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# Alaska State Legislature

Senator Paul Fischer  
Senate District D  
Box 784  
Soldotna, Alaska 99669  
(907) 262-9420 W  
262-9269



## State Senate

While in Juneau  
P.O. Box V  
Juneau, Alaska 99811  
(907) 465-3791

### MEMORANDUM

TO: Senator Arliss Sturgulewski, Chairman  
Senate Health, Education and  
Social Services Committee

FROM: Senator Paul Fischer *PAF/sgn*

SUBJECT: SS Senate Bill 20  
(making appropriations for K-12 support for FY 92)  
Senate Bill 31  
(forward funding for K-12 support for FY 93)

DATE: February 4, 1991

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I appreciate your scheduling the above referenced bills for a hearing before the Senate Health, Education and Social Services Committee on February 6.

Essentially by introduction of these bills, I have taken the decision of education funding out of the operating budget process, which is never determined until the latter part of the session.

It would be my desire that Senate Bill 20 be enacted by the Legislature at the earliest possible date, in order to give the school districts adequate notice of their FY 92 funding levels prior to their local budgeting deadlines. Senate Bill 31 would provide forward funding for education for the next fiscal year utilizing the surplus revenues anticipated during the coming fiscal year. This approach would considerably reduce the operating budget for FY 93 as well as provide the districts notice of their education funding level a full year in advance.

Both of these bills fund the school foundation program and pupil transportation at 100 percent of entitlement. The figures contained in Senate Bill 31 are estimates for FY 93, submitted by the Department of Education.

PAF/sgn

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Senate District D  
Box 784  
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262-9269



## State Senate

While in Juneau  
P.O. Box V  
Juneau, Alaska 99811  
(907) 465-3791

### MEMORANDUM

*Handwritten: This is regarding the bill*

TO: Senator Arliss Sturgulewski, Chairman  
Senate Health, Education and  
Social Services Committee

FROM: Senator Paul Fischer *PAF*

SUBJECT: Senate Bill 20  
(making appropriations for K-12 support)

DATE: January 22, 1991

---

I would appreciate your scheduling the above referenced bill for a hearing before the Senate Health, Education and Social Services Committee at the earliest possible time.

As you are aware, companion legislation has been introduced in the House (House Bill 5); however, it would be my desire that the Senate take the lead this Session on early funding for Education.

I feel it's imperative that a decision be made early as to what level of education funding school districts can anticipate receiving for FY 92. Early passage and enactment of this legislation will allow the Department of Education and school districts adequate notice of their FY 92 funding levels prior to their April 1, 1991, local budgeting deadlines.

I have taken the liberty of preparing a draft letter of intent to be offered with the legislation. A copy is attached for your files.

Your consideration would be greatly appreciated.

PAF/sgn  
Attachment

*Arless: I would appreciate your consideration of  
being a co-sponsor?  
Paul*

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## State Senate

While in Juneau  
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### MEMORANDUM

TO: Senator Arliss Sturgulewski, Chairman  
Senate Health, Education and  
Social Services Committee

FROM: Senator Paul Fischer *PF*

SUBJECT: 2nd SS Senate Bill 20  
(making appropriations for K-12 support for FY 93)

DATE: January 15, 1992

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I would appreciate your scheduling the above referenced bill for a hearing before the Senate Health, Education and Social Services Committee at your earliest convenience.

As you are aware I originally submitted Senate Bill 20 as a pre-file last session; but when the Senate determined that House Bill 5 would be the vehicle for education funding for FY 92; I amended my bill (as referenced above) to provide education funding for FY 93. Of course, at the time I submitted this (May 10), the department could only provide me with estimated figures.

I am attaching a blank Committee Substitute which contains the correct figures as submitted in the Governor's FY 93 operating budget.

PAF/sgn

Attachment

7-LS0002M  
Cramer  
1/28/92

CS FOR 2d SPONSOR SUBSTITUTE FOR SENATE BILL NO. 20 ( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY

Offered:

Referred:

|                      |              |                   |
|----------------------|--------------|-------------------|
| Funding Information: | General Fund | \$630,451,500     |
|                      | Other Funds  | <u>49,833,000</u> |
|                      |              | \$680,284,500     |

Sponsor(s): SENATORS FISCHER, Collins, Menard

A BILL

FOR AN ACT ENTITLED

*Do not include  
Del + revenue  
7th away from day  
leave long by day*

1 "An Act making an appropriation to the Department of Education for support of  
2 kindergarten, primary, and secondary education and community schools programs; and  
3 providing for an effective date."

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

5 \* Section 1. (a) The sum of \$680,284,500 is appropriated from the general fund and from other  
6 funds in the amounts listed to the Department of Education for the purposes expressed and allocated in  
7 the amounts listed for operating expenditures for the fiscal year ending June 30, 1993:

| 8  | FUND SOURCE                                     | AMOUNT        |
|----|---|---------------|
| 9  | General fund                                    | \$622,961,800 |
| 10 | General fund/mental health trust income account |               |
| 11 | (AS 37.14.011)                                  | 7,489,700     |
| 12 | Public school trust fund (AS 37.14.110)         | 8,309,000     |
| 13 | School fund (AS 43.50.140)                      | 2,700,000     |
| 14 | P.L. 81-874                                     | 20,624,000    |

*7 du @  
63,000.00  
50 @  
60,000.00*

|    |                             |                   |
|----|-----------------------------|-------------------|
| 1  | Federal receipts other than |                   |
| 2  | P.L. 81-874                 | 18,200,000        |
| 3  | PURPOSE                     | ALLOCATION AMOUNT |
| 4  | Foundation program          | \$610,195,300     |
| 5  | Student lunch program       | 18,100,000        |
| 6  | Cigarette tax distribution  | 2,700,000         |
| 7  | Tuition students            | 13,878,500        |
| 8  | Boarding home grants        | 230,000           |
| 9  | Youth in detention          | 800,000           |
| 10 | Schools for the handicapped | 3,077,500         |
| 11 | Pupil transportation        | 28,572,000        |
| 12 | Community schools           | 600,000           |
| 13 | Additional district support | 2,131,200         |

*in Gov.'s bill. concerning House legislation*

14 (b) The amount allocated under (a) of this section for additional district support is further  
 15 allocated to the following school districts in the amounts listed:

|    |                                 |                   |
|----|---------------------------------|-------------------|
| 16 | SCHOOL DISTRICT                 | ALLOCATION AMOUNT |
| 17 | Cordova City School District    | \$ 187,800        |
| 18 | Craig City School District      | 165,600           |
| 19 | Dillingham City School District | 234,000           |
| 20 | Galena City School District     | 150,000           |
| 21 | Hoonah City School District     | 165,600           |
| 22 | Hydaburg City School District   | 96,600            |
| 23 | Kake City School District       | 129,600           |
| 24 | Klawock City School District    | 143,400           |
| 25 | Nenana City School District     | 155,400           |
| 26 | Pelican City School District    | 58,200            |
| 27 | St. Mary's City School District | 127,800           |
| 28 | Skagway City School District    | 111,000           |
| 29 | Tanana City School District     | 122,400           |
| 30 | Unalaska City School District   | 157,800           |
| 31 | Yakutat City School District    | 126,000           |

1 \* Sec. 2. This Act takes effect July 1, 1992.



**MICHAEL G. WILEY**  
KENAI PENINSULA  
BOROUGH SCHOOL BOARD

(907) 224-5563  
(907) 262-2750

P.O. BOX 618  
550 RAILWAY  
SEWARD, ALASKA 99664



# KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

## OFFICE OF THE DISTRICT SUPERINTENDENT

February 2, 1992

### MEMORANDUM

TO: Kenai Peninsula Legislators

FROM: Dr. Robert J. Holmes, Superintendent

SUBJECT: Changes of the Past Several Years in the Programs of the Kenai Peninsula Borough School District

In talking with some of you in December, the idea for a study of this type evolved. I had been trying to explain that the district was suffering from "insidious" cuts resulting from the continued funding at \$60,000 per unit and the commensurate eroding effects of inflation. These cuts were insidious, I stated, in that they were not always noticeable to the casual observer, but were affecting the overall quality of our program. Actually, the first cut that seemed to get the attention of everyone was the PTR increase this year, which was done after all the cuts mentioned in the attached study. A list of these specific cuts is attached.

During the same conversation, I also stated that, paradoxically, the district has been trying to continue its role of excellence, its role of educational leader within the state, in spite of the mitigating effects of the funding. A list of these "Initiatives and Strengths" is attached.

I believe that the soul of this district is not money or facilities or supplies, but rather its employees: the over 1,000 professionals who have continued to strive for excellence as funds become more scarce every year; who have taken more upon themselves to work longer, to write grants on their own time, to make up for fewer funds by exerting more effort.

However, I believe there is a finite limit to how much an employee can do, and I believe we're approaching that limit.

I urge each of you to make education your personal number one priority this year and in the future. In the Kenai Peninsula Borough School District you have seen results and you will, especially with enhanced financial support, continue to see the district lead the state in innovation and excellence.

