

HCR

14



# Alaska State Legislature

## House of Representatives

### Committee on

### Health, Education & Social Services

Pouch V  
State Capitol  
Juneau, Alaska 99811

Official Business

SUMMARY: HCR 14 Extending the life of the Regional Education Attendance Area Budget Oversight Committee

Pg. 1 L 9-13: Creation of Oversight Committee to act as a borough assembly to the unorganized borough schools to provide similar functions as in the municipal school systems.

Pg. 1 L 14-15:	<u>Year</u>	<u>Total \$</u>	<u>Balance</u>
	FY 80 Approp.	\$125,000	\$124,041
	FY 81 Carry-over from '80	\$124,041	\$ 2,286 (lapsed)
	FY 82 Approp.	\$125,000	\$ 11 (lapsed)
	FY 83 Approp.	\$100,000	\$ 22,500 (present balance)
	<u>Additions</u>		
	FY 82 Budget Item	\$170,000	\$ -463 (drop out study)
	FY 82 Supplemental	\$125,000	\$124,536 (present balance)

Pg. 1 L 16-20: Hearings held in Juneau and Anchorage.

Pg. 1 L 21-24: Reports to Legislature, Feb. 82, March 82 & Jan. 83.

Pg. 1 L 25-27: Groundwork and problem areas isolated in reports; district by district summaries; break down in detail on individual school basis.

Pg. 1 L 28-  
Pg. 2 L 3: Continue existence through June 30, 1984.

Pg. 2 L 4-6: Requiring review of district operating budgets by Aug. 15.

Pg. 2 L 7-9: REAA Budget Oversight shall review findings of DOE regarding district budget reports.

# STATE OF ALASKA

## THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION  
POUCH WF-STATE CAPITOL  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3795

February 4, 1983

### MEMORANDUM

TO: Linda Otey, Professional Assistant  
House HESS Committee

FROM: Pat Williams  
Legislative Finance Division

SUBJECT: Account 32-92-1-254 REAA Oversight Committee

As requested, the following is information you requested on expenditures of the REAA Oversight Committee:

#### FISCAL YEAR 1983 (July 1, 1982 - June 30, 1983)

	Authorization	Expenditures*	Balance
Personal Services	60,000	59,430	570
Travel	20,000	3,279	16,721
Contractual	16,000	2,041	13,959
Commodities	2,000	436	1,564
Equipment	<u>2,000</u>	<u>12,264</u>	<u>(10,264)</u>
	100,000	77,450	22,550

\*Expenditures through 1/31/83. The current monthly payroll for this account is running approximately \$9,200 per month (see attached).

#### FISCAL YEAR 1982 (July 1, 1981 - June 30, 1982)

Personal Services	66,000	81,516	(15,516)
Travel	20,000	20,998	( 998)
Contractual	36,000	20,371	15,629
Commodities	2,000	2,104	( 104)
Equipment	<u>1,000</u>	<u>Ø</u>	<u>1,000</u>
	125,000	124,989	11

FISCAL YEAR 1981 (July 1, 1980 - June 30, 1981)

	Authorization	Expenditures	Balance
Personal Services	99,041	98,165	876
Travel	10,000	12,282	(2282)
Contractual	15,000	9,554	5446
Commodities	Ø	850	(850)
Equipment	Ø	904	(904)
	<u>124,041</u>	<u>121,755</u>	<u>2286</u>

(This was a carry-over appropriation from HB 60 adopted in June 1980 (Fiscal Year 1980))

FISCAL YEAR 1980 (July 1, 1979 - June 30, 1980)

Personal Services	100,000	959	99,041
Travel	10,000	Ø	10,000
Contractual	15,000	Ø	15,000
Commodities	Ø	Ø	Ø
Equipment	Ø	Ø	Ø
	<u>125,000</u>	<u>959</u>	<u>124,041</u>

# STATE OF ALASKA

## THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION  
POUCH WF-STATE CAPITOL  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3795

February 7, 1983

### MEMORANDUM

TO: Linda Otey, Professional Assistant  
House HESS Committee

FROM: Pat Williams *Pat*  
Legislative Finance Division

SUBJECT: Study Accounts pertaining to REAA Activities

As requested, the following is a breakdown of monies expended from monies appropriated to Legislative Finance for REAA studies:

	<u>REAA DROP-OUT STUDY</u>		
<u>FY 1982</u>	Authorization	Expenditures	Balance
Personal Services	122,050	125,069	(3,019)
Travel	19,910	44,636	(24,726)
Contractual	24,240	453	23,787
Commodities	4,200	453	3,747
Equipment	Ø	252	(252)
	<u>170,400</u>	<u>170,863</u>	<u>(463)</u>

In June 1982, \$125,000 was appropriated to Legislative Finance for a study of REAA facility Operations and Maintenance Costs. It had a Fiscal Year 1982 effective date (June 29, 1982) and was treated for accounting purposes as a "supplemental." Thus, the appropriation was penalized the \$463 overrun incurred by the Drop-Out study.

