



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

Department of Education &  
Early Development

OFFICE OF THE COMMISSIONER

P.O. Box 110500  
Juneau, Alaska 99811-0500  
Main: 907.465.2800  
TTY/TDD: 907.465.2815  
Fax 907.465.4156

Monday, March 8, 2021

House Finance Subcommittee on the Department of Education and Early Development

Follow-up on Committee Member Comments

Prepared by DEED Staff

Contacts: Erin Hardin, DEED Legislative Liaison, [erin.hardin@alaska.gov](mailto:erin.hardin@alaska.gov)

Lacey Sanders, Administrative Services Director, [lacey.sanders@alaska.gov](mailto:lacey.sanders@alaska.gov)

**1. For the Impact Aid application that the department submits on behalf of three military bases and Mt. Edgecumbe High School, why is Fort Greely not included?**

With the revision of the education code in 1975, the Department of Education and Early Development (DEED) was given the option of requiring city and borough school districts to provide education to the military reservation schools under a contract that would fully reimburse the local districts for their costs. [AS 14.08.031; AS 14.12.020(a); AS 14.14.110]. DEED chose to use that option. As a result, the State has continued to be responsible for providing education on military bases through contracting with existing city or borough districts. Currently, the military bases in Anchorage, Fairbanks, and Kodiak are not a part of the school district in which they are located. The following Alaska statute further clarifies and supports this statement.

**Sec. 29.35.160. Education.**

*(a) Each borough constitutes a borough school district and establishes, maintains, and operates a system of public schools on an areawide basis as provided in AS 14.14.060. **A military reservation in a borough is not part of the borough school district until the military mission is terminated or until inclusion in the borough school district is approved by the Department of Education and Early Development.** However, operation of the military reservation schools by the borough school district may be required by the Department of Education and Early Development under AS 14.14.110. If the military mission of a military reservation terminates or continued management and control by a regional educational attendance area is disapproved by the Department of Education and Early Development, operation, management, and control of schools on the military reservation transfers to the borough school district in which the military reservation is located.*

Since DEED has contracts with these school districts, DEED applies for the Impact Aid funding related to the students in the on-base schools, as well as Mt. Edgecumbe High School.

The Delta Greely School District is a regional educational attendance area (REAA), which is why they have never been included, similar to other military bases in Alaska. Furthermore, Delta Greely School District does apply for Impact Aid funding directly from the U.S. Department of Education for the students in Fort Greely.

**2. Please provide an update to the graph on slide 6 that is a ten-year lookback and is adjusted for inflation.**

Enclosed please find an updated slide 6 for the K-12 Aid to School District Results Delivery Unit. The budget components under here include Foundation Program; Pupil Transportation; and

Additional Foundation Funding. The updated graph shows inflation-adjusted numbers (2019 dollars) for FY2013 Authorized through the FY2022 Governor's Budget. In addition, the Base Student Allocation (BSA) is shown in both unadjusted and inflation-adjusted amounts.

**3. Please provide a summary on terminology for the CARES and CRRSA Act, such as maintenance of effort.**

Enclosed is a copy of the terminology and definition document that covers the Supplement, Not Supplant provision, as well as the Maintenance of Effort requirement, as they pertain to the CARES and CRRSA Acts. This document is also available on DEED's website at the following link <https://education.alaska.gov/news/COVID-19/Federal%20COVID%20Relief%20Funding%20-%20Terminology%20&%20Definitions.pdf>.

**4. Please give a break-out of where the Dividend Raffle money is appropriated.**

Starting in FY2020 [HB213 (Chapter 80 SLA 2018)], the amount generated from the Dividend Raffle Fund has been appropriated within the Additional Foundation Funding component in accordance with AS 43.23.230, which states that of the permanent fund dividend donations received in a year, the legislature shall appropriate 25 percent to the education endowment fund established in AS 43.23.220 and 25 percent to the dividend raffle fund. The remaining 50 percent of the donations received are to be appropriated to the Department of Education and Early Development for distribution as supplemental grants to school districts according to the average daily membership for each district adjusted under AS 14.17.410(b)(1)(A)-(D).

