10 to FY20 Gov Amended.

FY19 includes \$6 million in one-time Pre-K grants for FY19-FY20.

The department's total Non-Formula FY20 GF budget equals \$105.02 per resident worker.*



* According to the Department of Labor and Workforce Development, there were 327,048 resident workers in Alaska in 2016.

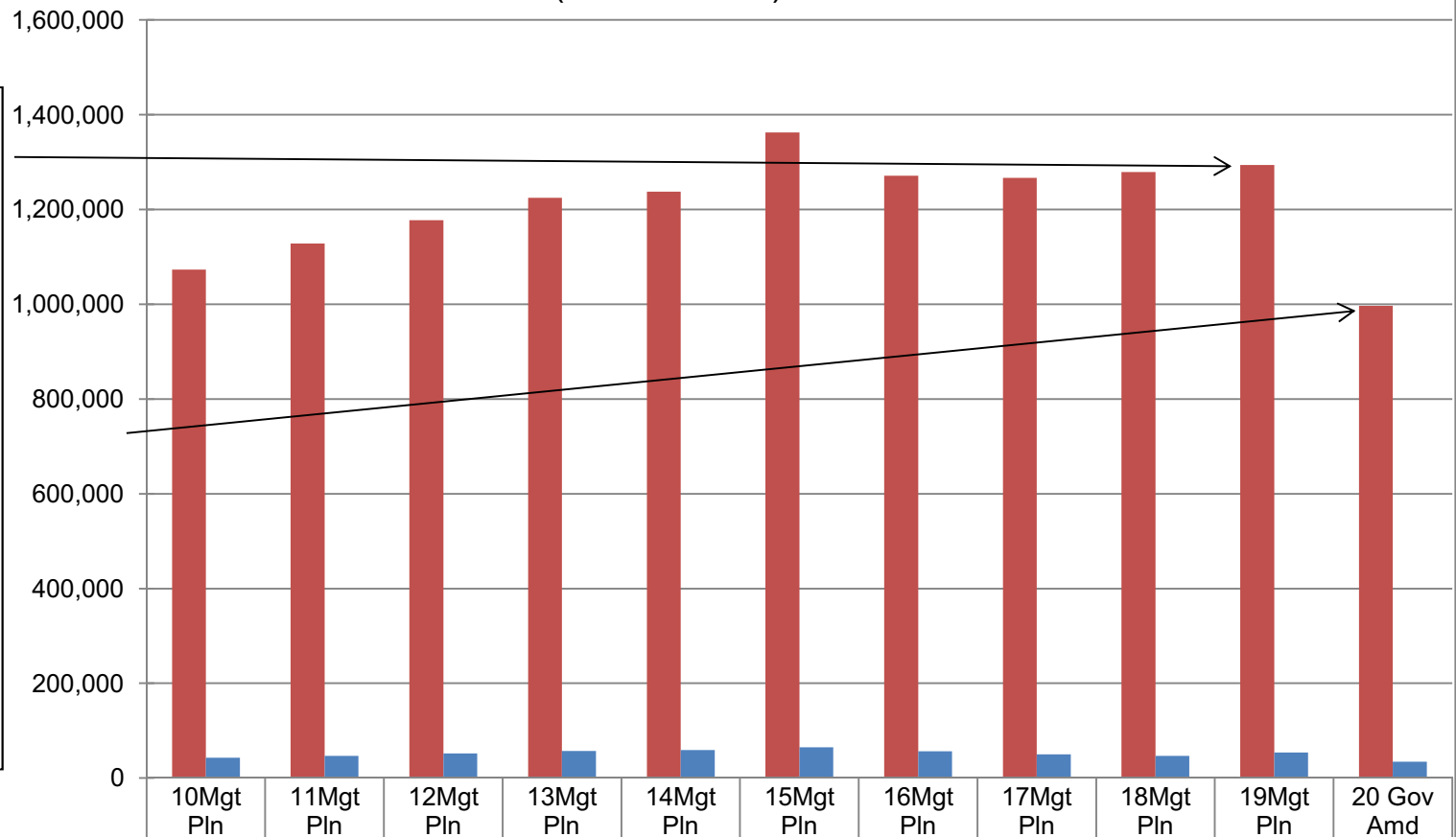
DEED Formula & Non-Formula Funding (Non-Retirement)

(GF Only)
(\$ Thousands)

The department's total GF budget grew over \$231 million (21%) between FY10 and the FY19 Mgt Plan - an average annual growth rate for that period of 2.4%.

In FY20 Gov Amended the departments total GF budget declined \$396 million since its peak in FY15 - a 28% reduction.

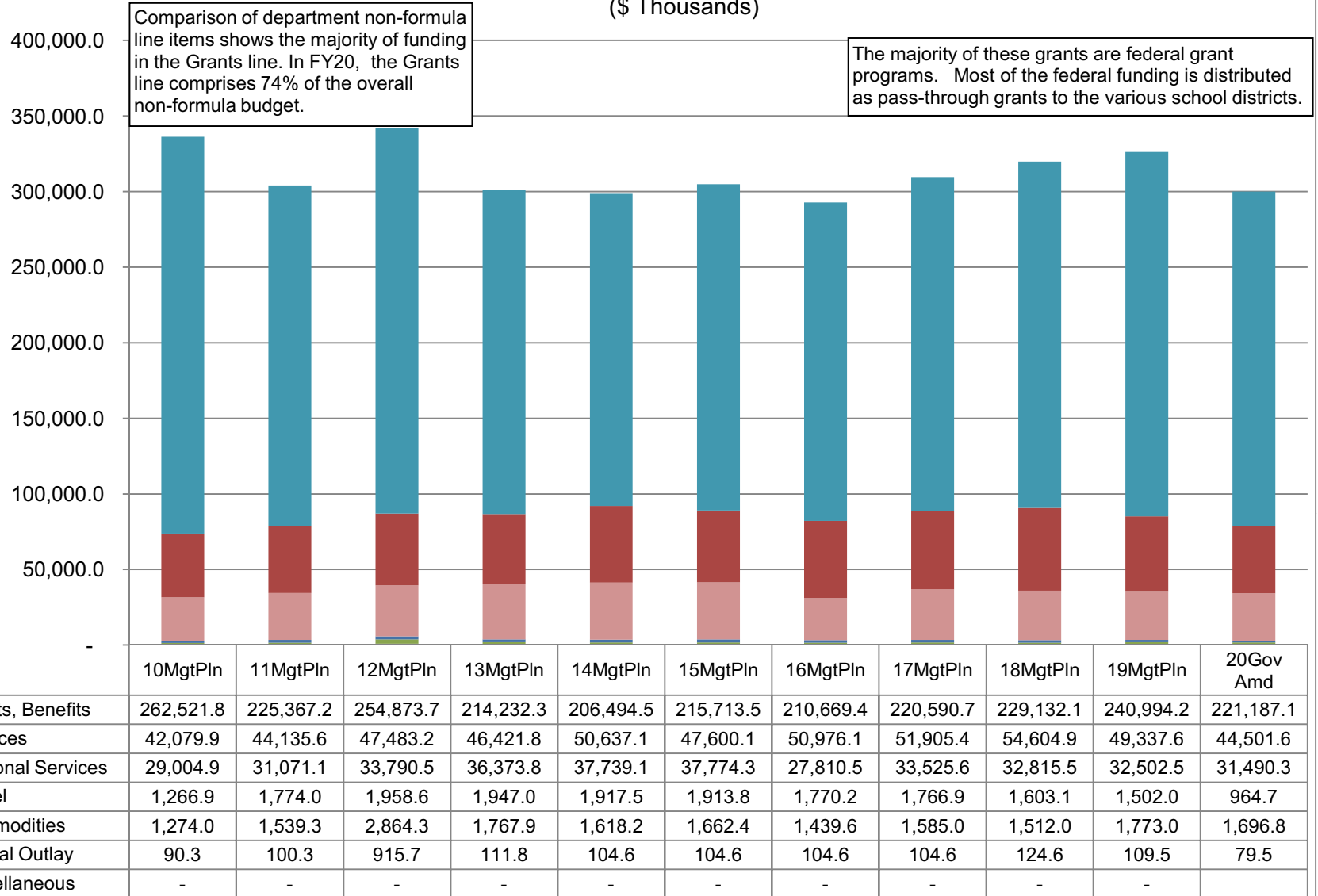
The department's total FY20 GF budget for DEED formula and non-formula programs equals \$3,152 per resident worker.*



* According to the Department of Labor and Workforce Development, there were 327,048 resident workers in Alaska in 2016.

DEED Non-Formula Line Item Comparisons

(All Funds)
(\$ Thousands)



DEED Non-Formula Personal Services Costs & Salary Adjustment Increases (All Funds) (\$ Thousands)

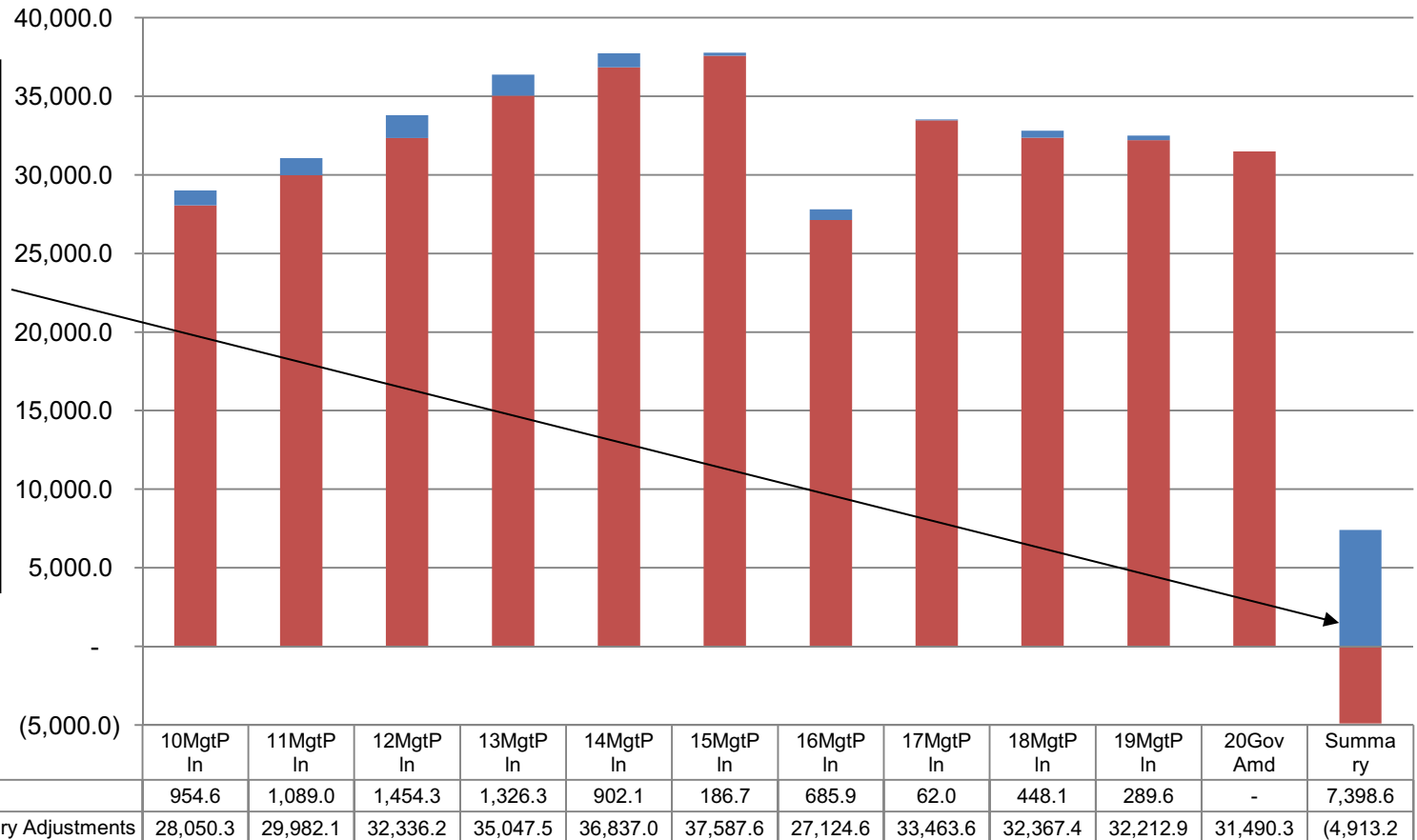
Personal Services increased by \$2.5 million between FY10 and FY20—an increase of 9%.

Summary

The Personal Services change consists of the following:

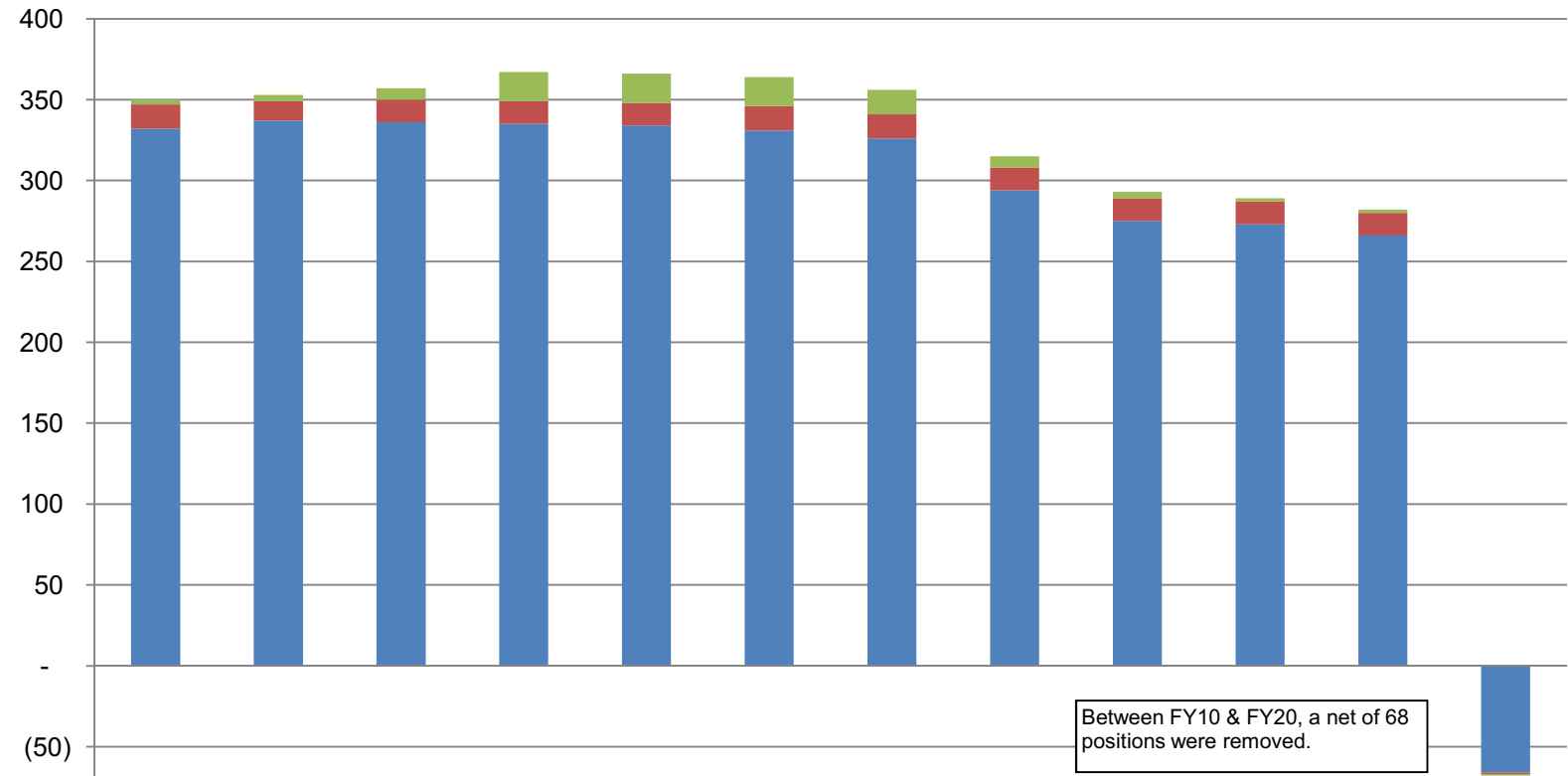
--Positive \$7.4 million of contractual salary adjustments; and
--Negative \$4.9 million of non-contractual personal services costs.

Note: The FY16 amount is understated by \$10 million due to a structure change in the Alaska Commission on Postsecondary Education.



* Changes in the personal services line from FY10 to FY20 Gov Amended are segregated into two parts: (1) base increases (primarily due to contractual negotiations) and (2) other personal services increases such as transfers between line items or increases from new positions. The final column sums the two types of changes during the period.

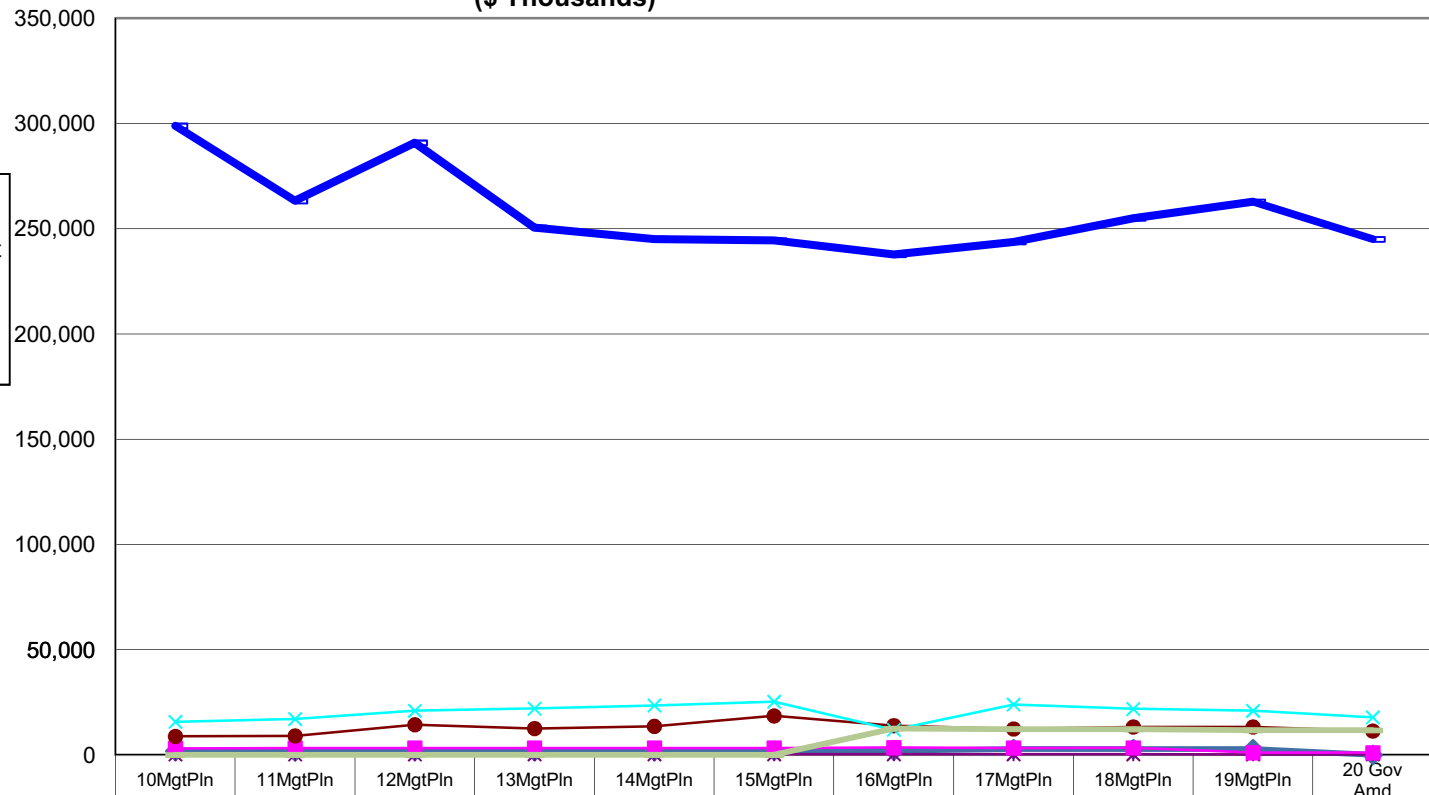
Department of Education & Early Development Positions



| | 10MgtPI n | 11MgtPI n | 12MgtPI n | 13MgtPI n | 14MgtPI n | 15MgtPI n | 16MgtPI n | 17MgtPI n | 18MgtPI n | 19MgtPI n | 20Gov Amd | FY10 to FY20 |
|------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------------|
| ■ Temporary | 3 | 4 | 7 | 18 | 18 | 18 | 15 | 7 | 4 | 2 | 2 | (1) |
| ■ Perm Part Time | 15 | 12 | 14 | 14 | 14 | 15 | 15 | 14 | 14 | 14 | 14 | (1) |
| ■ Perm Full Time | 332 | 337 | 336 | 335 | 334 | 331 | 326 | 294 | 275 | 273 | 266 | (66) |

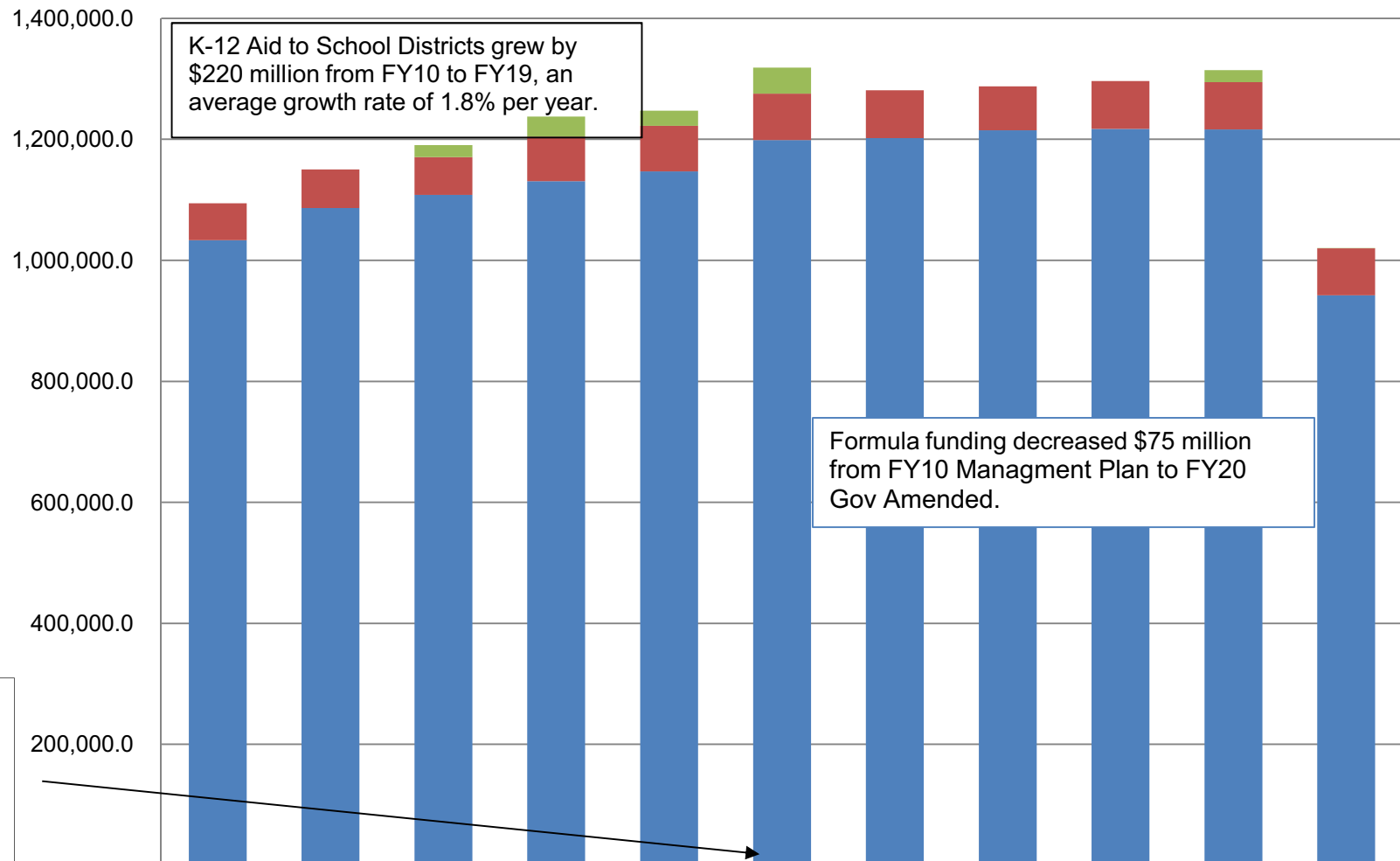
**Department of Education & Early Development
Non-Formula Budget Comparisons (by Appropriations)
(All Funds)
(\$ Thousands)**

The vast majority of non-formula funding in DEED is federal funding that goes out as grants to school districts from the Education Support and Admin Services appropriation.



| | | | | | | | | | | | |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Education Support and Admin Services | 298,887.6 | 263,282.2 | 290,826.9 | 250,464.7 | 245,096.1 | 244,430.4 | 237,692.5 | 243,733.5 | 254,962.4 | 262,796.9 | 245,031.3 |
| Alaska State Council on the Arts | 1,895.3 | 1,691.8 | 1,798.0 | 1,820.7 | 1,912.3 | 2,071.1 | 2,004.1 | 2,770.1 | 2,768.5 | 2,768.5 | - |
| Commissions and Boards | 275.0 | 282.3 | 290.0 | 295.8 | 299.7 | 299.8 | 303.9 | 300.1 | 303.0 | 258.8 | 252.7 |
| State Facilities Rent | 3,156.6 | 3,258.3 | 3,291.5 | 3,311.3 | 3,305.6 | 3,309.5 | 3,512.1 | 3,310.0 | 3,390.9 | 1,068.2 | 1,068.2 |
| Alaska Library and Museums | 8,842.7 | 9,060.6 | 14,366.2 | 12,574.4 | 13,606.3 | 18,563.6 | 13,958.5 | 12,367.1 | 13,326.2 | 13,312.3 | 11,392.1 |
| ACPE | 15,759.9 | 17,072.9 | 21,019.6 | 22,031.5 | 23,535.2 | 25,318.7 | 11,973.0 | 23,936.4 | 21,883.2 | 20,997.9 | 17,873.9 |
| Alaska Student Loan Corporation | - | - | - | - | - | - | 12,518.0 | 12,233.0 | 12,144.0 | 11,742.8 | 11,742.8 |

K-12 Aid to School Districts (Formula, All Funds) (\$ Thousands)

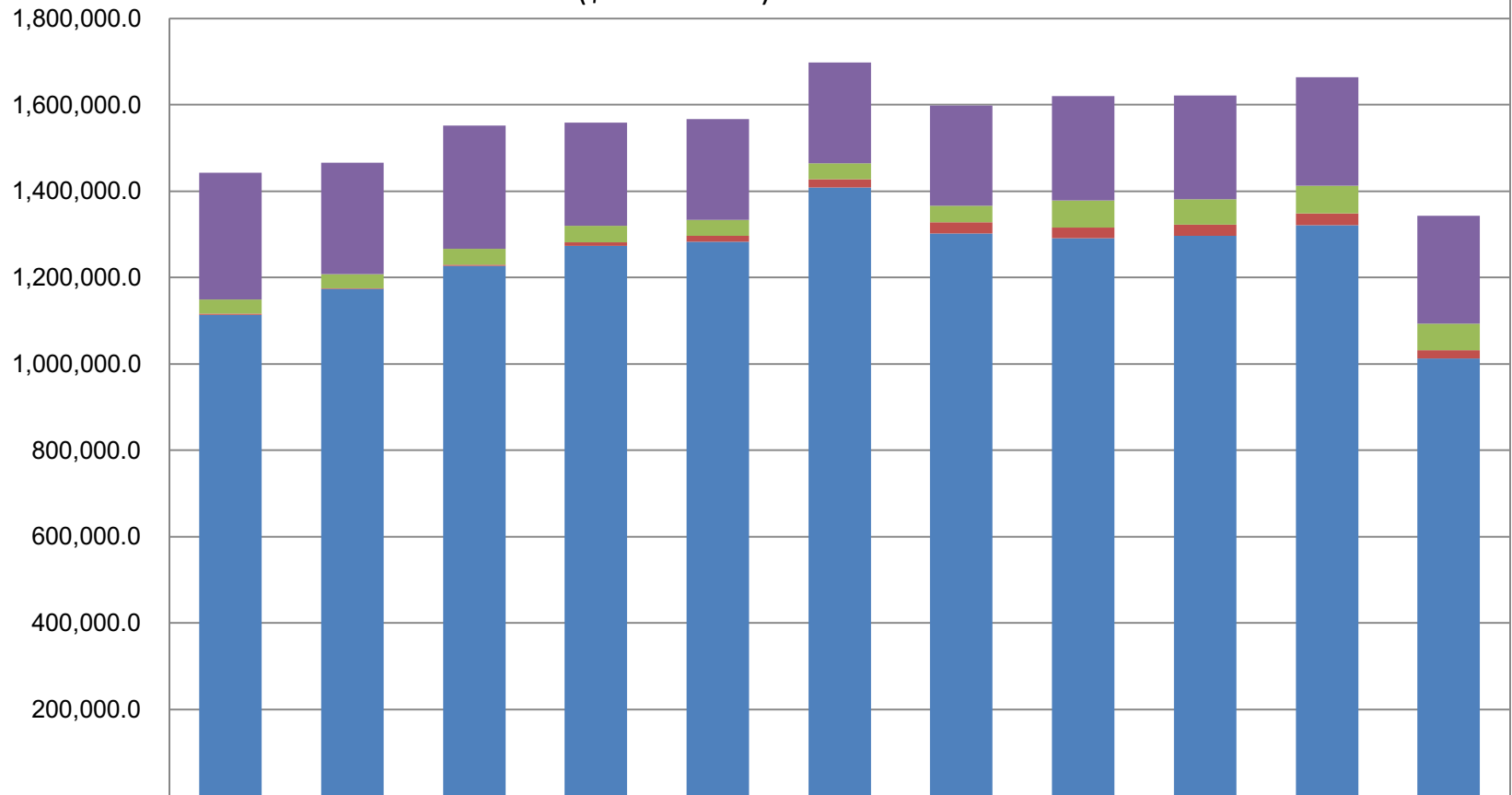


| | 10MgtPln | 11MgtPln | 12MgtPln | 13MgtPln | 14MgtPln | 15Final | 16MgtPln | 17MgtPln | 18MgtPln | 19MgtPln | 20Gov Amd |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------|
| ■ Additional Foundation Funding | - | - | 20,000.0 | 33,130.2 | 25,000.0 | 42,953.5 | - | - | - | 20,000.0 | 300.0 |
| ■ Pupil Transportation | 61,149.7 | 63,839.2 | 62,665.8 | 73,795.9 | 75,466.0 | 76,773.9 | 79,240.3 | 72,619.8 | 79,029.6 | 78,184.6 | 77,214.6 |
| ■ Foundation Program | 1,033,300.3 | 1,086,638.4 | 1,107,981.1 | 1,130,631.8 | 1,147,039.0 | 1,198,664.3 | 1,202,030.5 | 1,214,775.5 | 1,217,257.6 | 1,216,192.1 | 942,446.7 |

Department of Education & Early Development Total Funding Comparison by Fund Group

(All Funds)

(\$ Thousands)



| | 10MgtPln | 11MgtPln | 12MgtPln | 13MgtPln | 14MgtPln | 15MgtPln | 16MgtPln | 17MgtPln | 18MgtPln | 19MgtPln | 20Gov Amd |
|----------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Federal Receipts (Fed) | 293,373.6 | 257,878.5 | 285,400.9 | 239,408.4 | 233,942.5 | 233,890.6 | 232,003.7 | 241,925.9 | 241,157.5 | 251,133.1 | 250,192.1 |
| Other State Funds (Other) | 33,722.8 | 33,597.2 | 37,408.7 | 38,428.3 | 36,933.1 | 36,804.8 | 38,038.2 | 62,221.2 | 57,620.8 | 64,823.7 | 61,642.2 |
| Designated General (DGF) | 1,541.3 | 1,597.1 | 1,608.4 | 7,714.3 | 13,829.3 | 18,444.7 | 26,231.0 | 25,578.4 | 26,071.5 | 26,491.2 | 18,847.9 |
| Unrestricted General (UGF) | 1,114,397. | 1,173,312. | 1,227,690. | 1,273,963. | 1,282,643. | 1,408,921. | 1,301,647. | 1,290,833. | 1,297,126. | 1,322,008. | 1,013,043. |

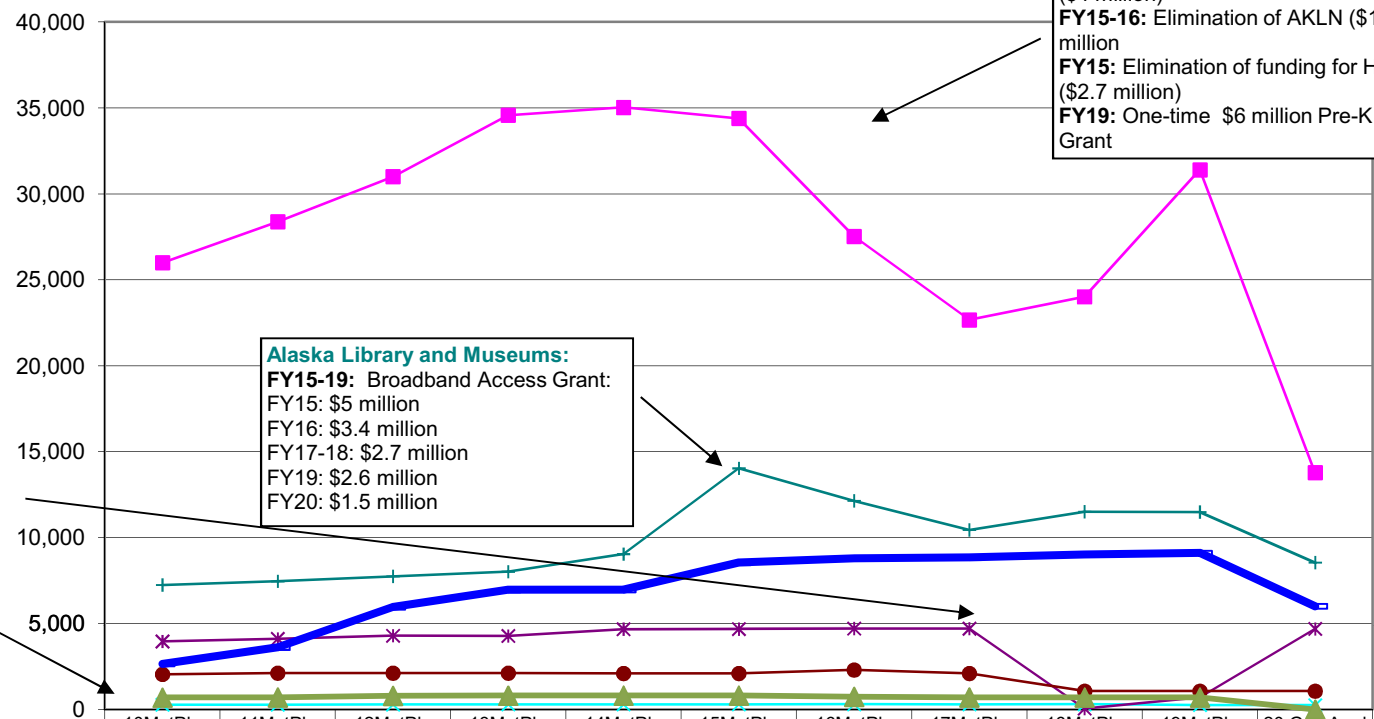
**Department of Education & Early Development
Non-Formula Budget Comparisons (by Appropriations)
(GF Only)
(\$ Thousands)**

Education Support Services
 FY16-17: Elimination of Statewide Mentoring (\$2.3 million)
 FY16-17: Elimination of ANSEP Grant (\$4 million)
 FY15-16: Elimination of AKLN (\$1.1 million)
 FY15: Elimination of funding for HSQE (\$2.7 million)
 FY19: One-time \$6 million Pre-K Grant

Mt. Edgecumbe Boarding School
 Fund Change from UGF to Public School Trust Fund (Other) in FY18 (\$4.8 million) and back to UGF in FY20.

