

H B

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SOLDOTNA HIGH SCHOOL

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

425 W. Marydale Ave.
Soldotna, AK. 99669

262-7411

FAX (907) 262-4288

FRANK C. GARRITY
PRINCIPAL

MARLENE BENSON
ASSISTANT PRINCIPAL

THOMAS G. THORPE
ASST. PRINCIPAL-ACTIV. DIR.



"Excellence in Education"

April 5, 1990

Sally Smith, Director
Alaska Teachers' Retirement System
P.O. Box CR
Juneau, AK 99811-0203

Dear Ms. Smith,

I am writing to you out of frustration after speaking with several Retirement Field Representatives and corresponding with them over the past school year. My wife and I are in a unique situation and I need your help to sort this out as it is extremely important to us. Here is the situation.

In June of 1982 my wife and I were hired as full time certificated teachers for the Kashunamuit School District in Chevak, Alaska. When we arrived in the village we discovered that this public school was a BIA Contract School. The BIA financed the school and provided maintenance on the building but the local School Board ran the district. We taught in this district for three years.

In June of 1985 we moved to Trapper Creek, Alaska where we received employment in the Matanuska-Susitna Borough School District. At that time I inquired with the TRS to find out how to buy in the three years we had just spent in Chevak. I received a letter dated 5/6/86 from Beverly Reeves stating that I could buy the three years as BIA service. Several years passed before I decided to begin paying in to the TRS to buy these years.

My wife and I are currently employed with the Kenai Peninsula Borough School district and this past fall I decided we both should buy in these three years. I began making phone calls to the TRS and found out something very disturbing. They considered Chevak to be a private school.

APR 19 '91 13:55 SCHI 307 262 4288

Not only would we have to purchase these years at the higher outside service rate but these three years would not count towards the twenty years of service needed to be eligible to retire nor towards the eight years of service it takes to become vested. It is this last part I find most difficult to accept.

Please understand that I am aware that there are rules and regulations that the TRS representatives are using to make this determination. This however does not stop me from believing that three years spent in an Alaska Public School should count towards the twenty that are required for retirement and towards the eight required for vesting. The issue of having to buy them at the outside service rate also seems unfair but would be tolerable if they applied towards the twenty or the eight. Do you feel that this is fair? I feel that this is a very small oversight affecting very few people in a system that in general does an outstanding job in its fairness and accuracy to its' members. It is an oversight because here is a group of Alaska teachers who have not been accommodated or rewarded for their service.

What can you do to help me? What can I do? Any help will be greatly appreciated. Your interest in and empathy to our situation will give us hope. Enclosed you will find copies of the related correspondence I have received from the TRS to facilitate your speedy understanding of the situation. Thank you in advance.

Sincerely,

Frederick W. Esposito, Assistant Principal
Soldotna High School
425 W. Marydale Ave.
Soldotna, Alaska 99669
262-7411

STATE OF ALASKA

- Public Employees' Retirement System
- Teachers' Retirement System
- Judicial Retirement System
- Elected Public Officers Retirement System
- National Guard Retirement System
- Territorial Retirement System
- Retirees' Voluntary Dental-Vision-Audio Plan
- Supplemental Benefits System
- Group Health/Life Insurance Benefits
- Deferred Compensation Plan
- Public Employers' Social Security Contributions

DEPARTMENT OF ADMINISTRATION
DIVISION OF RETIREMENT & BENEFITS

PLEASE REPLY TO:

P.O. BOX CR
 JUNEAU, ALASKA 99811-0203
 PHONE: (907)465-4460
 Fax# 465-3086

701 EAST TUDOR ROAD, SUITE 240
 ANCHORAGE, ALASKA 99503-7445
 PHONE: (907) 563-5885

STEVE COWPER, GOVERNOR

April 20, 1990

Mr. Frederick Esposito
 Soldotna High School
 425 W. Marydale Ave.
 Soldotna, AK 99669

TRS: 041-40-4992

Dear Mr. Esposito:

Your frustration regarding your teaching service with Kashunamuit School District in Chevak, Alaska is understandable, although I have no latitude in this case.

The three years that you are claiming cannot be treated as Bureau of Indian Affairs (BIA) service since the Kashunamuit School District was under the Indian Reorganization Act from July 1, 1980 through June 30, 1985, and not operated by the BIA. According to Teacher's Retirement System statute, service for the Kashunamuit School must be treated as Alaska private school service and claimed as Outside Service.

