

H B

4 0 7

MAR 17 1988

Representative Johnny Ellis  
P.O. Box V  
Juneau, Alaska 99811

Dear Representative Ellis,

I would like to urge your support of House Bill 407, which would provide for supplemental restoration funding beyond the regular foundation appropriation through the use of Permanent Fund Earnings in an endowment within the Permanent Fund.

I am a teacher in the Haines Borough School District and have seen several programs suffer over the past two years due to the cutback in funding during this period. Some of these programs include our autoshop program which has been cut back to a half day, our business education program which has been cut back to two classes a day, and our special education program which has lost a teacher which was not replaced last year.

Please support HB 407 and also HB 370 which sets a minimum level of funding for the 1989-90 school year. Our kids deserve our support.

Thank you for your support of public education.

Sincerely,

*Ed Hays*

Ed Hays, President  
NEA Haines  
Box 98  
Haines, Alaska 99827

# HOUSE COMMITTEE REPORT

(7)

Date referred: 1/27/88

FURTHER REFERRALS:

Finance

DATE: 3-22-88

The Health, Education and Social Services Committee has considered HB 407

"An Act establishing the school account in the Alaska permanent fund; and providing for an effective date."

**RECOMMENDS:**

- replace with CSHB 407 (HESS)  the same title
- attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

**ADOPTS:**  \_\_\_\_\_ letter of intent

**ATTACHES NEW FISCAL NOTE(S):**

- fiscal impact  same as previous fiscal note published \_\_\_\_\_
- zero fiscal note  same as previous zero fiscal note published \_\_\_\_\_
- zero with analysis

**SIGNING DO PASS:**

[Signature]

[Signature]

[Signature]

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**SIGNING OTHER RECOMMENDATIONS:**

[Signature] - No Rec

[Signature] - No Rec

[Signature] - No Rec

\_\_\_\_\_

\_\_\_\_\_

[Signature]  
Chairman's signature

[Signature]

STATE OF ALASKA  
THE LEGISLATURE

POUCHY STATE CAPITOL  
JUNEAU, ALASKA 99811  
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 23, 1988

SUBJECT: Public school fund - CSHB 407(HESS)  
TO: Representative Johnny Ellis  
FROM: Michael F. Ford *M.F.*  
Legislative Counsel

There are three nonsubstantive changes I wanted to bring to your attention regarding CSHB 407(HESS). The title of the committee substitute has been changed by adding on page 1, line 8, after "value;", the words "providing for an advisory vote;". Also, the phrase "by the start of the 1992 school term" has been deleted from section 3, and added as a new section of temporary law. Finally, the repealers contained in section 11 have been rewritten in the correct manner to repeal the substantive law enacted in the committee substitute. You might also wish to examine the advisory question in section 9 of the committee substitute and perhaps rewrite the question in order to clearly indicate how income of the permanent fund is intended to be used.

Please contact me if you have further questions.

MFF:gc  
WKG2:68

STATE OF ALASKA  
THE LEGISLATURE

POUCHY - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

LEGISLATIVE AFFAIRS AGENCY  
LEGISLATIVE REFERENCE LIBRARY

May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

HHESS

2-5-88

8:30 a.m.

HHESS

3-22-88

8:30 a.m.



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

OFFICIAL BUSINESS

POUCHV  
JUNEAU, AK 99811  
465-3759

MEMORANDUM

TO: House HESS Committee Members  
FROM: Reps. Johnny Ellis, Niilo Koponen, Bill Hudson  
RE: Education Funding Subcommittee Report  
DATE: March 22, 1988

\*\*\*\*\*

The HESS Subcommittee on Education Funding has considered several measures dealing with the funding of elementary and secondary schools. This memo explains our recommendations.

Funding for Alaska's public school system has been an unfortunate victim of the state's declining revenues. Within a two year span, FY 86 - FY 88, state aid to public schools through the Foundation Program has been reduced from \$490 million to \$410 million. The \$80 million represents a 16.3% cut. At the same time the state's student population has declined by only 1%. Such drastic cuts are having a significant impact on the quality of education in Alaska. Class sizes are increasing, staffs are being reduced and programs are being eliminated.

Another problem that has plagued the school system for years has been one of budget uncertainty. School districts are expected to finalize their budget requests to municipal assemblies or councils by April 1st of each year, without knowing their state funding levels. Budget deliberations have to be repeated two or three times, often eroding the credibility of the process. Due to the uncertainty, good teachers are often unnecessarily dismissed since school districts must notify tenured teachers of their employment status by March 16th.

The Subcommittee has considered several options to deal with the funding cutbacks and budget uncertainties. Early, certain, full, additional and forward funding are all catch words to characterize the approaches that have been suggested.

Early funding was accomplished this year by the legislature in the form of SB 330, and has yet to be signed by the Governor. This bill, if signed, will give certainty to school districts of state funding levels approximately three months earlier than usual. This early/certain bill also provides full funding for the three major entitlement programs: the foundation program, construction debt reimbursement, and pupil transportation. Full, in this case, means the amounts equal to those prescribed by law. A bill similar to SB 330 would need to pass each year in order for the school districts to be certain of state funding earlier than June. Such a bill may or may not constitute full funding and may or may not address the three programs.

The Subcommittee searched for a better mechanism to ensure full funding on a yearly basis. If full funding could be achieved each year, and counted upon, then the funding level would always be certain, (based on a district's ADM x the instructional unit value) thus obviating the need for an early appropriation measure outside of the operating budget.

Funding uncertainties in education have been due to unanticipated decreases or increases in state revenue and by vacillating school enrollments (ADMs). Through no fault of the legislature, funding is sometimes not full due to these variables. Without funds to draw upon to make the funding level full, either before the budget year or during the budget year as a supplemental appropriation, there will be budget uncertainties. Thus the subcommittee strongly endorses the idea of an education buffer fund. Appropriations from this special fund could be made to make the marginal adjustments necessary in order to assure full, certain funding each year. Early funding would not be necessary because districts could count on full funding each year due to the existence of this supplemental funding source. This proposal would also accomplish the objectives of forward funding, but at much less cost.

\*\*\*\*\*

Governor Cowper's bill, HB 407, provides \$60 to \$70 million of badly needed additional funding for education, which is actually a partial restoration of previous cuts. The Subcommittee found several problems with the bill, deliberated upon them, considered several amendments and now strongly recommends the attached committee substitute. As amended the bill now answers two fundamental questions of the original version: What assurances are there that these funds will truly be additional funds for education; that general funds would not be backed out of education thus enabling these permanent fund earnings to supplement the general fund as a whole? And, what is the purpose for these additional dollars?

The first question is answered by an amendment to increase the instructional unit value by \$4,950, which would require approximately \$50 million to fully fund. This is the best guarantee that the funds would truly be additional. This amendment also partially answers the second question. Most of the extra money would go through the state's primary funding mechanism, the foundation program. This would be a partial restoration of the previous two years' cuts. The remaining money, \$10 to \$20 million, could be used for school construction to reduce pupil/teacher ratios, if necessary, or for other special projects.

Under this plan, two years worth of earnings, after dividends, would go into the school account. Since there would be no appropriation until after the second year, due to the necessary wait for the advisory vote, there would accrue earnings of approximately \$100 million before legislative appropriation. The extra \$30 million could serve as a buffer account, serving the purposes mentioned above.

Thus, after amendment, HB 407 can be viewed as an additional, full, and certain funding proposal. It also mandates pupil/teacher ratios in grades K-3, and allows for an advisory vote of the people.

The Subcommittee discussed at length an amendment to make the advisory question a binding vote of the people amending the constitution to make the school account a dedicated fund for education. At the level of \$70 million per year, a dedicated funding source would not be that helpful since the annual total aid to schools is over \$500 million. Also, there would be no guarantee that the \$70 million would not supplant education dollars from the general fund. Governor Cowper is adamantly opposed to a constitutional amendment at this time.

In a similar vein there was concern that, since permanent fund earnings were being used for state operation for the first time, adequate checks and balances would allow considerable care and due regard for this historic action. As HB 407 is proposed by the Subcommittee, permanent fund earnings would not be spent until, 1) the bill passed, 2) a positive vote of the people, 3) affirmative action by the legislature next session to repeal the repealer clause in the bill, and 4) annual legislative appropriations from the school account earnings to education programs.

The Subcommittee also amended the bill to simplify the ballot question and to make it clear to the voters that they were voting on the expenditure of permanent fund earnings.

\*\*\*\*\*

In addition to the new draft for HB 407, the Subcommittee also recommends the passage of HB 378, creating a buffer

account, and HB 379 which is an appropriation to that account. While our first choice is to have a buffer as part of the Governor's school account, we suggest the passage of these bills as a backup measure in case HB 407 does not pass. HB 379 uses funds from the Dinkum Sands settlement instead of from permanent fund earnings.

The subcommittee also recommends the passage of HB 414, which reinstates a school tax. While the subcommittee had no philosophical objection to SB 2, regarding early funding, more work may need to be done on this bill. As it stands, the bill has no penalties if the legislature fails to pass an education budget by March 15th, as is required in the bill.

Finally, the Subcommittee considered HB 370, HB 376, HB 377 and HJR 54. None are recommended for passage.

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y STATE CAPITOL  
JUNEAU ALASKA 99811  
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 19, 1988

SUBJECT: CSHB 407 (HESS)  
TO: Representative Johnny Ellis  
FROM: George Utermohle *GU*  
Legislative Counsel

Enclosed is the committee substitute for HB 407 (HESS) as requested by Jim Nordlund of your staff.

The provisions of sections 6, 7, and 8 of the bill have been rewritten to eliminate potential violations of the prohibition against dedicated funds of the Alaska Constitution. Article IX, section 7 of the Alaska Constitution provides that state revenue may not be dedicated to a special purpose except as provided in the Constitution. Article IX, section 15 provides that the income of the permanent fund shall be placed into the general fund unless otherwise provided by law. Though Article IX, section 15 apparently allows the legislature to provide that the income of the permanent fund may be dedicated to a specific purpose, the Attorney General has held that the income of the fund should be appropriated annually, like the income of any other fund. 1983 Op. Att'y Gen. January 5, 1983. Thus provisions of HB 407, as introduced, that provided for allocation or transfer of permanent fund income to the school account have been changed to provide that the legislature may appropriate the permanent fund income to the account.

GU:mkr  
b4/025

Enclosure

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

2 CS FOR HOUSE BILL NO. 407 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the school account in the Alaska  
7 permanent fund; duties of the Department of Education  
8 and school boards; increasing the instructional unit  
9 value; and providing for an effective date."

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

11 \* Section 1. FINDINGS AND PURPOSE. Recent reductions in state spending  
12 on education in the state have contributed to financial problems in  
13 Alaska's public school system. The spending reductions were caused by a  
14 severe downturn in the state's economy. A high quality public education  
15 system is too important to be dependent on the uncertainties of economic  
16 cycles. For these reasons, the legislature is establishing the school  
17 account. Income of the account should provide additional funding for the  
18 foundation account and may be used to reduce the pupil-teacher ration in  
19 grades K - 3, and to buffer against unanticipated funding shortfalls.

20 \* Sec. 2. AS 14.07.020(a) is amended by adding a new paragraph to read:

21 (15) prescribe by regulation, standards for varying the  
22 pupil-teacher ratio in grades K - 3 and shall assist districts, when  
23 necessary, in developing plans to meet the required pupil-teacher  
24 ratio.

25 \* Sec. 3. AS 14.14.090 is amended by adding a new paragraph to read:

26 (10) maintain a pupil-teacher ratio that does not exceed 20  
27 to one in grades K - 3 by the start of the 1992 school term, except as  
28 provided under regulations adopted by the board.

29 \* Sec. 4. AS 14.17.056 is amended to read:

1           Sec. 14.17.056. INSTRUCTIONAL UNIT VALUE. The instructional  
2 unit value is \$64,950 [\$60,000].

3 \* Sec. 5. AS 37.13.140 is amended to read:

4           Sec. 37.13.140. INCOME. Net income of the corporation shall be  
5 computed annually as of the last day of the fiscal year in accordance  
6 with generally accepted accounting principles, excluding any unre-  
7 realized gains or losses. Income available for distribution equals 21  
8 percent of the net income of the corporation for the last five fiscal  
9 years, including the fiscal year just ended, but may not exceed net  
10 income of the corporation for the fiscal year just ended plus the  
11 balance in the earnings reserve account described in AS 37.13.145.  
12 The annual net income of the school account established in AS 37.13.-  
13 147 is not included in the computation of net income available for  
14 distribution.

15 \* Sec. 6. AS 37.13 is amended by adding a new section to read:

16           Sec. 37.13.147. SCHOOL ACCOUNT. There is established, as an  
17 account in the principal of the Alaska permanent fund, the school  
18 account. The school account consists of amounts appropriated to the  
19 account. The board shall invest money in the school account in  
20 investments authorized in AS 37.13.120. Net income of the school  
21 account is computed annually on the last day of the fiscal year in the  
22 same manner that net income of the corporation is computed. The  
23 annual net income of the school account may be appropriated by the  
24 legislature and is not included in the computation of net income  
25 available for distribution under AS 37.13.140. Net income of the  
26 school account that is not appropriated by the legislature for other  
27 purposes may be appropriated to the principal of the school account  
28 for reinvestment at the end of each fiscal year.

