

Public School Funding Formula, COVID-19 Federal Relief Funding, FY2023 Operating Budget

Alaska Department of Education & Early Development

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House Finance Committee

February 8, 2022

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Agenda

- › Public School Funding Formula
 - Statewide Enrollment Counts
 - Foundation Payment Process and Advances
 - Additional State-Funded Formula Programs
- › COVID-19 Federal Relief Funding Overview
 - Coronavirus Aid, Relief and Economic Security (CARES) Act
 - Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act
 - American Rescue Plan (ARP) Act
- › Department of Education & Early Development's FY2023 Operating Budget

Public School Funding Formula

- Statewide School Enrollment Counts
- Foundation Payment Process and Advances
- Additional State-Funded Formula Programs



Public School Funding

- › Public school funding is established under AS 14.17
- › Funding consists of State Aid, Required Local Contribution, and Federal Impact Aid
- › The amount of State Aid a school district is eligible to receive during the Fiscal Year is calculated annually through the school funding formula (AS 14.17.410)
- › To begin the funding calculation, an average daily membership (ADM) for each school must be determined

education.alaska.gov/schoolfinance

[Public School Funding Program Overview](#)



Annual Count Period

Each Fall, every district is required to conduct a 20-day student count to determine their Average Daily Membership (ADM).

Districts must submit their student count data (ADM) to the department two weeks after the count period ends (AS 14.17.600).

- › The department uses ADM data to determine a district's State Aid eligibility and funding
 - 2021-2022 school year count period: September 27 – October 22, 2021
 - 2021-2022 school year count period submittal date: November 5, 2021



Statewide School Enrollment Counts

	FY2021 Actual	FY2022 Projected	FY2022 OASIS Update as of 12/27/2021	FY2023 Projected	FY2022 OASIS vs FY2022 Projected	% Change	FY2022 OASIS vs FY2021 Actual	% Change	FY2023 Projected vs FY2022 Projected	% Change
Regular ADM	99,410.54	108,133.22	106,290.26	107,437.12	(1,842.96)	-1.7%	6,879.72	6.9%	(696.10)	-0.6%
Correspondence ADM	27,604.76	18,798.30	21,298.12	19,366.55	2,499.82	13.3%	(6,306.64)	-22.8%	568.25	3.0%
Total ADM	127,015.30	126,931.52	127,588.38	126,803.67	656.86	0.5%	573.08	0.5%	(127.85)	-0.1%
Adjusted ADM	265,114.07	258,585.13	260,077.33	256,242.52	1,492.20	0.6%	(5,036.74)	-1.9%	(2,342.61)	-0.9%

- › FY2022 Projected: Projected student counts provided by districts in November 2020 in order to prepare the FY2022 Governor’s Budget. Required by AS 14.17.500
- › FY2022 OASIS Update: Student counts or “actuals” provided by districts during the 2021-2022 school year 20-day count period and the results of the department’s reconciliation and review process. Required per AS 14.17.600(a)
- › FY2023 Projected: Projected student counts provided by districts in November 2021 in order to prepare the FY2023 Governor’s Budget. Required by AS 14.17.500



Hold Harmless Provision

- › Districts that experience a five percent or more enrollment loss trigger the hold harmless provision (AS 14.17.410(b)(1)(E)).
- › Eligibility is determined after the district's adjusted for school size ADM are calculated and totaled up for all schools.
- › The provision is available to school districts over a three-year step-down:
 - 75% in the first year,
 - 50% in the second year, and
 - 25% in the final year, provided the adjusted for school size ADM total stays below the established “base year”.