No expenditures have been made from the Operations & Maintenance study. There is a current balance of \$124,536.70.

FY 1982

\*\*\*\*\* HOUSE ANALYSIS \*\*\*\*\*

GOVERNORS REC \$2,290.7

OBJECT GROUP	VARIATION		DESCRIPTION: HOUSE VERSUS GOVERNOR
01 PERS. SERV.	206.2	14.9%	FUND 174.7 THREE ADDITIONAL PERMANENT STAFF, 31.5 FOR TWO ADDITIONAL TEMPORARY POSITIONS.
02 TRAVEL	7.0	24.5%	FUND 7.0 TRAVEL FOR SENATE FINANCE CO-CHAIRMAN AND VICE CHAIRMAN HOUSE FINANCE.
03 CONTRACTUAL	21.4	2.5%	FUND CONTRACTUAL ADDITIONAL 21.4 FOR OFFICE COSTS HOUSE/SENATE FINANCE.
04 COMMODITIES	4.4	44.4%	FUND COMMODITIES ADDITIONAL 4.4 FOR OFFICE COSTS HOUSE/SENATE FINANCE.
** TOTAL	239.0	10.4%	
-----			
HOUSE FIGURE	\$2,529.7		

\*\*\*\*\* SENATE ANALYSIS \*\*\*\*\*

GOVERNORS REC \$2,290.7

OBJECT GROUP	VARIATION		DESCRIPTION: SENATE VERSUS GOVERNOR
01 PERS. SERV.	206.2	14.9%	FUND 174.7 THREE ADDITIONAL PERMANENT STAFF, 31.5 FOR TWO ADDITIONAL TEMPORARY POSITIONS.
02 TRAVEL	7.0	24.5%	FUND 7.0 TRAVEL FOR SENATE FINANCE CO-CHAIRMAN AND VICE CHAIRMAN HOUSE FINANCE.
03 CONTRACTUAL	351.8	41.4%	FUND CONTRACTUAL ADDITIONAL 21.4 FOR OFFICE COSTS HOUSE/SENATE FINANCE, FUND LEGISLATIVE OVERSIGHT COMMITTEE ON IMPROVEMENTS TO AVIATION TRANSPORTATION 160.0, FUND REAA LEGISLATIVE OVERSIGHT COMMITTEE TO PURCHASE DROP-OUT STUDY OF RURAL STUDENTS 170.4.
04 COMMODITIES	4.4	44.4%	FUND COMMODITIES ADDITIONAL 4.4 FOR OFFICE COSTS HOUSE/SENATE FINANCE.
** TOTAL	569.4	24.9%	
-----			
SENATE FIGURE	\$2,860.1		

LEGISLATIVE INTENT:  
\$35,000 OF CONTRACTUAL IN THIS BUDGET IS DEDICATED TO REVISION OF THE PETROLEUM CASH FLOW MODEL.

ORIGINAL  
APPROP.

#1

Chapter 141

1 the Alaska Native Hospital in Anchorage.

2 ~~\* Sec. 174. The sum of \$268,000 is appropriated from the general fund for~~  
3 ~~payment as a grant to the City of Kotzebue for a land conveyance program.~~

4 ~~\* Sec. 175. The sum of \$100,000 is appropriated from the general fund for~~  
5 ~~payment as a grant to the City of Kotzebue for the local government assistance~~  
6 ~~program.~~

7 \* Sec. 176. The sum of \$700,000 is appropriated from the general fund to  
8 the University of Alaska for Chukchi Community College for operating expenses.

9 \* Sec. 177. The sum of \$25,000 is appropriated from the general fund for  
10 payment as a grant to the City of Nome for the medical communication con-  
11 tingency fund.

12 <sup>1,400,000</sup>  
13 ~~\* Sec. 178. The sum of \$1,045,000 is appropriated from the general fund~~  
14 ~~for payment as a grant to the City of Kotzebue for health and social service~~  
15 ~~delivery programs.~~

16 \* Sec. 179. The sum of \$125,000 is appropriated from the general fund to  
17 the division of legislative finance for the Regional Educational Attendance  
18 Area Budget Oversight Committee for a study on regional educational attendance  
19 area school district facility operations and maintenance costs.

20 <sup>866,000</sup>  
21 ~~\* Sec. 180. The sum of \$1,166,000 is appropriated from the general fund~~  
22 ~~to the Department of Education for payment as a grant to the Kotzebue~~  
23 ~~Technical Center for operating expenses.~~

24 \* Sec. 181. The sum of \$250,000 is appropriated from the general fund for  
25 payment as a grant to the City of Sheldon Point for a combined facility.

26 \* Sec. 182. The sum of \$280,000 is appropriated from the general fund for  
27 payment as a grant to the City of Nome for emergency medical services and  
28 equipment.

