

**ALASKA STATE LEGISLATURE
HOUSE EDUCATION STANDING COMMITTEE**

March 17, 2023

8:00 a.m.

MEMBERS PRESENT

Representative Jamie Allard, Co-Chair
Representative Justin Ruffridge, Co-Chair
Representative Mike Prax
Representative CJ McCormick
Representative Tom McKay
Representative Rebecca Himschoot
Representative Andi Story

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

PRESENTATION(S): EDUCATION FINANCIAL DEEP DIVE BY DEPARTMENT OF
EDUCATION AND EARLY DEVELOPMENT

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

SUSIE MCKENZIE, Director
Division of Innovation and Education Excellence
Department of Education and Early Development
Juneau, Alaska

POSITION STATEMENT: Co-presented a PowerPoint, titled "Annual Report to the Legislature."

DEBORAH RIDDLE, Operations Manager
Division of Innovation and Education Excellence
Department of Education and Early Development
Juneau, Alaska

POSITION STATEMENT: Co-presented a PowerPoint, titled "Annual Report to the Legislature."

ACTION NARRATIVE

[8:00:37 AM](#)

CO-CHAIR JAMIE ALLARD called the House Education Standing Committee meeting to order at 8:00 a.m. Representatives Prax, McCormick, McKay, Himschoot, Allard, and Ruffridge were present at the call to order. Representative Story arrived as the meeting was in progress.

PRESENTATION(S) : Education Financial Deep Dive by Department of Education and Early Development

[8:01:31 AM](#)

CO-CHAIR ALLARD announced that the only order of business would be a presentation on the education finances by the Department of Education and Early Development.

[8:02:20 AM](#)

SUSIE MCKENZIE, Director, Division of Innovation and Education Excellence, Department of Education and Early Development (DEED), co-presented a PowerPoint, titled "Annual Report to the Legislature" [hard copy included in the committee packet].

[8:03:39 AM](#)

CO-CHAIR ALLARD interjected that this is not the report she requested.

DEBORAH RIDDLE, Operations Manager, Division of Innovation and Education Excellence, Department of Education and Early Development, co-presented a PowerPoint, titled "Annual Report to the Legislature," responded that the data requested is in DEED's annual report to the legislature.

[8:04:02 AM](#)

The committee took an at-ease from 8:04 a.m. to 8:05 a.m.

[8:05:04 AM](#)

CO-CHAIR ALLARD questioned whether the presenters have a report breaking down the \$2.5 billion of funds going to the districts. She stated that the committee will bring in an economist to reevaluate the financial reports totaling this amount.

MS. RIDDLE responded that DEED could follow up with the base student allocation (BSA). She continued that the presentation contains the report which accounts for all the other federal funds and state grants going to districts through DEED. In response to whether the report shows federal revenue, she stated that the federal grants are included. She stated she would follow up to the committee with the full federal grant award notification.

CO-CHAIR ALLARD reminded the presenters that the committee is public and the "public needs to know." She reiterated that the information specifically requested is missing.

[8:06:40 AM](#)

MS. MCKENZIE continued to the presentation, pointing out the state's five strategic priorities, as seen on slide 3.

[8:07:24 AM](#)

CO-CHAIR ALLARD interjected and requested that the presenters move to the Annual Report, [hard copy included in the committee packet]. She requested that the committee be given information on all the funding going to every school district across the state.

[8:07:58 AM](#)

MS. RIDDLE directed attention to page 7 of the Annual Report and said that beginning on this page each federal program which provides funds to the state is listed. She added that these funds pass through DEED to the districts. She stated that page 7 to page 14 addresses each type of federal funding and the percentage which goes to the districts. She stated that about 95 percent of the funds go through DEED to the districts, with the remaining 5 percent going to pay salaries and administer the grants. She stated that on these pages each program is reviewed, showing the designations for each amount of federal money.

[8:09:05 AM](#)

The committee took an at-ease from 8:09 a.m. to 8:10 a.m.

[8:10:49 AM](#)

CO-CHAIR ALLARD stated that the Annual Report is required by statute, pointing out that the presenters are currently giving an overview of federal programs. She suggested that these slides be moved through quickly so the committee can review the numbers.

8:11:30 AM

MS. RIDDLE listed the requirements by statute for the Annual Report and pointed to the presentation, moving from slide 6 to slide 14 [which correlated with pages from the Annual Report as listed in the right-hand corner of each slide]. She briefly discussed the slides and the statutory requirements, as follows: report to the public [Annual Report pages 3 to 6], school accountability and accreditation [Annual Report pages 7 to 14], federal programs [Annual Report pages 15 to 20], funding by district [Annual Report pages 21 to 22], quality schools' initiative and curriculum alignment with standards [Annual Report pages 23 to 24], support for low performing schools [Annual Report pages 25 to 27], school district strategies [Annual Report pages 28 to 38], and turnover of certificated personnel and superintendents [Annual Report pages 39 to 52].

8:16:00 AM

MS. RIDDLE, in response to a question from the committee, explained the funding from the Every Student Succeeds Act (ESSA) on page 15 of the Annual Report. She pointed out that on the chart all Title I-A programs are based on civil rights equitability; therefore, this addresses low-income students. She stated that these funds can be used for anything other than what districts already supply. The next column, SIG 1003(a), shows the funds for improvement plans for qualifying schools. In response to a follow-up question, she stated that, for example, Title I funds can be used for paraprofessionals or tutors for students identified as Title I students. She added these funds could also be designated for a school wide initiative, which would be a broader use.