Public School Funding Formula

Total Average Daily Membership (ADM)	School Size Table	District Cost Factor x 1.0 to 2.116	Special Needs Factor x 1.20	Vocation Education Factor x 1.015	Special Education Intensives x 13	Corres- pondence ADM x 90%
AS 14.17.600	AS 14.17.450	AS 14.17.460	AS 14.17.420 (a)(1)	AS 14.17.420 (a)(3)	AS 14.17.420 (a)(2)	AS 14.17.430

= District Adjusted ADM



Public School Funding Formula

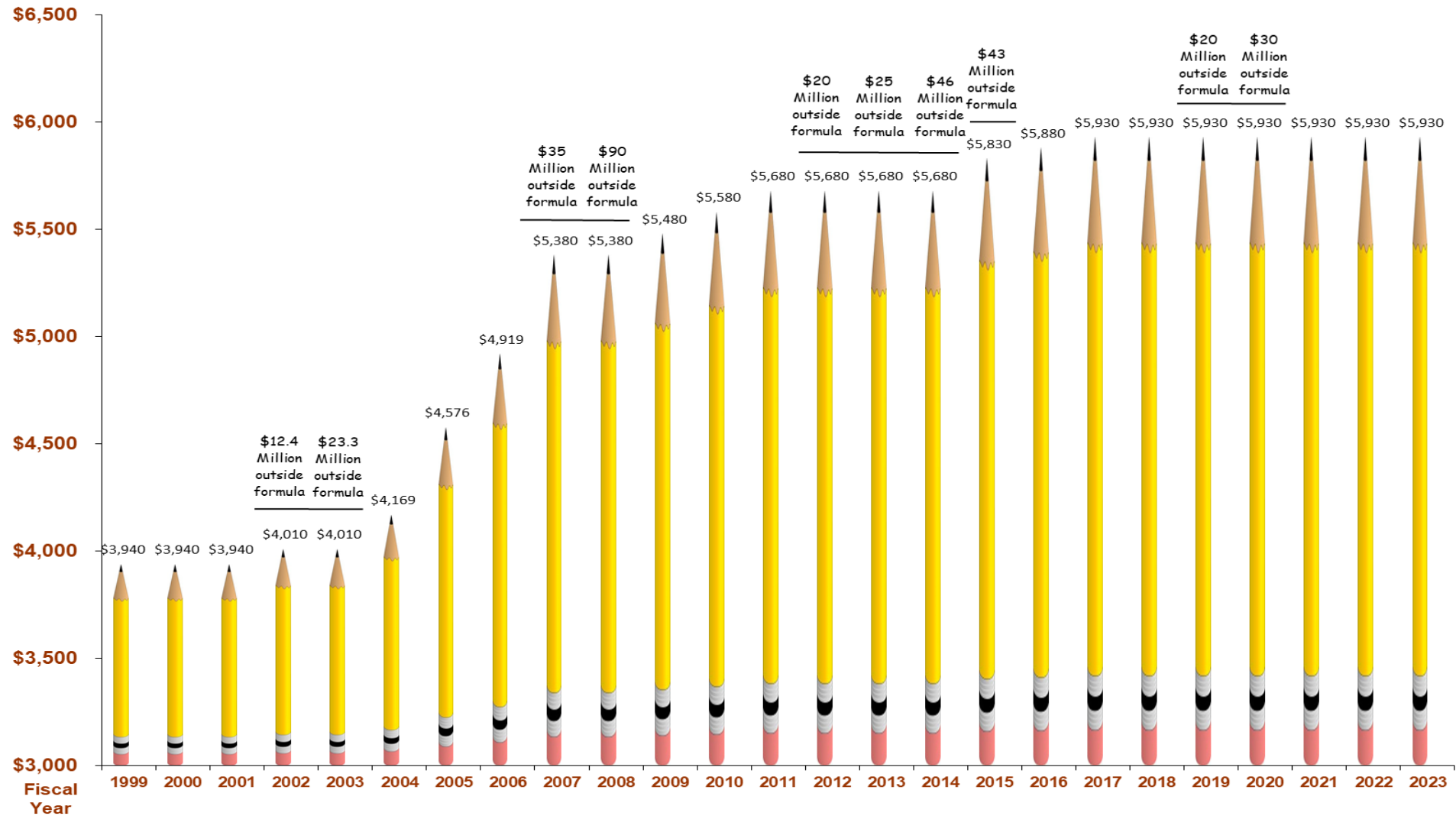
District Adjusted ADM	Base Student Allocation (BSA) x \$5,930	Basic Need =	Required Local Contribution Less	Deductible Impact Aid Less	State Aid =	Quality Schools Plus
	AS 14.17.470		AS 14.17.410 (b)(G)(2)		AS 14.17.410 (b)(1)	AS 14.17.480

