

1 IN THE Senate BY Committee on Education & Welfare
2 Senate BILL NO. 48

3 IN THE LEGISLATURE OF THE TERRITORY OF ALASKA
4 TWENTY-SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to school maintenance,
7 the submission and approval of school
8 budgets, the manner of making payment to
9 school districts; amending Section 37-3-
10 61 ACLA 1949; amending Sections 37-3-62,
11 37-3-63, and 37-3-66 ACLA 1949, all as
12 amended by Chapter 77, Session Laws of
13 Alaska 1951; amending Section 6 of Chapter
14 77, Session Laws of Alaska 1951; repealing
15 Section 37-3-65 ACLA 1949 as amended by
16 Chapter 77, Session Laws of Alaska, 1951;
17 and establishing an effective date."

18 BE IT ENACTED BY THE LEGISLATURE OF THE TERRITORY OF ALASKA:

19 Section 1. Sec. 37-3-61 ACLA 1949 is hereby amended to
20 read as follows:

21 Sec. 37-3-61. SCHOOL MAINTENANCE ~~REFUND~~ PAYMENT.

22 Such per centum of the total ~~AMOUNT EXPENDED~~ approved
23 budget for the maintenance of public elementary schools and
24 high schools, within the limits of any incorporated city
25 or incorporated school district or independent ~~S~~ school
26 ~~D~~ district as the Legislature may from time to time
27 direct, shall be ~~REFUNDED~~ paid to the school fund of
28 said incorporated city or incorporated school district or
29 ~~I~~ independent ~~S~~ school ~~D~~ district from the moneys of

1 the Territory as hereinafter set forth; P provided, that
2 no expense incurred for the purchase of equipment, for the
3 construction of buildings or for the repair, alteration,
4 or improvement of buildings or for the purchase of building
5 sites or for interest on bonded or other indebtedness shall
6 be considered expenses for maintenance within the meaning
7 of this article.

8 Section 2. Sec. 37-3-62 ACLA 1949, as amended by Ch. 77,
9 Session Laws of Alaska 1951, is hereby amended to read as
10 follows:

11 Sec. 37-3-62. AMOUNT OF REFUND PAYMENT. Where the
12 resident average daily ATTENDANCE membership for the last
13 complete school year at the time the budget is approved is
14 less than 150 200 pupils, eighty-five per centum; and
15 where it is 150 200 pupils or over and less than 300
16 500, eighty per centum; and where it is 300 500 pupils
17 or over, seventy-five per centum of the total amount
18 EXPENDED approved in the annual budget for maintenance
19 of public elementary schools and high schools within the
20 limits of incorporated cities or incorporated school dis-
21 tricts or independent school districts shall be REFUNDED
22 paid to such city or school district from the MONIES
23 EXPENSES of the Territory appropriated for such purposes;

24 Section 3. Sec. 37-3-63 ACLA 1949, as amended by Ch. 77,
25 Section 2, Session Laws of Alaska 1951, is hereby amended to
26 read as follows:

27 Sec. 37-3-63. ANNUAL BUDGET OR STATEMENT OF PROPOSED
28 EXPENDITURES.

29 The school board of each incorporated city, incorporated

1 school district, or independent school district shall
2 annually before the first day of July submit to the
3 Commissioner of Education a budget or detailed statement
4 of proposed expenditures for the maintenance of the schools
5 of such incorporated city or incorporated school district
6 or independent school district during the following school
7 year. Said detailed statement shall be submitted in
8 /DUPLICATE/ the manner and form prescribed by the
9 Commissioner of Education. /AND SHALL SET FORTH THE
10 SALARIES OF TEACHERS IN EACH GRADE AND OF JANITORS OR OTHER
11 EMPLOYEES OF THE SCHOOL DISTRICT, AND PROPOSED EXPENDITURES
12 FOR FUEL, LIGHT, WATER, SCHOOL BOOKS, AND SUPPLIES,
13 JANITOR'S SUPPLIES, MANUAL TRAINING, DOMESTIC SCIENCE,
14 LIBRARY, AND FOR MISCELLANEOUS PURPOSES. 7 The
15 Commissioner of Education shall designate, in accordance
16 with applicable rules and regulations of the Territorial
17 Board of Education, those expenditures for which
18 Territorial payment will be allowed. All budgets will
19 show the total enrollment by grades and the average daily
20 membership for the elementary and the high school levels
21 separately for the preceding year and the estimated total
22 enrollment by grades and the estimated average daily
23 membership for the elementary and high school levels
24 separately for the year that the budget covers, and such
25 other information as may be requested. The Commissioner
26 of Education may disapprove or reduce any items in the
27 budget and shall approve for Territorial /REFUND/ payment
28 only such parts of the proposed expenditures as come
29 within the purview of this article, and are reasonable

