



THE STATE  
of ALASKA  
GOVERNOR MICHAEL J. DUNLEAVY

Office of the Governor

OFFICE OF MANAGEMENT AND BUDGET  
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March 22, 2019

Representative Neal Foster, Co-Chair  
House Finance Committee  
State Capitol, Rm 505  
Juneau, AK 99801

Representative Tammie Wilson, Co-Chair  
House Finance Committee  
State Capitol, Room 511  
Juneau, AK 99801

Dear Co-Chairs Foster and Wilson,

Below, please see the responses to questions asked during the Office of Management and Budget's presentation to the House Finance Committee on March 8, 2019.

1. *Representative Ortiz: Are the WWAMI figures apples to apples or do the 2014 numbers include non-Alaskans and the 2018 numbers only include Alaskans?*

Looking further into the statement, "From calendar year 2014 through calendar year 2018, the percent of graduates practicing in Alaska has decreased from 84% to 61%", the issue appears to be in calculating the rate of return. When the class size doubled in 2012, the denominator of the fraction doubled in 2016 when that class graduated. Thus, it appears to be a function of doubling the class size and would be expected to climb back up going forward.

2. *Representatives Johnston and Josephson: If WWAMI goes away, is Alaska the only state without a medical program? Please provide a spreadsheet showing programs other states without a medical school offer.*

The states that do not have medical schools are Alaska, Delaware, Montana, and Wyoming. Alaska, Montana, and Wyoming provide residents access to medical school through the Washington, Wyoming, Alaska, Montana, Idaho (WWAMI) program, and Delaware provides access to its residents through an agreement with a school in Philadelphia. If Alaska discontinues WWAMI participation, it will be the only state without a medical school.

3. *Representative Johnston: Please provide Head Start data:*
  - a. *-location/name of the 16 Head Start programs*
  - b. *-which five have waivers for match?*
  - c. *-how much money does each of the 16 receive?*

d. *-if there is a match ratio, please provide and extrapolate from non-state sources.*

The following chart provides a list of the 16 Head Start agencies within Alaska receiving state funds in FY2019, along with the amount of each grant and the number of students reported under the second quarter of FY2019. There is one other Head Start agency in Alaska, but they do not receive any state funds; that agency is the Cook Inlet Tribal Council.

Head Start State Grant	Grant Amount	FY19 Q2 Reported # Students	State Funded Students	Per Pupil Cost on Totals
Aleutian Pribilof Islands Association	\$ 30,000	53		
Association of Village Council Presidents	\$ 357,948	215		
Bristol Bay Native Corporation	\$ 73,934	80		
Council of Athabaskan Tribal Governments	\$ 57,460	0		
Chugiak Children's Services Early Learning	\$ 567,099	254	60	
Central Council of the Tlingit and Haida Indian Tribes of Alaska	\$ 441,170	262		
Chugachmiut	\$ 30,000	22		
Cook Inlet Native Head Start	\$ 95,000	194		
Fairbanks Native Association	\$ 107,293	167		
Kawerak, Inc.	\$ 569,386	172		
Kenaitze Indian Tribe	\$ 30,549	57		
Kid's Corp	\$ 818,699	242		
Metlakatla Indian Community	\$ 30,000	31		
Play N Learn ThrivAlaska	\$ 439,596	126	18	
RurAL CAP	\$ 2,589,143	550	100	
Tanana Chiefs Conference	\$ 583,238	101		
<b>Head Start State Funded Students Total</b>	<b>\$ 6,820,515</b>		<b>178</b>	<b>\$38,317.50</b>
<b>Head Start Federal Total</b>	<b>\$ 46,331,282</b>	<b>3,123</b>		<b>\$14,835.50</b>
<b>Head Start with added State Funds Total</b>	<b>\$ 53,151,797</b>	<b>3,301</b>		<b>\$16,101.73</b>

To clarify, there are actually six Head Start programs that currently have waivers from the 20% federal match requirement:

- Aleutian Pribilof Islands Association – 10.39%
- Bristol Bay Native Association – 7.95%
- Chugachmiut – 4.64%
- Fairbanks Native Association – 18.25%
- Metlakatla – 0%
- Tanana Chiefs Conference – 15.52%

4. *Representative Foster: Moore settlement details – this may be better addressed by Dept. of Law?*

Please see the attached copy of the Moore vs. State of Alaska Settlement Agreement.

5. *Representative LeBon: How many of the 205 WWAMI borrowers from ACPE are currently in Alaska?*

To clarify, the Alaska Commission on Postsecondary Education (ACPE) currently services approximately \$12.3 million, or 633 WWAMI loans, to a total of 226 WWAMI borrowers. Of the 226 borrowers who still have active loans, 175 or 77% are in Alaska.

6. *Representative Carpenter: What things are not covered under State insurance?*

Risk Management covers all building structures that have been reported to them by state agencies. Items not covered by Risk Management are any non-structure items such as parking lots, sidewalks, pavement, bridges, fences, guardrails, street lights, etc.

To be consistent with Risk Management's excess carrier's policy, they do not cover State employee' time under regular pay. However, if employees were to work overtime to mitigate earthquake damages, their pay could be eligible for coverage.

Risk Management covers all contents within buildings including all leases (which only provide coverage for contents, not structure).

7. *Representative Johnston: Please provide a 10 year lookback of the balance of the Disaster Relief Fund.*

Please see the attached spreadsheet: *DRF – SFY16 – SFY19 by BGR Transaction Updated 3.8.19.*

8. *Representative Foster: Please provide a summary of efforts made to recruit Village Public Safety Officers prior to identifying the \$3 million as lapsing.*

The Department of Public Safety has made the following efforts over the last two years to improve recruitment:

- Implementation of a recruitment incentive of a \$5,000 payment upon completion of 3 years of service.
- Salary increase for Village Public Safety Officers (VPSOs) of 6% to improve salary competitiveness.
- Implementation of a training completion incentive equal to a one-step salary increase (3.75%) upon completion of initial academy training.
- Provided recruitment-specific training to the VPSO grantee coordinators in several training sessions with presenters from different organizations (media/recruiters/strategy groups).
- In FY19, one grantee requested and was awarded \$40,000 to hire a recruitment firm to develop and assist with their recruitment and hiring efforts.

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- Conducted a VPSO survey and in-person discussions to elicit input from current VPSOs.
- Had strategic planning and quarterly meetings with grantee VPSO coordinators to identify and address challenges and issues.
- Reviewed and identified issues in regards to hiring processes and background investigations to streamline and improve the timeline and completion of the hiring steps in an effort to reduce burden on applicants and grantees.

Please let me know if you have additional questions.

Sincerely,



Donna Arduin, Director  
Office of Management and Budget

Attachments

1. DRF – SFY16 – SFY16 by BGR Transaction Updated 3.8.19
2. Moore vs. State Settlement Agreement

cc: Ms. Suzanne Cunningham, Director, Governor's Legislative Office  
Mr. David Teal, Director, Legislative Finance Division