= State Aid

AS 14.17.410



Base Student Allocation (BSA) Funding FY1999 – FY2023 Projected



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Public School Funding Formula Comparison

	FY2021 Actual	FY2022 Projected	FY2022 OASIS Update as of 12/27/2021	FY2023 Projected	FY2022 OASIS vs FY2022 Projected	% Change	FY2022 OASIS vs FY2021 Actual	% Change	FY2023 Projected vs FY2022 Projected	% Change
Regular ADM	99,410.54	108,133.22	106,290.26	107,437.12	(1,842.96)	-1.7%	6,879.72	6.9%	(696.10)	-0.6%
Correspondence ADM	27,604.76	18,798.30	21,298.12	19,366.55	2,499.82	13.3%	(6,306.64)	-22.8%	568.25	3.0%
Total ADM	127,015.30	126,931.52	127,588.38	126,803.67	656.86	0.5%	573.08	0.5%	(127.85)	-0.1%
Adjusted ADM	265,114.07	258,585.13	260,077.33	256,242.52	1,492.20	0.6%	(5,036.74)	-1.9%	(2,342.61)	-0.9%
Basic Need	\$1,572,126.4	\$1,533,409.8	\$1,542,258.6	\$1,519,518.1	\$8,848.8	0.6%	(\$29,867.8)	-1.9%	(\$13,891.7)	-0.9%
Required Local Effort	(262,432.8)	(274,384.2)	(274,252.1)	(279,671.1)	\$132.1	0.0%	(\$11,819.3)	4.5%	(\$5,286.9)	1.9%
Deductible Impact Aid	(91,520.9)	(74,924.1)	(72,329.8)	(74,622.5)	\$2,594.3	-3.5%	\$19,191.1	-21.0%	\$301.6	-0.4%
Supplemental Funding Floor	38.4	0.0	38.4	0.0	\$38.4	0.0%	\$0.0	0.0%	\$0.0	0.0%
Quality Schools Grant	4,241.8	4,137.4	4,161.2	4,099.9	\$23.8	0.6%	(\$80.6)	-1.9%	(\$37.5)	-0.9%
Military Flow Through and Other	23,702.7	26,027.3	26,027.3	26,027.3	\$0.0	0.0%	\$2,324.6	9.8%	\$0.0	0.0%
Total	\$1,246,155.6	\$1,214,266.2	\$1,225,903.6	\$1,195,351.7	\$11,637.4	1.0%	(\$20,252.0)	-1.6%	(\$18,914.5)	-1.6%



Foundation Payments Process

Districts receive foundation payments based on the previous year's student count for the first nine months of the school year (AS 14.17.610(a)).

- › Final payments for the last three months of the school year (April – June) are used to 'true-up' to this year's student count.
- › This ensures that when the fiscal year ends, districts have been paid what is due based on their current year, actual reconciled average daily membership (ADM) counts.



Foundation Payments: Advances

Districts experiencing a large increase in student enrollment can request an advance on their anticipated finalized state aid funding (AS 14.17.610(c)).

- › To request an advance, a district must provide a written request to the department that includes at least the following information:
 - Copies of the last bank statements for all accounts.
 - Cash reconciliation prepared in the last 30 days.
 - A listing of investments with maturity dates.



Additional State-Funded Formula Programs

(\$ thousands)

› Pupil Transportation

- Funding determined based on statutory formula (AS 14.09.010)
- Funded on regular (brick and mortar) ADMs only; does not include correspondence students
- FY2022 Appropriation = \$71,435.9
- FY2022 Estimated Actuals = \$71,125.9
- FY2023 Projected Appropriation = \$71,803.0

› Residential Schools Program

- Funding determined based on statutory formula (AS 14.16.200)
 - › Per pupil monthly stipend rate x 9 months x actual student count = residential stipend.
Plus one round-trip transportation reimbursement per student, at the least expensive means, between the student's community of residence and the school
- FY2022 Appropriation = \$8,230.1
- FY2022 Estimated Actuals = \$4,862.6
- FY2023 Projected Appropriation = \$8,458.1



