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# Aleutian Region School District

TECHNICAL CENTER  
640 West 38th Avenue  
Anchorage, Alaska 99503  
(907) 276-0008

Dr. Dick H. Bower  
Superintendent

Board of Directors  
Sandra Roberts, President  
Cold Bay, Alaska 99571  
Clayton Brown, Clerk  
Cold Bay, Alaska 99571  
Audrey Medina  
Nehan Lagoon, Alaska 99695  
Vasha Golodoff  
Atka, Alaska 99502  
Helen Prokopioff  
Atutan, Alaska 99553



26 February 1981

Marshall Lind, Commissioner  
Department of Education  
Pouch F  
Juneau, Alaska 99811

Dear Commissioner Lind:

On numerous occasions in the past I have discussed the inequity which resulted from the placement of the Aleutian Region School District in less than the most remote category in regard to area differential funding. These discussions have been with members of your staff, members of the Legislature, members of the Foundation Funding Task Force of several years ago, and more recently with the Legislative Budget Oversight Committee. At one point I also raised the issue with the Alaska Association of School Administrators when a revision of both amount and district placement within the area differential was being considered.

To date, other than sympathetic agreement that the original placement was in error and that a change should be made, nothing has been done. On several occasions it has been stated that revisions are to be forthcoming based upon new or improved data. Again this has not occurred, at least in connection with the Aleutian Region School District.

We have deferred any formal request believing that an equitable solution to this problem would be sought by your office. It now appears that only through a formal request is anything likely to be done. Our position is made even more critical by the combination of inflationary costs and the steadily increasing costs of providing for secondary school students at each of our seven sites.

At its meeting on February 13, 1981 the Board of Directors gave unanimous approval to a resolution calling upon you and the Legislature to take appropriate action to overcome this discrimination against the Aleutian Region School District since its inception in 1976.

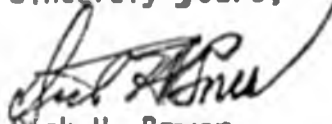
The chart on the following page shows the loss of revenue experienced by the district because of the erroneous and discriminatory placement given to it in 1976:

LOSS OF FUNDS TO ALEUTIAN REGION SCHOOL DISTRICT  
BECAUSE OF DISCRIMINATORY ASSIGNMENT OF AREA DIFFERENTIAL

<u>Year</u>	<u>Instr. Units Allocated</u>	<u>Base Instr. Unit Value</u>	<u>Assigned Differential 150%</u>	<u>Maximum Differential 155%</u>	<u>Disparity</u>
76/77	31	\$ 25,000	\$ 1,027,371	\$ 1,088,410	\$ 61,039
77/78	33	27,500	1,361,250	1,406,625	45,375
78/79	47	29,000	2,044,500	2,112,650	68,150
79/80	34	31,900	1,626,900	1,681,130	54,230
80/81	32	34,935	1,676,864	1,732,768	55,904
					<u>\$ 284,698</u>
81/82 Est.	32	38,590	1,852,320	1,914,048	61,728

We ask that you initiate steps by which this situation can be remedied during this legislative session.

Sincerely yours,

  
Dick H. Bower  
Superintendent

DHB:sc

Enclosure

cc: Board Members  
Carol Sue Smith

# Aleutian Region School District

TECHNICAL CENTER  
640 West 36th Avenue  
Anchorage, Alaska 99503  
(907) 276-0008

Dr. Dick H. Bower  
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Nelson Lagoon, Alaska 99695  
Vasha Golindoff  
Atka, Alaska 99502  
Helen Protopioff  
Akutan, Alaska 99553

Robert Mulcahy  
Alaska State Senate  
Pouch V  
Juneau, Alaska 99811

Dear Senator Mulcahy:

I am enclosing a copy of a letter to Commissioner Lind regarding the area differential placement given the Aleutian Region School District. I hope that the letter and the accompanying resolution of our Board of Directors is self explanatory.

These materials are also being sent to Representative Sutcliffe in hopes that either or both of you will initiate legislative action by which AS 14.17.051 will be amended to place the Aleutian Region School District in the 155% rather than the 150% category.