29 \* Sec. 7. For fiscal years 1988 and 1989, all net income available for

1 transfer to the principal of the Alaska permanent fund for reinvestment  
2 under AS 37.13.145, may be appropriated to the school account established  
3 in AS 37.13.147.

4 \* Sec. 8. The lieutenant governor shall place before the qualified  
5 voters of the state at the 1988 general election an advisory question  
6 similar to the following:

7 Q U E S T I O N

8 In 1988 the school account was established as part of the  
9 principal of the Alaska permanent fund. Part of the income  
10 from the permanent fund in fiscal years 1988 and 1989,  
11 after payment of permanent fund dividends, may be approp-  
12 riated to the school account. Future income from this  
13 account will be available to <sup>RESTORE</sup> ~~provide additional~~ funding <sup>cuts to</sup> ~~for~~  
14 elementary and secondary schools, to eliminate classroom  
15 overcrowding in kindergarten through third grade, and to  
16 buffer against unanticipated funding shortfalls. Permanent  
17 fund dividends should continue to grow but not quite as  
18 rapidly. Do you want permanent fund earnings to be used  
19 for the school account?

20 Yes [ ]

No [ ]

21 \* Sec. 9. Sections 1 - 7 and 11 of this Act are repealed.

22 \* Sec. 10. Sections 1 - 3 and 5 - 8 of this Act take effect immediately  
23 under AS 01.10.070(c).

24 \* Sec. 11. Section 4 of this Act takes effect July 1, 1989.

25 \* Sec. 12. Section 9 of this Act takes effect March 15, 1989.  
26  
27  
28  
29

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y STATE CAPITOL  
JUNEAU, ALASKA 99811  
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

March 7, 1988

SUBJECT: Public school foundation funding  
(Work Order No. 5-2033)

TO: Representative Johnny Ellis

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

You have asked what would be the effect of repealing AS 14.17.225(a). That subsection specifies that AS 14.17 does not create a debt of the state, requires each school district to maintain a balanced budget, and specifies that the state is not responsible for the debts of a school district.

Under Article IX, section 13, of the Alaska Constitution no obligation for the payment of money may be incurred unless authorized by the legislature. This provision coupled with the language in AS 14.17.225(b) requiring pro rata reduction in each district's funding if appropriations are insufficient to meet authorized allocations, would seem adequate to preclude the state being liable for any funding not appropriated by the legislature. Therefore, the language regarding creation of debt of the state, or the state not being responsible for debts of a school district is unnecessary.

However, the language requiring a school district maintain a balanced budget does impose an affirmative legal duty. Repeal of AS 14.17.225(a) would remove that duty. Please contact me if you have further questions.

MFF:gc  
WKG2:34

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

March 1, 1988

The Honorable Johnny Ellis, Co-chair  
House HESS Committee  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

JTW

MAR 04 1988

Dear Rep. Ellis:

As you have requested, I will attempt to restructure my comments and recommendations to you regarding legislation before your committee this morning.

My comments brought to your attention the fact that all of the bills before you, including the Governor's endowment plan were merely variations of plans to "tinker with the currency"; meaning that you were not addressing the Foundation Support Program entitlement but rather how much money you would appropriate for education.

My recommendation was to repeal A.S. 14.17.155, the statute that indicates that the Foundation Support Program does not constitute a debt to the state. This recommendation is that the law be changed to create the state's obligations under this law as a debt and that districts are entitled to that money according to the formula.

It is not my intent with this recommendation, to tie the hands of the legislature but merely to have the legislature give indication one year in advance as to how they intend to fund the school districts. I would recommend that if the legislature wanted to change funding formulas, they would do it one year in advance.

Having accomplished that, I recommended that the Governor's endowment plan could be used as a fund to make supplemental appropriations in the current year as necessary according to formula funding. Some parts of this funding source could be used for the purposes of funding state wide projects that local districts cannot fund themselves such as a state wide student assessment project, reinstatement of Learn Alaska in order to provide distance education opportunities to bush high schools, etc.

I see the need for this form of supplemental appropriation almost every year simply because of the uncertainty of need at the time the budget is written.

I further recommended that local school boards be given some consideration in the areas of local funding. In response to Rep. Koponen's questions, I noted that local districts' budgets are automatically approved if the local municipality does not act on the budget request within thirty days. HB 126 of last year also put parameters on local funding so it is my opinion that the legislature could act in this area. I would suggest that local school boards be given authority to set local budget requirements unilaterally and not be subject to assembly control.

Hopefully I have covered the essential points of our conversation.

If you need additional information, I'll be happy to provide it.

Sincerely,

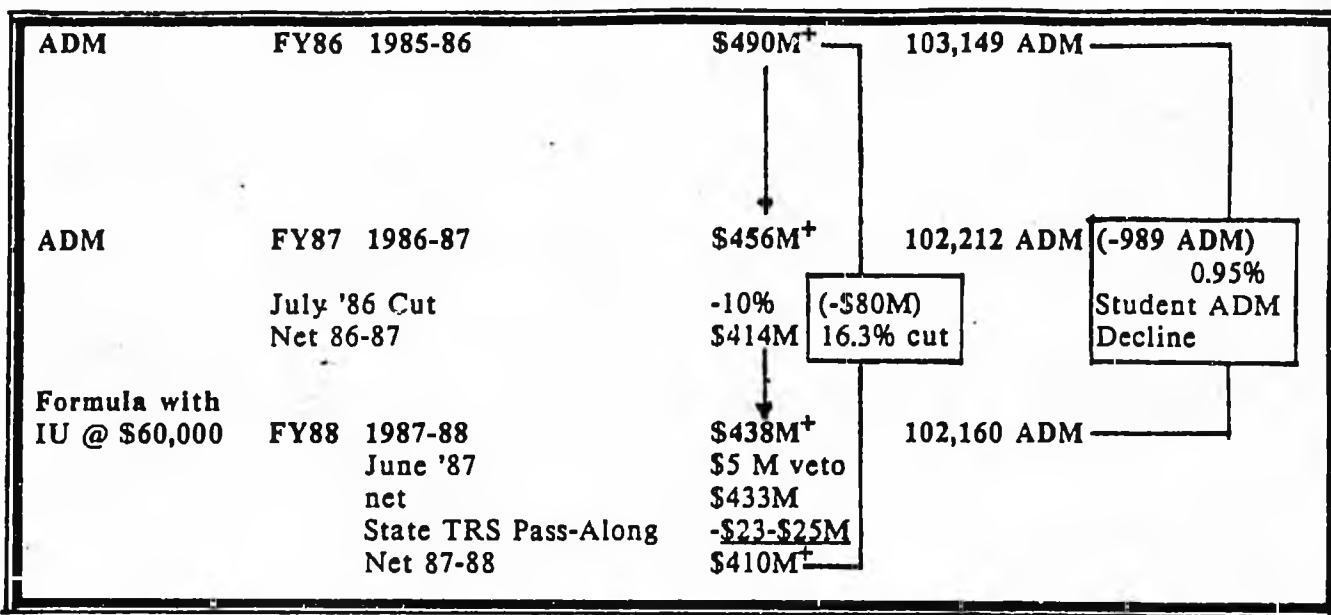
A handwritten signature in black ink that reads "BOB GREENE" in all caps. The signature is written in a cursive style with a long horizontal line extending to the right.

Bob Greene  
Executive Director

A handwritten signature in black ink, which appears to be "W. Greene" or similar, written in a cursive style. It is located below the typed name and is partially obscured by a diagonal line.

From: NEA - ALASKA

**FULL FUNDING ANALYSIS**



**Catch-up need  
re 2-year cut of \$80M**

\$1,000 Increase ≈ \$7.3M Increased Cost

$\frac{80M}{7.3M} = \$10,950 \approx \$11,000$

TRS Pass Along:  $\frac{\$23M}{7.3M} \approx \$3150$

IU needs to be \$74-75,000  
to retrieve 2 year loss of \$80M

**Identified Needs:**

- Asian Lanugage
- Early Child/Head Start
- Drop Out Prevention
- Suicide Prevention
- Alcohol & Substance Abuse
- Child Abuse Programs
- PTR/Class Size

$\frac{100 M}{7.3M} = \$13,690+$  per IU

See DOE, PTA, AASB effects of recent cuts lists for more specificity.

Funding for above can be integrated into IU pro-rate or as grant/incentive \$ pool in District.

FY88	87-88	IU: \$60,000	Appropriation \$438M
<b>THE BOTTOM LINE</b>			
FY89	88-89	IU: \$69,000 1,500 included for CPI	Appropriation: \$503.7M (+65.7M)
FY90	89-90	IU: \$78,000 1,500 included for CPI	Appropriation: \$569.4M (+65.7M)

## IMPACT DATA SUMMARY

The data which we currently have falls into three categories; 1) effect of projected cuts for 87-88, 2) recent (last 2 years) cuts and erosion, 3) continuing unmet needs. We now need data on what is actually happening as we move into 87-88.

You all have a summary of the previous survey (3/87) which was responded to by approximately 120 people from 20 different locals. This was included in your initial compensation project mailing.

What follows is an effort to summarize the essence of this information as briefly as possible.

**INCREASING CLASS SIZE/PTR:** The reality is that class sizes are beginning to increase dramatically. Unfortunately we don't have specific comparative numbers.

The results go in many different directions depending on the school district. Obviously the increased class sizes carries with it increased workloads which translates to less time with individual students.

Some classrooms don't have enough seats or teaching stations (labs), less remedial help is available, homework is less significant and meaningful, less remedial help available, study habits suffer, there are more multi-grade classrooms, the number of individual preps has increased, attendance and discipline problems increase, etc.

Exposure to potential negligence and other risk situations has increased: labs, playgrounds, trips

**SERVICES TO STUDENTS:** Services and opportunities have been cut back significantly. Special education students are not always receiving the services required under PL 94-142. Diagnostic and consultation services are reduced or eliminated.

Fewer course offerings are available with some students being cut out in mid-sequence. There is less opportunity for gifted/talented programs. Elementary music, art, pe, and other special programs are being reduced or eliminated as is voc ed and other special secondary programs.

Athletic and extra-curricular programs are curtailed, reduced and in some cases eliminated as are necessary alternative programs, lunch programs.

The result is that career options, college admissions and scholarships/grants, and even the incentive to stay in school is adversely impacted.

**MATERIALS & SUPPLIES:** Students don't always have textbooks in their specific courses. Workbooks and testing materials are in short supply. Students and parents are having to pay for basic materials formerly provided by the schools.

Shortages of materials has required copying materials with some risk under copyright laws. Teachers are purchasing more materials for classroom use out of their own pockets.

There is clearly an adverse impact on study habits, homework, and incentive to excel or to stay in school.

**EMPLOYEE MORALE:** Increased loads, having to teach out of areas of endorsement, loss of prep time, increased number of preps, multi-grade classes, involuntary transfers, uncertainty as to job status, unilaterally imposed salary cuts, the expectation of having to subsidize public education and the appearance of no relief in sight and apparently limited public concern all combine to adversely impact employee morale.

**STUDENT MORALE:** Limited and lost opportunities, reduced transportation, multi-grade classes, crowded classrooms, no books and materials, uncertainty re future plans, and the following absence of individual attention all contribute to loss in incentives, drop-out potential, and attendance and discipline problems. Student failures in elementary school are never completely retrieved.

**PUBLIC:** The concern must be directed from blaming schools to re-establishing priorities of spending, concern for the potential loss of accreditation and the reality that quality in public education is a function and result of the resource that is made available to our schools.

*The recent erosions over the past 2 or 3 years reflect all of the above concerns and specifics. The question is only one of magnitude depending upon the district.*

*The question which we must get our in the "public debate and discussion" and into every political campaign is one of how long the public will/can tolerate what has happening.*

*The reality we must work from is that the public is unaware of much more than that "every teacher is over-paid at \$50,000!"*

*If we don't alert them to the specifics and invite them to be a part of the solution I am afraid that there is not going to be a solution until damage is even more extensive and the cost of repair even greater. There is a point of irreparability(if that is a word)!*

**CONTINUING UNMET NEEDS:** Many of the unmet needs also parallel the results of cuts and other program reductions and eliminations in recent years.

These tend to focus on the increasing class size load problem, a limited or reduced focus on parenting and working with parents, limited curriculum choices, limited voc ed/career planning and counselling, remedial programs, gifted/talented programs, and alternative programs.

More recently they are also expanding into such categories as drop-out prevention and intervention, the need for more programs and services relative to alcohol and substance abuse, child abuse, pregnancy, suicide, AIDS education, etc.

Also, repairs and maintenance of equipment, facilities, and buildings is a growing concern as these areas become increasingly neglected in tight economic times.



# NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

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## ANCHORAGE REGIONAL OFFICE

1411 W. 33RD AVENUE  
ANCHORAGE, ALASKA 99503  
(907) 274-0536

## JUNEAU OFFICE

105 MUNICIPAL WAY, SUITE 302  
JUNEAU, ALASKA 99801  
(907) 586-3090

## FAIRBANKS REGIONAL OFFICE

2118 CUSHMAN STREET  
FAIRBANKS, ALASKA 99701  
(907) 456-4435

March 8, 1988

Representative Johnny Ellis  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

MAR 09 1988

Dear Johnny:

We are writing to you at this time to encourage your support for HB 407, SB 374, and HB 370.

The first two bills establish the school account with the concurrence of an advisory vote of the people of Alaska. The earnings from these funds are intended to restore a share of the nearly \$100 million in cuts to public education funding which has taken place over the last two years through underfunding and the pass along of the former state share of the TRS contribution.

The longer we delay in making an affirmative effort to provide a source of restoration funding, the more irreparable the adverse effect of the funding cuts becomes.

Not only do we have increasingly larger class size which precludes individual attention to student needs but we are also seeing more multi-grade classes which similarly restrict individual student attention.

No longer does every student have access to such basics as textbooks, workbooks and other essential teaching materials, not to mention program cutbacks and elimination which are depriving far too many of full realization of their own potential in K-12. Even the curtailing of extra-curricular activities can have a serious negative effect on some students.

We realize that there may be some reluctance to utilize an advisory vote of the people as opposed to a constitutional amendment. We strongly encourage going ahead with the advisory vote for purposes of putting this supplemental restoration of funding mechanism in place now - and then to utilize the constitutional amendment to put the forward funding procedure in place in two years.

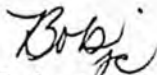
You have recently received copies of NEA-Alaska and State PTA surveys which explicitly demonstrate the need for restoration funding. An update to a more recent NEA-Alaska survey is currently being tabulated and we are anxious to share those results with you as well.

With no dissent, over 250 NEA-Alaska member delegates representing local school districts' employees statewide, meeting in Anchorage in late January, endorsed the plan which is incorporated in HB 407 and SB 374.

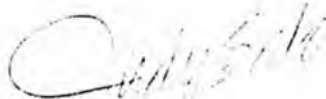
We also strongly support and encourage expeditious attention to HB 370, an Act which puts in place a floor or minimum level of funding for the 1989-90 school year. This legislation would not only establish some stability to the local school district budgeting process but would also facilitate more effective long range program planning and provision for basic student services.

Thank you for your consideration of our concerns. We look forward to working closely with you in passing this legislation.

Sincerely,



Robert Manners  
Executive Secretary



Judy Salo  
President

cc: Governor Steve Cowper  
Lt. Governor Steve McAlpine  
NEA-Alaska Board of Directors, Local Association Presidents & Staff  
Each School District Superintendent

LC/Schlfnf\$/dl

From: Superintendent Robert Weinstein - SE Island School Dist.

# A MODEST PROPOSAL, or Why Foundation Program Funding Should Be Increased in FY 89

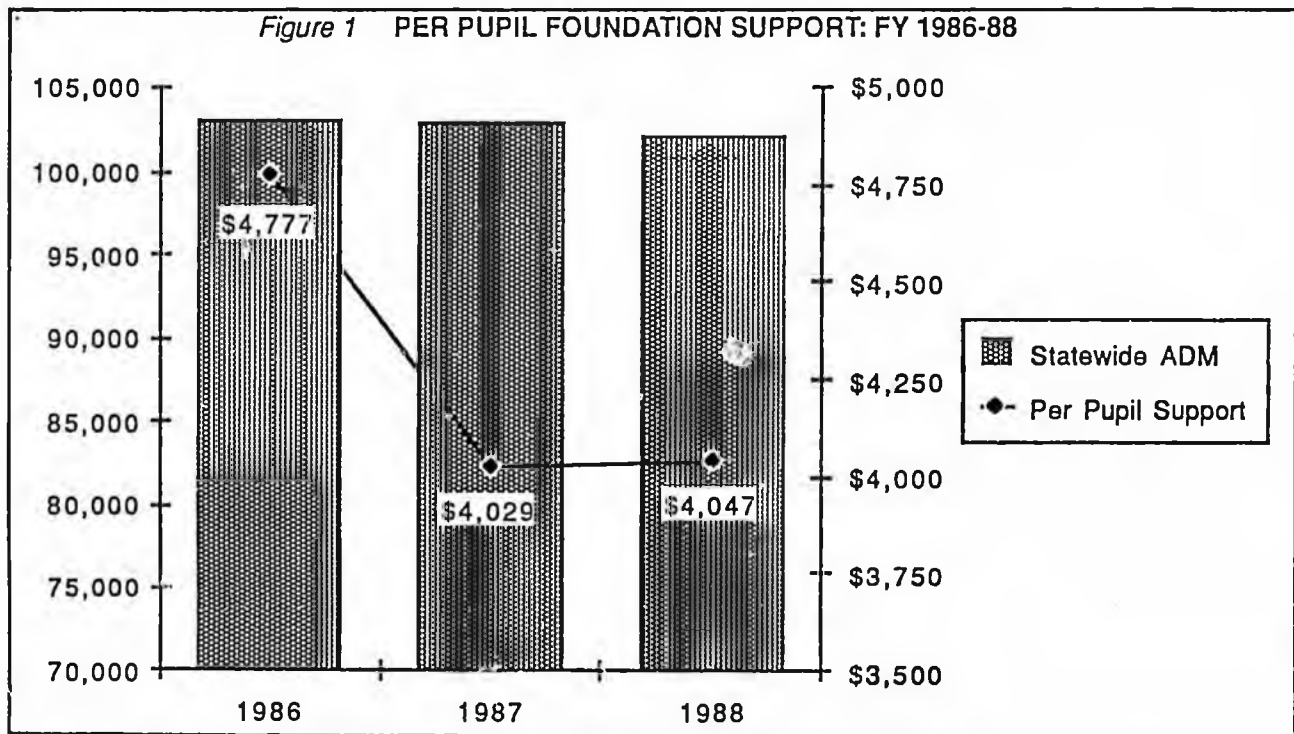
In the last three years, funding for education throughout the State of Alaska has experienced a dramatic decline. Like other programs dependent upon state funds, the foundation program was not immune to the adverse effects of declining oil revenues.

Table 1 shows the levels of foundation support and numbers of pupils for the 1986-88 period.

	1986	1987	1988
Foundation Support	\$492,750,700	\$415,155,300	\$413,290,100
Statewide ADM	103,159	103,036	102,118

Notes: 1. Foundation Support includes P.L. 874 and non-general fund state support.  
2. 1988 foundation data adjusted for TRS change.

Figure 1 shows statewide ADM and per pupil foundation support for the 1986-88 period.



The chart shows that, despite a decline in students of less than 1% throughout the state, the amount of funds per pupil has decreased by \$730, or 15.3%, in two years.

As a result, a number of adverse impacts have been felt in school districts throughout the state. Class sizes have increased. Staffs are being reduced, and programs are being eliminated. Combined with reduced supporting services in many districts, educational opportunities for many students are being reduced significantly. As education is quite "labor intensive," with a great portion of school district salaries going to salaries and benefits for administrative, teaching, and other staff, many school districts have been forced to freeze and lower what is paid to their employees. If this pattern continues, especially when viewed in light of a developing national teacher shortage as well as an improvement in teacher salaries in many other states, it will not be long before Alaska loses its ability to attract the best available talent to its classrooms.

At the same time, more demands are being placed upon our schools. Various reports and studies have identified critical needs in a number of areas: Suicide Prevention, Early Childhood Education, Drop Out Prevention, Alcohol and Substance Abuse, Child Abuse Prevention, AIDS Education, Asian Language Programs, and Pupil Teacher Ratios/Class Size.

Furthermore, according to a recent news article, corporate America has for the first time ranked primary and secondary education as the issue needing most attention- sweeping aside the traditional focus of local economic development. In a poll of 260 major corporations, the Conference Board, a highly regarded nonprofit research group supported by 2,000 businesses and other organizations, found that the business community believes the solution to many community problems- whether poor housing or substance abuse- is intimately linked to the presence of meaningful jobs. Corporations have concluded that the route to a meaningful job- and to an improvement in the economic climate of the nation- clearly results from a meaningful education, and that, conversely, poor schooling will have major adverse economic impacts. The consequence of the failure to act- to prevent a generation of poorly educated children- will be, on a national level, billions of dollars in lost productivity, unemployment benefits, and other expenses of social and economic dependency.

It is not difficult to apply this national concern to Alaska. If economic development and the creation of meaningful employment is a priority of government as well as the private sector, then support for education must be an integral part of any plan.

### **What can be done?**

The Governor has recently proposed that a portion of earnings from the Permanent Fund be set aside for an Educational Endowment Fund for the next two years. This proposal has a lot of merit, as it would provide a cushion to prevent future sudden and significant cuts in educational funding should world oil prices remain on a roller coaster.

While it might not be reasonable, given other pressing State needs, to expect that enough funds are available for the level of foundation funding to be able to be restored to where it was in 1986, it seems that a modest increase in both the 1989 and 1990 fiscal years would both be appropriate and advantageous.

1. A modest increase is affordable. Funds for this increase could come from a combination of existing and prospective revenue sources.
2. An increase over the next two year period would provide a bridge over the gap which would exist between current funding levels and the funding level which might exist in two years upon creation of an endowment fund.
3. An increase over a two year period fits in with all concepts of forward and advance funding which are being proposed.
4. Because education is labor intensive, a modest increase in foundation funding will help achieve another goal of all Alaskans- the creation and maintenance of jobs for Alaskans throughout the state- jobs which can sustained year to year.

### **What is meant by a modest proposal?**

A modest proposal means an increase from the current foundation support of \$4,047 per pupil to \$4,326 in 1989 and \$4,605 in 1990, or about \$28.5 million for both 1989 and 1990. This would still be well below the 1986 figure of \$4,777 per pupil.

While seemingly a large sum of money, this is a modest amount when viewed both relative to the cuts which have taken place since 1986 and, more importantly, to the needs of children throughout the State of Alaska.

### **Why is a modest proposal necessary?**

Alaska cannot afford to not stop the hemorrhaging occurring in education throughout the State. The critical needs of our children are not being met- and are growing more critical. Programs which have taken years to develop are being decimated. If Alaska is going to be ready for the future, we must make every effort to assure that our children are not shortchanged in their education. Rather, we have to make every effort to assure that each child receives the best education possible.

We owe our children no less.

# MEMORANDUM

# State of Alaska

TO: The Honorable Johnny Ellis and  
Niilo Koponen, Chairmen  
House HESS Committee

DATE: March 8, 1988

FILE NO: 88D-329

TELEPHONE NO: 465-3568

FROM: *MARY HALLORAN*  
Mary Halloran, Director  
Division of Policy  
Office of Governor

SUBJECT: Proposed Amendments to  
HB 407, the School  
Account

We would like to propose the attached amendments to HB 407, establishing the School Account, for the House HESS Committee's consideration. The amendments do the following:

- Increase the instructional unit value to \$64,950, providing about \$50 million additional state aid through implementation of the School Account. This approach ensures that the School Account funds will be used for incremental education funding, rather than for backing out general fund money.
- Provide for limiting the number of pupils in each classroom which serves grades K-3 by the 1992 school term. The pupil-teacher ratio would not exceed 20 to one after a three-year transition period, except in special circumstances recognized by the department in regulation.
- Offer simpler ballot language for the voters.
- Strengthen the force of the advisory ballot by requiring an affirmative action by the next legislature if the voters approve the proposition. If the voters turn down the proposition, then the enabling legislation is automatically repealed without further legislative action.

Taken together, these amendments answer most of the questions and concerns raised by members of the HESS Committee. We are offering the same amendments to the Senate Hess Committee which is considering the Senate version of the bill, SB 374. We would appreciate your early consideration of these changes.

MH/dmc

Attachments

cc: House HESS Committee Members

HOUSE BILL 407/SENATE BILL 374

AMENDMENT #1:

Page 1, line 7: Delete all material after "fund" and insert:

", providing for additional state aid to the public school foundation program, and limiting the number of pupils in each classroom which serves grades K-3; and providing for effective dates."

HOUSE BILL 407/SENATE BILL 374

AMENDMENT NO. 2

Page 3, Delete sections 6 and 7, add new section 6 to read:

\* Sec. 6. AS 14.17.056 is amended to read:

Sec. 14.17.056. INSTRUCTIONAL UNIT VALUE. The instructional unit value is \$64,950 [\$60,000].

HOUSE BILL 407/SENATE BILL 374

AMENDMENT NO. 3

Page 2, lines 23 - 29 and Page 3, lines 1 - 5:

Delete all material and insert:

In 1988 the school account was established as part of the principal of the Alaska permanent fund. 1988 and 1989 permanent fund earnings, after payment of dividends, will go to the school account. Future income from this account will be available to help fund elementary and secondary schools and to eliminate classroom overcrowding in grades K-3. Permanent fund dividends should continue to grow larger. Do you want permanent fund earnings to be used for the school account?