Alaska State Council on the Arts
 Eliminated in FY20 Gov

Alaska Library and Museums:
 FY15-19: Broadband Access Grant:
 FY15: \$5 million
 FY16: \$3.4 million
 FY17-18: \$2.7 million
 FY19: \$2.6 million
 FY20: \$1.5 million



| | 10MgtPln | 11MgtPln | 12MgtPln | 13MgtPln | 14MgtPln | 15MgtPln | 16MgtPln | 17MgtPln | 18MgtPln | 19MgtPln | 20 Gov Amd |
|--------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|------------|
| Education Support and Admin Services | 25,992.5 | 28,379.8 | 31,004.0 | 34,576.4 | 35,034.3 | 34,392.8 | 27,527.4 | 22,665.9 | 24,013.4 | 31,403.6 | 13,779.4 |
| Commissions and Boards | 275.0 | 282.3 | 290.0 | 295.8 | 299.7 | 299.8 | 303.9 | 300.1 | 303.0 | 258.8 | 252.7 |
| Mt. Edgecumbe Boarding School | 3,960.6 | 4,112.3 | 4,293.1 | 4,278.4 | 4,671.5 | 4,680.1 | 4,712.2 | 4,705.3 | 57.4 | 709.7 | 4,688.4 |
| State Facilities Rent | 2,045.8 | 2,115.8 | 2,115.8 | 2,115.8 | 2,098.2 | 2,098.2 | 2,298.2 | 2,098.2 | 1,068.2 | 1,068.2 | 1,068.2 |
| Alaska Library and Museums | 7,245.4 | 7,458.5 | 7,748.4 | 8,018.7 | 9,042.9 | 14,031.8 | 12,139.7 | 10,448.4 | 11,507.0 | 11,492.6 | 8,549.3 |
| ACPE | 2,654.8 | 3,614.8 | 5,964.8 | 6,964.8 | 6,964.8 | 8,547.6 | 8,797.6 | 8,847.6 | 9,023.5 | 9,105.1 | 6,008.7 |
| Alaska State Council on the Arts | 695.3 | 703.7 | 801.3 | 809.0 | 815.0 | 814.0 | 740.5 | 706.6 | 703.7 | 703.7 | - |

Fiscal Year 2019 Operating Budget

Department of Education and Early Development Conference Committee (CC) Book



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Column Definitions

17Actual (FY17 LFD Actual) - FY17 actual expenditures as adjusted by Legislative Finance Division.

18 CC (FY18 Conference Committee) - The FY18 operating budget as approved by the Conference Committee on the Operating and Mental Health appropriation bills. The column does not include fiscal notes appropriated in Sec. 2 of HB 57/HB 59, special legislation or reappropriations. Appropriations in the language sections of the FY18 operating budget bills are included in the Conference Committee column.

18 Auth (FY18 Authorized) - The Conference Committee operating budget (adjusted for vetoes) plus fiscal notes appropriated in Sec. 2 of HB 57/HB 59, updated CC language estimates, operating appropriations included in other bills, reappropriations, and funding carried forward from previous fiscal years.

18MgtPln (FY18 Management Plan) - Authorized level of expenditures at the beginning of FY18 plus position adjustments and transfers (made at an agency's discretion) within appropriations.

18SupRPL (FY18 Supplementals + RPLs) - FY18 operating supplemental appropriations included in the operating bill (HB 286), capital bill (SB 142) and FY18 Revised Program-Legislature (RPLs). Capital Supplementals and RPLs are excluded from this column. [CCOpSup+HseOpSupinCap+18 RPL+FastTrackSup]

18FnlBud (FY18 Final Budget) - Sums the 18MgtPlan and 18SupRPL columns to reflect the total FY18 operating budget. [CCOpSup+HseOpSupinCap+18 RPL+FastTrackSup+18MgtPln]

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 Gov Amend +) - Governor's Amended budget and all amendments requested by the Governor after the statutory 30th day (the statutory deadline for the governor's amendments). [:GovAmd5/9+19GovAmd+:GovAmd4/26]

19Enacted (FY19 Enacted) - The version of the FY19 operating budget bills (which includes the mental health and non-mental health operating bills--HB 285 and HB 286 and education funding in HB 287) adopted by the legislature and enacted in law (adjusted for vetoes). This column does not include fiscal notes or operating appropriations included in the capital bill (SB 142).

OpinCap (Operating in Capital) - FY19 operating appropriations included in the FY19 capital bill (SB 142).

Bills (FY19 Bills) - FY19 appropriations made by fiscal notes attached to new legislation, adjusted for vetoes. This column excludes capital project fiscal notes and supplemental operating budget fiscal notes.

19Budget (FY19 Final Op Budget) - Sum of the Enacted, Bills and OpinCap columns to reflect the total FY19 operating budget. FY19 RPLs and supplemental appropriations will increase the budget as they are approved but are not reflected in this column. Reappropriations that increase the FY19 budget are excluded from this column because the amounts are unknown at this time. [19Enacted+OpinCap+19Veto+Bills]

DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT
FY19 - Summary of Significant Budget Issues

Governor's Budget Items Approved as Requested

| Item # | Approp/Allocation | Description | Amount/Fund Source | Comment |
|--------|---|--|--|--|
| 1 | Education Support and Administrative Services/ Student and School Achievement | One-Time Funding for the Development, Updating and Adoption of New Science Standards | \$100.0 UGF IncOTI | The legislature approved a one-time increment (IncOTI) of \$100.0 UGF for the development of new science standards. While most state standards were revised in 2013, science standards were last changed in 2006. According to the department, the current standards do not comply with the federal Every Student Succeeds Act. This funding will be used to pay for stakeholder meetings and updates to regulations. |
| 2 | Education Support and Administrative Services/ Student and School Achievement | Additional Support for Data Collection, Analysis, and Reporting | \$97.8 UGF 1 PFT Position | The legislature approved a Governor's amendment adding 1 PFT and an increment of \$97.8 UGF to the base budget. The one new Research Analyst position will serve as a liaison to school districts by providing technical assistance and support for the additional data that will be collected. In addition, this position will provide more longitudinal and comparability data analysis using existing and new datasets. This position will work across divisions within the department and increase the reporting capacity of the data management team. |
| 3 | Education Support and Administrative Services/ Early Learning Coordination | Restore Funding for Additional Early Learning Programs Support | \$1,200.0 UGF | In FY18, the legislature appropriated \$1,200.0 UGF as a one-time increment to continue funding early learning programs that were previously funded through the <i>Moore vs. State</i> settlement. This funding was used to provide grant support to nine districts, serving a total of 434 children. The FY19 budget adds the funding to the base budget. According to the department, this funding will be used to expand the existing grant program to reach more rural districts (also see item 12 below). Legislative Fiscal Analyst Comment: This funding should be transferred to the Pre-Kindergarten Grants allocation to more accurately reflect the use of the funding. |
| 4 | Commissions and Boards/ Professional Teaching Practices Commission | Remove Funding for Position Deleted in FY18 Management Plan | (\$44.2) GF/ Program Receipts (DGF) | In the FY18 Management Plan, the department consolidated administration of the Professional Teaching Practices Commission with Student and School Achievement and deleted a Secretary position. A portion of the funding for that position will be used to support the shared position in Student and School Achievement, and the remainder (\$44.2) is eliminated in the FY19 budget. |
| 5 | Mt. Edgecumbe Boarding School/ Mt. Edgecumbe Boarding School Facilities | Program Receipt Authority for Mount Edgecumbe Aquatic Center | \$250.0 GF/ Program Receipts (DGF) | The legislature approved a Governor's amendment adding \$250.0 of GF/Program Receipts (DGF) for the Mount Edgecumbe Aquatic Center. This receipt authority will allow the department to collect admission fees to support the cost of the facility (also see item 18 below). |

DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT
FY19 - Summary of Significant Budget Issues

Governor's Budget Items Approved as Requested (Continued)

| Item # | Approp/Allocation | Description | Amount/Fund Source | Comment |
|---------------|---|--|---------------------------------------|---|
| 6 | Libraries, Archives and Museums/ Library Operations | Reduce School Broadband Access Grant (School BAG) Funding to Align with Anticipated Expenditures | (\$135.9) Higher Education Fund (DGF) | The School BAG program helps schools bring their broadband speeds to 10 mbps, with the remaining costs being paid for by the federal E-Rate program. This reduction brings the FY19 budget in line with actual demand for grants in previous years. |
| 7 | Alaska Student Loan Corporation/ Loan Servicing | Reduce Funding Associated with Four Positions Deleted in FY18 Management Plan | (\$401.2) ASLC Receipts (Other) | The FY18 Management Plan eliminated four vacant positions due to efficiencies identified by the Alaska Commission on Postsecondary Education (ACPE). This decrement in the FY19 budget eliminates the funding for those four positions. ACPE does not expect any reduction in services as a result of this reduction. The reduction is made in two places in the budget - ASLC Receipts are deleted in the Alaska Student Loan Corporation appropriation, and corresponding interagency receipts are deleted in the ACPE appropriation. |
| 8 | Alaska Commission on Postsecondary Education/ WWAMI Medical Education | WWAMI Program Contractual Increase | \$81.6 Higher Education Fund (DGF) | The WWAMI (Washington, Wyoming, Alaska, Montana, and Idaho) Program is a multi-state agreement with the University of Washington's School of Medicine. The FY19 budget includes an increase of \$81.6, based on the anticipated FY19 program contractual obligation. |

Governor's Items Denied

| Item # | Approp/Allocation | Description | Gov Request | Comment |
|---------------|--|--|--------------------|---|
| 9 | Libraries, Archives and Museums/ Museum Operations | Eliminate Support for Museum Operations Grant-in-Aid Program | (\$105.6) UGF | The Museum Operations Grant-in-Aid program began in 1981, and typically awards 25-30 small grants to local museums and tribal cultural centers around the state. These grants are often matched by the beneficiary at a 1:1 ratio. The Governor's budget proposed deleting the program, but the legislature opted to retain it. |

DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT
FY19 - Summary of Significant Budget Issues

Legislative Additions

| Item # | Approp/Allocation | Description | Amount/Fund Source | Comment |
|--------|--|---|--|---|
| 10 | K-12 Aid to School Districts/ Additional Foundation Funding | \$20 million distributed according to foundation formula for FY19 | \$20,000.0 UGF IncOTI | The legislature added a one-time grant of \$20 million to be distributed according to the foundation formula for school districts. This is approximately equivalent to \$78 in the base student allocation. The legislature also appropriated increased funding for FY20 (see item 20 below). |
| 11 | Education Support and Administrative Services/ State System of Support | Funding for Direct Crisis Response and Support Cost (One-Time Item) | \$403.4 UGF IncOTI | The legislature added one-time funding of \$403.4 UGF to the State System of Support. The funding is to be used by the department to intervene with failing school districts. |
| 12 | Education Support and Administrative Services/ Pre-Kindergarten Grants | Multi-year increase to Pre-K Grants (FY19-20) | \$6,000.0 UGF Multi-Year (FY19-20) | The legislature added a multi-year appropriation of \$6 million UGF to increase Pre-Kindergarten Grants, to be used in FY19 and FY20. The funding would be in addition to the existing \$2 million Pre-K grant funding and the \$1.2 million increment approved in the Early Learning Coordination allocation by the legislature in item 3 above. |

Fiscal Notes

| Item # | Bill # | Title | Amount/Fund Source | Comment |
|--------|----------------------------------|--------------------------|---|--|
| 13 | HB 213 (Chapter 80, SLA 2018) | Public School Trust Fund | Net Zero Change \$18,351.3 Public School Trust Fund (Other) (\$18,351.3) UGF | <u>K-12 Aid to School Districts/ Foundation Program</u> HB 213 changes the management of the Public School Trust Fund to an endowment with a percent of market value (POMV) draw. Previously, capital gains were retained and only dividends and interest could be spent from a separate Income Fund. This legislation provides a 5% POMV draw for the fund, to be used in support of public schools. Without the legislation, the Department of Revenue recommended spending \$10 million from the fund in FY19. With the legislation, an additional \$18,351.3 is available, which will be used to offset UGF in the Foundation Program. |

DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT
FY19 - Summary of Significant Budget Issues

Fiscal Notes (continued)

| Item # | Bill # | Title | Amount/Fund Source | Comment |
|---------------|----------------------------------|---|---------------------------------------|--|
| 14 | SB 216 (Chapter 82, SLA 2018) | School Funding for Consolidated Schools | \$386.3 UGF | <p><u>K-12 Aid to School Districts/ Foundation Program</u></p> <p>This legislation provides a hold harmless provision for the foundation formula that allows school districts to consolidate schools without losing funding in the first year. The funding reduction will be phased in over three years. This provision has no budgetary impact in the first year.</p> <p>The legislation also addressed a provision in the size factor that affected single-school communities with a school population of over 425, causing a funding reduction for any students above 425. This legislation allows such schools to be treated the same as schools of under 425 students. This provision currently only affects the Hooper Bay school, and is estimated to cost \$386.3 UGF in FY19.</p> |
| 15 | HB 212 (Chapter 79, SLA 2018) | REAA & Small Muni School District Fund | \$323.0 UGF | <p><u>Education Support and Administrative Services/ School Finance and Facilities</u></p> <p>This legislation includes a requirement that the department develop and periodically update regional model school standards, costs, and design ratios. This will cost \$323.0 UGF in FY19, \$24.0 in FY20, and \$15.0 in subsequent years.</p> |
| 16 | SB 104 (Chapter 73, SLA 2018) | Education Curriculum Requirements | \$461.6 UGF 3 PFT Positions | <p><u>Education Support and Administrative Services/ Student and School Achievement</u></p> <p>SB 104 directs the department to review curriculum and identify the best curriculum for use in rural and urban districts. It also provides funding for a pilot program for adopting this curriculum. \$361.6 UGF and 3 positions will be used to review the curriculum and oversee the pilot program. An additional \$100.0 UGF will be used by the department to provide an electronic system for managing individualized education programs for students with disabilities.</p> <p>The funding for the grant program is an FY20 fund capitalization of \$19.5 million UGF. It was appropriated in SB 142 with an FY20 effective date, so it will automatically be capitalized without further legislative action. See also item 21.</p> |

DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT
FY19 - Summary of Significant Budget Issues

Fiscal Notes (continued)

| Item # | Bill # | Title | Amount/Fund Source | Comment |
|--------|----------------------------------|--------------------------------------|--------------------|--|
| 17 | HB 214 (Chapter 51, SLA 2018) | Bree's Law; Dating Violence Programs | \$263.3 UGF | <p><u>Education Support and Administrative Services/ Student and School Achievement</u></p> <p>HB 214 amended existing teen dating violence statutes to rename the program and direct the Department of Education and Early Development to develop and approve relevant programs for use in schools. The FY19 cost of \$263.3 UGF covers the development of an eLearning course for teacher training, and curriculum materials production and distribution. The cost will decline to \$119.3 in FY20 and \$75.0 in subsequent years.</p> |

FY18 Supplemental Appropriations

| Item # | Approp/Allocation | Description | Amount/Fund Source | Comment |
|--------|---|---|--|---|
| 18 | Mt. Edgecumbe Boarding School/ Mt. Edgecumbe Boarding School Facilities | Multi-year Supplemental Appropriation for Operating and Maintenance of the Mount Edgecumbe High School Aquatic Center (FY18-FY19) | <p>\$400.0 Muni Match (DGF)</p> <p>Multi-Year FY18-FY19</p> | <p>Construction of the Mount Edgecumbe High School Aquatic Center is scheduled to be completed in late FY18. In the FY18 budget, the department received \$100.0 of one-time money for warm storage of the pool, but does not have the estimated \$583.0 per year to operate the facility. These funds would be used to provide start-up funds to begin operations. Program receipts will pay for another portion of the costs (see item 5 above).</p> <p>Legislative Fiscal Analyst Comment: The Municipal Capital Project Matching Grant Fund has not been used since FY04 and this project does not meet statutory guidance for the use of the fund. This item has been flagged as a non-designated use of a designated fund. This action also creates a hole that will need to be filled in the FY20 budget.</p> |

DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT
FY19 - Summary of Significant Budget Issues

FY20 Appropriations

| Item # | Approp/Allocation | Description | Amount/Fund Source | Comment |
|---------------|--|--|---------------------------|--|
| 19 | K-12 Aid to School Districts/ Foundation Program; Pupil Transportation | FY20 Foundation Formula Appropriated in HB 287 | Amount unknown, UGF | HB 287 included appropriations of the statutory formula for the foundation program and pupil transportation for FY20, effective in FY20. Without further action by the legislature, these funds will automatically flow into the Public Education Fund in FY20 for whatever is necessary to pay the statutory formulas. The amounts will depend on the student count in that year. |
| 20 | K-12 Aid to School Districts/ Additional Foundation Funding | \$30 million Additional Formula Funding Appropriated in HB 287 | \$30,000.0 UGF | HB 287 also included \$30 million of additional K-12 funding for FY20, to be distributed according to the foundation formula. This is approximately equivalent to \$117 in the base student allocation. For similar FY19 funding, see item 10 above. |
| 21 | Fund Capitalization/ Curriculum/Best Practices Fund | \$19.5 million capitalization | \$19,500.0 UGF | As part of the fiscal note to SB 104 the legislature appropriated \$19.5 million to the Curriculum Improvement and Best Practices Fund (see item 16 above). This funding will be used to provide grants to school districts for a curriculum pilot project. |

**Department of Education and Early Development
FY19 - Increment Status**

| Item # | Appropriation/ Allocation | Description | Amount/Fund Source | Comment | GF Dec? | LFD Notes/Questions | Agency Comments |
|--------|---|---|--|---|---------|---|--|
| 1 | Education Support and Administrative Services/ Student and School Achievement | Additional Support for Data Collection, Analysis, and Reporting | \$97.8 UGF 1 PFT Position | The legislature approved a Governor's amendment adding 1 PFT and an increment of \$97.8 UGF to the base budget. The one new Research Analyst position will serve as a liaison to school districts by providing technical assistance and support for the additional data that will be collected. In addition, this position will provide more longitudinal and comparability data analysis using existing and new datasets. This position will work across divisions within the department and increase the reporting capacity of the data management team. | No | Please provide progress on recruitment and filling of the positions. | This position will be posted for the second time during the week of January 7. The first round of interviews did not produce an appropriate candidate. The posting will be reconfigured to recruit for a Research Analyst (RA)-I, RA-II, and RA-III. The previous posting for a RA I, II, III Flex did not attract the level of applicant this position requires. Funds from this vacant position will be used to partially fund a contract with Education Northwest Comprehensive Center who has been helping with data related projects until this position can be filled. |
| 2 | SB 104 (Chapter 73, SLA 2018) | Education Curriculum Requirements | \$461.6 UGF 3 PFT Positions | <u>Education Support and Administrative Services/ Student and School Achievement</u> SB 104 directs the department to review curriculum and identify the best curriculum for use in rural and urban districts. It also provides funding for a pilot program for adopting this curriculum. \$361.6 UGF and 3 positions will be used to review the curriculum and oversee the pilot program. An additional \$100.0 UGF will be used by the department to provide an electronic system for managing individualized education programs for students with disabilities. The funding for the grant program is an FY20 fund capitalization of \$19.5 million UGF. It was appropriated in SB 142 with an FY20 effective date, so it will automatically be capitalized without further legislative action. See also item 21. | No | Please provide progress on recruitment and filling of the positions. Also, please provide information on the progress of the department in reviewing curriculum | <ul style="list-style-type: none"> • The Mathematics Content Specialist will begin on January 2. • The English Language Arts (ELA) Content Specialist was reposted for the third time and the interviews are in the process of being scheduled. During previous recruitment efforts for the ELA position, the job was posted, candidates were interviewed and an offer for employment was made to two different individuals, however, both declined. • The Education Associate II position has been posted, and candidates interviewed. DEED staff are moving forward with screening tasks and reference checks. Due to the hire dates of the Content Specialists and Education Associate and the short timeline to accomplish the task of curriculum review, available funds from the vacancies will partially fund a contract with Education Northwest Comprehensive Center to help set up the processes and procedures for the review process as well as to do the research about other states' review results. Curriculum review criteria have been updated. Work on making the documents accessible is in progress for posting on the website. Curriculum reviews from other states and organizations are being collected to use as reference for the content specialists. When the positions are hired, they will begin the work on reviewing curricular materials. |
| 3 | Education Support and Administrative Services/ Pre-Kindergarten Grants | Multi-year increase to Pre-K Grants (FY19-20) | \$6,000.0 UGF Multi-Year (FY19-20) | The legislature added a multi-year appropriation of \$6 million UGF to increase Pre-Kindergarten Grants, to be used in FY19 and FY20. The funding would be in addition to the existing \$2 million Pre-K grant funding and the \$1.2 million increment approved in the Early Learning Coordination allocation by the legislature in item 3 above. | No | Please provide the amount spent in FY19 and the remaining amount estimated to be used in FY20. | FY2019 amount expended: \$1,709,370.78; FY2020 projected expenditures: \$4,290,629.22. The \$6.0 million appropriation is expected to be fully spent. |

Multi-year Allocation Summary - Operating Budget - FY 2016 FY16 Final CC Structure

| |
|-----------------------------------|
| Numbers and Language |
| Agencies: Educ |
| Fund Groups: Unrestricted General |

| | ID=> | [1] | [2] | [3] | [2] - [1] | | [3] - [1] | |
|--------------------------------|-----------------------|------------------|------------------|---------------------|------------------|------------------|------------------|-------------------|
| Allocation | Session=> Column=> | 2015 15MgtPln | 2019 19MgtPln | 2019 20GovAmdTOT | 2015 15MgtPln | 2019 19MgtPln | 2015 15MgtPln | 2019 20GovAmdT |
| Education & Early Dev | | | | | | | | |
| K-12 Aid to School Districts | | | | | | | | |
| Foundation Program | | 1,167,873.3 | 1,171,712.4 | 878,955.7 | 3,839.1 | 0.3 % | -288,917.6 | -24.7 % |
| Pupil Transportation | | 76,773.9 | 78,184.6 | 77,214.6 | 1,410.7 | 1.8 % | 440.7 | 0.6 % |
| Additional Foundation Funding | | 95,101.4 | 20,000.0 | 0.0 | -75,101.4 | -79.0 % | -95,101.4 | -100.0 % |
| Appropriation Total | | 1,339,748.6 | 1,269,897.0 | 956,170.3 | -69,851.6 | -5.2 % | -383,578.3 | -28.6 % |
| K-12 Support | | | | | | | | |
| Boarding Home Grants | | 6,960.3 | 7,453.2 | 7,453.2 | 492.9 | 7.1 % | 492.9 | 7.1 % |
| Youth in Detention | | 1,100.0 | 1,100.0 | 1,100.0 | 0.0 | | 0.0 | |
| Special Schools | | 3,693.3 | 3,558.2 | 3,540.9 | -135.1 | -3.7 % | -152.4 | -4.1 % |
| Appropriation Total | | 11,753.6 | 12,111.4 | 12,094.1 | 357.8 | 3.0 % | 340.5 | 2.9 % |
| Education Support Services | | | | | | | | |
| Executive Administration | | 881.0 | 1,051.3 | 825.9 | 170.3 | 19.3 % | -55.1 | -6.3 % |
| Administrative Services | | 769.1 | 916.6 | 940.6 | 147.5 | 19.2 % | 171.5 | 22.3 % |
| Information Services | | 306.6 | 375.5 | 375.5 | 68.9 | 22.5 % | 68.9 | 22.5 % |
| School Finance & Facilities | | 2,256.3 | 1,643.0 | 1,389.8 | -613.3 | -27.2 % | -866.5 | -38.4 % |
| Appropriation Total | | 4,213.0 | 3,986.4 | 3,531.8 | -226.6 | -5.4 % | -681.2 | -16.2 % |
| Teaching and Learning Support | | | | | | | | |
| Student and School Achievement | | 12,410.9 | 6,264.7 | 6,305.4 | -6,146.2 | -49.5 % | -6,105.5 | -49.2 % |
| Alaska Learning Network | | 850.0 | 0.0 | 0.0 | -850.0 | -100.0 % | -850.0 | -100.0 % |
| State System of Support | | 1,962.5 | 2,209.7 | 1,798.8 | 247.2 | 12.6 % | -163.7 | -8.3 % |
| Statewide Mentoring | | 2,300.0 | 0.0 | 0.0 | -2,300.0 | -100.0 % | -2,300.0 | -100.0 % |
| Teacher Certification | | 0.2 | 0.0 | 0.0 | -0.2 | -100.0 % | -0.2 | -100.0 % |
| Child Nutrition | | 101.8 | 89.6 | 88.9 | -12.2 | -12.0 % | -12.9 | -12.7 % |
| Early Learning Coordination | | 9,185.8 | 9,488.6 | 637.2 | 302.8 | 3.3 % | -8,548.6 | -93.1 % |
| Pre-Kindergarten Grants | | 2,000.0 | 8,000.0 | 0.0 | 6,000.0 | 300.0 % | -2,000.0 | -100.0 % |
| Appropriation Total | | 28,811.2 | 26,052.6 | 8,830.3 | -2,758.6 | -9.6 % | -19,980.9 | -69.4 % |

Multi-year Allocation Summary - Operating Budget - FY 2016 FY16 Final CC Structure

| |
|---|
| Numbers and Language Agencies: Educ Fund Groups: Unrestricted General |
|---|

| Allocation | ID=> Session=> Column=> | [1] 2015 15MgtPln | [2] 2019 19MgtPln | [3] 2019 20GovAmdTOT | [2] - [1] 2015 15MgtPln to 19MgtPln | [3] - [1] 2015 15MgtPln to 20GovAmdT |
|-----------------------------------|-------------------------------|-------------------------|-------------------------|----------------------------|---|--|
| Education & Early Dev (continued) | | | | | | |
| Commissions and Boards | | | | | | |
| Professional Teaching Practice | | 299.8 | 0.0 | 0.0 | -299.8 -100.0 % | -299.8 -100.0 % |
| AK State Council on the Arts | | 803.1 | 692.8 | 0.0 | -110.3 -13.7 % | -803.1 -100.0 % |
| Appropriation Total | | 1,102.9 | 692.8 | 0.0 | -410.1 -37.2 % | -1,102.9 -100.0 % |
| Mt. Edgecumbe Boarding School | | | | | | |
| Mt. Edgecumbe Boarding School | | 4,622.7 | 2.3 | 4,633.2 | -4,620.4 -100.0 % | 10.5 0.2 % |
| Appropriation Total | | 4,622.7 | 2.3 | 4,633.2 | -4,620.4 -100.0 % | 10.5 0.2 % |
| State Facilities Maintenance | | | | | | |
| EED State Facilities Rent | | 2,098.2 | 1,068.2 | 1,068.2 | -1,030.0 -49.1 % | -1,030.0 -49.1 % |
| Appropriation Total | | 2,098.2 | 1,068.2 | 1,068.2 | -1,030.0 -49.1 % | -1,030.0 -49.1 % |
| Alaska Library and Museums | | | | | | |
| Library Operations | | 9,889.8 | 4,240.8 | 5,721.4 | -5,649.0 -57.1 % | -4,168.4 -42.1 % |
| Archives | | 1,123.6 | 1,087.8 | 1,087.8 | -35.8 -3.2 % | -35.8 -3.2 % |
| Museum Operations | | 1,693.4 | 1,168.7 | 1,168.3 | -524.7 -31.0 % | -525.1 -31.0 % |
| Online with Libraries (OWL) | | 761.8 | 670.9 | 0.0 | -90.9 -11.9 % | -761.8 -100.0 % |
| Live Homework Help | | 138.2 | 0.0 | 0.0 | -138.2 -100.0 % | -138.2 -100.0 % |
| Appropriation Total | | 13,606.8 | 7,168.2 | 7,977.5 | -6,438.6 -47.3 % | -5,629.3 -41.4 % |
| Alaska Postsecondary Education | | | | | | |
| Program Admin & Operations | | 0.0 | 0.0 | 5,957.8 | 0.0 | 5,957.8 >999 % |
| WWAMI Medical Education | | 2,964.8 | 0.0 | 0.0 | -2,964.8 -100.0 % | -2,964.8 -100.0 % |
| Appropriation Total | | 2,964.8 | 0.0 | 5,957.8 | -2,964.8 -100.0 % | 2,993.0 101.0 % |
| AK Performance Scholarship Awd | | | | | | |
| AK Performance Scholarship Awd | | 0.0 | 0.0 | 11,750.0 | 0.0 | 11,750.0 >999 % |
| Appropriation Total | | 0.0 | 0.0 | 11,750.0 | 0.0 | 11,750.0 >999 % |

Multi-year Allocation Summary - Operating Budget - FY 2016 FY16 Final CC Structure

| |
|---|
| Numbers and Language Agencies: Educ Fund Groups: Unrestricted General |
|---|

| | ID=> | [1] | [2] | [3] | [2] - [1] | | [3] - [1] | |
|-----------------------------------|-----------|-------------|-------------|-------------|----------------------|--------|-----------------------|---------|
| | Session=> | 2015 | 2019 | 2019 | 2015 | 2019 | 2015 | 2019 |
| Allocation | Column=> | 15MgtPln | 19MgtPln | 20GovAmdTOT | 15MgtPln to 19MgtPln | | 15MgtPln to 20GovAmdT | |
| Education & Early Dev (continued) | | | | | | | | |
| Agency Total | | 1,408,921.8 | 1,320,978.9 | 1,012,013.2 | -87,942.9 | -6.2 % | -396,908.6 | -28.2 % |
| Statewide Total | | 1,408,921.8 | 1,320,978.9 | 1,012,013.2 | -87,942.9 | -6.2 % | -396,908.6 | -28.2 % |
| Funding Summary | | | | | | | | |
| Unrestricted General (UGF) | | 1,408,921.8 | 1,320,978.9 | 1,012,013.2 | -87,942.9 | -6.2 % | -396,908.6 | -28.2 % |

**2019 Legislature - Operating Budget
Transaction Compare - Governor Amend Structure
Between 20Adj Base and 20GovAmdTOT**