Please contact me for any further information.

bj

enc.

cc: School Board Members, Borough Assembly Members, Principals,  
PAC/PTA Presidents, K.P.E.A & K.P.E.S.A. Executive Board Members

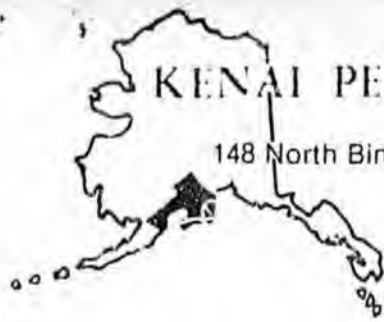
## What has been Cut or Reduced

1. **Districtwide Inservice**  
Elimination of a two day program that was recognized statewide as a Promising Practice. The travel funds and professional technical funds for presenters were cut from the budget.
2. **Assistant Principals Elementary-Secondary**  
Elimination of Assistant principals at the larger elementary schools as well as a reduction in the allocation at the secondary level.
3. **Staff Development/Inservice Reduced**  
Elimination of district operational funds to supplement the instructional center for individual instructional improvement.
4. **Testing to Benchmark**  
In the past this district tested every student on a nationally normed reference test annually. We now test grades 4,6, and 8 as is required by the state; in addition we test grade 10.
5. **Librarian and School Aides**  
Elimination of our library and swimming pool aides. This has cut back on the swim program for the middle level students as well as the high school program. Our libraries are not open during certain periods of the day due to the lack of supervision.
6. **Theater Manager**  
Each high school with a theater no longer has a person to coordinate the functions of one school. The job has been consolidated so that one person is managing three theaters, as well as trying to support area feeder schools with technical advice for program supervision.
7. **School Lunch**  
District subsidy to the hot lunch program has been reduced by \$200,000. This has caused the elimination of the hot lunch program at the high school level.
8. **New and Replacement of Equipment**  
No equipment monies budgeted for equipment since 1986. Purchases have been made at the end of the year based upon the funds that are available from our health insurance account. If we have a good healthy year we get to replace equipment but not to the extent that is meeting the district's needs.
9. **Extracurricular User Fees Added**  
District funds for extracurricular programs have been dramatically reduced causing the district to implement a user fee structure from \$10 to \$85.
10. **Small School Administrative Time .5 to**  
Reduced the staffing at our small schools whereby the head teacher is staffed at .2 rather than .5.

11. **Curriculum Development**  
We previously reviewed our curriculum documents on a five year basis and have extended that to six. We also eliminated all professional technical monies associated with curriculum development.
12. **Administration Meetings Reduced**  
The district held administrative meetings on a monthly basis which now have been reduced to six annually.
13. **Specialist Meetings Math, Science and Quest**  
Bringing together district leaders in the teaching field to share information and outline district strategies has been eliminated.
14. **Textbook Dollars Reduced**  
Supplemental dollars for the adoption of new textbooks has been reduced. We previously budgeted \$100,000 for secondary and \$100,000 for elementary. This is now being handled the same way as equipment with year end monies. A very dangerous way to do business.
15. **Supply Formula Reduced**  
In 1985-86 the allocation given to schools was for K-6 schools \$122; for 7-8 schools 146; and for 9-12 schools \$174 per student. For the 1991-92 school year those figures are \$87, \$105, \$125 per student. This reflects a drastic reduction over the last six years in which inflation figures have not gone down.
16. **Nurses Time Reduced**  
With the influx of new students and the opening of new schools the number of nurses and the number of hours for service has not kept up with our increased enrollment.
17. **PTR Increased**  
The allocation of teachers to the schools is done by a Pupil Teacher Ratio (PTR). We have increased that by three students at all levels. These are not acceptable levels for good educational instruction: 26:1 (K-2), 28:1 (3-6), 31:1 (7-12)
18. **Maintenance Contracts**  
We eliminated maintenance contracts on all of our equipment with the exception of our copy machines. At the same time we have reduced our repair budgets.
19. **Elimination of Professional Technical Services**  
We have eliminated budgeting money to bring in outside experts to train staff in the following districtwide programs.
  - a. DPA Elementary Math
  - b. Here's Looking at You
  - c. Hunter Instructional Model
  - d. Early Prevention of School Failure

20. **Special Services**  
Districtwide staffing supervisors have been eliminated as well as a reduction in substitute accounts for teachers to handle the IEP meetings. Reductions in travel have resulted in home based summer school and limited inservice opportunities for staff.
21. **Maintenance Services**  
The services provided by the maintenance department have been reduced. Even though more schools have come on line the maintenance budget has not gone up accordingly.
22. **Travel Reduced**  
Money budgeted for travel has been reduced in all areas.  
Mileage reimbursement for staff has been reduced by .10 per mile  
Elimination of all district funds for field trips and all elementary travel
23. **Elimination of 4th grade drown proofing**  
Districts fourth grade swim program has been eliminated. this program insured that all students were taught water safety skills and almost all were taught how to swim.
24. **Elimination of Elementary Extracurricular**  
Athletic competition between elementary schools has been eliminated.
25. **Secondary Extracurricular**  
District eliminated the funding of officials fees, supplies, uniforms and reduced the travel budgets significantly.
26. **Reduction of Community School Programs**  
The district has reduced to the minimum level its contributions to community school programs. We have also eliminated the subsidy to community theater and community swim programs.
27. **Reduction of Stipends**  
The district has eliminated stipends being paid to staff members for sponsoring of various clubs.
28. **Reduction in funding Director of Federal Programs**  
The district previously funded this position in total which allowed for grant writing. These efforts in securing federal funds have been curtailed.
29. **Extended Contracts**  
Extended contracts for principals, school psychologists, counselors, librarians, and program managers have been reduced or eliminated.
30. **Elimination of Tutoring**  
Tutors have been eliminated from the operational budget. All tutors and aides are now paid for by federal funds which are tied to a specific program or special services.

31. **Close of Kenal Elementary and Moth-balled Skyview for 2 Years**  
It was not because the lack of students that these two facilities remained closed.
33. **Elimination of Driver's Education**  
We can no longer afford to operate programs which serve students at a PTR ratio of 1 teacher per 10 students.
34. **Elimination of Management Positions**  
Elimination of a position that coordinated all school activities with the media.  
Elimination of Asst. Director of Purchasing and two buyers.  
Elimination of two positions in the finance office
35. **School Board**  
Reduction of members stipend by 10%. Elimination of out of state travel. (National School Boards Association)
36. **Secretarial Time**  
Hours for secretaries at small schools were reduced from 6 hours to 4. The number of days of work at elementary and high schools have been reduced from 210 days to 206 days. The formula has also been adjusted downward at the high schools and middle level schools.
37. **Custodial Days**  
Elementary and Jr. High Head Custodial positions were reduced from 12 month contracts to 216 days. Regular custodial days were also reduced from 210 days to 206.
38. **Substitute Salary**  
Salaries for substitute employees have been reduced.
39. **Temporary Salaries**  
Schools used to budget for temporary salaries to bring in needed help for peak times of the year, such as the beginning of school registration etc. This has been eliminated.
40. **Postponed Facility Building**  
All needed additions and new facilities have been put on hold until a better funding scheme can be found.
41. **District Activities Director**  
Elimination of a .5 position to coordinate districtwide activities.



# KENAI PENINSULA BOROUGH SCHOOL DISTRICT

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

December 17, 1991

## MEMORANDUM

TO: Robert Holmes, Superintendent

FROM: Mary Rubadeau, Executive Director  
Instruction

SUBJECT: Kenai Peninsula Borough School District Instructional Program Initiatives and Strengths

The following programs, projects, and instructional practices demonstrate a commitment to excellence and set the Kenai Peninsula Borough School District apart from many districts.

### 1. Comprehensive Staff Development Programs:

A Staff Development Advisory Committee acts as a steering committee for districtwide inservice priorities. Skills for Excellence is a five year leadership training program which trains administrators and teachers from each school, with the objective of providing schools with a common vision of effective instructional practices based upon research. A district Instructional Center provides training for teachers which is designed to meet individual needs and interests.

Examples of programs and instructional practices which have been initiated and supported through staff development programs include cooperative learning, whole language, learning styles training (4-Mat), collaborative teaching, peer coaching, mentor teacher program, Higher Order Thinking Skills (H.O.T.S.), hands-on science/math, developmentally appropriate early childhood programs, instructional technology, and student assistance programs.

### 2. Professionalism and support for innovation, restructuring and change:

There is a high level of professionalism evident in this district at every level. A commitment to providing services which meet the needs of the whole child is prevalent throughout the schools, and there is a continual reassessment of instructional practices. The school board, administration, teachers, support staff, students and parents come together during public meetings and forums to openly discuss district priorities and goals.

The district has taken great pride in the statewide and national recognition which many staff and students have received over the years, for example—Alaska School Principal of the Year, Christa McAuliffe Award, Promising Writers Awards, National Distinguished Principals, Alaska Counselor of the Year, etc.

3. Middle School Transition:

The district has adopted a plan to transition all junior high schools to middle schools. This initiative represents a recognition of developmentally appropriate instructional practices for adolescent students. Every community has indicated a readiness to adopt the middle school concept and the only barrier to districtwide transition is adequate funding for staffing and inservice training.

4. Curriculum Development and Curriculum Referenced Assessment:

The Kenai Peninsula Borough School District has been a leader in the development of curriculum and curriculum referenced assessment by teachers. Ten years ago the alignment of assessment with curriculum was on the cutting edge of innovative practices, and CRTs have been used over the years to evaluate the effectiveness of the instructional program. There is a recognition now that the assessment program needs to be reviewed and the CRTs incorporated into authentic assessment designs which will measure not only students' knowledge of the curriculum, but also ability to demonstrate skills acquired through the course of study. The curricular areas currently under review are adopting an outcome based framework.

5. Statewide Leadership Role in Alaska School Counseling Program:

The Kenai Peninsula Borough School District has participated in the development of the ASCP model and Alaska counseling curriculum, which will be transported throughout the state. Several Kenai Peninsula Borough School District administrators and counselors are ASCP trainers. A district counseling curriculum for students in grades K-12 is in the process of being developed using the ASCP framework.

Participation in this program demonstrates a commitment to meet the social and emotional needs of our students as well as intellectual, and to prepare them with social and decision making skills for employment and living.

6. Parental Involvement and Parent Training:

A districtwide borough steering committee recommends and coordinates opportunities for parents to participate in parental involvement conferences. The Mega Skills parent training program is sponsored by the district and a grant from BP Corporation to provide parents information on the affective skills children need to become successful learners, and how those skills can be nurtured and reinforced at home. A Parent Resource Center is supported through Special Services to provide resources and training for parents of exceptional children.