COVID-19 Federal Relief Funding Overview

- Coronavirus Aid, Relief and Economic Security (CARES) Act
- Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act
- American Rescue Plan (ARP) Act



Coronavirus Aid, Relief and Economic Security (CARES) Act

Elementary and Secondary School Emergency Relief (ESSER I) Funds					
	Grant Start Date	Grant End Date	Received	Obligated	Remaining
School Districts (Local Educational Agencies)	5/4/2020	9/30/2022	34,567,200	34,567,200	0
Department of Education and Early Development (DEED) State Educational Agency Reserve	5/4/2020	9/30/2022	3,648,674	3,648,674	0
DEED - Administration	5/4/2020	9/30/2022	192,040	180,059	11,981
Total ESSER I Funds			38,407,914	38,395,933	11,981

Governor's Emergency Education Relief (GEER I)					
Funds	Grant Start Date	Grant End Date	Received	Obligated	Remaining
Other Educational Entities	5/11/2020	9/30/2022	1,074,844	1,074,844	0
School Districts (Local Educational Agencies)	5/11/2020	9/30/2022	3,728,856	3,728,856	0
University of Alaska & Alaska Native Science & Engineering Program	5/11/2020	9/30/2022	1,700,000	1,700,000	0
Total GEER I Funds			6,503,700	6,503,700	0

Additional CARES Act Allocation					
	Grant Start Date	Grant End Date	Received	Obligated	Remaining
Child Nutrition Food Assistance	3/27/2020	9/30/2020	28,300,295	28,300,295	0
Improving Student Health and Academic Achievement Through Nutrition	10/1/2021	9/30/2022	766,666	634,705	131,961
Museums and Library Services	4/21/2020	9/30/2021	66,102	62,578	3,524
National Endowment for the Arts	4/20/2020	6/30/2022	421,500	397,176	24,324
Total Additional Funds			29,554,563	29,394,754	159,809

CARES Act Grand Total			74,466,177	74,294,387	171,790
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Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act

ESSER II Funds	Grant Start Date	Grant End Date	Received	Obligated	Remaining
School Districts (Local Educational Agencies)	1/5/2021	9/30/2023	143,747,480	143,747,480	0
DEED State Educational Agency Reserve	1/5/2021	9/30/2023	15,173,345	15,173,345	0
DEED - Administration	1/5/2021	9/30/2023	798,597	454,358	344,239
Total ESSER II Funds			159,719,422	159,375,183	344,239

GEER II Funds	Grant Start Date	Grant End Date	Received	Obligated	Remaining
University of Alaska	1/8/2021	9/30/2023	2,100,000	2,100,000	0
Other Educational Entities	1/8/2021	9/30/2023	224,017	224,017	0
School Districts (Local Educational Agencies)	1/8/2021	9/30/2023	500,000	500,000	0
Emergency Assistance for Non-Public Schools (EANS I)	1/15/2021	9/30/2023	826,081	480,376	345,705
EANS I Converted to GEERF	1/15/2021	9/30/2023	4,341,622	2,877,363	1,464,259
DEED EANS I - Administration	1/15/2021	9/30/2023	200,000	200,000	0
Total GEER II Funds			8,191,720	6,381,756	1,809,964

CRSSA Act Grand Total			167,911,142	165,756,939	2,154,203
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American Rescue Plan (ARP) Act

ESSER III Funds	Grant Start Date	Grant End Date	Received	Obligated	Remaining
School Districts (Local Educational Agencies)	3/24/2021	9/30/2024	322,893,844	322,893,844	0
DEED State Educational Agency Reserve	3/24/2021	9/30/2024	34,083,239	3,931,000	30,152,239
DEED - Administration	3/24/2021	9/30/2024	1,793,854	200,000	1,593,854
Homeless Children and Youth (HCY)	4/23/2021	9/30/2024	2,358,010	1,770,507	587,503
Individuals with Disabilities Education Act (IDEA) Special Education Grants VI-B and Preschool	7/1/2021	9/30/2023	9,266,666	9,266,666	0
Total ESSER III Funds			370,395,613	338,062,017	32,333,596