**5. Why are there differences between the Youth in Detention school's allocations?**

The Youth in Detention allocations are based on bed counts that have been agreed upon with the school districts that operate the educational program in the detention facility schools. These same bed counts are used for determining the Foundation Formula funding of the school district.

DEED uses the bed count (average daily membership or ADM) to calculate the adjusted ADM (AADM) for each facility. This adjustment includes the school size factor, the district cost factor, the specials needs factor, and the vocational education factor. Since we are using the Foundation Formula to determine the AADM, it is the school size factor that is the main contributing factor to the differences between each facility.

Each facility receives a proportional share of the total Youth in Detention appropriation of \$1.1 million as determined by its AADM for its Youth in Detention grant allocation.

**6. Please provide regulations on the Youth in Detention allocations.**

AS 14.07.020(a)(5) says: *The department shall establish, in coordination with the Department of Health and Social Services, a program for the continuing education of children who are held in detention facilities in the state during the period of detention.*

There are no state regulations associated with the Youth in Detention funding. The regulations associated with this program fall under the federal government and the Title I-D program.

In addition, the Department of Health and Social Services' Division of Juvenile Justice oversees the youth facilities in the state, who each have a Memorandum of Agreement on file that outlines the following items that each facility provides:

- Secure facilities for youth awaiting determination of the outcomes relating to their offenses;

- Highly structured core services such as short-term individual, group, and family counseling;
- Education services through local school district;
- Health screening and medical care;
- Mental health diagnostics and services;
- Substance abuse education and prevention; and,
- Life-skills competency building.

**7. Please provide the percentage match for districts to receive Child Nutrition federal funds.**

Pursuant to 7 CFR § 210.17(g), within 120 days after the end of each school year, each State agency shall submit an Annual Report of Revenues (FNS-13) to the U.S. Department of Agriculture's Food Nutrition Services (FNS). This report identifies the State revenues to be counted toward the State Revenue Matching Requirement (SRMR) under the National School Lunch Program (NSLP). A district has allowable matching funds if they have excess expenditures over revenue and have a transfer from the General Fund to cover this shortfall. Only the amount of the transfer that is equal to (or less than) the shortfall qualifies as matching funds. In addition, for districts that have excess revenue over expenditures, it itemizes the amount of "profit." These districts do not have any allowable matching funds. The previous fiscal year's audited data is used to create this report. For example, for the report due in 2021, FY2020 audited data was used.

Alaska's NSLP SRMR is \$492,755. Enclosed is a copy of the latest FY2021 FNS-13 Report. The SRMR is \$8,790,507.

**8. Estimates of new COVID relief funds coming, if possible.**

More information was provided during the March 19, 2021 House Finance Subcommittee hearing; however, below are the allocations that have been provided.

American Resource Plan Act (ARPA), FY2021 State Grant under ESSER III Fund

Alaska's Total State Grant: \$358,707,134

State Educational Agency (SEA) Reservation of Funds: \$35,870,713

- Estimated Minimum Reservation to Address Learning Loss (5% of total)
- Estimated Minimum Reservation for Summer Enrichment (1% of total)
- Estimated Minimum Reservation for Afterschool Programs (1% of total)
- Estimated Maximum Reservation for Other State Activities (2.5% of total)
- Estimated Maximum Reservation for State Administration (0.5% of total)

Allocation of Funds to Local Educational Agencies (LEAs) and LEA Reservation of Funds

- Minimum funding for LEAs (90% of total): \$322,836,420
  - Minimum Reservation of LEA Funds to Address Learning Loss (20% of LEA total)

**9. Provide an updated slide 16 that breaks CARES Act funding out from the regular federal authority.**

Enclosed in an updated Slide 16 which shows the \$41,869,600 in CARES Act funding received in FY2020.