7. Collaborative Programs for Exceptional Learners:

The District has promoted a philosophy that all children can be successful in our schools in the least restrictive educational placement. Special education teachers, federal program tutors, specialists, school nurses, and regular education teachers work in concert to provide appropriate programs for students within the regular classroom as much as possible.

8. Alternative Schooling Program Options:

There are Alternative Schools in the communities of Homer and Kenai which serve at-risk high school students who have dropped out of the local high schools. At the present time over sixty students are enrolled in programs which will equip them with employability skills.

9. Pacific Rim and Global Education Focus:

The district has cultural exchanges and sister school programs with the Soviet Union and Japan, and supports comprehensive world languages and cultural studies programs in all secondary schools. Satellite technology is used to provide world languages instruction in remote sites. For the first time in Alaska, a Soviet teacher of Russian is employed by the district.

10. Comprehensive Co-Curricular Activities:

The district provides varied athletic and academic activities which allow students to develop skills which will enrich their lives. The Kenai District has been an active participant in statewide athletic competition, as well as academic programs such as Future Problem Solving Academic Decathlon, Math Counts, and Battle of the Books. A borough honor band and choir, as well as a mass band and choir are annual events in which students from throughout the district meet to study, practice, and perform music together for our communities.

## Statement on Forest Service Receipts

There has been some questions concerning the treatment of forest service receipts as a revenue to school districts. According to the official manual of the U. S. Department of Education, Financial Accounting for Local and State School Systems 1990, "shared revenue (revenue levied by another governmental unit, but shared in proportion to the amount collected within the LEA) is recorded as revenue from local sources." In response to an inquiry to the Alaska Department of Education, the Department indicated that forest receipts are treated as revenue from local sources.

from Carl  
Rose

# ASSOCIATION OF ALASKA SCHOOL BOARDS

316 West 11th Street, Juneau, Alaska 99801-1510 • Tel. (907) 586-1083 • Fax (907) 586-2995

*Advocates for Alaska's Youth*



## OFFICERS

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Carl F.N. Rose

## Education Funding

### *Support for unit value increase*

The Association of Alaska School Board (AASB) enthusiastically supports an increase in the foundation program instructional unit value. The membership of AASB recently went on record in support of an increase in the unit value from \$60,000 to \$66,000. Any increase in the unit value would go a long way toward relieving some of the devastating program cutbacks that we have witnessed over the past few years.

The education of our youth is an expensive proposition. State laws, regulations and other fixed costs, in addition to inflationary pressures, make it extremely difficult for schools to provide an adequate educational program under the current \$60,000 unit value.

### *Support for debt retirement*

The Association of Alaska School Boards has gone on record as supporting a number of legislative proposals to increase foundation funding. As you are well aware, many of our municipal districts depend heavily on the debt retirement portion of the foundation program. AASB believes debt retirement a critical issue facing education, and would ask that the Legislature include full funding of debt retirement.

### *Support for single/dual site funding*

The Alaska Legislature has recognized the inequity of the foundation program on single/dual site school districts by granting supplemental funding for these districts. AASB also believes the inequity in the foundation program puts single/dual sites at a disadvantage, and supports inclusion of single/dual site monies in education funding bills.

2/92

## Statement On Small Single Funding Community School Districts and Findings In The ISER Report

The ISER report pp. 62-73 analyzes the costs of small schools in two ways. One approach was to analyze the revenue per school versus the expenditures per school in two school districts that have both small and somewhat isolated schools as well as large schools within the district. The Districts used were Kenai and Mat-Su. Figures 48 and 49 pp. 68-69 show the results graphically. Table A incorporates the same analysis of small single funding school districts with the ISER findings. Column D of Table A shows the per ADM difference between state foundation support and total expenditures for the small single funding community school districts by size grouping while columns E and F show the same information for the Mat-Su and Kenai school districts respectively. It can be seen that the small single site funding community school districts show gaps between foundation support and expenditures that are as great or greater than Kenai and Mat-Su in similar size school groups.

The ISER report points out that Kenai spends nearer what the foundation provides for small schools while Mat-Su spends considerably more and indicates that the data is inconclusive as to a pattern of state foundation revenue vs expenditures in Kenai and Mat-Su. If ISER had investigated the funding community patterns of Kenai and Mat-Su they would have found that the Kenai small schools had been granted separate funding community status by the Department of Education while Mat-Su had not been granted the same status for their small schools (Kenai 21 funding communities, Mat-Su 6 funding communities). The result being that Kenai received much more state foundation support per ADM than did Mat-Su for comparably sized small schools. Kenai also provided \$927 more per ADM in local funding than did Mat-Su.

Mat-Su has since petitioned the Department of Education and received approval for 7 new funding communities in their small schools. Table B column Q shows that action will provide an average of \$1,476 per more state foundation support per ADM for 7 small schools in the Mat-Su District bringing them in line with Kenai except for local effort.

Since it is not within the Department of Education's authority to grant relief to the small single funding community school districts (they are already separate funding communities), these districts are seeking relief from the legislature in the form of statutory change.

The second approach that ISER took to investigate small school costs was to compare district wide costs between districts in which the average school enrollment in one district was twice as large as the other district and nothing else was different. This simply does not speak to the issue raised by the small single funding community school district consortium. The consortium's point is that when a school district with approximately the same ADM as a single funding community school district has multiple funding communities, the multiple funding district receives much more state foundation funding per ADM than the single funding community school district. Table B illustrates

this point utilizing the 7 schools in Mat-Su that have been granted separate funding community status. These schools are shown in different groupings with the K-12 instructional units they will receive as separate funding communities (columns K-Q Total line) and the number of K-12 instructional units they would have received had they been only one funding community (columns K-Q units as single funding community line) The remaining lines in columns K-Q show the difference in units, the percent increase and the dollars per ADM increase produced by multiple funding communities over single funding communities of the same ADM.

TABLE A

Small Single Funding Community School Districts Compared to  
Kenai and Matu-Su School Sites From the ISER Report

|                    | A                      | B                           | C                           | D                          | E                          | F                          | G                              | H                           | I                          |
|--------------------|------------------------|-----------------------------|-----------------------------|----------------------------|----------------------------|----------------------------|--------------------------------|-----------------------------|----------------------------|
| SCHOOL DISTRICT    | FY 1990 FOUNDATION ADM | FY90 SUPPLE SUPPORT PER ADM | SS DIST PROPOSED F93 \$/ADM | TOTAL EXP LESS FND PER ADM | TOTAL EXP LESS FND PER ADM | TOTAL EXP LESS FND PER ADM | MAT-SU/KENAI ADMIN EXP PER ADM | MAT-SU EXP LESS FND PER ADM | KENAI EXP LESS FND PER ADM |
| Total ADM 1-250    | 1735.35                | \$845                       | \$873                       | \$4,027                    | \$3,800                    | \$2,510                    | \$1,500                        | \$2,300                     | \$1,010                    |
| Total ADM 251-525  | 2250.05                | \$197                       | \$425                       | \$2,813                    | \$2,880                    | \$2,700                    | \$1,500                        | \$1,380                     | \$1,200                    |
| Total ADM 526-1000 | 2135.55                | \$29                        | \$510                       | \$2,501                    | \$1,530                    | \$3,570                    | \$1,500                        | \$30                        | \$2,070                    |
| AVERAGE            |                        |                             | \$510                       |                            |                            |                            |                                |                             |                            |

TABLE B

Demonstration of Small Single Funding School Districts  
vs. Multiple Funding Community Districts, K-12 Units  
With Same Enrollments Using Mat-Su Schools in Supplemental

|                                    | J       | K               | L               | M               | N               | O               | P               | Q               |
|------------------------------------|---------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| SCHOOL SITES                       | ADM     | FUND COMM UNITS | FUND COMM UNITS | FUND COMM UNITS | FUND COMM UNITS | FUND COMM UNITS | FUND COMM UNITS | FUND COMM UNITS |
| BERYOZARA                          | 8.00    | 2.00            | 2.00            | 2.00            | 2.00            | 2.00            | 2.00            | 2.00            |
| TRAPPER CREEK                      | 42.50   | 6.81            | 6.81            | 6.81            | 6.81            | 6.81            | 6.81            | 6.81            |
| SUTTON                             | 68.00   | 9.67            |                 | 9.67            | 9.67            | 9.67            | 9.67            | 9.67            |
| TALKEETNA                          | 102.25  | 12.52           |                 |                 | 12.52           | 12.52           | 12.52           | 12.52           |
| WILLOW                             | 125.48  | 14.37           |                 |                 |                 | 14.37           | 14.37           | 14.37           |
| BUTTE                              | 359.72  | 24.53           |                 |                 |                 |                 | 24.53           | 24.53           |
| BIG LAKE                           | 558.48  | 37.20           |                 |                 |                 |                 |                 | 37.20           |
| TOTAL                              | 1263.43 | 107.85          | 8.81            | 18.48           | 31.00           | 45.37           | 69.25           | 107.85          |
| UNITS AS SINGLE FUNDING COMMUNITY  |         |                 | 7.81            | 13.875          | 20.72           | 29.08           | 53.00           | 74.32           |
| DIFF IN K-12 UNITS MULT VS. SNGL   |         |                 | 1.00            | 4.61            | 10.28           | 16.29           | 16.25           | 31.07           |
| % OF K-12 UNITS GAIN MULT VS. SNGL |         |                 | 12.77%          | 33.15%          | 49.64%          | 55.01%          | 31.93%          | 41.81%          |
| ADM AS SINGLE FUNDING COMMUNITY    |         |                 | 50.5            | 118.5           | 220.75          | 346.23          | 704.35          | 1263.43         |
| DIFF \$/ADM MULT VS. SINGLE        |         |                 | \$1,185         | \$2,332         | \$2,735         | \$2,823         | \$1,443         | \$1,476         |

# Small Single Site School District Funding

## Issue

*To revise Title 13, Chapter 17 Public School Foundation Program to include an increase for schools with one funding community (site) and 1,000 or fewer average daily membership (ADM).*

## Background

The present public funding act was passed in the 1987 Legislative Session. During the Legislative hearings there was much discussion concerning the adequacy of the funding formula for small single site school districts i.e. districts of up to 1,000 (750, 525, 100-525) in enrollment that were a single funding community. No one was sure of the impact of the new formula on these districts and an appropriation of two million dollars was made to the State Department of Education to address unique and emergency circumstances substantiated by school districts to the Department. Subsequent fiscal year appropriations were made to the Department for specific school districts, the majority of which were single site school districts.