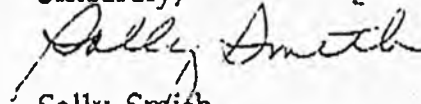
You have claimed that the May 6, 1986 letter from Beverly Reeves stated that you could buy in the three years as BIA service. In reviewing the letter, it appears that Ms. Reeves was simply notifying you of your indebtedness amount plus interest for the "outside service and/or BIA service". Ms. Reeves is an accountant and as such, does not make the determinations of service qualification. She also recommended that you contact Caramel Walder, the Anchorage office supervisor, if you had any questions.

Since the TRS laws are very clear on this issue, it appears that the only remedy available to you is through statutory revision. I suggest that you contact your local legislative representatives and discuss any remedy with them.

Mr. Frederick Esposito
April 20, 1990
Page 2

I can certainly sympathize with your circumstance, and wish you well in seeking a legislative solution.

Sincerely,



Sally Smith
Director

SS/ksl

Story line for reference in support of HB266

My wife and I were hired by the Kashunamuit School District in August 1982. This school district consisted of one K - 12 school located in Chevak, Alaska. At the time we were told that this district was a "BIA Contract" school district. When we inquired as to what that meant we were informed that simply referred to the fact that the BIA gave the people of Chevak the money to run their own school. The history ran like this:

Chevak had a BIA school for quite a number of years and felt very good and comfortable with the way the school was run. When, in the late 1970's, the BIA began to pull out of running schools in Alaska, Chevak and the villages of Chefnak and Tuluksak (K - 8 schools only) negotiated with the BIA an arrangement by which the villages could retain control over their schools while the BIA provided operating funds and building maintenance.

The village of Chevak elected a school board and the Kashunamuit School District was formed. The school district functioned as any other single site district in Alaska. The school board was publicly elected and they in turn hired a superintendent, office staff, cooks, teachers, and aids. The district applied for and received several grants through the Alaska Department of Education and received funds under several Title programs such as Title 2. Teachers with the school participated in state-wide, Alaska Department of Education sponsored inservices, workshops, programs, etc.. The Alaska Department of Education came out to the school and evaluated programs and curriculum as they would any other public school in Alaska. The district allowed all students in the attendance area to attend the school regardless of sex, creed, race, or religion and their hiring policy was the same.

This arrangement lasted until 1986 when the BIA announced they would not provide funds to operate the school for the following 1986-87 school year. At that time the school district lobbied for and received from the legislature funds to become an REAA school district. Lana and I left the school district in 1986 and subsequently became employed in the Kenai Peninsula Borough School District and still are. When we contacted the Teacher Retirement System about purchasing our three years spent teaching in Chevak we were informed in a letter from Sally Smith, TRS Director, that due to the fact that there were very few of these schools and that they were around for only a short period of time that the TRS had never included them. She indicated to me that the only way to correct this

oversight was through legislation which she encouraged me to do.

Currently there are 10 teachers in Alaska that I know would qualify to purchase these years should the legislation pass. I strongly encourage you to consider rectifying this situation which penalizes a few Alaskans for service in our rural Alaskan schools.

Frederick William Esposito
Activity Director, Soldotna High School

Sue Skiman-Jones
1325 Mendenhall Penn. Rd.
Juneau, AK 99801

April 21, 1991

Mr. Navarre,

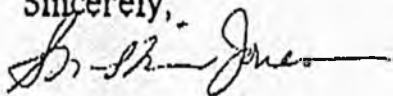
Please support H.B. 266.

I am writing to express my concern for the passage of this bill. Since I am directly affected by the outcome of this bill, I strongly urge you to also support this bill.

I taught in Chevak (Kashunimuit School District), from 1982-1984. At this time it was a BIA contracted school and not involved in the Teacher Retirement System of Alaska. The passage of H.B. 266, will very easily correct an unjust and unfair situation for a small amount of teachers who have taught in Alaska under a BIA contracted system.

Your interest and support in passing H.B. 266 is greatly appreciated.

Sincerely,



Sue Skiman-Jones

Lisa Oberle
P.O. Box 22707
Juneau, AK 99802

April 21, 1991

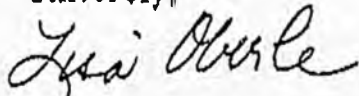
Mr. Navarre,

I am writing to express my concern and support for H.B. 266. As I am directly effected by the outcome of this bill, I strongly urge you to also support this bill. For the past 4 years, I have been buying in my three teaching years from a B.I.A. contracted school. I taught in Chevak (Kashunimuit School District), from 1982-1985 and was under the impression from the Teacher Retirement System, that it was instate experience and will count toward years for retirement. Now I find out this is not true.