HOUSE BILL 407/SENATE BILL 374

AMENDMENT NO. 4

Page 3, Add new sections 7 and 8:

\*Sec. 7. AS 14.14.090 is amended by adding a subsection to read:

(10) maintain pupil teacher ratios which do not exceed 20 to one in grades kindergarten through third by the beginning of the 1992 school term, except as is otherwise required or provided by the department by regulation.

\*Sec. 8. AS 14.07.020(a) is amended by adding a new subsection to read:

(15) by regulation adopt standards under which the pupil teacher ratios for grades kindergarten through third may be varied; the department shall assist districts, where necessary, in developing plans to meet the required pupil teacher ratios.

HOUSE BILL 407/SENATE BILL 374

AMENDMENT NO. 5

Page 2, Delete all the material beginning with the second "The" on line 3, through line 6, and

Page 3, Add new sections:

\*Sec. 9. Sections 1, 2, 3, 4, 5, 7 and 8 of this Act take effect immediately in accordance with AS 01.10.070 (c).

\*Sec. 10. Section 6 of this Act takes effect July 1, 1989.

\*Sec. 11. Secs. 1, 2, 3, 4, 6, 7 and 8 of this Act are repealed.

\*Sec. 12. Sec. 11 of this Act takes effect March 15, 1989.

ALASKA PUBLIC SCHOOL FOUNDATION FUNDING PROGRAM  
 FY89 LEGISLATIVE PROJECTION AS 11.17

UPDATED 3/21/88	BASED ON	BASED ON	ESTIMATED
	\$60,000 PER UNIT	\$64,950 PER UNIT	INCREASED
SCHOOL DISTRICT	FY89 PROPOSED STATE AID	FY89 PROPOSED STATE AID	STATE AID PER DISTRICT
ADAK	\$1,727,609	\$2,037,034	\$309,425
ALASKA GATEWAY	\$4,522,433	\$4,954,073	\$431,640
ALEUTIAN REGION	\$1,876,200	\$2,031,636	\$154,836
ANCHORAGE	\$128,319,907	\$143,518,486	\$15,198,579
ANNETTE ISLAND	\$966,670	\$1,177,837	\$211,167
BERING STRAIT	\$11,467,570	\$12,787,984	\$1,320,314
BRISTOL BAY	\$1,501,659	\$1,584,859	\$183,200
CHATHAM	\$2,108,870	\$2,361,865	\$252,995
CHUGACH	\$1,217,179	\$1,329,247	\$112,068
COPPER RIVER	\$4,347,287	\$4,738,783	\$391,496
CORDOVA	\$2,478,354	\$2,726,052	\$247,698
CRAIG	\$1,250,990	\$1,368,404	\$117,414
DELTA GREELY	\$4,323,022	\$4,770,799	\$447,777
DILLINGHAM	\$2,510,695	\$2,795,221	\$284,526
FAIRBANKS	\$47,243,578	\$52,615,269	\$5,371,691
SALENA	\$941,902	\$1,060,702	\$118,800
HAINES	\$1,910,997	\$2,104,493	\$193,496
HOONAH	\$1,400,390	\$1,535,575	\$135,185
HYDABURG	\$995,376	\$1,081,061	\$85,685
IDITAROD	\$4,183,432	\$4,602,400	\$418,968
JUNEAU	\$15,205,596	\$17,614,128	\$1,508,532
KAKE	\$911,565	\$1,020,713	\$109,148
KASHUNMIUT	\$1,464,964	\$1,615,939	\$150,975
KENAI	\$28,517,809	\$32,172,345	\$3,654,536
KETCHIKAN	\$9,007,868	\$10,020,539	\$1,012,671
KING COVE	\$968,077	\$1,080,393	\$112,316
KLAWOCK	\$771,018	\$875,414	\$104,396
KODIAK	\$11,778,512	\$12,962,303	\$1,183,991
KUSKOK	\$4,352,751	\$4,452,414	\$399,663
LAKE & PENINSULA	\$4,239,592	\$4,687,518	\$447,926
LOWER KUSKOKWIM	\$25,705,829	\$28,349,179	\$2,643,350
LOWER YUKON	\$10,037,739	\$11,159,805	\$1,122,066
MAT-SU	\$29,552,448	\$32,949,336	\$3,396,888
MENANA	\$1,686,738	\$1,830,981	\$144,243
NOPE	\$4,671,572	\$5,112,469	\$440,897
NORTH SLOPE	\$7,768,020	\$8,433,615	\$665,595
NORTHWEST ARCTIC	\$11,799,036	\$13,144,397	\$1,345,361
PELICAN	\$588,773	\$640,897	\$52,124
PETERSBURG	\$2,745,531	\$3,030,899	\$285,368
PRIBILOF	\$1,500,496	\$1,560,332	\$159,836
RAILBELT	\$3,113,721	\$3,383,249	\$269,528
SAND POINT	\$1,195,610	\$1,306,688	\$111,078
SITKA	\$6,208,104	\$6,875,463	\$667,359
SKAGWAY	\$872,403	\$961,652	\$89,249
SOUTHEAST ISLAND	\$4,126,245	\$4,529,373	\$403,128
SOUTHWEST REGION	\$4,579,440	\$5,103,200	\$523,760
ST. MARY'S	\$1,342,076	\$1,455,778	\$113,702
TANANA	\$906,202	\$997,981	\$91,779
UNALASKA	\$1,003,183	\$1,127,676	\$124,493
VALDEZ	\$2,463,126	\$2,776,907	\$313,781
WRANGELL	\$2,380,093	\$2,610,763	\$230,670
YAKUTAT	\$920,960	\$1,019,267	\$98,307
YUKON FLATS	\$5,243,820	\$5,719,119	\$475,299
YUKON-KOYUKUK	\$5,886,076	\$6,461,563	\$575,487
YUPIIT	\$3,528,084	\$3,881,960	\$353,876
TOTALS	\$442,543,597	\$492,426,435	\$49,882,838
STATE CORR. STUDY ->	\$2,415,660	\$2,614,952	\$199,292

UPDATED 3/21/88

SCHOOL DISTRICT	FY89 PROJECTED UNITS	AREA COST DIFF.	FY89 ADJUSTED UNITS	FY89 PROJECTED BASIC NEED \$60,000	REQUIRED LOCAL EFFORT	DEDUCTIBLE PL87A	FY89 PROPOSED STATE AID	BASIC NEED PER UNIT	RED. LOCAL EFFORT PER UNIT	PL87A DEDUCTIBLE PER UNIT	FY 89 STATE AID PER UNIT
ALASKA	49.22	1.27	47.95	\$1,750,600	0	\$2,022,991	\$1,727,609	\$60,000	0	\$12,363	\$27,637
ALASKA GATEWAY	73.28	1.19	72.09	\$1,211,000	0	\$709,567	\$4,522,433	\$60,000	0	\$8,137	\$51,863
ALEUTIAN REGION	23.88	1.31	21.57	\$1,276,800	0	0	\$1,876,800	\$60,000	0	0	\$60,000
ANKHOFAGE	3,070.42	1.00	3,070.42	\$184,225,000	\$55,704,384	\$200,409	\$128,319,907	\$60,000	\$19,162	\$65	\$41,792
ANNETTE ISLAND	41.42	1.03	40.36	\$1,559,600	0	\$1,592,930	\$966,670	\$60,000	0	\$17,340	\$22,660
BERING STRAIT	191.39	1.39	136.72	\$16,007,800	0	\$4,536,230	\$11,467,570	\$60,000	0	\$17,307	\$42,993
BRISTOL BAY	29.14	1.27	27.01	\$1,000,600	\$497,892	\$221,049	\$1,501,659	\$60,000	\$13,453	\$5,973	\$40,574
CHATHAM	49.62	1.03	48.59	\$1,366,600	0	\$957,730	\$2,104,970	\$60,000	0	\$18,739	\$41,261
CHUGACH	19.86	1.14	17.42	\$1,358,400	0	\$141,221	\$1,217,179	\$60,000	0	\$6,238	\$53,762
COPPER RIVER	69.38	1.14	60.29	\$4,745,400	0	\$398,113	\$4,347,287	\$60,000	0	\$5,034	\$54,966
CORONA	45.08	1.11	40.64	\$1,000,400	\$492,479	\$31,567	\$2,478,154	\$60,000	\$9,342	\$631	\$49,527
CRAIG	23.23	1.03	22.70	\$1,423,200	\$154,007	\$17,603	\$1,250,990	\$60,000	\$6,918	\$742	\$52,740
DELTA GREELY	77.98	1.16	70.46	\$1,427,600	0	\$1,104,578	\$4,323,022	\$60,000	0	\$12,211	\$47,789
DILLINGHAM	45.26	1.27	37.48	\$1,443,800	\$479,113	\$458,992	\$2,510,695	\$60,000	\$8,335	\$7,985	\$43,679
FATBANKS	1,043.45	1.04	1,043.45	\$45,111,400	\$17,828,609	\$29,213	\$47,243,578	\$60,000	\$16,428	\$27	\$48,535
GALENA	18.46	1.30	14.20	\$1,443,000	\$80,428	\$417,670	\$941,902	\$60,000	\$3,361	\$17,403	\$39,246
HAINES	37.23	1.05	35.29	\$1,365,400	\$406,780	\$27,623	\$1,910,997	\$60,000	\$10,406	\$707	\$48,887
HOOKAH	25.29	1.28	21.31	\$1,438,600	\$91,056	\$147,154	\$1,400,390	\$60,000	\$3,334	\$5,328	\$51,278
HYDABURG	16.81	1.03	16.31	\$1,008,600	\$43,224	0	\$965,376	\$60,000	\$2,497	0	\$57,503
IDITAROD	63.64	1.33	47.84	\$1,078,400	0	\$394,968	\$4,183,432	\$60,000	0	\$10,574	\$49,426
JUNEAU	365.36	1.00	365.36	\$21,921,600	\$6,091,876	\$24,128	\$15,805,996	\$60,000	\$16,674	\$66	\$43,260
KALE	21.41	1.03	20.80	\$1,313,000	\$65,598	\$345,837	\$1,911,565	\$60,000	\$2,975	\$15,684	\$41,341
KASHNARDUT	22.93	1.32	17.30	\$1,800,000	0	\$365,036	\$1,434,964	\$60,000	0	\$11,942	\$48,058
KENAI	736.29	1.00	736.29	\$44,297,400	\$15,401,740	\$177,851	\$28,517,809	\$60,000	\$21,132	\$241	\$38,627
KETCHIKAN	204.58	1.00	204.58	\$12,074,800	\$3,263,882	\$3,050	\$9,007,868	\$60,000	\$15,954	\$15	\$44,031
KING COVE	17.87	1.27	14.10	\$1,361,400	\$102,142	\$291,181	\$968,077	\$60,000	\$4,502	\$12,833	\$42,865
KILGUCK	20.43	1.23	16.60	\$1,295,400	\$46,098	\$48,254	\$771,018	\$60,000	\$2,186	\$21,256	\$36,558
KODIAK	219.44	1.29	168.54	\$14,351,400	\$2,329,434	\$183,154	\$11,778,812	\$60,000	\$9,990	\$766	\$49,245
KUSPIK	60.71	1.33	45.64	\$4,344,400	0	\$791,649	\$4,052,751	\$60,000	0	\$9,805	\$50,195
LAKE & PENINSULA	69.08	1.31	52.45	\$1,429,600	0	\$1,189,808	\$4,239,592	\$60,000	0	\$13,149	\$46,851
LOWER KUSKOKWIM	376.06	1.42	264.81	\$12,040,600	0	\$6,334,771	\$25,705,829	\$60,000	0	\$11,863	\$48,137
LOWER YUKON	167.91	1.35	124.38	\$13,600,800	0	\$3,563,061	\$10,037,739	\$60,000	0	\$15,718	\$44,282
MAT-SU	686.24	1.00	686.24	\$41,174,400	\$11,610,710	\$11,242	\$29,552,448	\$60,000	\$16,919	\$16	\$43,064
MEANA	24.29	1.20	20.24	\$1,748,400	\$67,408	\$4,254	\$1,686,738	\$60,000	\$1,970	\$145	\$57,384
MOPE	56.47	1.34	42.11	\$1,344,200	\$605,226	\$67,432	\$4,671,572	\$60,000	\$6,795	\$757	\$52,448
NORTH SLOPE	137.32	1.45	94.71	\$11,946,600	\$4,178,580	0	\$7,768,020	\$60,000	\$20,966	0	\$39,034
NORTHEAST ARCTIC	187.44	1.45	129.79	\$16,307,400	\$749,926	\$3,758,438	\$11,799,036	\$60,000	\$2,759	\$13,828	\$43,412
PELICAN	9.75	1.08	9.02	\$631,800	\$43,027	0	\$588,773	\$60,000	\$4,086	0	\$55,914
PETERSBURG	57.65	1.00	57.65	\$1,459,000	\$707,726	\$5,743	\$2,745,531	\$60,000	\$12,276	\$100	\$47,624
PRISTOF	24.84	1.30	19.10	\$1,937,400	0	\$436,904	\$1,500,496	\$60,000	0	\$13,531	\$46,469
RAISELBT	43.48	1.23	35.44	\$1,206,400	0	\$87,679	\$3,118,721	\$60,000	0	\$1,641	\$58,259
SAND POINT	17.67	1.27	13.91	\$1,344,400	\$143,279	\$7,511	\$1,195,610	\$60,000	\$9,385	\$235	\$53,280
SITKA	124.82	1.00	124.82	\$1,029,200	\$1,826,135	\$4,961	\$6,208,134	\$60,000	\$13,545	\$408	\$46,247
SKAGWAY	17.17	1.05	16.33	\$1,281,800	\$208,825	\$572	\$1,072,403	\$60,000	\$11,582	\$32	\$48,386
SOUTHEAST ISLAND	78.31	1.04	75.24	\$4,236,400	0	\$760,155	\$4,126,245	\$60,000	0	\$9,334	\$50,666
SOUTHWEST REGION	30.77	1.31	23.48	\$6,348,600	0	\$1,769,160	\$4,579,440	\$60,000	0	\$16,720	\$43,280
ST. MARY'S	17.67	1.30	13.60	\$1,378,200	\$17,805	\$18,319	\$1,342,076	\$60,000	\$775	\$758	\$58,427
TANANA	14.17	1.30	10.90	\$1,125,200	\$47,021	\$151,377	\$906,802	\$60,000	\$2,553	\$8,218	\$49,229
UNALASKA	19.80	1.27	15.59	\$1,509,000	\$383,109	\$122,758	\$1,003,133	\$60,000	\$15,233	\$4,879	\$39,888
VALDEZ	57.11	1.11	51.45	\$1,502,400	\$1,328,380	\$11,394	\$2,463,126	\$60,000	\$20,964	\$150	\$38,857
WRANGELL	46.60	1.00	46.60	\$1,299,000	\$413,793	\$2,109	\$2,380,093	\$60,000	\$8,820	\$45	\$51,075
YAKUTAT	18.39	1.08	17.04	\$1,191,600	\$62,612	\$208,028	\$920,960	\$60,000	\$3,153	\$10,475	\$46,373
YUKON FLATS	65.77	1.46	45.04	\$1,761,000	0	\$157,380	\$5,243,820	\$60,000	0	\$5,388	\$54,612
YUNON-KOYUKUK	36.76	1.34	27.39	\$6,975,600	0	\$1,089,524	\$5,886,076	\$60,000	0	\$9,371	\$50,629
YUPIIT	50.70	1.41	35.96	\$4,139,400	0	\$761,316	\$3,378,084	\$60,000	0	\$10,649	\$49,351