29 \* Sec. 183. The sum of \$250,000 is appropriated from the general fund for  
30 payment as a grant to the North Slope Borough for whale research.

\* Sec. 184. The sum of \$200,000 is appropriated from the general fund for

*eff date 6/29/82*  
*Lapse date 6/30/83*

*#2*

SUMMARY OF REAA BUDGET OVERSIGHT COMMITTEE  
REPORTS TO THE LEGISLATURE

Initial Report - February 1982:

Title: Report to the Legislature on REAA School Districts

A. Alaska State Operated Schools - ASOSS created in 1970

- 1) State corporation - separate from Department of Education
- 2) Administrative matters handled through Dept. of Administration
- 3) Local boards = 9 - 6 rural members

1971 - Alaska Native Claims Act

1975 - Transition to Rural Education Attendance Areas (REAA)

- 1) Governed by elected school boards from 5 - 11 members
- 2) Larger districts allowed to organize into school board sections according to population distribution, with one or more seats on the board
- 3) REAA powers limited - Legislature the only governing body  
February 1980 - Budget Oversight Committee established by President of Senate and Speaker of House
- 4) New school boards obtained - same powers as municipalities and boroughs
- 5) Originally operated in consultation with community school committees - this was repealed to reduce differences between REAA's and other school districts

B. REAA District Profiles

C. Current Rural Education Issues

- 1) Maintenance & Operations
  - a. \$200 million - REAA school construction in 5 years
  - b. 31% increase in Maintenance & Operations budget - excluding cost and salary increases
  - c. high energy costs - fuel delivery and storage
  - d. inefficient structures - energy waste
  - e. BIA's to be transferred to State
- 2) Instructional television
  - a. 1975 - 100 small earth stations purchased by Alaska
  - b. 1980 - 81 - \$15 million for instructional T.V. - funded by Legislature
- 3) Teacher housing
  - a. some form of subsidized housing
  - b. district phasing out of housing or in process of doing so
  - c. some districts never involved because of:
    1. school board policy
    2. abundance of housing
  - d. Adak housing provided for by Federal government;  
Pribilof housing provided for by National Marine Fishery Service

- e. criticism regarding subsidized housing
  - 1. isolates teachers from community
  - 2. discourages locals from investing in rentals
  - 3. money should go directly to educating children
- f. quality of teachers/teacher turnover - not adequately informed of housing situation
- g. National Education Association (NEA) - Housing Task Force
- h. district built 4 houses - Lower Kuskokwim - selling locally - purpose two-fold: educate students - vocational education to construct future units
- 4) District breakdown teacher concerns
- 5) School districts priorities and commitments
- 6) Budgetary constraints regarding program development
- 7) Drop Out Study - by district began July 1981
  - a. records from districts incomplete and in some cases nonexistent
  - b. summer dropouts not recorded
  - c. dropouts compared with transfers are unclear and not traceable
  - d. Mr. Parrett, Univ. of Alaska Research Inst., rendered services
    - 1. had to rely on personal interviews as a main source of dropout information - used surveyors
  - e. graduation requirements; compare suburban high school grad with REAA high school grad
    - 1. total number of required credits varied from 19 to 22 credits throughout districts
    - 2. 109 high schools (grades 7-12) 64 accredited, 45 are not
      - a. Alaska schools not required to seek accreditation (voluntary on school by school basis) - Metlakatla's high academic core curriculum good example for rest of REAA's

Supplemental Report - March 1982:

Title: Supplemental Report to the Legislature on REAA School Districts

- A. REAA budget management to be looked into in further detail:
  - 1) inadequate responses from REAA's
  - 2) negative press coverage of some district fund mismanagement
  - 3) parental requests
  - 4) enlighten committee and give direction to concerns re: REAA budgets
- B. Resolves in Supplemental Report of March 82
  - 1) Resolution #1
    - a. committee requested Budget & Audit to conduct audits of 21 REAA's for past 3 fiscal years (FY 81,80,79)
  - 2) Resolution #2
    - a. all schools to pursue accreditation

- b. recommend annual visitation on status of school and curriculum development - goal = minimum uniform standards
  - c. Department of Education - records of all graduation requirements and course offerings of each school
  - d. establish 13-14 level school program within REAA high schools
    - 1. college level courses - further understanding of prerequisites
    - 2. program umbrellaed by University - pilot program  
ie. Koyukon Development Corporation to be broker for post secondary education in the Koyukon Region for college credits and non-credit courses
- 3) Resolution #3
- a. paraprofessionals work towards teacher accreditation
  - b. strong counselling efforts to encourage students to join teaching profession and return to their home communities
  - c. establishing teaching college in rural community
    - 1. rural students to enter teaching profession
    - 2. urban students to participate in endeavor to become acculturated to rural environment

January 1983 Report:

Title: Report to the Legislature - 1983

- A. Background
- B. Fiscal information for REAA's by district
- C. Audits, Department of Education program finals
  - 1) Revenues and expenditures - budget comparisons
  - 2) Food service programs audited

THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HCR - 17  
 Title An Act relating to the state medal for heriosm.  
 Requested by House HESS Date 2/18/83

II. FISCAL DETAIL

Agency Affected Department of Education  
 Program Category Affected Elementary and Secondary Education  
 BRU, Program, Or Subprogram(s) Affected State Libraries  
 (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 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-		

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
OPERATING						
CAPITAL						

POSITIONS N/A

FULL TIME						
PART TIME						
TEMPORARY						

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

THIS FISCAL NOTE IS PRESENTLY BEING REVIEWED BY THE OFFICE OF MANAGEMENT AND BUDGET.