**Numbers and Language
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 |
|-------------------------------------|--|---------------|----------------------|----------------------|--------|----------|-------------|-------------------|--------------|--------|-----|-----|-----|
| K-12 Aid to School Districts | | | | | | | | | | | | | |
| Foundation Program | | | | | | | | | | | | | |
| L | Reverse: School Funding for Consolidated Schools Ch82 SLA2018 (SB216) (Sec2 Ch17 SSLA2018 P47 L15 (HB286)) | 20GovAmdTOT | OTI | -386.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -386.3 | 0 | 0 | 0 |
| | 1004 Gen Fund (UGF) | | | -386.3 | | | | | | | | | |
| L | Reverse Estimated FY2019 Foundation Expenditures from Public Education Fund | 20GovAmdTOT | OTI | -1,171,326.1 | 0.0 | 0.0 | 0.0 | 0.0 | -1,171,326.1 | 0.0 | 0 | 0 | 0 |
| | Reverse language section transaction from the base budget. | | | | | | | | | | | | |
| | 1004 Gen Fund (UGF) | | | -1,171,326.1 | | | | | | | | | |
| L | FY2020 Foundation Expenditures from Public Education Fund | 20GovAmdTOT | MisAdj | 895,455.7 | 0.0 | 0.0 | 0.0 | 0.0 | 895,455.7 | 0.0 | 0 | 0 | 0 |
| | The amount to fully-fund the FY2020 Foundation Program funded through the Public Education Fund was appropriated in Sec4 Ch6 SLA2018 P5 L13 (HB287); however, the FY2020 Governor's Amended budget reflects a \$269,396.9 reduction to the Foundation Program. | | | | | | | | | | | | |
| | Under AS 14.17.300(b) funds may be expended from the Public Education Fund without further appropriation. In order to reflect the anticipated need in the FY2020 Foundation Program, a miscellaneous adjustment is used to track expenditures in the Foundation Program component. | | | | | | | | | | | | |
| | The FY2020 Foundation Program estimate includes a base student allocation (BSA) of \$5,930. | | | | | | | | | | | | |
| | 1004 Gen Fund (UGF) | | | 878,955.7 | | | | | | | | | |
| | 1030 School Fnd (DGF) | | | 16,500.0 | | | | | | | | | |
| | Public School Trust Fund Adjustment | 20GovAmdTOT | Inc | 2,511.3 | 0.0 | 0.0 | 0.0 | 0.0 | 2,511.3 | 0.0 | 0 | 0 | 0 |
| | The FY2020 Public School Trust Fund is allocated as follows: | | | | | | | | | | | | |
| | Foundation Formula \$26,200.0 | | | | | | | | | | | | |
| | There was \$5,337.4 in the base budget plus the additional \$18,351.3 added by fiscal note. This transaction reflects the remaining increase. | | | | | | | | | | | | |
| | 1066 Pub School (Other) | | | 2,511.3 | | | | | | | | | |
| * Allocation Difference * | | | | -273,745.4 | 0.0 | 0.0 | 0.0 | 0.0 | -273,359.1 | -386.3 | 0 | 0 | 0 |
| Pupil Transportation | | | | | | | | | | | | | |
| L | Reverse Estimated FY2019 Pupil Transportation Expenditures from the Public Education Fund | 20GovAmdTOT | OTI | -78,184.6 | 0.0 | 0.0 | 0.0 | 0.0 | -78,184.6 | 0.0 | 0 | 0 | 0 |
| | Reverse language section appropriation made in SLA2018. | | | | | | | | | | | | |
| | 1004 Gen Fund (UGF) | | | -78,184.6 | | | | | | | | | |
| L | FY2020 Pupil Transportation Expenditures from the Public Education Fund | 20GovAmdTOT | MisAdj | 77,214.6 | 0.0 | 0.0 | 0.0 | 0.0 | 77,214.6 | 0.0 | 0 | 0 | 0 |
| | The amount to fully-fund the FY2020 Pupil Transportation program funded through the Public Education Fund was appropriated in Sec4 Ch6 SLA2018 P5 L16 (HB287). | | | | | | | | | | | | |
| | Funds may be expended without further appropriation from the Public Education Fund (AS 14.17.300(b)). A miscellaneous adjustment in the Pupil Transportation component is used to track the estimated FY2020 | | | | | | | | | | | | |

**2019 Legislature - Operating Budget
Transaction Compare - Governor Amend Structure
Between 20Adj Base and 20GovAmdTOT**

**Numbers and Language
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 |
|--|---|---------------|----------------------|----------------------|--------|----------|-------------|-------------------|------------|-------|-----|-----|-----|
| K-12 Aid to School Districts (continued) | | | | | | | | | | | | | |
| Pupil Transportation (continued) | | | | | | | | | | | | | |
| FY2020 Pupil Transportation Expenditures from the Public Education Fund (continued) | | | | | | | | | | | | | |
| expenditures for Pupil Transportation. The anticipated need is based on projected average daily memberships (ADM), excluding Mt. Edgumbe High School. | | | | | | | | | | | | | |
| AS 14.09.010 defines the per student amounts for each school district. | | | | | | | | | | | | | |
| | 1004 Gen Fund (UGF) | | 77,214.6 | | | | | | | | | | |
| * Allocation Difference * | | | -970.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -970.0 | 0.0 | 0 | 0 | 0 |
| Additional Foundation Funding | | | | | | | | | | | | | |
| L | Repeal State Aid to School Districts Sec4 Ch6 | 20GovAmdTOT | MisAdj | -30,000.0 | 0.0 | 0.0 | 0.0 | 0.0 | -30,000.0 | 0.0 | 0 | 0 | 0 |
| SLA2018 P5 L1 (HB287) | | | | | | | | | | | | | |
| Repeal the FY2020 one-time funding (outside the formula) in Sec4 Ch6 SLA2018 P5 L1. | | | | | | | | | | | | | |
| Section 4, Chapter 6, SLA 2018, page 5, lines 1-5, is repealed. | | | | | | | | | | | | | |
| | 1004 Gen Fund (UGF) | | -30,000.0 | | | | | | | | | | |
| L | Donations From Dividend Raffle | 20GovAmdTOT | Inc | 300.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 300.0 | 0 | 0 | 0 |
| 50 percent of the donations received under AS 43.23.064, estimated to be \$300,000, are appropriated to the Department of Education and Early Development to be distributed as grants to school districts according to the average daily membership for each district adjusted under AS 14.17.410(b)(1)(A) - (D) for the fiscal year ending June 30, 2020. | | | | | | | | | | | | | |
| | 1108 Stat Desig (Other) | | 300.0 | | | | | | | | | | |
| * Allocation Difference * | | | -29,700.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -30,000.0 | 300.0 | 0 | 0 | 0 |
| ** Appropriation Difference ** | | | -304,415.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -304,329.1 | -86.3 | 0 | 0 | 0 |
| K-12 Support | | | | | | | | | | | | | |
| Special Schools | | | | | | | | | | | | | |
| | Special Education Service Agency Calculation | 20GovAmdTOT | Dec | -17.3 | 0.0 | 0.0 | 0.0 | 0.0 | -17.3 | 0.0 | 0 | 0 | 0 |
| In accordance with AS 14.30.650, a decrement of \$17.3 is necessary in the Special Schools component to reflect the Special Education Service Agency (SESA) total for FY2020 estimate of \$2,406.3. | | | | | | | | | | | | | |
| | 1004 Gen Fund (UGF) | | -17.3 | | | | | | | | | | |
| * Allocation Difference * | | | -17.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -17.3 | 0.0 | 0 | 0 | 0 |
| ** Appropriation Difference ** | | | -17.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -17.3 | 0.0 | 0 | 0 | 0 |
| Education Support and Administrative Services | | | | | | | | | | | | | |
| Executive Administration | | | | | | | | | | | | | |
| | Executive Branch 50% Travel Reduction | 20GovAmdTOT | Dec | -40.0 | 0.0 | -40.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 50% executive branch travel reduction based on actual costs of travel in FY2018. Exceptions were made to travel essential to public safety, health, and disaster management. | | | | | | | | | | | | | |
| | 1004 Gen Fund (UGF) | | -40.0 | | | | | | | | | | |
| * Allocation Difference * | | | -40.0 | 0.0 | -40.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |

2019 Legislature - Operating Budget
Transaction Compare - Governor Amend Structure
Between 20Adj Base and 20GovAmdTOT

Numbers and Language
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 Administrative Services (continued) | | | | | | | | | | | | | |
| Administrative Services | | | | | | | | | | | | | |
| Office of Information Technology Salary Adjustment Billed to Agencies | 20GovAmdTOT | Inc | 24.0 | 0.0 | 0.0 | 24.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| The Office of Information Technology (OIT) supports staff through billable rates charged to state agencies. This increase supports the portion of OIT salary adjustments, agreed to through the GGU and SU contract negotiations that will be billed to executive branch agencies. Agencies pay the billable rates to OIT through a variety of fund sources, this increment has been adjusted down to remove the portion of rates that will be paid through non-general fund sources. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | 24.0 | | | | | | | | | | |
| * Allocation Difference * | | | 24.0 | 0.0 | 0.0 | 24.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| Information Services | | | | | | | | | | | | | |
| Executive Branch 50% Travel Reduction | 20GovAmdTOT | Dec | -0.7 | 0.0 | -0.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 50% executive branch travel reduction based on actual costs of travel in FY2018. Exceptions were made to travel essential to public safety, health, and disaster management. | | | | | | | | | | | | | |
| 1007 I/A Rcpts (Other) | | | -0.7 | | | | | | | | | | |
| * Allocation Difference * | | | -0.7 | 0.0 | -0.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| School Finance & Facilities | | | | | | | | | | | | | |
| Executive Branch 50% Travel Reduction | 20GovAmdTOT | Dec | -13.2 | 0.0 | -13.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 50% executive branch travel reduction based on actual costs of travel in FY2018. Exceptions were made to travel essential to public safety, health, and disaster management. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | -4.2 | | | | | | | | | | |
| 1007 I/A Rcpts (Other) | | | -9.0 | | | | | | | | | | |
| FY20 funding to complete work related to REAA & Small Municipal School construction standards | 20GovAmdTOT | IncOTI | 50.0 | 0.0 | 0.0 | 50.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| HB212 Ch79 SLA2018 requires the Department of Education and Early Development (DEED) to encourage, evaluate, and require the use of previous school designs and building systems when it will result in an operational or capital cost savings; and for DEED to develop and periodically update regional model school standards, costs, and design ratios that achieve efficient and cost-effective school construction. | | | | | | | | | | | | | |
| The fiscal note reduces this appropriation by \$299.0 for FY2020; however, as a result of the work schedule set by the Bond Reimbursement and Grant Review (BR&GR) Committee, which is required to meet statutory duties in AS 14.11.014 associated with this bill, the timing of completing the building system standards definition (item "g" in the fiscal note) initially projected to be completed in FY2019 has been scheduled to be completed in FY2020, with an estimated cost of \$50.0. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | 50.0 | | | | | | | | | | |
| * Allocation Difference * | | | 36.8 | 0.0 | -13.2 | 50.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| Child Nutrition | | | | | | | | | | | | | |
| Executive Branch 50% Travel Reduction | 20GovAmdTOT | Dec | -39.2 | 0.0 | -39.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 50% executive branch travel reduction based on actual costs of travel in FY2018. Exceptions were made to travel essential to public safety, health, and disaster management. | | | | | | | | | | | | | |

**2019 Legislature - Operating Budget
Transaction Compare - Governor Amend Structure
Between 20Adj Base and 20GovAmdTOT**

**Numbers and Language
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 Administrative Services (continued) | | | | | | | | | | | | | |
| Child Nutrition (continued) | | | | | | | | | | | | | |
| Executive Branch 50% Travel Reduction (continued) | | | | | | | | | | | | | |
| 1002 Fed Rcpts (Fed) | | | -36.9 | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | -0.7 | | | | | | | | | | |
| 1014 Donat Comm (Fed) | | | -1.6 | | | | | | | | | | |
| * Allocation Difference * | | | -39.2 | 0.0 | -39.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| Student and School Achievement | | | | | | | | | | | | | |
| Alaska Technical and Vocational Education Formula Funding | 20GovAmdTOT | Inc | 61.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 61.6 | 0.0 | 0 | 0 | 0 |
| The Alaska Technical and Vocational Education Program (TVEP), is funded by 0.16 percent of employee contributions to the unemployment insurance trust fund. | | | | | | | | | | | | | |
| TVEP, established under AS 23.15.830, provides non-competitive grants to institutions that are part of a statewide vocational training system. Institutions provide technical and vocational training programs that align with regional workforce needs. The Department of Labor and Workforce Development (DLWD) manages the TVEP administration, including projecting available revenue for distribution. DLWD's proposal for the TVEP distribution in the FY2020 Governor's Budget assumes increased TVEP revenue in FY2020. Actual revenue collections indicate taxable wages are increasing. | | | | | | | | | | | | | |
| The Galena Interior Learning Academy's distribution is set by AS 23.15.835(d), and will receive \$499.5, or four percent, of total receipts available. This increases the Galena Interior Learning Academy's authority by \$61.6 from the FY2019 distribution level. | | | | | | | | | | | | | |
| 1151 VoTech Ed (DGF) | | | 61.6 | | | | | | | | | | |
| Kindergarten Through Third Grade Literacy Project | 20GovAmdTOT | Inc | 320.0 | 0.0 | 0.0 | 320.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| The literacy project will provide for pre and post screening assessments for students in kindergarten through third grade. The screening assessments will provide schools early identification for students who show signs of deficits in early literacy. Early identification needs to be intentional and systematic across the state in efforts to maintain the integrity of the data. The data gathered from these assessments can then be used locally by teachers, parents, and schools to intervene as needed. The data will be entered into the department-hosted statewide system and will be available to other teachers and schools as students move from one community to another. | | | | | | | | | | | | | |
| This mirrors funding the department received in the FY2014 budget, but was removed by the legislature in the FY2016 budget. | | | | | | | | | | | | | |
| There are approximately 40,000 students in grades kindergarten through 3rd grade. At an average cost of \$8 per child, Alaska can do pre and post screenings for children statewide for \$320.0. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | 320.0 | | | | | | | | | | |
| Executive Branch 50% Travel Reduction | 20GovAmdTOT | Dec | -114.5 | 0.0 | -114.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 50% executive branch travel reduction based on actual costs of travel in FY2018. Exceptions were made to travel essential to public safety, health, and disaster management. | | | | | | | | | | | | | |
| 1002 Fed Rcpts (Fed) | | | -79.3 | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | -31.3 | | | | | | | | | | |

2019 Legislature - Operating Budget
Transaction Compare - Governor Amend Structure
Between 20Adj Base and 20GovAmdTOT

Numbers and Language
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 Administrative Services (continued) | | | | | | | | | | | | | |
| Student and School Achievement (continued) | | | | | | | | | | | | | |
| Executive Branch 50% Travel Reduction (continued) | | | | | | | | | | | | | |
| 1007 I/A Rcpts (Other) | | | -3.9 | | | | | | | | | | |
| * Allocation Difference * | | | 267.1 | 0.0 | -114.5 | 320.0 | 0.0 | 0.0 | 61.6 | 0.0 | 0 | 0 | 0 |
| State System of Support | | | | | | | | | | | | | |
| Executive Branch 50% Travel Reduction | 20GovAmdTOT | Dec | -7.5 | 0.0 | -7.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 50% executive branch travel reduction based on actual costs of travel in FY2018. Exceptions were made to travel essential to public safety, health, and disaster management. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | -7.5 | | | | | | | | | | |
| * Allocation Difference * | | | -7.5 | 0.0 | -7.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| Teacher Certification | | | | | | | | | | | | | |
| Executive Branch 50% Travel Reduction | 20GovAmdTOT | Dec | -8.9 | 0.0 | -8.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 50% executive branch travel reduction based on actual costs of travel in FY2018. Exceptions were made to travel essential to public safety, health, and disaster management. | | | | | | | | | | | | | |
| 1005 GF/Prgm (DGF) | | | -8.9 | | | | | | | | | | |
| * Allocation Difference * | | | -8.9 | 0.0 | -8.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| Early Learning Coordination | | | | | | | | | | | | | |
| Delete Funding for the Head Start Grants | 20GovAmdTOT | Dec | -6,853.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -6,853.0 | 0.0 | 0 | 0 | 0 |
| Delete funding for Head Start grants. This reduction is appropriate to maintain the department's most important services and functions which is to serve Alaskan school districts and K-12 students. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | -6,853.0 | | | | | | | | | | |
| Delete Funding for Parents as Teachers Grants | 20GovAmdTOT | Dec | -474.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -474.7 | 0.0 | 0 | 0 | 0 |
| Delete funding for Parents as Teachers grants. These funds are passed-through directly to Parents as Teachers participating organizations and there is no accountability after the distribution of these grants. This reduction is appropriate to maintain the department's most important services and functions, which first serves Alaskan school districts and K-12 students. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | -474.7 | | | | | | | | | | |
| Delete Funding for Best Beginning Grants | 20GovAmdTOT | Dec | -320.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -320.0 | 0.0 | 0 | 0 | 0 |
| Delete funding issued to Best Beginnings. These funds are passed-through directly to Best Beginnings, but there is no accountability after the distribution of these grants. This reduction is appropriate to maintain the department's most important services and functions, which first serves Alaskan school districts and K-12 students. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | -320.0 | | | | | | | | | | |
| Executive Branch 50% Travel Reduction | 20GovAmdTOT | Dec | -13.7 | 0.0 | -13.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 50% executive branch travel reduction based on actual costs of travel in FY2018. Exceptions were made to travel essential to public safety, health, and disaster management. | | | | | | | | | | | | | |
| 1002 Fed Rcpts (Fed) | | | -10.0 | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | -3.7 | | | | | | | | | | |
| Delete Funding for Early Childhood Grants | 20GovAmdTOT | Dec | -1,200.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -1,200.0 | 0.0 | 0 | 0 | 0 |
| Delete funding for Early Learning grants. These funds serve a small portion of Alaska's pre-kindergarten | | | | | | | | | | | | | |

2019 Legislature - Operating Budget
Transaction Compare - Governor Amend Structure
Between 20Adj Base and 20GovAmdTOT

Numbers and Language
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 Administrative Services (continued) | | | | | | | | | | | | | |
| Early Learning Coordination (continued) | | | | | | | | | | | | | |
| Delete Funding for Early Childhood Grants (continued) | | | | | | | | | | | | | |
| population. This reduction is appropriate to maintain the department's most important services and functions, which first serves Alaskan school districts and K-12 students. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | -1,200.0 | | | | | | | | | | |
| * Allocation Difference * | | | -8,861.4 | 0.0 | -13.7 | 0.0 | 0.0 | 0.0 | -8,847.7 | 0.0 | 0 | 0 | 0 |
| Pre-Kindergarten Grants | | | | | | | | | | | | | |
| Delete Funding for Pre-Kindergarten Grants | | | 20GovAmdTOT | Dec | -2,000.0 | 0.0 | 0.0 | 0.0 | 0.0 | -2,000.0 | 0.0 | 0 | 0 |
| Delete funding for Pre-Kindergarten grants. These funds serve a small portion of Alaska's pre-kindergarten population. This reduction is appropriate to maintain the department's most important services and functions, which first serves Alaskan school districts and K-12 students. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | -2,000.0 | | | | | | | | | | |
| * Allocation Difference * | | | -2,000.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -2,000.0 | 0.0 | 0 | 0 | 0 |
| ** Appropriation Difference ** | | | -10,629.8 | 0.0 | -237.7 | 394.0 | 0.0 | 0.0 | -10,786.1 | 0.0 | 0 | 0 | 0 |
| Alaska State Council on the Arts | | | | | | | | | | | | | |
| Alaska State Council on the Arts | | | | | | | | | | | | | |
| Eliminate State Council on the Arts | | | 20GovAmdTOT | Dec | -2,768.5 | -578.5 | -109.3 | -555.4 | -16.5 | -30.0 | -1,478.8 | 0.0 | -5 |
| Delete funding for the Alaska State Council on the Arts (ASCA) for the purposes of outsourcing or privatizing the agency. ASCA is a public corporation housed within the Department of Education & Early Development. The ASCA fosters the development of the arts for all Alaskans through education, partnerships, grants, and services and maintains existing partnerships with the Rasmuson Foundation and Margaret A. Cargill Foundation (MACF). | | | | | | | | | | | | | |
| 1002 Fed Rcpts (Fed) | | | -806.3 | | | | | | | | | | |
| 1003 GF/Match (UGF) | | | -692.8 | | | | | | | | | | |
| 1005 GF/Prgm (DGF) | | | -10.9 | | | | | | | | | | |
| 1007 I/A Rcpts (Other) | | | -7.0 | | | | | | | | | | |
| 1108 Stat Desig (Other) | | | -1,221.5 | | | | | | | | | | |
| 1145 AIPP Fund (Other) | | | -30.0 | | | | | | | | | | |
| * Allocation Difference * | | | -2,768.5 | -578.5 | -109.3 | -555.4 | -16.5 | -30.0 | -1,478.8 | 0.0 | -5 | 0 | 0 |
| ** Appropriation Difference ** | | | -2,768.5 | -578.5 | -109.3 | -555.4 | -16.5 | -30.0 | -1,478.8 | 0.0 | -5 | 0 | 0 |
| Commissions and Boards | | | | | | | | | | | | | |
| Professional Teaching Practices Commission | | | | | | | | | | | | | |
| Executive Branch 50% Travel Reduction | | | 20GovAmdTOT | Dec | -6.1 | 0.0 | -6.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 |
| 50% executive branch travel reduction based on actual costs of travel in FY2018. Exceptions were made to travel essential to public safety, health, and disaster management. | | | | | | | | | | | | | |
| 1005 GF/Prgm (DGF) | | | -6.1 | | | | | | | | | | |
| * Allocation Difference * | | | -6.1 | 0.0 | -6.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| ** Appropriation Difference ** | | | -6.1 | 0.0 | -6.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |

2019 Legislature - Operating Budget
Transaction Compare - Governor Amend Structure
Between 20Adj Base and 20GovAmdTOT

Numbers and Language
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 |
|---|-------------|---------------|----------------------|----------------------|--------|----------|-------------|-------------------|----------|------|-----|-----|-----|
| Mt. Edgecumbe Boarding School | | | | | | | | | | | | | |
| Mt. Edgecumbe Boarding School | | | | | | | | | | | | | |
| Executive Branch 50% Travel Reduction | 20GovAmdTOT | Dec | -64.4 | 0.0 | -64.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 50% executive branch travel reduction based on actual costs of travel in FY2018. Exceptions were made to travel essential to public safety, health, and disaster management. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | -31.7 | | | | | | | | | | |
| 1005 GF/Prgm (DGF) | | | -2.2 | | | | | | | | | | |
| 1007 I/A Rcpts (Other) | | | -30.5 | | | | | | | | | | |
| Replace Public School Trust Fund with General Fund | 20GovAmdTOT | FndChg | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| A funding source change within the Mt. Edgecumbe High School (MEHS) component from the Public School Trust Fund (PSTF) to General Fund is requested so the full amount available from the PSTF as reported by the Department of Revenue resides entirely within the Foundation Program component. This allows for transparency of funding and efficient fund source tracking. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | 4,662.6 | | | | | | | | | | |
| 1066 Pub School (Other) | | | -4,662.6 | | | | | | | | | | |
| * Allocation Difference * | | | -64.4 | 0.0 | -64.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| Mt. Edgecumbe Boarding School Facilities Maintenance | | | | | | | | | | | | | |
| Eliminate all General Fund Program Receipt Authorization for Mt. Edgecumbe High School Aquatic Center | 20GovAmdTOT | Dec | -250.0 | 0.0 | 0.0 | -250.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| Delete general fund program receipt authorization for the Mt. Edgecumbe High School Aquatic Center (MEHS AC). Since it is the Governor's intent to sell or transfer the MEHS AC, these general fund program receipts are no longer required. | | | | | | | | | | | | | |
| 1005 GF/Prgm (DGF) | | | -250.0 | | | | | | | | | | |
| * Allocation Difference * | | | -250.0 | 0.0 | 0.0 | -250.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| ** Appropriation Difference ** | | | -314.4 | 0.0 | -64.4 | -250.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| Alaska State Libraries, Archives and Museums | | | | | | | | | | | | | |
| Library Operations | | | | | | | | | | | | | |
| Fund Source Replace Alaska Higher Education Investment Fund with General Fund | 20GovAmdTOT | FndChg | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| A funding source change within the Library Operations component / School Broadband Access grant program from the Alaska Higher Education Investment Fund (AHEIF) to General Fund is requested to remove obligation from the AHEIF. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | 2,581.4 | | | | | | | | | | |
| 1226 High Ed (DGF) | | | -2,581.4 | | | | | | | | | | |
| School Broadband Access Grants Reduction | 20GovAmdTOT | Dec | -1,093.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -1,093.9 | 0.0 | 0 | 0 | 0 |
| The amount allocated for School Broadband Access Grants (School BAG) in the FY2020 Governor's budget is \$2,581.4. Based on actual applications received and awarded during FY2019, the appropriated amount is more than the program actually needs to fully fund eligible schools. | | | | | | | | | | | | | |
| This reduction will not impact State Library operations, libraries or library patrons across Alaska, nor will it impact schools, students, or teachers. This reduction in FY2020 will bring School BAG funding in line with the actual cost | | | | | | | | | | | | | |

2019 Legislature - Operating Budget
Transaction Compare - Governor Amend Structure
Between 20Adj Base and 20GovAmdTOT

Numbers and Language
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 |
|---|-------------|---------------|----------------------|----------------------|--------|----------|-------------|-------------------|----------|------|-----|-----|-----|
| Alaska State Libraries, Archives and Museums (continued) | | | | | | | | | | | | | |
| Library Operations (continued) | | | | | | | | | | | | | |
| School Broadband Access Grants Reduction (continued) of providing this internet subsidy to schools. | | | | | | | | | | | | | |
| The School BAG program helps schools across the state bring their broadband speeds up to 10 mbps so that students and teachers have adequate access to resources and programs available on the internet. Schools that were at less than 10 mbps in November 2014 have had their internet bills frozen since that benchmark month. E-rate covers 70-90% of each school district's internet bills, the school districts pay for internet at the frozen 2014 rates, while School BAG covers the remaining cost of bringing the schools within each district up to 10 mbps. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | -1,093.9 | | | | | | | | | | | | |
| Executive Branch 50% Travel Reduction | 20GovAmdTOT | Dec | -13.7 | 0.0 | -13.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 50% executive branch travel reduction based on actual costs of travel in FY2018. Exceptions were made to travel essential to public safety, health, and disaster management. | | | | | | | | | | | | | |
| 1002 Fed Rcpts (Fed) | -6.4 | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | -6.9 | | | | | | | | | | | | |
| 1005 GF/Prgm (DGF) | -0.4 | | | | | | | | | | | | |
| * Allocation Difference * | | | -1,107.6 | 0.0 | -13.7 | 0.0 | 0.0 | 0.0 | -1,093.9 | 0.0 | 0 | 0 | 0 |
| Archives | | | | | | | | | | | | | |
| Executive Branch 50% Travel Reduction | 20GovAmdTOT | Dec | -0.5 | 0.0 | -0.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 50% executive branch travel reduction based on actual costs of travel in FY2018. Exceptions were made to travel essential to public safety, health, and disaster management. | | | | | | | | | | | | | |
| 1002 Fed Rcpts (Fed) | -0.5 | | | | | | | | | | | | |
| * Allocation Difference * | | | -0.5 | 0.0 | -0.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| Museum Operations | | | | | | | | | | | | | |
| Executive Branch 50% Travel Reduction | 20GovAmdTOT | Dec | -3.0 | 0.0 | -3.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 50% executive branch travel reduction based on actual costs of travel in FY2018. Exceptions were made to travel essential to public safety, health, and disaster management. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | -0.4 | | | | | | | | | | | | |
| 1005 GF/Prgm (DGF) | -2.6 | | | | | | | | | | | | |
| * Allocation Difference * | | | -3.0 | 0.0 | -3.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| Online with Libraries (OWL) | | | | | | | | | | | | | |
| Delete Funding for Online with Libraries (OWL) Program | 20GovAmdTOT | Dec | -670.9 | -155.7 | 0.0 | -357.2 | 0.0 | 0.0 | -158.0 | 0.0 | -1 | 0 | 0 |
| Delete funding for Online with Libraries (OWL) program. The OWL program has no statutory or regulatory requirements. This reduction is appropriate to maintain the department's most important services and functions, which first serves Alaskan school districts and K-12 students. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | -670.9 | | | | | | | | | | | | |
| * Allocation Difference * | | | -670.9 | -155.7 | 0.0 | -357.2 | 0.0 | 0.0 | -158.0 | 0.0 | -1 | 0 | 0 |

2019 Legislature - Operating Budget
Transaction Compare - Governor Amend Structure
Between 20Adj Base and 20GovAmdTOT

Numbers and Language
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 |
|---|-------------|---------------|----------------------|----------------------|--------|----------|-------------|-------------------|----------|------|-----|-----|-----|
| Alaska State Libraries, Archives and Museums (continued) | | | | | | | | | | | | | |
| Live Homework Help | | | | | | | | | | | | | |
| Fund Source Replace Alaska Higher Education | 20GovAmdTOT | FndChg | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| Investment Fund with General Fund | | | | | | | | | | | | | |
| A funding source change within the Live Homework Help component from the Alaska Higher Education Investment Fund (AHEIF) to the General Fund is requested to remove obligation from the AHEIF. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | 138.2 | | | | | | | | | | |
| 1226 High Ed (DGF) | | | -138.2 | | | | | | | | | | |
| Delete Funding for Live Homework Help | 20GovAmdTOT | Dec | -138.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -138.2 | 0.0 | 0 | 0 | 0 |
| Delete funding for Live Homework Help component. There are no statutory or regulatory requirements for this program. This reduction is appropriate to maintain the department's most important services and functions, which first serves Alaskan school districts and K-12 students. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | -138.2 | | | | | | | | | | |
| * Allocation Difference * | | | -138.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -138.2 | 0.0 | 0 | 0 | 0 |
| ** Appropriation Difference ** | | | -1,920.2 | -155.7 | -17.2 | -357.2 | 0.0 | 0.0 | -1,390.1 | 0.0 | -1 | 0 | 0 |
| Alaska Commission on Postsecondary Education | | | | | | | | | | | | | |
| Program Administration & Operations | | | | | | | | | | | | | |
| Executive Branch 50% Travel Reduction | 20GovAmdTOT | Dec | -27.6 | 0.0 | -27.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 50% executive branch travel reduction based on actual costs of travel in FY2018. Exceptions were made to travel essential to public safety, health, and disaster management. | | | | | | | | | | | | | |
| 1007 I/A Rcpts (Other) | | | -27.6 | | | | | | | | | | |
| Fund Source Replace Alaska Higher Education | 20GovAmdTOT | FndChg | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| Investment Fund with General Fund | | | | | | | | | | | | | |
| A funding source change within the Program Administration and Operations component from the Alaska Higher Education Investment Fund (AHEIF) to the General Fund is requested to remove obligation from the AHEIF. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | 5,957.8 | | | | | | | | | | |
| 1226 High Ed (DGF) | | | -5,957.8 | | | | | | | | | | |
| * Allocation Difference * | | | -27.6 | 0.0 | -27.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| WWAMI Medical Education | | | | | | | | | | | | | |
| Eliminate the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) Medical Education Program | 20GovAmdTOT | Dec | -3,096.4 | 0.0 | 0.0 | -3,096.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| WWAMI provides medical education to 20 new Alaska students each year, delivered at the University of Alaska Anchorage via the University of Washington, School of Medicine. WWAMI participants receive loans for a portion of state-paid support costs. Graduates who practice medicine in Alaska may qualify for loan forgiveness (after three years if employed in rural areas of the state and after five years in non-rural areas). About 55 percent of WWAMI borrowers are licensed physicians practicing medicine in Alaska. From calendar year 2014 through calendar year 2018, the percent of graduates practicing in Alaska has decreased from 84% to 61%. | | | | | | | | | | | | | |
| 1226 High Ed (DGF) | | | -3,096.4 | | | | | | | | | | |
| * Allocation Difference * | | | -3,096.4 | 0.0 | 0.0 | -3,096.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| ** Appropriation Difference ** | | | -3,124.0 | 0.0 | -27.6 | -3,096.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |

**2019 Legislature - Operating Budget
Transaction Compare - Governor Amend Structure
Between 20Adj Base and 20GovAmdTOT**

| |
|--|
| Numbers and Language Differences Agencies: Educ |
|--|

Agency: Department of Education and Early Development

| | <u>Column</u> | <u>Trans Type</u> | <u>Total Expenditure</u> | <u>Personal Services</u> | <u>Travel</u> | <u>Services</u> | <u>Commodities</u> | <u>Capital Outlay</u> | <u>Grants</u> | <u>Misc</u> | <u>PFT</u> | <u>PPT</u> | <u>TMP</u> |
|---|---------------|-----------------------|------------------------------|------------------------------|---------------|-----------------|--------------------|---------------------------|---------------|-------------|------------|------------|------------|
| Alaska Performance Scholarship Awards | | | | | | | | | | | | | |
| Alaska Performance Scholarship Awards | | | | | | | | | | | | | |
| Replace Alaska Higher Education Investment Fund with General Fund | 20GovAmdTOT | FndChg | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| A funding source change within the Alaska Performance Scholarship Awards component from the Alaska Higher Education Investment Fund (AHEIF) to the General Fund is requested to remove obligation from the AHEIF. | | | | | | | | | | | | | |
| 1004 Gen Fund (UGF) | | | 11,750.0 | | | | | | | | | | |
| 1226 High Ed (DGF) | | | -11,750.0 | | | | | | | | | | |
| * Allocation Difference * | | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| ** Appropriation Difference ** | | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| *** Agency Difference *** | | | -323,195.7 | -734.2 | -462.3 | -3,865.0 | -16.5 | -30.0 | -318,001.4 | -86.3 | -6 | 0 | 0 |
| **** All Agencies Difference **** | | | -323,195.7 | -734.2 | -462.3 | -3,865.0 | -16.5 | -30.0 | -318,001.4 | -86.3 | -6 | 0 | 0 |

Column Definitions

20Adj Base (FY20 Adjusted Base) - FY19 Management Plan less one-time items, plus FY20 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 FY20 budget; it is the base to which the Governor's and the Legislature's increments, decrements, and fund changes are added.