A review of testimony on HB 126, and the discussions in subsequent years on supplemental appropriations for single site school districts, shows that the Legislature believes there is a need for some adjustment in the foundation program for single site school districts. Certainly the passage of supplementals for FY90, 91 and 92 shows there is a continuing need for additional support to single site districts. The major questions concerning the issue are: what size districts should receive additional support, how much support, and how to incorporate the adjustments into the foundation program?

## Analysis

There has been general agreement that single site districts as large as the Nome School District need some adjustment. For purposes of analysis single site school districts of 1000 or fewer in ADM will be divided into three groups, i.e. districts of 1-250 ADM, 251-525 ADM and 526-1,000 ADM. These groups are selected for analysis because they generally follow breakpoints in the present formula for K-12 instructional units. These districts were analyzed on a per ADM basis for changes that have occurred in state funding, local effort, P.L. 81-374 funds, fund balances, property values, supplemental support and pupil teacher ratios (PTR) since FY86. FY86 was selected as the base year because it had the highest state support for public education in the history of the State. The Aleutian Region REAA and the schools in the Aleutian East Borough were excluded from the analysis because of a lack of comparable data, and the North Slope Borough and Valdez City districts were excluded because of extremely high local property values.

## Analysis (continued)

The procedure that was used for analysis purposes was to:

- accumulate the changes in each area listed above incorporating the changes required by the FY88 Foundation Act, and
- dividing the cumulative changes per ADM by the K-12 instructional unit basic need for FY91.

This determined the percentage of gain or loss by group as if there had been no supplemental support, allowing a comparison between what has been appropriated for supplementals and what the analysis shows as needed.

## Findings

1. Single site school districts of 1-250 had a loss of 19.96%.
2. Single site districts of 251-525 had a loss of 10.00%.
3. Single site districts of 526-1000 had a loss of 5.06%.
4. The rest of the school districts as a group had a loss of 1.87%.
5. The data would suggest that single site school districts of 1-250 should receive an additional 18.09% (19.96% - 1.87%) of K-12 units, single site districts of 251-525 an addition of 8.13%, and single site districts of 526-1,000 an addition of 3.19%.
6. However, the 1-250 group of single site school districts received about a 4.50% more in supplemental support and exceeded the required 4 mill local effort by about 1 mill more than the other two groups, yielding about another 1.5% advantage, leaving that group at about a 12% adjusted loss. The 526-1,000 group of single site school districts started with a significantly higher pupil teacher ratio and increased it by almost one-fifth, which means that the group cut their programs beyond what the other groups did, reflecting about a 3% lower loss than they should have, had they received a higher level of supplemental support.

## Recommendation

The above analysis and findings support the following recommendation for increased support to single site school districts of 1,000 or fewer in ADM except Valdez, which receives a considerable state support break because of the 35% rule.

| ADM      | Percent of K-12 Units |
|----------|-----------------------|
| 1-250    | 12                    |
| 251-525  | 8                     |
| 526-1000 | 6                     |

## Proposed Legislative Wording

\* Sec. \_\_\_\_ AS 14.17.041 is amended by adding a new subsection to read: (e) A district with an ADM of 1,000 or less that consists of one funding community and whose property evaluation per ADM is less than \$1,000,000.00 shall increase the elementary and secondary instructional units to which it is entitled under (a) or (b) of this section by a percentage determined under the following table:

| District ADM | Percentage |
|--------------|------------|
| 1-250        | 1.12       |
| 251-525      | 1.08       |
| 526-1000     | 1.06       |

Small Single Site School District Funding Proposal

Fiscal Note\*

| SCHOOL DISTRICT | PROJECTED FY 93 ADM | PROJECTED FY93 K-12 UNITS | ADJUSTMENT FACTOR | INCREASED UNITS | AREA DIFFERENTIAL | SMALL SINGLE SITE PROPOSAL |
|-----------------|---------------------|---------------------------|-------------------|-----------------|-------------------|----------------------------|
| Galena          | 160                 | 16.67                     | 12.00%            | 2.00            | 1.30              | \$156,031                  |
| Hoonah          | 225                 | 21.00                     | 12.00%            | 2.52            | 1.08              | \$163,296                  |
| Hydaburg        | 120                 | 14.00                     | 12.00%            | 1.68            | 1.03              | \$103,824                  |
| Take            | 178                 | 17.87                     | 12.00%            | 2.14            | 1.03              | \$132,524                  |
| Kashumamiut     | 208                 | 19.87                     | 12.00%            | 2.38            | 1.33              | \$190,275                  |
| Klawock         | 215                 | 20.33                     | 12.00%            | 2.44            | 1.03              | \$150,767                  |
| Nenana          | 185                 | 18.33                     | 12.00%            | 2.20            | 1.20              | \$158,371                  |
| Pelican         | 48.2                | 7.53                      | 12.00%            | 0.90            | 1.08              | \$58,553                   |
| Skagway         | 135                 | 15.00                     | 12.00%            | 1.80            | 1.05              | \$113,400                  |
| St. Mary's      | 105.5               | 12.97                     | 12.00%            | 1.56            | 1.30              | \$121,399                  |
| Tanana          | 100                 | 12.33                     | 12.00%            | 1.48            | 1.30              | \$115,409                  |
| Yakutat         | 127                 | 14.47                     | 12.00%            | 1.74            | 1.08              | \$112,519                  |
| Annette Island  | 420                 | 34.00                     | 8.00%             | 2.72            | 1.03              | \$168,096                  |
| Cordova         | 487.75              | 37.22                     | 8.00%             | 2.98            | 1.11              | \$198,308                  |
| Craig           | 390                 | 32.00                     | 8.00%             | 2.56            | 1.03              | \$158,208                  |
| Dillingham      | 553                 | 42.91                     | 8.00%             | 3.43            | 1.27              | \$261,579                  |
| Unalaska        | 332                 | 28.13                     | 8.00%             | 2.25            | 1.27              | \$171,480                  |
| Wrangell        | 527                 | 40.55                     | 8.00%             | 3.24            | 1.00              | \$194,640                  |
| Adak            | 718                 | 51.91                     | 6.00%             | 3.11            | 1.27              | \$237,333                  |
| Nome            | 773                 | 56.88                     | 6.00%             | 3.41            | 1.34              | \$274,389                  |
| Petersburg      | 722                 | 53.70                     | 6.00%             | 3.22            | 1.00              | \$193,320                  |
| <b>TOTAL</b>    | <b>6729.45</b>      | <b>567.67</b>             |                   | <b>49.78</b>    |                   | <b>\$3,433,721</b>         |

\*The fiscal note is for \$3,433,722. However, when the FY 92 small school supplemental (HB 5: \$2,131,200 and the Petersburg and Wrangell FY91 supplementals HB 15: \$372,600, TOTAL \$2,503,800) are considered, the increase is \$929,400.

Small Single Site School Districts

Funding Analysis

TABLE I

| Sch Dist.<br>Size in ADM | A<br>ACTUAL<br>FY91 ADM | B<br>AV. SUPP.<br>PER ADM | C<br>FY90 LOCAL<br>EFF ≥ 4 MILLS<br>PER ADM | D<br>ADJ LOC<br>EFF CNG<br>PER ADM | E<br>F90-F86<br>FND BAL<br>PER ADM | F<br>F88-91<br>LO EF/ADM<br>CNG @ 4 MIL | G<br>ST FND/ADM<br>F86-F91 | H<br>PL874/ADM<br>F88-F91 | I<br>C&B PL874<br>ADJUST/ADM |
|--------------------------|-------------------------|---------------------------|---|------------------------------------|------------------------------------|---|----------------------------|---------------------------|------------------------------|
| Total ADM 1-250          | 2046.1                  | 500                       | 517   | -420                               | -986                               | -35                                     | -1766                      | -209                      | 802                          |
| Total ADM 251-525        | 2095.45                 | 142                       | 430   | -235                               | -325                               | 3                                       | -928                       | 532                       | 200                          |
| Total ADM 526-1000       | 2171.15                 | 116                       | 331   | -47                                | -512                               | -33                                     | -1014                      | 1022                      | 46                           |
| Total Other Districts    | 99321.25                |                           | 646   | -22                                | -102                               | -618                                    | 123                        | 212                       | 56                           |

TABLE II

| Sch Dist.<br>Size in ADM | J<br>CUM<br>CNGS/ADM | K<br>CUM<br>CNGS/ADM<br>PER YEAR | L<br>F91 K-12<br>BASIC ND<br>PER ADM | M<br>CUM CNG AS<br>% OF F91 BN<br>INC SUPP | N<br>AV SUPP<br>AS % OF<br>F91 BN | O<br>CUM % CNG<br>WITHOUT<br>SUPP | P<br>CNG LOC EFF<br>C&B ≥ 4 MILLS<br>IN F90 |
|--------------------------|----------------------|----------------------------------|--------------------------------------|--|-----------------------------------|-----------------------------------|---|
| Total ADM 1-250          | -2613                | -523                             | 7226                                 | -7.23%                                     | -6.92%                            | -14.15%                           | -5.81%                                      |
| Total ADM 251-525        | -754                 | -151                             | 5284                                 | -2.85%                                     | -2.69%                            | -5.55%                            | -4.45%                                      |
| Total ADM 526-1000       | -537                 | -107                             | 5343                                 | -2.01%                                     | -2.17%                            | -4.18%                            | -0.88%                                      |
| Total Other Districts    | -351                 | -70                              | 4913                                 | -1.43%                                     | 0.00%                             | -1.43%                            | -0.44%                                      |