We will be happy to provide any further information necessary on this matter. We believe, however, that in view of the fact that costs only at Sand Point and Cold Bay were considered in the original placement, that is two out of eight communities, and that the cost of doing business at the other six, Akutan, Atka, False Pass, Nelson Lagoon, Nikolski, and Pauloff Harbor, far exceeds the cost in all of those districts presently found in the 155% category, certainly entitles us to reconsideration and a change.

We will appreciate any help you can give us in this matter since last year for the first time we experienced a budget deficit. Though only some \$6,000 this is certainly not good practice and cannot be tolerated in the future. In a budget revision approved in the Board at this meeting, we also found it necessary to fall below the required 55% in required instructional expenditures. More funds available might have helped us avoid the request of a waiver in this regard.

We thank you for your continued support and consideration.

Sincerely yours,

  
Dick H. Bower  
Superintendent

DHB:sc  
cc: Board Members, Carol Sue Smith,  
Representatives Sutcliffe and Moss



26 February 1981

# Aleutian Region School District

TECHNICAL CENTER  
640 West 35th Avenue  
Anchorage, Alaska 99503  
(907) 276-0006

Dr. Dick H. Bower  
Superintendent

Board of Directors  
Sandra Roberts, President  
Cold Bay, Alaska 99571  
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Atha, Alaska 99502  
Helen Prokopioff  
Akiutan, Alaska 99553



## RESOLUTION 81-0006

### Change in Area Differential Category

WHEREAS the Aleutian Region School District is composed of seven communities, the majority of which are more remote and isolated than any other communities in the State of Alaska, and

WHEREAS only the most accessible community in the district, Cold Bay, was used as the basis for placement of the district in the 150% category based upon remoteness and cost factors in 1976, and

WHEREAS the district has been consistently assured that a re-evaluation of placement of all districts was forthcoming, but to date has failed to materialize, and

WHEREAS steadily increasing costs have now placed the district in a financial position that clearly emphasizes the disparity of its original placement and the discriminatory financial burden under which the district has operated since 1976,

BE IT THEREFORE RESOLVED by the Board of Directors of the Aleutian Region School District that the State Board of Education and the Legislature of the State of Alaska take immediate action to assign the District to its rightful place as one of the most remote and isolated school districts in the state and thereby eligible to receive the 155% instructional unit differential to which it is clearly entitled.

