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STATE OF ALASKA-DEPA  
PUBLIC SCHOOL FOUNDA  
SUPPLEMENTAL EQUALIZ

FY 1985 COMPUTATIONS

SCHOOL DISTRICT	FY85 AUDITED LOCAL CONTRIBUTION	FY85 FINAL STUDENT ADM	FY85 AVERAGE CONTRIBUTION	DISPARITY BETWEEN LOCAL AND STATE	INSTR. UNIT ALLOTMENT	1985 SUPP. EQ. AID AMOUNT
ANCHORAGE	\$53,621,674	39,735	\$1,349.78	\$6,292,512.30	1.00	\$6,292,512.30
BRIETOL BAY	\$40,000	229	\$174.67	\$302,847.92	1.55	\$469,414.28
CORODOVA	\$915,870	352	\$1,350.45	\$60,080.96	1.15	\$69,093.10
CRAIG	\$10,735	142	\$75.57	\$212,409.60	1.08	\$229,402.37
GILLINGHAM	\$30,000	427	\$70.26	\$611,532.32	1.55	\$947,875.10
FAIRBANKS	\$19,702,514	12,589	\$1,572.52	\$0.00	1.12	\$0.00
SALENA	\$2,700	146	\$18.49	\$217,429.04	1.55	\$337,015.01
HAINES	\$314,274	381	\$824.11	\$204,196.95	1.15	\$234,826.49
HOONAH	\$8,788	214	\$41.07	\$313,365.24	1.12	\$351,529.07
HYDABURG	\$0	100	\$0.00	\$450,773.00	1.08	\$462,834.84
SUNEAU	\$6,200,000	4,551	\$1,362.34	\$661,569.89	1.00	\$661,569.89
KAKE	\$0	203	\$0.00	\$304,845.10	1.08	\$329,232.71
KENAI	\$12,835,348	7,777	\$1,650.42	\$0.00	1.08	\$0.00
KETCHIKAN	\$4,127,594	2,290	\$1,772.03	\$0.00	1.00	\$0.00
KING ISLAND	\$10,000	109	\$91.74	\$154,485.29	1.50	\$201,727.94
KLAWOCK	\$0	156	\$0.00	\$232,243.44	1.08	\$250,622.92
KODIAK	\$1,377,345	2,241	\$614.61	\$2,001,481.92	1.16	\$2,321,719.03
KAT-SU	\$10,665,539	7,977	\$1,337.04	\$1,361,594.13	1.04	\$1,416,057.90
NENANA	\$30,000	119	\$252.10	\$149,419.97	1.20	\$179,303.96
NOME	\$344,155	765	\$450.03	\$339,409.50	1.55	\$1,455,084.73
NORTH SLOPE	\$12,591,700	1,079	\$12,596.57	\$0.00	1.55	\$0.00
PELICAN	\$14,000	44	\$318.18	\$52,340.20	1.12	\$58,621.02
PETERSBURG	\$499,863	601	\$831.72	\$406,282.01	1.04	\$422,333.29
SAND POINT	\$28,000	98	\$285.71	\$119,757.56	1.50	\$179,636.94
SITKA	\$2,531,785	1,587	\$1,595.32	\$0.00	1.04	\$0.00
SKAGWAY	\$27,300	145	\$188.28	\$179,273.65	1.08	\$193,615.54
ST. MARY'S	\$0	110	\$0.00	\$105,857.30	1.55	\$257,067.97
TANANA	\$0	71	\$0.00	\$107,045.83	1.55	\$163,925.69
UNALASKA	\$5,000	140	\$35.71	\$65,965.20	1.50	\$98,947.80
VALDEZ	\$2,674,654	500	\$3,343.32	\$0.00	1.5	\$0.00
WRANGELL	\$360,000	452	\$796.46	\$321,494.04	1.04	\$334,353.80
YAKUTAT	\$26,800	168	\$159.53	\$226,699.20	1.20	\$272,039.04

TOTALS \$129,599,940 85,957 \$1,507.73 \$15,795,508 \$17,895,663

1985 COMPUTATIONS

REGA SCHOOL DISTRICT	FY85 PRIOR YEAR ADM	STATEWIDE AVERAGE PER ADM	DISPARITY BETWEEN LOCAL AND STATE	INSTP. UNIT ALLOTMENT	1985 SUPP. EG. AID AMOUNT
ADAK	577	\$1,507.73	\$657,960.21	1.40	\$1,217,944.29
ALASKA GATEWAY	490	\$1,507.73	\$738,787.70	1.20	\$886,545.24
ALEUTIAN REGION	99	\$1,507.73	\$149,265.27	1.50	\$223,897.91
ANNETTE ISLAND	383	\$1,507.73	\$577,460.59	1.04	\$600,359.01
BERING STRAIT	1,481	\$1,507.73	\$1,780,629.13	1.55	\$2,759,975.15
CHATHAM	314	\$1,507.73	\$473,427.22	1.08	\$511,301.50
CHUEACH	112	\$1,507.73	\$168,865.76	1.20	\$202,638.91
COPPER RIVER	570	\$1,507.73	\$859,406.10	1.20	\$1,031,237.32
DELTA BREEZY	980	\$1,507.73	\$1,477,575.40	1.20	\$1,773,090.48
IOITARD	388	\$1,507.73	\$584,999.24	1.55	\$906,745.82
KASHUNAMIUT	152	\$1,507.73	\$229,174.96	1.55	\$355,221.19
KUSPUK	349	\$1,507.73	\$526,197.77	1.55	\$815,606.54
LAKE & PENINSULA	355	\$1,507.73	\$550,321.45	1.55	\$852,998.25
LOWER KUSKOKWIM	2,338	\$1,507.73	\$3,525,072.74	1.55	\$5,463,862.75
LOWER YUKON	1,335	\$1,507.73	\$2,012,619.55	1.55	\$3,119,670.30
NORTHWEST ARCTIC	1,450	\$1,507.73	\$2,231,440.40	1.55	\$3,458,732.57
PRIBILOF	158	\$1,507.73	\$238,221.34	1.50	\$357,332.01
RAILBELT	345	\$1,507.73	\$520,166.85	1.20	\$624,200.22
SOUTHEAST ISLAND	451	\$1,507.73	\$679,966.23	1.08	\$734,385.13
SOUTHWEST REGION	490	\$1,507.73	\$738,787.70	1.55	\$1,145,120.94
YUKON FLATS	372	\$1,507.73	\$560,675.56	1.55	\$859,357.12
YUKON-KOYUKUK	567	\$1,507.73	\$854,882.91	1.55	\$1,325,068.51
YUPIIT	262	\$1,507.73	\$425,179.86	1.55	\$659,028.75
TOTALS	13,771		\$20,771,503.94		\$25,894,772.69

STATEWIDE AVERAGE ISNOTE: FOR YUPIIT & KASHUNAMIUT : ADM USED FY86 REVISED.

DEPARTMENT OF EDUCATION  
 FY86 FOUNDATION CALCULATION  
 USING INSTRUCTIONAL UNITS  
 PREPARED 1/24/86

SCHOOL DISTRICT	FY86 REVISED ADM	TOTAL UNITS	IF UNIT VALUE IS \$42,475	BASIC NEED	1986 SUPP. EQ. AID AMOUNT			
ADAK	202	45	\$59,466	\$2,654,366	\$1,217,944	4,072,312	4,461,127	93.75
ALASKA GATEWAY	516	82	\$50,971	\$4,179,522	\$886,545	3,066,167	4,636,260	109.27
ALEUTIAN REGION	90	27	\$63,714	\$1,720,278	\$223,598	1,644,176	1,560,690	114.57
ANNETTE ISLAND	395	46	\$44,175	\$2,032,050	\$600,559	2,632,409	2,499,825	97.51
BERING STRAIT	1,214	201	\$65,838	\$13,232,438	\$2,759,975	15,993,413	15,424,960	103.69
CHATHAM	306	52	\$5,874	\$2,355,448	\$511,301	2,696,749	2,762,874	104.85
CHUGACH	116	33	\$50,971	\$1,672,333	\$262,639	1,374,972	1,418,448	96.95
COPPER RIVER	567	56	\$50,971	\$3,364,086	\$1,031,287	4,395,373	4,232,655	103.84
DELTA GREELY	998	90	\$50,971	\$4,587,390	\$1,773,090	6,360,480	6,139,596	103.60
IDITAROD	389	76	\$5,838	\$5,003,688	\$906,749	5,910,437	6,057,119	97.58
KASHUNAMIUT	152	26	\$65,838	\$1,711,788	\$355,221	2,067,009	1,559,368	132.55
KUSPUK	349	82	\$65,838	\$5,398,716	\$815,607	6,214,323	5,943,819	104.55
LAKE & PENINSULA	377	83	\$65,838	\$5,464,554	\$892,998	6,317,552	6,067,815	104.12
LOWER KUSKOKWIM	2,579	375	\$65,838	\$24,689,250	\$5,463,363	30,153,113	29,591,446	101.90
LOWER YUKON	1,300	164	\$65,838	\$10,797,432	\$3,119,870	13,917,302	13,336,700	104.35
NORTHWEST ARCTIC	1,482	205	\$65,838	\$13,496,790	\$3,456,733	16,955,523	16,008,564	105.92
PRESIDIO	167	36	\$63,714	\$1,911,420	\$357,332	2,265,757	1,992,778	113.64
RAIMBELT	356	54	\$50,971	\$2,752,434	\$624,200	3,376,634	3,556,014	94.96
SOUTHEAST ISLAND	504	92	\$65,874	\$4,220,408	\$734,365	4,954,793	4,985,792	99.38
SOUTHWEST REGION	476	98	\$65,838	\$6,452,124	\$1,145,121	7,597,245	6,500,249	115.11
YUKON FLATS	369	77	\$65,838	\$5,069,526	\$869,357	5,938,883	5,947,542	99.85
YUKON-KOYUKUK	572	107	\$65,838	\$7,044,866	\$1,325,069	8,369,735	7,947,268	105.66
YUPIIT	282	49	\$65,838	\$3,225,062	\$659,029	3,885,091	3,235,665	120.07
TOTALS REAAS	14,463	2,150		\$182,767,671	\$29,894,773	\$182,662,644	\$155,771,277	104.42
CENT. CORRESP. STUDY	995	59	\$42,676	\$2,506,084	\$0	2,506,084	2,594,960	96.58
STATEWIDE 995-TOTALS	105,459	9,407		\$451,924,321	\$47,788,636	\$509,712,957	\$509,713,718	100.00