TABLE III

| Sch Dist.<br>Size in ADM | Q<br>GRAND TOTAL<br>% CNG/ADM | R<br>ONE MILL<br>PER ADM | S<br>LOCAL MILL<br>EFFORT<br>≥ 4 MILLS | T<br>PTR F86 | U<br>PTR F90 | V<br>% INC PTR<br>F90VS86 |
|--------------------------|-------------------------------|--------------------------|--|--------------|--------------|---------------------------|
| Total ADM 1-250          | -19.96%                       | 151                      | 3.43                                   | 7.13         | 8.96         | 25.66%                    |
| Total ADM 251-525        | -10.00%                       | 187                      | 2.30                                   | 9.59         | 10.92        | 13.83%                    |
| Total ADM 526-1000       | -5.06%                        | 138                      | 2.39                                   | 11.62        | 13.82        | 18.90%                    |
| Total Other Districts    | -1.87%                        | 219                      | 2.94                                   | 13.05        | 13.73        | 5.25%                     |

## Column Explanation Tables I-III

### *School District Size In ADM:*

Total ADM 1-250 : Is single site school districts with average daily memberships (ADM) of 1-250.

Total ADM 251-525: Is single site school districts of 251-525 ADM.

Total ADM 526-1000: Is single site school districts of 526-1000 ADM.

Total Other Districts: Is all other school districts except Valdez, North Slope , Aleutian East and Aleutian Region as noted in the analysis section of the report.

Column A: Actual FY 91 ADM: Foundation ADM for fiscal year 1991

Column B: Average Supplementals Per ADM: Total supplemental support FY 86-91 divided by the number of supplementals received divided the FY 91 ADM.

Column C: F 90 Local Effort Greater Than 4 Mills Per ADM: Shows the per ADM local effort of school districts greater than the 4 mills required by the foundation act in effect in FY 88.

Column D: Adjusted Local Effort Change Per ADM: Shows the difference in local effort per ADM in FY 86 minus FY 90. This represents the local effort change made by school districts over the 5 year period FY 86- FY90. Negative represents more local effort and positive less local effort.

Column E: F 90- F 86 Fund Balance Per ADM: Shows the loss(-) or gain (+) in fund balance per ADM between FY 86 and FY 90.

Column F: FY 88\_FY91 Local Effort Per ADM change at 4 Mills: Shows the increase (-) or decrease (+) in required local effort resulting from the change in local property valuations per ADM between FY 88 and FY 90. That is the change in state foundation funding ( Column G ) would have been greater or lesser had the property values remained the same.

Column G: State Foundation Per ADM FY 86 less FY 91: Shows the loss (-) or gain (+) in state foundation payments per ADM between FY 86 and FY 91. Columns F, H and I are adjustments to this number for required local effort (F) and P. L. 874 (H,I).

Column H: P. L. 874 per ADM FY 88 less FY 91: Shows the gain (-) or loss (+) in P. L. 874 from FY 88 to FY 91. A gain reduced state aid and a loss increased state aid compared to no change.

Column I: City and Borough P. L. 874 payments that were first taken into consideration in FY 88 and which adjusts positively to the foundation change (Column G). That is the loss in state funds for city and borough school districts due to the 874 payments was an intentional adjustment and should show as a reduction in the change in Column G.

Column J: Cumulative Changes Per ADM: Shows the net result of the changes in Columns D through I.

Column K: Cumulative Changes Per ADM Per Year: Column J divided by the five years FY 86 through FY 90 to get the average change to apply to FY 91 K-12 Basic Need.

Column L: FY 91 K-12 Basic Need Per ADM: Shows the FY 91 dollars per ADM that represents the amount of K-12 Basic Need. This is the number that the changes from FY 86 to FY 91 are compared to determine the needed percent change in the K-12 Instructional Units for the single site school districts.

Column M: Cumulative Changes AS A Percent Of FY 91 Basic Need Including Supplementals: Shows the average adjusted changes per year brought about by changes in local effort up to 4 mills, change in fund balance, change in P. L. 874 and state foundation change. It also includes the supplemental support shown in Column B which when relating to foundation payments must be adjusted out to show how districts foundation payments are affected without the supplementals.

Column N: Average Supplemental AS A Percent Of FY 91 Basic Need: Shows the effects of not having the supplementals in Column B.

Column O: Cumulative Percent Change Without The Supplemental: Shows the sum of Columns M and O.

Column P: Change In Local Effort With City And Borough's Local Effort Greater Than 4 Mills In FY 90 FY86 Less FY 90: Shows the local effort increase (-) above 4 mills in FY 90.

Column Q: Grand Total Percent Change Per ADM: Shows the total changes as a percent of FY 91 K-12 Basic Need.

Column R: One Mill Per ADM: Shows the dollars per ADM generated by one mill.

Column S: Local Mill Effort Greater Than 4 Mills.

Column T: PTR FY 86: Shows the pupil teacher ratio for FY 86.

Column U: PTR FY 90: Shows the pupil teacher ratio for FY 90.

Column V: Percent Increase In PTR FY 90 Verses FY 86.

ALASKA DEPARTMENT OF EDUCATION  
 FY93 PROJECTED FOUNDATION ENTITLEMENTS IF UNIT VALUE IS ADJUSTED.

12-23-91 File:FOUND93.XLS

This spreadsheet reflects the total FY93 foundation entitlements if the unit value of \$60,000 is increased by increments of \$1,000.

