

Dept. of
Education
Overview

ALASKA STATE LEGISLATURE

Office of Majority Whip

111 C STREET, SUITE 50B
ANCHORAGE AK 99503
(907) 561-2039

PO BOX V
JUNEAU AK 99811
(907) 465-3875/4894



REPRESENTATIVE BETTYE DAVIS
DISTRICT 14 SEAT B • EAST ANCHORAGE • MULDOON

Melissa Edfeldt
VICE CHAIR
HEALTH, EDUCATION
& SOCIAL SERVICES
COMMUNITY AND
REGIONAL AFFAIRS
INTERNATIONAL TRADE
AND TOURISM

Can ask Jerry if this is a priority on your mind

CHAIR
CHILDREN'S CAUCUS

October 29, 1991

The Honorable Jerry Covey, Commissioner
Department of Education
P.O. Box A
Juneau, Alaska 99811

Dear Commissioner Covey:

I read with concern the October 23 Anchorage Daily News article regarding Alaska's illegal use of federal impact aid, and I felt the need to address this issue from my perspective. (I have enclosed a copy for your review.)

A spokesperson from the State Department of Education stated "we believe we are doing the right thing." I do not believe we are doing the right thing. By allowing only ten percent of the impact aid to go to school districts directly impacted and placing the remainder in the school foundation, the State of Alaska is shirking its responsibility to pay for education, which is mandated by the constitution.

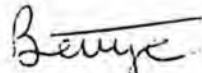
As you know, the cost of running schools in Alaska has dramatically increased over the past five years, and yet, the foundation program's instructional unit value has not increased since 1986. School districts across the state have been forced to do more with less. The Anchorage School District, for example, has been unable to reach an acceptable bargaining agreement with teachers and is plagued with classroom overcrowding. The \$4 million dollars that Anchorage schools are estimated to receive would greatly assist in this area. Minus the cost for administering the funds, the remaining money should be given to the school districts directly impacted by federal students.

Jerry Covey, Commissioner
October 29, 1991
Page Two

Commissioner, I cannot idly stand by while we continue to administer the funds in this manner. According to the article, Alaska stands to lose future impact aid if the current policy is not changed. I urgently request that you take whatever steps are necessary to see that this does not happen.

I look forward to hearing from you regarding this important matter. Thank you for your time.

Sincerely,


Bettye Davis

ADW 10/23/91

Schools may see \$4 million windfall

State plans fight to keep money for cost of educating federal workers' kids

By PETER BLUMBERG
Daily News reporter

The state has been illegally siphoning federal-impact funds away from local school districts that actually feel the impacts and need the money, according to the U.S. Department of Education and the Anchorage School District.

If the district and its federal allies are right, it could mean an extra \$4 million a

year for Anchorage schools, according to Charles Hansen, the head of the federal government's impact aid program.

"That's a huge amount of money, and, because it's impact aid, it would help us every year, not just a one-year shot," said Superintendent Thomas O'Rourke, adding that he'd like very much to put the money toward a new contract for

teachers and new computers for students. The district's budget totals about \$300 million.

Another \$3 million would go to other Alaska school districts that teach children of federal employees, while districts without such students would get less money.

The state gets the impact money because the federal government — unlike private employers — doesn't

pay local property taxes on its buildings and land, such as military bases.

Hansen says that, rather than sending the money directly to individual school districts with federal students, the state education department has been putting most of it into a pool shared by all Alaska school districts, including those with-

Please see Back Page, FUNDS

10/23/91

FUNDS: School district may be due \$4 million in federal money

Continued from Page A-1

out federal students.

By the U.S. Department of Education's estimate, the Anchorage School District this year has missed out on \$4 million in impact aid it should have gotten for schooling children from the Army's Fort Richardson and Elmendorf Air Force Base.

The state says that no school district has been cheated out of its federal revenues and that all the money has been properly accounted for in the state budget.

"We believe we're doing the right thing," said state education department spokesman Harry Gamble.

"We want to work with the feds on this."

Hansen has already warned that, if the state doesn't justify its position or change its policy by Christmas, Alaska could lose the entire \$18 million in military impact aid that it has collected this year and could also be forced to pay back money from last year, and maybe from earlier years.

By the Christmas deadline, the state plans to be armed with a legal opinion explaining why the feds are wrong, Gamble said.

At issue is the federal law that governs the distribution of impact aid.

The state contends that the law, as it has stood since

1989, allows the impact aid to be used as part of the state tuition funding that is allocated to local school districts every year.

Under the formula the state uses, each school district is allowed to keep 10 percent of the impact aid that it qualifies for, and the rest is divided up among school districts around the state as "foundation" funds, Gamble said.

The feds, however, argue that the state is shirking its responsibility to pay for education by relying on the impact aid as a substitute for state aid.

"From our interpretation it appears that they have been withholding \$7 million

a year and not sending it on to the schoolchildren," Hansen said.

Although the federal government has challenged the state's interpretation of federal impact aid regulations several times in recent years, officials cannot remember the dispute ever reaching the point of an ultimatum like this year's Christmas deadline.

"In the past, the dialogue was not nearly as focused, meandering back and forth between law and policy," said John Katz, the head of Gov. Wally Hickel's office in Washington, D.C. "The thing that's different about this time is that they are much

more focused. The letter they sent us was almost in the form of a legal brief."

"Our history with federal DOE is usually to resolve these things before Armageddon breaks out," Katz said.

Thom Slagle, an assistant state attorney general who has begun to research the issue, suspects the federal government's real interest is in finding an excuse to cut the money off.

"This has been going back and forth for some time, but I view this more as a general impetus on the part of the federal government to restrict the funding that comes to Alaska," he said.