NOTE: TANANA, YUPIIT & KASHUNAMIUT ALLOTMENT RATES ARE 155%

DEPARTMENT OF EDUCATION  
 FY86 FOUNDATION CALCULATION  
 USING INSTRUCTIONAL UNITS  
 PREPARED 1/24/86

TO SET A  
 NEW PROJECTION  
 CHANGE UNIT  
 VALUE HERE

SCHOOL DISTRICT	FY86 REVISED AID	TOTAL CUB's	IF UNIT VALUE IF \$40,476	BASIC NEED	1986 SUPP. ED. AID AMOUNT	BASIC PLUS SUPPL. EDUC. AID	ACTUAL 1985 AMOUNT	
ANCHORAGE	40,026	3,076	\$42,476	\$130,741,122	\$2,292,512	137,033,640	137,769,492	99.47
BRISTOL BAY	217	27	\$65,838	\$1,777,626	\$459,414	2,247,040	2,196,257	102.31
CORDOVA	396	39	\$48,847	\$1,905,033	\$69,093	1,974,126	2,071,080	95.32
CRATE	188	21	\$45,874	\$962,354	\$229,402	1,192,756	1,425,226	83.69
GILLINGHAM	329	44	\$65,838	\$2,895,372	\$947,375	3,844,747	3,869,330	99.36
FAIRBANKS	13,053	1,000	\$47,573	\$47,573,000	\$0	47,573,000	50,071,308	95.01
GALENA	148	18	\$65,838	\$1,185,084	\$337,015	1,522,099	1,533,460	98.94
HAINES	346	46	\$48,847	\$2,246,962	\$234,826	2,481,788	2,241,660	110.61
HOONAH	227	26	\$47,573	\$1,236,598	\$351,529	1,588,127	1,469,371	108.10
HYDABURG	97	17	\$48,847	\$779,658	\$162,525	942,693	924,410	101.98
JUNEAU	4,624	377	\$42,476	\$16,013,452	\$661,670	16,675,122	17,418,508	95.73
KAKE	214	28	\$45,874	\$1,264,472	\$329,233	1,593,705	1,562,102	102.00
KENAI	6,132	715	\$45,874	\$32,799,910	\$0	32,799,910	32,983,392	99.44
KETCHIKAN	2,425	192	\$42,476	\$8,410,248	\$0	8,410,248	8,607,725	97.71
KING COVE	186	15	\$63,714	\$955,710	\$201,728	1,157,438	1,223,326	94.21
KLAWOCK	157	21	\$45,874	\$962,354	\$250,823	1,214,177	1,211,098	100.25
KODIAK	2,252	214	\$49,272	\$10,544,208	\$0,321,719	12,865,927	12,854,416	100.09
KAT-SU	6,794	667	\$44,175	\$29,464,725	\$1,416,058	30,880,783	32,045,336	96.37
NENANA	112	13	\$50,971	\$917,478	\$179,304	1,096,782	1,023,824	89.62
NOME	316	75	\$65,838	\$5,003,638	\$1,254,065	6,459,773	6,080,632	106.23
NORTH SLOPE	1,092	129	\$65,838	\$8,493,102	\$0	8,493,102	10,450,440	81.27
PELICAN	48	12	\$47,573	\$570,876	\$68,621	629,497	620,926	101.35
PETERSBURG	542	47	\$44,175	\$2,076,228	\$422,533	2,498,761	2,409,732	103.69
SAND POINT	144	13	\$63,714	\$828,282	\$179,637	1,007,919	956,154	105.41
SITKA	1,596	137	\$44,175	\$6,051,928	\$0	6,051,928	6,158,964	98.26
SKAGWAY	125	15	\$45,874	\$686,110	\$193,616	861,726	697,250	126.10
ST. MARY'S	111	11	\$65,838	\$1,185,084	\$257,068	1,442,152	1,725,384	83.58
TANANA	71	13	\$65,838	\$855,654	\$165,726	1,021,380	986,545	103.53
UNALASKA	127	20	\$63,714	\$1,274,280	\$92,948	1,367,228	1,169,706	117.40
VALDEZ	771	78	\$48,847	\$3,810,066	\$0	3,810,066	3,937,267	96.29
WHELAN	455	46	\$44,175	\$2,032,050	\$384,354	2,366,404	2,236,325	105.82
YAKUTAT	159	21	\$50,971	\$1,121,382	\$172,039	1,293,421	1,281,381	108.74
TOTALS CUB's	86,001	7,195		\$326,650,366	\$17,353,862	\$344,544,228	\$351,746,881	98.06

STATE OF ALASKA-DEPARTMENT OF EDUCATION  
PUBLIC SCHOOL FOUNDATION PROGRAM  
REVISED STATE AID COMPUTATIONS

D. DISTRIBUTION COPY 2

FY-86 REVISED PAYMENT SCHEDULE (UPDATED 1/22/86) (SCHEDULE A)

SCHOOL DISTRICT	REVISED RRPT. FY 1985 ADM	FY 1986 ALLOTMENT PER ADM	FY 1985 REVISED BASIC ENTITLEMENT	ADJUSTMENTS PER AS 14.17.031	ADJUSTMENTS CH.75 S.A. 1985FRES 890.3	ADJUSTMENT FEE 4% ON-84	REVISED STATE AID FY 1986	FY86 REVENUES P.L.L. 874 ADD (F86 FY 85)	STATE AID FLEA 81574
ANCHORAGE	37,672	\$3,442	\$129,667,024		1,994,607		131,661,631	311,662	121,972,024
ANCHORAGE DN	2,354	\$3,442	\$8,102,468				8,102,468		8,102,468
BRISTOL BAY	217	\$10,121	\$2,196,257				2,196,257	330,510	2,526,767
CORODOVA	385	\$5,230	\$2,071,060		19,540		2,090,600	22,373	2,112,973
CRAIS	163	\$7,331	\$1,425,223				1,425,223	32,914	1,458,137
DILLINGHAM	429	\$9,020	\$3,869,550				3,869,550	440,068	4,309,618
FAIRBANKS	10,955	\$3,836	\$42,023,380		3,147,060		45,170,440	0	45,170,440
FAIRBANKS DN	2,092	\$3,836	\$8,047,928				8,047,928		8,047,928
FRESKO CONTRA						321,917		321,917	
GALENA	142	\$10,395	\$1,535,450				1,535,450	613,414	2,148,864
HAINEB	340	\$6,599	\$2,227,660	\$202,519			2,430,179	44,127	2,474,306
HODAN	227	\$6,473	\$1,471,771				1,471,771	220,433	1,692,204
HYDABURG	97	\$9,530	\$924,100				924,100	0	924,100
JUNEAU	4,624	\$3,767	\$17,413,608		261,242		17,674,850	30,070	17,704,920
KAKE	214	\$7,393	\$1,582,102				1,582,102	502,215	2,084,317
KENAI	8,132	\$4,056	\$32,983,392		2,468,555		35,451,947	0	35,451,947
KETCHIKAN	2,435	\$3,535	\$8,607,725		923,102		9,530,827	3,088	9,533,915
KING COVE	126	\$5,781	\$1,028,621				1,028,621	185,499	1,214,120
KLADOK	157	\$5,714	\$1,211,093				1,211,093	113,624	1,324,717
KODIAK	2,252	\$5,708	\$12,854,416				12,854,416	351,964	13,206,380
KAT-BO	8,794	\$3,644	\$32,045,336		312,051		32,357,387	28,277	32,385,664
KEENA	112	\$10,927	\$1,223,824				1,223,824	1,842	1,225,666
NOME	816	\$7,452	\$6,080,632				6,080,632	92,128	6,172,760
NORTH SLOPE	1,051	\$9,570	\$10,450,440				10,450,440	4,142,163	14,592,603
PELICAN	43	\$12,935	\$620,928	\$45,274			666,204	0	666,204
PETERSBURG	542	\$4,446	\$2,409,732				2,409,732	9,929	2,419,661
SAND POINT	111	\$3,614	\$956,454	\$25,642			982,096	0	982,096
SITKA	1,596	\$3,659	\$6,158,964		429,138		6,588,102	127,432	6,715,534
BRAGWAY	125	\$5,594	\$679,250	\$83,910			763,160	0	763,160
ST. MARY'S	111	\$15,544	\$1,725,384				1,725,384	475,115	2,200,499
TANANA	71	\$13,293	\$951,545	\$72,949			1,024,494	150,392	1,174,886
UNALASKA	137	\$8,538	\$1,169,706	\$92,918			1,262,624	132,133	1,444,757
VALDEZ	771	\$4,977	\$3,837,267				3,837,267	29,417	3,866,684
WEAVER	455	\$4,515	\$2,235,325				2,235,325	2,571	2,237,896
YAKUTAT	159	\$8,059	\$1,281,381				1,281,381	153,243	1,434,624
<b>CITIES &amp; BOR</b>	<b>88,001</b>	<b>****</b>	<b>\$351,346,881</b>	<b>\$524,814</b>	<b>9,898,217</b>	<b>321,917</b>	<b>361,772,129</b>	<b>8,814,498</b>	<b>370,586,627</b>

STATE OF ALASKA-DEPARTMENT OF EDUCATION  
 PUBLIC SCHOOL FOUNDATION PROGRAM  
 REVISSED STATE AID COMPUTATIONS

DISTRIBUTION COPY 2

FISCAL YEAR REVISSED PAYMENT SCHEDULE UPDATED 1/22/88

SCHEDULE B

SCHOOL DISTRICT	REVISED SFST.	FY 1986	FY 1986	ADJUSTMENTS	ADJUSTMENTS	REVISED	FY86 REVENUES	STATE AID	STATE AID
	FY 1986	ALLOTMENT	REVISED BASIC	PER AS 14.17.031	AS 14.17.031/8	STATE AID	P.L. 97A AID	PER	PER
	ADM	PER ADM	ENTITLEMENT	AS 14.17.031	PL87A AID-FY8	FY 1986	(FED FY 85)		20% PL87A
ADAK	603	\$6,907	\$4,168,127	-	-1,655,639	2,510,433	2,007,611	413,822	2,524,361
ALASKA GATEWAY	516	\$8,925	\$4,635,260	-	-593,577	4,042,683	741,891	168,374	4,211,078
ALEUTICAN REE	90	\$17,341	\$1,550,690	\$277,456	-21,023	1,746,923	114,029	22,826	1,769,753
ANNETTE ISLA	385	\$6,835	\$2,699,925	-	-1,189,153	1,510,772	1,485,491	257,282	1,742,773
BERING STRAI	1,216	\$12,665	\$15,424,960	-	-3,312,555	12,112,405	4,141,058	828,214	12,940,619
CHATHAM	306	\$9,029	\$2,762,874	-	-789,903	1,972,971	987,879	197,476	2,170,447
CHUGACH	116	\$12,228	\$1,418,448	-	-184,441	1,234,007	305,577	41,115	1,275,122
COPPER RIVER	367	\$7,465	\$4,232,855	-	-95,304	4,137,551	119,430	23,826	4,161,377
DELTA GREELY	953	\$6,152	\$6,179,696	-	-1,001,761	5,177,935	1,231,226	251,445	5,429,380
EDWARDS	387	\$15,571	\$6,057,119	-	-871,360	5,185,759	1,018,825	217,783	5,403,542
HADYKAMHUT	152	\$10,259	\$1,589,266	-	0	1,589,266	0	0	1,589,266
KUSKOK	349	\$17,031	\$5,943,619	-	-820,326	5,063,293	1,400,653	280,131	5,343,424
LAKE & PENIN	377	\$16,095	\$6,067,815	-	-1,058,336	5,009,479	1,322,920	264,584	5,274,063
LOWER KUSKOK	2,579	\$11,671	\$29,591,446	-	-5,234,773	24,356,673	5,543,436	1,106,675	25,463,348
LOWER YUKON	1,300	\$10,259	\$13,336,700	-	-1,559,464	11,777,236	5,079,320	1,039,846	12,817,082
NORTHWEST AR	1,482	\$10,502	\$16,068,366	-	-2,984,332	13,084,034	3,733,415	746,681	13,830,715
PRINCELOP	167	\$11,734	\$1,992,973	-	-579,021	1,413,952	728,721	147,752	1,561,704
RACHELLE	388	\$9,833	\$3,555,014	-	-64,570	3,490,444	105,035	21,018	3,511,462
SOUTHEAST IS	496	\$10,852	\$4,783,792	-	-785,335	4,008,457	1,131,070	229,824	4,238,281
SOUTHWEST RE	477	\$13,837	\$6,410,249	-	-1,724,655	4,685,594	2,155,840	431,172	5,116,766
WADN FLATS	369	\$15,118	\$5,947,542	-	-573,172	5,374,370	716,465	143,291	5,517,661
YUKON-KOYUKU	572	\$13,719	\$7,647,268	-	-1,556,787	6,090,481	1,920,984	384,197	6,474,678
YUPIK	332	\$11,474	\$3,235,663	-	0	3,235,663	0	0	3,235,663