and necessary. The decision of the Commissioner with respect to the budget shall be final, provided, however, that any school board may appeal from the decision of the Commissioner of Education to the Territorial Board of Education. Said appeal shall be in writing and shall be signed by a majority of the members of the school board. It shall be filed with the President of the Territorial Board of Education who shall either call a special meeting of the Territorial Board or shall have the matter presented in writing to each member for consideration and written or telegraphic decision. No REFUND payment of Territorial MONIES hereina shall be made to any school board FOR EXPENDITURES NOT PREVIOUSLY in excess of the budget approved by the Commissioner of Education; IF provided, that items WHICH IT IS NOT POSSIBLE TO INCLUDE IN THE ANNUAL BUDGET OF EXPENDITURES MAY BE SUBMITTED AT A LATER DATE may be added, deleted, or changed and the total amount of the annual budget may be revised upward or downward by the Commissioner of Education at a later date, should change in enrollment or other emergency factors make such a revision necessary.

Section 4. Sec. 37-3-66 ASLA 1949, as amended by Ch. 77, Session Laws of Alaska 1961, is hereby amended to read as follows:

Sec. 37-3-66. APPROVAL BY COMMISSIONER: WARRANTS: ADVANCEMENTS AND REFUNDS OF BUDGET: TRANSMITTAL OF FUNDS TO THE DISTRICTS. Upon RECEIPT approval of the school budget or detailed EXPENSE ACCOUNTS WITH ACCOMPANYING VOUCHERS statement of proposed expenditures, the

1 Commissioner of Education shall APPROVE transmit an
2 official copy of the same OR SO MUCH THEREOF AS APPEARS
3 TO BE FOR EXPENDITURES WITHIN THE PURPOSE AND SCOPE OF
4 THIS ARTICLE AND IN ACCORD WITH THE RULES AND REGULATIONS
5 OF THE TERRITORIAL BOARD OF EDUCATION AND THEREUPON TRANSMIT
6 THE SAME to the proper officer who shall issue A
7 warrants on the Territorial Treasurer FOR SUCH PER CENTUM
8 OF THE AMOUNT SET FORTH IN THE ACCOUNT AS HAS BEEN
9 ESTABLISHED BY LAW AND APPROVED AS AFORESAID upon the
10 presentation of vouchers executed and signed by the
11 Commissioner of Education in such amounts and at such times
12 as is hereinafter provided. Such warrants shall be
13 payable to the treasurer of the school board SUBMITTING
14 THE SAID EXPENSE ACCOUNT and shall be deposited to the
15 school fund of the INCORPORATED CITY SCHOOL OR INCORPORA-
16 TED school district IN WHICH SUCH EXPENSE WAS INCURRED,
17 and the amount so received shall be transferred to no
18 other fund of the said INCORPORATED CITY OR INCORPORATED
19 school district or incorporated city; P provided, that
20 the Territorial Treasurer may transfer by telegraph
21 amounts of said warrants in settlement thereof under such
22 regulations as the Territorial Treasurer may prescribe.

23 Provided, further, that the Commissioner of
24 Education shall HAVE AUTHORITY IN HIS DISCRETION TO
25 transmit or cause to be transmitted in the manner above
26 provided, at any time after the receipt and approval of
27 the school budget, AND BEFORE THE EXPENSE ACCOUNTS ARE
28 RECEIVED OR CHECKED BY HIM, such sum as he shall have
29 reason to believe will not be in excess of ninety-five

per cent

percent (95%) of the SUM WHICH IN HIS JUDGMENT IS
LIKELY TO BECOME DUE SUCH INCORPORATED CITY, INCORPORATED
SCHOOL DISTRICT, OR INDEPENDENT SCHOOL DISTRICT FOR THE
ENTIRE REFUND FOR SUCH SCHOOL YEAR Territorial portion
of the approved budget. Warrants for the ADVANCES
payments herein authorized shall be issued by the Auditor
upon requisition of the Commissioner of Education, who
shall submit with each requisition a statement showing
the gross amount of the budget of the school for the
current year, and the amount or amounts which have
previously been ADVANCED paid.