TOTALS	9,241.61	10,097.52	1605,851.200	\$125,733,909	\$37,473,594	\$442,643,697	STATEWIDE AVERAGE	\$12,452.0	\$3,711.2	PERCENTAGE	20.54	6.28	73.14
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STATE CORR STUDY -----))	\$2,415,660
VALDEZ CONTRACT -----))	\$600,000
OLD HAPPLESS -----))	0
SUBSIDY -----))	\$600,000
ADVERSE CONSE -----))	\$2,000,000
TOTAL STATE AID -----))	\$468,259,357

UPDATED 3/21/88

SCHOOL DISTRICT	FY89 PROJECTED BASIC NEED \$60,000	65% OF BASIC NEED	FY88 35% OF BASIC NEED	REQUIRED LOCAL EFFORT	35% BASIC NEED MINUS REQ. LOC. EFF	EST. FY88 PL874 LESS SPEC. ED.	PL874 PERCENTAGE	DEDUCTIBLE PL874	65% BASIC NEED LESS DEDUC. PL874	FY89 PROPOSED STATE AID
AGAK	\$2,750,600	\$2,437,890	\$1,386,210	\$0	\$1,386,210	\$2,247,767	100.00%	\$2,022,991	\$414,899	\$1,727,609
ALASKA GATEWAY	\$5,232,000	\$3,400,800	\$1,735,230	\$0	\$1,735,230	\$788,408	100.00%	\$709,567	\$2,691,233	\$4,522,433
ALEUTIAN REGION	\$1,876,800	\$1,219,920	\$643,440	\$0	\$643,440	\$0	100.00%	\$0	\$1,219,920	\$1,876,800
ANCHORAGE	\$184,225,200	\$119,746,380	\$65,412,270	\$55,704,884	\$9,707,386	\$277,690	80.19%	\$200,409	\$119,545,971	\$128,319,907
ANNETTE ISLAND	\$2,552,600	\$1,563,740	\$869,610	\$0	\$869,610	\$1,769,922	100.00%	\$1,592,930	\$70,810	\$966,670
BERING STRAIT	\$16,003,800	\$10,402,470	\$5,417,370	\$0	\$5,417,370	\$5,040,256	100.00%	\$4,536,230	\$5,866,240	\$11,467,570
BRISTOL BAY	\$2,220,600	\$1,443,390	\$778,680	\$497,892	\$280,788	\$245,610	100.00%	\$221,049	\$1,222,341	\$1,501,659
CHATHAM	\$3,066,600	\$1,993,290	\$1,073,310	\$0	\$1,073,310	\$1,064,144	100.00%	\$957,730	\$1,035,560	\$2,108,870
CHUGACH	\$1,358,400	\$882,960	\$475,440	\$0	\$475,440	\$156,912	100.00%	\$141,221	\$741,739	\$1,217,179
COPPER RIVER	\$4,745,400	\$3,084,510	\$1,600,620	\$0	\$1,600,620	\$442,347	100.00%	\$398,113	\$2,686,397	\$4,347,287
CORDOVA	\$3,002,400	\$1,951,560	\$1,050,840	\$492,479	\$558,361	\$37,916	92.51%	\$31,567	\$1,919,993	\$2,478,354
CRAIG	\$1,423,200	\$925,080	\$498,120	\$154,607	\$343,513	\$19,559	100.00%	\$17,603	\$907,477	\$1,250,990
DELTA GREELY	\$5,427,600	\$3,527,940	\$1,945,650	\$0	\$1,945,650	\$1,227,309	100.00%	\$1,104,578	\$2,423,362	\$4,323,022
DILLINGHAM	\$3,448,800	\$2,241,720	\$1,161,720	\$479,113	\$682,607	\$509,991	100.00%	\$458,992	\$1,782,728	\$2,510,695
FAIRBANKS	\$65,111,400	\$42,322,417	\$23,090,130	\$17,838,609	\$5,251,521	\$51,908	62.53%	\$29,213	\$42,293,197	\$67,243,578
SALENA	\$1,440,600	\$936,000	\$527,100	\$80,428	\$446,672	\$684,248	67.82%	\$417,670	\$518,330	\$941,902
HAINES	\$2,345,400	\$1,524,510	\$833,910	\$406,780	\$427,130	\$32,520	94.38%	\$27,623	\$1,496,887	\$1,910,997
HONAH	\$1,638,600	\$1,065,090	\$574,350	\$91,056	\$483,294	\$224,455	72.85%	\$147,154	\$917,936	\$1,400,390
HYDABURG	\$1,038,600	\$675,090	\$357,210	\$43,224	\$313,966	\$0	100.00%	\$0	\$675,090	\$995,376
IDITAROD	\$5,078,400	\$3,300,960	\$1,775,970	\$0	\$1,775,970	\$994,409	100.00%	\$894,968	\$2,405,992	\$4,183,432
JUNEAU	\$21,921,600	\$14,249,040	\$7,831,530	\$6,091,876	\$1,739,654	\$40,940	65.48%	\$24,128	\$14,224,912	\$15,805,596
KAKE	\$1,323,000	\$859,950	\$479,010	\$65,598	\$413,412	\$384,263	100.00%	\$345,837	\$514,113	\$911,565
KASHUNAMIUT	\$1,830,300	\$1,139,500	\$612,570	\$0	\$612,570	\$405,595	100.00%	\$365,036	\$824,464	\$1,464,964
KENAI	\$44,297,400	\$28,793,310	\$15,601,740	\$15,601,740	\$0	\$247,448	79.86%	\$177,851	\$28,615,459	\$28,517,809
KETCHIKAN	\$12,274,300	\$7,978,620	\$4,330,620	\$3,263,882	\$1,066,738	\$5,995	56.54%	\$3,050	\$7,975,570	\$9,007,868
KING COVE	\$1,361,400	\$884,910	\$484,050	\$102,142	\$381,908	\$323,535	100.00%	\$291,181	\$593,729	\$968,077
KLANOCK	\$1,265,400	\$822,510	\$441,420	\$46,098	\$395,322	\$498,093	100.00%	\$448,284	\$374,226	\$771,018
KODIAK	\$14,351,400	\$9,328,410	\$4,998,420	\$2,389,434	\$2,608,986	\$209,173	97.29%	\$183,154	\$9,145,256	\$11,778,812
KUSLUK	\$4,844,400	\$3,143,360	\$1,697,850	\$0	\$1,697,850	\$879,610	100.00%	\$791,649	\$2,357,211	\$4,052,751
LAKE & PENINSULA	\$5,429,400	\$3,529,110	\$1,859,970	\$0	\$1,859,970	\$1,322,009	100.00%	\$1,189,808	\$2,339,302	\$4,239,592
LOWER KUSKOKWIM	\$32,040,600	\$20,826,390	\$11,079,390	\$0	\$11,079,390	\$7,038,634	100.00%	\$6,334,771	\$14,491,619	\$25,705,829
LOWER YUKON	\$13,600,300	\$8,840,520	\$4,757,340	\$0	\$4,757,340	\$3,958,956	100.00%	\$3,563,061	\$5,277,459	\$10,037,739
MAT-SU	\$41,174,400	\$26,763,360	\$14,419,860	\$11,610,710	\$2,809,150	\$15,060	82.94%	\$11,242	\$26,752,118	\$29,552,448
MEANA	\$1,748,400	\$1,136,460	\$613,410	\$57,408	\$556,002	\$4,727	100.00%	\$4,254	\$1,132,206	\$1,686,738
MOPE	\$5,344,200	\$3,473,730	\$1,798,650	\$605,226	\$1,193,424	\$74,891	100.00%	\$67,402	\$3,406,328	\$4,671,572
NORTH SLOPE	\$11,946,600	\$7,765,290	\$4,178,580	\$4,178,580	\$0	\$0	26.41%	\$0	\$7,765,290	\$7,768,020
NORTHWEST ARCTIC	\$16,307,400	\$10,599,810	\$5,502,000	\$749,926	\$4,752,074	\$4,176,043	100.00%	\$3,758,438	\$6,841,372	\$11,799,036
PELICAN	\$631,900	\$410,670	\$219,450	\$43,027	\$176,423	\$0	100.00%	\$0	\$410,670	\$588,773
PETERSBURG	\$3,459,000	\$2,248,350	\$1,210,650	\$707,726	\$502,924	\$6,381	100.00%	\$5,743	\$2,242,607	\$2,745,531
PRIBILOF	\$1,737,400	\$1,259,310	\$643,440	\$0	\$643,440	\$485,449	100.00%	\$436,904	\$822,406	\$1,500,496
PAULBELT	\$3,296,400	\$2,084,160	\$1,155,420	\$0	\$1,155,420	\$97,422	100.00%	\$87,679	\$1,996,481	\$3,118,721
SAND POINT	\$1,346,400	\$875,150	\$445,620	\$143,279	\$302,341	\$8,695	95.98%	\$7,511	\$867,649	\$1,195,510
SIKKA	\$8,389,200	\$5,257,980	\$2,783,550	\$1,826,135	\$957,415	\$102,277	59.71%	\$54,961	\$5,203,019	\$6,208,104
SISWAY	\$1,081,900	\$703,170	\$385,350	\$208,325	\$176,525	\$635	100.00%	\$572	\$702,598	\$872,403
SOUTHEAST ISLAND	\$4,886,400	\$3,176,160	\$1,753,710	\$0	\$1,753,710	\$844,617	100.00%	\$760,155	\$2,416,005	\$4,126,245
SOUTHWEST REGION	\$6,348,600	\$4,126,590	\$2,348,470	\$0	\$2,348,470	\$1,965,734	100.00%	\$1,769,160	\$2,357,430	\$4,579,440
ST. MARY'S	\$1,378,200	\$895,830	\$476,700	\$17,805	\$458,895	\$137,175	14.84%	\$18,319	\$877,511	\$1,342,076
TAHANA	\$1,105,200	\$718,380	\$384,300	\$47,021	\$337,279	\$168,197	100.00%	\$151,377	\$567,003	\$906,802
TALASKA	\$1,504,000	\$980,350	\$502,740	\$383,109	\$119,631	\$136,342	100.00%	\$122,708	\$858,142	\$1,003,183
VALDEZ	\$3,803,400	\$2,472,210	\$1,328,380	\$1,328,880	\$0	\$35,128	36.04%	\$11,394	\$2,460,816	\$2,463,126
WANGELL	\$2,736,300	\$1,817,400	\$973,350	\$413,798	\$559,552	\$3,297	71.06%	\$2,109	\$1,815,291	\$2,380,093
WAPUTAT	\$1,191,500	\$774,540	\$384,510	\$62,612	\$321,898	\$231,142	100.00%	\$208,028	\$566,512	\$920,960
WILSON FLATS	\$5,761,200	\$3,744,780	\$1,920,030	\$0	\$1,920,030	\$574,866	100.00%	\$517,380	\$3,227,400	\$5,243,820
YUKON-KOYUKUK	\$6,975,600	\$4,534,140	\$2,403,450	\$0	\$2,403,450	\$1,210,582	100.00%	\$1,089,524	\$3,444,616	\$5,880,076
YUPIIT	\$4,389,400	\$2,788,110	\$1,497,720	\$0	\$1,497,720	\$845,907	100.00%	\$761,316	\$2,026,794	\$3,528,084
TOTALS	\$605,851,200	\$393,903,280	\$212,610,930	\$125,733,909	\$86,877,021	\$42,254,100		\$37,473,594	\$356,329,686	\$442,543,697

FY89 HOLD HARMLESS CALCULATIONS  
AS 14.17  
UPDATED 3/21/88

FROM FY86 APP.

