

FISCAL NOTE #1

**STATE OF ALASKA
2006 LEGISLATIVE SESSION**

BILL NO. SB 235

ANALYSIS CONTINUATION

The School Performance Incentive Program will have three levels: Level I represents Strong growth; Level II represents High growth; and Level III represents Exceptional Growth. All school staff, certified and non-certified will be eligible for the incentive payment if the students in the school meet the achievement targets. The table below outlines the levels and the amount of the incentive payment for each level:

Achievement Level	Bonus Amount for Certificated Staff	Bonus Amount for Non-Certificated Staff
Strong – Level I	\$2,500	\$1,000
High – Level II	\$4,000	\$2,000
Exceptional – Level III	\$5,500	\$2,500
Approximate # of Employees Statewide	9,000	3,700

The following chart illustrates a range of costs based on estimates of the percentage of schools that would qualify for the incentive at the highest level or \$5,500 per certificated staff and \$2,500 for non-certificated staff:

Exceptional - Level III Range of Cost - Assumptions

Assumption % of schools that qualify for bonus	Estimate of Certificated Staff that qualify (of approx. 9,000)	Est of Non-Certificated Staff that qualify (of approx 3,700)	Range of Certificated Cost Based on % of schools	Range of Non-Certificated Cost Based on % of schools	Central Office Staff may receive up to 5% of the total paid to all employees at all schools	Total
5%	450	185	\$2,475,000	\$462,500	\$146,875	\$3,084,375
10%	900	370	\$4,950,000	\$925,000	\$293,750	\$6,168,750
15%	1,350	555	\$7,425,000	\$1,387,500	\$440,625	\$9,253,125
20%	1,800	740	\$9,900,000	\$1,850,000	\$587,500	\$12,337,500
25%	2,250	925	\$12,375,000	\$2,312,500	\$734,375	\$15,421,875
30%	2,700	1,110	\$14,850,000	\$2,775,000	\$881,250	\$18,506,250
40%	3,600	1,480	\$19,800,000	\$3,700,000	\$1,175,000	\$24,675,000
50%	4,500	1,850	\$24,750,000	\$4,625,000	\$1,468,750	\$30,843,750
75%	6,750	2,775	\$37,125,000	\$6,937,500	\$2,203,125	\$46,265,625
100%	9,000	3,700	\$49,500,000	\$9,250,000	\$2,937,500	\$61,687,500