This bill has no fiscal impact on this department.

IV. DATE 2/18/83 PREPARED BY Steve Hole *Steve Hole*

AGENCY Education

Original: Legislative Finance PHONE 465-2865

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/82)

THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB - 191  
Title An act relating to school board negotiations with certificated...  
Requested by House HESS Date 2/18/83

II. FISCAL DETAIL

Agency Affected Department of Education  
Program Category Affected Elementary and Secondary Education  
BRU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
(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 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-		

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
OPERATING						
CAPITAL						

POSITIONS N/A

FULL TIME						
PART TIME						
TEMPORARY						

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

THIS FISCAL NOTE IS PRESENTLY BEING REVIEWED BY THE OFFICE OF MANAGEMENT AND BUDGET.

This bill has no fiscal impact on this department.

IV. DATE 2/18/83 PREPARED BY Steve Hale  
AGENCY Education  
PHONE 465-2865  
Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
33-001 (Rev. 12/82)

THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB - 196  
Title An Act relating to provision of adequate housing for public school...  
Requested by House HFSS Date 2/16/83

II. FISCAL DETAIL

Agency Affected Department of Education  
Program Category Affected Elementary and Secondary Education  
BRU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
(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 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-		

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
OPERATING						
CAPITAL						


POSITIONS N/A

FULL TIME						
PART TIME						
TEMPORARY						

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

THIS FISCAL NOTE IS PRESENTLY BEING REVIEWED BY THE OFFICE OF MANAGEMENT AND BUDGET.

This bill has no fiscal impact on this department.

IV. DATE 2/18/83 PREPARED BY Steve Hole   
AGENCY Education  
Original: Legislative Finance PHONE 465-2865  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
33-001 (Rev. 12/82)

THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB - 194  
 Title An Act relating to the education of exceptional children; and...  
 Requested by House HESS Date 2/18/83

II. FISCAL DETAIL

Agency Affected Department of Education  
 Program Category Affected Elementary and Secondary Education  
 BRU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
 (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 '83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-		

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
OPERATING						
CAPITAL						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

THIS FISCAL NOTE IS PRESENTLY BEING REVIEWED BY THE OFFICE OF MANAGEMENT AND BUDGET.

This bill has no fiscal impact on this department.

IV. DATE 2/18/83 PREPARED BY Steve Hole *Steve Hole*  
 AGENCY Education  
 Original: Legislative Finance PHONE 465-2865  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/82)

THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HR - 90  
 Title An Act transferring the administration of school or education-related...  
 Requested by House HESS Date 2/18/83

II. FISCAL DETAIL

Agency Affected Department of Education  
 Program Category Affected Elementary and Secondary Education  
 BRU, Program, Or Subprogram(s) Affected CIP Overhead  
 (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 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES		(59.1)	(62.7)	(66.5)		
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		(59.1)	(62.7)	(66.5)		

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
OPERATING						
CAPITAL		(59.1)	(62.7)	(66.5)		

POSITIONS

FULL TIME		(2)				
PART TIME						
TEMPORARY						

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

THIS FISCAL NOTE IS PRESENTLY BEING REVIEWED BY THE OFFICE OF MANAGEMENT AND BUDGET.

This reflects only the savings from transferring the function out of this department; this Fiscal note does not represent the net cost of transferring the function to the Department of Transportation and Public Facilities.

IV. DATE 2/18/83 PREPARED BY Steve Hole  
 AGENCY Education  
 PHONE 465-2865

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. HCR-14  
 Title Extending the life of the Regional Educ. Attendance Area Budget...  
 Requested by House HESS Date 2-2-83

II. FISCAL DETAIL  
 Agency Affected Education  
 Program Category Affected Elementary & Secondary Education  
 BRU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
 (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 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		-0-	-0-	-0-		

FUNDING (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
GENERAL FUND		-0-	-0-	-0-		
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
FULL TIME						
PART TIME						
TEMPORARY						

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

This bill has no fiscal impact on this department.