| ADJUSTED UNIT VALUE >     | \$61,000      | \$62,000      | \$63,000      | \$64,000      | \$65,000      | \$66,000      |
|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| ADAK                      | \$2,419,400   | \$2,495,210   | \$2,571,020   | \$2,646,830   | \$2,722,640   | \$2,798,450   |
| ALASKA GATEWAY            | 4,433,780     | 4,514,650     | 4,595,520     | 4,676,390     | 4,757,260     | 4,838,130     |
| ALUTIAN REGION            | 648,764       | 661,014       | 673,264       | 685,514       | 697,764       | 710,014       |
| ALUTIANS EAST             | 3,955,164     | 4,025,524     | 4,095,884     | 4,166,244     | 4,236,604     | 4,306,964     |
| ANCHORAGE                 | 180,607,972   | 184,244,282   | 187,880,592   | 191,516,902   | 195,153,212   | 198,789,522   |
| ANNETTE ISLANDS           | 1,236,243     | 1,280,233     | 1,324,223     | 1,368,213     | 1,412,203     | 1,456,193     |
| BERING STRAIT             | 13,450,043    | 13,727,353    | 14,024,663    | 14,311,973    | 14,599,283    | 14,886,593    |
| BRISTOL BAY               | 1,933,845     | 1,981,205     | 2,028,565     | 2,075,925     | 2,123,285     | 2,170,645     |
| CHATHAM                   | 2,775,584     | 2,836,084     | 2,896,584     | 2,957,084     | 3,017,584     | 3,078,084     |
| CHUGACH                   | 1,778,170     | 1,809,430     | 1,840,690     | 1,871,950     | 1,903,210     | 1,934,470     |
| COPPER RIVER              | 5,342,142     | 5,431,692     | 5,521,242     | 5,610,792     | 5,700,342     | 5,789,892     |
| CORDOVA                   | 2,433,643     | 2,483,493     | 2,533,343     | 2,583,193     | 2,633,043     | 2,682,893     |
| CRAIG                     | 2,108,433     | 2,146,853     | 2,185,273     | 2,223,693     | 2,262,113     | 2,300,533     |
| DELTA/GREELY              | 4,808,706     | 4,902,446     | 4,996,186     | 5,089,926     | 5,183,666     | 5,277,406     |
| DILLINGHAM                | 3,742,935     | 3,816,835     | 3,890,735     | 3,964,635     | 4,038,535     | 4,112,435     |
| FAIRBANKS                 | 63,497,271    | 64,747,271    | 65,997,271    | 67,247,271    | 68,497,271    | 69,747,271    |
| GALENA                    | 1,372,789     | 1,399,799     | 1,426,809     | 1,453,819     | 1,480,829     | 1,507,839     |
| HAINES                    | 2,281,817     | 2,327,267     | 2,372,717     | 2,418,167     | 2,463,617     | 2,509,067     |
| HOONAH                    | 1,568,058     | 1,596,428     | 1,624,798     | 1,653,168     | 1,681,538     | 1,709,908     |
| HYDABURG                  | 1,072,473     | 1,090,513     | 1,108,553     | 1,126,593     | 1,144,633     | 1,162,673     |
| IDITAROD                  | 4,747,186     | 4,835,816     | 4,924,446     | 5,013,076     | 5,101,706     | 5,190,336     |
| JUNEAU                    | 20,932,642    | 21,373,062    | 21,813,482    | 22,253,902    | 22,694,322    | 23,134,742    |
| KAKE                      | 1,158,968     | 1,181,698     | 1,204,428     | 1,227,158     | 1,249,888     | 1,272,618     |
| KASHUNAMIUT               | 1,655,659     | 1,689,649     | 1,723,639     | 1,757,629     | 1,791,619     | 1,825,609     |
| KENAI                     | 41,455,268    | 42,366,878    | 43,278,488    | 44,190,098    | 45,101,708    | 46,013,318    |
| KETCHIKAN                 | 10,011,279    | 10,235,559    | 10,459,839    | 10,684,119    | 10,908,399    | 11,132,679    |
| KLAWOCK                   | 1,436,369     | 1,462,389     | 1,488,409     | 1,514,429     | 1,540,449     | 1,566,469     |
| KODIAK                    | 12,425,343    | 12,681,133    | 12,936,923    | 13,192,713    | 13,448,503    | 13,704,293    |
| KUSPUK                    | 5,200,608     | 5,293,218     | 5,385,828     | 5,478,438     | 5,571,048     | 5,663,658     |
| LAKE AND PENINSULA        | 5,674,274     | 5,779,844     | 5,885,414     | 5,990,984     | 6,096,554     | 6,202,124     |
| LOWER KUSKOKWIM           | 28,906,526    | 29,470,526    | 30,034,526    | 30,598,526    | 31,162,526    | 31,726,526    |
| LOWER YUKON               | 10,885,973    | 11,130,179    | 11,374,379    | 11,618,579    | 11,862,779    | 12,106,979    |
| MAT-SU                    | 50,044,443    | 50,984,703    | 51,924,963    | 52,865,223    | 53,805,483    | 54,745,743    |
| NENANA                    | 1,545,127     | 1,571,517     | 1,597,907     | 1,624,297     | 1,650,687     | 1,677,077     |
| NOME                      | 5,097,612     | 5,190,422     | 5,283,232     | 5,376,042     | 5,468,852     | 5,561,662     |
| NORTH SLOPE               | 8,974,199     | 9,207,679     | 9,441,159     | 9,674,639     | 9,908,119     | 10,141,599    |
| NORTHWEST ARCTIC          | 12,290,063    | 12,567,423    | 12,844,783    | 13,122,143    | 13,399,503    | 13,676,863    |
| PELICAN                   | 573,086       | 583,376       | 593,666       | 603,956       | 614,246       | 624,536       |
| PETERSBURG                | 3,145,598     | 3,209,148     | 3,272,698     | 3,336,248     | 3,399,798     | 3,463,348     |
| PRIBILOF                  | 1,494,203     | 1,525,693     | 1,557,183     | 1,588,673     | 1,620,163     | 1,651,653     |
| RAILBELT                  | 3,203,352     | 3,256,192     | 3,309,032     | 3,361,872     | 3,414,712     | 3,467,552     |
| SITKA                     | 7,032,612     | 7,182,252     | 7,331,892     | 7,481,532     | 7,631,172     | 7,780,812     |
| SKAGWAY                   | 865,539       | 884,299       | 902,629       | 920,959       | 939,289       | 957,619       |
| SOUTHEAST                 | 5,031,050     | 5,125,460     | 5,219,870     | 5,314,280     | 5,408,690     | 5,503,100     |
| SOUTHWEST                 | 5,478,456     | 5,589,936     | 5,701,416     | 5,812,896     | 5,924,376     | 6,035,856     |
| ST. MARY'S                | 1,261,585     | 1,283,115     | 1,304,645     | 1,326,175     | 1,347,705     | 1,369,235     |
| TANANA                    | 1,089,508     | 1,109,798     | 1,130,088     | 1,150,378     | 1,170,668     | 1,190,958     |
| UNALASKA                  | 1,720,590     | 1,761,930     | 1,803,270     | 1,844,610     | 1,885,950     | 1,927,290     |
| VALDEZ                    | 3,280,232     | 3,358,122     | 3,436,012     | 3,513,902     | 3,591,792     | 3,669,682     |
| WRANGELL                  | 2,496,114     | 2,545,884     | 2,595,654     | 2,645,424     | 2,695,194     | 2,744,964     |
| YAKUTAT                   | 1,118,322     | 1,138,162     | 1,158,002     | 1,177,842     | 1,197,682     | 1,217,522     |
| YUKON FLATS               | 4,696,090     | 4,781,780     | 4,867,470     | 4,953,160     | 5,038,850     | 5,124,540     |
| YUKON/KOYUKUK             | 5,917,552     | 6,033,852     | 6,150,152     | 6,266,452     | 6,382,752     | 6,499,052     |
| YUPIIT                    | 3,751,466     | 3,828,716     | 3,905,966     | 3,983,216     | 4,060,466     | 4,137,716     |
| SUB - TOTALS              | 576,064,562   | 587,746,992   | 599,429,422   | 611,111,852   | 622,794,282   | 634,476,712   |
| STATE CORR. STUDY         | 5,560,760     | 5,651,920     | 5,743,080     | 5,834,240     | 5,925,400     | 6,016,560     |
| MT EDGE CUMBE SCHOOL      | 1,593,320     | 1,619,440     | 1,645,560     | 1,671,680     | 1,697,800     | 1,723,920     |
| VALDEZ CONTRACT           | 600,000       | 600,000       | 600,000       | 600,000       | 600,000       | 600,000       |
| 4 MILL PHASE-IN (SUBSIDY) | 0             | 0             | 0             | 0             | 0             | 0             |
| PLB1-874 PASS THRU        | 1,277,192     | 1,277,192     | 1,277,192     | 1,277,192     | 1,277,192     | 1,277,192     |
| EST. PRIOR YEAR ADJ       | 1,500,000     | 1,500,000     | 1,500,000     | 1,500,000     | 1,500,000     | 1,500,000     |
| FY93 EST INCREASES        | \$586,595,834 | \$598,395,544 | \$610,195,254 | \$621,994,964 | \$633,794,674 | \$645,594,384 |

This spreadsheet reflects the increased FY93 foundation entitlements if the unit value of \$60,000 is increased by increments of \$1,000.

| UNIT VALUE INCREASES BY > | \$1,000      | \$2,000      | \$3,000      | \$4,000      | \$5,000      | \$6,000      |
|---------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| ADAK                      | \$75,810     | \$151,620    | \$227,430    | \$303,240    | \$379,050    | \$454,860    |
| ALASKA GATEWAY            | 80,870       | 161,740      | 242,610      | 323,480      | 404,350      | 485,220      |
| ALEUTIAN REGION           | 12,250       | 24,500       | 36,750       | 49,000       | 61,250       | 73,500       |
| ALEUTIANS EAST            | 70,360       | 140,720      | 211,080      | 281,440      | 351,800      | 422,160      |
| ANCHORAGE                 | 3,636,310    | 7,272,620    | 10,908,930   | 14,545,240   | 18,181,550   | 21,817,860   |
| ANNETTE ISLANDS           | 43,990       | 87,980       | 131,970      | 175,960      | 219,950      | 263,940      |
| BERING STRAIT             | 287,310      | 574,620      | 861,930      | 1,149,240    | 1,436,550    | 1,723,860    |
| BRISTOL BAY               | 47,360       | 94,720       | 142,080      | 189,440      | 236,800      | 284,160      |
| CHATHAM                   | 60,500       | 121,000      | 181,500      | 242,000      | 302,500      | 363,000      |
| CHUGACH                   | 31,260       | 62,520       | 93,780       | 125,040      | 156,300      | 187,560      |
| COPPEL RIVER              | 89,550       | 179,100      | 268,650      | 358,200      | 447,750      | 537,300      |
| CORDOVA                   | 49,850       | 99,700       | 149,550      | 199,400      | 249,250      | 299,100      |
| CRAIG                     | 38,420       | 76,840       | 115,260      | 153,680      | 192,100      | 230,520      |
| DELTA/GREELY              | 93,740       | 187,480      | 281,220      | 374,960      | 468,700      | 562,440      |
| DILLINGHAM                | 73,900       | 147,800      | 221,700      | 295,600      | 369,500      | 443,400      |
| FAIRBANKS                 | 1,250,000    | 2,500,000    | 3,750,000    | 5,000,000    | 6,250,000    | 7,500,000    |
| GALENA                    | 27,010       | 54,020       | 81,030       | 108,040      | 135,050      | 162,060      |
| HAINES                    | 45,450       | 90,900       | 136,350      | 181,800      | 227,250      | 272,700      |
| HOONAH                    | 28,370       | 56,740       | 85,110       | 113,480      | 141,850      | 170,220      |
| HYDABURG                  | 18,040       | 36,080       | 54,120       | 72,160       | 90,200       | 108,240      |
| IDITAROD                  | 88,630       | 177,260      | 265,890      | 354,520      | 443,150      | 531,780      |
| JUNEAU                    | 440,420      | 880,840      | 1,321,260    | 1,761,680    | 2,202,100    | 2,642,520    |
| KAKE                      | 22,730       | 45,460       | 68,190       | 90,920       | 113,650      | 136,380      |
| KASHUNAMIUT               | 33,990       | 67,980       | 101,970      | 135,960      | 169,950      | 203,940      |
| KENAI                     | 911,610      | 1,823,220    | 2,734,830    | 3,646,440    | 4,558,050    | 5,469,660    |
| KETCHIKAN                 | 224,280      | 448,560      | 672,840      | 897,120      | 1,121,400    | 1,345,680    |
| KLAWOCK                   | 26,020       | 52,040       | 78,060       | 104,080      | 130,100      | 156,120      |
| KODIAK                    | 255,790      | 511,580      | 767,370      | 1,023,160    | 1,278,950    | 1,534,740    |
| KUSPUK                    | 92,610       | 185,220      | 277,830      | 370,440      | 463,050      | 555,660      |
| LAKE AND PENINSULA        | 105,570      | 211,140      | 316,710      | 422,280      | 527,850      | 633,420      |
| LOWER KUSKOKWIM           | 564,700      | 1,128,000    | 1,692,000    | 2,256,000    | 2,820,000    | 3,384,000    |
| LOWER YUKON               | 244,200      | 488,400      | 732,600      | 976,800      | 1,221,000    | 1,465,200    |
| MAT-SU                    | 940,260      | 1,880,520    | 2,820,780    | 3,761,040    | 4,701,300    | 5,641,560    |
| NENANA                    | 26,390       | 52,780       | 79,170       | 105,560      | 131,950      | 158,340      |
| NOME                      | 92,810       | 185,620      | 278,430      | 371,240      | 464,050      | 556,860      |
| NORTH SLOPE               | 233,480      | 466,960      | 700,440      | 933,920      | 1,167,400    | 1,400,880    |
| NORTHWEST ARCTIC          | 277,360      | 554,720      | 832,080      | 1,109,440    | 1,386,800    | 1,664,160    |
| PELICAN                   | 10,290       | 20,580       | 30,870       | 41,160       | 51,450       | 61,740       |
| PETERSBURG                | 63,550       | 127,100      | 190,650      | 254,200      | 317,750      | 381,300      |
| PRIBILOF                  | 31,490       | 62,980       | 94,470       | 125,960      | 157,450      | 188,940      |
| RAILBELT                  | 52,840       | 105,680      | 158,520      | 211,360      | 264,200      | 317,040      |
| SITKA                     | 149,640      | 299,280      | 448,920      | 598,560      | 748,200      | 897,840      |
| SKAGWAY                   | 18,330       | 36,660       | 54,990       | 73,320       | 91,650       | 109,980      |
| SOUTHEAST                 | 94,410       | 188,820      | 283,230      | 377,640      | 472,050      | 566,460      |
| SOUTHWEST                 | 111,480      | 222,960      | 334,440      | 445,920      | 557,400      | 668,880      |
| ST. MARY'S                | 21,530       | 43,060       | 64,590       | 86,120       | 107,650      | 129,180      |
| TANANA                    | 20,290       | 40,580       | 60,870       | 81,160       | 101,450      | 121,740      |
| UNALASKA                  | 41,340       | 82,680       | 124,020      | 165,360      | 206,700      | 248,040      |
| VALDEZ                    | 77,890       | 155,780      | 233,670      | 311,560      | 389,450      | 467,340      |
| WRANGELL                  | 49,770       | 99,540       | 149,310      | 199,080      | 248,850      | 298,620      |
| YAKUTAT                   | 19,840       | 39,680       | 59,520       | 79,360       | 99,200       | 119,040      |
| YUKON FLATS               | 85,690       | 171,380      | 257,070      | 342,760      | 428,450      | 514,140      |
| YUKON/KOYUKUK             | 116,300      | 232,600      | 348,900      | 465,200      | 581,500      | 697,800      |
| YUPIIT                    | 77,250       | 154,500      | 231,750      | 309,000      | 386,250      | 463,500      |
| SUB - TOTALS              | 11,682,430   | 23,364,860   | 35,047,290   | 46,729,720   | 58,412,150   | 70,094,580   |
| STATE CORR. STUDY         | 91,160       | 182,320      | 273,480      | 364,640      | 455,800      | 546,960      |
| MT. EDGE CUMBE SCHOOL     | 26,120       | 52,240       | 78,360       | 104,480      | 130,600      | 156,720      |
| VALDEZ CONTRACT           | 0            | 0            | 0            | 0            | 0            | 0            |
| 4 MILL PHASE-IN (SUBSIDY) | 0            | 0            | 0            | 0            | 0            | 0            |
| PL81-874 PASS THRU        | 0            | 0            | 0            | 0            | 0            | 0            |
| EST. PRIOR YEAR ADJ       | 0            | 0            | 0            | 0            | 0            | 0            |
| FY93 EST INCREASES        | \$11,799,710 | \$23,599,420 | \$35,399,130 | \$47,198,840 | \$58,998,550 | \$70,798,260 |