*Sandra C. Roberts*  
President, Board of Directors

2-13-81  
Date

District Name	Present IU Allotment	Present Entitlement	Recommended A.C.D.'s	Re-Computed Entitlement	Dollar Amount	Percent
ADAK (#10)	140.0	2,938,250	191.4	3,836,100	897,850	30.56
ALASKA GATEWAY (#16)	120.0	3,307,660	119.4	3,292,960	14,700-	0.44-
ALUTIAN REGION (#8)	150.0	1,787,776	237.1 ✓	2,761,472	973,696	54.46 ✓
ANNETTE ISLAND (#20)	104.0	1,647,884	141.0	2,126,146	478,262	29.02
BERING STRAIT (#2)	155.0	5,486,006	229.5	7,932,544	2,446,538	44.60
CHATHAM (#18)	108.0	1,221,190	140.6	1,919,805	398,615	26.20
CHUGACH (#21)	120.0	513,062	137.2	579,161	66,099	12.88
COPPER RIVER (#17)	115.0	3,583,100	129.8	3,976,096	392,996	10.97
DELTA/GHEELEY (#15)	120.0	4,075,678	119.4	4,059,088	16,590-	0.41-
IDITAROD AREA (#11)	155.0	3,346,973	225.2	4,744,898	1,397,925	41.77
KUSPUK (#5)	155.0	4,043,401	216.2	5,518,621	1,475,220	36.48
LAKE & PENINSULA (#7)	155.0	4,655,499	170.9	5,105,454	449,955	9.67
LOWER KISKOKWIM (#4)	155.0	16,794,120	221.2	23,269,680	6,475,560	38.56
LOWER YUKON (#3)	155.0	9,313,517	227.2	13,172,636	3,859,119	41.44
NORTHWEST ARCTIC (#1)	155.0	11,691,088	211.5	15,480,976	3,789,888	32.42
PRIPILOF ISLANDS (#9)	150.0	1,290,146	194.4	1,631,388	341,242	26.45
RAILDELT (#14)	120.0	2,405,150	197.2	3,753,650	1,348,500	56.07
SOUTHEAST ISLAND (#19)	108.0	3,208,920	137.7	3,997,420	788,500	24.57
SOUTHWEST REGION (#6)	155.0	5,464,417	167.4	5,867,293	402,876	7.37
YUKON FLATS (#13)	155.0	3,730,416	224.1	5,275,376	1,544,960	41.42
YUKON-KOYUKUK (#12)	155.0	5,591,606	238.3 -	8,327,100	2,735,494	48.92
ANCHORAGE	100.0	74,353,503	106.3	79,037,976	4,684,473	6.30
BRISTOL BAY	155.0	1,433,224	149.9	1,386,084	47,140-	3.29-
CORDOVA	115.0	1,787,364	125.1	1,944,368	157,004	8.78
CRAIG	108.0	901,322	136.0	1,135,001	233,679	25.93
DILLINGHAM	155.0	2,308,627	145.5	2,167,122	141,505-	6.13-
FATHDANKS NO. STAR	112.0	23,075,863	116.3	23,961,695	885,832	3.84
GALENA	155.0	1,133,839	195.1	1,427,177	293,338	25.87
HAINES	115.0	1,749,353	120.2	1,828,471	79,118	4.52
HOONAH	112.0	935,890	127.2	1,062,902	127,012	13.57
HYDABURG	108.0	563,496	142.4	742,969	179,473	31.85
JUNEAU	100.0	10,561,627	100.7	10,635,696	74,069	0.70
KAKE	100.0	866,430	131.6	1,055,745	189,315	21.85
KENAI PENINSULA	108.0	17,493,891	106.5	17,250,933	242,958-	1.39-
KETCHIKAN GATEWAY	100.0	6,467,352	100.4	6,493,269	25,917	0.40
KING COVE	150.0	834,074	178.3	991,425	157,351	18.87
KLAWOCK	108.0	451,500	138.8	580,261	128,761	28.52
KODIAK ISLAND	116.0	7,861,821	140.4	9,515,471	1,653,650	21.03
KATANUSKA-SUSITNA	104.0	12,056,964	106.3	12,323,775	266,811	2.21
KENAHA	120.0	1,170,485	181.5	1,770,359	599,874	51.25
NOHE	155.0	3,657,189	188.7	4,452,330	795,141	21.74
NORTH SLOPE	155.0	7,983,728	315.6 -	16,255,997	8,272,269	103.61
PELICAN	112.0	269,865	140.5	338,541	68,676	25.45
PETERSBURG	104.0	1,723,293	100.0	1,657,030	66,263-	3.85-
SITKA	104.0	4,597,019	100.8	4,455,560	141,459-	3.08-
SKAGWAY	108.0	737,303	121.3	828,093	90,790	12.31
SAINT MARY'S	155.0	972,870	215.2	1,350,724	377,854	38.84
UNALASKA	150.0	1,185,077	189.3	1,495,554	310,477	26.20
VALDEZ	115.0	3,234,489	131.8	3,707,002	472,513	14.61
WRANGELL	104.0	1,616,983	100.7	1,637,712	20,729	1.29
YAKUTAT	120.0	832,075	136.2	944,396	112,321	13.50
SAND POINT	150.0	832,005	188.9	1,047,758	215,753	25.93
Statewide Totals		290,044,380		340,037,260	49,992,880	17.24

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 427

Title An Act relating to instructional unit allotments for school districts; and providing

Requested by House Hess

Date 4/28/81

for an effective date.

II. FISCAL DETAIL

Agency Affected Department of Education

Program Category Affected Elementary and Secondary Education

BRU, Program, or Subprogram(s) Affected Foundation Support Districts

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		67.6	74.4	81.8	90.0	99.0
TOTAL						

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		67.6	74.4	81.8	90.0	99.0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME		N/A				
PART TIME						
TEMPORARY						

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

Assumes Annual Inflation of 10%

Basic Need

32 I.U. X 38,590 X 150% = \$1,852,320  
 32 I.U. X 38,590 X 155% = \$1,914,064  
 Impact \$ 61,744

Supplemental Equalization

983.14 X 150% X 119 = 175,491  
 983.14 X 155% X 119 = 181,340  
 Impact \$ 5,849

Total Fiscal Impact \$67.6

IV. DATE 4/28/81

PREPARED BY Steve Hole

AGENCY Department of Education

PHONE 465-2800

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)