20GovAmdTOT (20GovAmdTOTAL) - Governor's February 13th budget plus all other Governor's FY20 requests. [2020 20GovAmd+2020 G OtherOp]

Alaska Department of Education & Early Development
Department Program Summary
February 25, 2019

| Allocation and/or Program | FY2020 Governor Amended Funding | # of Employees | # - Budgeted PFT Positions/# of Filled PFT | # - Budgeted PPT Positions/# of Filled PPT | # - Budgeted NP Positions/# of Filled NP | # of Alaskans Served | % Cost Through Fees | Rating of Importance to Mission | Assessment of Effectiveness | Constitution Requirement | Federally Required | Required by Statute |
|--------------------------------|---|----------------|--|--|--|--|---------------------|---------------------------------|-----------------------------|--------------------------|--------------------|---|
| Foundation Program | \$942,446.7: \$878,955.7 UGF; \$16,500.0 DGF; \$20,791.0 Fed; \$26,200.0 Other | 0 | 0 | 0 | 0 | 150,000 + (students, teachers, district staff) | 0% | Critical | A | Yes | Yes | Yes: AS 14.17 |
| Pupil Transportation | \$77,214.6 UGF | 0 | 0 | 0 | 0 | 114,611 | 0% | Critical | A | No | Yes | Yes: AS 14.09 |
| Additional Foundation Funding | \$300.0 Other | 0 | 0 | 0 | 0 | 150,000 + (students, teachers, district staff) | 0% | Critical | A | Yes | Yes | Yes: AS 14.17 |
| Boarding Home Grants | \$7,453.2 UGF | 0 | 0 | 0 | 0 | 447 | 0% | Critical | A | Yes | Yes | Yes: AS 14.16.200; 14.07.030(a) |
| Youth in Detention | \$1,100.0 UGF | 0 | 0 | 0 | 0 | 360 | 0% | Critical | A | Yes | Yes | Yes: AS 14.07.020 |
| Special Schools | \$3,540.9 UGF | 0 | 0 | 0 | 0 | ~720 | 0% | Critical | A | Yes | Yes | Yes: AS 14.30.600- 660 |
| Executive Administration | \$848.3: \$825.9 UGF; \$22.4 Other | 5 | 5 / 5 | 0 | 0 | 150,000 + (students, teachers, district staff) | 0% | Critical | A | Yes | No | Yes: AS 14.07.145; 44.27.010-020 |
| Administrative Services | \$1,777.8: \$940.6 UGF; \$145.0 Fed; \$692.2 Other | 12 | 12/12 | 0 | 0 | 150,000 + (students, teachers, district staff) | 0% | Important | A | No | No | Yes: AS 14; 23; 37; 39; 28.05.104 |
| Information Services | \$1,011.7: \$375.5 UGF; \$636.2 Other | 3 | 3 / 3 | 0 | 0 | 150,000 + (students, teachers, district staff) | 0% | Important | A | No | No | Yes: AS 14.07.010- 030 |
| School Finance and Facilities | \$2,290.1: \$1,389.8 UGF; \$900.3 Other | 10 | 10 / 10 | 0 | 0 | 150,000 + (students, teachers, district staff) | 0% | Important | A | No | No | Yes: AS 14.03.140- 150; 14.07; 14.08; 14.11; 14.17; 14.50; 37.15.011; 43.50.140 |
| Child Nutrition Services | \$76,949.5: \$88.9 UGF; \$76,860.6 Fed | 10 | 10 / 10 | 0 | 0 | 88,095 | 0% | Critical | A | No | Yes | Yes: AS 14.50.010- 080 |
| Student and School Achievement | \$158,680.5: \$6,305.4 UGF; \$499.5 DGF; \$150,632.0 Fed; \$1,243.6 Other | 44 | 44 / 35 | 0 | 0 | 150,000 + (students, teachers, district staff) | 0% | Critical | B | Yes | Yes | Yes: AS 14.30; 14.35.010-030; 14.50.080 |
| State System of Support | \$1,798.8 UGF | 4 | 4 / 4 | 0 | 0 | 1,144 | 0% | Critical | B | No | No | Yes: AS 14.03.015; 14.03.123; 14.07.020 |
| Teacher Certification | \$917.8 DGF | 6 | 6 / 6 | 0 | 0 | 16,653 | 100% | Critical | A | Yes | No | Yes: AS 12.62.160; 14.20.010-040 |
| Early Learning Coordination | \$756.8: \$637.2 UGF; \$119.6 Fed | 2 | 2 / 2 | 0 | 0 | 22,736 | 0% | Critical | A | No | Yes | Yes: AS 14.50.010- 080; 14.38.010; 14.07.020 |

| Allocation and/or Program | FY2020 Governor Amended Funding | # of Employees | # - Budgeted PFT Positions/# of Filled PFT | # - Budgeted PPT Positions/# of Filled PPT | # - Budgeted NP Positions/# of Filled NP | # of Alaskans Served | % Cost Through Fees | Rating of Importance to Mission | Assessment of Effectiveness | Constitution Requirement | Federally Required | Required by Statute |
|--|--|----------------|--|--|--|---|---------------------|---------------------------------|-----------------------------|--------------------------|-----------------------------|---|
| Pre-Kindergarten Grants | \$0.0 | 0 | 0 | 0 | 0 | 351 | 0% | Critical | B | No | No | Yes: AS 14.07.020(8) |
| Alaska State Council on the Arts | \$0.0 | 0 | 0 / 5 | 0 | 0 | Between 500,000 and 715,000 | 0% | Beneficial | A | No | Yes | Yes: AS 44.27.040-060; 35.27.010-030; 45.65.010-070 |
| Professional Teaching Practices Commission | \$252.7 DGF | 1 | 1 / 1 | 0 | 0 | ~8,000 employed certified educators in Alaska ~16,000 certificate holders, over whom PTPC has jurisdiction | 100% | Critical | B | No | No | Yes: AS 14.20.030; 14.20.370-510; 44.62 |
| Mt. Edgecumbe Boarding School | \$11,366.3: \$4,633.2 UGF; \$55.2 DGF; \$250.0 Fed; \$6,427.9 Other | 52 | 41 / 39 | 11 / 11 | 0 | ~425 | 0% | Critical | A | Yes | Yes | Yes: AS 14.16.010-080; 14.17.440 |
| Mt. Edgecumbe Boarding School Facilities Maintenance | \$1,192.7 Other | 0 | 0 | 0 | 0 | ~425 | 0% | Important | A | No | No | Yes: AS 14.07.020; 44.27.020; 37.07.020 |
| EED State Facilities Rent | \$1,068.2 UGF | 0 | 0 | 0 | 0 | 0 | 0% | Important | A | No | No | Yes: AS 37.05.570 |
| Library Operations | \$7,336.7: \$5,721.4 UGF; \$62.6 DGF; \$1,294.4 Fed; \$258.3 Other | 26 | 25 / 23 | 0 | 1 / 1 | 634,110 | 0% | Important | B | No | No | Yes: |
| Archives | \$1,287.9: \$1,087.8 UGF; \$39.5 Fed; \$160.6 Other | 10 | 10 / 10 | 0 | 0 | 81,597 | 9% | Important | A | No | No | Yes: AS 40.21 |
| Museum Operations | \$1,737.5: \$1,168.3 UGF; \$509.2 DGF; \$60.0 Fed | 16 | 13 / 13 | 3 / 2 | 0 | 131,892 | 5% | Important | B | No | No | Yes: AS 14.57 |
| Online With Libraries | \$0.0 | 0 | 0 / 1 | 0 | 0 | 38,036 | 0% | Beneficial | A | No | No | No |
| Live Homework Help | \$0.0 | 0 | 0 | 0 | 0 | 16,377 | 0% | Beneficial | A | No | No | No |
| Andrew P. Kashevaroff Facilities Maintenance | \$1,030.0 UGF | 0 | 0 | 0 | 0 | 12,037 | 0% | Important | A | No | No | Yes: AS 37.05.570 |
| Program Administration and Operations | \$17,873.9: \$5,957.8 UGF; \$50.9 DGF; \$11,865.2 Other | 81 | 80 / 74 | 0 | 1 / 1 | All Alaska high school and post-secondary students (varies by program) | 0.28% | Important | A | No | Institutional Authorization | Yes: AS 14.42; 14.43; 14.44; 14.48 |
| WWAMI Medical Education | \$0.0 | 0 | 0 | 0 | 0 | 319 (since 2000) | 0% | Important | A | No | No | Yes: AS 14.43.033 |
| Alaska Performance Scholarship Awards | \$11,750.0 UGF | 0 | 0 | 0 | 0 | 18,091 | 0% | Important | A | No | No | Yes: AS 14.43.810 |

| Allocation and/or Program | FY2020 Governor Amended Funding | # of Employees | # - Budgeted PFT Positons/# of Filled PFT | # - Budgeted PPT Positions/# of Filled PPT | # - Budgeted NP Positions/# of Filled NP | # of Alaskans Served | % Cost Through Fees | Rating of Importance to Mission | Assessment of Effectiveness | Constitution Requirement | Federally Required | Required by Statute |
|---------------------------|---------------------------------|----------------|---|--|--|------------------------|---------------------|---------------------------------|-----------------------------|--------------------------|--------------------|----------------------|
| Loan Servicing | \$11,742.8 Other | 0 | 0 | 0 | 0 | 15,800 (est borrowers) | 0% | Critical | A | No | No | Yes: AS 14.42; 14.43 |

OFFICE OF GOVERNOR BILL WALKER

FY2019 Budget Overview and 10-Year Plan

Office of Management and Budget
December 15, 2017

A Vision for Alaska's Future

The Walker-Mallott administration is releasing a budget for fiscal year 2019 that is designed to rebuild confidence in Alaska and invest in our economy, bolster public safety, and work toward a fiscal plan that protects the opportunities of future Alaskans.

Although we have struggled in recent years to balance the state's budget, we have the resources – natural, financial, and most importantly, human – to get through this rough patch and grow Alaska. Alaska is in a recession now, but our economy is the sum of individual decisions made by businesses and families based on how they feel about the state's future. We must do what we can to bring stability and confidence to Alaska's economy, safety to Alaska's communities, and address long-term public liabilities and deferred maintenance.

Public safety is a critical priority in this budget. If Alaskans don't feel safe in their communities, they won't live, work or invest in them. That's why we are including investments in public safety resources in the budget to tackle crime and address the opioid and drug trafficking epidemic.

Stable funding for education is another vital element in the budget. This is an investment in a critical aspect of our economy – the future workforce. Safe streets and good schools build strong communities that make families willing to ride out tough times. Protecting these foundational public services creates opportunities for entrepreneurial Alaskans to invest, create private sector jobs, and grow our economy.

Balancing Alaska's need for essential public services against a multi-year fiscal deficit means we need to run a smarter, leaner state government. The Walker-Mallott administration is continuing to generate government efficiencies through consolidation and reform. State agency operating costs have already been cut \$498 million between FY2015 and FY2018, and the state workforce has shrunk by 2,800 employees between 2014 and 2017. The FY2019 budget continues to reduce the state government workforce and no employees are receiving cost-of-living salary increases. Additionally, the administration is aggressively targeting health care costs in the state budget.

Alaska has the highest unemployment rate in the nation, and we need to get Alaskans back to work building Alaska. The construction industry has been one of the hardest hit during this recession – nearly one in five construction jobs in Alaska has disappeared over the past three years. The budget includes capital construction projects designed to get work started now – not in a decade after years of studies. The deferred maintenance projects proposed in the Alaska Economic Recovery Act aren't simply make-work projects that will increase the state's future costs. In fact, investing in deferred maintenance reduces future liability and conveys that the state is willing to take care of its own assets – without growing the size of government.

Our plan for working toward fiscal stability asks Alaskans to participate as co-investors in the effort by contributing through a limited payroll deduction tax that sunsets in three years. The proceeds from this tax will be used to fund the capital construction projects that will put Alaskans back to work now, and once Alaska's economy is growing and the tax is no longer necessary, it will go away.

Alaska must plan for a future with a smaller, more efficient state government that maintains a basic level of essential services and infrastructure that enable the economy to grow and prosper. This plan ensures we have the right tools to build a **Stronger, Safer, and Smarter** Alaska.

Details for the fiscal year 2019 budget and the ten-year fiscal plan required under AS 37.07.020(b)(2) follow.

[Click here to move to the 2019 budget summary](#)

Stronger Alaska

Alaska Economic Recovery Plan

The Alaska Economic Recovery Plan will put Alaskans to work, address state and communities' growing deferred maintenance liability, and provide confidence to Alaska businesses and investors. The Governor's deferred maintenance capital package will inject \$1.4 billion of economic activity in construction projects throughout the state.

The Alaska Economic Recovery Plan is comprised of three elements described in more detail throughout this document: 1) the limited payroll deduction tax, 2) the Alaska Economic Recovery Act, and 3) the oil and gas tax credit certificates bond financing program.

The limited payroll deduction tax is a three-year 1.5 percent tax on wages and self-employment earnings. The tax will generate revenue from residents and non-resident workers. The maximum tax is capped at twice the amount of the dividend and will sunset in 2021. This revenue will be used to fund the Alaska Economic Recovery Act, legislation to provide \$800 million for deferred maintenance work in 60 communities across the state over three years. This investment is contingent upon passage of the payroll tax.

The Alaska Economic Recovery Act, submitted to the legislature, includes appropriations totaling \$280 million in fiscal year 2019. It will be followed with appropriation bills of \$270 million and \$250 million for fiscal years 2020 and 2021, respectively. Over that same period, the estimated revenue from the payroll tax will total \$800 million, sufficient to fund the capital projects. This funding will leverage federal and local monies on top of state funds, amounting to a total of \$1.4 billion in economic activity.

This investment will address the University, K-12, and state facility deferred maintenance liability. It also provides funding for deferred maintenance in communities, including a match for the Port of Anchorage, and continues the harbor matching grants, bulk fuel tank and weatherization programs.

The focus on deferred maintenance projects is designed to get work started now – not in a decade after years of studies. The deferred maintenance projects proposed in the Alaska Economic Recovery Act aren't simply make-work projects that will increase the state's future costs. In fact, investing in deferred maintenance reduces future liability and conveys that the state is willing to take care of its own assets.

The Walker-Mallott administration takes immense pride in Alaska having one of the best trained construction workforce in the country. By putting these skilled individuals to work now, they will stay in Alaska and be ready for even bigger construction projects. With renewed certainty in the economy and a trained workforce up to the task, Alaska will be ready for future development, such as the Alaska Liquefied Natural Gas Project, development of the Arctic National Wildlife Refuge (ANWR) '1002' region, and other promising opportunities on the horizon.

Oil and Gas Credits

To encourage exploration and development on the North Slope, and in preparation for the opening of promising fields such as the Arctic National Wildlife Refuge (ANWR) '1002' region and National Petroleum Reserve-Alaska (NPR-A), Governor Walker plans to use a debt-financing mechanism to pay off oil and gas exploration tax credits more quickly than if we only made the statutory formula payment to the industry.

Oil companies in Alaska today are asset-rich but cash-poor. Smaller oil companies are sitting on billions of dollars in untapped potential. Paying off these credits sooner gives oil companies the capital necessary to make strategic investments that bring new fields online, create jobs, and buoy the state general fund with royalty and tax money to support government services.

Thanks to the legislature preventing the state from assuming additional future credit liability with last year's passage of HB 111, and the promising development opportunities on the horizon, the administration wants to give the oil industry the certainty that they need to invest in future petroleum development. For many credit holders, the delay in payment has limited their ability to obtain financing for viable oil exploration and development projects. To reduce uncertainty, restore confidence and put Alaskans back to work, the administration proposes to buy back all credits at a modest discount.

The state will finance this early, discounted buy-back by selling bonds. The debt financing cost over the lifetime of the debt will be offset by the discount taken by oil companies who are eager to receive their cash now, rather than on the schedule set by statutory formula. This makes the plan deficit-neutral, and it allows the state to make smaller debt payments up-front – a good thing during a budget deficit.

[Click Here for More information](#)

Alaska Liquefied Natural Gas Pipeline

A gasline will bring much needed economic development to the state, generating over 12,000 jobs for Alaskans, and circulating \$2 billion in the state economy each year. Completing the liquefied natural gas pipeline project to ensure the earliest possible new revenue stream is a critical investment in Alaska's future fiscal health.

With buy-in at the highest level, including the support of the Presidents of the U.S. and China, the Alaska LNG project is progressing forward. What makes this effort so promising is that, for the first

time ever, Alaska has a customer. China is already Alaska's top trade partner for seafood, minerals, timber, and energy. In just a few short years, China will be the largest consumer of natural gas in the world, and they'll be buying from Alaska.

Financing structures are beginning to emerge as well. The Bank of China is developing a framework for lending the state funds for construction of the pipeline. This is the fourth largest bank in the world with a proven track record of financing LNG projects all over the world. The fiscal year 2019 budget for Alaska Gasline Development Corporation includes authority to accept funds from third party investors, but requires no additional state funding.

A key priority for the administration is ensuring that natural gas is available to Alaskans, first and foremost. Gas will be sold all over the world, but Alaska residents will get the gas first and remain majority owners of the pipeline.

Maximizing Natural Resource Development Opportunities

The horizon holds many exciting opportunities for developing Alaska's natural resources that will create jobs, grow Alaska's economy, and generate additional state revenue. The Department of Natural Resource's oil production forecast incorporates many of these prospect fields, including Pikka, Nuna, Mustang, Greater Mooses Tooth, Willow, Moose Pat, Moraine and Liberty, on a risk-weighted basis. The "high case" production forecast is meant to capture this upside potential in oil development, representing an additional 150 million barrels of production over the next ten years, raising our production throughput in ten years by 100,000 barrels per day over current estimates, and producing \$100 million more revenue annually at current price estimates. Additionally, excitement over recent discoveries is encouraging further exploration, which is likely to result in even more discoveries over the next several years.

The likelihood of an ANWR '1002' area lease sale has increased dramatically over the past few months as Congress has acted favorably toward this option. The ANWR '1002' area is estimated to hold billions of barrels of oil and, once developed, has the potential to contribute hundreds of thousands of barrels of oil per day to pipeline throughput. For reference, current base revenue estimates in the out-years assume 500,000 barrels of oil per day. Under the current federal proposal, half of the federal receipts from these '1002' lease sales would accrue to the state.

The mining sector is another place for optimism. Alaska is rich with valuable minerals; specifically, over a trillion dollars' worth of gold, copper and zinc, plus significant amounts of rare earth minerals. Advancing prospects such as Donlin Gold and Livengood will reach production in the next decade, creating thousands of good jobs for Alaskans and as much as \$100 million in annual revenues to the state.

Safer Alaska

Public safety is a critical priority in this budget. If Alaskans don't feel safe in their communities, they won't live, work or invest in them. That's why the budget includes investments in public safety resources in the budget to tackle crime and address the opioid and drug trafficking epidemic. Public safety is a core function of government and needs to be swiftly addressed. That's why the fiscal year 2019 budget contains funding increases for public safety.

Since 2011, crime has been steadily increasing across Alaska. Crime statistics from 2016, the most recent year available, starkly highlight the gravity of the ongoing public safety problem. To address these trends, Governor Walker tasked the state's public safety agencies with evaluating the rise in crime and developing a Public Safety Action Plan. The plan focuses efforts on improving outcomes in the criminal justice system, identifying public safety resource needs, improving access to mental health and substance abuse treatment, and addressing the opioid and drug trafficking epidemic. With current budgets and staffing, the public safety agencies can only be reactive, not proactive. To combat the root causes of the rise in crime, the state must build-up its public safety resources and continue to enhance both federal and local public safety partnerships, especially in rural Alaska.

This budget funds the Public Safety Action Plan and other public safety initiatives with \$34 million in fiscal year 2019 to shore up critical public safety resources and build Alaska's substance abuse treatment capacity. Rural law enforcement is a priority in the plan, and this budget calls for \$3 million in funding for enhanced trooper and prosecutor presence in rural Alaska. Crime statistics are going up, and although everyone in the state is feeling it, trends noted by the Department of Law show that rural Alaska has been hit particularly hard at a time when the number of sworn officers per capita is at a ten-year low. Anchorage has also been hit hard, with a record number of homicides in 2017. That is why the budget also proposes adding two prosecutors to the Anchorage office.

Beyond its rural outreach initiatives, the Department of Public Safety is establishing a crime reporting unit that will streamline the crime reporting process, make better use of trooper resources, and serve as a data-sharing hub for law enforcement agencies across the state to enhance interagency communication and coordination. Better crime data and analytics capacity will lead to better outcomes across the criminal justice and public safety systems – helping law enforcement become more proactive in combatting crime.

Finally, the opioid epidemic requires acute intervention from both public health and public safety agencies. This budget continues to fund a four-year \$18 million grant program for expanding substance use disorder treatment capacity at the community level. This initiative aims to take another step in building out a comprehensive continuum of care for substance abuse treatment services, including outpatient services, intensive case management, residential treatment, medically-monitored sobering centers, Medication Assisted Treatment (MAT), withdrawal management (detoxification) services and recovery support. Additionally, a prosecutor has been added in Anchorage to lead and coordinate statewide drug prosecution efforts. Because of the urgency of the

opioid crisis, the new statewide prosecutor was established this year, which took resources away from other types of prosecutors. To continue these statewide drug prosecution efforts, a new position in the Anchorage area is funded in the fiscal year 2019 budget.

Public safety is a critical budget priority and will remain an area of investment in future years, particularly as the opioid epidemic spreads. The Public Safety Action Plan initiatives and other public safety funding will provide a solid foundation to building a safer and stronger Alaska.

| Criminal Justice and Public Safety Spending Plan (\$ thousands) | | | |
|--|---------------------------|---------------|----------------|
| | FY2019 | FY2020 | FY20201 |
| Department of Public Safety | \$3,650.6 | \$2,500.0 | \$2,500.0 |
| Department of Law | \$1,163.2 | \$500.0 | \$500.0 |
| Department of Corrections | \$10,447.6 | \$8,000.0 | \$8,000.0 |
| Department of Health and Social Services | \$18,000.0* | \$10,000.0 | \$5,000.0 |
| | <i>*FY18 supplemental</i> | | |
| Department of Administration | \$453.5 | - | - |

Health Care

The Walker-Mallott administration is aggressively pursuing strategies to reign in health care cost growth in the state budget while ensuring state employees and public assistance beneficiaries have appropriate access to quality care. Health care spending has been one of the largest and fastest growing areas in the state budget, and cost containment efforts continue to ensure that the rising costs of health care don't displace other spending priorities.

AlaskaCare Initiatives

The AlaskaCare employee plan realized significant savings in 2017 by modestly increasing employee premiums, adjusting plan benefits and pursuing greater provider discounts. State contributions to employee health plans will remain flat in calendar year 2018 because of these changes. Further cost saving measures are slated for the 2018 plan year, continuing downward pressure on employee health costs.

The AlaskaCare retiree plan will implement the Medicare Part-D Employer Group Waiver at the beginning of the 2019 plan year, which increases the Medicare subsidy to the retiree health plan for prescription drug coverage. This change is estimated to result in significant savings to not only the retiree health trust, but also to the state payment to PERS/TRS retirement accounts. Preliminary estimates indicate that these savings will amount to \$25.5 million in fiscal year 2019 and up to \$51 million in subsequent years.

| Potential Health Care Budget Cost Avoidance Projections (millions) | | | |
|--|------------|------------|------------|
| | FY2019 | FY2020 | FY2021 |
| Baseline State Health Care Budget Projection (current trend 5.2%) | \$ 1,414.0 | \$ 1,487.0 | \$ 1,565.0 |
| | | | |
| Sustainable State Health Care Budget Projection (inflation 2.25%) | \$ 1,414.0 | \$ 1,445.8 | \$ 1,478.3 |
| Savings needed (sustainable - current): | | \$ (41.2) | \$ (86.7) |
| | | | |
| Cost avoidance strategies | | | |
| Implement EGWP CY2019 | \$ (20.0) | \$ (50.0) | \$ (50.0) |
| Health Care Authority savings | | \$ (10.0) | \$ (20.0) |
| Medicaid enrollment declines as economy recovers | | | \$ (10.0) |

Medicaid

Alaska's Medicaid program provides essential health coverage to low- and moderate-income Alaskans. With nearly 200,000 lives covered by the program, Medicaid is the biggest health plan in Alaska and a critical element of the state's health care system. Medicaid is also one of the largest components of the state budget; a trend that is common across all states.

Medicaid enrollment has grown substantially in recent years driven by two concurrent and equally significant factors: Medicaid expansion, which broadened eligibility requirements for adults; and Alaska's statewide recession, which heightened demand for social assistance as families suffer from slow business, reduced work hours and lost jobs. Because the federal government pays for nearly all of services covered by Medicaid expansion, recession-driven growth in the regular, non-expansion Medicaid program has been far costlier to the state treasury.

In 2016, the administration partnered with the legislature to pass extensive reforms to the Medicaid program designed to drive efficiencies, improve program outcomes and reduce the per-enrollee cost of care. Although enrollment growth has driven up total costs for the program, reforms implemented by SB74 and other efficiency measures resulted in over \$100 million in avoided costs in fiscal year 2017. These savings are expected to grow as the Department of Health and Social Services continues to implement reforms, although upward pressure on demand for public assistance will continue as Alaska's economy remains in a recession.

Alaska Reinsurance Program

Alaska's reinsurance program was established in 2016 to bring stability to the state's ailing individual and small-group insurance market. Monthly premiums in the individual market, which were already the highest in the country, were slated to increase more than 40 percent in 2017. The stabilizing impact of the reinsurance program, which the federal government agreed to partially fund, led to an

increase in benchmark premiums by less than 10 percent in 2017 and a reduction of over 20 percent in 2018. While there is much more to be done to address Alaska's high health care costs, the reinsurance program has provided some relief to Alaska families who obtain health coverage on the individual market.

Health Care Authority

The legislature directed the Department of Administration to conduct a series of studies that evaluate the feasibility and estimate the cost savings from establishing a consolidated public employer health care authority. The studies identified that the State of Alaska, school districts and political subdivisions either directly or indirectly fund health benefits for more than 340,000 covered lives at a total cost of over \$2.0 billion. Health benefit coverage for this population is highly fragmented, with over 100 different health plans offered through various bargaining units, employers and Medicaid.

The studies estimated varied levels of savings based on the degree of interruption to the status quo. On the conservative end, savings attained by consolidating health plan management and pooled purchasing for all State of Alaska, school district and political subdivision employees and dependents were estimated to be a 2.4 percent cost reduction from the baseline growth projection in five years. More aggressive interventions resulted in higher savings estimates. A public employer health care authority that pursues reference-based pricing, accelerates health plan tiering and implements value-based benefit plan design is estimated to save up to 7.5 percent in five years compared to baseline projected growth.

The State of Alaska can't afford to ignore an opportunity to reduce health care cost growth in the budget, but setting up a health care authority in Alaska will take time to implement in a way that doesn't unfavorably distort the health care market or harm public employees. The fiscal year 2019 budget includes funding to continue to assess the potential benefits of consolidated health plan management among public employers. This may include AlaskaCare and other public employee plans making an initial, voluntary step toward pooled purchasing of health plan services like third-party plan administration or pharmacy benefits management.

While there is a clear need to contain health care cost growth in the state budget, Governor Walker recognizes the importance of addressing Alaska's health care system holistically. The challenges posed by the prohibitive costs of care aren't faced by the public sector alone – businesses, non-profits and individuals are forced to make tough choices about the risks they're willing to take with their health and finances. This is why the governor's budget includes funding directed toward building a health care system work that works for all Alaskans.

Smarter Alaska

K-12 Education

Alaska's students attend schools in a land of unique opportunity and challenge. Providing an excellent education in Alaska's context requires 53 districts, some of which are larger in land area than many states.

For far too long, Alaska's schools have ranked in the bottom tier of our country in both academic achievement and graduation rate. In 2015, Alaska ranked lower than 41 states in fourth grade reading and lower than 29 states in fourth grade math. In the 2016-2017 school year, the statewide four-year graduation rate for Alaska high schoolers was 78 percent – lower than the national average.

During the past year, over 100 Alaskans met in five communities to rethink our system of public education. Guided by over 1,000 responses to a statewide survey, students, parents, educators, community leaders and legislators worked together to develop a shared vision for a renewed commitment to Alaska's students. These three commitments will guide and inspire the specific strategies and action-plans throughout the system:

- 1) Increase Student Success: Success will be identified using multiple measures as part of a rich and varied curriculum;
- 2) Cultivate Safety and Well-Being: All schools will be safe and nourish student well-being
- 3) Support Responsible and Reflective Learning: Students, families, tribes, educators and communities will participate in educational opportunities

The Walker-Mallott administration embraces the importance of equitable educational opportunities for all students in the state. As a result, the fiscal year 2019 budget supports PreK-12 education and University of Alaska programs to improved academic achievement and create opportunities for Alaska's future workforce. Building on the work of Alaska's Education Challenge, the Department of Education is leading a shared vision for an excellent education every day. The governor's budget also includes funding for pre-elementary school programs to ensure all students are ready for kindergarten and beyond.

The Alaska Economic Recovery Act directs \$70 million to school maintenance projects in fiscal year 2019. Schools across the state will receive funding to ensure that students are educated in safe facilities that are conducive to the learning process.

University of Alaska

Education extends beyond the K-12 system, which is why the fiscal year 2019 budget is also providing support to our university system. Alaska's land-, sea- and space-grant system has the potential to develop Alaska's next great leaders, workers and business owners. Alaska boasts the only arctic university in the United States, and the UA system's three universities with extended

community campuses and learning centers serve nearly 31,000 full- and part-time students. This budget continues to fund UA operations at a sustainable level.

Investing in University of Alaska infrastructure is a key element of the Alaska Economic Recovery Act, which includes \$70 million for deferred maintenance projects at UA campuses and facilities across the state.

Budget Reform and Transparency

Governor Walker is proposing legislation that would make changes to the budget process itself. In the first year of each two-year legislative cycle, two budget bills will be passed – one for each of the next two fiscal years. This process is known as biennial budgeting.

This change is intended to reduce the inefficiency, ineffectiveness, and uncertainty that have plagued the current annual budget process. A biennial budget will ensure that spending bills are passed in a timely fashion and that government employees, teachers, university staff, and other public servants are not given layoff notices every June. The process of planning for potential government shutdowns has an adverse impact to the public and the economy. Agency staff should be focused on serving the public to the best of their ability rather than planning for potential government shutdowns and diverting resources away from their core missions.

Additionally, passing two budgets in a single year frees up time during the second year of a legislative cycle to focus on public policy issues that impact everyday Alaskans such as public safety, health and social services, education, and cost-saving initiatives.

A second element of the budget reform bill delivers an incentive for government leaders to get their work done on time. As part of this bill, the governor won't receive his or her salary or per diem if the budget is not published on December 15th, and legislators will forfeit their per diem and their salary will be withheld for each day they don't pass a budget after the 90th day of session.

The budget reform bill will be accompanied with a budget transparency report to the Alaska legislature outlining significant usage of one-time sources, supplemental funding for future years and other budget strategies to help the public in comparing state spending from year to year.

Shared Services and Other Efficiencies

Although significant reductions have already been made to the budget, it is anticipated that state spending will remain highly constrained into the future. By necessity, the state continues to look for administrative efficiencies and other common-sense reforms to ensure that Alaskans are receiving the best value possible from their government.

Shared Services of Alaska

The Shared Services organization provides back-office administrative functions common to all state agencies. This organization model builds a smarter Alaska by reducing administrative costs,

improving service quality, and enabling the effective delivery of front-line state services. By aggressively looking for savings in administrative functions agencies will have additional resources to focus on their core missions, rather than accounting, payroll, travel, and other side functions that detract from the agencies' core mission.

The Shared Services initiative resulted in a ten percent savings to back-office administrative functions during its first year. An additional ten percent savings will be realized in fiscal year 2019.

Through partnerships with every agency, Shared Services will be focused on delivering a single, standardized approach for processing all business transactions. This standardization will bring cost savings through efficiency and enabling state agencies to focus on their core missions.

Information Technology Consolidation

The Office of Information Technology (OIT) was created to better align the State of Alaska's IT

| Savings from Shared Services and Other Efficiencies (\$ millions) | | | |
|--|---------------|---------------|----------------|
| | FY2019 | FY2020 | FY20201 |
| Office of Information Technology | \$(1.0) | \$(5.0) | \$(12.0) |
| Shared Services of Alaska | \$(1.0) | \$(2.0) | \$(3.0) |
| Additional Administrative Efficiencies | \$(0.5) | \$(1.0) | \$(2.0) |

organizations. The purpose of this centralization is to deliver lower cost information technology services by leveraging the purchasing power of the state as a single organization.

Consolidating and taking an enterprise-level approach to the management of information systems will result in significant savings for agencies over time. Centralizing IT services such as customer support, data storage, data visualization, network and security, and telecommunications will drive efficiencies and enable agencies to focus on their priorities.

Facilities Maintenance Consolidation

The State of Alaska is transitioning from the current decentralized method of facilities maintenance to the new consolidated method. By centralizing this function within the Department of Transportation and Public Facilities, the process of maintaining public facilities can become more effective and efficient. With added accountability between the Department of Transportation and Public Facilities (as the service provider) and customer agencies (the facilities owner), the process of maintaining these building will become more streamlined and result in savings. A pilot phase is planned for FY2019 beginning with the facilities in Juneau, with other locations to follow in subsequent budget cycles.

Initial savings will be realized through the elimination of duplicative information systems, less travel associated with a more coordinated statewide approach to maintenance, and fewer contractor

payments as the new Facilities Services division strives to place the right maintenance employee at the right facility at the right time to better care for state facilities.

Lean Kaizen Processes

Kaizen is a process improvement technique that focuses on reducing wasteful and unnecessary steps that can be all too common in a bureaucracy or large organization. Kaizen facilitators help agencies map out processes like procurement, accounts payable, billing, or collection and find ways to eliminate steps and reduce the overall time it takes to complete work. Since late 2016, thirteen agencies or process teams have held a kaizen. As an example, the statewide accounts payable kaizen, which included finance officers from twelve departments, resulted in a 67 percent reduction in process steps, 72 percent fewer decisions and 75 percent fewer loopbacks. Other kaizen events have been held on processes that include facilities maintenance, payroll, material site sales, procurement, and recruitment.

Climate Change

Alaska is America's Arctic, and dramatic changes in our climate impact Alaskans and the land and waters that provide sustenance and economic activity. The budget makes strategic investments in alternative energy projects such as wind, solar and hydroelectric. Although Alaska has tremendous energy resources, Alaskans in rural communities face some of the highest energy costs in the nation. Investing in Alaska's renewable energy potential will allow for increased energy independence and sustainability, particularly in rural Alaska. Reducing energy costs for Alaskans while minimizing Alaska's carbon footprint is a key part of building a smarter Alaska.

The budget includes \$11 million for grants to renewable energy projects in rural Alaska that have been carefully evaluated by Alaska Energy Authority. These grants include funding toward three hydroelectric power systems, three heat recovery systems, and two wind energy projects around the state. An additional \$8.4 million is available for rural power systems upgrades to help aging rural power infrastructure operate more efficiently, which can reduce fuel usage and emissions.

Governor Walker has charged state agencies to lead by example by ensuring state-owned buildings are operating efficiently to save money and energy. A collegial energy-efficiency contest between thirty-six state-owned buildings in 2017 resulted in a sufficient reduction in energy use to power 230 homes for a year.

The administration released an administrative order on climate change strategy in October 2017, directing the state to develop a collective, strategic response to climate change and to implement climate-related policies. This directive aligns with the administration's vision to work toward diversifying Alaska's economy and transitioning toward the use of more renewable energy.

Revenue

Use of Permanent Fund Earnings

Over 40 years ago, voters approved a constitutional amendment to create the Alaska Permanent Fund (Article IX, Section 15). The balance of the fund is now over \$62.0 billion. By drawing on the Permanent Fund in a responsible, formula-driven manner, the Permanent Fund can live up to its name and provide funding for vital government services and dividends for generations to come.

