

SCR

105

THE LEGISLATURE OF THE STATE OF ALASKA  
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SCR 105  
 Title Relating to the establishment of a pilot program of financial support of public  
 Requested by Senate Finance Date \_\_\_\_\_ schools.

II. FISCAL DETAIL

Agency Affected Education  
 Program Category Affected Education  
 Budget Request Unit(s) Affected Executive Administration - Office of the Commissioner

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL			70.0	110.0	-0-	-0-
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL			70.0	110.0	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND			70.0	110.0	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME			-0-	-0-	-0-	-0-
PART TIME			-0-	-0-	-0-	-0-
TEMPORARY			-0-	-0-	-0-	-0-

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See attached explanation.

IV. DATE 4-26-78

PREPARED BY Nat Cole, Deputy Commissioner

AGENCY Department of Education

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Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

A thorough and credible evaluation will be necessary to insure that the pilot in flexible application of resources provides objective evidence as to the effects of this approach. The potential importance of the pilot experience should not be underestimated in that it could effect Alaska's system of school finance, district-state relations, local policies and politics, educational program design, and services to children.

Given the above, the following constitutes the best estimate of the Department of Education in terms of the financial support necessary to conduct the evaluation. All funds expended would be contractual (300) and they would be awarded on the basis of competitive bidding; except for the audit of the evaluation. This contract would be established on the basis of a direct Department of Education selection of an auditor.

COSTS

FY-79

1. Overall evaluation design	\$10,000
2. Implemented Evaluation	30,000
3. Design of uniform system of pupil accounting and evaluation data base	25,000
4. Auditor	5,000
	<u>\$70,000</u>

FY-80

1. Implemented Evaluation	\$40,000
2. Statewide extension of pupil accounting system	50,000
3. School finance impact study and report	15,000
4. Audit	5,000
	<u>\$110,000</u>

SENATE CONCURRENT RESOLUTION

Relating to the establishment of  
a pilot program of financial  
support of public schools in Alaska

WHEREAS state aid to school district programs in special education, vocational education, correspondence, bilingual education and community schools is categorical; and

WHEREAS categorical aid requires extensive local administrative emphasis upon fund accounting; and

WHEREAS the local concerns and efforts of personnel should be directed toward actual student services; and

WHEREAS the categorical funding mechanisms may interfere with the allocation of resources at the local level on a need basis; and

WHEREAS programs funded on a categorical basis may not require all of the resources allocated to provide the necessary services; and

WHEREAS the funds in excess of those required for the appropriate level of service could be better utilized in areas of locally identified need; and

WHEREAS categorical aid often requires duplication of both administrative and instructional services; and

WHEREAS another method of public school financial support might make better use of existing resources;

THEREFORE, BE IT RESOLVED that the Department of Education be permitted to conduct an experiment with three school districts for a period of three years beginning July 1, 1978. This experiment will be designed to investigate the efficiency of state aid to these districts using a flexible funding mechanism which shall not exceed what the districts would otherwise receive from all forms of state aid for education under Title 14 of the Alaska Statutes; however, there will be no decrease in the level of educational services required for any student who is a participant in this experiment. This experiment will also develop a method of quantitative assessment of the relationship between funding and student services. The department shall submit to the Second Session of the Eleventh Legislature an interim evaluation of the success and effectiveness of the experiment, and a final report with recommendations to the First Session of the Twelfth Legislature.