REAAA 14,156 \*\*\*\* \$155,771,877 \$277,456 -29,905,355 126,142,978 37,352,944 7,476,767 133,619,566

CENT. CORRESP 995 \$2,608 \$2,594,960 2,594,960

SEE ATTACHED

490,530,067

504,225,094

Three additions must be made to the figures on the preceeding pages for the most complete and up-to-date information:

<u>District</u>	<u>Amount</u>	
Skagway	\$130,650	in emergency funds (so Skagway rc'd \$913,810 in state aid)
Yupitit	\$624,228.	in emergency funds (so Yupitit rc'd \$947,896 in state aid)
Southeast	\$110,572.	(11 additional students @ 10,052 - The students were actually schooled in Wrangell, & Southeast paid these \$ to Wrangell) (so Southeast Island District rc'd a revised total in state aid of \$5,096,364 less 80% PL874 905,028 = \$4,191,336)
<b>TOTAL</b>	<b>\$865,450.</b>	

With these additions, the actual Grand Total in Revised State Aid, received for FY 1986 equals:

	\$490,530,067.
	+ \$ 865,450.
<b>GRAND TOTAL STATE AID</b>	<b>\$491,395,517.</b>

GRAND TOTAL STATE AID PLUS 20% REAA's PL874 \$ & 100% CITY/BOROUGH'S PL874 \$ = \$505,091,644

Revised Total ADM

City/Boroughs	88,001
REAA's 14,156 + 11 =	<u>14,167</u>
Subtotal	102,168
Central Correspondence	<u>995</u>
<b>GRAND TOTAL STATEWIDE ADM</b>	<b>103,163</b>

Revised Basic Entitlement

City/Boroughs	\$351,346,881 + 130,650 =	\$351,447,531
REAA's	\$155,771,877 + 110,572 + 624,228 =	\$156,506,677
Central Correspondence		<u>\$ 2,594,960</u>
<b>GRAND TOTAL</b>		<b>\$510,549,168</b>

Average Allotment/ADM

City/Boroughs (\$351,447,531/88,001 ADM)	=	\$3,993.66
REAA's (\$156,506,677/14,167 ADM)	=	\$11,047.00
Central Correspondence (\$2,594,960/995 ADM)	=	\$2,608.00
Statewide including Central Correspondence (\$510,549,168/103,163 ADM)	=	\$4,948.96
Statewide without Central Correspondence (\$507,954,208/102,168 ADM)	=	\$4,971.75




Alaska State Legislature  
House of Representatives  
COMMITTEE ON HEALTH, EDUCATION  
AND SOCIAL SERVICES

OFFICIAL BUSINESS

POUCHY  
JUNEAU, AK 9981  
465-3756

MEMORANDUM

TO: DR. LARRY HUXEL

FROM: REP. KOPONEN, CHAIR HOUSE HESS COMMITTEE 

RE: EDUCATION FUNDING FIGURES

DATE: MAY 5, 1986

As per our conversation this afternoon, please provide the Committee with the Department's best estimate on the amounts districts would receive if no alternative distribution bill is enacted this year. I understand that such figures can be estimates only, and that many assumptions must be made. Those assumptions should be listed and the figures per district stated. I would like to know the amount of money from the House and Senate cap figures that would not be distributed. Would this all go to the emergency fund? Am I correct in assuming the School Fund monies would remain untouched?

I would like this information as soon as possible. Thank you for your attention to this matter.

CC: Commissioner Lind  
Lorraine Glenn

A large, stylized handwritten signature, likely of Rep. Koponen, written in black ink.

5-6-86

SB 408 Local Contribution and Match

District	(1) Budgeted Tax Approp/FY 86	(2) FY 86 ADM	(3) Tax \$ Per ADM	(4) State Average	(5) Local - State Avg	(6) (2)x(5)	(7) 1.136057 Prorate#
Anchorage	60,745,588	40,026	1517.65	1444.62	73.03	2,923,228	3,320,953
Bristol Bay	40,000	217	184.33	1444.62	-1260.29		
Cordova	505,695	396	1277.01	1444.62	-167.61		
Craig	36,997	188	196.79	1444.62	-1247.83		
Dillingham	30,000	429	69.93	1444.62	-1374.69		
Fairbanks	21,000,000	13,053	1608.83	1444.62	164.21	2,143,375	2,434,996
Galena	2,700	148	18.24	1444.62	-1426.38		
Haines	297,532	340	875.09	1444.62	-569.53		
Hoonah	4,100	227	18.06	1444.62	-1426.56		
Hydaburg	10,000	97	103.09	1444.62	-1341.53		
Juneau	7,350,000	4,624	1589.53	1444.62	144.91	670,077	761,246
Kake	30,000	214	140.19	1444.62	-1304.43		
Kenai	17,314,136	8,132	2129.14	1444.62	684.52	5,566,486	6,323,846
Ketchikan	4,247,783	2,435	1744.47	1444.62	299.85	730,133	829,473
King Cove	10,000	126	79.37	1444.62	-1365.25		
Klawock	0	157	.00	1444.62	-1444.62		
Kodiak	2,110,749	2,252	937.28	1444.62	-507.34		
Mat-Su	14,081,726	8,794	1601.29	1444.62	156.67	1,377,738	1,565,189
Nenana	30,000	112	267.86	1444.62	-1176.76		
Nome	228,555	816	280.09	1444.62	-1164.53		
North Slope	13,650,000	1,092	12500.00	1444.62	11055.38	*	
Pelican	14,000	48	291.67	1444.62	-1152.95		
Petersburg	626,837	542	1156.53	1444.62	-288.09		
Sand Point	28,000	111	252.25	1444.62	-1192.37		
Sitka	2,978,379	1,596	1866.15	1444.62	421.53	672,765	764,300
Skagway	27,800	125	222.40	1444.62	-1222.22		
St. Mary's	0	111	.00	1444.62	-1444.62		
Tanana	2,000	71	28.17	1444.62	-1416.45		
Unalaska	0	137	.00	1444.62	-1444.62		
Valdez	3,188,390	771	4135.40	1444.62	2690.78	*	
Wrangell	390,000	455	857.14	1444.62	-587.48		
Yakutat	30,000	159	188.68	1444.62	-1255.94		
TOTAL	149,010,967	103,149	1444.62			14,083,803	16,000,003

\* Less than 2 mill contribution  
 # Total from column (6) prorated (1.136057) to \$16,000,000 assumed available.  
 FY 86 Budgeted Tax Appropriations include in-kind amounts.  
 Calculations based on assumed Secondary Formula Account of \$20,000,000.  
 Source: ADOE Rural Research Agency, 5/5/86. IX:LM2



# Alaska State Legislature

## Senate

Official Business

M E M O R A N D U M

Pouch V  
State Capitol  
Juneau, Alaska 99811

TO: ALL LEGISLATORS

FROM: SENATOR FRANK R. FERGUSON *FR*

DATE: APRIL 25, 1986

SUBJ: CS SB 408 (HESS)

SB 408 RETURNS THE FOUNDATION FORMULA FROM THE ADM APPROACH TO THE INSTRUCTIONAL UNIT APPROACH. UNDER SB 408, THERE IS THE BASIC ALLOCATION TOTALLING \$456.5 MILLION PLUS A SECONDARY FORMULA ACCOUNT THAT WILL RECEIVE \$6.6 MILLION WITH A POTENTIAL FOR UP TO \$20 MILLION.

LAST SESSION, THE SECONDARY FORMULA ACCOUNT RECEIVED NO FUNDING INITIALLY BUT MOVEMENT IN STUDENT POPULATION FIGURES GENERATED \$13 MILLION FOR THE ACCOUNT.

THIS SESSION, THE SECONDARY FORMULA ACCOUNT WILL INITIALLY RECEIVE \$6.6 MILLION. WITH THE SAME MOVEMENT IN STUDENT POPULATION FIGURES DUE TO OVER ESTIMATES BY SCHOOL DISTRICTS, THERE WILL BE BETWEEN \$10 AND \$14 MILLION THAT WILL BE ADDED TO THE \$6.6 MILLION. THUS, THE SECONDARY FORMULA ACCOUNT WILL HAVE UP TO \$20 MILLION.

THE SECONDARY FORMULA ACCOUNT IS ALLOCATED AS FOLLOWS:

80 PERCENT FOR LOCAL TAX EQUALIZATION FOR THOSE DISTRICTS WITH A TWO OR MORE MILL RATE OF LOCAL EFFORT AND WHO ARE ABOVE THE STATEWIDE AVERAGE. LAST YEAR, ANCHORAGE, FAIRBANKS, JUNEAU, KETCHIKAN, KENAI, MAT-SU, CORDOVA AND SITKA RECEIVED FUNDING FROM THE 80 PERCENT ALLOCATION.

20 PERCENT FOR UNIQUE, EMERGENCY AND SPECIAL EDUCATION CIRCUMSTANCES WHEREBY A SCHOOL DISTRICT'S FINANCIAL RESOURCES ARE INSUFFICIENT TO MEET THE DESCRIBED NEED. THE SCHOOL DISTRICTS APPLY TO D.O.E. FOR FUNDING FROM THIS ALLOCATION.

ASSUMING THE AMOUNT RECEIVED LAST YEAR INTO THE SECONDARY FORMULA ACCOUNT IS AVAILABLE (WHICH IS \$7 MILLION BELOW THE AMOUNT PROJECTED FOR THE NEXT FISCAL YEAR), 45 SCHOOL DISTRICTS DO BETTER UNDER SB 408 THAN UNDER THE EXISTING ADM APPROACH.

EVEN WITHOUT THE SECONDARY FORMULA ACCOUNT, 41 SCHOOL DISTRICTS FARE BETTER UNDER SB 408 THAN UNDER THE EXISTING ADM APPROACH.

CLEARLY, THE INSTRUCTIONAL UNIT APPROACH CONTAINED IN SB 408 IS MORE EQUITABLE THAN AN ADM APPROACH.

SCHOOL DISTRICTS THAT FARE BETTER UNDER CSSB 408 (HESS) THAN UNDER AN ADM APPROACH INCLUDE: ANCHORAGE, FAIRBANKS, JUNEAU, KETCHIKAN, MATANUSKA-SUSITNA, ALL REAA'S AND MANY MORE.

School District	Gov. Leg Adj. AS of FY 86*	FY 87 Projected	SFA**	Gov. Leg FY 87 SFA Adj.
Anchorage	96.1%	132,355,817	1,944,607	134,300,424
Bristol Bay	95.7%	2,102,142		2,102,142
Cordova	96.8%	2,004,664	19,540	2,024,204
Craig	94.8%	1,350,828		1,350,828
Dillingham	93.7%	3,623,922		3,623,922
Fairbanks	96.6%	48,344,464	3,147,059	51,491,523
Galena	96.9%	1,491,289		1,491,289
Haines	95.3%	2,137,554		2,137,554
Hoonah	95.7%	1,405,960		1,405,960
Hydaburg	94.2%	870,356		870,356
Juneau	94.4%	16,450,624	281,242	16,731,866
Kake	95.2%	1,506,039		1,506,039
Kenai	94.0%	31,011,525	2,486,568	33,498,093
Ketchikan	94.8%	8,156,066	928,102	9,084,168
King Cove	95.0%	1,167,028		1,167,028
Klawock	94.0%	1,137,963		1,137,963
Kodiak	94.6%	12,165,555		12,165,555
Mat-Su	96.7%	30,966,415	312,261	31,278,676
Nenana	94.2%	1,152,451		1,152,451
Nome	93.8%	5,704,077		5,704,077
North Slope	95.2%	9,950,825		9,950,825
Pelican	96.0%	596,199		596,199
Petersburg	94.5%	2,277,095		2,277,095
Sand Point	93.5%	893,836		893,836
Sitka	93.3%	5,749,369	429,138	6,178,507
Skagway	98.7%	690,014		690,014
Saint Mary's	93.0%	1,590,792		1,590,792
Tanana	94.9%	936,457		936,457
Unalaska	96.5%	1,129,056		1,129,056
Valdez	96.9%	3,716,475		3,716,475
Wrangell	97.0%	2,168,409		2,168,409
Yakutat	94.0%	1,204,108		1,204,108

\* Does not include SFA funding.