Section 5. Section 5 of Chapter 77, Session Laws of
Alaska 1951, is amended to read as follows:

Section 5. REPORT OF PAYMENT TO TEACHERS: FINAL
REPORT: REPAYMENT OF EXCESS. On or before the first day
of July of each year the school board in each incorporated
city, incorporated school district and independent school
district shall file with the Commissioner of Education on
terms prescribed by him, a report of salaries paid to
teachers, superintendents, principals, substitute teachers,
and other professional staff members. If the school
district in complying with Territorial law has paid to
teachers, superintendents, principals, substitute teachers,
and other professional staff members a total amount less
than that approved in the budget for such salaries, the
Commissioner shall adjust the budget downward by the
amount of the difference and shall make final payment to
the school district accordingly. If, in complying with
Territorial law, the school board has paid to teachers,

1 superintendents, principals, substitute teachers, and
2 other professional staff members a total amount greater
3 than that approved in the budget for such salaries, the
4 Commissioner of Education shall adjust the budget upward
5 in the amount of the excess and shall make final payment
6 to the district accordingly. The intent of this article
7 is that school boards shall be refunded for the salaries
8 of teachers, principals, superintendents, substitute
9 teachers, and other approved professional workers an amount
10 exactly equal to the Territorial portion of the legal
11 defensible salary as determined by Territorial law.

12 On or before the first day of September of each year
13 the school board in each incorporated city, incorporated
14 school district and independent school district shall file
15 with the Commissioner of Education on forms prescribed by
16 him, a final report of expenditures for the previous
17 fiscal year ending June 30. Such report shall show the
18 total expenditure in each item of the budget including the
19 totals of salaries paid to teachers, superintendents,
20 principals, substitute teachers, and other professional
21 staff members. In the event that the ADVANCEMENTS
22 payments made as hereinbefore provided for exceed the
23 amount OF REFUND which such school district is entitled
24 to receive, as indicated by the final report of
25 expenditures, at the election of the Commissioner of
26 Education, such excess shall be repaid to the Territory
27 or in the alternative TO be charged against the REFUND
28 payments for the next ensuing school year, and provided
29 that the act of any school board in accepting

1 ADVANCEMENTS payment of REFUNDS Territorial funds
2 shall constitute a binding contract between the
3 Territory and the school board and city council in
4 incorporated city school districts, the school board and
5 city council of independent school districts, and the
6 school board of incorporated school districts and on their
7 behalf to either, upon demand of the Commissioner of
8 Education, return and repay such excess or to consent to
9 having such excess amount charged to the school account
10 for the next ensuing school year.

11 Section 6. ANNUAL AUDIT REQUIRED. The school board in
12 each incorporated city, incorporated school district, and
13 independent school district shall each year on or before the
14 first day of January have an audit made by a competent
15 accountant of the school accounts for the school year ending
16 the preceding June 30 and a certified copy of the same shall be
17 filed with the Commissioner of Education. The audit report as
18 filed shall include audit verification of the final report of
19 expenditures submitted in accordance with Section 5 of this Act.
20 The Commissioner of Education shall withhold all payment of
21 Territorial funds after the first day of February to any school
22 district failing to file with his office a certified copy of
23 such audit and no Territorial funds shall be paid to any school
24 district after this date for any purpose until such audit is
25 filed with the Commissioner of Education; provided, however,
26 that the Commissioner of Education shall have the authority to
27 conduct a re-audit or an audit check in any of the above school
28 districts if in his judgment such action is necessary to fully
29 substantiate the final report of expenditures of such district;

1 and provided, further, that the Commissioner of Education shall
2 have authority, in his discretion, on or before the 1st day of
3 July of each year to notify the school board of any school
4 district which was in the eighty-five ^{per centum} ~~percentum~~ payment group
5 as provided in Section 2 of this Act that his office will
6 conduct the audit of the school accounts for the current school
7 fiscal year ending June 30.

8 Section 7. Section 37-3-55 ACLA 1949, as amended by
9 Chapter 72, Session Laws of Alaska 1951, is hereby repealed.

10 Section 8. This Act shall become effective July 1, 1955.