RECEIVED  
FEB 04

LEGISLATIVE FINANCE

IV. DATE 2/3/83 PREPARED BY Steve Hole  
 AGENCY Education  
 PHONE 465-2865  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 35- (Rev. 12/82)

OMB Reviewed by: Jerry Bryant *JMB*

REPRESENTATIVE DICK SCHULTZ  
COMMENTS BEFORE HOUSE HESS

ACR#14

FEBRUARY 11, 1983

THE ALASKA STATE LEGISLATURE IS EMPOWERED BY ALASKA'S CONSTITUTION, ARTICLE 10, SECTION 6, TO ACT AS BOROUGH ASSEMBLY TO THE UNORGANIZED BOROUGH. THIS CREATES A PARTICULAR LEGISLATIVE RESPONSIBILITY WITH REGARD TO THE REAA SCHOOL DISTRICTS.

IN 1980, THE SPEAKER OF THE HOUSE AND THE PRESIDENT OF THE SENATE APPOINTED MEMBERS TO A SPECIAL REGIONAL EDUCATION ATTENDANCE AREA BUDGET OVERSIGHT COMMITTEE. THE STATED FUNCTION OF THIS COMMITTEE WAS TO PROVIDE ACCOUNTABILITY FUNCTIONS SIMILAR TO THOSE WHICH MUNICIPALITIES EXERCISE OVER THEIR SCHOOL DISTRICTS.

THE REAA COMMITTEE HAS HELD EXTENSIVE HEARINGS DURING WHICH THE REAA SCHOOL DISTRICTS HAVE DISCUSSED FISCAL AND BUDGETARY CONCERNS.

THE COMMITTEE HAS REPORTED TO THE LEGISLATURE ON RURAL EDUCATIONAL ISSUES SUCH AS THE MONETARY AND EDUCATIONAL IMPACT OF TEACHER HOUSING AND TEACHER TURNOVER; THE COST OF SCHOOL DISTRICT COMMITMENT TO COMMUNITY AND NON-EDUCATIONAL SERVICES; BUDGETARY CONSTRAINTS ON PROGRAM DEVELOPMENT IN THE REAAS; AS WELL AS CONDUCTING ANNUAL FISCAL COMPARISONS OF THE REAAS BETWEEN FISCAL YEARS 1977 AND 1982.

AS THE NEWLY ELECTED CHAIRMAN OF THE SPECIAL JOINT REAA BUDGET OVERSIGHT COMMITTEE, I SEE AREAS IN WHICH THE COMMITTEES WORK SHOULD BE CONTINUED, AND IN SOME INSTANCES, EXPANDED.

PRESENTLY, SCHOOL DISTRICTS ARE REQUIRED TO SUBMIT THEIR FY 84 BUDGETS TO THE DEPARTMENT OF EDUCATION BY MAY 31, 1983.

THE PRESENT TIME FRAME AND THE POLICY OF THE PAST ADMINISTRATION MEANS THAT THESE BUDGETS HAVE BEEN BASICALLY CHECKED FOR ERRORS OF FORMAT AND CLERICAL ERRORS AND THEN RUBBER-STAMPED BY THE DEPARTMENT OF EDUCATION. I SEE THIS AS AN AREA IN WHICH THE COMMITTEE AND THE LEGISLATURE MUST FIND A SOLUTION.

HOUSE CONCURRENT RESOLUTION NO. 14 CONTAINS A RESOLUTION CLAUSE WHICH ASKS THE DEPARTMENT OF EDUCATION TO REVIEW AND RECOMMEND ACTION ON THE OPERATING BUDGETS OF REAAS BY AUGUST 15. THE REAA COMMITTEE WOULD THEN REVIEW THOSE FINDINGS. COMPLIANCE WITH THIS CLAUSE WOULD ALLOW THESE BUDGETS TO RECEIVE SOME SCRUTINY BY THE ADMINISTRATION.

AN ADDITIONAL CONCERN OF THE COMMITTEE IS THE BURDEN WHICH HIGH MAINTENANCE AND OPERATIONS COSTS IN THE REAAS PLACES ON THEIR INSTRUCTIONAL BUDGET AND ON THE STATE GENERAL FUND.

THE REAA COMMITTEE IS CONTINUING TO DEFINE ITS FUNCTION AND RESPONSIBILITIES IN FOLLOWING THE

INSTRUCTIONS GIVEN BY THE SPEAKER AND THE PRESIDENT IN  
1980.

THANK YOU MR. CHAIRMAN.