The Permanent Fund Protection Act, as passed by both the House and Senate and currently under deliberation, implements an earnings reserve draw that will be used to pay for the Permanent Fund Dividend and supplement general fund revenues to preserve current government service levels and limit the taxes imposed on residents and businesses. With the passage of the PFPA, fiscal year 2019 will be the first year in which a significant portion of the budget is funded through investment earnings, rather than oil revenues and savings.

A remaining legislative decision point is what portion of the total draw should be distributed among Alaskans via the Permanent Fund Dividend. Governor Walker is proposing a compromise dividend of 30 percent of the draw – halfway between the Senate’s 25 percent and House’s 30 percent proposals. The 2018 dividend is projected to be approximately \$1,216 per Alaskan and will grow with the value of the Permanent Fund.

With the passage of SB26 providing for a structured draw from Fund earnings, \$2.0 billion in additional revenue will be available to fund state services in fiscal year 2019. This draw is projected to grow with the value of the fund, ensuring that valuable state services and dividends are preserved for generations to come.

The Walker-Mallott administration believes that the Permanent Fund Dividend is essential aspect of life in Alaska. It bolsters the private sector economy by encouraging spending throughout the state and provides Alaska households with the means to save for college and fill their fuel tanks before winter. Ensuring that the dividend program remains intact and is preserved for future generations is a core tenet of any fiscal solution.

Additional Sources of Revenue

Even with the structured use of Permanent Fund Earnings, a small deficit will persist. Without additional revenues, the state’s primary savings accounts, the Constitutional Budget Reserve (CBR) and the Statutory Budget Reserve (SBR) could be depleted in just a few years. Once they are depleted, there will be pressure to take ad-hoc draws from the Permanent Fund, which will erode the value of the fund over time. Excessive draws reduce the amount that future generations of Alaskans will earn from the Fund, resulting in less available revenue for government services and Dividends.

Motor Fuel Tax

Alaska has one of the lowest motor fuel taxes in the nation. Alaska has had an excise tax on motor fuel since 1945, but the highway tax rate was last increased in 1970; marine rate in 1977. The revenue received by the state from motor fuel taxes has not kept pace with inflation and, with fuel costs at record lows, now is the best time for an increase without harming Alaskans struggling to pay at the pump.

The Motor Fuels Tax, which is currently going through the legislative process, is projected to raise over \$60 million once fully implemented. After the first year of implementation, the average cost for each Alaska driver will be only \$45 per year. The proceeds of this tax will be deposited into a designated fund called the Alaska Transportation Maintenance Fund and will be used for highway, airport and marine highway maintenance to ensure those paying this tax see a direct benefit to the transportation system they rely on every day.

Limited Payroll Tax

Governor Walker will be introducing legislation for a limited tax of 1.5 percent of wages and self-employment income, targeted to raise \$800 million over three years, which will be immediately reinvested in the Alaska Economic Recovery Act deferred maintenance package. A sunset provision will repeal this tax in fiscal year 2021, at which time the legislature will have the opportunity to reassess the needs of the state. Presuming the Governor's efforts to encourage private-sector investment in major oil and gas developments become a reality and budget cost-containment efforts prove successful, Alaska may not need additional revenue in the later part of the next ten years.

To get through the current rough patch, a small draw from savings will be required for the next several years until new revenue from natural resource development can be actualized. While it may be tempting to zero out savings before implementing a tax, it is critical that the state maintain at least \$1.0 billion in the Constitutional Budget Reserve. Natural disasters and global recessions are unforeseen. A large earthquake, oil spill, or even damage to the trans-Alaska oil pipeline could cost hundreds of millions of dollars. Maintaining a balance in the CBR allows the state to react to these circumstances as they arise. It is also customary practice for the state to use the CBR for cash-flow management. The ability to borrow from the CBR until revenue is received from taxpayers and the federal government allows the state to avoid interest payments to financial institutions. An estimated \$1.0 billion is borrowed and paid back during any given fiscal year.

Implementing a modest tax for three years will address the state deferred maintenance liability, rebuild confidence in Alaska's economy and encourage investment and growth in the state.

Conclusion

This plan provides the elements for a compromise. It maintains vital government services and makes key investments in our economy to stimulate job growth and get Alaska back to work. Under this plan, the State budget will stabilize and Alaskans will enjoy the same level of state services that they

do today, all with a growing Permanent Fund Dividend. Acting on this plan today will ensure that revenue measures remain modest and that no Alaskan pays more than his or her fair share.

A fix for Alaska's structural deficit is closer than ever. Once the crucial step of getting our fiscal house in order is made, Alaska must plan for a future with a smaller, more efficient state government that maintains a basic level of services and essential infrastructure that enable the economy to grow and prosper.

Department 10-year outlook will be available at a later date

Appendix tables to follow

Unrestricted General Fund Budget By Major Component (\$ Millions)

| FY2019-FY2028 Budget Projection (\$millions) | | | | | | | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--|
| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | |
| Agency Operations (Non-Formula) | \$ 1,654.6 | \$ 1,691.8 | \$ 1,729.9 | \$ 1,768.8 | \$ 1,808.6 | \$ 1,849.3 | \$ 1,890.9 | \$ 1,933.4 | \$ 1,976.9 | \$ 2,021.4 | |
| Agency Operations (Formula) | \$ 2,092.7 | \$ 2,139.8 | \$ 2,187.9 | \$ 2,237.2 | \$ 2,287.5 | \$ 2,339.0 | \$ 2,391.6 | \$ 2,445.4 | \$ 2,500.4 | \$ 2,556.7 | |
| Future Efficiencies | \$ - | \$ (8.0) | \$ (17.0) | \$ (22.0) | \$ (31.0) | \$ (36.0) | \$ (42.0) | \$ (45.0) | \$ (50.0) | \$ (50.0) | |
| Legislature & Courts | \$ 170.0 | \$ 173.9 | \$ 177.8 | \$ 181.8 | \$ 185.9 | \$ 190.0 | \$ 194.3 | \$ 198.7 | \$ 203.2 | \$ 207.7 | |
| Total Agency | \$ 3,917.3 | \$ 3,997.5 | \$ 4,078.6 | \$ 4,165.7 | \$ 4,251.0 | \$ 4,342.3 | \$ 4,434.8 | \$ 4,532.5 | \$ 4,630.5 | \$ 4,735.8 | |
| Debt* | \$ 201.6 | \$ 191.4 | \$ 188.9 | \$ 170.4 | \$ 177.5 | \$ 168.3 | \$ 159.5 | \$ 153.7 | \$ 155.7 | \$ 89.4 | |
| Retirement* | \$ 245.5 | \$ 302.7 | \$ 340.3 | \$ 349.4 | \$ 359.3 | \$ 370.7 | \$ 383.0 | \$ 396.9 | \$ 414.2 | \$ 430.5 | |
| Fund Capitalizations* | \$ 41.7 | \$ 45.6 | \$ 45.6 | \$ 45.6 | \$ 45.6 | \$ 45.6 | \$ 45.6 | \$ 45.6 | \$ 45.6 | \$ 45.6 | |
| Oil and Gas Credits (Debt Financed)* | \$ 27.0 | \$ 30.0 | \$ 63.0 | \$ 90.0 | \$ 108.0 | \$ 117.0 | \$ 117.0 | \$ 117.0 | \$ 117.0 | \$ 117.0 | |
| Total Statewide Items | \$ 515.8 | \$ 569.7 | \$ 637.8 | \$ 655.5 | \$ 690.5 | \$ 701.7 | \$ 705.2 | \$ 713.2 | \$ 732.6 | \$ 682.5 | |
| Capital | \$ 150.1 | \$ 153.4 | \$ 156.9 | \$ 160.4 | \$ 164.0 | \$ 167.7 | \$ 171.5 | \$ 175.4 | \$ 179.3 | \$ 183.3 | |
| Budget (before Dividend) | \$ 4,583.1 | \$ 4,720.6 | \$ 4,873.3 | \$ 4,981.6 | \$ 5,105.5 | \$ 5,211.7 | \$ 5,311.5 | \$ 5,421.1 | \$ 5,542.4 | \$ 5,601.7 | |
| Projected Dividend | \$ 818.9 | \$ 876.7 | \$ 875.4 | \$ 915.2 | \$ 957.5 | \$ 985.4 | \$ 1,007.0 | \$ 1,028.4 | \$ 1,049.8 | \$ 1,071.2 | |
| Transfers | \$ 14.6 | \$ 14.6 | \$ 14.6 | \$ 14.6 | \$ 14.6 | \$ 14.6 | \$ 14.6 | \$ 14.6 | \$ 14.6 | \$ 14.6 | |
| Total Budget Authorization | \$ 5,416.6 | \$ 5,611.9 | \$ 5,763.3 | \$ 5,911.4 | \$ 6,077.6 | \$ 6,211.7 | \$ 6,333.1 | \$ 6,464.1 | \$ 6,606.8 | \$ 6,687.5 | |
| Alaska Economic Recovery Act (Offset by Payroll Tax) | \$ 280.0 | \$ 270.0 | \$ 250.0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Current Revenues | \$ 2,047.1 | \$ 2,063.2 | \$ 2,155.7 | \$ 2,218.9 | \$ 2,275.2 | \$ 2,297.1 | \$ 2,426.8 | \$ 2,641.3 | \$ 2,838.8 | \$ 2,954.0 | |
| Adjustments | \$ 66.1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Permanent Fund Protection Act | \$ 2,785.7 | \$ 2,978.5 | \$ 2,975.5 | \$ 3,109.1 | \$ 3,250.0 | \$ 3,347.1 | \$ 3,427.5 | \$ 3,507.4 | \$ 3,585.8 | \$ 3,660.7 | |
| Motor Fuels Tax | \$ 40.3 | \$ 81.2 | \$ 81.7 | \$ 82.3 | \$ 83.0 | \$ 83.7 | \$ 84.4 | \$ 85.2 | \$ 86.1 | \$ 87.0 | |
| Gasline Revenues | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 250.0 | \$ 250.0 | \$ 250.0 | |
| Re-Assess in 2022 - to maintain minimum \$1B CBR | | | | \$ 223.8 | \$ 332.1 | \$ 346.5 | \$ 257.0 | \$ - | \$ - | \$ - | |
| Total Revenue | \$ 4,939.2 | \$ 5,122.9 | \$ 5,212.9 | \$ 5,634.1 | \$ 5,940.3 | \$ 6,074.3 | \$ 6,195.8 | \$ 6,483.9 | \$ 6,760.7 | \$ 6,951.7 | |
| Deficit | \$ (477.4) | \$ (489.0) | \$ (550.3) | \$ (277.4) | \$ (137.3) | \$ (137.3) | \$ (137.3) | \$ 19.9 | \$ 153.9 | \$ 264.2 | |
| Savings Balance (CBR/SBR) | \$ 1,876.4 | \$ 1,549.0 | \$ 1,140.1 | \$ 1,000.0 | \$ 1,000.0 | \$ 1,000.0 | \$ 1,000.0 | \$ 1,160.2 | \$ 1,460.4 | \$ 1,879.1 | |
| PF Total Value | \$ 64,697.6 | \$ 66,083.3 | \$ 67,571.7 | \$ 69,023.9 | \$ 70,419.7 | \$ 71,813.0 | \$ 73,237.2 | \$ 74,696.4 | \$ 76,190.6 | \$ 77,706.1 | |
| Per Person Dividend (\$/person) | \$ 1,215.98 | \$ 1,294.24 | \$ 1,280.94 | \$ 1,330.43 | \$ 1,383.01 | \$ 1,413.36 | \$ 1,434.39 | \$ 1,454.89 | \$ 1,475.53 | \$ 1,505.47 | |

*In FY2019, these items are partially funded with appropriations from the Constitutional Budget Reserve Fund (CBR). While traditional reports that are focused on unrestricted general funds will exclude these items, they are listed in their full amount on this table. Budget totals exclude reclassification of unrestricted general fund appropriations to designated sources, reappropriations and other offsets. The [budget transparency report](#) details these items to reach a \$4.7 billion transparent operating and capital budget.

State of Alaska FY2020 Governor's Operating Budget

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Department of Education and Early Development

Mission

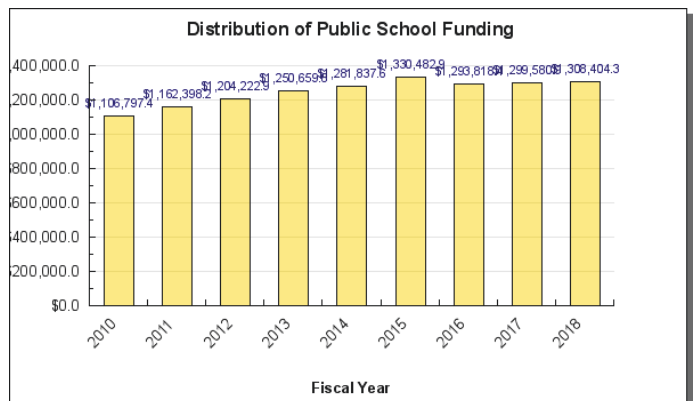
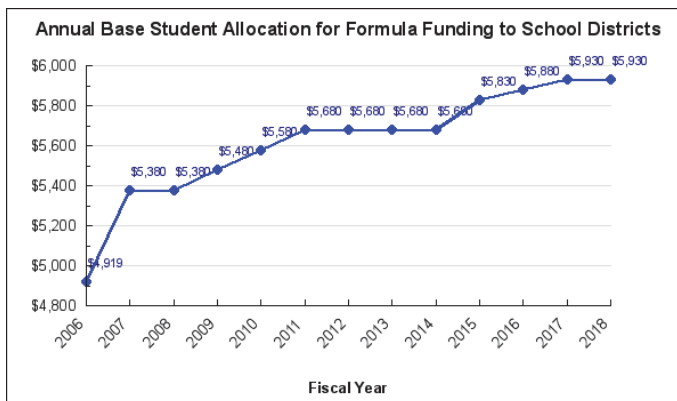
To ensure quality standards-based instruction to improve academic achievement for all students. Alaska Constitution Article 7, Sec. 1; AS 14.17

| | Core Services (in priority order) | UGF | DGF | Other | Fed | Total | PFT | PPT | NP | % GF |
|---|---|--------------------|-----------------|-----------------|------------------|--------------------|------------|-----------|----------|-------|
| 1 | Public School Funding | 1,281,790.9 | 0.0 | 23,688.7 | 20,791.0 | 1,326,270.6 | 0 | 0 | 0 | 95.1% |
| 2 | Fiscal Accountability, Compliance and Oversight | 10,862.3 | 926.7 | 2,260.8 | 227,755.4 | 241,805.2 | 91 | 0 | 0 | 0.9% |
| 3 | School Effectiveness Programs | 18,878.3 | 17,707.8 | 0.0 | 129.6 | 36,715.7 | 6 | 0 | 0 | 2.7% |
| 4 | Active Partnerships | 10,091.1 | 7,856.7 | 38,874.2 | 2,457.1 | 59,279.1 | 176 | 14 | 2 | 1.3% |
| | FY2019 Management Plan | 1,321,622.6 | 26,491.2 | 64,823.7 | 251,133.1 | 1,664,070.6 | 273 | 14 | 2 | |

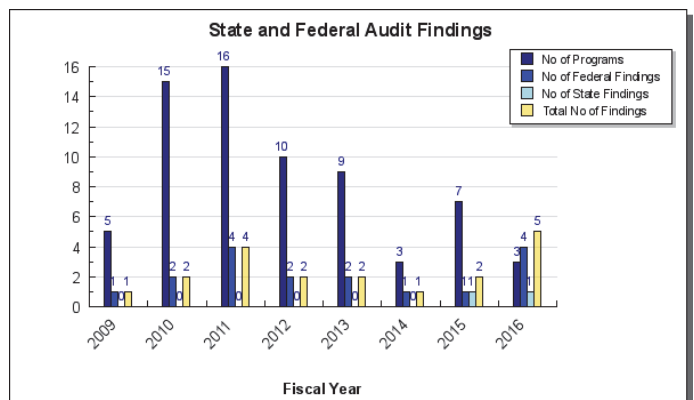
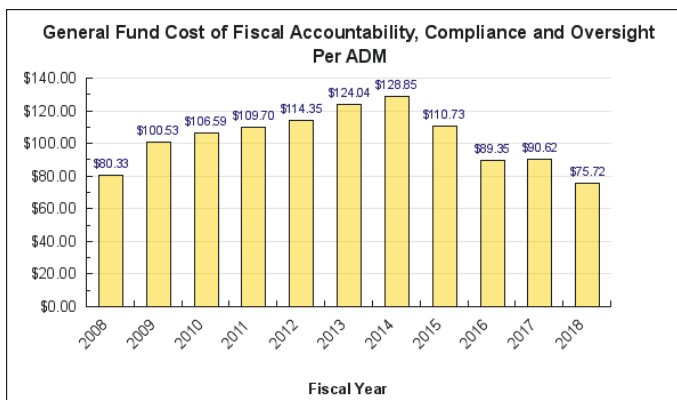
Measures by Core Service

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

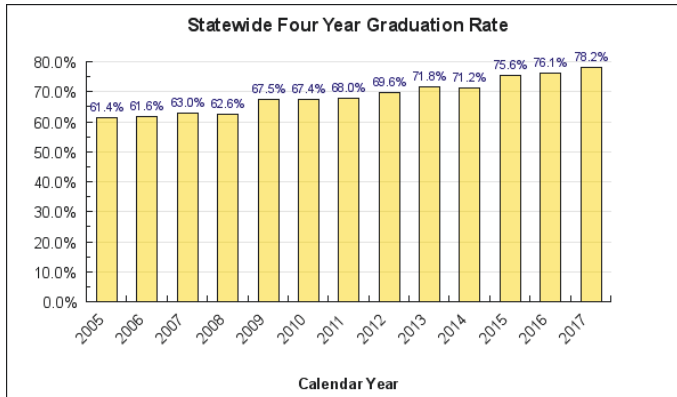
1. Distribute Public School Funding to school districts and other educational institutions



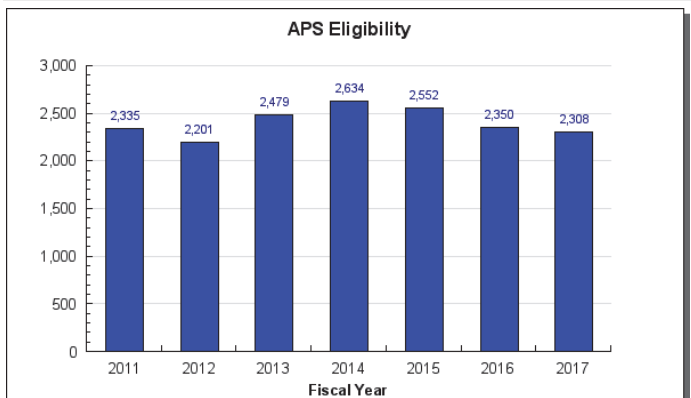
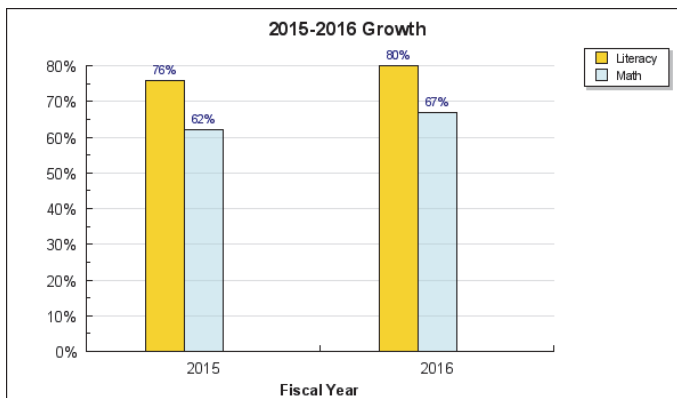
2. Provide Fiscal Accountability, Compliance and Oversight



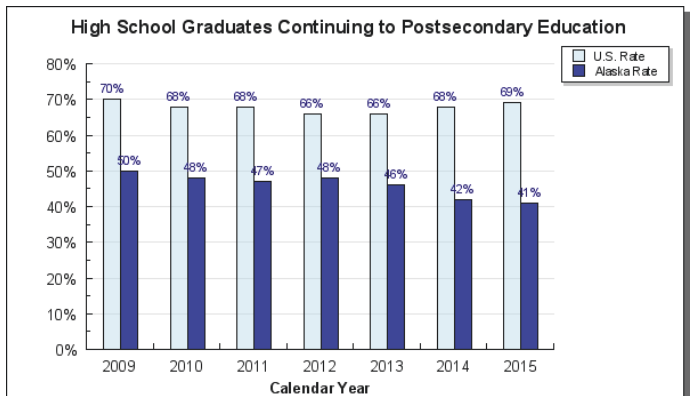
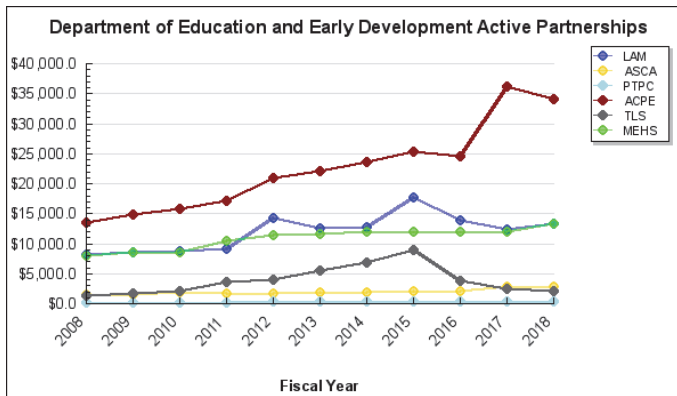
3. Develop, implement and maintain School Effectiveness Programs



Target: Provide a Statewide System of Support to facilitate school effectiveness measures



4. Maintain Active Partnerships for Pre-K through 20 and lifelong learning



Major Department Accomplishments in 2018

- The State Board of Education and Early Development (SBOE) approved a regulation to create a world language expert limited teacher certificate. The creation of a world language expert limited teacher certificate helps fulfill a need for increased staffing in the growing number of language immersion classrooms across the state;
- Began a partnership with EducationSuperHighway, now known as the Alaska K-12 Broadband Initiative, to increase broadband access for schools across the state that often face the most challenges providing equitable educational opportunities;
- Continued work on Alaska's Education Challenge and established a strategic plan with partner organizations around three components to improve student outcomes;
- Oversaw and managed the revision of Alaska's Science Standards and the creation of Computer Science

Standards completed by stakeholders. The Department of Education and Early Development (DEED) will present the standards to the SBOE at the December 2018 meeting;

- Received approval of the state's Every Student Succeeds Act (ESSA) plan from the U.S. Department of Education;
- Formalized regulations implementing Alaska's ESSA plan and a new statewide accountability system for schools. The SBOE approved the regulations in spring 2018;
- Successfully administered the Performance Evaluation for Alaska's Schools (PEAKS) and Alaska Science Assessment for the second time to approximately 78,600 students across the state in spring 2018;
- Facilitated a Spring Leadership Working Conference for over 100 educators from across the state to share information about Alaska's ESSA plan and new requirements under the law;
- Facilitated a School Safety and Well-Being Summit in fall 2018 for school safety leadership from every district to acquire new best practices and share effective existing school safety practices with an emphasis on restorative disciplinary practices, positive school climate, school crisis preparedness, and trauma informed schools; and,
- Released Alaska's new accountability system for schools and school designations to the public as part of the state's ESSA plan in fall 2018.

Key Department Challenges

Ongoing Focus on Alaska's Education Challenge

DEED has continued working with partner organizations on Alaska's Education Challenge to develop a strategic plan around three components and focus the state's work on specific goals that are most likely to improve student outcomes. The three components are:

1. A call to action: Shared Commitments
 - Increase Student Success
 - Support Responsible and Reflective Learners
 - Cultivate Safety and Well-Being
2. A focus of efforts: Measurable Goals
 - Support all students to read at grade level by the end of 3rd grade;
 - Increase career, technical, and culturally relevant education to meet student and workforce needs;
 - Close the achievement gap by ensuring equitable educational rigor and resources;
 - Prepare, attract, and retain effective education professionals;
 - Improve the safety and well-being of students through school partnerships with families, communities, and tribes.
3. A prioritization of change: Targeted Strategies
 - 13 committee recommendations
 - Additional strategies in Alaska's Every Student Succeeds Act (ESSA) plan

In May 2018, Commissioner Johnson presented DEED's progress to the SBOE, specifically highlighting the five measurable goals. The SBOE subsequently voted to approve the goals.

School Safety Action Planning

Unfortunately, 2018 has been a year marked by a series of acts of school violence, including school shootings, which resulted in the loss of life. These tragic events have served as a national catalyst to examine efforts that strengthen both school crisis preparedness and other school safety programming that bolster safety like positive school climate efforts, increased provision of school based-mental and physical health services, and enhanced social emotion learning.

DEED has been methodically improving its school safety supports to districts for years through a series of federal grant awards that provided state-of-the-art school crisis response planning training to all interested districts in Alaska, and to expand student mental health supports. Cultivating school safety and well-being was also established as one of the three foundational educational commitments within Alaska's Education Challenge, which will overlay and inform all of DEED's work for years to come.

Despite these broad based efforts, DEED was compelled to revisit its school safety program this year, and to develop an action plan to further strengthen school safety. These efforts were driven by the understanding that the only expectation parents have for public education that is greater than that it provide every student with an excellent education every day, is that it keep their children safe at school each and every day.

Highlights of action steps from DEED's school safety action plan include:

- School Safety and Well-Being Summit held in September 2018
 - This summit will bring school safety leadership from every district as well as key educational stakeholders from other agencies together to acquire new best practices and to share effective existing school safety practices with an emphasis on restorative disciplinary practices, positive school climate, school crisis preparedness, and trauma informed schools.
- School Safety Gap Analysis
 - The results of the gap analysis provide vital information to DEED that inform its school safety programming in the coming years and also provide essential information for other education stakeholders to determine the most practical and needed measures to strengthen school safety.
- Alaska's Education Challenge
 - Alaska's Education Challenge established three priority strategies to advance its commitment to "Cultivate Safety and Well-Being". They include increasing the implementation of trauma-engaged practices in schools, increasing positive school climate, and increasing direct access to school-based nursing and counseling services for all students.
- Trauma Engaged Schools Framework
 - DEED has led an interagency cooperative to develop *Transforming Schools: A Framework for Trauma-Engaged Practice in Alaska*. This innovative framework is a tool to use to deepen understanding of trauma; trauma's impact on development, behavior, and learning; social and emotional supports; trauma-informed school environments; and key roles for adults in creating supportive educational environments for students.
- Adverse Childhood Experiences (ACEs)/Trauma Informed Schools eLearning Courses
 - DEED continues to develop distance-delivered trainings to assist districts with becoming trauma informed. DEED provides these trainings to districts at no cost and now serves more than 21,000 school district employees. The most heavily trafficked courses DEED offers are on school health and safety topics. DEED is currently working on developing three additional trauma informed courses to build off the two current introductory courses available.

Continued Implementation of the Every Student Succeeds Act (ESSA) State Plan and School Accountability System

The Every Student Succeeds Act (ESSA) was passed by Congress and signed by the President in December 2015. ESSA reauthorizes the Elementary and Secondary Education Act of 1965 (ESEA) and replaces No Child Left Behind (NCLB) and Alaska's NCLB Flexibility Waiver. Under ESSA, each state education agency is required to submit a plan detailing the implementation of the law to ensure equity in education across public schools in their state.

Alaska's plan to implement ESSA was approved by the U.S. Department of Education on May 16, 2018. Alaska's SBOE subsequently approved regulations proposed by DEED implementing Alaska's ESSA plan on May 31, 2018. The development of Alaska's plan included significant outreach by DEED to collect feedback, including over a year and a half of input from more than 4,000 stakeholders through online surveys, discussion groups and webinars, community conversations, and an ESSA advisory committee.

To facilitate the transition to ESSA, DEED continued its review of the work required to fully implement the new law. As with implementation of any program of such significance and complexity, changes will be occurring over the course of months and even years. One of the largest changes that went into effect during the 2017-18 school year is a new school accountability system, which includes school designations. School designations are an important tool for the community, DEED, and the district to use to recognize schools that are performing well and identify schools in need of additional support for their students.

Alaska's new accountability system is the *System for School Success*, and replaces the Alaska State Performance Index (ASPI) star rating classification. DEED released school designations on October 23, 2018. Schools identified for support will collaboratively develop an improvement plan and receive additional support from DEED and their district.

DEED will continue seeking input and recommendations from all Alaskans as requirements under ESSA are implemented.

Significant Changes in Results to be Delivered in FY2020

- Alignment of DEED work to the Alaska's Education Challenge five measurable goals;
- Providing support for all students to read at grade level by the end of 3rd grade;
- Providing support to increase career, technical, and culturally relevant education to meet student and workforce needs;
- Providing support to close the achievement gap by ensuring equitable educational rigor and resources;
- Providing support to prepare, attract, and retain effective education professionals;
- Providing support to improve the safety and well-being of students through school partnerships with families, communities, and tribes;
- Continued implementation of Alaska's ESSA plan, including outreach to stakeholders regarding new accountability reporting requirements;
- Providing information and support to districts and school board members as they prepare to report per-pupil spending by school starting in the 2018-19 school year as part of ESSA; and,
- Increased awareness of the state's efforts to revise Alaska's Science Standards and the creation of new Computer Science Standards. If the standards are adopted by the SBOE in spring 2019 following a period of public comment, DEED will focus on providing support and resources to help raise awareness and assist districts with implementation. Additionally, DEED would be responsible for updating the current Alaska Science Assessment to reflect the new state science content standards for administration in spring 2020.

| Contact Information | |
|---|---|
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FY2020 Capital Budget Request

| Project Title | Unrestricted Gen (UGF) | Designated Gen (DGF) | Other Funds | Federal Funds | Total Funds |
|--|---------------------------|-------------------------|----------------|------------------|------------------|
| K-12 Major Maintenance | 0 | 9,429,360 | 0 | 0 | 9,429,360 |
| Mt. Edgecumbe High School Deferred Maintenance | 0 | 500,000 | 0 | 0 | 500,000 |
| Department Total | 0 | 9,929,360 | 0 | 0 | 9,929,360 |

This is an appropriation level summary only. For allocations and the full project details see the capital budget.

