

COMMITTEE REPORT

4/27/75

HOUSE

Mr. Speaker:

Date 4/27/75

The Committee on FINANCE has had HB 70

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>		_____
_____	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[Signature] Chairman

Introduced: 1/27/75
Referred: Health, Education &
Social Services and Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 78

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 State-Operated School System; and providing for an
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. The sum of \$1,809,400 is appropriated from the general
11 fund to the State-Operated School System for the fiscal year ending June 30,
12 1975, to cover a shortfall in federal impact funds.

13 * Sec. 2. This Act takes effect immediately in accordance with AS 01.
14 10.070(c).

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HB 78

January 27, 1975

The Honorable Mike Bradner
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. Speaker:

Pursuant to the Uniform Rules of the Legislature, I am transmitting a bill making a supplemental appropriation to the State-Operated School System in the amount of \$1,809,400.

This request will increase the general fund appropriation and reduce the federal receipts because of a short fall in PL-874 revenues caused by declining enrollments in the military schools. The total reduction in federal receipts amounts to \$2,209,400. However, \$400,000 is being saved through cost reductions.

Sincerely,

Jay S. Hammond
Governor

COMMITTEE COPY

MEMORANDUM

State of Alaska

HB 78

TO: File

DATE: February 3, 1975

FILE NO:

TELEPHONE NO:

FROM: Richard Emerman, Budget Analyst
Division of Budget and Management
Department of Administration

SUBJECT: SOS Supplemental Appropriation

SOS has submitted the following computations in support of their FY 75 supplemental request:

P.L. 81-874 Appropriation	\$30,234,500
Current Revenue Estimate - P.L. 81-874	<u>28,025,108</u>
Estimated Shortfall in P.L. 81-874 Revenue	\$ 2,209,392
Estimated Cost Savings due to Enrollment declines	<u>\$ 400,000</u>
Net Deficit Applicable to SOS Operations	\$ 1,809,392

The \$400,000 in cost savings is comprised of the following:

Estimated 15 teacher positions	\$ 300,000
Decline in tuition payments due to anticipated declines in military student enrollments at borough schools	<u>\$ 75,000</u>
Miscellaneous variable costs	<u>\$ 25,000</u>
	\$ 400,000

The attached analysis indicates that the original 874 estimate was \$30,558,533, in contrast to the actual 874 appropriation of \$30,234,500. This discrepancy is due to the removal of Selawik from the SOS computation midway through the FY 75 budget process.

P.L. 81-874 funds are not identified with any specific program or operation within SOS - neither surpluses nor shortfalls in collection of 874 funds affect the scope of SOS activities. In other words, 874 funds have been treated simply as a General Fund offset in whatever amount they are received. In the case of higher than anticipated 874 revenues, the surplus funds would be deposited in the General Fund without increasing SOS expenditure authorization. Conversely, a shortfall does not automatically reduce spending requirements but means instead that less General Fund money will be supplanted by federal receipts than was initially projected. In this case, unexpected enrollment declines do result in some cost savings as well as a reduction in 874 reimbursement.

Most of the problem in enrollment declines has occurred in the on-base schools:

	<u>ADM estimate in FY 75 budget</u>	<u>1st Quarter enrollment</u>
Adak	666	680
Eielson	2,248	1,946
Elmendorf	1,886	1,758
Greeley	318	277
Richardson	1,452	1,355
Wainwright	902	928
	<u>7,472</u>	<u>6,944</u>