SALCUTA  
LEGISLATIVE FINANCE

STATE OF ALASKA -- OPERATING BUDGET SUMMARY  
\*\*\*\*\* DEPARTMENT OF EDUCATION \*\*\*\*\*

11:01 1/06/92

| SHORT FURM PAGE | BUDGET COMPONENT               | FY91 ACT | FY92AUTH | FY93 AGY | GOVERNOR | GOVERNOR - FY92AUTH COMPARISON |         |
|-----------------|--------------------------------|----------|----------|----------|----------|--------------------------------|---------|
|                 | EDUCATION                      |          |          |          |          |                                |         |
|                 | K-12 SUPPORT                   |          |          |          |          |                                |         |
| 2               | FOUNDATION PROGRAM             | 526382.6 | 541746.2 | 552580.5 | 552580.5 | 10834.3                        | 2.0%    |
| 4               | ADDITIONAL DISTRICT SUPPORT    |          | 2131.2   | 2131.2   | 2131.2   |                                |         |
| 6               | STUDENT LUNCH PROGRAM          | 13814.4  | 15000.0  | 16100.0  | 18100.0  | 3100.0                         | 20.7%   |
| 8               | CIGARETTE TAX DISTRIBUTION     | 2600.0   | 2500.0   | 2700.0   | 2700.0   | 200.0                          | 8.0%    |
| 10              | TUITION STUDENTS               | 13878.5  | 13878.5  | 13878.5  | 13878.5  |                                |         |
| 12              | BOARDING HOME GRANTS           | 223.2    | 230.0    | 230.0    | 230.0    |                                |         |
| 14              | YOUTH IN DETENTION             | 794.9    | 800.0    | 800.0    | 800.0    |                                |         |
| 16              | SCHOOLS FOR THE HANDICAPPED    | 2772.6   | 3077.5   | 3077.5   | 3077.5   |                                |         |
| 18              | PUPIL TRANSPORTATION           | 24737.0  | 28572.0  | 28572.0  | 28572.0  |                                |         |
|                 | *** PROGRAM TOTAL ***          | 585203.2 | 607935.4 | 622069.7 | 622069.7 | 14134.3                        | 2.3%    |
| 20              | SCHOOL DEBT REIMBURSEMENT      | 116688.6 | 128986.1 | 127603.2 | 127603.2 | -1382.9                        | -1.1%   |
|                 | EDUC FINANCE & SUPPORT SVS     |          |          |          |          |                                |         |
| 24              | DISTRICT SUPPORT SERVICES      | 1784.3   | 1786.2   | 2106.1   | 2106.1   | 319.9                          | 17.9%   |
| 26              | CIP OVERHEAD & ASSOC COSTS     | 113.7    | 537.1    | 548.5    | 548.5    | 11.4                           | 2.1%    |
| 28              | TEACHER CERTIFICATION          |          | 589.8    | 603.7    | 603.7    | 13.9                           | 2.4%    |
|                 | *** PROGRAM TOTAL ***          | 1898.0   | 2913.1   | 3258.3   | 3258.3   | 345.2                          | 11.8%   |
| 30              | DATA MANAGEMENT & PROCESSING   |          |          |          |          |                                |         |
| 32              | DATA PROCESSING                | 595.9    |          |          |          |                                |         |
|                 | DATA MANAGEMENT                | 450.0    |          |          |          |                                |         |
|                 | *** PROGRAM TOTAL ***          | 1045.9   |          |          |          |                                |         |
|                 | EDUCATION PROGRAM SUPPORT      |          |          |          |          |                                |         |
| 36              | COMMUNITY SCHOOLS              | 579.0    | 600.0    | 600.0    | 600.0    |                                |         |
| 38              | SPECIAL & SUPPLEMENTAL SVS     | 24211.8  | 24794.6  | 29923.6  | 29923.6  | 5129.0                         | 20.7%   |
| 40              | BASIC ED & INSTRUCT IMPROVE    | 8246.1   | 8753.7   | 9384.8   | 9384.8   | 631.1                          | 7.2%    |
| 42              | INSTRUCT DELIVERY & SUPPORT    | 5610.3   |          |          |          |                                |         |
| 44              | EDUCATION SPECIAL PROJECTS     | 366.6    | 301.1    | 501.1    | 501.1    | 200.0                          | 66.4%   |
| 46              | DIRECTOR'S OFFICE              | 689.4    | 776.2    |          |          | -776.2                         | -100.0% |
| 48              | DATA MANAGEMENT                |          | 936.9    | 921.7    | 921.7    | -15.2                          | -1.6%   |
|                 | *** PROGRAM TOTAL ***          | 39703.2  | 36162.5  | 41331.2  | 41331.2  | 5168.7                         | 14.3%   |
|                 | ADULT AND VOCATIONAL EDUCATION |          |          |          |          |                                |         |
| 52              | ADULT BASIC EDUCATION          | 2694.3   | 2324.6   | 2821.8   | 2821.8   | 497.2                          | 21.4%   |
| 54              | EMPLOYMENT TRAINING GRANTS     | 247.8    | 350.0    | 350.0    | 350.0    |                                |         |
| 56              | FEDERAL VOC EDUC GRANTS        | 3967.9   | 4272.3   | 4272.3   | 4272.3   |                                |         |
| 58              | ADULT & VOC EDUC ADMIN         | 1154.9   | 1034.1   | 1051.3   | 1051.3   | 17.2                           | 1.7%    |
| 60              | AK CAREER INFORMATION SYSTEM   | 294.5    | 335.5    | 341.8    | 341.8    | 6.3                            | 1.9%    |
| 62              | RURAL SCHOOL VOC EDUC PROG     | 200.0    | 200.0    | 200.0    | 200.0    |                                |         |
| 64              | VOC EDUC SPECIAL PROJECTS      | 195.7    |          |          |          |                                |         |
|                 | *** PROGRAM TOTAL ***          | 8755.1   | 8516.5   | 9037.2   | 9037.2   | 520.7                          | 6.1%    |
|                 | EXECUTIVE ADMINISTRATION       |          |          |          |          |                                |         |
| 68              | STATE BOARD OF EDUCATION       | 98.4     | 59.9     | 82.7     | 82.7     | 22.8                           | 38.1%   |
| 70              | COMMISSIONER'S OFFICE          |          |          | 698.1    | 698.1    | 698.1                          | 100.0%  |
| 72              | EXECUTIVE ADMINISTRATION       | 623.7    | 874.1    |          |          | -874.1                         | -100.0% |
| 74              | ADMINISTRATIVE SERVICES        | 765.8    | 1499.3   | 1781.0   | 1781.0   | 281.7                          | 18.8%   |
| 76              | DEPARTMENT OVERHEAD EXPENSES   | 127.0    | 110.5    | 110.5    | 110.5    |                                |         |

# MEMORANDUM

SB20  
State of Alaska

Community and Regional Affairs

TO: Laura Beason  
Accountant III  
DCRA

DATE: December 27, 1991

FILE NO: 0182C/PF/mr

TELEPHONE NO: 465-4814

THRU: SUBJECT: Request For  
Warrants:  
FY 1991 National  
Forest Receipts

FROM: Peter Free *PF*  
SERO Supervisor

Merry Christmas! I would like to request warrants for municipalities entitled to income under the National Forest Receipts program. In the past, only boroughs within the national forests were eligible to receive income through the forest receipts program. Now, with the adoption of HB 54, distribution of the income has been widened to include Home Rule, First Class and Second Class municipalities and Regional Education Attendance Areas (REAA's) within the unorganized borough of the Tongass and Chugach National Forests.