Summary of Department Budget Changes by RDU

From FY2019 Management Plan to FY2020 Governor

All dollars shown in thousands

| | <u>Unrestricted Gen (UGF)</u> | <u>Designated Gen (DGF)</u> | <u>Other Funds</u> | <u>Federal Funds</u> | <u>Total Funds</u> |
|---|-----------------------------------|---------------------------------|--------------------|--------------------------|--------------------|
| FY2019 Management Plan | 1,321,622.6 | 26,491.2 | 64,823.7 | 251,133.1 | 1,664,070.6 |
| Adjustments which get you to start of year: | | | | | |
| -K-12 Aid to School Districts | 1,279,818.5 | 0.0 | 0.0 | 0.0 | 1,279,818.5 |
| One-time items: | | | | | |
| -K-12 Aid to School Districts | -1,269,510.7 | 0.0 | -18,351.3 | 0.0 | -1,287,862.0 |
| -Education Support and Adm Svcs | -7,085.8 | 0.0 | -50.0 | 0.0 | -7,135.8 |
| -Mt. Edgecumbe Boarding School | 0.0 | -400.0 | 0.0 | 0.0 | -400.0 |
| Adjustments which continue current level of service: | | | | | |
| -Education Support and Adm Svcs | 122.9 | 15.4 | 96.5 | 117.0 | 351.8 |
| -Alaska Council on the Arts | 0.7 | 0.0 | 0.1 | 0.3 | 1.1 |
| -Commissions and Boards | 0.0 | 0.7 | 0.0 | 0.0 | 0.7 |
| -Mt. Edgecumbe Boarding School | 0.9 | 5.8 | 114.2 | 2.2 | 123.1 |
| -AK LAM | 119.7 | -2,708.6 | 2,721.9 | 2.8 | 135.8 |
| -Alaska Postsecondary Education | 0.0 | 345.5 | -345.5 | 201.7 | 201.7 |
| Proposed budget increases: | | | | | |
| -K-12 Aid to School Districts | 10,000.0 | 0.0 | 13,154.9 | 0.0 | 23,154.9 |
| -Education Support and Adm Svcs | 1,786.6 | 61.6 | 19.1 | 0.0 | 1,867.3 |
| -Alaska Council on the Arts | 0.0 | 0.0 | 1,100.0 | 0.0 | 1,100.0 |
| -Mt. Edgecumbe Boarding School | 300.0 | 0.0 | 420.3 | 0.0 | 720.3 |
| -Alaska Postsecondary Education | 838.0 | 0.0 | 0.0 | 0.0 | 838.0 |
| Proposed budget decreases: | | | | | |
| -K-12 Support | -17.3 | 0.0 | 0.0 | 0.0 | -17.3 |
| -Alaska Postsecondary Education | 0.0 | 0.0 | -238.3 | 0.0 | -238.3 |
| -Alaska Student Loan Corporation | 0.0 | 0.0 | -583.8 | 0.0 | -583.8 |
| FY2020 Governor | 1,337,996.1 | 23,811.6 | 62,881.8 | 251,457.1 | 1,676,146.6 |

Department Totals
Department of Education and Early Development

| Description | FY2018 Actuals | FY2019 Conference Committee | FY2019 Authorized | FY2019 Management Plan | FY2020 Governor | FY2019 Management Plan vs FY2020 Governor | |
|--------------------------------|-----------------------|------------------------------------|--------------------------|-------------------------------|------------------------|--|--------|
| Department Totals | 1,613,885.5 | 1,636,072.2 | 1,664,070.6 | 1,664,070.6 | 1,676,146.6 | 12,076.0 | 0.7% |
| Objects of Expenditure: | | | | | | | |
| 71000 Personal Services | 30,289.7 | 32,064.9 | 32,663.7 | 32,502.5 | 33,839.6 | 1,337.1 | 4.1% |
| 72000 Travel | 1,480.1 | 1,460.6 | 1,460.6 | 1,502.0 | 1,660.0 | 158.0 | |
| 73000 Services | 42,922.4 | 48,294.3 | 49,302.5 | 49,337.6 | 49,809.9 | 472.3 | 1.0% |
| 74000 Commodities | 1,545.6 | 1,643.0 | 1,763.0 | 1,773.0 | 1,886.8 | 113.8 | 6.4% |
| 75000 Capital Outlay | 47.7 | 109.5 | 109.5 | 109.5 | 109.5 | 0.0 | 0.0% |
| 77000 Grants, Benefits | 1,537,600.0 | 1,552,499.9 | 1,578,771.3 | 1,578,846.0 | 1,588,840.8 | 9,994.8 | 0.6% |
| 78000 Miscellaneous | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Funding Source: | | | | | | | |
| 1002 Fed Rcpts (Fed) | 210,582.8 | 229,959.2 | 229,955.0 | 229,955.0 | 230,275.6 | 320.6 | 0.1% |
| 1003 G/F Match (UGF) | 1,027.5 | 1,031.7 | 1,031.7 | 1,031.7 | 1,042.0 | 10.3 | 1.0% |
| 1004 Gen Fund (UGF) | 1,293,878.9 | 1,310,946.2 | 1,320,213.1 | 1,320,213.1 | 1,336,576.3 | 16,363.2 | 1.2% |
| 1005 GF/Prgrm (DGF) | 1,594.0 | 2,129.5 | 2,129.5 | 2,129.5 | 2,156.3 | 26.8 | 1.3% |
| 1007 I/A Rcpts (Other) | 24,017.0 | 22,973.7 | 22,958.1 | 22,958.1 | 22,624.1 | -334.0 | -1.5% |
| 1014 Donat Comm (Fed) | 316.1 | 387.1 | 387.1 | 387.1 | 390.5 | 3.4 | 0.9% |
| 1037 GF/MH (UGF) | 377.8 | 377.8 | 377.8 | 377.8 | 377.8 | 0.0 | 0.0% |
| 1043 Impact Aid (Fed) | 20,791.0 | 20,791.0 | 20,791.0 | 20,791.0 | 20,791.0 | 0.0 | 0.0% |
| 1061 CIP Rcpts (Other) | 50.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| 1066 Pub School (Other) | 24,757.8 | 10,000.0 | 28,351.3 | 28,351.3 | 26,227.1 | -2,124.2 | -7.5% |
| 1087 Muni Match (DGF) | 0.0 | 0.0 | 400.0 | 400.0 | 5.8 | -394.2 | -98.6% |
| 1092 MHTAAR (Other) | 50.0 | 50.0 | 50.0 | 50.0 | 50.0 | 0.0 | 0.0% |
| 1106 ASLC Rcpts (Other) | 11,747.3 | 11,742.8 | 11,742.8 | 11,742.8 | 11,159.0 | -583.8 | -5.0% |
| 1108 Stat Desig (Other) | 1,288.0 | 1,691.5 | 1,691.5 | 1,691.5 | 2,791.6 | 1,100.1 | 65.0% |
| 1145 AIPP Fund (Other) | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 0.0 | 0.0% |
| 1151 VoTech Ed (DGF) | 478.8 | 437.9 | 437.9 | 437.9 | 499.5 | 61.6 | 14.1% |
| 1226 High Ed (DGF) | 22,898.0 | 23,523.8 | 23,523.8 | 23,523.8 | 21,150.0 | -2,373.8 | -10.1% |
| Totals: | | | | | | | |
| Unrestricted Gen (UGF) | 1,295,284.2 | 1,312,355.7 | 1,321,622.6 | 1,321,622.6 | 1,337,996.1 | 16,373.5 | 1.2% |
| Designated Gen (DGF) | 24,970.8 | 26,091.2 | 26,491.2 | 26,491.2 | 23,811.6 | -2,679.6 | -10.1% |
| Other Funds | 61,940.6 | 46,488.0 | 64,823.7 | 64,823.7 | 62,881.8 | -1,941.9 | -3.0% |
| Federal Funds | 231,689.9 | 251,137.3 | 251,133.1 | 251,133.1 | 251,457.1 | 324.0 | 0.1% |
| Positions: | | | | | | | |
| Permanent Full Time | 275 | 267 | 270 | 273 | 282 | 9 | 3.3% |
| Permanent Part Time | 14 | 13 | 13 | 14 | 14 | 0 | 0.0% |
| Non Permanent | 4 | 4 | 4 | 2 | 2 | 0 | 0.0% |

Component Summary Unrestricted General Funds Only
Department of Education and Early Development

| Results Delivery Unit/ Component | FY2018 Actuals | FY2019 Conference Committee | FY2019 Authorized | FY2019 Management Plan | FY2020 Governor | FY2019 Management Plan vs FY2020 Governor | |
|--|-----------------------|--|--------------------------|-----------------------------------|------------------------|--|-----------------|
| K-12 Aid to School Districts | | | | | | | |
| Foundation Program | 1,173,474.0 | 1,189,677.4 | 1,171,326.1 | 1,171,326.1 | 1,182,603.9 | 11,277.8 | 1.0% |
| Pupil Transportation | 78,301.2 | 78,184.6 | 78,184.6 | 78,184.6 | 77,214.6 | -970.0 | -1.2% |
| Additional Foundation Funding | 0.0 | 0.0 | 20,000.0 | 20,000.0 | 30,000.0 | 10,000.0 | 50.0% |
| RDU Totals: | 1,251,775.2 | 1,267,862.0 | 1,269,510.7 | 1,269,510.7 | 1,289,818.5 | 20,307.8 | 1.6% |
| K-12 Support | | | | | | | |
| Boarding Home Grants | 7,251.9 | 7,453.2 | 7,453.2 | 7,453.2 | 7,453.2 | 0.0 | 0.0% |
| Youth in Detention | 1,100.0 | 1,100.0 | 1,100.0 | 1,100.0 | 1,100.0 | 0.0 | 0.0% |
| Special Schools | 3,385.6 | 3,558.2 | 3,558.2 | 3,558.2 | 3,540.9 | -17.3 | -0.5% |
| RDU Totals: | 11,737.5 | 12,111.4 | 12,111.4 | 12,111.4 | 12,094.1 | -17.3 | -0.1% |
| Education Support Services | | | | | | | |
| Executive Administration | 963.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Administrative Services | 894.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Information Services | 268.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| School Finance & Facilities | 1,189.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| RDU Totals: | 3,315.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Education Support and Administrative Services | | | | | | | |
| Executive Administration | 0.0 | 865.9 | 1,051.3 | 1,051.3 | 870.2 | -181.1 | -17.2% |
| Administrative Services | 0.0 | 916.6 | 916.6 | 916.6 | 966.4 | 49.8 | 5.4% |
| Information Services | 0.0 | 375.5 | 375.5 | 375.5 | 503.1 | 127.6 | 34.0% |
| School Finance & Facilities | 0.0 | 1,320.0 | 1,643.0 | 1,643.0 | 1,544.2 | -98.8 | -6.0% |
| Child Nutrition | 0.0 | 89.6 | 89.6 | 89.6 | 89.6 | 0.0 | 0.0% |
| Student and School Achievement | 0.0 | 5,558.3 | 6,264.7 | 6,264.7 | 7,459.4 | 1,194.7 | 19.1% |
| State System of Support | 0.0 | 1,806.3 | 2,209.7 | 2,209.7 | 1,939.7 | -270.0 | -12.2% |
| Early Learning Coordination | 0.0 | 9,488.6 | 9,488.6 | 9,488.6 | 8,290.1 | -1,198.5 | -12.6% |
| Pre-Kindergarten Grants | 0.0 | 2,000.0 | 8,000.0 | 8,000.0 | 3,200.0 | -4,800.0 | -60.0% |
| RDU Totals: | 0.0 | 22,420.8 | 30,039.0 | 30,039.0 | 24,862.7 | -5,176.3 | -17.2% |
| Teaching and Learning Support | | | | | | | |
| Child Nutrition | 86.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Student and School Achievement | 5,550.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| State System of Support | 1,830.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Early Learning Coordination | 9,306.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Pre-Kindergarten Grants | 1,953.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| RDU Totals: | 18,727.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Alaska State Council on the Arts | | | | | | | |
| Alaska Council on the Arts | 692.8 | 692.8 | 692.8 | 692.8 | 693.5 | 0.7 | 0.1% |
| RDU Totals: | 692.8 | 692.8 | 692.8 | 692.8 | 693.5 | 0.7 | 0.1% |
| Mt. Edgecumbe Boarding School | | | | | | | |
| Mt. Edgecumbe Boarding School | 0.0 | 2.3 | 2.3 | 2.3 | 3.2 | 0.9 | 39.1% |
| MEHS Facilities Maintenance | 0.0 | 0.0 | 0.0 | 0.0 | 300.0 | 300.0 | 100.0% |
| RDU Totals: | 0.0 | 2.3 | 2.3 | 2.3 | 303.2 | 300.9 | 13082.6% |
| State Facilities Maintenance | | | | | | | |
| EED State Facilities Rent | 1,036.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| RDU Totals: | 1,036.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| State Facilities Rent | | | | | | | |

Component Summary Unrestricted General Funds Only
Department of Education and Early Development

| Results Delivery Unit/ Component | FY2018 Actuals | FY2019 Conference Committee | FY2019 Authorized | FY2019 Management Plan | FY2020 Governor | FY2019 Management Plan vs FY2020 Governor | |
|---|-----------------------|--|--------------------------|-----------------------------------|------------------------|--|---------------|
| EED State Facilities Rent | 0.0 | 1,068.2 | 1,068.2 | 1,068.2 | 1,068.2 | 0.0 | 0.0% |
| RDU Totals: | 0.0 | 1,068.2 | 1,068.2 | 1,068.2 | 1,068.2 | 0.0 | 0.0% |
| Alaska State Libraries, Archives and Museums | | | | | | | |
| Library Operations | 5,179.4 | 4,240.8 | 4,240.8 | 4,240.8 | 4,311.0 | 70.2 | 1.7% |
| Archives | 1,049.3 | 1,087.8 | 1,087.8 | 1,087.8 | 1,112.2 | 24.4 | 2.2% |
| Museum Operations | 1,117.8 | 1,168.7 | 1,168.7 | 1,168.7 | 1,193.8 | 25.1 | 2.1% |
| OWL | 653.8 | 670.9 | 670.9 | 670.9 | 670.9 | 0.0 | 0.0% |
| APK Facilities Maintenance | 0.0 | 1,030.0 | 1,030.0 | 1,030.0 | 1,030.0 | 0.0 | 0.0% |
| RDU Totals: | 8,000.3 | 8,198.2 | 8,198.2 | 8,198.2 | 8,317.9 | 119.7 | 1.5% |
| Alaska Postsecondary Education Commission | | | | | | | |
| Program Admin & Operations | 0.0 | 0.0 | 0.0 | 0.0 | 760.7 | 760.7 | 100.0% |
| WWAMI Medical Education | 0.0 | 0.0 | 0.0 | 0.0 | 77.3 | 77.3 | 100.0% |
| RDU Totals: | 0.0 | 0.0 | 0.0 | 0.0 | 838.0 | 838.0 | 100.0% |
| Unrestricted Gen (UGF): | 1,295,284.2 | 1,312,355.7 | 1,321,622.6 | 1,321,622.6 | 1,337,996.1 | 16,373.5 | 1.2% |
| Designated Gen (DGF): | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Other Funds: | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Federal Funds: | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Total Funds: | 1,295,284.2 | 1,312,355.7 | 1,321,622.6 | 1,321,622.6 | 1,337,996.1 | 16,373.5 | 1.2% |

Component Summary All Funds
Department of Education and Early Development

| Results Delivery Unit/ Component | FY2018 Actuals | FY2019 Conference Committee | FY2019 Authorized | FY2019 Management Plan | FY2020 Governor | FY2019 Management Plan vs FY2020 Governor | |
|--|-----------------------|--|--------------------------|-----------------------------------|------------------------|--|--------------|
| K-12 Aid to School Districts | | | | | | | |
| Foundation Program | 1,214,265.0 | 1,215,805.8 | 1,215,805.8 | 1,215,805.8 | 1,221,887.2 | 6,081.4 | 0.5% |
| Pupil Transportation | 78,301.2 | 78,184.6 | 78,184.6 | 78,184.6 | 77,214.6 | -970.0 | -1.2% |
| Additional Foundation Funding | 0.0 | 0.0 | 20,000.0 | 20,000.0 | 30,000.0 | 10,000.0 | 50.0% |
| RDU Totals: | 1,292,566.2 | 1,293,990.4 | 1,313,990.4 | 1,313,990.4 | 1,329,101.8 | 15,111.4 | 1.2% |
| K-12 Support | | | | | | | |
| Boarding Home Grants | 7,251.9 | 7,453.2 | 7,453.2 | 7,453.2 | 7,453.2 | 0.0 | 0.0% |
| Youth in Detention | 1,100.0 | 1,100.0 | 1,100.0 | 1,100.0 | 1,100.0 | 0.0 | 0.0% |
| Special Schools | 3,385.6 | 3,558.2 | 3,558.2 | 3,558.2 | 3,540.9 | -17.3 | -0.5% |
| RDU Totals: | 11,737.5 | 12,111.4 | 12,111.4 | 12,111.4 | 12,094.1 | -17.3 | -0.1% |
| Education Support Services | | | | | | | |
| Executive Administration | 963.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Administrative Services | 1,700.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Information Services | 808.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| School Finance & Facilities | 2,085.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| RDU Totals: | 5,558.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Education Support and Administrative Services | | | | | | | |
| Executive Administration | 0.0 | 888.3 | 1,073.7 | 1,073.7 | 892.6 | -181.1 | -16.9% |
| Administrative Services | 0.0 | 1,753.8 | 1,753.8 | 1,753.8 | 1,819.7 | 65.9 | 3.8% |
| Information Services | 0.0 | 1,028.0 | 1,012.4 | 1,012.4 | 1,146.3 | 133.9 | 13.2% |
| School Finance & Facilities | 0.0 | 2,229.3 | 2,552.3 | 2,552.3 | 2,474.7 | -77.6 | -3.0% |
| Child Nutrition | 0.0 | 76,988.7 | 76,988.7 | 76,988.7 | 77,018.9 | 30.2 | 0.0% |
| Student and School Achievement | 0.0 | 157,959.2 | 158,661.4 | 158,661.4 | 160,023.9 | 1,362.5 | 0.9% |
| State System of Support | 0.0 | 1,806.3 | 2,209.7 | 2,209.7 | 1,939.7 | -270.0 | -12.2% |
| Teacher Certification | 0.0 | 926.7 | 926.7 | 926.7 | 942.1 | 15.4 | 1.7% |
| Early Learning Coordination | 0.0 | 9,618.2 | 9,618.2 | 9,618.2 | 8,422.3 | -1,195.9 | -12.4% |
| Pre-Kindergarten Grants | 0.0 | 2,000.0 | 8,000.0 | 8,000.0 | 3,200.0 | -4,800.0 | -60.0% |
| RDU Totals: | 0.0 | 255,198.5 | 262,796.9 | 262,796.9 | 257,880.2 | -4,916.7 | -1.9% |
| Teaching and Learning Support | | | | | | | |
| Child Nutrition | 68,441.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Student and School Achievement | 147,355.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| State System of Support | 1,830.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Teacher Certification | 862.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Early Learning Coordination | 9,496.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Pre-Kindergarten Grants | 1,953.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| RDU Totals: | 229,939.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Alaska State Council on the Arts | | | | | | | |
| Alaska Council on the Arts | 2,618.1 | 2,768.5 | 2,768.5 | 2,768.5 | 3,869.6 | 1,101.1 | 39.8% |
| RDU Totals: | 2,618.1 | 2,768.5 | 2,768.5 | 2,768.5 | 3,869.6 | 1,101.1 | 39.8% |
| Commissions and Boards | | | | | | | |
| Professional Teaching Practice | 260.8 | 258.8 | 258.8 | 258.8 | 259.5 | 0.7 | 0.3% |
| RDU Totals: | 260.8 | 258.8 | 258.8 | 258.8 | 259.5 | 0.7 | 0.3% |
| Mt. Edgecumbe Boarding School | | | | | | | |
| Mt. Edgecumbe Boarding School | 11,177.4 | 11,430.7 | 11,830.7 | 11,830.7 | 11,975.9 | 145.2 | 1.2% |
| MEHS Facilities Maintenance | 0.0 | 1,442.7 | 1,442.7 | 1,442.7 | 1,740.9 | 298.2 | 20.7% |

Component Summary All Funds
Department of Education and Early Development

| Results Delivery Unit/ Component | FY2018 Actuals | FY2019 Conference Committee | FY2019 Authorized | FY2019 Management Plan | FY2020 Governor | FY2019 Management Plan vs FY2020 Governor | |
|---|-----------------------|--|--------------------------|-----------------------------------|------------------------|--|---------------|
| RDU Totals: | 11,177.4 | 12,873.4 | 13,273.4 | 13,273.4 | 13,716.8 | 443.4 | 3.3% |
| State Facilities Maintenance | | | | | | | |
| State Facilities Maintenance | 1,940.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| EED State Facilities Rent | 1,036.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| RDU Totals: | 2,976.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| State Facilities Rent | | | | | | | |
| EED State Facilities Rent | 0.0 | 1,068.2 | 1,068.2 | 1,068.2 | 1,068.2 | 0.0 | 0.0% |
| RDU Totals: | 0.0 | 1,068.2 | 1,068.2 | 1,068.2 | 1,068.2 | 0.0 | 0.0% |
| Alaska State Libraries, Archives and Museums | | | | | | | |
| Library Operations | 10,194.6 | 8,444.3 | 8,444.3 | 8,444.3 | 8,517.3 | 73.0 | 0.9% |
| Archives | 1,127.1 | 1,288.4 | 1,288.4 | 1,288.4 | 1,315.1 | 26.7 | 2.1% |
| Museum Operations | 1,502.9 | 1,740.5 | 1,740.5 | 1,740.5 | 1,776.3 | 35.8 | 2.1% |
| OWL | 653.8 | 670.9 | 670.9 | 670.9 | 671.2 | 0.3 | 0.0% |
| Live Homework Help | 138.2 | 138.2 | 138.2 | 138.2 | 138.2 | 0.0 | 0.0% |
| APK Facilities Maintenance | 0.0 | 1,030.0 | 1,030.0 | 1,030.0 | 1,030.0 | 0.0 | 0.0% |
| RDU Totals: | 13,616.6 | 13,312.3 | 13,312.3 | 13,312.3 | 13,448.1 | 135.8 | 1.0% |
| Alaska Postsecondary Education Commission | | | | | | | |
| Program Admin & Operations | 17,593.5 | 17,901.5 | 17,901.5 | 17,901.5 | 18,625.6 | 724.1 | 4.0% |
| WWAMI Medical Education | 3,014.8 | 3,096.4 | 3,096.4 | 3,096.4 | 3,173.7 | 77.3 | 2.5% |
| RDU Totals: | 20,608.3 | 20,997.9 | 20,997.9 | 20,997.9 | 21,799.3 | 801.4 | 3.8% |
| Alaska Performance Scholarship Awards | | | | | | | |
| AK Perf Scholarship Awd | 11,079.6 | 11,750.0 | 11,750.0 | 11,750.0 | 11,750.0 | 0.0 | 0.0% |
| RDU Totals: | 11,079.6 | 11,750.0 | 11,750.0 | 11,750.0 | 11,750.0 | 0.0 | 0.0% |
| Alaska Student Loan Corporation | | | | | | | |
| Loan Servicing | 11,747.3 | 11,742.8 | 11,742.8 | 11,742.8 | 11,159.0 | -583.8 | -5.0% |
| RDU Totals: | 11,747.3 | 11,742.8 | 11,742.8 | 11,742.8 | 11,159.0 | -583.8 | -5.0% |
| Unrestricted Gen (UGF): | 1,295,284.2 | 1,312,355.7 | 1,321,622.6 | 1,321,622.6 | 1,337,996.1 | 16,373.5 | 1.2% |
| Designated Gen (DGF): | 24,970.8 | 26,091.2 | 26,491.2 | 26,491.2 | 23,811.6 | -2,679.6 | -10.1% |
| Other Funds: | 61,940.6 | 46,488.0 | 64,823.7 | 64,823.7 | 62,881.8 | -1,941.9 | -3.0% |
| Federal Funds: | 231,689.9 | 251,137.3 | 251,133.1 | 251,133.1 | 251,457.1 | 324.0 | 0.1% |
| Total Funds: | 1,613,885.5 | 1,636,072.2 | 1,664,070.6 | 1,664,070.6 | 1,676,146.6 | 12,076.0 | 0.7% |
| Permanent Full Time: | 275 | 267 | 270 | 273 | 282 | 9 | 3.3% |
| Permanent Part Time: | 14 | 13 | 13 | 14 | 14 | 0 | 0.0% |
| Non Permanent: | 4 | 4 | 4 | 2 | 2 | 0 | 0.0% |
| Total Positions: | 293 | 284 | 287 | 289 | 298 | 9 | 3.1% |

Key Performance Indicators

Department of Education and Early Development

- [Return to Departments](#)
- [Department of Education and Early Development website](#)

Mission

To ensure quality standards-based instruction to improve academic achievement for all students. Alaska Constitution Article 7, Sec. 1; AS 14.17

Key Performance Indicators

FY19 Authorized as of 10/2/2018 (in thousands)

| Department of Education and Early Development Totals | Funding | | | | | Positions | | |
|---|---------------|------------|-------------|---------------|---------------|-----------|-----------|----------|
| | UGF Funds | DGF Funds | Other Funds | Federal Funds | Total Funds | Full Time | Part Time | Non Perm |
| | \$1,321,437.2 | \$26,491.2 | \$64,823.7 | \$251,133.1 | \$1,663,885.2 | 270 | 13 | 4 |
| | | | | | | | | |
| 1. Distribute Public School Funding to school districts and other educational institutions <i>Ensure funding is appropriately distributed to recipients based on legislative appropriation and by statute and in accordance with the foundation formula, other formula programs, or legislative intent for funding outside the primary funding formulas</i> | Funding | | | | | Positions | | |
| | UGF Funds | DGF Funds | Other Funds | Federal Funds | Total Funds | Full Time | Part Time | Non Perm |
| | \$1,281,790.9 | \$0.0 | \$23,688.7 | \$20,791.0 | \$1,326,270.6 | 0 | 0 | 0 |
| | | | | | | | | |
| <ul style="list-style-type: none"> • Target: Calculate and distribute state entitlement funding based on the Base Student Allocation and formula calculations per AS 14.17. • Target: Distribute Public School Funding according to legislative appropriations based on formula calculations | | | | | | | | |
| | | | | | | | | |
| 2. Provide Fiscal Accountability, Compliance and Oversight <i>Ensure the department effectively and efficiently manages state, federal and other funding by providing comprehensive fiscal and administrative services</i> | Funding | | | | | Positions | | |
| | UGF Funds | DGF Funds | Other Funds | Federal Funds | Total Funds | Full Time | Part Time | Non Perm |
| | \$10,701.2 | \$926.7 | \$3,010.8 | \$227,755.4 | \$242,394.1 | 91 | 0 | 0 |
| | | | | | | | | |
| <ul style="list-style-type: none"> • Target: Provide efficient fiscal accountability, compliance and oversight for the Department of Education and Early Development's operating and capital budgets and programs • Target: Limit the number of state and federal audit findings | | | | | | | | |
| | | | | | | | | |
| 3. Develop, implement and maintain School Effectiveness Programs <i>Assist school districts by providing programs, technical on-site and distance-delivery support, and early intervention services in efforts to increase the statewide graduation rate</i> | Funding | | | | | Positions | | |
| | UGF Funds | DGF Funds | Other Funds | Federal Funds | Total Funds | Full Time | Part Time | Non Perm |
| | \$19,698.3 | \$11,750.0 | \$0.0 | \$129.6 | \$31,577.9 | 6 | 0 | 0 |
| | | | | | | | | |
| <ul style="list-style-type: none"> • Target: Assist school districts to improve the statewide graduation rate • Target: Provide a Statewide System of Support to facilitate school effectiveness measures • Target: Provide support to school districts for Early Learning programs to assist communities, parents and caregivers in preparing children for school • Target: Increase the numbers and percent of high school graduates qualifying for the Alaska Performance Scholarship (APS). | | | | | | | | |
| | | | | | | | | |
| 4. Maintain Active Partnerships for Pre- | Funding | | | | | Positions | | |
| | | | | | | | | |

K through 20 and lifelong learning

Provide opportunities for, and collaborate with government entities, and other public and private organizations to engage in Active Partnerships in pursuit of state educational goals

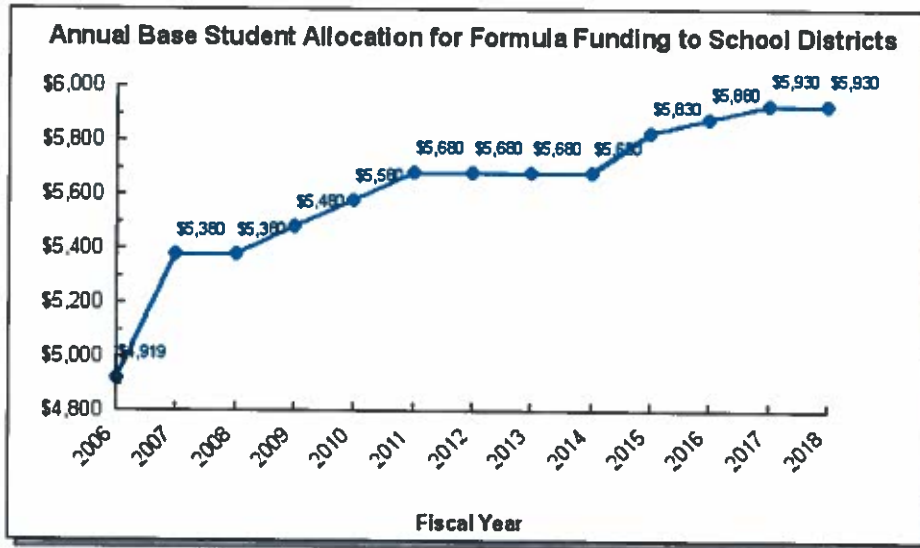
| UGF Funds | DGF Funds | Other Funds | Federal Funds | Total Funds | Full Time | Part Time | Non Perm |
|-----------|------------|-------------|---------------|-------------|-----------|-----------|----------|
| \$9,246.8 | \$13,814.5 | \$38,124.2 | \$2,457.1 | \$63,642.6 | 173 | 13 | 4 |

- **Target: Collaborate and coordinate with public and private entities for educational purposes**
- **Target: By 2020, growth to equal the national average of Alaska high school graduates continuing on to postsecondary education within a year of graduation.**

Performance Detail

1: Distribute Public School Funding to school districts and other educational institutions

Target #1: Calculate and distribute state entitlement funding based on the Base Student Allocation and formula calculations per AS 14.17.



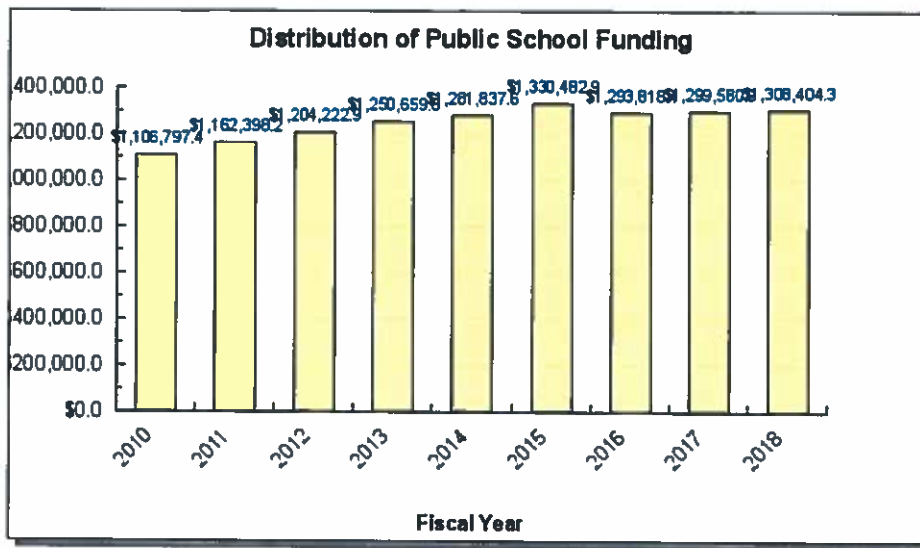
Analysis of results and challenges: The annual Base Student Allocation (BSA) amount can only be adjusted by an enacted statute change. The Department of Education and Early Development distributes Public School Funding to 53 school districts and Mt. Edgecumbe High School, the state boarding school.

There is no change from the FY2017 BSA to the FY2018 BSA.

Related links:

- [School Finance - Foundation Funding Formula](#)

Target #2: Distribute Public School Funding according to legislative appropriations based on formula calculations



Methodology: Foundation and Pupil T includes the Foundation Program and Pupil Transportation

ACYA = Alaska Challenge Youth Academy

Totals are from the Alaska Budget System (ABS) Authorized scenario.

Amounts are displayed in the thousands.

Amounts include funding as appropriated through the Foundation Program formula and outside the formula.

Distribution of Public School Funding

| Fiscal Year | Foundation & Pupil T | Boarding Home Grants | Youth in Detention | Special Schools | ACYA | Total Distribution |
|-------------|----------------------|----------------------|--------------------|-----------------|-----------|--------------------|
| FY 2018 | \$1,296,287.2 | \$7,453.2 | \$1,100.0 | \$3,563.9 | 0 0% | \$1,308,404.3 |
| FY 2017 | \$1,287,395.3 | \$7,553.2 | \$1,100.0 | \$3,532.4 | 0 0% | \$1,299,580.9 |
| FY 2016 | \$1,281,439.6 | \$7,696.4 | \$1,100.0 | \$3,582.4 | 0 0% | \$1,293,818.4 |
| FY 2015 | \$1,318,729.3 | \$6,960.3 | \$1,100.0 | \$3,693.3 | 0 | \$1,330,482.9 |
| FY 2014 | \$1,268,505.0 | \$3,749.5 | \$1,100.0 | \$3,691.7 | \$4,791.4 | \$1,281,837.6 |
| FY 2013 | \$1,237,557.9 | \$3,728.8 | \$1,100.0 | \$3,314.7 | \$4,958.4 | \$1,250,659.8 |
| FY 2012 | \$1,190,646.9 | \$3,330.8 | \$1,100.0 | \$3,318.4 | \$5,826.8 | \$1,204,222.9 |
| FY 2011 | \$1,150,477.6 | \$1,690.8 | \$1,100.0 | \$3,303.0 | \$5,826.8 | \$1,162,398.2 |
| FY 2010 | \$1,094,450.0 | \$1,690.8 | \$1,100.0 | \$3,127.5 | \$6,429.1 | \$1,106,797.4 |

Analysis of results and challenges: FY2017 and FY2018: The Foundation Program is fully funded.

FY2016: Ch23, SLA2015, HB72 and Ch1, SLA2015, HB2001 (Operating Budget); Ch38, SLA2015, SB26 (Capital Budget). FY2015 does not include the FY2016 and FY2017 Foundation Program appropriations included in the FY2015 Authorized budget (\$32,243.7 and \$19,904.2, respectively). These FY2015 appropriations were repealed in Ch38, SLA2015, SB26.

FY2015 - FY2019 include an additional Charter School Grant appropriation of \$168.8 under Foundation as a result of HB278, CH15, SLA2014, though this is technically an appropriation within the Student and School Achievement component.

Effective January 1, 2014 the Alaska Challenge Youth Academy (ACYA) was transferred to the Department of Military and Veterans Affairs and is no longer a budgeted component within the Department of Education and Early Development.

Public school funding distributions to school districts, the state boarding school and centralized correspondence study are expended out of the Public Education Fund (AS 14.17.300). The amounts reflected above include funding appropriated within the formula and outside the formula.

AS 14.17.300 Public Education Fund (a) The public education fund is established. The fund consists of appropriations for (1) distribution to school districts, to the state boarding school, and for centralized correspondence study under this chapter; and (2) transportation of pupils under AS 14.09.010.

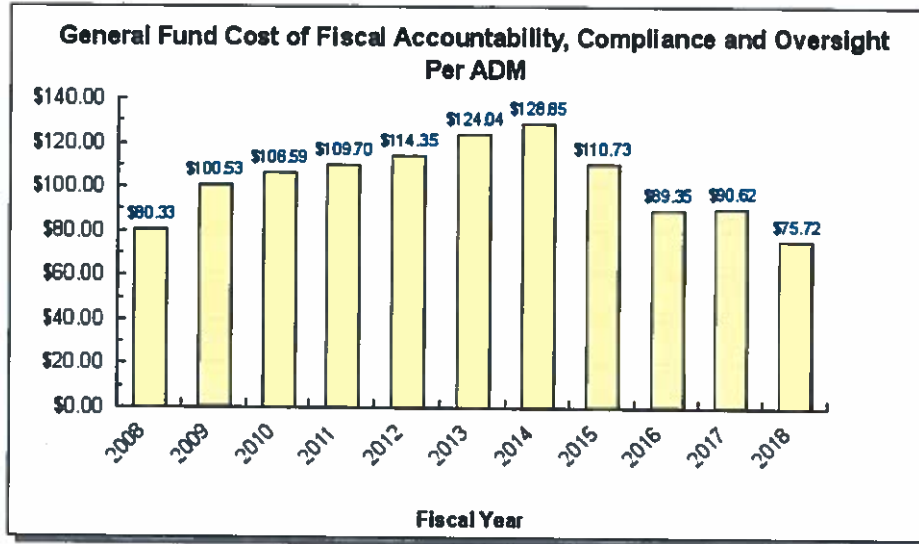
(b) Money appropriated to the fund may be expended without further appropriation. Money appropriated to the fund does not lapse. The money in the fund may be expended only in aid of public schools and for centralized correspondence study programs under this chapter and for transportation of pupils under AS 14.09.010. Interest earned on money held in the fund before expenditure may be appropriated to the fund by the legislature.

Related links:

- FY2018 DEED Enacted Budget
- FY2018 Operating Budget

2: Provide Fiscal Accountability, Compliance and Oversight

Target #1: Provide efficient fiscal accountability, compliance and oversight for the Department of Education and Early Development's operating and capital budgets and programs



Methodology: The Total GF is displayed in the thousands.

Includes General Funds only.