SUMMARY OF REAA BUDGET OVERSIGHT COMMITTEE  
REPORTS TO THE LEGISLATURE

Initial Report - February 1982:

Title: Report to the Legislature on REAA School Districts

A. Alaska State Operated Schools - ASOSS created in 1970

- 1) State corporation - separate from Department of Education
- 2) Administrative matters handled through Dept. of Administration
- 3) Local boards = 9 - 6 rural members

1971 - Alaska Native Claims Act

1975 - Transition to Rural Education Attendance Areas (REAA)

- 1) Governed by elected school boards from 5 - 11 members
- 2) Larger districts allowed to organize into school board sections according to population distribution, with one or more seats on the board
- 3) REAA powers limited - Legislature the only governing body  
February 1980 - Budget Oversight Committee established by President of Senate and Speaker of House
- 4) New school boards obtained - same powers as municipalities and boroughs
- 5) Originally operated in consultation with community school committees - this was repealed to reduce differences between REAA's and other school districts

B. REAA District Profiles

C. Current Rural Education Issues

- 1) Maintenance & Operations
  - a. \$200 million - REAA school construction in 5 years
  - b. 31% increase in Maintenance & Operations budget - excluding cost and salary increases
  - c. high energy costs - fuel delivery and storage
  - d. inefficient structures - energy waste
  - e. BIA's to be transferred to State
- 2) Instructional television
  - a. 1975 - 100 small earth stations purchased by Alaska
  - b. 1980 - 81 - \$15 million for instructional T.V. - funded by Legislature
- 3) Teacher housing
  - a. some form of subsidized housing
  - b. district phasing out of housing or in process of doing so
  - c. some districts never involved because of:
    1. school board policy
    2. abundance of housing
  - d. Adak housing provided for by Federal government;  
Pribilof housing provided for by National Marine Fishery Service

- e. criticism regarding subsidized housing
  - 1. isolates teachers from community
  - 2. discourages locals from investing in rentals
  - 3. money should go directly to educating children
- f. quality of teachers/teacher turnover - not adequately informed of housing situation
- g. National Education Association (NEA) - Housing Task Force
- h. district built 4 houses - Lower Kuskokwim - selling locally - purpose two-fold: educate students - vocational education to construct future units
- 4) District breakdown teacher concerns
- 5) School districts priorities and commitments
- 6) Budgetary constraints regarding program development
- 7) Drop Out Study - by district began July 1981
  - a. records from districts incomplete and in some cases nonexistent
  - b. summer dropouts not recorded
  - c. dropouts compared with transfers are unclear and not traceable
  - d. Mr. Parrett, Univ. of Alaska Research Inst., rendered services
    - 1. had to rely on personal interviews as a main source of dropout information - used surveyors
  - e. graduation requirements; compare suburban high school grad with REAA high school grad
    - 1. total number of required credits varied from 19 to 22 credits throughout districts
    - 2. 109 high schools (grades 7-12) 64 accredited, 45 are not
      - a. Alaska schools not required to seek accreditation (voluntary on school by school basis) - Metlakatla's high academic core curriculum good example for rest of REAA's

Supplemental Report - March 1982:

Title: Supplemental Report to the Legislature on REAA School Districts

- A. REAA budget management to be looked into in further detail:
  - 1) inadequate responses from REAA's
  - 2) negative press coverage of some district fund mismanagement
  - 3) parental requests
  - 4) enlighten committee and give direction to concerns re: REAA budgets
- B. Resolves in Supplemental Report of March 82
  - 1) Resolution #1
    - a. committee requested Budget & Audit to conduct audits of 21 REAA's for past 3 fiscal years (FY 81,80,79)
  - 2) Resolution #2
    - a. all schools to pursue accreditation

- b. recommend annual visitation on status of school and curriculum development - goal = minimum uniform standards
  - c. Department of Education - records of all graduation requirements and course offerings of each school
  - d. establish 13-14 level school program within REAA high schools
    - 1. college level courses - further understanding of prerequisites
    - 2. program umbrellaed by University - pilot program
      - ie. Koyukon Development Corporation to be broker for post secondary education in the Koyukon Region for college credits and non-credit courses
- 3) Resolution #3
- a. paraprofessionals work towards teacher accreditation
  - b. strong counselling efforts to encourage students to join teaching profession and return to their home communities
  - c. establishing teaching college in rural community
    - 1. rural students to enter teaching profession
    - 2. urban students to participate in endeavor to become acculturated to rural environment

January 1983 Report:

Title: Report to the Legislature - 1983

- A. Background
- B. Fiscal information for REAA's by district
- C. Audits, Department of Education program finals
  - 1) Revenues and expenditures - budget comparisons
  - 2) Food service programs audited



# Alaska State Legislature

## House of Representatives

Committee on

Health, Education & Social Services

Pouch V  
State Capitol  
Juneau, Alaska 99811

Official Business

SUMMARY: HCR 14 Extending the life of the Regional Education Attendance Area Budget Oversight Committee

Pg. 1 L 9-13: Creation of Oversight Committee to act as a borough assembly to the unorganized borough schools to provide similar functions as in the municipal school systems.

Pg. 1 L 14-15:	<u>Year</u>	<u>Total \$</u>	<u>Balance</u>
	FY 80 Approp.	\$125,000	\$124,041
	FY 81 Carry-over from '80	\$124,041	\$ 2,226 (lapsed)
	FY 82 Approp.	\$125,000	\$ 11 (lapsed)
	FY 83 Approp.	\$100,000	\$ 22,500 (present balance)
	<u>Additions</u>		
	FY 82 Budget Item	\$170,000	\$ -463 (drop out study)
	FY 82 Supplemental	\$125,000	\$124,536 (present balance)

Pg. 1 L 16-20: Hearings held in Juneau and Anchorage.