\*\* Secondary Formula Account amount district will receive assuming FY 86 allocation which is \$7 million less than FY 87 projected.

REAA	Gov/Leg Adj. AS of FY 86	FY 87 Projected
Adak	97.7%	4,473,472
AK Gateway	93.7%	4,484,825
Aleutians	93.8%	1,484,652
Annette Is	97.7%	2,928,808
Bering St	95.5%	15,453,975
Chatham	100.0%	2,961,075
Chugach	97.2%	1,418,051
Copper River	97.1%	4,134,000
Delta	97.8%	6,247,618
Iditarod	95.2%	5,959,807
Kashunamiut	111.6%	1,739,886
Kuspuk	96.9%	5,958,988
Lake & Pen.	95.0%	5,970,385
L Kuskokwim	97.6%	30,141,368
Lower Yukon	97.3%	14,049,584
Northwest	94.1%	15,758,156
Pribilofs	99.0%	2,121,512
Railbelt	91.7%	3,279,606
Southeast	94.4%	4,912,058
Southwest	95.9%	6,689,458
Yukon Flats	93.1%	5,657,032
Yukon-Koyukuk	95.6%	7,867,377
Yupiit	88.8%	2,832,581
Corr. Study	94.3%	2,446,034
GRAND TOTAL		456,524,733**

\*\*\* Included in the REAA totals is an additional \$38,452,945 from P.L. 874

Funding: FY 87 Basic Allocation - GF \$458 million; PSF \$6 million; P.L. 874 \$25 million (state entitlement)  
Gov/Leg Adjustment - GF \$427.5 million; PSF \$8.0 million; P.L. 874 \$25 million.



ALASKA STATE LEGISLATURE  
HOUSE OF REPRESENTATIVES  
RESEARCH AGENCY

Pouch Y, State Capitol  
Juneau, Alaska 99811  
(907) 465-3991

May 1, 1986

MEMORANDUM

TO: Representative Ron Larson

ATTN: Wanda Cooksey

FROM: David Teal, Director *Teal*  
Katherine Hazard, Legislative Analyst *KH*

RE: School Funding under House Bill 309 and Senate Bill 408  
Research Request 86-190

The attached tables compare allocations of State aid to school districts under HB 309 and SB 408.<sup>1</sup> Table 1 is based on the assumption that enrollment in all districts meets projections. (A 2.6 percent increase in statewide enrollment is projected.) The table shows that 29 districts would receive more State aid under SB 408 and that 27 districts would receive more aid under HB 309. Note that the total amount allocated by the bills differs; SB 408 would allocate \$456.5 million among all districts plus \$6.6 million to be split 80 percent to seven districts that have higher-than-average local contributions to education and 20 percent to an emergency fund, for a total of \$463.1 million. The bill allocates funds based on instructional units (IUs) which are computed according to a formula which considers school location and other factors in addition to enrollment. House Bill 309 allocates \$461.6 million based on enrollment in each district multiplied by an amount per student that is set by statute. The amount per student differs for each district.

Table 2 is based on the assumption that FY 87 enrollment in all districts equals the average daily membership (ADM) experienced in FY 86. Under this assumption, both bills provide for a second round of allocations to disburse "excess" funds which would be unclaimed if average daily membership figures fail to meet projected enrollments. Under HB

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<sup>1</sup>In this memorandum, we use the term "district" loosely; we refer to school districts, Regional Education Attendance Areas (REAs) and to central correspondence study.

Representative Larson  
May 1, 1986  
Page Two

309, all districts receive a portion of the funds which are not allocated in the first round.<sup>2</sup> Under SB 408, funds remaining after the first round of allocations are reallocated to an emergency fund (20 percent of the amount available) and to those districts with a relatively high level of local contributions to education (80 percent of the amount available). If more than \$13.4 million is available for the second round of allocations, the amount in excess of \$13.4 million is allocated to all districts on a pro rata basis.

The information presented in Table 2 is based on a hypothetical situation; the actual allocation under both bills is unknown and cannot be known until information on average daily membership and instructional units for FY 87 is available. A brief discussion of difficulties in comparing the bills follows:

- The total amount allocated by the bills differs. House Bill 309 figures are based on distribution of \$461.6 million while SB 408 allocates a total of \$463.1 million.
- The amount placed in an emergency reserve fund differs. House Bill 309 would place \$500,000 in an emergency fund while SB 408 sets aside at least \$1.3 million for emergencies and could set aside as much as \$4 million. The amount allocated (less emergency reserves) is \$461.1 under HR 309 and could vary from \$459.1 to \$461.8 million under SB 408.
- House Bill 309 allocations are based on average daily membership while SB 408 allocations are based on instructional units. The approaches produce similar results overall, but minor changes in student attendance may not have identical effects on allocations under the two systems.

The difficulties mentioned above make it impossible to provide a truly accurate picture of allocations under the two bills. The point of Table 2 is not to provide a perfect comparison of the bills, it is to demonstrate how "excess" funds resulting from the failure of average daily membership (or instructional units) to meet projections might be allocated under the two bills.

We believe that the presentation of a hypothetical second round allocation is helpful in evaluating the bills because we believe that there

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<sup>2</sup>The first \$500,000 of unallocated funds is put into a fund which can be used by schools facing emergencies.

Representative Larson  
May 1, 1986  
Page Three

is a high probability that a second round of allocations will occur. According to the Department of Education, FY 86 first round allocations based on projected enrollment left about 2.4 percent of available funds unallocated. In addition, Alaska's economic situation leads many to believe that FY 87 enrollment projections may be somewhat high. The scenario depicted in Table 2 leaves 2.6 percent of available funds unallocated in the first round. (Projected statewide enrollment figures are 2.6 percent above the FY 86 ADM level.) Again we caution that neither the total amount to be allocated in the second round nor the amount of funds that each district will contribute to the second round can be anticipated with a high degree of confidence.

Although it is impossible to predict which districts will actually give up funds to be reallocated in the second round, it is clear that the second round allocation method described in SB 408 would generally cause a greater shift of funds (to those districts with a relatively high level of local contributions to education) than would occur under HB 309. This is because all districts share in second round allocations under HB 309 while SB 408 places more funds in an emergency account and restricts eligibility for much of the second round funds to districts that have relatively high local contributions to education. For the circumstances we have selected for comparison, 31 of the 56 districts receive more State aid under HB 309 than under SB 408. Note that the differences in allocations to particular districts under the two bills are often quite small, so that a count of the number of districts that receive more funds may not provide a clear assessment of the relative merits of the bills.

DT:KH

Attachments

TABLE 1  
STATE FUNDING TO SCHOOL DISTRICTS UNDER HB 309 AND SB 408  
ASSUMING F83 PROTECTED ENROLLMENTS

DISTRICT/ AREA	STATE FY 86	1ST ROUND		2ND ROUND		TOTAL STATE AID	HB 309 FY 87 TOTAL STATE AID FROM FY 86	SB 408 % CHANGE FROM FY 86	HB 309 % CHANGE FROM FY 86	STATE AID PER STUDENT						
		STATE AID	STATE AID	STATE AID	STATE AID					SB 408 % CHANGE FROM FY 86	HB 309 % CHANGE FROM FY 86	SB 408 % CHANGE FROM FY 86	HB 309 % CHANGE FROM FY 86			
		1	2	3	4									5	6	7
ADK	2,510,438	2,403,861	2,403,861	2,403,861	2,403,861	2,403,861	2,319,814	-4.2	-7.6	408	408	4,163	3,960	3,822	-4.9	-8.2
ALASKA GATEWAY	4,042,683	3,742,854	3,742,854	3,742,854	3,742,854	3,711,094	3,711,094	-7.4	-8.2	408	408	7,835	7,254	7,192	-7.4	-8.2
ALEUTIAN CHAIN	1,469,467	1,370,623	1,370,623	1,370,623	1,370,623	1,303,973	1,303,973	-6.7	-11.3	408	309	16,327	15,754	14,988	-3.5	-8.2
ANNETTE ISLAND	1,510,632	1,442,317	1,442,317	1,442,317	1,442,317	1,449,920	1,449,920	-4.5	-4.0	408	408	3,824	3,492	3,511	-8.7	-8.2
BERING STRAIT	12,112,105	11,312,907	11,312,907	11,312,907	11,312,907	11,274,087	11,274,087	-6.6	-6.9	408	408	9,961	9,175	9,144	-7.9	-8.2
CHATHAM	1,972,971	1,973,696	1,973,696	1,973,696	1,973,696	1,811,144	1,811,144	0.0	-8.2	408	408	5,448	6,450	5,919	0.0	-8.2
CHUGACH	1,252,287	1,212,474	1,212,474	1,212,474	1,212,474	1,275,176	1,275,176	-3.3	1.7	408	408	10,810	9,435	9,974	-12.7	-8.2
COPPER RIVER	4,137,251	4,014,870	4,014,870	4,014,870	4,014,870	3,851,584	3,851,584	-3.0	-6.9	408	408	7,297	5,982	6,698	-4.3	-8.2
DELTA-GREELEY	5,137,915	4,995,392	4,995,392	4,995,392	4,995,392	5,122,924	5,122,924	-2.0	-0.3	408	408	5,148	4,608	4,726	-10.5	-8.2
DOTIAROD	5,186,059	4,870,982	4,870,982	4,870,982	4,870,982	4,883,070	4,883,070	-6.1	-5.8	408	408	13,332	12,200	12,238	-8.4	-8.2
KASHUNAPIUT	1,559,368	1,239,895	1,239,895	1,239,895	1,239,895	1,182,300	1,182,300	-7.0	-7.5	408	408	10,259	7,469	7,002	-27.2	-31.7
KUSPIUK	5,063,293	4,858,330	4,858,330	4,858,330	4,858,330	5,433,754	5,433,754	-4.0	7.3	408	408	14,508	11,508	13,310	-17.9	-8.2
LAKE & PENINSULA	5,000,179	4,847,465	4,847,465	4,847,465	4,847,465	4,513,206	4,513,206	-7.2	-9.9	408	408	13,288	12,561	12,198	-5.5	-8.2
LOWER KUSHOMIUK	4,358,813	23,597,902	23,597,902	23,597,902	23,597,902	23,191,170	23,191,170	-3.1	-4.8	408	408	9,444	8,822	8,670	-6.6	-8.2
LOWER YUKON	8,777,236	8,350,254	8,350,254	8,350,254	8,350,254	7,970,538	7,970,538	-4.9	-9.2	408	408	6,752	6,493	6,198	-3.8	-8.2
NORTHWEST ARCTIC	13,024,232	12,027,740	12,027,740	12,027,740	12,027,740	12,310,925	12,310,925	-7.7	-5.5	408	408	8,788	7,882	8,067	-10.3	-8.2
PRIIBILOF	1,393,954	1,372,731	1,372,731	1,372,731	1,372,731	1,284,943	1,284,943	-1.5	-7.1	408	408	8,347	8,123	7,662	-2.7	-8.2
RAILBELT	3,471,144	3,173,518	3,173,518	3,173,518	3,173,518	3,177,533	3,177,533	-8.6	-8.5	408	408	9,636	8,889	8,901	-8.3	-8.2
SOUTHEAST ISLANDS	4,080,456	3,780,388	3,780,388	3,780,388	3,780,388	3,458,794	3,458,794	-7.4	-15.2	408	408	8,277	6,254	7,552	0.3	-8.2
SOUTHWEST	4,834,050	4,533,598	4,533,598	4,533,598	4,533,598	4,549,894	4,549,894	-6.2	-5.9	408	408	10,198	9,328	9,352	-8.5	-8.2
YUKON FLATS	5,374,370	4,940,567	4,940,567	4,940,567	4,940,567	5,040,514	5,040,514	-8.1	-6.2	408	408	14,565	13,105	13,370	-10.0	-8.2
YUKON-KOYUKUK	6,310,481	5,946,393	5,946,393	5,946,393	5,946,393	5,035,940	5,035,940	-5.8	-4.4	408	408	11,032	9,977	10,127	-9.6	-8.2
YUPIIT	3,859,896	2,262,581	2,262,581	2,262,581	2,262,581	3,156,054	3,156,054	-41.4	-18.2	408	408	13,588	7,939	11,081	-42.0	-19.0
CENTRAL CORRESP.	2,594,960	2,446,034	2,446,034	2,446,034	2,446,034	2,212,136	2,212,136	-5.7	-14.8	408	408	2,608	2,647	2,394	1.5	-8.2

NOTE: (1) KASHUNAPIUT and YUPIIT are expected to receive PL871 funds in FY87. State aid in FY87 is reduced by 80% of the expected receipts.