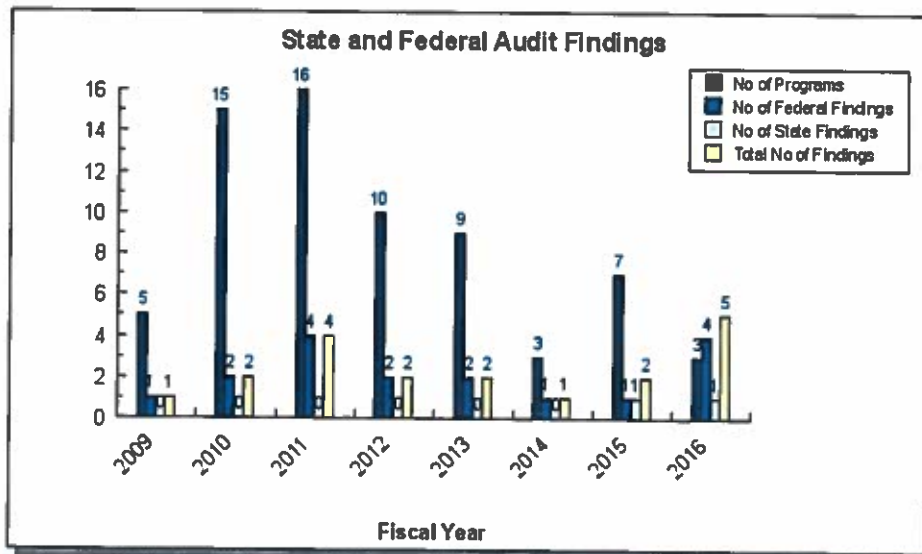
Includes the following components:

Executive Administration (except FY09 & FY10 SSoS funding), Administrative Services, Information Services, School Finance and Facilities, Student and School Achievement (except general funds that apply to other Core Services: AMEREF, ANSEP, GF/MH, Iditarod Theme-based Learning, curriculum mapping, K-3 & statewide literacy, WorkKeys, TVEP, STEM Pilot Project, Charter School Grants), Teacher Certification, Child Nutrition and State Facilities Rent.

Analysis of results and challenges: FY2018 ADM is pending final student count as of 11/1/17. FY2017 ADM was used for the initial calculation.

Increases from FY2008 - FY2012 are results of salary and health insurance bargaining unit adjustments. FY2015 includes an increase in the School Finance and Facilities component from HB278 (\$620.1). FY2016 and FY2018 reflect multiple and continued department efficiencies and staff reductions.

Target #2: Limit the number of state and federal audit findings



Analysis of results and challenges: All federal and state findings are considered resolved.

For each fiscal year, the Division of Legislative Audit conducts an audit of the State of Alaska's basic financial statements and the State's compliance with federal laws and regulations in the administration of federal financial assistance programs. The audit is conducted in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards issued by the Comptroller General of the United States, and complies with the federal Single Audit Act Amendments of 1996 and the related OMB Circular A-133 issued by the U.S. Office of Management and Budget.

Findings occur when non-compliance has been discovered during the audit process. An audit finding can be related to an individual program or multiple programs and are categorized by the degree of deficiency in the internal controls of an organization. A material weakness is a deficiency or combination of deficiencies in internal controls, such that there is a reasonable possibility that a material misstatement of an entity's financial statements will not be prevented or detected and corrected in a timely basis. A significant deficiency, or a combination of deficiencies, in internal controls is less severe than a material weakness yet important enough to merit attention by those charged with governance.

During the FY2016 Statewide Single Audit, the Division of Legislative Audit selected two federal programs / program clusters that the Department of Education and Early Development administers to audit for compliance with accounting standards and applicable federal compliance standards as outlined in Uniform Guidance (2 CFR 200). As a result of the audit, the department was issued four federal findings that affected one of the two federal programs audited along with one state finding. The federal findings were concerned with compliance with federal guidelines and two were a significant deficiency. The state finding was concerned with insufficient procedural documentation for the Grants Management System. The department has developed and implemented a corrective action plan to resolve these findings.

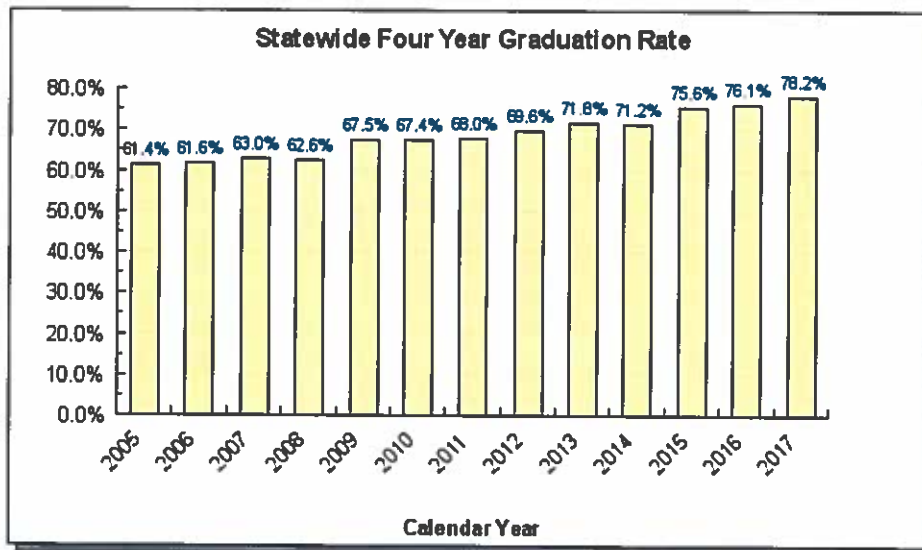
The following federal programs were audited as part of the FY2016 Statewide Single Audit:

CFDA / Program Name / Program Affected by Finding
84.027 / Special Education - Grants to States /
84.173 / Special Education - Preschool Grants/
84.041 / Impact Aid

FY2017 data will be available when the audit is complete. The final audit report is due to the Legislative Budget and Audit Committee by March 31, 2018.

3: Develop, implement and maintain School Effectiveness Programs

Target #1: Assist school districts to improve the statewide graduation rate



Methodology: The 2017 data is preliminary only, and will be final when the Report Card to the Public is published in January 2018.

All 50 states must report a graduation rate using the Four-Year Adjusted Cohort Graduation Rate Method. This calculation has been in place in Alaska since the 2010-2011 school year. Graduation rates since the 2010-2011 school year cannot be compared to rates prior to the 2010-2011 school year.

Analysis of results and challenges: The preliminary 2016-2017 rate is 78.2%, or 7,681 graduates out of 9,817 cohort members. This count of graduates does not represent all students graduating from a public high school during the 2016-2017 school year, just the graduates in the 2016-2017 four-year cohort.

The High School Graduation Qualifying Exam (HSGQE) requirement was repealed effective July 1, 2014. The College/Career-Ready Assessment (CCRA) requirement, adopted in its place, was repealed effective June 30, 2016.

Under the Four-Year Adjusted Cohort Graduation Rate Method, a cohort year is assigned to each first-time 9th grade student with the expectation that the student will graduate within four years. For example, a student who entered 9th grade in the 2013-2014 school year is considered part of the 2016-2017 cohort. A student may be added to the cohort via a transfer into the public school system or removed from the cohort upon death or upon transfer to an education program with a secondary school diploma track.

A graduate is defined as a student who received a diploma from a state- or district-approved education program as evidenced by receipt of a secondary school diploma from school authorities. Former students who eventually receive a GED certificate are not considered graduates.

The calculation of the statewide four-year graduation rate complies with current federal regulations.

Note: The inverse of the graduation rate is not the dropout rate.

Related links:

- [Report Card to the Public](#)

**Target #2: Provide a Statewide System of Support to facilitate school effectiveness measures
Professional Learning Support to Educators for Implementation of Statewide Initiatives**

| Fiscal Year | No. of Participants |
|-------------|---------------------|
| FY 2017 | 2,270 -26.51% |
| FY 2016 | 3,089 -0.61% |
| FY 2015 | 3,108 +34.6% |
| FY 2014 | 2,309 |

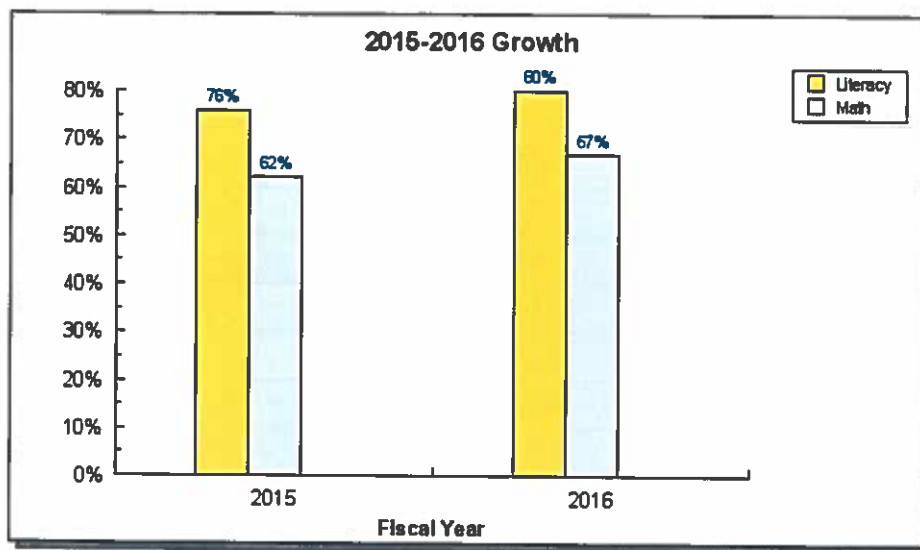
Methodology: FY2015 and FY2016 includes the number of participants receiving support through EED conference, presentations by invitation from partnering organizations, on-site and distance district-level presentations, webinars, and audio-conferences.

Analysis of results and challenges: In the past, the Department of Education and Early Development (DEED) measured performance for this target through attendance at professional development presented by the Division of Teaching and Learning Support. In 2017, the department re-organized the divisions and divided the work of Teaching and Learning Support into the functional Division of Student Learning and the Division of Educator and School Excellence. The numbers for the Division of Educator and School Excellence are lower than the overall numbers of prior years because the professional development work of the special education team, the child nutrition team, and the Elementary and Secondary Education Act (ESEA) federal programs team are no longer included in this reporting. The numbers for FY2017 are for the newly formed Division of Educator and School Excellence. These supports are related to the implementation of statewide initiatives provided by DEED to educators across Alaska. Support to districts and organizations includes conference presentations, on-site and distance district in-service presentations, webinars, and facilitation of work groups, constituting some of the primary work conducted within DEED's Divisions of Student Learning and Educator and School Excellence. DEED's continuing challenge is to provide relevant, timely, and targeted support to educators across Alaska effectively meeting their varied, unique needs. The Division of Educator and School Excellence also includes the E-module courses provided for all district staff to meet state mandated trainings. The number of participants reached in FY2017 was 16,448.

Related links:

- [Department of Education and Early Development](#)

Target #3: Provide support to school districts for Early Learning programs to assist communities, parents and caregivers in preparing children for school



Methodology: Teachers record data during three checkpoints, Fall Winter and Spring. Only Fall 2016 and Spring 2017 are presented for children who were enrolled in Pre-Elementary for at least two checkpoints. Children were reported as either Below, Meeting or Exceeding Widely Held Expectations. Total number of children assessed in Fall: 1259; and Spring: 1271.

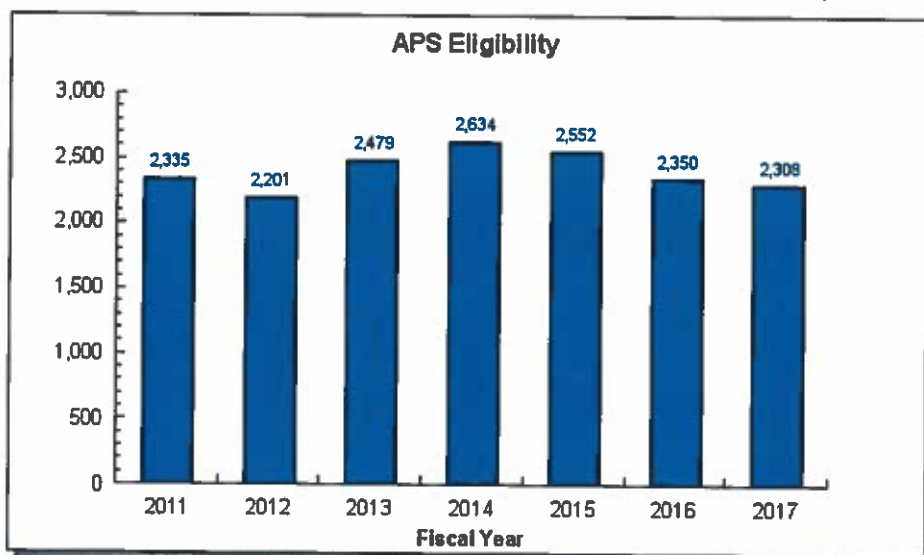
Analysis of results and challenges: The Alaska Department of Education and Early Development (DEED) works with school districts, community partners and families to ensure that Alaska's youngest students are ready to succeed in school. To do that, Early Learning identified key priorities that help make early education successful and contribute to the overall performance of this target. Those priorities and the 2017 activities are:

- Priority 1: Target support through school districts or Head Start programs to assist with the implementation of innovative, locally designed early childhood programs for children ages 3-5.
 - o In 2017 DEED provided support for 13 districts serving 358 pre-elementary students and 15 Head Start programs serving approximately 3500 three and four-year olds in locally designed programs.
- Priority 2: Ensure all pre-elementary programs supported by DEED use research based practices (ie. curriculum, child assessment, and developmentally appropriate training) and meet Alaska's Early Childhood program quality indicators to demonstrate effectiveness.
 - o Early Learning provided monthly support for all grantees on curriculum implementation and assessment. Teachers received coaching and support to guide quality practices within their classrooms. Early Learning also supported grantees with the implementation of Teaching Strategies GOLD®, an observation based assessment aligned to curriculum and professional learning. 38 Alaskan programs (15 Head Start and 19 district pre-elementary programs) participate in the Teaching Strategies GOLD® assessment. Data obtained through GOLD® are used to describe children's progress across specific developmental and educational domains. The growth outcomes shown above illustrate the growth of all children across four domains, in the years 2015 and 2016.

Related links:

- [Early Learning](#)

Target #4: Increase the numbers and percent of high school graduates qualifying for the Alaska Performance Scholarship (APS).



Methodology: Table represents APS eligibility, receipts during first year, and since graduation, by graduation year. 'Ever Received' column is if recipient ever received any APS award in any of the years after high school, distinct from in their first year after high school.

APS Eligibility

| Fiscal Year | Graduates | APS Eligible | Received 1st Year | Ever Received |
|-------------|-----------------|------------------|-------------------|-----------------|
| FY 2017 | 8,415 +3.49% | 2,308 -1.79% | 830 -7.88% | 830 -22.36% |
| FY 2016 | 8,131 -1.56% | 2,350 -7.92% | 901 +8.95% | 1,069 -4.55% |
| FY 2015 | 8,260 +7.75% | 2,552 -3.11% | 827 -6.45% | 1,120 -2.95% |
| FY 2014 | 7,666 -2.42% | 2,634 +6.25% | 884 -0.9% | 1,154 +1.94% |
| FY 2013 | 7,856 -1.55% | 2,479 +12.63% | 892 +1.71% | 1,132 -2.25% |
| FY 2012 | 7,980 -0.99% | 2,201 -5.74% | 877 -2.12% | 1,158 -2.69% |
| FY 2011 | 8,060 | 2,335 | 896 | 1,190 |

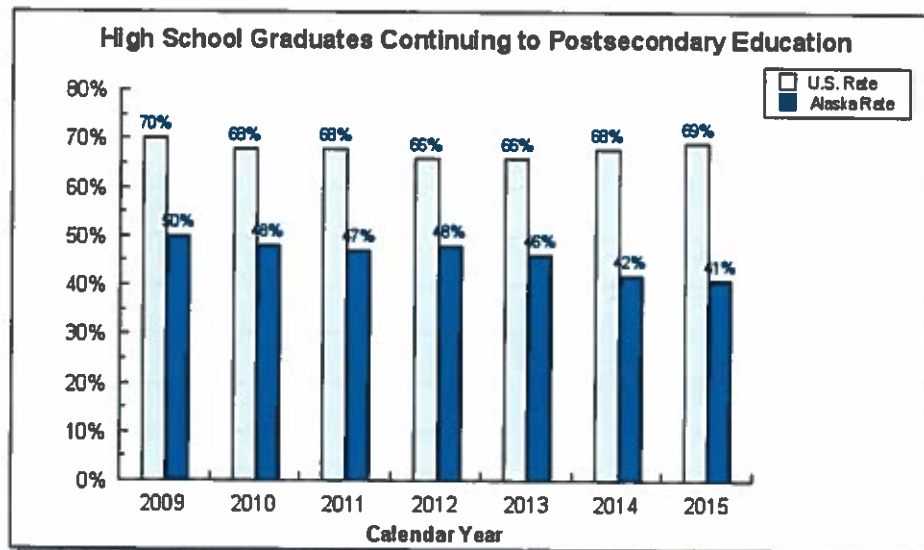
Analysis of results and challenges: FY2017 information in the table and chart is based on the fall term only, and numbers rise during the remainder of the academic year. Analyses to date reflect that APS is producing positive results, as those who earn the APS excel in their postsecondary studies, taking more credit hours and requiring fewer developmental or remedial classes than their peers. They are more likely to continue in postsecondary education and to persist in their studies than their ineligible peers. With six years having elapsed since program inception, ACPE is also now able to report that APS recipients are more likely to stay in Alaska than their non-eligible peers. The 2017 program report, scheduled for release in January 2018, will reflect the first two cohorts of APS college graduates, and include information on their participation in the Alaska workforce. Note that the increase in 2015-2017 high school graduates is at least partially attributable to elimination of Alaska's graduation exam requirement (the High School Graduation Qualifying Exam (HSGQE)) and includes students who completed their studies in both AY14 (academic year) and AY15 but had not previously passed the HSGQE. Detailed information about program outcomes is available in ACPE's annual APS Outcomes Reports, which can be found online at http://acpe.alaska.gov/REPORTS/Reports/APS_Outcomes_Report

Related links:

- [Alaska Performance Scholarship](#)
- [APS Outcomes Report](#)

4: Maintain Active Partnerships for Pre-K through 20 and lifelong learning

Target #1: By 2020, growth to equal the national average of Alaska high school graduates continuing on to postsecondary education within a year of graduation.



Methodology: Alaska's students' enrollment in college the fall following graduation is reported by the National Student Clearinghouse (NSC) Student Tracker reports, and national statistics for comparison are published in the National Center for Education Statistics-2016 Digest of Education Statistics from the US Census Bureau's Current Population Survey (CPS). National rates are of individuals ages 16-24 who had

completed high school earlier in the calendar year. Alaska rates include Alaska high school graduates completing high school in the previous entire academic year attending postsecondary education in the following fall term at an institution reporting to NSC.

Analysis of results and challenges: Alaska's postsecondary education participation rates are of significant concern with the state remaining at the lowest performance level for this measure.

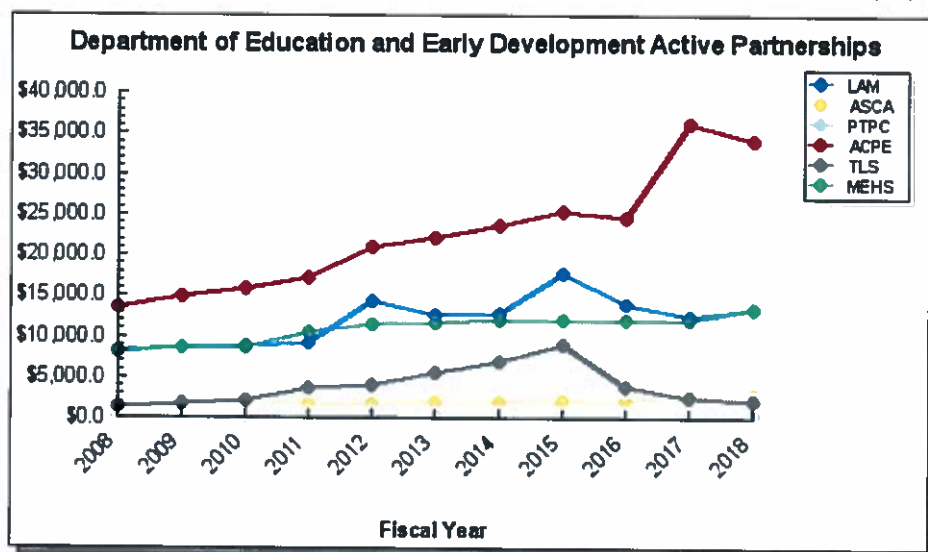
The Alaska Commission on Postsecondary Education's (ACPE) mission is to provide Alaska's students, parents, and teachers/mentors with the information and financial aid resources necessary to access, and successfully complete higher education. ACPE mission-related services include 1) outreach to increase public awareness of the importance of postsecondary education and training and the critical steps leading to success; 2) statewide programs that incentivize students to aspire to education beyond high school that leads to a well-paying career in the Alaska workforce; 3) financial aid programs for Alaska students pursuing higher education; and 4) building Alaska's capacity to report on the state's return on investment of public funding for education/workforce training programs and services.

The desired end results from these strategies are more than an increase in the numbers; they are development of a trained, competitive Alaska citizenry who are well-prepared to meet the state's workforce demands of the future and leverage a strong economy through attracting business and industry investment in our state.

Related links:

- [National Center for Education Statistics](#)

Target #2: Collaborate and coordinate with public and private entities for educational purposes



Methodology: Amounts are reported in the thousands.

Total Department Active Partnerships includes:

LAM - Libraries, Archives, Museums

ASCA - Alaska State Council on the Arts

PTPC - Professional Teaching Practices Commission

ACPE - Alaska Commission on Postsecondary Education (includes WWAMI and Loan Servicing)

TLS/Student Learning - Partnerships within the Teaching & Learning Support division (AMEREF, TVEP, GF/MH, MHTAAR, SDPR, I/A, ANSEP, STEM Pilot Project, Best Beginnings, Parents as Teachers, Online with Libraries, Live Homework Help, Alaska Learning Network)

MEHS - Mt. Edgecumbe High School (Includes State Facilities Maintenance)

Department of Education and Early Development Active Partnerships

| Fiscal Year | LAM | ASCA | PTPC | ACPE | TLS | MEHS |
|-------------|------------|-----------|---------|------------|-----------|------------|
| FY 2018 | \$13,326.2 | \$2,768.5 | \$303.0 | \$34,027.2 | \$2,124.1 | \$13,336.7 |
| FY 2017 | \$12,367.1 | \$2,770.1 | \$300.1 | \$36,169.4 | \$2,404.7 | \$12,013.8 |
| FY 2016 | \$13,958.5 | \$2,004.1 | \$303.9 | \$24,491.0 | \$3,808.7 | \$11,996.2 |
| FY 2015 | \$17,663.6 | \$2,071.1 | \$299.8 | \$25,318.7 | \$8,970.7 | \$11,960.9 |
| FY 2014 | \$12,706.3 | \$1,912.3 | \$299.7 | \$23,535.2 | \$6,768.1 | \$11,937.2 |
| FY 2013 | \$12,574.4 | \$1,820.7 | \$295.8 | \$22,031.5 | \$5,569.0 | \$11,525.7 |
| FY 2012 | \$14,366.2 | \$1,798.0 | \$290.0 | \$21,019.6 | \$4,066.0 | \$11,443.5 |
| FY 2011 | \$9,060.6 | \$1,691.8 | \$282.3 | \$17,072.9 | \$3,680.8 | \$10,455.9 |

| | | | | | | |
|---------|-----------|-----------|---------|------------|-----------|-----------|
| FY 2010 | \$8,842.7 | \$1,895.3 | \$275.0 | \$15,759.9 | \$2,060.5 | \$8,505.5 |
| FY 2009 | \$8,656.6 | \$1,532.8 | \$267.7 | \$14,802.6 | \$1,660.2 | \$8,576.9 |
| FY 2008 | \$8,251.3 | \$1,465.2 | \$254.7 | \$13,428.9 | \$1,382.0 | \$8,009.4 |

Analysis of results and challenges: FY2018: Reorganizational efforts converted the previous Division of Teaching and Learning Support into two new divisions: Division of Student Learning and Division of Educator and School Excellence. Totals included here are all within the new Division of Student Learning.

FY2017: The increase in ACPE reflects a technical adjustment that reports a previously unbudgeted RSA from the Loan Servicing component

FY2016: Online with Libraries and Live Homework Help transferred to the Division of Libraries, Archives and Museums (LAM). Statewide unallocated reduction in LAM, ASCA, TLS - S&SA.

FY2015: HB278 (Education Bill) initiatives - TLS received STEM Pilot Project funding and Library Operations received Broadband support funding for school districts. Additional increases include funding for the Alaska Performance Scholarship and Alaska Education Grant, and ASCA received additional SDPR authorization for Rasmuson Foundation grants.

FY2014: Three new components were created under TLS: Online With Libraries, Live Homework Help and Alaska Learning Network; ASCA received additional SDPR authorization for Rasmuson Foundation grants; MEHS received an increase to support Dormitory Management Services; ACPE received an increase in Interagency Receipts authorization for the Longitudinal Data System project.

FY2013: The S&SA component received general funds for Best Beginnings, Parents as Teachers, year three of three of the Iditarod theme-based learning project, and one-time funds for a grant to the North Slope Borough School District for curriculum alignment, integration and mapping.

FY2012: The Library Operations component received federal and statutory designated program receipt authorization for the ARRA Broadband Technologies Opportunities Program. The Alaska Commission on Postsecondary Education (ACPE) received general fund base funding for the Alaska Education Grant program and federal receipt authorization for the College Access Challenge Grant program.

FY2011: The Student and School Achievement (S&SA) component received general fund base funding for the partnership with the University of Alaska for the Alaska Native Science and Engineering Program (ANSEP).

Related links:

- **Department of Education and Early Development**

Current as of January 2, 2019

**Highlights of Significant Budget Changes
(FY05 to FY19)**

| | A | B | C | D | E | F | G | H | I | J | K |
|---|--|----------------------|--------------------|-----------------------------|-----------------|--|-----------|--------------|------------|--------------------|--|
| 1 | DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT | | | | | | | | | | |
| 2 | | | | | | | | | | | |
| 3 | FY | Appropriation | Allocation | Formula/ NonForm | Category | Description | GF | Other | Fed | Total Funds | Notes |
| 4 | | | | | | | | | | | |
| 5 | FY05- FY19 | K-12 Support | Foundation Program | F | K-12 Funding | GF Foundation Program increased about 56% (up \$436.7 million, from \$727.3 million to \$1,164.0 billion)—this increase includes BSA increases + other permanent formula increases | 436,669.1 | | | 436,669.1 | <p>During this period, the Base Student Allocation has risen 30% (from \$4,576 to the current \$5,930).</p> <p>FY05: \$4,576 FY06: \$4,919 FY07-FY08: \$5,380 FY09: \$5,480 FY10: \$5,580 FY11-14: \$5,680 FY15: \$5,830 FY16: \$5,880 FY17-19: \$5,930</p> |
| 6 | FY10- FY15 | K-12 Support | Foundation Program | F | K-12 Funding | Charter and Alternative Schools, VocEd factor, correspondence multiplier, and changes to required local effort | | | | | <p>FY10: \$1,314.3 Increased Charter and Alternative Schools Funding (SB 57 fiscal note)</p> <p>FY12: \$11,731.5 (SB 84 fiscal note) creating a high school vocational education factor adjustment of 1.01 in the foundation formula.</p> <p>FY13: \$27,207.7 comprised of the following: -- \$5,911.3 additional annual funding for school districts for increasing the Career Technical Education/ VOC ED factor from 1.01 to 1.015 (SB 182 fiscal note) -- \$21,296.4 provision for required local effort at a consistent 2.65 mill rate (SB 182 fiscal note)</p> <p>FY15: \$6,659.9 comprised of the following: -- \$6,176.0 increase due to correspondence multiplier change from 0.8 to 0.9 (HB 278 fiscal note) -- \$483.9 increase due to charter school size changes (HB 278 fiscal note)</p> |

**Highlights of Significant Budget Changes
(FY05 to FY19)**

| | A | B | C | D | E | F | G | H | I | J | K |
|---|--|----------------------|--------------------|-----------------------------|-----------------|---|-----------|--------------|------------|--------------------|---|
| 1 | DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT | | | | | | | | | | |
| 2 | | | | | | | | | | | |
| 3 | FY | Appropriation | Allocation | Formula/ NonForm | Category | Description | GF | Other | Fed | Total Funds | Notes |
| 4 | | | | | | | | | | | |
| 7 | FY05- FY19 | K-12 Support | Foundation Program | N | K-12 Funding | One-time grants to school districts -- items that added money to school district operating budgets without actually increasing the BSA. | 240,572.0 | | | 240,572.0 | <p>FY05: \$2,063.4 (\$609.3 for grants to municipalities/ school districts (SB100) + \$1,454.1 for additional grants to school districts and REAAs (SB 283))</p> <p>FY06: \$1,454.1 second-year funding of additional grants to school districts and REAAs (SB 283)</p> <p>FY07: \$35,000.0 (HB13 -- one-time fiscal note appropriations for Cost Factor Adjustments (\$24 million) + School Improvement Grants (\$11 million))</p> <p>FY08: \$69,101.0 comprised of the following: --\$24,007.3 Operating Language to replace Grants for District Cost Factor from FY07 --\$10,543.2 Operating Language to replace School Improvement Grants from FY07 --\$24,007.3 Additional Grants for District Cost Factors (SB 53) --\$10,543.2 Additional School Improvement Grants (SB 53)</p> <p>FY12: \$20,000.0 Supplemental energy aid to school districts (appropriated in FY11 for use in FY12 - HB 108)</p> <p>FY13 -- \$25,000.0 Aid to school districts to be distributed in proportion to the Adjusted Average Daily Membership (SB 160, sec. 21)</p> <p>FY14 -- \$25,000.0 (IncOTI) Aid to school districts for Fixed Cost Increases (HB 65, sec. 15)</p> <p>FY15 -- \$42,953.5 (IncOTI) in addition to the Foundation Formula increases in FY15 for State Aid to School Districts (HB 278)</p> <p>HB 278 also included \$32,243.7 for FY16 and \$19,904.2 for FY17. These amounts were subsequently removed in the FY15 supplemental budget.</p> <p>FY19 -- \$20,000.0 (OTI) plus an additional \$30 million in FY20.</p> |
| 8 | | | | | | | | | | | |

**Highlights of Significant Budget Changes
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| 3 | FY | Appropriation | Allocation | Formula/ NonForm | Category | Description | GF | Other | Fed | Total Funds | Notes |
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| 9 | FY10- FY11 | K-12 Support | Foundation Program | N | New/Expanded Program | Age 4 Pre-K Program funds to develop a new preschool program to provide voluntary, comprehensive, half-day for four- and five-year olds based on the standards set forth in the Alaska Early Learning Guidelines. | 4,000.0 | | | 4,000.0 | Participating school districts were funded through a competitive grant process. --FY10 \$2 million OTI --FY11 \$2 million OTI In FY12, the legislature reduced funding for this program to \$1.7 million and moved it to the Teaching and Learning Support appropriation, Early Learning Coordination allocation (see continuing notes under that section). |
| 10 | FY19 | K-12 Support | Foundation Program | N | Fiscal Note | SB 216 - School Funding for Consolidated Schools | 386.3 | | | 386.3 | SB 216 provides a hold harmless provision for the foundation formula that allows school districts to consolidate schools without losing funding in the first year. The funding reduction will be phased in over three years. This provision has no budgetary impact in the first year. The legislation also addressed a provision in the size factor that affected single-school communities with a school population of over 425, causing a funding reduction for any students above 425. This legislation allows such schools to be treated the same as schools of under 425 students. This provision currently only affects the Hooper Bay school, and is estimated to cost \$386.3 UGF in FY19. |
| 11 | FY05- FY18 | K-12 Support | Pupil Transportation | F | K-12 Funding | Pupil Transportation costs have risen by \$19 million | 25,388.1 | | | 25,388.1 | Total change includes \$11,593.2 in increased FY13 Pupil Transportation funding due to revisions in the Pupil Transportation Program funding formula (SB 182). In FY17, the Governor vetoed \$6.35 million, but funding was restored to the statutory level in FY18. |
| 12 | FY12 | K-12 Support | Pupil Transportation | F | K-12 Funding | Grant for additional school district pupil transportation costs | 8,103.3 | | | 8,103.3 | FY12 -- \$8,103.3 Supplemental payments for pupil transportation (SB 182) |
| 13 | FY07- FY09 | K-12 Support | School Performance Incentive Program | N | K-12 Funding | Ch. 41, SLA 2006 (HB13) established a 3-yr bonus program for Certified and Non-certified school personnel. | 13,100.0 | | | 13,100.0 | Funding was appropriated as follows with department actuals as shown: --FY07 \$5.8 million / Actual = \$1.88 million --FY08 \$2.5 million / Actual = \$1.37 million --FY09 \$4.8 million / Actual = \$431,500 While not considered a formula program, performance incentive payments were based on specific criterion (AS 14.03.126). Unused funding lapsed back into the general fund. |