Pg. 1 L 21-24: Reports to Legislature, Feb. 82, March 82 & Jan. 83.

Pg. 1 L 25-27: Groundwork and problem areas isolated in reports; district by district summaries; break down in detail on individual school basis.

Pg. 1 L 28-  
Pg. 2 L 3: Continue existence through June 30, 1984.

Pg. 2 L 4-6: Requiring review of district operating budgets by Aug. 15.

Pg. 2 L 7-9: REAA Budget Oversight shall review findings of DOE regarding district budget reports.

# STATE OF ALASKA

## THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION  
POUCH WF-STATE CAPITOL  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3795

February 4, 1985

### MEMORANDUM

TO: Linda Otey, Professional Assistant  
House HESS Committee

FROM: Pat Williams  
Legislative Finance Division

SUBJECT: Account 52-92-1-254 REAA Oversight Committee

As requested, the following is information you requested on expenditures of the REAA Oversight Committee:

#### FISCAL YEAR 1983 (July 1, 1982 - June 30, 1983)

	Authorization	Expenditures*	Balance
Personal Services	60,000	59,430	570
Travel	20,000	3,279	16,721
Contractual	16,000	2,041	13,959
Commodities	2,000	436	1,564
Equipment	2,000	12,264	(10,264)
	<u>100,000</u>	<u>77,450</u>	<u>22,550</u>

\*Expenditures through 1/31/83. The current monthly payroll for this account is running approximately \$9,200 per month (see attached).

#### FISCAL YEAR 1982 (July 1, 1981 - June 30, 1982)

Personal Services	66,000	81,516	(15,516)
Travel	20,000	20,998	( 998)
Contractual	36,000	20,371	15,629
Commodities	2,000	2,104	( 104)
Equipment	1,000	Ø	1,000
	<u>125,000</u>	<u>124,989</u>	<u>11</u>

FISCAL YEAR 1981 (July 1, 1980 - June 30, 1981)

	Authorization	Expenditures	Balance
Personal Services	99,041	98,165	876
Travel	10,000	12,282	(2282)
Contractual	15,000	9,554	5446
Commodities	Ø	850	(850)
Equipment	Ø	904	(904)
	<u>124,041</u>	<u>121,755</u>	<u>2286</u>

(This was a carry-over appropriation from HB 60 adopted in June 1980 (Fiscal Year 1980))

FISCAL YEAR 1980 (July 1, 1979 - June 30, 1980)

Personal Services	100,000	959	99,041
Travel	10,000	Ø	10,000
Contractual	15,000	Ø	15,000
Commodities	Ø	Ø	Ø
Equipment	Ø	Ø	Ø
	<u>125,000</u>	<u>959</u>	<u>124,041</u>

# STATE OF ALASKA

## THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION  
POUCH W/F-STATE CAPITOL  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3795

February 7, 1983

### MEMORANDUM

TO: Linda Otey, Professional Assistant  
House HESS Committee

FROM: Pat Williams *Pat*  
Legislative Finance Division

SUBJECT: Study Accounts pertaining to REAA Activities

As requested, the following is a breakdown of monies expended from monies appropriated to Legislative Finance for REAA studies:

#### REAA DROP-OUT STUDY

FY 1982

	Authorization	Expenditures	Balance
Personal Services	122,050	125,069	(3,019)
Travel	19,910	41,636	(24,726)
Contractual	24,240	453	23,787
Commodities	4,200	453	3,747
Equipment	<u>Ø</u>	<u>252</u>	<u>(252)</u>
	170,400	170,863	(463)

In June 1982, \$125,000 was appropriated to Legislative Finance for a study of REAA facility Operations and Maintenance Costs. It had a Fiscal Year 1982 effective date (June 29, 1982) and was treated for accounting purposes as a "supplemental." Thus, the appropriation was penalized the \$463 overrun incurred by the Drop-Out study.

No expenditures have been made from the Operations & Maintenance study. There is a current balance of \$124,536.70.