(2) FY 86 total does not include hold harmless funds or \$321,917 in contract fees to Fairbanks. Local contribution supplemental funds, \$624,228 in emergency funds to YUPIIT and \$130,650 in emergency funds to Skagway are included in the FY 86 total.

Source: Information on allocations to districts under SB 408 is from the Rural Research Agency.

Prepared by the House Research Agency  
01-May-86

L191428









ALASKA STATE LEGISLATURE  
HOUSE OF REPRESENTATIVES  
RESEARCH AGENCY

Pouch Y, State Capitol  
Juneau, Alaska 99811  
(907) 465-3991

May 6, 1986

MEMORANDUM

TO: Representative Niilo Koponen

FROM: Jay Livey *JL*  
Legislative Analyst

RE: School Foundation Funding for FY87 Under AS 14.17  
Research Request 86-196

You asked our agency to provide information on allocation of FY87 State funds to school districts under AS 14.17, the formula suspended in 1983. Allocation under AS 14.17 is based on the number of instructional units attributable to each school district. Estimates of FY87 allocations were derived from FY86 instructional units calculated by the Department of Education based on FY86 average daily membership. We used the percent change in average daily membership to project instructional units for FY87. This method does not give a precise estimate of instructional units; there is not a direct ratio in the number of instructional units to the number of students. Time did not permit assessment of instructional units from projected FY87 enrollment figures.

Please let us know if you have further questions.

JL

Attachment

# Alaska State Legislature

BETTYE FAHRENKAMP, Chairman  
ARLISS STURGULEWSKI, Vice Chairman  
JOE JOSEPHSON  
PAUL FISCHER  
EDNA ARMSTRONG-DE VRIES

P.O. BOX 1  
STATE CAPITOL  
JUNEAU, ALASKA 99801  
(907) 465-3334  
(907) 465-3752

## Senate Committee on Health, Education and Social Services

### SECTIONAL ANALYSIS

CSSB 408 (HESS) Relating to state aid to education.  
April 25, 1986

Section 1 Defines state aid based on instructional units, with an adjustment based on local property wealth.

Section 2 Establishes a secondary formula account to be funded from within the foundation account, should excess funds be available through an overestimate of student populations statewide. Districts with local contribution in excess of the statewide average or who suffer unique or emergency circumstances would be eligible for funds from the secondary account. (Special education and factors unique to remote school districts are specified as eligible for funding under this section). The fund would be capped at \$20 million, with any additional amount being prorated among all districts in the state.

Section 3 Requires the Department of Education to submit a supplemental appropriation request to the legislature if PL 874 funds should decline.

Section 4 Provides for instructional units to be calculated based on the following categories: elementary, secondary, vocational education, special education, bilingual education, correspondence. Correspondence students would be included in the elementary count, each secondary school would be counted separately, and remote schools would use a separate schedule that recognizes the higher costs associated with those schools. Provides a hold harmless provision for districts that lose more than 10% of their funding in any given year.

Section 5 Lays out tables of instructional units for the categories mentioned above. Establishes a separate schedule for single city districts with less than 1000 students. Provides for special education students to be counted on a "per head" (ADM) basis, and vocational education students to be counted on a "full time equivalent" (FTE) basis.

CSSB 408 (HESS), page 2  
April 25, 1986

Section 6 Establishes "instructional unit allotments" (the old area differential) for each district, ranging from 80% for Skagway to 185% for Yupiit.

Section 7 Establishes the instructional unit value at \$42,184.

Section 8 Requires districts to submit data to the Department on standardized forms and as of a specific date.

Section 9 Prohibits any new school district from being formed unless the proposed district has more than 250 students, or unless the Department determines formation of the district is in the best interest of the state.

Section 10 Clarifies that the Department of Community and Regional Affairs will determine the equalized percentage addressed in Section 1.

Section 11 Establishes dates on which the student counts, which are the basis for determining the amount of state aid, will be taken. Deletes the current statutory provision that allows the Department to withhold half of a district's June payment pending a final determination of the district's state aid.

Section 12 Defines elementary school as a combination of pre-elementary special education through grade 8.

Section 13 Defines secondary school as grades 7 through 12, and deletes the current statutory reference to junior high schools.

Section 14 Repeals the current requirement that a school district spend 55% of its budget on instruction. The repeal will facilitate standardized reporting efforts.

Section 15 Provides for an effective date of July 1, 1986.

# Alaska State Legislature

BETTYE FAHRENKAMP, Chairman  
ARLISS STURGULEWSKI, Vice Chairman  
JOE JOSEPHSON  
PAUL FISCHER  
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## Senate Committee on Health, Education and Social Services

### LETTER OF INTENT

#### CSSB 408 (HESS)

It is the intent of the Legislature that the Department utilize the following methodology to implement the formula contained in Senate Bill No. 408.

#### I. Calculation of Instructional Units (AS 14.17.041):

- A) Elementary school units are calculated using schedule (a), except for those districts which fall under schedule (f). Units are based on the district elementary school ADM (grades K-6 and pre-elementary special education students) as a total, except in the case of elementary schools in distinct communities more than twenty miles distant from district headquarters or inaccessible by road. Units for each school more than twenty miles distant from district headquarters or inaccessible by road are counted separately.
- B) Secondary school (grades 7-12) units are calculated using schedule (b), except for those districts which fall under schedule (f). Each high school's ADM and units are counted separately. Junior high schools are not counted separately from high schools, except when located in a distinct community without any other secondary school.
- C) For districts falling under schedules (a) and (b), instructional units for sites offering only grades K-8 are computed using schedule (a) only.
- D) Combined secondary and elementary units for single city municipal school districts are calculated using schedule (f). Units are based on the districtwide ADM (K-12 and preelementary special education). For districts with less than 500 ADM, units for ADM from 61 - 499 are calculated with that clause from schedule (f). Districts with 500 - 999 ADM use that schedule (f) clause to calculate units for all ADM over 60.

School year 1986 - 1987 projected initial enrollments were employed in our calculations for Steps I. A) - C).

- E) Vocational education units are calculated with schedule (c). Units are based on districtwide FTE ADM. We used 1985 actual enrollment as a proxy.
- F) Special education units are calculated according to schedule (d). Units are to be based on districtwide ADM. Unweighted 1986 - 1987 enrollment projections were used.
- G) Bilingual education units are calculated with schedule (e). Units are based on districtwide weighted ADM. The weights used were those in 1978 regulations. Categories "A" and "B" ADM count as 1 ADM, "C" and "D" as .2 ADM, and "E" as .1 ADM. 1985 actual enrollment as a proxy in the absence of enrollment projections by language categories were used.
- H) Correspondence education units are calculated using the elementary education schedule (a). For districts using schedule (f), correspondence ADM are added to K-12 ADM for calculation of the districtwide units under that schedule.

II. Remote School Instructional Units (AS 14.17.031(c)):

- A) Remote school units for each district are calculated using the schedule in 14.17.031(c). Remote schools have been defined as all schools with 32 or fewer ADM, excluding schools in Anchorage and Fairbanks, per 1978 DOE practice.

III. Each district's instructional units calculated under steps I and II are summed and multiplied by the district's instructional unit allotment.

IV. Each district's basic need (AS 14.17.021(b)) is calculated by multiplying the instructional unit amount by the number of the district's instructional units per step III.

V. State aid for each district is determined by multiplying the basic need from Step IV by each district's equalized percentage (AS 14.17.021(c)). Equalized percentage for each district is equal to  $1 - ((1 - 97\%) \times V_i/V_s)$ .  $V_i$  equals the full and true value of taxable real and personal property per ADM within a city/borough district and  $V_s$  equals the average valuation per ADM for all city/borough districts. State aid must equal at least 97% of basic need. Thus  $V_i/V_s$  is effectively capped at 1.00.

General Methodological Procedures: All ADM's and all Instructional Units were rounded upward.

Further, it is the intent of the legislature that the Department of Education exercise its statutory authority to require school districts to submit to the department any information or reports which are reasonably necessary to assist the department in the establishment of a management information system for public schools to provide accurate and consistent data on numbers of students, personnel, revenues, and expenditures for each district.

*Grace* Further, it is the intent of the legislature that funds remaining in the secondary formula account after the allocation required under AS 14.17.023(a) be used to cover emergency, unique and special education circumstances. For example, the Lake and Peninsula School District faces unique circumstances in providing basic education in its 14 schools. These 14 schools are scattered over a wide area, as large as some states in the lower 48. The schools are not serviced by regular transportation services. The cost of getting basic supplies to the schools can run as high as 300% greater than adjacent school districts, and as much 1000% greater than Alaska school districts which are located in the State's road system.

Further, it is the intent of the legislature that special education circumstances that have an enormous financial impact like Kake School District with three multiple handicapped children should receive funding through AS 14.17.023(b).

Further, it is the intent of the legislature that the Department of Education draft regulations to accommodate these types of unique and special education situations.