**10. What is the Emergency Operational Costs for Child Nutrition Programs during the COVID-19 pandemic grant that Alaska is applying for and what is the timeline for these funds?**

Pursuant to Section 722 of P.L. 116-260, the Consolidated Appropriations Act, 2021, Title VII, Chapter 3 (the Act), the Food and Nutrition Service (FNS) is offering additional funds to State agencies administering the National School Lunch Program (NSLP), School Breakfast Program (SBP), and the Child and Adult Care Food Program (CACFP) to provide local operators of those programs with additional reimbursements for emergency operating costs they incurred during the public health emergency. These additional funds will be provided by way of two temporary reimbursement programs: the *School Programs Emergency Operational Costs Reimbursement Program* and *Child and Adult Care Food Program Emergency Operational Costs Reimbursement Program*.

These reimbursement options provide additional funding for local Child Nutrition Program operators whose revenues declined or were temporarily interrupted during the early months of the pandemic due to COVID-19 related restrictions and closures. Throughout this exceptionally challenging time, program operators experienced widespread and significant gaps in funding, and in many cases were forced to expand their savings, draw funds from other sources, and cut or even suspend operations. The relief provided by these reimbursements is intended to help address such shortfalls and ensure that program operators are in the best position to rebuild while continuing to serve their communities.

State agencies choosing to participate in these reimbursement programs shall provide local level operators administering the school meal programs and/or CACFP reimbursements for emergency operating costs incurred during the months of March – June 2020. The amount of funding provided to each program operator will be determined using a statutory formula established under the Act. States that choose to participate must implement the reimbursement program(s) statewide, with equal access for all eligible program operators.

DEED's Child Nutrition unit submitted an application to FNS that contained our intent to participate and included a narrative plan for how we would calculate and disburse funding to program operators; this was due to FNS no later than February 25, 2021. In addition, DEED's Child Nutrition unit is working to draft up the implementation plan, which is due to FNS no later than April 26, 2021.

#### 11. Please provide details on the Child Nutrition funding under the CARES Act. How were these funds spent?

The below chart outlines the Child Nutrition COVID funding received and the amount of expenditures in FY2020 and FY2021.

COVID Package	CFDA Number	Federal Program Title	IRIS Budget	FY2020 Expenditures	FY2021 Expenditures	Total Expenditures	Expenditure Line Item	Period of Availability
CARES	10.553	School Breakfast Program - Meals	1,095,344	610,780	484,564	1,095,344	Grants	3/27/2020 - 9/30/2020
CARES	10.555	National School Lunch Program - Meals	2,468,139	1,599,415	868,724	2,468,139	Grants	3/27/2020 - 9/30/2020
CARES	10.558	Child and Adult Care Food Program - Meals	2,648,592	1,448,181	1,200,411	2,648,592	Grants	3/27/2020 - 9/30/2020
CARES	10.559	Summer Food Service Program for Children - Sponsor Administration	2,027,488	1,453,741	573,748	2,027,488	Grants	3/27/2020 - 9/30/2020
CARES	10.559	Summer Food Service Program for Children - Meals	19,730,653	14,163,803	5,566,849	19,730,653	Grants	3/27/2020 - 9/30/2020
CARES	10.568	Emergency Food Assistance Program (Administrative Costs)	326,100	71,000	255,100	326,100	Grants	3/27/2020 - 9/30/2020
CAA, 2021 (PL 116-260)	10.568	Emergency Food Assistance Program (Food to Admin Conversion Funds)	165,485	n/a	-	-	Grants	10/1/2020 - 9/30/2021
FFCRA (PL 116-127)	10.568	Emergency Food Assistance Program (Administrative Costs)	150,000	62,938	87,062	150,000	Grants	3/27/2020 - 9/30/2020
Unknown	93.981	CDCP Health and Wellness - COVID-19 Supplement	103,500	0	19,350	19,350	Services	6/30/2020 - 6/29/2021
Unknown	93.981	CDCP Health and Wellness - COVID-19 Supplement	229,833	0	22,595	22,595	Grants	6/30/2020 - 6/29/2021
<b>TOTAL</b>			<b>\$ 28,945,134</b>	<b>\$ 19,409,859</b>	<b>\$ 9,078,403</b>	<b>\$ 28,446,316</b>		