FY 1982

HOUSE ANALYSIS

GOVERNORS REC 62,290.7

OBJECT GROUP	VARIATION		DESCRIPTION: HOUSE VERSUS GOVERNOR
01 PERS. SERV.	206.2	14.9%	FUND 174.7 THREE ADDITIONAL PERMANENT STAFF, 31.5 FOR TWO ADDITIONAL TEMPORARY POSITIONS.
02 TRAVEL	7.0	24.5%	FUND 7.0 TRAVEL FOR SENATE FINANCE CO-CHAIRMAN AND VICE CHAIRMAN HOUSE FINANCE.
03 CONTRACTUAL	21.4	2.5%	FUND CONTRACTUAL ADDITIONAL 21.4 FOR OFFICE COSTS HOUSE/SENATE FINANCE.
04 COMMODITIES	4.4	44.4%	FUND COMMODITIES ADDITIONAL 4.4 FOR OFFICE COSTS HOUSE/SENATE FINANCE.
MM TOTAL	239.0	10.4%	
-----			
HOUSE FIGURE	62,529.7		

SENATE ANALYSIS

GOVERNORS REC 62,290.7

OBJECT GROUP	VARIATION		DESCRIPTION: SENATE VERSUS GOVERNOR
01 PERS. SERV.	206.2	14.9%	FUND 174.7 THREE ADDITIONAL PERMANENT STAFF, 31.5 FOR TWO ADDITIONAL TEMPORARY POSITIONS.
02 TRAVEL	7.0	24.5%	FUND 7.0 TRAVEL FOR SENATE FINANCE CO-CHAIRMAN AND VICE CHAIRMAN HOUSE FINANCE.
03 CONTRACTUAL	151.6	41.4%	FUND CONTRACTUAL ADDITIONAL 21.4 FOR OFFICE COSTS HOUSE/SENATE FINANCE, FUND LEGISLATIVE OVERSIGHT COMMITTEE ON IMPROVEMENTS TO AVIATION TRANSPORTATION 160.9, FUND REAA LEGISLATIVE OVERSIGHT COMMITTEE TO PURCHASE DROP-OUT STUDY OF RURAL STUDENTS 170.4.
04 COMMODITIES	4.4	44.4%	FUND COMMODITIES ADDITIONAL 4.4 FOR OFFICE COSTS HOUSE/SENATE FINANCE.
MM TOTAL	569.4	24.9%	
-----			
SENATE FIGURE	62,860.1		

LEGISLATIVE INTENT:  
\$35,000 OF CONTRACTUAL IN THIS BUDGET IS DEDICATED TO REVISION OF THE PETROLEUM CASH FLOW MODEL.

ORIGINAL  
APPROV.

#1

Chapter 141

1 the Alaska Native Hospital in Anchorage.

2 ~~\* Sec. 174. The sum of \$265,000 is appropriated from the general fund for~~  
3 ~~payment as a grant to the City of Kodiak for a land conveyance program.~~

4 ~~\* Sec. 175. The sum of \$100,000 is appropriated from the general fund for~~  
5 ~~payment as a grant to the City of Kodiak for the local government assistance~~  
6 ~~program.~~

7 \* Sec. 176. The sum of \$700,000 is appropriated from the general fund to  
8 the University of Alaska for Chukchi Community College for operating expenses.

9 \* Sec. 177. The sum of \$25,000 is appropriated from the general fund for  
10 payment as a grant to the City of Nome for the medical communication con-  
11 tingency fund.

12 ~~\* Sec. 178. The sum of \$1,400,000 is appropriated from the general fund~~  
13 ~~for payment as a grant to the City of Kotzebue for health and social service~~  
14 ~~delivery programs.~~

15 \* Sec. 179. The sum of \$125,000 is appropriated from the general fund to  
16 the division of legislative finance for the Regional Educational Attendance  
17 Area Budget Oversight Committee for a study on regional educational attendance  
18 area school district facility operations and maintenance costs.

19 ~~\* Sec. 180. The sum of \$1,400,000 is appropriated from the general fund~~  
20 ~~to the Department of Education for payment as a grant to the Kotzebue~~  
21 ~~Technical Center for operating expenses.~~

22 \* Sec. 181. The sum of \$250,000 is appropriated from the general fund for  
23 payment as a grant to the City of Sheldon Point for a combined facility.

24 \* Sec. 182. The sum of \$280,000 is appropriated from the general fund for  
25 payment as a grant to the City of Nome for emergency medical services and  
26 equipment.

27 \* Sec. 183. The sum of \$250,000 is appropriated from the general fund for  
28 payment as a grant to the North Slope Borough for whale research.

29 \* Sec. 184. The sum of \$200,000 is appropriated from the general fund for

eff date 6/29/82  
Lapse date 6/30/83

#2

THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. HCR-14  
 Title Extending the life of the Regional Educ. Attendance Area Budget...  
 Requested by HOUSE HCSS Date 2-2-83

II. FISCAL DETAIL  
 Agency Affected Education  
 Program Category Affected Elementary & Secondary Education  
 BRU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
 (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 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		-0-	-0-	-0-		

FUNDING (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
GENERAL FUND		-0-	-0-	-0-		
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
FULL TIME						
PART TIME						
TEMPORARY						

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

This bill has no fiscal impact on this department.

LEGISLATIVE FINANCE

IV. DATE 2/3/83 PREPARED BY Steve Hole  
 AGENCY Education  
 PHONE 465-2865  
 Original: Legislative Finance  
 cc: Budget and Management  
 - Prime Sponsor (First Legislator Named)  
 3- (Rev. 12/82)