*S. Fin. - no capital costs*

SB 408 FY 87 Allocations Compared To FY 86 Allocations

School District	FY 87 Basic As % of FY 86*	Gov/Leq Adj. AS % of FY 86	FY 86 \$/ADM#	FY 87 \$/ADM#	Change
Anchorage	102.9%	96.7%	3,142	3,238	96
Bristol Bay	102.5%	95.7%	10,122	10,388	266
Cordova	103.7%	96.6%	3,000	3,128	128
Craig	101.5%	94.8%	7,811	7,958	147
Dillingham	100.3%	93.7%	9,000	9,030	30
Fairbanks	103.4%	96.6%	3,600	3,750	150
Galena	103.6%	96.9%	10,600	11,064	464
Haines	102.0%	95.3%	6,500	6,615	115
Hoonah	102.5%	95.7%	6,300	6,465	165
Hydaburg	100.9%	94.2%	9,300	9,405	105
Juneau	101.2%	94.4%	3,700	3,752	52
Kake	102.0%	95.2%	7,300	7,456	156
Kenai	100.7%	94.0%	4,000	4,028	28
Ketchikan	101.5%	94.8%	3,500	3,562	62
King Cove	101.7%	95.0%	9,700	9,863	163
Klawock	100.6%	94.0%	7,700	7,742	42
Kodiak	101.4%	94.6%	5,700	5,782	82
Mat-Su	103.5%	96.7%	3,600	3,732	132
Nenana	100.9%	94.2%	10,900	11,052	152
Nome	100.5%	93.8%	7,900	8,082	182
North Slope	102.0%	95.2%	9,900	10,102	202
Pelican	102.8%	96.0%	12,000	12,302	302
Petersburg	101.2%	94.5%	4,400	4,462	62
Sand Point	100.1%	93.5%	3,500	3,512	12
Sitka	100.0%	93.2%	3,300	3,332	32
Skagway	105.7%	99.8%	8,700	9,192	492
St Mary's	99.7%	93.7%	15,500	15,382	-118
Tanana	101.7%	94.9%	13,800	14,052	252
Unalaska	103.4%	96.9%	8,300	8,592	292
Valdez	103.7%	96.9%	4,400	4,562	162
Wrangell	103.9%	97.0%	4,400	4,562	162
Yakutat	101.7%	94.0%	8,000	8,072	72

REAA

Adak	61.8%	97.7%	7,595	7,652	57
AK Gateway	86.5%	93.7%	9,273	9,208	-65
Aleutians	94.1%	93.8%	17,594	18,186	592
Annette Is	57.2%	97.7%	7,588	7,340	-248
Bering Str	78.9%	95.5%	13,369	13,186	-183
Chatham	76.5%	100.0%	9,674	10,136	462
Chugach	91.6%	97.2%	12,582	11,661	-921
Copper Rvr	101.6%	97.1%	7,500	7,686	186
Delta	87.1%	97.8%	6,403	6,091	-312
Iditarod	86.4%	95.2%	16,132	15,805	-327
Kashunamiu	85.2%	111.6%	10,259	11,013	754
Kuspuk	97.8%	96.9%	17,664	15,452	-2,212
Lake & Pen	82.7%	95.0%	16,802	17,030	228
L. Kuskokm	85.5%	97.6%	11,982	11,893	-89
L. Yukon	67.2%	97.3%	11,138	11,307	169
Northwest	80.5%	94.1%	11,305	10,887	-418
Pribilofs	73.8%	99.0%	12,831	13,131	300
Railbelt	95.6%	91.7%	9,992	9,819	-173
Southeast	81.4%	94.4%	10,509	11,312	803
Southwest	74.2%	95.9%	14,749	14,428	-321
Yukon Flts	89.2%	93.1%	16,507	15,938	-569
Yukon-Koyk	81.2%	95.6%	14,391	13,910	-481
Yupit	76.0%	88.8%	11,474	10,504	-970

Cor. Study 101.1% 94.5% 2,608 2836 8.7%

\* GF, PSF and State P.L. 874 entitlement only  
 # REAA S/ADM include individual P.L. 874 allocations both years.  
 See Table I for details.  
 Rural Research Agency, 4/24/86.

Projected FY 87 Instructional Units and Allocations under SB 40B

School District	Total IU's	IU Amt	IU	Adj IU's	Vi/Vs	FY 87 Basic Allocation	Gov/Leg Adjustment	100% P.L. 874	G/L Adj. + P.L. 874	FY 86 Allocatic
Anchorage	3090	1.04		3213.60	.78	141,777,923	132,355,817	132,355,817	132,355,817	137,769,4
Bristol Bay	33	1.55		51.15	.85	2,251,79	2,102,142	2,102,142	2,102,142	2,196,2
Cordova	51	.95		48.45	.63	2,147,267	2,004,664	2,004,664	2,004,664	2,071,0
Craig	27	1.20		32.40	.38	1,446,920	1,350,828	1,350,828	1,350,828	1,425,2
Dillingham	58	1.50		57.00	.41	3,881,711	3,623,922	3,623,922	3,623,922	3,869,5
Fairbanks	1034	1.13		1,68.42	.63	51,783,475	48,344,464	48,344,464	48,344,464	50,067,4
Galena	23	1.55		35.65	.27	1,597,373	1,491,289	1,491,289	1,491,289	1,538,4
Haines	46	1.12		51.52	.54	2,289,610	2,137,554	2,137,554	2,137,554	2,244,6
Hoonah	30	1.12		33.60	.26	1,505,974	1,405,960	1,405,960	1,405,960	1,469,3
Hydaburg	20	1.04		20.80	.26	932,270	870,356	870,356	870,356	124,41
Juneau	383	1.04		398.32	.69	17,620,848	16,450,624	16,450,624	16,450,624	17,418,60
Kake	32	1.12		35.84	.12	1,613,172	1,506,039	1,506,039	1,506,039	1,582,10
Kenai	724	1.04		752.96	.78	33,217,547	31,011,525	31,011,525	31,011,525	32,983,39
Ketchikan	197	1.00		196.70	.56	8,736,252	8,156,066	8,156,066	8,156,066	8,607,72
King Cove	20	1.40		28.00	.39	1,250,045	1,167,028	1,167,028	1,167,028	1,228,62
Klawock	26	1.04		27.04	.07	1,218,913	1,137,963	1,137,963	1,137,963	1,211,09
Kodiak	217	1.35		292.95	.51	13,030,959	12,165,555	12,165,555	12,165,555	12,854,41
Mat-Su	717	1.04		745.68	.51	33,169,228	30,966,415	30,966,415	30,966,415	32,038,04
Nenana	22	1.25		27.50	.21	1,234,431	1,152,451	1,152,451	1,152,451	1,223,82
Nome	88	1.55		136.40	.28	6,109,840	5,704,077	5,704,077	5,704,077	6,080,83
North Slope	139	1.75		243.25	1.00	10,658,682	9,950,825	9,950,825	9,950,825	10,450,44
Pelican	13	1.10		14.30	.38	638,610	596,199	596,199	596,199	620,92
Petersburg	61	.90		54.90	.55	2,439,078	2,277,095	2,277,095	2,277,095	2,409,73
Sand Point	19	1.15		21.85	1.00	957,419	893,836	893,836	893,836	956,154
Sitka	133	1.04		138.32	.48	6,158,353	5,749,369	5,749,369	5,749,369	6,158,964
Skagway	21	.80		16.80	.87	739,099	690,014	690,014	690,014	699,375
St Mary's	21	1.80		37.80	.07	1,703,954	1,590,792	1,590,792	1,590,792	1,709,840
Tanana	16	1.40		22.40	.29	1,013,072	936,457	936,457	936,457	986,545
Unalaska	23	1.20		27.60	1.00	1,209,372	1,129,056	1,129,056	1,129,056	1,169,706
Valdez	79	1.15		90.85	1.00	3,989,848	3,716,475	3,716,475	3,716,475	3,837,267
Wrangell	58	.90		52.20	.50	2,322,660	2,168,409	2,168,409	2,168,409	2,236,325
Yakutat	25	1.15		28.75	.23	1,289,763	1,204,108	1,204,108	1,204,108	1,281,381
Districts	7446			8133.00		359,909,446	336,007,373	336,007,373	336,007,373	351,320,338

Instructional Units and Allocations under SB 400

REAA	Total IU's	IU Alloc	Adj IU's	Vi/Vs	FY 87 Basic Allocation	Gov/Leg Adjustment	100% PL 874	G/L Adj. + P.L. 874	FY 86 Allocati
Adak	60	.95	57.00		2,574,861	2,403,861	2,069,611	4,473,472	4,580,0
AK Gateway	71	1.25	88.75		4,009,104	3,742,854	741,971	4,484,825	4,784,6
Aleutians	26	1.25	32.50		1,468,123	1,370,623	114,029	1,484,652	1,583,4
Annette Is	38	.90	34.20		1,544,917	1,442,317	1,486,491	2,928,808	2,997,1
Barrow Str	185	1.45	268.25		12,117,657	11,312,907	4,141,068	15,453,975	16,189,7
Chatham	52	.90	46.80		2,114,051	1,973,696	987,379	2,961,075	2,960,3
Chugach	23	1.25	28.75		1,298,724	1,212,474	205,577	1,418,051	1,459,5
Copper Riv	68	1.40	95.20		4,300,470	4,014,870	119,130	4,134,000	4,256,4
Delta	103	1.15	118.45		5,350,742	4,995,392	1,252,226	6,247,618	6,390,14
Iditarod	70	1.65	115.50		5,217,482	4,870,982	1,088,825	5,959,807	6,259,31
Kashunamiu	21	1.40	29.40		1,328,086	1,239,886	500,000	1,739,886	1,559,36
Kuspuk	72	1.60	115.20		5,203,930	4,858,330	1,100,658	5,958,988	6,146,92
Lake & Pen	76	1.45	110.20		4,978,065	4,647,465	1,322,920	5,970,385	6,284,11
L. Kuskokm	361	1.55	559.55		25,276,552	23,597,902	6,543,466	30,141,368	30,888,66
L. Yukon	165	1.20	198.00		8,944,254	8,350,254	5,699,330	14,049,584	14,445,78
Northwest	184	1.55	285.20		12,883,340	12,027,740	3,000,416	15,758,156	16,754,64
Pribilofs	31	1.05	32.55		1,470,381	1,372,731	1,078,1	2,121,512	2,142,734
Railbelt	43	1.75	75.25		3,399,268	3,173,518	1,000,088	3,279,606	3,577,232
Southeast	83	1.08	89.64		4,049,308	3,780,388	1,101,670	4,912,058	5,202,074
Southwest	86	1.25	107.50		4,856,098	4,533,598	2,155,860	6,689,458	6,976,073
Yukon Flts	71	1.65	117.15		5,292,017	4,940,567	716,465	5,657,032	6,074,717
Yukon-Koyk	94	1.50	141.00		6,369,393	5,946,393	1,920,984	7,867,377	8,231,465
Yupitit	29	1.85	53.65		2,423,531	2,262,581	570,000	2,832,581	3,189,772
REAA's	2012		2799.69		126,470,396	118,071,326	38,452,945	156,524,271	162,934,489
Cor. Study	58		58.00		2,629,034	2,446,034		2,446,034	2,594,960
TOTALS	9516		10990.69		488,999,876	456,524,733	38,452,945	494,977,678	516,849,787

Funding: FY 87 Basic Allocation - GF \$458 million; PSF \$6 million; P. L. 874 \$25 million (state entitlement).  
 Gov/Leg Adjustment - GF \$425.9 million; PSF \$5.6 million; P.L. 874 25 million.  
 Notes: FY 87 enrollment and Vi/Vs capped at 1.00.  
 P. L. 874 revenues based on FY 85 data (Kashunamiut and Yupitit FY 87 estimates).  
 No P. L. 874 revenues assumed for Kashunamiut and Yupitit in FY 86.  
 Instructional Unit (IU) equals \$45,173 (\$42,173 with Gov/Leg Adjustment).  
 FY 86 Allocations for REAA's include retained P.L. 874.  
 Source: DOE; DCRA. Rural Research Agency, 4/24/86. VI:run7%b

Offered: 4/29/86  
Referred: Rules

Original sponsor: Ferguson

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2

CS FOR SENATE BILL NO. 408 (Finance)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to state aid to education; and

7

providing for an effective date."

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

9

\* Section 1. AS 14.30.285(b) is amended to read:

10

(b) An identified exceptional child may be sent to an education-

11

al program or residential school outside the child's community or

12

school district if the child resides in a community or school district

13

where an appropriate educational program cannot reasonably be made

14

available and if the department determines that provision of special

15

education and related services in another educational program or

16

residential school is appropriate. If the school district and the

17

department approve the enrollment of the exceptional child in another

18

educational program or residential school outside the child's

19

community or school district and the child is enrolled, the child's

20

education expenses shall be paid as follows:

21

(1) except as otherwise provided by (2) of this subsection,

22

the sending [SCHOOL] district shall pay all costs associated with the

23

transfer [THE RECEIVING DISTRICT, PROGRAM, OR SCHOOL AN AMOUNT OF

24

MONEY EQUAL TO THE SENDING DISTRICT'S LOCAL COST-PER-PUPIL RATE];

25

(2) the department may provide financial assistance to the

26

district for a child's education provided for in (1) of this subsec-

27

tion under regulations adopted by the Department [SHALL PAY THE RE-

28

MAINDER OF THE ANNUAL COST OF THE CHILD'S EDUCATION ABOVE THAT PRO-

29

VIDED FOR IN (1) OF THIS SUBSECTION].