EANS II Funds	Grant Start Date	Grant End Date	Received	Obligated	Remaining
Emergency Assistance for Non-Public Schools (EANS II)	12/20/2021	9/30/2025	5,682,303	0	5,682,303
DEED EANS II - Administration	12/20/2021	9/30/2025	200,000	0	200,000
Total EANS II Funds			5,882,303	0	5,882,303

Other Additional ARP funds	Grant Start Date	Grant End Date	Received	Obligated	Remaining
Museums and Library Services	4/8/2021	9/30/2022	2,159,309	2,057,907	101,402
National Endowment for the Arts	7/1/2020	6/30/2023	749,000	134,878	614,122
Total Additional ARP Funds			2,908,309	2,192,785	715,524

ARP Act Grand Total			379,186,225	340,254,802	38,931,423
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Total DEED COVID-19 Federal Relief Funding

COVID-19 Totals By	Received	Obligated	Remaining
School Districts (Local Educational Agencies)	512,833,200	512,245,697	587,503
DEED State Educational Agency	52,905,258	22,753,019	30,152,239
GEER Funds	13,869,339	12,405,080	1,464,259
EANS Funds	6,508,384	480,376	6,028,008
Administration (includes ESSER and EANS)	2,984,491	1,034,417	1,950,074
Other (Child Nutrition, Museums and Libraries, National Endowment for the Arts)	32,462,872	31,587,539	875,333
Grand Total	621,563,544	580,506,128	41,057,416



Alaska COVID-19 Federal Relief Funding Dashboard

› <https://app.smartsheet.com/b/publish?EQBCT=0cfd777df5b94c0bbec27cc0631318a4>

1. CARES Act Overview

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27, 2020.

In addition to providing a variety of waivers for assessments, accountability, reporting and funding carryover, the CARES Act provides funding and flexibility for states to respond to the COVID-19 pandemic in K-12 schools.

2. CRRSA Act Overview

The Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act was signed into law on December 27, 2020.

The CRRSA Act provides funding to support fully reopening K-12 schools, facilitate continuity of learning, and measure and address the learning loss caused by a lack of in-person learning opportunities.

3. ARP Act Overview

The American Rescue Plan (ARP) Act was signed into law on March 11, 2021.

The ARP Act provides funding to help meet a wide range of needs arising from the COVID-19 pandemic, including reopening schools safely, sustaining their safe operation, and addressing students' social, emotional, mental health, and academic needs resulting from the pandemic.



Funding by Entity

School Districts



DEED



Office of the Governor

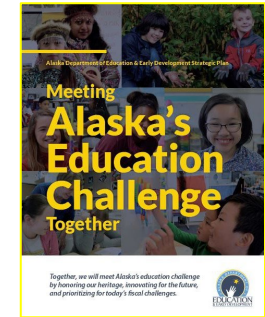


Non-Public Schools





COVID-19 Relief Allocations of State Reserve



Strategic Priorities of Alaska's Education Challenge

1. Support all students to read at grade level by the end of third grade.

1. Reading Support Specialists
2. Professional Development in Science of Reading
3. Science of Reading Symposium

2. Increase career, technical and culturally relevant education to meet student and workforce needs.

1. CTE Expansion Projects: Statewide career camps for students
2. Regional collaborative stimulus grants
3. Grant to NACTEC for a truck driving simulator

3. Close the achievement gap by ensuring equitable education, rigor and resources.

1. Alaska Statewide Virtual School
2. Statewide school district access to Canvas
3. AK STAR Statewide Assessment System

4. Prepare, attract and retain effective education professionals.

1. Teacher Retention and Recruitment implementation and management
2. Teacher Certification Digital & Paperless System

5. Improve safety and well-being of students through school partnerships with families, communities and tribes.

1. Tribal Compacting with Alaska Federation of Natives
2. Culturally Relevant Schools project with Cook Inlet Tribal Council