SEE SCHOOL NOTE DISTRICT	FY87 AUDITED CITY/BOROUGH TAX APPROP.	FY87 AUDITED EARNINGS ON INVESTMENTS	FY87 AUDITED IN-KIND SERVICES	FY87 AUDITED STATE TUITION	ELIGIBLE PL374 AT 9%	FY87 FINAL FOUNDATION	FINAL FY 1987 ADM	FY89 ADM PROJECTED	FY89 PROPOSED STATE AID	FY89 PROJECTED BASIC NEED \$40,000	STATE COMPARISON AT 80%	BASIC COMPARISON AT 80%	FY89 HOLD HARMLESS
ACAM		\$0	\$0	\$0	\$1,792,632	\$2,721,937	\$01.70	\$63.00	\$1,727,609	\$3,750,600	\$309,885	(\$271,239)	10
ALASKA GATEWAY		\$0	\$0	\$0	\$626,551	\$3,657,287	\$10.60	\$03.00	\$4,522,433	\$5,232,000	(\$1,640,153)	(\$1,855,940)	10
ALEUTIAN REGION		\$0	\$0	\$0	\$294,651	\$1,377,366	\$0.50	\$03.00	\$1,876,500	\$1,876,800	(\$622,730)	(\$354,451)	10
* ANCHORAGE	\$55,004,564	\$0	\$0	\$0	\$333,388	\$118,212,469	\$9,752.10	\$8,443.00	\$128,319,907	\$184,225,200	(\$36,864,272)	(\$49,414,904)	10
ANNETTE ISLAND		\$0	\$0	\$0	\$1,406,836	\$1,707,731	\$21.10	\$30.00	\$966,670	\$2,559,600	\$428,389	(\$15,285)	10
BEPPING STRAIT		\$0	\$0	\$0	\$4,199,309	\$10,455,051	\$1,223.80	\$1,300.00	\$11,467,570	\$16,003,500	(\$2,582,741)	(\$3,550,348)	10
BRISTOL BAY	\$43,000	\$31,399	\$0	\$4,177	\$259,254	\$1,851,474	\$33.00	\$40.00	\$1,501,659	\$2,220,600	\$24,019	(\$277,397)	10
CHATHAM		\$0	\$0	\$0	\$782,972	\$2,290,859	\$31.60	\$16.00	\$2,108,970	\$3,066,600	(\$461,745)	(\$856,519)	10
CHUGACH		\$0	\$0	\$0	\$133,932	\$1,241,245	\$30.00	\$32.00	\$1,217,179	\$1,358,400	(\$208,905)	(\$200,718)	10
COPPER RIVER		\$0	\$0	\$0	\$398,113	\$3,928,955	\$60.70	\$62.00	\$4,347,287	\$4,745,400	(\$1,517,577)	(\$1,966,461)	10
CORDOVA	\$492,475	\$0	\$0	\$0	\$15,503	\$2,520,462	\$32.20	\$29.00	\$2,478,354	\$3,002,400	(\$476,914)	(\$597,504)	10
CRAIG		\$22,577	\$15,074	\$0	\$32,973	\$1,454,284	\$21.00	\$23.00	\$1,250,990	\$1,423,200	(\$178,220)	(\$298,333)	10
DELTA GREELY		\$0	\$0	\$0	\$1,042,286	\$4,362,539	\$1,018.70	\$944.00	\$4,323,022	\$5,427,600	(\$1,088,910)	(\$1,420,203)	10
DILLINGHAM	\$100,000	\$88,667	\$0	\$0	\$354,651	\$3,395,723	\$61.50	\$86.00	\$2,510,695	\$3,448,800	\$350,100	(\$130,276)	10
* FATBANKS	\$17,833,609	\$0	\$0	\$0	\$32,127	\$42,222,703	\$3,116.80	\$3,085.00	\$47,243,578	\$65,111,400	(\$13,547,306)	(\$17,153,200)	10
GALENA	\$15,739	\$31,876	\$0	\$3,586	\$443,016	\$1,411,841	\$66.50	\$40.00	\$941,902	\$1,440,000	\$7,805	(\$157,847)	10
HAINES	\$423,638	\$0	\$0	\$0	\$46,164	\$1,939,207	\$31.70	\$64.00	\$1,910,997	\$2,345,400	(\$405,293)	(\$350,669)	10
HOONAH	\$0	\$11,549	\$11,339	\$59,775	\$190,303	\$1,475,294	\$24.30	\$25.00	\$1,400,390	\$1,638,600	(\$216,626)	(\$235,408)	10
HYDABURG	\$0	\$5,250	\$0	\$0	\$0	\$858,997	\$07.00	\$10.00	\$995,376	\$1,038,600	(\$280,687)	(\$319,593)	10
IDITAROD	\$0	\$0	\$0	\$0	\$849,651	\$4,537,228	\$33.80	\$08.00	\$4,183,432	\$5,078,400	(\$324,779)	(\$497,167)	10
* JUNEAU	\$6,091,876	\$0	\$0	\$0	\$26,897	\$14,677,126	\$4,599.40	\$4,429.00	\$15,805,596	\$21,921,600	(\$4,498,905)	(\$5,901,243)	10
KAKE	\$0	\$0	\$0	\$63,703	\$209,395	\$1,279,114	\$96.00	\$69.00	\$911,565	\$1,323,000	(\$29,238)	(\$252,291)	10
KASHUNAMTUT	\$0	\$0	\$0	\$0	\$498,907	\$1,314,591	\$72.00	\$69.00	\$1,464,964	\$1,830,000	(\$408,053)	(\$380,925)	10
* KENAI	\$15,651,740	\$0	\$0	\$0	\$188,133	\$27,720,748	\$3,143.60	\$8,001.00	\$28,517,809	\$44,297,400	(\$6,729,538)	(\$10,098,423)	10
* KETCHIKAN	\$3,263,882	\$0	\$0	\$0	\$6,205	\$7,812,870	\$2,435.40	\$2,502.50	\$9,007,858	\$12,271,800	(\$2,585,364)	(\$3,164,148)	10
KING COVE	\$10,000	\$30,424	\$0	\$0	\$138,006	\$1,165,074	\$132.70	\$134.00	\$968,077	\$1,361,400	(\$26,871)	(\$276,051)	10
KLADOCK	\$0	\$15,505	\$2,700	\$7,214	\$210,198	\$1,164,072	\$62.00	\$72.00	\$771,018	\$1,265,400	(\$218,725)	(\$76,528)	10
* KODIAK	\$2,389,434	\$0	\$0	\$0	\$146,749	\$11,196,639	\$2,221.60	\$2,305.00	\$11,778,812	\$14,251,400	(\$2,485,239)	(\$2,952,713)	10
KUSKUK	\$0	\$0	\$0	\$0	\$1,213,011	\$3,971,984	\$350.85	\$379.00	\$4,052,751	\$4,844,400	(\$620,214)	(\$363,595)	10
LAKE & PENINSULA	\$0	\$0	\$0	\$0	\$1,036,848	\$4,374,911	\$354.60	\$355.00	\$4,239,592	\$5,429,400	(\$634,981)	(\$970,501)	10
LOWER KUSKOKWIM	\$0	\$0	\$0	\$0	\$5,933,153	\$21,252,024	\$2,564.39	\$2,673.50	\$25,705,829	\$32,040,600	(\$7,980,822)	(\$9,367,115)	10
LOWER YUKON	\$0	\$0	\$0	\$0	\$4,633,701	\$9,062,339	\$1,314.10	\$1,299.00	\$10,087,739	\$13,600,800	(\$2,871,175)	(\$2,769,871)	10
* MAT-SU	\$11,789,742	\$0	\$0	\$0	\$19,026	\$27,330,112	\$8,680.90	\$8,528.00	\$29,552,448	\$41,174,400	(\$8,073,459)	(\$10,414,791)	10
MEGANA	\$57,468	\$0	\$0	\$0	\$6,566	\$1,107,585	\$23.00	\$20.00	\$1,686,738	\$1,748,400	(\$245,977)	(\$224,420)	10
MOPE	\$206,000	\$92,403	\$0	\$11,468	\$82,724	\$5,098,355	\$781.80	\$748.00	\$4,671,572	\$5,344,200	(\$769,224)	(\$1,161,354)	10
* NORTH SLOPE	\$4,178,580	\$0	\$0	\$0	\$1,054,155	\$8,298,391	\$1,151.30	\$1,259.00	\$7,768,020	\$11,946,600	(\$408,279)	(\$100,320)	10
NORTHWEST ARCTIC	\$0	\$0	\$0	\$0	\$3,020,514	\$11,010,798	\$1,550.00	\$1,623.00	\$11,799,036	\$16,307,400	(\$2,575,539)	(\$4,553,687)	10
PELICAN	\$14,000	\$5,862	\$0	\$5,126	\$0	\$559,641	\$4.40	\$0.00	\$588,773	\$631,800	(\$177,272)	(\$201,926)	10
PETERSBURG	\$626,460	\$36,238	\$0	\$0	\$8,155	\$2,997,451	\$601.00	\$630.00	\$2,745,531	\$3,459,000	(\$231,861)	(\$399,524)	10
PRIBILOF	\$0	\$0	\$0	\$0	\$602,751	\$1,103,980	\$155.60	\$164.00	\$1,500,496	\$1,937,400	(\$369,634)	(\$498,306)	10
FAIRBELT	\$0	\$0	\$0	\$0	\$116,468	\$3,274,977	\$365.80	\$349.00	\$3,118,721	\$3,206,400	(\$619,066)	(\$617,350)	10
SAND POINT	\$40,000	\$7,031	\$0	\$0	\$0	\$996,332	\$118.30	\$145.00	\$1,195,610	\$1,246,400	(\$218,649)	(\$323,223)	10
* SITKA	\$1,829,135	\$0	\$0	\$0	\$84,012	\$5,501,171	\$1,610.00	\$1,610.00	\$6,208,104	\$8,089,200	(\$1,807,167)	(\$2,160,151)	10
SKAGWAY	\$58,500	\$7,379	\$0	\$0	\$0	\$871,729	\$17.00	\$15.00	\$872,403	\$1,081,800	(\$185,201)	(\$142,270)	10
SOUTHEAST ISLAND	\$0	\$0	\$0	\$0	\$764,757	\$3,743,017	\$419.40	\$43.05	\$4,126,245	\$4,886,400	(\$820,131)	(\$904,336)	10
SOUTHWEST REGION	\$0	\$0	\$0	\$0	\$1,742,370	\$4,449,387	\$72.10	\$77.00	\$4,579,440	\$6,348,600	(\$982,581)	(\$1,343,378)	10
ST. MARY'S	\$17,805	\$0	\$0	\$0	\$62,613	\$1,371,778	\$101.20	\$115.00	\$1,342,076	\$1,378,200	(\$95,005)	(\$58,022)	10
TANANA	\$47,001	\$0	\$0	\$0	\$186,793	\$1,008,258	\$81.00	\$6.00	\$906,802	\$1,105,200	(\$50,405)	(\$50,206)	10
UNALASKA	\$100,000	\$6,464	\$0	\$0	\$154,473	\$1,245,414	\$159.00	\$160.00	\$1,003,133	\$1,509,000	(\$585)	(\$278,429)	10
* VALDEZ	\$1,323,380	\$0	\$0	\$0	\$9,173	\$3,178,455	\$95.00	\$95.00	\$2,463,126	\$3,203,400	\$79,438	(\$190,194)	10
WANGELL	\$458,081	\$0	\$0	\$0	\$2,037	\$2,478,575	\$494.00	\$506.00	\$2,380,093	\$2,796,000	(\$349,067)	(\$187,332)	10
YAKUTAT	\$28,614	\$3,706	\$0	\$18,663	\$56,386	\$1,135,097	\$157.00	\$130.00	\$920,960	\$1,191,600	(\$169,049)	(\$363,565)	10
YUKON FLATS	\$0	\$0	\$0	\$0	\$703,866	\$4,600,245	\$372.00	\$376.00	\$5,243,820	\$5,311,200	(\$1,524,052)	(\$1,472,284)	10
YUKON-KOYUKUK	\$0	\$0	\$0	\$0	\$1,484,468	\$5,786,111	\$12.60	\$55.00	\$5,836,076	\$6,975,600	(\$1,692,420)	(\$1,706,032)	10
YUPIIT	\$0	\$0	\$0	\$0	\$1,043,126	\$3,391,463	\$294.60	\$296.00	\$3,528,034	\$4,289,400	(\$802,020)	(\$724,869)	10
TOTALS	\$122,781,557	\$447,330	\$29,113	\$173,712	\$38,741,053	\$116,793,367	\$102,212.04	\$100,904.05	\$442,643,697	\$605,851,200			10

\* DISTRICTS WITH AN \* NEXT TO THEM HAVE BEEN LIMITED TO 35% OF BASIC NEED OR 4 MILLS.