Alaska State-Operated School System
 PL 81-874 Supporting Computations
 FY 1975

	<u>Original FY 1975 Estimate (Form 22)</u>			<u>Revised FY 1975 Estimate</u>		
	"A"	"B"	Total	"A"	"B"	Total
Rural Schools	4,388.	1,612.	6,000.	3,954.	1,291.	5,245.
Military Schools	9,880.	1.	9,881.	6,503.	-0-	6,503.
District Schools (Tuition)	2,805.	221.	3,026.	3,357.	165.	3,522.
	17,073.	1,834.	18,907.	13,814.	1,456.	15,270.
Rate (cost per pupil)	\$1,698.64	\$1,698.64		\$1,958.27	\$1,958.27	
	\$29,000,880.72	\$3,115,305.76		\$27,055,685.98	\$2,851,241.12	
Collection Factor	100%	50%		100%	34% ?	
Estimated PL 81-874 Revenue	\$29,000,880.72	\$1,557,652.88	\$30,558,533.60	\$27,055,685.98	\$962,421.98	\$28,018,107.96

Estimated 11741 - Study ⁷³ ~~11741~~ ¹¹⁷⁵ ~~11741~~ RURAL SCHOOLS

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Region	ADA by Category			Total
	A	E	01	
Aleutian	71	23	151	245
Fort Yukon	107	78	60	245
Annette Island	408	-	-	408
Northwest and Bering Strait	644	47	22	713
Glennallen	114	77	315	506
Delta/Tok	192	251	316	739
Southwestern	682	97	55	834
Bethel	636	286	321	1243
Southeastern	304	49	70	423
Upper rail belt	70	180	59	309
Tanana	410	113	58	581
Lower Yukon and McGrath	298	102	152	552
Bethel - Special Education	13	8	8	29
Southeastern (Port Alice - Correspondence)	5	-	-	5
	<u>3954</u>	<u>1291</u>	<u>1581</u>	<u>6832</u>

Alaska State-Operated School System
 Estimated ADA - Students Attending Military Schools
 F: 11/15

	Military Base	ADA by Category			Total
		A	B	-OC	
1					
2	Adak	638	-0-	-0-	638
3					
4	Eielson	1,705	-0-	-0-	1,705
5					
6	Elmendorf	1,694	-0-	-0-	1,694
7					
8	Fort Greely	271	-0-	-0-	271
9					
10	Fort Richardson	1,284	-0-	-0-	1,284
11					
12	Fort Wainwright	828	-0-	-0-	828
13					
14	Eielson - Special Education	17	-0-	-0-	17
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16	Elmendorf - Special Education	66	-0-	-0-	66
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18		6,505	-0-	-0-	6,503
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Estimated ADA - Students Attending District Schools
FY 1995

District	ADA by Category			Total
	A	B	-0-	
1 Anchorage	2,132	18	66	2,216
2 Bristol Bay	1	1	-0-	2
3 Cordova	17	6	32	55
4 Dillingham	133	20	14	167
5 Fairbanks	192	10	10	212
6 Galena	14	2	-0-	16
7 Haines	12	4	-0-	16
8 JUNEAU	-0-	-0-	2	2
9 KENAI	144	-0-	-0-	144
10 Ketchikan	10	2	2	14
11 Kodiak	517	5	3	525
12 Matanuska - Susitna	20	4	7	31
13 NENANA	16	34	12	62
14 NOME	102	9	10	121
15 PELLICCI	-0-	-0-	8	8
16 Petersburg	2	15	87	104
17 SITKA	1	1	1	3
18 Wrangell	8	25	165	198
19 Yakutat	36	9	24	69
20 Total Estimated ADA-FY 1995	3,357	165	443	3,965

1974-75 Rate
Per Capita Cost for Current Expenditures
Alaska State Operated School System

Statistics for 1972-73 school year

Schools outside incorporated districts and on-base	\$33,053,927
Non-resident tuition to districts	1,546,491
State aid to districts for non-resident pupils	4,175,368
State aid to ASOs - Administration	511,000
	<u>\$39,292,961</u>

ADA for schools outside incorporated districts	\$ 7,026
ADA for on-base schools	9,357
ADA for non-resident tuition pupils	3,692
Total ADA	<u>\$ 20,075</u>

Cost per pupil in ADA - 1972-73 \$1,958.27

I hereby certify that the above information is correct and complete and verifiable from records in the Alaska Department of Education.

Richard H. Cole
Deputy Commissioner of Education

J.W.