1 \* Sec. 2. AS 14.17.021 is repealed and reenacted to read:

2 Sec. 14.17.021. STATE AID. (a) The amount of state aid for  
3 which each school district may qualify is calculated by multiplying  
4 the basic need as defined in (b) of this section by the equalized  
5 percentage as defined in (c) of this section.

6 (b) The basic need of each school district is determined by  
7 multiplying the instructional unit allotment of the district as de-  
8 fined in AS 14.17.051 by the number of instructional units in the  
9 district by the instructional unit value.

10 (c) The equalized percentage for each city/borough school dis-  
11 trict is computed according to formula  $P_i = 1 - (1-k) V_i/V_s$  in which

12 (1)  $P_i$  (equalized percentage) = percent of need to be pro-  
13 vided by the state;

14 (2)  $K$  (minimum level of state support of basic need) = 97  
15 percent;

16 (3)  $V_i$  (valuation per pupil in average daily membership in  
17 the district) = full and true value of taxable real and personal  
18 property within the city/borough district divided by the average daily  
19 membership of the district;

20 (4)  $V_s$  = average of the valuation per pupil in average  
21 daily membership for all the city/borough districts of the state;

22 (5) state aid as computed under this section constitutes at  
23 least 97 percent of the basic need, of each school district;

24 (6) for the purpose of calculating the amount of equalized  
25 percentage under this section,  $V_i/V_s$  may not exceed 1.00.

26 \* Sec. 3. AS 14.17.023 is repealed and reenacted to read:

27 Sec. 14.17.023. SECONDARY FORMULA ACCOUNT. (a) The Department  
28 of Education shall allocate 80 percent of the funds remaining after  
29 the allocation under AS 14.17.021 - 14.17.056 are recomputed in

1 accordance with AS 14.17.170 to school districts whose:

2 (1) local contribution to education for each student in  
3 average daily membership in the preceding fiscal year exceeds the  
4 statewide average local contribution to education for each pupil in  
5 average daily membership for the preceding fiscal year; and

6 (2) local contribution to education for the preceding  
7 fiscal year exceeds the amount that would be generated by a two-mill  
8 levy on the full and true value of taxable real and personal property  
9 in the district, as determined under AS 14.17.140, for the preceding  
10 fiscal year.

11 (b) The Department of Education may use funds remaining after  
12 the allocations under (a) of this section to help a school district  
13 remedy unique or emergency circumstances that cannot be remedied using  
14 other funds available to the school district for the current fiscal  
15 year. The Department of Education may use funds allocated under this  
16 subsection to address any shortfall in funding for special education  
17 in those districts who successfully demonstrate their existing level  
18 of service is significantly impacted under this chapter. Each fiscal  
19 year, a school district may apply to the commissioner of education for  
20 financial assistance under this subsection. The commissioner shall  
21 adopt regulations to establish standards of eligibility and expendi-  
22 ture of funds under this subsection.

23 (c) Each fiscal year, the Department of Education shall allocate  
24 to each school district that qualifies for funds under (a) of this  
25 section an amount equal to the portion of the school district's local  
26 contribution to education for each student in average daily membership  
27 in the preceding fiscal year that exceeds the statewide average local  
28 contribution to education for each student in average daily membership  
29 in the preceding fiscal year. If the available funds under (a) and

1 (b) of this section are insufficient to meet the allocations author-  
2 ized under this section, the available funds shall be distributed pro  
3 rata among the eligible school districts. If the available funds  
4 under (a) and (b) of this section exceed \$20,000,000 the excess funds  
5 shall be distributed pro rata among all school districts.

6 (d) In this section:

7 (1) "local contribution to education" means the local tax  
8 contribution that was actually expended for education in the preceding  
9 fiscal year as determined by the audit conducted under AS 14.14.050;

10 (2) "statewide average" means the total local contribution  
11 to education in the state for the preceding fiscal year divided by the  
12 total number of students in average daily membership in the preceding  
13 fiscal year;

14 (3) "unique circumstances" means factors which cannot be  
15 adequately addressed by the formula in AS 14.17.021 and which are  
16 unique to remote school districts, such as small high school popula-  
17 tions, high intra-district travel costs for education and professional  
18 support staff, and high transportation costs to deliver basic goods  
19 and supplies to schools within the district.

20 (e) The commissioner of education may expend funds under (b) of  
21 this section only in accordance with the following procedures:

22 (1) the commissioner shall submit the proposed expenditures  
23 to the Legislative Budget and Audit Committee for review;

24 (2) 45 days shall elapse before commencement of expendi-  
25 tures under (b) of this section unless the Legislative Budget and  
26 Audit Committee earlier recommends that the expenditures be made;

27 (3) should the Legislative Budget and Audit Committee  
28 recommend within the 45-day period that the expenditures not be made,  
29 the commissioner shall again review the proposed expenditures and if

1 the commissioner determines to authorize the expenditures, the commis-  
2 sioner shall provide the Legislative Budget and Audit Committee with a  
3 statement of the commissioner's reasons before commencement of the  
4 expenditures.

5 \* Sec. 4. 14.17 is amended by adding a new section to read:

6 Sec. 14.17.027. REVENUE ADJUSTMENT. The Department of Educa-  
7 tion shall submit a supplemental appropriation request to the legisla-  
8 ture in any fiscal year in which the PL-874 funds received by a school  
9 district or area are less than the preceding fiscal year.

10 \* Sec. 5. AS 14.17.031 is repealed and reenacted to read:

11 Sec. 14.17.031. INSTRUCTIONAL UNITS. (a) The total number of  
12 instructional units within each school district is the sum of:

13 (1) the number of units for elementary schools and the  
14 number of units for secondary schools as determined under AS 14.17.-  
15 041(a) and (b) or (f);

16 (2) the number of units for vocational education as deter-  
17 mined under AS 14.17.041(c) as approved by the department;

18 (3) the number of units from special education as deter-  
19 mined under AS 14.17.041(d) as approved by the department;

20 (4) if the district has five or more correspondence pupils  
21 enrolled in an approved district correspondence study program, the  
22 number of units shall be determined under AS 14.17.041(a) or (f);

23 (5) the number of units for bilingual education as deter-  
24 mined under AS 14.17.041(e) as approved by the department.

25 (b) A school district shall compute separately the number of  
26 allowable instructional units for each of its secondary schools except  
27 as provided in (:) of this section.

28 (c) The commissioner shall authorize any school in a remote  
29 location to establish an associated secondary school when the sum of

1 the average daily membership in grades five through eight is greater  
2 than 20. Notwithstanding AS 14.17.041, any school or school district  
3 operating a remote elementary school with 20 or fewer total average  
4 daily membership within grades five through eight may conduct a  
5 secondary program subject to approval of the commissioner and use the  
6 following table to calculate the number of allowable instructional  
7 units for the combined elementary and secondary program of the remote  
8 school:

9	ADM	No. Instructional Units
10	under 12	3
11	12 - 20	4
12	21 - 32	5

13 (d) If the total amount of state aid that a school district is  
14 entitled to under AS 14.17.041(a) and (b) or (f) decreases by 10  
15 percent or more from one year to the next, the school district may use  
16 the last year before the reduction as a base year and offset its  
17 reduction according to the following schedule: (1) for the first year  
18 after the base year, the school district is entitled to the state aid  
19 determined under (a) of this section plus 75 percent of the difference  
20 in state aid between the base year and the first year; (2) for the  
21 second year after the base year, the school district is entitled to  
22 the state aid determined under (a) of this section plus 50 percent of  
23 the difference in state aid between the base year and the second year;  
24 (3) for the third year after the base year, the school district is  
25 entitled to the state aid determined under (a) of this section plus 25  
26 percent of the difference in state aid between the base year and the  
27 second year. The schedule established in this subsection is available  
28 to a school district for the three years following the base year only  
29 so long as the entitlement to state aid under AS 14.17.041(a) and (b)

1 or (f) for each year is less than entitlements in the base year. This  
2 section does not apply to a decrease in the number of instructional  
3 units or loss of entitlements which occurs in district organizations  
4 under AS 29.

5 (e) For purposes of calculating state aid under this section, a  
6 school district with a school site offering only grades kindergarten  
7 through eight shall compute the number of instructional units for that  
8 site using the schedule under AS 14.17.041(a).

9 \* Sec. 6. AS 14.17.041 is repealed and reenacted to read:

10 Sec. 14.17.041. TABLE OF ALLOWABLE INSTRUCTIONAL UNITS. (a)

11 Elementary schools:

12	ADM	No. Instructional Units
13	under 20	2
14	20 - 32	3
15	33 - 46	4
16	47 - 62	5
17	63 - 80	6
18	81 and over	6 plus 1 for each 18 pupils 19 over 80 or fraction of 18

20 (b) Secondary schools:

21	ADM	No. Instructional Units
22	under 28	4
23	29 - 41	5
24	42 - 56	6
25	57 - 73	7
26	74 and over	7 plus 1 for each 16 pupils 27 over 73 or fraction of 16

28 (c) Vocational education schedule:

29	ADM	No. Instructional Units
----	-----	-------------------------

1	5 - 10	1
2	11 - 25	2
3	26 - 40	3
4	41 and over	3 plus 1 for each 20 pupils
5		over 40 or fraction of 20
6		pupils Full-Time Equivalent ADM
7	(d) Special education schedule:	
8	ADM	No. Instructional Units
9	1 - 15	1
10	16 - 30	2
11	31 - 45	3
12	46 and over	4 plus 1 for each 11 pupils
13		over 45 or fraction of 11 pupils
14	(e) Bilingual education schedule:	
15	Weighted ADM	No. Instructional Units
16	1 - 12	1
17	13 - 18	2
18	19 - 42	3
19	43 and over	3 plus 1 for each 24
20		weighted ADM over 42 or
21		fraction of 24 weighted ADM
22	(f) Single city and borough districts under 1,000 ADM:	
23	ADM	No. Instructional Units
24	1 - 10	2
25	11 - 20	4
26	21 - 30	6
27	31 - 40	8
28	41 - 50	10
29	51 - 60	12

1           61 - 499                   12 plus 1 for every 12  
2                                   pupils or fraction of 12.  
3           500 - 999                   12 plus 1 for every 15  
4                                   pupils or fraction of 15.