UPDATED 3/21/88

SCHOOL DISTRICT	FY89 LOCAL LIMITED TO 35% OR 4 MILLS	ESTIMATED FY89 LOCAL REV	REQUIRED LOCAL EFFORT	ONE HUNDRED PERCENT ASSESSED VALUE	1 MILL / UNIT	1.5 MILLS / UNIT	2 MILLS / UNIT
ADAK	\$0	0	\$0				
ALASKA GATEWAY	\$0	0	\$0				
ALEUTIAN REGION	\$0	0	\$0				
ANCHORAGE	\$55,704,884	\$69,467,265	\$55,704,884	\$13,926,220,970	4,536	6,803	9,071
ANNETTE ISLAND	\$0	\$0	\$0		0	0	0
BERING STRAIT	\$0	\$0	\$0		0	0	0
BRISTOL BAY	\$373,419	\$373,419	\$497,892	\$124,472,900	3,363	5,045	6,726
CHATHAM	\$0	\$0	\$0		0	0	0
CHUGACH	\$0	\$0	\$0		0	0	0
COPPER RIVER	\$0	\$0	\$0		0	0	0
CORDOVA	\$492,479	\$532,383	\$492,479	\$123,119,700	2,460	3,691	4,921
CRAIG	\$115,955	\$115,955	\$154,607	\$38,651,800	1,630	2,444	3,259
DELTA GREELY	\$0	\$0	\$0		0	0	0
DILLINGHAM	\$265,000	\$265,000	\$479,113	\$119,778,300	2,084	3,126	4,168
FAIRBANKS	\$17,838,609	\$28,527,312	\$17,838,609	\$4,459,652,170	4,110	6,164	8,219
GALENA	\$80,428	\$118,585	\$80,428	\$20,106,900	838	1,257	1,676
HAINES	\$423,688	\$431,000	\$406,780	\$101,694,900	2,602	3,902	5,203
HOONAH	\$91,056	\$125,000	\$91,056	\$22,764,000	834	1,250	1,667
HYDABURG	\$43,224	\$53,671	\$43,224	\$10,806,000	624	936	1,249
IDITAROD	\$0	\$0	\$0		0	0	0
JUNEAU	\$6,091,876	\$9,303,000	\$6,091,876	\$1,522,969,100	4,168	6,253	8,337
KAKE	\$49,198	\$49,198	\$65,598	\$16,399,400	744	1,116	1,487
KASHUNAMIUT	\$0	\$0	\$0		0	0	0
KENAI	\$15,601,740	\$19,536,443	\$15,601,740	\$3,901,187,830	5,284	7,926	10,568
KETCHIKAN	\$3,263,882	\$5,772,783	\$3,263,882	\$815,970,600	3,989	5,983	7,977
KING COVE	\$44,983	\$44,983	\$102,142	\$25,535,500	1,125	1,688	2,251
KLAWOCK	\$34,574	\$34,574	\$46,098	\$11,524,600	546	820	1,093
KODIAK	\$2,389,434	\$2,456,000	\$2,389,434	\$597,358,600	2,497	3,746	4,995
KUSLUK	\$0	\$0	\$0		0	0	0
LAKE & PENINSULA	\$0	\$0	\$0		0	0	0
LOWER KUSKOKWIM	\$0	\$0	\$0		0	0	0
LOWER YUKON	\$0	\$0	\$0		0	0	0
MAT-SU	\$11,789,742	\$13,998,891	\$11,610,710	\$2,902,677,440	4,230	6,345	8,460
MENANA	\$57,408	\$102,123	\$57,408	\$14,351,900	493	739	985
OME	\$453,920	\$453,920	\$605,226	\$151,306,500	1,699	2,548	3,397
NORTH SLOPE	\$4,178,580	\$15,822,083	\$4,178,580	\$12,575,594,720	53,159	94,739	126,318
NORTHWEST ARCTIC	\$705,136	\$705,136	\$749,926	\$187,481,500	690	1,035	1,380
PELICAN	\$32,270	\$32,270	\$43,027	\$10,756,700	1,022	1,532	2,043
PETERSBURG	\$674,000	\$674,000	\$707,726	\$176,931,400	3,069	4,604	6,138
PRIBILOF	\$0	\$0	\$0		0	0	0
RAILBELT	\$0	\$0	\$0		0	0	0
SAND POINT	\$143,279	\$149,282	\$143,279	\$35,819,800	1,596	2,394	3,192
SITKA	\$1,865,070	\$3,058,379	\$1,826,135	\$456,533,800	3,386	5,079	6,772
SKAGWAY	\$156,619	\$156,619	\$208,825	\$52,206,200	2,896	4,343	5,791
SOUTHEAST ISLAND	\$0	\$0	\$0		0	0	0
SOUTHWEST REGION	\$0	\$0	\$0		0	0	0
ST. MARY'S	\$17,805	\$120,000	\$17,805	\$4,451,200	194	291	388
TANANA	\$35,266	\$35,266	\$47,021	\$11,755,200	638	957	1,276
UNALASKA	\$374,964	\$374,964	\$383,109	\$95,777,280	3,808	5,712	7,616
VALDEZ	\$1,328,880	\$3,687,388	\$1,328,880	\$1,565,334,800	24,694	37,041	49,387
WRANGELL	\$458,081	\$582,363	\$413,798	\$103,449,400	2,220	3,330	4,440
YAKUTAT	\$60,000	\$60,000	\$62,612	\$15,652,900	788	1,182	1,576
YUKON FLATS	\$0	\$0	\$0		0	0	0
YUKON-KOYUKUK	\$0	\$0	\$0		0	0	0
YUPIIT	\$0	\$0	\$0		0	0	0

TOTALS \$125,235,449 \$177,219,255 \$125,733,909 \$44,198,294,010

DEPARTMENT OF EDUCATION  
 PROJECTED FYS9 FOUNDATION REPORTS  
 ADM & UNITS BY CATEGORY  
 UPDATED 3/21/88

SCHOOL DISTRICT	PROJECTED					
	FY89 ADM	K-12 UNITS	BIL./BIC. UNITS	SPEC. ED. UNITS	VOC. ED UNITS	TOTAL UNITS
ACAK	563.00	42.75	1.00	4.47	1.00	49.22
ALASKA GATEWAY	503.00	61.60	1.07	9.57	1.04	73.28
ALEUTIAN REGION	103.00	20.38	1.00	1.00	1.00	23.38
ANCHORAGE	38,443.00	2,572.13	39.51	427.25	31.53	3,070.42
ANNETTE ISLAND	430.00	34.67	1.00	4.75	1.00	41.42
BERING STRAIT	1,300.00	160.37	13.95	14.98	2.09	191.89
BRISTOL BAY	240.00	24.00	1.00	3.14	1.00	29.14
CHATHAM	316.00	44.58	0.00	4.04	1.00	49.62
CHUGACH	132.00	17.71	0.00	1.15	1.00	19.86
COPPER RIVER	562.00	63.51	1.00	3.85	1.02	69.38
CORDOVA	429.00	34.60	0.00	4.07	6.41	45.08
CRAIG	213.00	20.20	0.00	1.83	1.00	23.03
DELTA GREELY	944.00	68.13	0.00	8.58	1.27	77.98
DILLINGHAM	486.00	38.08	1.00	5.18	1.00	45.26
FAIRBANKS	13,085.00	897.11	4.64	129.10	12.60	1,043.45
GALENA	140.00	15.33	1.00	1.13	1.00	18.46
HAINES	364.00	33.16	1.00	2.07	1.00	37.23
HOONAH	235.00	21.00	0.00	2.69	1.00	25.29
HYDABURG	110.00	13.16	1.00	1.65	1.00	16.81
IDITAROD	408.00	57.52	1.04	3.71	1.37	63.64
JUNEAU	4,429.00	300.59	1.47	58.30	5.00	365.36
KAKE	169.00	17.26	0.00	3.15	1.00	21.41
KASHUNAMIUT	169.00	17.27	1.24	2.42	2.00	22.93
KENAI	9,001.00	637.88	10.92	80.28	9.21	738.29
KETCHIKAN	2,502.50	175.23	1.00	24.98	3.37	204.58
KING COVE	134.00	14.93	0.00	1.94	1.00	17.87
KLAMOCK	172.00	17.47	0.00	2.01	1.00	20.48
KOOTIAK	2,305.00	186.87	2.17	27.39	3.01	219.44
KUSPUK	379.00	54.26	1.00	4.45	1.00	60.71
LAKE & PENINSULA	365.00	62.35	1.00	4.21	1.52	69.08
LOWER KUSKOKWIM	2,673.50	287.66	56.20	28.86	3.34	376.06
LOWER YUKON	1,299.00	145.41	6.81	13.93	1.76	167.91
MAT-SU	8,528.00	611.46	2.00	62.56	10.22	686.24
MEHANA	200.00	19.33	1.00	2.95	1.00	24.28
MOPE	748.00	55.55	2.04	7.38	1.50	66.47
NORTH SLOPE	1,259.00	122.69	5.26	7.48	1.89	137.32
NORTHWEST ARCTIC	1,623.00	165.13	4.26	16.33	1.72	187.44
PELICAN	50.00	7.75	0.00	1.00	1.00	9.75
PETERSBURG	630.00	47.83	1.00	7.82	1.00	57.65
PRIPILOF	164.00	20.71	1.00	2.13	1.00	24.84
RAILBELT	349.00	40.10	0.00	2.35	1.00	43.45
SAND POINT	145.00	15.67	0.00	1.00	1.00	17.67
SITKA	1,510.00	112.99	1.00	19.07	1.76	134.82
SKAGWAY	135.00	15.00	0.00	1.00	1.17	17.17
SOUTHEAST ISLAND	463.05	74.11	0.00	3.20	1.00	78.31
SOUTHWEST REGION	477.00	66.24	9.32	4.71	1.00	80.77
ST. MARY'S	115.00	13.58	1.00	2.09	1.00	17.67
TANANA	36.00	11.17	1.00	1.00	1.00	14.17
TNALASKA	160.00	16.67	1.00	1.13	1.00	19.80
VALDEZ	695.00	52.34	0.00	3.77	1.00	57.11
WRANGELL	506.00	37.43	0.00	2.17	1.00	46.60
YAKUTAT	130.00	14.58	0.00	1.34	2.37	13.39
YUKON FLATS	376.00	57.16	1.41	5.51	1.69	65.77
YUKON-KOYUKUK	555.00	77.14	1.14	7.00	1.48	86.76
YUPIIT	296.00	36.38	8.32	4.50	1.00	50.70
TOTALS	100,904.05	7,851.38	191.77	1,057.62	140.34	9,261.61

STATE OF ALASKA-DEPARTMENT OF EDUCATION  
 ESTIMATED FED. FY88 PL874 REVENUES  
 SPECIAL ED. CALCULATIONS & ADJUSTMENTS  
 PREPARED 3/21/88