The passage of H.B. 266, will very easily correct an unjust and unfair situation for a small amount of teachers who have taught in Alaska under a BIA contracted system.

Your interest and support in passing H.B. 266 is greatly appreciated.

Sincerely,



Lisa Oberle

ALASKA STATE LEGISLATURE
REPRESENTATIVE MIKE NAVARRE

Co-Chair
House Finance Committee
P.O. Box V
Juneau, Alaska 99811
(907) 465-3779

SPONSOR STATEMENT

April 21, 1991

TO: Representative Pat Carney, Co-Chair, House HESS Committee
Representative Georgianna Lincoln, Co-Chair House HESS Committee

FROM: Representative Mike Navarre *Mike*

SUBJECT: House Bill 266, An Act relating to Bureau of Indian Affairs contract employment.

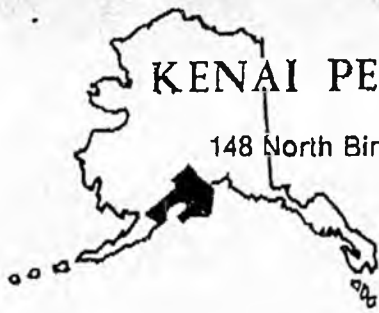
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House Bill 266, an Act relating to the Bureau of Indian Affairs contract employment, will provide corrective measures for a small group of former Bureau of Indian Affairs staff members. In historical perspective, when the BIA was removing itself from providing educational opportunities in Alaska some areas of the state felt more comfortable with a known entity, the BIA, than with the replacement organization, REAA. In response, the BIA by contract to local school boards continued to operate for a period of time. The employees of the BIA contract schools were not incorporated in the roll-over to the state retirement system. HB 266 will allow approximately ten to fifteen teachers to pay into and use their contract BIA years for vesting purposes in the Teacher Retirement System.

I have enclosed a summary of a typical BIA contract situation presented by one of the affected teachers. I believe that the enclosed summary pretty succinctly states the inequities of the BIA contract dilemma.

The fiscal impact of HB 266 is so minimal that we are expecting a zero fiscal note.

Contact person for HB 266 is Tom Ackerly at 3779 in Capital 515.



KENAI PENINSULA BOROUGH SCHOOL DISTRICT

148 North Binkley Street • Soldotna, AK 99669 • Phone 907/262-5846 • Fax 907/262-9645

April 22, 1991

Representative Mike Navarre
Box V
Juneau, Alaska 99811

Dear Representative Navarre,

I would like to thank you for submitting HB 266 to the legislature for passage. This is a bill that greatly effects myself and my husband as we taught for three years in Chevak, Alaska while it was a BIA contract school. Your effort to correct this inequity in the system is greatly appreciated.

Sincerely,

Lana Esposito

Lana G. Esposito
Special Services Teacher
Kenai Peninsula Borough School District
148 N Binkley St.
Soldotna, Alaska 99669



Soldotna High School

425 W. Marydale Ave.
Soldotna, AK 99669
(907) 262-7411
FAX (907) 262-4288

Ken Meacham
Principal
Mark Norgren
Assistant Principal
David McCard
Athletic Activities

Kenai Peninsula Borough School District

April 22, 1991

Representative Mike Navarre
Box V
Juneau, Alaska 99811

Dear Representative Navarre,

I would like to thank you for submitting HB 266 to the legislature for passage. This is a bill that greatly effects myself and my wife as we taught for three years in Chevak, Alaska while it was a BIA contract school. There is no reason why this service should not be covered by the Teachers Retirement System. These schools were public Alaskan schools subject to the same curriculum and graduation requirements as any other they just were funded 100% by the federal government. According to Jim Griffin, retired BIA Contract Officer, who over saw these contract schools they were no different than the BIA day schools which are covered by the TRS. Your efforts to correct this inequity in the system is greatly appreciated.

Sincerely,

Frederick W. Esposito
Vocational Coordinator
Kenai Peninsula Borough School District
148 N Binkley St.
Soldotna, Alaska 99669



NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

Don Oberg, President

Claudia Douglas
Vice President
P. O. Box 74837
Fairbanks, AK 99707

Judy Salo
NEA Director
4510 Kenaltze Court
Kenai, AK 99611

Paul Jarvi
Region I Director
P. O. Box 5876
Ketchikan, AK 99901

Deedle Sorensen
Region I Director
6903 Sunny Dr.
Juneau, AK 99801

Bruce Garrett
Region II Director
1218 Malutin Lane
Kodiak, AK 99615

DeWayne Craig
Region III Director
406 S. Forest Dr. #3-A
Kenai, AK 99611

Kathy Gross
Region IV Director
P.O. Box 1652
Bethel, AK 99559

Marilyn Rosene
Region IV Director
Box 1170
Dillingham, AK 99576

Susan Annis
Region V Director
1633 Kivalina Street
Fairbanks, AK 99709

Mary Lou Brent
Region V Director
Box 80074
Fairbanks, AK 99708

Gayle Harbo
Region V Director
Box 80522
College, AK 99708

Don Hadley
Region VI Director
3259 Wesleyan Dr.
Anchorage, AK 99508

Richard Kronberg
Region VI Director
3511 Chiniak Bay Dr.
Anchorage, AK 99515

Pam McCarl
Region VI Director
2116 Sorbus Way
Anchorage, AK 99508

Kathi McCord
Region VI Director
1601 Hidden Lane
Anchorage, AK 99501

Leslie Vandergaw
Region VI Director
P.O. Box 91236
Anchorage, AK 99509

Sandy Pevan
Region VII Director
Box 871256
Wasilla, AK 99687

Carolyn Tolson
Region VII Director
Box 873933
Wasilla, AK 99687

Hank Harrison
Region R Director
Box 110325 S. Station
Anchorage, AK 99511

ANCHORAGE REGIONAL OFFICE

1411 W. 33RD AVENUE
ANCHORAGE, ALASKA 99503
(907) 274-0536
FAX: (907) 274-0551

JUNEAU OFFICE

105 MUNICIPAL WAY, SUITE 302
JUNEAU, ALASKA 99801
(907) 586-3090
FAX: (907) 586-2744

FAIRBANKS REGIONAL OFFICE

2118 CUSHMAN STREET
FAIRBANKS, ALASKA 99701
(907) 456-4435
FAX:(907) 456-2159

April 25, 1991

TO: Reps. Georgianna Lincoln and Pat Carney, Co-Chairs, and
Members of House HESS

FROM: Don Oberg

RE: HB 266; *An Act including service in a Bureau of Indian Affairs contract school as BIA service in the teachers' retirement system.*

This bill affects only a small number of teachers who were caught in a time warp between BIA operation and school district or REAA formation. It covers those employees who worked for a BIA contract school during that interim period.

Clearly the service of that teacher was as valid under the contracted school as it was under BIA or the newly formed district and they should not be penalized for a system change beyond their control.

We urge you to correct this inequity and to vote in favor of passage of HB 266.

LE04/Biatimer/dl

HOUSE COMMITTEE REPORT

(7)

Date Referred: April 10, 1991

FURTHER REFERRALS:

State Affairs
Finance

Date of Committee Action: _____

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

HB 266

HOUSE BILL NO. 266

BIA CONTRACT SCHOOL EMPLOYMENT

"An Act including service in a Bureau of Indian Affairs contract school as BIA service in the teachers' retirement system."

RECOMMENDATIONS:

be replaced with _____ the same title

have attached amendments(s) a new title

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact _____ Retirement + Benefits 4/25/91

fiscal note(s) _____

zero fiscal note, D.O.E. 4/25/91

zero fiscal note(s) _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>[Signature]</i>	✓				
<i>Chris Davis</i>	✓				
<i>Mary Miller</i>	✓				
<i>Mark Stanley</i>	X				
<i>Betty Davis</i>	X				
<i>John C. Longaker</i>	X				
<i>[Signature]</i>	✓				

[Signature]
CHAIRMAN'S SIGNATURE

FISCAL NOTE

BILL NO. HB 266

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Revision Date: _____
Title: An act granting TRS BIA credit for service with a former BIA contract school.

Department Affected: Administration
BRU: Retirement and Benefits

Sponsor: Navarre
Requestor: _____

Component: Retirement and Benefits
COMPONENT SERIAL NO. 64

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS

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

Estimate of current year impact: Zero

ANALYSIS: (attach a separate page if necessary.)
There is no measurable financial impact to the Teachers' Retirement System with passage of this bill.

Prepared By: Garv Bader *Bob Statman*
Division: Retirement and Benefits

Phone: 465-4160
Date: 4/23/91

Approved by Commissioner: Millett Keller
Agency: Department of Administration

Date: 4/25/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB & Impacted Agency(ies).

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. HB 266

Revision Date: _____ Department Affected: Education

Title: Including Service in a Bureau of Indian Affairs contract School BRU: _____

Sponsor: Navarre Component: _____

Requestor: HESS COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Mary Hakala Phone: 465-2800
 Division: Commissioner's Office Date: 4/25/91
 Approved by Commissioner: Steve Hole, Acting Commissioner
 Agency: Education Date: 4/25/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).