5 \* Sec. 7. AS 14.17.051 is repealed and reenacted to read:

6           Sec. 14.17.051. INSTRUCTIONAL UNIT ALLOTMENT. The instructional  
7 unit allotment for each school district or regional educational atten-  
8 dance area is as follows:

9                   (1) for Skagway City School District the district is en-  
10 titled to receive 80 percent of the base instructional unit allotment;

11                   (2) for Annette Island School District, Petersburg City  
12 School District, and Wrangell City School District, the district or  
13 area is entitled to receive 90 percent of the base instructional unit  
14 allotment;

15                   (3) for Adak Regional School District, and Cordova City  
16 School District, the district or area is entitled to receive 95 per-  
17 cent of the base instructional unit allotment;

18                   (4) for Ketchikan Gateway Borough, and Chatham School  
19 District the district is entitled to 100 percent of the base  
20 instructional unit allotment;

21                   (5) for City and Borough of Juneau School District,  
22 Anchorage School District, Sitka Borough School District, Matanuska-  
23 Susitna Borough School District, Hydaburg City School District,  
24 Klawock City School District, and Kenai Peninsula Borough School Dis-  
25 trict, the district is entitled to receive 104 percent of the base  
26 instructional unit allotment;

27                   (6) for Pribilof Islands School District, the area is  
28 entitled to receive 105 percent of the base instructional unit allot-  
29 ment;

1           (7) for Southeast Island School District, the area is  
2 entitled to receive 108 percent of the base instructional unit allot-  
3 ment;

4           (8) for Pelican City School District, the district is  
5 entitled to receive 110 percent of the base instructional unit allot-  
6 ment;

7           (9) for Kake City School District, Haines Borough School  
8 District, and Hoonah City School District, the district is entitled to  
9 receive 112 percent of the base instructional unit allotment;

10          (10) for North Star Borough School District, the district is  
11 entitled to receive 113 percent of the base instructional unit allot-  
12 ment;

13          (11) for Valdez City School District, Yakutat City School  
14 District, Sand Point City School District, and Delta School District,  
15 the district or area is entitled to receive 115 percent of the base  
16 instructional unit allotment.

17          (12) for Lower Yukon School District, Craig City School  
18 District, and Unalaska City School District, the district or area is  
19 entitled to receive 120 percent of the base instructional unit allot-  
20 ment;

21          (13) for Nenana City School District, Chugach School Dis-  
22 trict, Southwest Regional School District, Aleutian Chain School  
23 District, and Alaska Gateway School District, the district or area is  
24 entitled to receive 125 percent of the base instructional unit allot-  
25 ment;

26          (14) for Kodiak Island School District, the district is  
27 entitled to receive 135 percent of the base instructional unit allot-  
28 ment;

29          (15) for King Cove City School District, Copper River School

1 District, Tanana School District, and Kashunamiut School District, the  
2 district or area is entitled to receive 140 percent of the base in-  
3 structional unit allotment;

4 (16) for Lake Peninsula School District, and Bering Strait  
5 School District, the area is entitled to receive 145 percent of the  
6 base instructional unit allotment;

7 (17) for Yukon-Koyukuk School District, and Dillingham City  
8 School District, the district or area is entitled to receive 150  
9 percent of the base instructional unit allotment;

10 (18) for Bristol Bay Borough School District, Lower  
11 Kuskokwim School District, Galena City School District, Northwest  
12 Arctic School District, and Nome City School District, the district or  
13 area is entitled to receive 155 percent of the base instructional unit  
14 allotment;

15 (19) for Kuspuk School District, the area is entitled to  
16 receive 160 percent of the base instructional unit allotment;

17 (20) for Yukon Flats School District, and Iditarod Area  
18 School District, the area is entitled to receive 165 percent of the  
19 base instructional unit allotment;

20 (21) for Upper Railbelt Regional School District, and North  
21 Slope Borough School District, the district or area is entitled to  
22 receive 175 percent of the base instructional unit allotment;

23 (22) for St. Mary's City School District, the district is  
24 entitled to receive 180 percent of the base instructional unit allot-  
25 ment;

26 (23) for Yupiit School District, the area is entitled to  
27 receive 185 percent of the base instructional unit allotment.

28 \* Sec. 8. AS 14.17.056 is repealed and reenacted to read:

29 Sec. 14.17.056. BASE INSTRUCTIONAL UNIT VALUE. The base

1 instructional unit for fiscal years beginning on or after July 1,  
2 1986, is \$42,184.

3 \* Sec. 9. AS 14.17.080 is amended to read:

4 Sec. 14.17.080. PRELIMINARY REPORTS [COMPUTATION] BY DISTRICTS  
5 [DISTRICT]. By October 15 [30] of the pre-fiscal year each district  
6 shall submit to the department, in the manner and on forms to be  
7 prescribed by the commissioner, a preliminary report pursuant to this  
8 chapter of estimates and data upon which computations are to be made [FOR  
9 THE FOLLOWING FISCAL YEAR] of the amount of [BASIC] State aid for  
10 which the district is eligible the following fiscal year under AS 14.-  
11 17.021[; AND THE AMOUNT FOR SUPPLEMENTAL PROGRAMS WHICH HAS BEEN  
12 APPROVED FOR FUNDING CONSIDERATION BY THE COMMISSIONER. EACH DISTRICT  
13 SHALL MAKE THE COMPUTATIONS IN THE MANNER PRESCRIBED BY AS 14.17.080 -  
14 14.17.150]. The preliminary reports required by this section [COMPU-  
15 TATIONS] are the basis for requesting legislative appropriations and  
16 for making preliminary payments under the public school foundation  
17 program for the following fiscal year.

18 \* Sec. 10. AS 14.17 is amended by adding a new section to read:

19 Sec. 14.17.139. NEW SCHOOL DISTRICTS. Notwithstanding any other  
20 provision of law, a new school district may not be formed if the total  
21 number of pupils for the proposed school district is less than 250  
22 unless the commissioner of education determines that formation of a  
23 new school district with less than 250 pupils would be in the best  
24 interest of the state and the proposed school district.

25 \* Sec. 11. AS 14.17.140 is repealed and reenacted to read:

26 Sec. 14.17.140. DETERMINATION OF FULL AND TRUE VALUE BY DEPART-  
27 MENT OF COMMUNITY AND REGIONAL AFFAIRS. (a) To determine the equalized  
28 percentage to be applied to basic need under AS 14.17.021 the Depart-  
29 ment of Community and Regional Affairs, in consultation with the

1        assessor for each district, shall determine the full value of the  
2        taxable real and personal property in each district. Exemptions  
3        granted under ch. 129, SLA 1957, known as the Alaska Industrial Incen-  
4        tive Act (AS 43.25.010 - 43.25.170), shall be honored. If there is no  
5        local assessor or current local assessment for a district, then the  
6        Department of Community and Regional Affairs shall make the determina-  
7        tion of full value from information available. In making the deter-  
8        mination, the Department of Community and Regional Affairs shall be  
9        guided by AS 29.45.110. The determination of full value shall be made  
10       before October 1 and sent by certified mail, return receipt requested,  
11       before that date to the president of the school board in each dis-  
12       trict. Duplicate copies shall be sent to the commissioner. The  
13       governing body of the borough or city which is the district may obtain  
14       judicial review of the determination. The superior court may modify  
15       the determination of the Department of Community and Regional Affairs  
16       only upon a finding of abuse or discretion or upon a finding that  
17       there is no substantial evidence to support the determination.

18        (b) Motor vehicles subject to the motor vehicle registration tax  
19        under AS 28.10.255 shall be treated as taxable property for purposes  
20        of (a) of this section.

21        \* Sec. 12. AS 14.17.170 is amended to read:

22        Sec. 14.17.170. PAYMENT UNDER ADJUSTED COMPUTATIONS. Each  
23        district shall make a report at the end of the 20-school-day period  
24        ending the fourth Friday in October, and may make a report at the end  
25        of the 20-school-day period ending the second Friday in February  
26        [FIRST NINE WEEKS OF SCHOOL], which, in accordance with regulations  
27        adopted by the department, reports [CONTAINS A NEW ESTIMATE OF] its  
28        average daily membership for that counting period, [THE FISCAL YEAR]  
29        and other information which will aid the commissioner in making a more

1 accurate determination of each district's state aid. The October  
2 report, or the February report if it makes the district eligible for  
3 more state aid, is [THIS NEW ESTIMATE AND INFORMATION OF AVERAGE DAILY  
4 MEMBERSHIP SHALL BE] the basis for the computation and distribution of  
5 each district's state aid for the balance of the fiscal year. As soon  
6 as possible after receiving each district's report [THE COMMISSIONER  
7 SHALL, ON THE BASIS OF THIS NEW ESTIMATE AND INFORMATION, MAKE A  
8 RECOMPUTATION OF EACH DISTRICT'S STATE AID. BEFORE DECEMBER 2], the  
9 commissioner shall notify each district of changes made in the number  
10 of funding units calculated for that district [ITS STATE AID]. The  
11 commissioner shall also determine whether the money in the public  
12 school foundation account is sufficient to meet each district's state  
13 aid for the fiscal year, and, if the money is not sufficient, the  
14 commissioner shall immediately inform the governor of the amount of  
15 additional appropriation the commissioner estimates will be necessary  
16 to carry out the public school foundation program for the rest of the  
17 fiscal year. Beginning April [FEBRUARY] 15 and on the 15th of each  
18 subsequent month, one-third [ONE-FIFTH] of the recomputed balance of  
19 each district's state aid must [SHALL] be distributed. [HOWEVER,  
20 ONE-HALF OF THE JUNE PAYMENT SHALL BE WITHHELD PENDING A FINAL DETER-  
21 MINATION OF THE DISTRICT'S STATE AID.]

22 \* Sec. 13. AS 14.17.250(4) is repealed and reenacted to read:

23 (4) "elementary school" means a school consisting of grades  
24 one through eight, kindergarten through eight, special education  
25 pre-elementary through six, or an appropriate combination of grades  
26 within this range;

27 \* Sec. 14. AS 14.17.250(9) is repealed and reenacted to read:

28 (9) "secondary school" means a school of grades 7 through  
29 12;

- 1 \* Sec. 15. AS 14.17.081 is repealed.
- 2 \* Sec. 16. This Act takes effect July 1, 1986.

A M E N D M E N T

Offered in the HOUSE

By Koponen

TO: CSSB 408 (Finance)

Page 3, line 2, following "student":

Insert: ", except military contract students,"

Page 12, after line 17, insert the following new bill sections:

"\* Sec. 10. AS 14.17.082(a) is amended to read:

Sec. 14.17.082. FUND BALANCE [CHANGES] IN SCHOOL OPERATING FUND.  
(a) Each district having an ADM/FTE of 500 or more [AT LEAST 400 INSTRUCTIONAL UNITS UNDER AS 14.17.031(a)] may accumulate an unre-  
stricted, undesignated [A] fund balance, as defined by the department  
by regulation, in the school operating fund of seven percent of its  
expenditures for the preceding fiscal year. Each district having an  
ADM/FTE of less than 500 [400 INSTRUCTIONAL UNITS] may accumulate an  
unrestricted, undesignated [A] fund balance of 10 percent of its  
expenditures for the preceding fiscal year.

\* Sec. 11. AS 14.17.082(b) is amended to read:

(b) The commissioner shall review the annual audit of each  
district to ascertain changes in the year-end operating fund balance

of the districts, and notify districts and the board, through a written report, of any unrestricted, undesignated fund balances [BALANCE ACCUMULATION] greater than that permitted under (a) of this section."

Renumber remaining bill sections accordingly.

STATE OF ALASKA  
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

POUCH Y STATE CAPITOL  
JUNEAU ALASKA 99811  
907 465 1800

MEMORANDUM

May 6, 1986

SUBJECT: State aid to education  
(CSSB 408(Fin))

TO: Representative Niilo Koponen

FROM: Michael F. Ford *M.F.*  
Legislative Counsel

You have inquired concerning the effect of adding a two year repealer to CSSB 408(FIN). Assuming that you wish to repeal the entire Act, it would be necessary for those sections that are being amended and for those sections of existing law being repealed and reenacted, to include existing law as a part of the bill. For example if section 1 of the bill were repealed, then a new section 2 would need to be added that enacted AS 14.30.285(b) as it presently reads. This requirement would apply to each section amended or repealed and reenacted. A delayed effective date would apply to those sections being restored to their former language. This method is somewhat confusing, but it accomplishes the goal intended which is to repeal the changes made and restore the existing method of education funding.

Contact me if you wish to pursue this change to the bill.

MFF:mkr  
m5/076