MS. RIDDLE, in response to a follow-up question from the committee, stated that Title I is based on a federal formula. In regard to school improvement, she said this is based on how the school is designated; for example, Title I-C is based on a formula in relation to migrant children. She stated that Title I-D is based on the number of students in the district who qualify. She pointed out that Subpart 2 is a grant, which must be applied for by the school. She continued that Title II-A is

for professional development based on the formula in relation to the size of the school, while Title III-A is based on the number of English learners in the district. She continued that Title IV-A is based on the size of the school, while Title IV-B and McKinney-Vento are both competitive grants. She moved to page 17 and stated that the Individuals with Disabilities Education Act (IDEA) and the Carl Perkins grants are both based on formulas, while the Comprehensive Literacy State Development (CLSD) is a competitive grant.

MS. RIDDLE, in response to a follow-up question, stated that most of the money is distributed on approval from the US Department of Education (DoED). In further explanation of support needs, she stated that SIG 1003(a) designates school improvement funds. She pointed out that there are around 125 schools in the state identified as needing this. She continued that this is tied to Title I funds; once the state receives the funds, they go through a formula and a portion goes to school improvement. She added that this totals \$3.25 billion. She reiterated that this is federal dollars.

[8:26:14 AM](#)

MS. RIDDLE, in response to a question concerning the McKinney-Vento funding, stated that this is money for homeless students, and every district receives this, while the larger districts receive extra funds. Concerning why the funding reflects zero on the chart on page 16, she stated that every district is required to set aside funds for homeless students, working with a liaison, and there is a program for this. She stated she would contact the program manager and follow up with more information.

MS. RIDDLE, in response to a committee question concerning migratory students, stated that these students travel outside of their school districts to do migratory activities, such as subsistence activities. She stated that Alaska has the sixth largest program for this in the country, and these students can receive extra funding. In a follow up concerning whether federal money is applied for by DEED on behalf of the districts, she replied that there is a consolidation application for districts. This is to make sure there is an allowable use of federal funds. She stated that each student has BSA, but the funding from the title programs creates extra levels of funding on top of BSA. She stated that the federal funding is determined by DoED. The process is, DEED sends a report to DoED, DoED determines the funding, and then DEED runs its

formula to determine what each district receives, which amounts to around 95 percent of the federal money. She stated that the money is not applied for, rather is based on the report sent to DoED. She further discussed this process.

[8:33:12 AM](#)

CO-CHAIR ALLARD requested the number of federal grants which go directly to the districts and the total amount of this. She questioned whether these grants are tracked.

MS. RIDDLE replied that she will follow up to the committee with these totals. She stated that DEED tracks the grants, and she explained how this is done. She stated that to receive grant money, a district must request it. She discussed the risk assessments done on the school districts, with the top districts being monitored. During the monitoring, she said that DEED will give technical assistance, and it will follow up to the district concerning any noncompliance.

CO-CHAIR ALLARD moved her line of questioning to state and local revenue. She requested information, for which she expressed the assumption that the presenters do not have the answer. She questioned the following to be broken down by district: city and borough appropriations, total regional education attendance area (REAA) funds, and the amount of funds each REAA would receive. She requested an explanation of REAA.

[8:38:01 AM](#)

MS. MCKENZIE confirmed that "REAA" stands for regional education attendance area. She stated that it is usually a group of districts. She confirmed that she did not have the requested information, but she would follow up to the committee with this. In response to a follow-up question, she explained that "in-kind service" would be like a volunteer, adding that if a match for a grant is required, it can be done this way. She stated that this would not have to be done with cash, but a cash value would need to be assigned. In response to a request for the broken-down totals for this by district, she stated that she does not have these numbers. In response to a question on earnings on investments, she stated that this is not under the division; however, she would follow up to the committee with this. She answered that "other local revenue" is the funds which come from the municipalities and other grants, and the information on this is not available to the division. She continued that she would follow up to the committee with this information, along with

information on tuition for students, tuition by district, and state revenue. She confirmed that the information would be broken down for the committee by district and total.

[8:41:06 AM](#)

CO-CHAIR ALLARD stated that for the meeting she had requested the numbers on where the funds come from, how they are distributed, and how they are broken down by district; however, she has not received any of this information. She commented that she is making this statement for the public record.

[8:41:30 AM](#)

REPRESENTATIVE STORY commented that some of this requested information is in the committee packet.

REPRESENTATIVE ALLARD remarked that she does not recall getting the numbers put on public record.

REPRESENTATIVE HIMSCHOOT questioned Co-Chair Allard's document. She requested a copy of the document.

CO-CHAIR ALLARD responded that the document she is working with is a DEED document; however, it was not obtained from DEED.

[8:42:30 AM](#)

CO-CHAIR ALLARD, in several exchanges with Ms. Riddle, continued her requests for information from DEED concerning school district funding. She requested that each question be answered with the total funding broken down by district.

MS. RIDDLE, in response to the requests for multiple sets of data from Co-Chair Allard, responded that she would follow up with the committee with this information.

[8:45:12 AM](#)

REPRESENTATIVE PRAX questioned the document Co-Chair Allard was referring to.

CO-CHAIR ALLARD responded that her office had put together the questions, and once it receives the answers the document will be passed on to the committee.

[8:45:51 AM](#)

The committee took an at-ease from 8:45 a.m. to 8:37 a.m.

8:47:08 AM

CO-CHAIR ALLARD expressed the understanding that the questions she presented would be answered by the presenters during the meeting.

8:47:47 AM

MS. RIDDLE responded that DEED would provide the answers to these questions in a follow up to the committee.

8:49:14 AM

ADJOURNMENT

There being no further business before the committee, the House Education Standing Committee meeting was adjourned at 8:49 a.m.