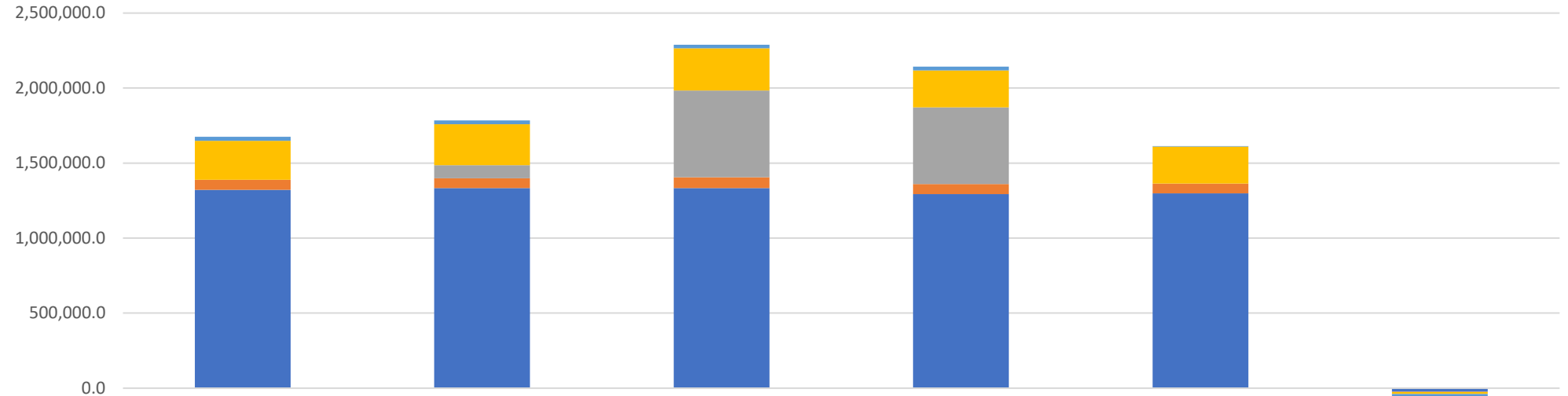
Department of Education & Early Development's FY2023 Operating Budget



FY2023 Operating Budget

(\$ thousands)

Funding History



	FY2019 Final Auth	FY2020 Final Auth	FY2021 Final Auth	FY2022 Management Plan	FY2023 Governor	Difference Between FY2019 and FY2023
DGF	26,491.2	25,410.8	23,794.7	24,174.6	2,650.8	-23,840.4
Fed	261,133.0	272,734.2	281,486.3	247,361.9	247,435.6	-13,697.4
Fed - COVID	0.0	87,202.5	577,739.2	511,011.3	0.0	0.0
Other	66,000.6	65,179.6	73,052.1	65,685.3	65,417.4	-583.2
UGF	1,321,859.3	1,333,016.5	1,332,660.0	1,293,798.1	1,297,353.5	-24,505.8
Grand Total	1,675,484.1	1,783,543.6	2,288,732.3	2,142,031.2	1,612,857.3	-62,626.8

UGF Other Fed - COVID Fed DGF Grand Total

*FY2022 Management Plan includes carryforward federal receipts for COVID funds.

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High-Level FY2023 Budget Changes

- › K-12 Foundation & Pupil Transportation programs are fully funded based on the statutory formula. The Base Student Allocation (BSA) remains at \$5,930.
- › Programs funded with Higher Education Investment Funds have been fully funded with general funds to ensure continuity of services.
 - Alaska Performance Scholarship Awards/Alaska Education Grants
 - WWAMI Medical Education Program
 - ACPE Program Administration & Operations
 - Live Homework Help
- › Updated Broadband Assistance Grants (BAG) authority to reflect actual expenditures, a \$1 million UGF reduction.
- › Other Items
 - FY2022 Supplemental Capital Project totaling \$54.9 million for the William N. Miller K-12 Memorial School Replacement in Napakiak, Alaska.
 - School Debt Reimbursement & Regional Educational Attendance Area (REAA) and Small Municipal School District School Fund are fully funded based on the statutory formula.



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