SORT SCHOOL KEY DISTRICT	LAST VOUCHER DATE	REVENUES FROM P.L.874 AID (FED FY 88)	FFY88 PL874 REG. SPECIAL ED. REVENUES AT 100%	FFY88 PL874 SPECIAL ED. AT 1/3rd	FFY88 PL874 PL874 LESS SPEC. ED.	
*R*	ADAK	EST. \$2,413,040.29	!	\$495,819.08	\$165,273.03	\$2,247,767.26
*R*	ALASKA GATEWAY	EST. \$874,915.64	!	\$259,523.95	\$86,507.98	\$788,407.66
*R*	ALEUTIAN REGION	EST. \$0.00	!	\$0.00	\$0.00	\$0.00
*D*	ANCHORAGE	EST. \$285,903.98	!	\$24,641.92	\$8,213.94	\$277,690.04
*R*	ANNETTE ISLAND	EST. \$1,394,827.34	!	\$374,716.27	\$124,905.42	\$1,769,921.92
*R*	BERING STRAIT	EST. \$5,438,151.52	!	\$1,193,687.31	\$397,895.77	\$5,040,255.75
*D*	BRISTOL BAY	EST. \$266,651.65	!	\$63,123.76	\$21,041.25	\$245,610.40
*R*	CHATHAM	EST. \$1,164,346.12	!	\$300,605.57	\$100,201.86	\$1,064,144.26
*R*	CHUGACH	EST. \$172,163.51	!	\$45,754.00	\$15,251.33	\$156,912.18
*R*	COPPER RIVER	EST. \$482,859.00	!	\$121,535.00	\$40,511.67	\$442,347.33
*D*	CORDOVA	EST. \$41,943.26	!	\$12,080.57	\$4,026.86	\$37,916.40
*D*	CRAIG	EST. \$21,237.22	!	\$5,033.57	\$1,677.86	\$19,559.36
*R*	DELTA GREELY	EST. \$1,332,237.85	!	\$314,785.45	\$104,928.48	\$1,227,309.37
*D*	DILLINGHAM	EST. \$524,867.80	!	\$44,630.20	\$14,876.73	\$509,991.07
*D*	FAIRBANKS	EST. \$51,907.67	!	\$0.00	\$0.00	\$51,907.67
*D*	GALENA	EST. \$706,221.79	!	\$65,921.68	\$21,973.89	\$684,247.90
*D*	HAINES	EST. \$35,920.51	!	\$10,201.73	\$3,400.58	\$32,519.93
*D*	HOONAH	EST. \$237,102.45	!	\$37,942.50	\$12,647.50	\$224,454.95
*D*	HYDABURG	EST. \$0.00	!	\$0.00	\$0.00	\$0.00
*R*	IDITAROD	EST. \$1,078,506.18	!	\$252,290.30	\$84,096.77	\$994,409.41
*D*	JUNEAU	EST. \$40,940.00	!	\$0.00	\$0.00	\$40,940.00
*D*	KAKE	EST. \$435,376.25	!	\$153,339.55	\$51,113.18	\$384,263.07
*R*	KASHUNAMIUT	EST. \$446,236.86	!	\$121,925.00	\$40,641.67	\$405,595.19
*D*	KENAI	EST. \$267,767.00	!	\$60,957.00	\$20,319.00	\$247,448.00
*D*	KETCHIKAN	EST. \$6,105.33	!	\$334.00	\$111.33	\$5,994.50
*D*	KING COVE	EST. \$360,635.70	!	\$111,302.54	\$37,100.85	\$323,534.85
*D*	KLAWOCK	EST. \$594,541.65	!	\$289,345.66	\$96,448.55	\$498,093.10
*D*	KODIAK	EST. \$221,565.00	!	\$37,175.00	\$12,391.67	\$209,173.33
*R*	KUSPLUK	EST. \$998,418.73	!	\$356,427.44	\$118,809.15	\$879,609.58
*R*	LAKE & PENINSULA	EST. \$1,430,692.55	!	\$326,051.32	\$108,683.77	\$1,322,008.78
*R*	LOWER KUSKOKWIM	EST. \$7,611,450.08	!	\$1,718,447.43	\$572,815.81	\$7,038,634.27
*R*	LOWER YUKON	EST. \$4,375,050.00	!	\$1,248,280.83	\$416,093.61	\$3,958,956.39
*D*	MAT-SU	EST. \$15,848.62	!	\$2,365.49	\$788.50	\$15,060.12
*D*	MEHANA	EST. \$4,727.07	!	\$0.00	\$0.00	\$4,727.07
*D*	NOME	EST. \$74,891.00	!	\$0.00	\$0.00	\$74,891.00
*D*	NORTH SLOPE	EST. \$0.00	!	\$0.00	\$0.00	\$0.00
*R*	NORTHWEST ARCTIC	EST. \$4,441,344.29	!	\$795,905.28	\$265,301.76	\$4,176,042.53
*D*	PELICAN	EST. \$0.00	!	\$0.00	\$0.00	\$0.00
*D*	PETERSBURG	EST. \$6,381.02	!	\$0.00	\$0.00	\$6,381.02
*R*	PRIBILOF	EST. \$552,824.19	!	\$202,125.00	\$67,375.00	\$485,449.19
*R*	RAILBELT	EST. \$99,054.62	!	\$4,898.98	\$1,632.99	\$97,421.63
*D*	SAND POINT	EST. \$8,695.08	!	\$0.00	\$0.00	\$8,695.08
*D*	SITKA	EST. \$107,407.77	!	\$15,393.55	\$5,131.18	\$102,276.59
*D*	SKAGWAY	EST. \$635.04	!	\$0.00	\$0.00	\$635.04
*R*	SOUTHEAST ISLAND	EST. \$850,917.74	!	\$18,903.01	\$6,301.00	\$844,616.74
*R*	SOUTHWEST REGION	EST. \$2,068,505.99	!	\$308,316.90	\$102,772.30	\$1,965,733.69
*D*	ST. MARY'S	EST. \$145,864.07	!	\$26,068.41	\$8,689.47	\$137,174.60
*D*	TANANA	EST. \$175,839.95	!	\$22,929.28	\$7,643.09	\$168,196.86
*D*	UNALASKA	EST. \$147,260.45	!	\$32,756.11	\$10,918.70	\$136,341.75
*D*	VALDEZ	EST. \$37,305.78	!	\$8,032.18	\$2,677.39	\$35,128.39
*D*	WRANGELL	EST. \$3,297.16	!	\$0.00	\$0.00	\$3,297.16
*D*	YAKUTAT	EST. \$252,433.49	!	\$63,874.42	\$21,291.47	\$231,142.02
*R*	YUKON FLATS	EST. \$653,832.14	!	\$236,897.00	\$78,965.67	\$574,866.47
*R*	YUKON-KOYUKUK	EST. \$1,316,389.33	!	\$317,422.00	\$105,807.33	\$1,210,582.00
*R*	YUPIIT	EST. \$939,365.66	!	\$280,376.00	\$93,458.67	\$845,906.99
TOTALS			!	\$10,382,142.14	\$3,460,714.03	\$42,254,189.86

DEPARTMENT OF EDUCATION  
 SCHOOL OPERATING FUND REVENUES  
 FISCAL YEAR 1988 BUDGETED  
 UPDATED 3/21/83

SCHOOL DISTRICT	FY88 CITY/BOROUGH TAX APPROP.	FY88 EARNINGS ON INVESTMENTS	FY88 IN-KIND SERVICES	FY88 STATE TUITION	FY88 LOCAL REVENUES
ADAA	\$0	\$125,000	\$0	\$0	\$0
ALASKA GATEWAY	\$0	\$77,000	\$0	\$0	\$0
ALEUTIAN REGION	\$0	\$16,000	\$0	\$0	\$0
ANCHORAGE	\$60,532,265	\$525,000	\$1,350,000	\$7,060,000	\$69,467,265
ANNETTE ISLAND	\$0	\$100,000	\$15,000	\$0	\$0
BERING STRAIT	\$0	\$300,000	\$0	\$0	\$0
BRISTOL BAY	\$57,649	\$0	\$145,433	\$5,000	\$208,082
CHATHAM	\$0	\$0	\$0	\$0	\$0
CHUGACH	\$0	\$10,000	\$0	\$0	\$0
COPPER RIVER	\$0	\$24,000	\$0	\$0	\$0
CORDOVA	\$330,768	\$20,000	\$7,000	\$174,615	\$532,383
CRAIG	\$53,375	\$10,000	\$10,735	\$0	\$74,610
DELTA GREELY	\$0	\$90,000	\$0	\$0	\$0
DILLINGHAM	\$190,000	\$75,000	\$0	\$0	\$265,000
FAIRBANKS	\$24,000,000	\$0	\$0	\$4,527,312	\$28,527,312
GALENA	\$25,000	\$50,000	\$40,000	\$3,585	\$118,585
HAINES	\$389,000	\$34,000	\$0	\$8,600	\$431,000
HOONAH	\$50,000	\$10,000	\$15,000	\$50,000	\$125,000
HYDABURG	\$51,471	\$1,000	\$1,200	\$0	\$53,671
IDITAROD	\$0	\$135,000	\$0	\$0	\$0
JUNEAU	\$9,281,000	\$0	\$0	\$22,000	\$9,303,000
KAKE	\$1,000	\$6,000	\$0	\$32,844	\$39,844
KASHMAMMIUT	\$0	\$0	\$0	\$0	\$0
KENAI	\$13,372,780	\$0	\$6,069,933	\$93,730	\$19,536,443
KETCHIKAN	\$5,397,783	\$20,000	\$270,000	\$85,000	\$5,772,783
KING COVE	\$33,449	\$11,534	\$0	\$0	\$44,983
KLAJOCK	\$0	\$16,164	\$0	\$7,200	\$23,364
KODIAK	\$2,000,000	\$0	\$0	\$456,000	\$2,456,000
KUSPUK	\$0	\$0	\$0	\$0	\$0
LAKE & PENINSULA	\$0	\$128,000	\$0	\$0	\$0
LOWER KUSKOKWIM	\$0	\$395,598	\$0	\$0	\$0
LOWER YUKON	\$0	\$320,000	\$0	\$0	\$0
MAT-SU	\$13,953,891	\$0	\$0	\$45,000	\$13,998,891
NENANA	\$43,731	\$5,000	\$0	\$53,392	\$102,123
NOME	\$300,000	\$30,000	\$0	\$9,000	\$339,000
NORTH SLOPE	\$15,822,083	\$0	\$0	\$0	\$15,822,083
NORTHWEST ARCTIC	\$250,091	\$220,000	\$0	\$0	\$470,091
PELICAN	\$21,000	\$5,000	\$1,975	\$2,000	\$29,975
PETERSBURG	\$654,000	\$20,000	\$0	\$0	\$674,000
PRIBILOF	\$0	\$22,000	\$0	\$0	\$0
RAILBELT	\$0	\$20,000	\$0	\$0	\$0
SAND POINT	\$50,000	\$0	\$99,282	\$0	\$149,282
SITKA	\$2,978,379	\$65,000	\$0	\$15,000	\$3,058,379
SKAGWAY	\$118,073	\$5,000	\$0	\$0	\$123,073
SOUTHEAST ISLAND	\$0	\$100,000	\$0	\$0	\$0
SOUTHWEST REGION	\$0	\$250,000	\$0	\$0	\$0
ST. MARY'S	\$77,305	\$102,195	\$0	\$0	\$120,000
TANANA	\$0	\$4,000	\$4,000	\$0	\$8,000
UNALASKA	\$191,129	\$5,001	\$4,300	\$0	\$200,430
VALDEZ	\$3,413,388	\$70,000	\$0	\$204,000	\$3,687,388
WRANGELL	\$538,053	\$20,000	\$24,310	\$0	\$582,363
YAKUTAT	\$30,000	\$6,000	\$0	\$24,000	\$60,000
YUKON FLATS	\$0	\$40,000	\$0	\$0	\$0
YUKON-KOYUKUK	\$0	\$0	\$0	\$0	\$0
YUPIIT	\$0	\$79,445	\$0	\$0	\$0
TOTALS	\$154,147,663	\$3,567,937	\$9,058,168	\$12,877,678	\$176,404,403

# MEMORANDUM

State of Alaska  
Department of Education

TO: Members of the House  
Health, Education and  
Social Services Committee

DATE: February 26, 1988

FILE NO:

TELEPHONE NO: 465-2800

FROM: The Alaska Coalition for  
Education

SUBJECT: Priority Education  
Legislation

The Alaska Coalition for Education organized in October, 1987 to cooperatively seek relief from a number of problems which had become significant impediments to delivery of education services to Alaska's school age population. The Coalition which is comprised of all of the major education advocacy groups in the State, identified funding sufficiency and stability as the primary goal for this year.

The Coalition supports Committee Substitute for Senate Bill 330 which provides full entitlement for the Foundation Program, pupil transportation and construction debt retirement. The Coalition supports early/full funding as outlined in Senate Bill 2 and the concept of a buffer account.

In addition, the Coalition supports House Bill 407 and it's companion, Senate Bill 374, in which Governor Cowper has proposed the establishment of an education account derived from a portion of Permanent Fund earnings. Coalition members emphasize that this support is contingent upon assurances that forthcoming income from the education account be used for supplemental programs, and not to supplant the general fund revenues which fund the Public School Foundation Program. This would not preclude use of some of the funds to restore the deep cuts made in education programs in the past two years.

The Coalition is also considering other alternative uses of endowment funds including such things as:

1. Funding to support reduced PTR in grades K-3;
2. Establishment of a competitive grant program for new and innovative pilot programs at the local level which would address system-wide concerns;
3. Utilization of a portion of the funding by the Department of Education for development of programs which are most effectively provided and supported at the State level.

The Coalition will be meeting with the State Board of Education in Anchorage on Monday afternoon to further refine a proposal for legislative consideration.