STATE OF ALASKA

DEPARTMENT OF EDUCATION

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

GOLDBELT PLACE
801 WEST 10TH STREET
P.O. BOX F
JUNEAU, ALASKA 99811-0500

October 24, 1991

Dear Educator and Concerned Parties:

Since becoming Alaska's education commissioner, I have spoken to many parents, teachers, students, school board members, business leaders, legislators and school administrators throughout the state about improving our schools. I believe we are reaching a new level of cooperation. The criticism and recrimination about what is lacking in our educational system has given way to positive anticipation and a "we can do it attitude". Now is the time to move forward with reform that will make Alaska second to none in education.

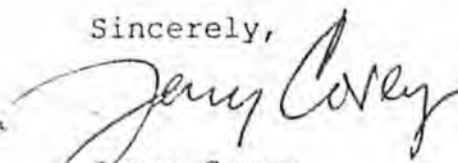
Enclosed you will find a packet on "Alaska 2000--An Education Initiative."

This initiative is not a proposal. Rather, it is a framework for managing change. The chart on the cover illustrates a public education system built on a strong foundation that addresses national, state and local goals.

The State Board of Education has directed me to appoint a team of twenty persons to meet in November and develop a plan to address these fundamental issues. This team will develop a committee process to involve the public in a meaningful way in rebuilding our school system. The Board will make informed decisions for the future of our school system based on the work of the committees. In this way, the Board intends to involve many Alaskans from many areas in forging the future of Alaska education.

I will be appointing the team soon. In the meantime, I wanted you to know what was happening. I look forward to working with you as we seek to give our students the best education possible.

Sincerely,



Jerry Covey
Commissioner

Enclosure

DRAFT 10/07/91

Alaska 2000

An Education Initiative

HIGH ORDER SKILLS

**CITIZENSHIP &
PERSONAL &
NATIONAL
VALUES**

Local District/School Goals

State Goals

5 Core Areas of Learning

6 National Goals

| | | | | |
|---------------------------------|---------------------------------------|---------------------------------|---------------------------------|--------------------------------|
| Technology | Self Renewal | Objective Assessment | Laws and Regulations | Efficient Operation |
| Quality of Workforce | Shared Decision Making | Early Childhood | Incentives | Choice |
| Outcomes | Finance | Facilities | Accountability | |

ALASKA 2000

An Education Initiative

■ OUTCOMES

To ensure that all children reach high performance standards, our educational outcomes must go beyond minimum skills for all grade levels. Our assessment system must measure students against standards, not against each other, and must:

- Define a basic education
- Accurately measure student abilities to think and perform
- Set state standards for graduation
- Inform parents and students of expectations
- Tie together standards for high school graduation and college entrance.

■ FINANCE

The state's present method of financing education is inadequate. It lacks accountability at the local level, requires increasing amounts of revenue from the state, and limits citizens' ability and responsibility to contribute financially. We can solve this by:

- Providing adequate funding from the state for a basic education
- Providing the opportunity for local districts to address their capital needs to a greater degree
- Expecting local districts to pay for any component of the educational program beyond the basic education.

■ FACILITIES

We are unable to fund adequate maintenance for our current school facilities or meet needs for new construction. We must establish a system that:

- Encourages and allows communities to build and maintain local schools.
- Rewards communities for maintaining current facilities
- Limits the state's liability for school construction.

■ ACCOUNTABILITY/ OBJECTIVE ASSESSMENT

One of the most serious flaws in our current educational system is a lack of accountability. This can be addressed by establishing:

- State graduation standards
- Alaska teacher certification standards
- Competency testing for certificated staff
- Objective measures of student performance
- Financial contribution by all wage earners
- Increased management rights for school districts.

■ QUALITY OF WORK FORCE

Our work force is aging, and not properly educated to meet student needs. We must:

- Provide alternative routes to certification for qualified professionals
 - full-time
 - part-time
- Increase our commitment to training existing work force
 - greater financial commitment
 - districts assuming responsibility for training
 - university assuming role for training
- Improve teacher education programs by
 - setting state standards for teacher certificates
 - competency testing for teachers.

■ SHARED DECISION-MAKING

Decisions on the goals and operations of school need to be shared to a greater degree with community and staff members. This can be accomplished by establishing:

- Partnerships with the private sector
- Advisory school boards in all communities with more than one school.

■ EARLY CHILDHOOD

We must address the needs of at risk children at an earlier age to prepare them for school success. This can be accomplished by:

- Including pre-school funding in the new education funding formula
- Integrating education and social delivery to pre-school students.

■ INCENTIVES

Our education system must promote and reward new and improved practices and increased opportunities for student. This can be accomplished by:

- Making funds available at the state level for research and development of new programs
- Providing weighted funding in the new funding formula to reward districts for innovation to meet student needs.

■ CHOICE

We can address this issue by:

- Building another residential boarding school
- Establishing boarding homes for high schools
- Adopting recommendations of the Governor's Advisory Commission on School Choice
- Weighted funding through the Foundation Program that provides incentives for districts to create choice options.

■ TECHNOLOGY

We must make better use of technology by establishing:

- Improved instructional applications
- Improved data collection for fiscal reporting/student information/federal compliance.

■ SELF RENEWAL

We must make a commitment to innovation and improvement in:

- Staff development
- Instructional delivery
- Organization and type of schools.

■ LAWS AND REGULATIONS

We need to systematically review education statutes and regulations and

- Eliminate unnecessary statutes and regulations
- Update statutes and regulations to meet current and future needs
- Limit curriculum mandates.

■ EFFICIENT OPERATION

This problem can be addressed by establishing:

- Standard financial reporting
- Computer tie-in of all school districts
- State funding of basic education only
- Adjusting regulations to promote improved management and operational procedures
- Implementation of report card law.

Alaska Department of Education
P.O. Box F
Juneau, AK 99811-0500