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| 14 | FY14 | K-12 Support | Boarding Home Grants | F | Fiscal Note | District Operated Boarding Schools | 1,660.7 | | | 1,660.7 | SB 47 (Chapter 48, SLA 2013) amends AS 14.16.200, doubling state funding for districts operating statewide residential educational programs. The funding supports a stipend for students plus one round-trip ticket to and from the school to the student's home district. |
| 15 | FY15-16 | K-12 Support | Boarding Home Grants | F | New/Expanded Program | District Operated Boarding Schools | 1,697.4 | | | 1,697.4 | Chapter 48, SLA 2013 (SB 47) provided an approval process for the addition of new residential programs and increased funding for existing ones. FY15: \$961.3 for four new programs. FY16: \$736.1 for additional new and expanded programs. |
| 16 | FY15 | K-12 Support | Boarding Home Grants | F | New/Expanded Program | Residential Stipend - Boarding Home Grants | 2,249.5 | | | 2,249.5 | HB 278 impact. Amends AS 14.16.200, State funding for districts operating residential schools. It increases the stipend rate to 1.5 times the current law beginning in FY2015. The fiscal note cost includes the seven currently approved programs. Rates vary by region. |
| 17 | FY14-FY15 | K-12 Support | Special Schools | F | New/Expanded Program | Special Education Service Agency | 374.8 | | | 374.8 | HB 87 (Chapter 23, SLA 2013) extends the sunset date for the Special Education Service Agency (SESA) to June 30, 2021 and amends AS 14.30.650 by increasing the SESA funding formula from \$15.75 times the average daily membership (ADM) to \$18.65 times the ADM. This fiscal note reflects the <i>additional</i> funding mandated by that formula change (\$374.8). Each year, the amount is adjusted slightly to match changes in the formula. |
| 18 | FY15 | K-12 Support | Alaska Challenge Youth Academy | F | Structural Change | Transfer the Alaska Challenge Youth Academy responsibility to the Department of Military and Veterans' Affairs | (4,791.4) | | | (4,791.4) | Chapter 72, SLA 2013 (HB 180) established the Alaska Military Youth Academy (AMYA) within the Department of Military and Veterans' Affairs as part of the National Guard Youth Program established under 32 U.S.C. 509. It also repealed AS 14.30.740 [the funding formula for the Alaska Challenge Youth Academy (ACYA) that was in the Department of Education and Early Development (DEED)]. Beginning in FY15, funding is appropriated directly to the Department of Military and Veterans' Affairs Alaska Military Youth Academy allocation. |
| 19 | FY17 | Education Support Services | Executive Administration | N | Funding Reduction | Reduce Funding by \$85.9 UGF | (85.9) | | | (85.9) | The legislature reduced funding by \$85.9 without specifying the reduction. The Governor reduced funding by \$75.8 and deleted one position. |

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| 20 | FY17 | Education Support Services | Executive Administration | N | New/Expanded Program | \$200.0 to assist with implementation of Alaska Safe Children's Act (Erin's Law) | 200.0 | | | 200.0 | The legislature added an increment of \$200.0 to assist with the implementation of the Alaska Safe Children's Act, which passed in 2015. The legislation requires school districts to develop sexual abuse prevention curriculum, which is estimated to cost districts about \$500.0. The FY19 Governor's budget transferred the \$200.0 to the State System of Support allocation to align with program administration. |
| 21 | FY17 | Education Support Services | Executive Administration | N | Temporary Items | \$300.0 to assist with the implementation of the federal Every Student Succeeds Act, to be spent in FY17-18 | 300.0 | | | 300.0 | The legislature added a multi-year increment of \$500.0 to assist with the implementation of the federal Every Student Succeeds Act, to be spent in FY17-18. The governor vetoed \$200.0 of the funding. |
| 22 | FY17 | Education Support Services | Administrative Services | N | Legislative Deletion | Reduce funding by \$60.2 UGF | (60.2) | | | (60.2) | The legislature reduced funding by \$60.2 without specifying the reduction. |
| 23 | FY17 | Education Support Services | Information Services | N | Legislative Deletion | Reduce funding by \$37.2 UGF | (37.2) | | | (37.2) | The legislature reduced funding by \$37.2 without specifying the reduction. |
| 24 | FY15 | Education Support Services | School Finance & Facilities | N | Funding Reduction | Reduce Current Funding Based on Internal Efficiencies | (217.8) | | | (217.8) | Following departmental review, core services were aligned into functional categories to allow for funding and workflow efficiencies. |
| 25 | FY15 | Education Support Services | School Finance & Facilities | N | Temporary Items | One-Time School Design and Construction Report PCN: 1 Temporary position | 620.1 | | | 620.1 | This fiscal note added one-time funding associated with the passage of Section 53, Chapter 15, SLA 2014 (HB 278), which requires the Department of Education & Early Development to prepare and submit a report to the legislature not later than 6/15/15, on the benefits and disadvantages of using prototypical designs for school construction in both the Railbelt and rural areas of the State. |
| 26 | FY17 | Education Support Services | School Finance & Facilities | N | Funding Reduction | Reduce Funding by \$229.7 UGF PCNs: 2 PFT positions eliminated | (229.7) | | | (229.7) | |
| 27 | FY19 | Education Support and Administrative Services | School Finance & Facilities | N | Fiscal Note | HB 212 - REAA & Small Muni School District Fund | 323.0 | | | 323.0 | This legislation includes a requirement that the department develop and periodically update regional model school standards, costs, and design ratios. This will cost \$323.0 UGF in FY19, \$24.0 in FY20, and \$15.0 in subsequent years. |
| 28 | FY09-FY15 | Teaching and Learning Support | Student and School Achievement | N | New/Expanded Program | Standards Based Assessment and High School Graduation Qualifying Exam (HSGQE) Contract Increases and Elimination | 0.0 | | | 0.0 | From FY09-FY14, the contracts for the HSGQE increased by \$2 million based on an expanded scope of work, bringing the total to \$2.7 million. HB 278 eliminated the HSGQE beginning in FY15, replacing the requirement with the College and Career Readiness Assessment. |

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| 29 | FY09- FY15 | Teaching and Learning Support | Student and School Achievement | N | New/Expanded Program | Funding for WorkReady/College Ready Initiative for WorkKeys | 0.0 | | | 0.0 | \$414.0 in UGF was added to the budget in FY09. Administered in partnership with Dept. of Labor & Workforce Development. Provided students with the ability to take WorkKeys, an alternative skills assessment, without fees. This funding was subsequently removed from the budget in FY16. |
| 30 | FY09 | Teaching and Learning Support | Student and School Achievement | N | New/Expanded Program | Alaska Longitudinal Data System | 610.0 | | | 610.0 | Program designed to improve student performance through enhanced reporting on long- term performance of students. |
| 31 | FY15 - FY16 | Teaching and Learning Support | Student and School Achievement | N | Temporary Items | Pilot Program to Expand High School STEM Program to Middle School | 0.0 | | | 0.0 | HB 278 impact. The legislature also provided \$3 million to fund the addition of a pilot program to expand the High School STEM Program to Middle School. This is a three-year pilot program. In the FY16 budget, the funding was reduced from \$3 million to \$1 million. The remaining funding was transferred to the ANSEP allocation. In FY17, the remaining funding was also eliminated. |
| 32 | FY11 - FY16 | Teaching and Learning Support | ANSEP | N | New/Expanded Program | Alaska Native Science & Engineering Program (ANSEP) | 0.0 | | | 0.0 | \$960.0 UGF was added to the budget in FY11. Ongoing funds to be administered by the Department through a reimbursable agreement with the University of Alaska Anchorage. In FY16, ANSEP was transferred from Student and School Achievement to its own allocation and funding was reduced by \$300.0. In FY17, the remaining funding was eliminated. |
| 33 | FY12- FY14 | Teaching and Learning Support | Student and School Achievement | N | Temporary Items | Theme-based Learning Pilot Program Development for the Iditarod School District from FY2012 - FY2014. | 1,500.0 | | | 1,500.0 | Base budget grant for three years (not to exceed a total of \$1.5 million by the end of FY14). This was initially funded by a fiscal note to SB 84 [Ch. 7 FSSLA2011]. |
| 34 | FY13- FY15 | Teaching and Learning Support | Student and School Achievement | N | New/Expanded Program | Funding for the Support of a Statewide Literacy Program | 0.0 | | | 0.0 | The Governor requested \$300.0 GF in Grant funding for implementation of the Alaska State Literacy Blueprint, developed by a team of literacy leaders and approved by the State Board of Education in March 2011. The Legislature reduced the request to \$150.0. This funding was subsequently removed from the budget in FY16. |
| 35 | FY13 | Teaching and Learning Support | Student and School Achievement | N | Temporary Items | Grant to North Slope Borough School District for Curriculum Alignment, Integration & Mapping | 330.0 | | | 330.0 | FY13 was the third and final year of the grant (it was not funded by the state for years one and two). This funding was removed after FY13. |

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| 36 | FY14- FY15 | Teaching and Learning Support | Student and School Achievement | N | New/Expanded Program | Kindergarten through Third Grade Literacy Project | 0.0 | | | 0.0 | A Governor's request for \$320.0 UGF was approved by the legislature to fund implementation of a literacy project designed to provide for pre- and post-screening assessments for students in kindergarten through third grade (approximately 40,000 students). This funding was subsequently removed from the budget in FY16. |
| 37 | FY14 | Teaching and Learning Support | Student and School Achievement | N | Structural Change | In FY14, the legislature approved \$2 million of the Governor's request for Digitizing Education in Alaska (originally requested at \$5.9 million) but divided that funding specifically into three new allocations within the Teaching and Learning Support appropriation: Alaska Learning Network (AKLN), Online with Libraries (OWL), and Live Homework Help. | | | | | |
| 38 | FY14- FY15 | Teaching and Learning Support | Alaska Learning Network (AKLN) | N | Funding Reduction | Creation of New Allocation and Transfer in of Funds for the Alaska Learning Network (Digitizing Education in Alaska) | 0.0 | | | 0.0 | This increase supported a consortium of all 53 school districts in Alaska. The AKLN offered online opportunities from outside vendors to students, including credit recovery, dual credit with the University of Alaska and access to courses that qualify for the Alaska Performance Scholarship). FY14: \$1,100.0 FY15: \$850.0 Funding for the program was eliminated in the FY16 budget. |
| 39 | FY15 | Teaching and Learning Support | Student and School Achievement | N | Funding Reduction | Delete Long-Term Vacant Positions and Reduce Expenditure Level PCNS: 2 PFT positions eliminated | (382.2) | | (16.0) | (398.2) | At the Governor's Request, two long-term vacant Juneau PFT PCNs were deleted, with associated funding of \$180.4 (\$164.4 UGF/ \$16.0 Fed Rcpts). Also, core services were aligned into functional categories to allow for funding and workflow efficiencies, providing a further reduction of \$217.8 UGF. |
| 40 | FY15 | Teaching and Learning Support | Student and School Achievement | N | Funding Reduction | Eliminate Funding for the TerraNova Assessment | (253.6) | | | (253.6) | All funding for the TerraNova Assessment (a norm-referenced nationally standardized achievement test) was eliminated by the legislature for FY15. In April 2013, the Alaska State Board of Education adopted regulations repealing the requirements for a standardized norm-referenced test administration, the reporting of norm-reference test results, and for related school and student questionnaires. |
| 41 | FY15 | Teaching and Learning Support | Student and School Achievement | N | New/Expanded Program | Restraint, Seclusion and Crisis Training | 14.0 | | | 14.0 | HB 210 (Chapter 95, SLA 2014) pertains to crisis intervention training for school personnel and requires school districts to report new data to the department regarding safety plans and crisis conditions. The legislature approved the addition of \$14.0 UGF beginning in FY15. |

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| 42 | FY15- FY16 | Teaching and Learning Support | Student and School Achievement | N | New/Expanded Program | College Career Readiness SAT/ACT/WorkKeys | 0.0 | | | 0.0 | HB 278 impact. The High School Graduation Qualifying Examination (HSGQE) was repealed and replaced with a requirement to participate in a college and career readiness assessment (paid for by the department with estimated funding of \$525.0 UGF). In the following session, HB 44 removed this requirement effective after the 2015-16 school year. In FY16, the fund source was changed to the Higher Ed Fund (DGF), and in FY17 was eliminated from the budget. |
| 43 | FY16 - FY17 | Teaching and Learning Support | Student and School Achievement | N | Funding Reduction | Alaska Resource Education (formerly known as AMEREF) grant eliminated | (100.0) | | | (100.0) | Until FY16, DEED granted \$100.0 UGF to Alaska Resource Education, a nonprofit organization. In FY16, the legislature reduced the grant to \$25.0. In FY17, it was eliminated entirely. |
| 44 | FY15 - FY16 | Teaching and Learning Support | Student and School Achievement | N | New/Expanded Program | Military Family Data Reporting | 10.0 | | | 10.0 | HB 278 impact. \$80.0 UGF was added to fund reporting system software modifications and technical assistance for school districts to reflect changes in reporting requirements. In FY16, the amount was reduced to an ongoing cost of \$10.0 UGF per year. |
| 45 | FY15 | Teaching and Learning Support | Student and School Achievement | N | New/Expanded Program | Charter School Grants | 168.8 | | | 168.8 | HB 278 impact. The legislature added \$168.8 UGF to provide a one-time grant to new charter schools in the amount of \$500 per student enrolled in the school on October 1 of the first year in which the school applies for the grant. |
| 46 | FY15 | Teaching and Learning Support | Student and School Achievement | N | New/Expanded Program | Reflect Increases in the TVEP Funding Resulting in an Increase from .15 of 1% to .16 of 1% | 30.1 | | | 30.1 | HB 278 impact. AS 23.14.835(d) is amended to reflect increases in the TVEP Funding Formula from .15 of 1% to .16 of 1% (estimated at \$30.1 Technical and Vocational Education Program funding [DGF]). This funding is a grant from DEED to the Galena Interior Learning Academy. HB 278 also extended the TVEP program through June 30, 2017. TVEP was extended again through 2022. |
| 47 | FY16 - FY17 | Teaching and Learning Support | Student and School Achievement | N | Funding Reduction | Funding Reductions totaling \$1,378.6 PCNs: 5 PFT positions eliminated | (1,378.6) | | (54.6) | (1,433.2) | In FY16, the legislature reduced the Teaching and Learning Support appropriation by \$400.0 without specifying the reduction. In FY17, the legislature and governor reduced the component by a further \$978.6 UGF and \$54.6 Fed and deleted five positions. |

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| 48 | FY19 | Education Support and Administrative Services | Student and School Achievement | N | Temporary Items | One-Time Funding for the Development, Updating and Adoption of New Science Standards | 100.0 | | | 100.0 | The legislature approved a one-time increment (IncOTI) of \$100.0 UGF for the development of new science standards. While most state standards were revised in 2013, science standards were last changed in 2006. According to the department, the current standards do not comply with the federal Every Student Succeeds Act. This funding will be used to pay for stakeholder meetings and updates to regulations. |
| 49 | FY19 | Education Support and Administrative Services | Student and School Achievement | N | New/Expanded Program | Additional Support for Data Collection, Analysis, and Reporting 1 PFT Position | 97.8 | | | 97.8 | The legislature approved a Governor's amendment adding 1 PFT and an increment of \$97.8 UGF to the base budget. The one new Research Analyst position will serve as a liaison to school districts by providing technical assistance and support for the additional data that will be collected. In addition, this position will provide more longitudinal and comparability data analysis using existing and new datasets. This position will work across divisions within the department and increase the reporting capacity of the data management team. |
| 50 | FY19 | Education Support and Administrative Services | Student and School Achievement | N | Fiscal Note | SB 104 - Education Curriculum Requirements | 461.6 | | | 461.6 | SB 104 directs the department to review curriculum and identify the best curriculum for use in rural and urban districts. It also provides funding for a pilot program for adopting this curriculum. \$361.6 UGF and 3 positions will be used to review the curriculum and oversee the pilot program. An additional \$100.0 UGF will be used by the department to provide an electronic system for managing individualized education programs for students with disabilities. The funding for the grant program is an FY20 fund capitalization of \$19.5 million UGF. It was appropriated in SB 142 with an FY20 effective date, so it will automatically be capitalized without further legislative action |
| 51 | FY19 | Education Support and Administrative Services | Student and School Achievement | N | Fiscal Note | HB 214 - Bree's Law; Dating Violence Requirements | 263.3 | | | 263.3 | HB 214 amended existing teen dating violence statutes to rename the program and direct the Department of Education and Early Development to develop and approve relevant programs for use in schools. The FY19 cost of \$263.3 UGF covers the development of an eLearning course for teacher training, and curriculum materials production and distribution. The cost will decline to \$119.3 in FY20 and \$75.0 in subsequent years. |

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| 52 | FY11- FY17 | Teaching and Learning Support | State System of Support | N | Funding Reduction | Content Specialists for Math, Science, and Reading PCNs: 3 PFT positions added | 162.3 | | | 162.3 | <p>New Allocation "State System of Support" created in FY11 with the Transfer In of \$1.3 million from Executive Administration/ Education Support Services Appropriation (\$1,332.6 w/ 3 PFT) + the \$291.7 increment with three new positions.</p> <p>Content Specialists were hired to work with school districts to help them align their curriculum to Alaska Grade Level Expectations in reading, math, and science. This was established in response to the Moore vs. State case, in which the state's oversight of public schools was found to be deficient.</p> <p>FY11: \$291.7 increment FY12: additional \$400.0 one-time increment FY13: \$250.0 added to base, level funding through FY16 FY17: \$379.4 decrement</p> |
| 53 | FY18 | Teaching and Learning Support | State System of Support | N | Temporary Items | One-Time Increment for Alaska Education Challenge | 250.0 | | | 250.0 | In FY18, the department received \$250.0 of one-time funding for the Alaska Education Challenge. Half of the funding was to support an effort to make recommendations to improve Alaska's education system, including public meetings and travel. The other half is for competitive grants to school districts. |
| 54 | FY19 | Education Support and Administrative Services | State System of Support | N | Temporary Items | Funding for Direct Crisis Response and Support Cost (One-Time Item) | 403.4 | | | 403.4 | The legislature added one-time funding of \$403.4 UGF to the State System of Support. The funding is to be used by the department to intervene with failing school districts. |
| 55 | FY07- FY16 | Teaching and Learning Support | Statewide Mentoring Program | N | New/Expanded Program | Began with \$3.9 million GF in FY07 to provide mentoring for new teachers and principals. Funding was reduced in FY12, FY13, FY15 and FY16, and eliminated in FY17. | 0.0 | | | 0.0 | <p>The Statewide Mentoring Program began in 2003 and was cited in the state's defense in the Moore vs. State case. The program provided mentoring for new teachers and principals. In FY07, the program was broken out into a separate allocation</p> <p>FY07 - FY11: \$3.9 million UGF FY12: \$3.15 million UGF FY13 - FY14: \$3.0 million UGF FY15: \$2.3 million UGF FY16: \$1.0 million UGF, \$500.0 Higher Ed Fund (DGF) FY17: \$0.0</p> |
| 56 | FY17 | Teaching and Learning Support | Child Nutrition | N | Funding Reduction | Reduce Funding by \$17.8 UGF | (17.8) | | | (17.8) | The legislature reduced funding by \$17.8 without specifying the reduction. |

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| 57 | FY08 | Teaching and Learning Support | Early Learning Programs | N | New/Expanded Program | Creation of new allocation and funding to support the new Early Learning Program that was developed and endorsed by statewide stakeholders as well as by the State School Board | 400.0 | | | 400.0 | One-time funding for the following: --\$150.0 Early Learning Guidelines to provide training and specific curriculum development; --\$150.0 Development of a Statewide Plan for Voluntary Early Childhood Education; and --\$100.0 Ready to Read, Ready to Learn Administrative and Council Support. In FY09, this allocation was absorbed into the new Early Learning Coordination allocation (see following note). |
| 58 | FY09 | Teaching and Learning Support | Early Learning Coordination | N | Structural Change | Up until FY08, the Head Start Grant allocation (\$6.1 million GF) was an individual component within the Teaching and Learning Support appropriation. In FY09, the legislature renamed the component Early Learning Coordination and combined it with all other Early Learning | | | | | |
| 59 | FY09- FY10 | Teaching and Learning Support | Early Learning Coordination | N | New/Expanded Program | Additional Funding for Head Start Grants | 1,200.0 | | | 1,200.0 | Increments (targeted to serve additional children) were added to base Head Start funding: FY09: \$600.0 FY10: \$600.0 |
| 60 | FY09 | Teaching and Learning Support | Early Learning Coordination | N | New/Expanded Program | Early Learning Coordination Funding PCNS: 1 PFT position added | 307.1 | | | 307.1 | For continued development and administration of the Early Learning Guidelines |
| 61 | FY11- FY12 | Teaching and Learning Support | Early Learning Coordination | N | Temporary Items | Best Beginnings One-Time Item - Imagination Library Initiative and Development of Local Early Childhood Councils | 580.0 | | | 580.0 | Funds for the support of early literacy and the Imagination Library in providing matching grants to local communities to purchase children's books. FY11: \$380.0 FY12: \$200.0 |
| 62 | FY11 | Teaching and Learning Support | Early Learning Coordination | N | New/Expanded Program | Funding for Best Beginnings and/or to existing providers of Parents as Teachers pre-kindergarten efforts | 320.0 | | | 320.0 | Funding for the Best Beginnings program has fluctuated since its establishment as a one-time item in FY10: FY10: \$200.0 FY11: \$600.0 FY12-15: \$937.5 FY16-17: \$320.0 |
| 63 | FY12 | Teaching and Learning Support | Early Learning Coordination | N | New/Expanded Program | Funding for a contract with an Early Learning Coordinator for Intervention Districts (specifically directed to the Lower Yukon and Yupiit School Districts) | 300.0 | | | 300.0 | In 2007, in <i>Moore v. Alaska</i> , an Alaska trial court held that the state had failed to provide adequate supervision and oversight to remedy underperformance in certain schools. Issues include curriculum design, professional training and retention, pre-kindergarten and other intensive early learning, and remediation plans for individual students. In total, five school districts were identified--Yupiit, Lower Yukon, Yukon Flats, Yukon-Koyukuk, and Northwest Arctic. |

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| 3 | FY | Appropriation | Allocation | Formula/ NonForm | Category | Description | GF | Other | Fed | Total Funds | Notes |
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| 64 | FY12- FY17 | Teaching and Learning Support | Early Learning Coordination | N | New/Expanded Program | Funding Changes to the Parents as Teachers Grant Program | 500.0 | | | 500.0 | SB 182 (Ch19 SLA 2012) increased funding for the Parents as Teachers (PAT) program for FY13-15 by \$373.0, to a total of \$1,042.5. The legislature then reduced funding in FY14 and again in FY16. FY12: \$300.0 FY13: \$1,042.5 FY14-15: \$680.5 FY16-18: \$500.0 |
| 65 | FY17 | Teaching and Learning Support | Early Learning Coordination | N | Funding Reduction | Reduce Funding by \$106.3 UGF | (106.3) | | | (106.3) | The legislature reduced funding by \$106.3 without specifying the reduction. |
| 66 | FY18- FY19 | Education Support and Administrative Services | Early Learning Coordination | N | New/Expanded Program | One-Time Increment of \$1.2 million for Pre-K program affected by Moore settlement | 1,200.0 | | | 1,200.0 | The legislature added \$1.2 million UGF as one- time funds to support pre-k programs in school districts that formerly received funding from the Moore Settlement from FY13-17. In FY19, the legislature added the program to the base budget. |
| 67 | FY12- FY16 | Teaching and Learning Support | Pre-Kindergarten Grants | N | New/Expanded Program | Funding for Pre-Kindergarten Grants | 2,000.0 | | | 2,000.0 | Pre-Kindergarten grants were moved from the K- 12 Formula to a separate allocation beginning in FY13. FY12: \$1,700.0 UGF FY13: \$2,800.0 UGF FY14-18: \$2,000.0 UGF |
| 68 | FY19 | Education Support and Administrative Services | Pre-Kindergarten Grants | N | New/Expanded Program | Multi-year increase to Pre-K Grants (FY19-20) | 6,000.0 | | | 6,000.0 | The legislature added a multi-year appropriation of \$6 million UGF to increase Pre-Kindergarten Grants, to be used in FY19 and FY20. |
| 69 | FY15- FY17 | Commissions and Boards | Alaska State Council on the Arts | N | New/Expanded Program | Increased Statutory Designated Program Receipt authorization for Rasmuson funding for the Harper Arts Touring Program and Margaret A. Cargill Foundation funding for Alaska Arts Education Planning Partnership Project | | 960.0 | | 960.0 | In FY15, the legislature approved base funding of \$160.0 to allow for increased management and administration of the Harper Arts Touring Program sponsored by the Rasmuson Foundation. The legislature also approved an RPL authorizing receipt of funding from the Margaret A. Cargill Foundation for the Alaska Arts Education Planning Partnership Project. No general fund match requirement and no new positions are needed for these programs. In FY17, the legislature approved an additional \$800.0 increase in SDPR for additional receipts from the Margaret A. Cargill Foundation. |
| 70 | FY16 - FY17 | Commissions and Boards | Alaska State Council on the Arts | N | Funding Reduction | Funding reductions totaling \$111.5 UGF | (112.0) | | | (112.0) | In FY16, the legislature reduced UGF funding (including GF/Match) by 10%, equal to \$80.4. In FY17, the legislature reduced GF/Match by an additional \$31.1 and the Governor reduced UGF by \$0.5 |

**Highlights of Significant Budget Changes
(FY05 to FY19)**

| | A | B | C | D | E | F | G | H | I | J | K |
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| 1 | DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT | | | | | | | | | | |
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| 71 | FY16 | Commissions and Boards | Professional Teaching Practices Commission | N | Funding Source Change | Replace \$303.9 UGF with GF/PR by increasing licensing fees | 0.0 | | | 0.0 | In response to legislative intent, the department increased teacher licensing fees to pay for the Professional Teaching Practices Commission. Beginning in FY16, the program became entirely fee-supported. |
| 72 | FY18 | Mt. Edgecumbe Boarding School | Mt. Edgecumbe Boarding School | N | Funding Source Change | Fund Source Change from UGF to Public School Trust Fund (\$4.7 million) | 0.0 | | | 0.0 | In FY18, the legislature switched the funding for Mount Edgecumbe to the Public School Trust Fund, and included intent language stating that it was a one-time change. |
| 73 | FY18- FY19 | Mt. Edgecumbe Boarding School | Mt. Edgecumbe Boarding School, Mt. Edgecumbe Boarding School Facilities Maintenance | N | New/Expanded Program | Funding for Mt. Edgecumbe Aquatic Center | 650.0 | 100.0 | | 750.0 | In the FY18 budget, the legislature appropriated \$100.0 of Public School Trust Funds (Other) for the Mount Edgecumbe Aquatic Center, set to open that year. In the FY18 supplemental budget, the legislature added \$400.0 of Muni Match funds (DGF) as a multi-year item. In the FY19 budget, the legislature added \$250.0 of GF/Program Receipts (DGF) to enable collection of fees for use of the center. Together, these increments will pay for the costs of operating the Aquatic Center in FY18 and FY19, but more funding will be needed in FY20. |
| 74 | FY16 | State Facilities Maintenance | EED State Facilities Rent | N | Temporary Items | One-time increment to support dual occupancy for the State Libraries, Archives, and Museums (SLAM) facility | 200.0 | | | 200.0 | The SLAM building was completed in April 2016. For three months (April-June 2016), the department was responsible for both the new SLAM building and existing leased space. |
| 75 | FY14- FY17 | Alaska Library and Museums | Online with Libraries (OWL) | N | Structural Change | Creation of new allocation and addition of funds for Online with Libraries (part of Digitizing Education in Alaska). Allocation moved to Alaska Library and Museums appropriation in FY16. | 661.8 | | | 661.8 | The OWL project specifically supports local libraries and communities by supplying bandwidth, or improved bandwidth, that allows access to state and federal support services, licenses, training, and educational opportunities. It was funded at \$761.8 UGF beginning in FY14. In FY16, this program was changed from UGF to the Higher Education Investment Fund (DGF). In FY17, the funding was changed back to UGF and was reduced by \$100.0. |
| 76 | FY14- FY16 | Alaska Library and Museums | Live Homework Help | N | New/Expanded Program | Creation of new allocation and Addition of Funds for Live Homework Help (part of Digitizing Education in Alaska). Allocation moved to Alaska Library and Museums appropriation in FY16. | 138.2 | | | 138.2 | The funding in this allocation will allow students to access help via chat-line from a live tutor. Assistance is available to any Alaskan student at any level, including college, from 1 pm until midnight. In FY16, this program was changed from UGF to the Higher Education Investment Fund (DGF). |

**Highlights of Significant Budget Changes
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| 77 | FY15- FY19 | Alaska Library and Museums | Library Operations | N | New/Expanded Program | Broadband Grant | 2,717.3 | | | 2,717.3 | HB 278 impact. Each fiscal year, a district in which one or more schools qualify for a discounted rate for internet services under the federal universal services program (47 U.S.C. 254) is eligible to receive an amount for each school that is equal to the amount needed to bring the applicant's speed to 10 mps. FY15: \$5 million UGF FY16: \$3.6 million total--\$1.8 million UGF, \$1.8 million Higher Ed Fund (DGF) FY17-18: \$2.7 million Higher Ed Fund (DGF) FY19: \$2.6 million Higher Ed Fund (DGF) |
| 78 | FY16 - FY17 | Alaska Library and Museums | Library Operations | N | Funding Reduction | Reductions in funding totaling \$773.8 UGF | (773.8) | | | (773.8) | In FY16, the legislature cut the Alaska Library, Archives and Museums appropriation by \$422.5, \$273.8 of which was spread to the Library Operations allocation. The legislature further reduced funding for the Library Operations allocation by \$500.0 without specifying the reduction. |
| 79 | FY16 - FY17 | Alaska Library and Museums | Archives | N | Funding Reduction | Reductions in funding totaling \$89.2 UGF | (89.2) | | | (89.2) | In FY16, the legislature cut the Alaska Library, Archives and Museums appropriation by \$422.5, \$68.7 of which was spread to the Archives allocation. The legislature further reduced funding for the Archives allocation by \$20.5 without specifying the reduction. |
| 80 | FY16 - FY17 | Alaska Library and Museums | Museum Operations | N | Funding Reduction | Reductions in funding totaling \$580.0 UGF | (580.0) | | | (580.0) | In FY16, the legislature cut the Alaska Library, Archives and Museums appropriation by \$422.5, \$80.0 of which was spread to the Museum Operations allocation. The legislature further reduced funding for the Museum Operations allocation by \$500.0 without specifying the reduction. |

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| 81 | FY12- FY16 | Alaska Postsecondary Education Commission | Program Administration & Operations | F | New/Expanded Program | Alaska Education Grant (AEG) Funding | 5,957.8 | | | 5,957.8 | <p>In FY12, the Legislature approved \$3 million in Alaska Education Grant Funding.</p> <p>In FY13, HB104 established the Alaska Higher Education Investment Fund to pay for Alaska Performance Scholarships (APS) and for the Alaska Education Grants (AEG). The bill set up a proportional allocation of funding structure with two-thirds of each year's appropriation allocated to APS and one-third of the appropriation allocated to AEG, up to seven percent of the fund's balance. Funding for the grants has increased as follows: FY12: \$3 million FY13 - FY14: \$4 million FY15: \$5.5 million FY16-17: \$5.75 million FY18: \$5.875 million Beginning in FY15, ACPE also began using \$82.8 from the Higher Education Investment Fund to cover the cost of maintenance for the the grant administration software (SB 195 fiscal note).</p> |
| 82 | FY16 | Alaska Postsecondary Education Commission | Program Administration & Operations | N | Funding Reduction | Reduced ACPE funding for ANSWERS, Outreach Efforts | | (925.0) | | (925.0) | <p>The legislature removed a total of \$925.0 of ASLC Receipt authority from ACPE. \$700.0 of the reduction was to eliminate funding for ANSWERS, a longitudinal data system. The remaining \$225.0 was to reduce outreach efforts.</p> |
| 83 | FY19 | Alaska Postsecondary Education Commission | Program Administration & Operations | N | Funding Reduction | Reduce Funding Associated with Four Positions Deleted in FY18 Management Plan | | (401.2) | | (401.2) | <p>The FY18 Management Plan eliminated four vacant positions due to efficiencies identified by the Alaska Commission on Postsecondary Education (ACPE). This decrement in the FY19 budget eliminates the funding for those four positions. ACPE does not expect any reduction in services as a result of this reduction. The reduction is made in two places in the budget - ASLC Receipts are deleted in the Alaska Student Loan Corporation appropriation, and corresponding interagency receipts are deleted in the ACPE appropriation.</p> |
| 84 | FY07- FY11 | Alaska Postsecondary Education Commission | WWAMI Medical Education | N | New/Expanded Program | Increase of \$1.45 million primarily between FY08 - FY11 for expansion of the annual class size of Alaskan participants in the WWAMI regional medical program at the University of Washington | 1,457.5 | | | 1,457.5 | <p>The annual class size doubled in size (from 10 to 20 participants) at the UW School of Medicine (Chapter 5, SLA2007, AS 14.42.030(d)). FY07: \$39.4 FY08: \$151.3 FY09: \$432.1 FY10: \$524.7 FY11: \$310.0</p> |

**Highlights of Significant Budget Changes
(FY05 to FY19)**

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| 85 | FY16 | Alaska Postsecondary Education Commission | WWAMI Medical Education | N | Fund Source Change | Fund Source Change from UGF to Higher Education Investment Fund (DGF) | 0.0 | | | 0.0 | In FY16, the legislature changed WWAMI's entire \$2,964.8 budget from UGF to the Higher Education Investment Fund, which is considered DGF. |
| 86 | FY18-FY19 | Alaska Postsecondary Education Commission | WWAMI Medical Education | N | WWAMI | Contractual Increase for WWAMI | 131.6 | | | 131.6 | In FY18, the Governor requested \$106.1 to pay for increased contractual costs for WWAMI. The legislature approved \$50.0. The legislature approved an additional increment of \$81.6 in FY19. |
| 87 | FY12-FY18 | AK Performance Scholarship Awards | AK Performance Scholarship Awards | F | New/Expanded Program | Alaska Performance Scholarship (APS) funding for the merit-based scholarships | 11,750.0 | | | 11,750.0 | <p>New appropriation/allocation beginning with \$6 million in FY12.</p> <p>In 2012, HB 104 (Alaska Performance Scholarships) (Chapter 74, SLA2012) was passed which established the Alaska Higher Education Investment Fund and added another \$4.9 million by fiscal note to the program, totaling \$8 million for FY13. (Also see note above concerning the Alaska Advantage Education Grants.) Beginning in FY14, the amount was fully funded with the Higher Education Investment Fund.</p> <p>FY12: \$6 million FY13-14: \$8 million FY15: \$11 million FY16-17: \$11.5 million FY18: \$11.75 million</p> |
| 88 | FY16 | Alaska Student Loan Corporation | Loan Servicing | N | Structural Change | Creation of new Alaska Student Loan Corporation appropriation | | | | | In FY16, the legislature approved the Governor's request for a structure change to reflect the Alaska Student Loan Corporation's status as a distinct legal entity from the Alaska Commission on Postsecondary Education. Fund code 1106 was also renamed "ASLC Receipts" for the same reason. |