Payments to organized boroughs will remain as they always have, on the basis of the national forest acreage within each organized borough's boundaries. The income allocation for the unorganized borough is also based on national forest acreage; however, the method of distributing the funds within the unorganized borough is new, and is based on amendments to state law in HB 54.

The attached NATIONAL FOREST SUMMARY displays borough acreage and payment distributions, both for organized boroughs and for the unorganized boroughs of each national forest. The payment for the unorganized borough in the Tongass is \$6,406,580.95 and \$41,404.11 in the Chugach. HB 54 (attached) states that 75% of the funds for the unorganized borough shall be used for public schools and 25% shall be used for public roads. Thus \$4,804,935.71 ( $\$6,406,580.95 \times .75$ ) is available for distribution to school districts in the unorganized borough of the Tongass, while \$31,053.08 is similarly available in the Chugach. The payments for public schools, as required in HB 54, are based on the Average Daily Membership (ADM) of each school district as a percent of the total ADM of school districts within the unorganized borough of the Tongass and Chugach national forests (ADM's are provided by the DCE as attached).

Based on the above standards, warrants should be issued to the following entities in the following amounts:

| <u>ORGANIZED BOROUGHES</u>                 | <u>AMOUNT</u>  |
|--|----------------|
| <u>Tongass National Forest</u>             |                |
| Haines Borough                             | \$507,050.45   |
| City and Borough of Juneau                 | \$913,842.03   |
| Ketchikan Gateway Borough                  | \$412,333.90   |
| City and Borough of Sitka                  | \$1,002,372.28 |
| <u>Chugach National Forest</u>             |                |
| Municipality of Anchorage                  | \$2,835.78     |
| Kenai Peninsula Borough                    | \$11,784.99    |
| Kodiak Island Borough                      | \$240.23       |
| Matanuska-Susitna Borough                  | \$448.55       |
| <u>MUNICIPALITIES</u>                      |                |
| <u>Tongass National Forest</u>             |                |
| City of Craig                              | \$393,821.51   |
| City of Hoonah                             | \$294,441.89   |
| City of Hydaburg                           | \$149,132.09   |
| City of Kake                               | \$221,906.67   |
| City of Klawock                            | \$265,492.72   |
| City of Pelican                            | \$57,522.38    |
| City of Petersburg                         | \$880,192.63   |
| City of Skagway                            | \$181,715.57   |
| City of Wrangell                           | \$662,635.23   |
| City of Yakutat                            | \$164,170.62   |
| <u>Chugach National Forest</u>             |                |
| City of Cordova                            | \$10,177.41    |
| City of Valdez                             | \$18,149.28    |
| City of Whittier                           | \$18,149.29    |
| <u>REGIONAL EDUCATION ATTENDANCE AREAS</u> |                |
| <u>Tongass National Forest</u>             |                |
| Chatham REAA                               | \$471,583.24   |
| Southeast Islands REAA                     | \$521,085.07   |
| Annette (Metlakatla)                       | \$531,236.08   |

Chugach National Forest

Chugach REAA

\$2,726.38

I would be happy to discuss these amounts with you. Please give me a call if you want to go over them.

cc: Sam Thomas  
Accountant IV

FC: FFY 1991  
NATIONAL FOREST RECEIPTS



United States  
Department of  
Agriculture

Forest  
Service

Alaska Region

P.O. Box 21628  
Juneau, AK 99802-1628

Reply to: 6540

Date: December 17, 1991

Mr. Peter Freer  
c/o Community and Regional Affairs  
Pouch BH  
Juneau, AK 99811

Dear Mr. Freer:

The enclosed distribution of receipts indicates the final acreage and payment derived from the National Forests in Alaska for Fiscal Year 1991 (16 U.S.C. 500 as amended by P.L. 94-588).

Questions concerning the enclosed schedule may be directed to Barbara Paddock at 586-8850.

Sincerely,

ROBERT E. WILSON  
Director of Fiscal and  
Public Safety

RECEIVED

DEC 20 1991

Enclosure

Dept. of Community & Regional Affairs  
Southeast Regional Office



Caring for the Land and Serving People

PAYMENTS TO STATES FROM NATIONAL FOREST RECEIPTS  
 FISCAL YEAR 1991  
 OCT 1, 1990 THRU SEP 30, 1991  
 \*---NATIONAL FOREST SUMMARY---\*

| NATIONAL FOREST<br>*-----* | STATE<br>*---* | BOROUGHS<br>*-----* | FY-91<br>ACRES<br>*---* | TOTAL<br>PAYMENT<br>*-----* |
|----------------------------|----------------|---------------------|-------------------------|-----------------------------|
| CHUGACH                    | ALASKA         | Anchorage           | 274,290                 | \$ 2,835.78                 |
|                            |                | Kenai Penin.        | 1,139,903               | 11,784.99                   |
|                            |                | Kodiak Is.          | 23,236                  | 240.23                      |
|                            |                | Matanuska-Su        | 43,386                  | 448.55                      |
|                            |                | Unorganized         | 4,004,813               | 41,404.11                   |
| NATIONAL FOREST TOTAL:     |                |                     | 5,485,628*              | \$ 56,713.66*               |
|                            |                |                     |                         |                             |
| TONGASS                    | ALASKA         | Haines              | 918,072                 | \$ 507,050.45               |
|                            |                | Juneau              | 1,654,614               | 913,842.03                  |
|                            |                | Ktn. Gateway        | 746,577                 | 412,333.90                  |
|                            |                | Sitka               | 1,814,908               | 1,002,372.28                |
|                            |                | Unorganized         | 11,599,837              | 6,406,580.95                |
| NATIONAL FOREST TOTAL:     |                |                     | 16,734,008*             | \$9,242,179.61*             |
|                            |                |                     |                         |                             |
| REGION TOTAL:              |                |                     | 22,219,636**            | \$9,298,893.27**            |

|  |                        |
|--|------------------------|
| Actual Interim Payment Made Effective 09/24/91 | \$ 6,383,712.95        |
| Final Payment Made 12/11/91                    | 2,915,180.32           |
|  | -----                  |
| Total State of Alaska Payment                  | <u>\$ 9,298,893.27</u> |

R E C E I V E D

DEC 20 1991

Dept. of Community & Regional Affairs  
 Southeast Regional Office

PAYMENTS TO STATE OF ALASKA FROM NATIONAL FOREST RECEIPTS

Fiscal Year 1959 to 1988 (1

| <u>FEDERAL<br/>FISCAL YEAR</u> | <u>CHUGACH NF</u> | <u>TONGASS NF</u> | <u>TOTAL R-10</u> |
|--------------------------------|-------------------|-------------------|-------------------|
| 1959                           | \$ 8,225.         | \$ 150,038.       | \$ 158,263.       |
| 1960                           | 8,466.            | 189,665.          | 198,131.          |
| 1961                           | 10,425.           | 202,006.          | 212,431.          |
| 1962                           | 10,455.           | 161,137.          | 171,592.          |
| 1963                           | 4,842.            | 208,332.          | 213,174.          |
| 1964                           | 5,476.            | 231,512.          | 236,988.          |
| 1965                           | 4,656.            | 212,576.          | 217,232.          |
| 1966                           | 7,323.            | 276,162.          | 283,485.          |
| 1967                           | 5,044.            | 399,923.          | 404,967.          |
| 1968                           | 7,435.            | 510,123.          | 517,558.          |
| 1969                           | 17,678.           | 557,097.          | 574,775.          |
| 1970                           | 23,283.           | 1,057,638.        | 1,080,921.        |
| 1971                           | 20,993.           | 1,031,200.        | 1,052,193.        |
| 1972                           | 30,806.           | 851,337.          | 882,143.          |
| 1973                           | 47,692.           | 926,223.          | 973,915.          |
| 1974                           | 44,811.           | 643,322.          | 688,133.          |
| 1975                           | 31,630.           | 1,014,448.        | 1,046,078.        |
| 1976                           | 29,081.           | 279,570.          | 308,651.          |
| 1976                           | 2,768.            | 158,119.          | 160,887.          |
| 1977                           | 90,066.           | 2,465,222.        | 2,555,288.        |
| 1978                           | 139,820.          | 2,970,500.        | 3,110,320.        |
| 1979                           | 112,596.          | 3,461,103.        | 3,573,699.        |
| 1980                           | 21,957.           | 6,506,123.        | 6,528,080.        |
| 1981                           | 23,208.           | 3,751,986.        | 3,775,194.        |
| 1982                           | 24,681.           | 5,405,691.        | 5,430,372.        |
| 1983                           | 33,589.           | 1,341,479.        | 1,375,068.        |
| 1984                           | 36,299.           | 1,015,797.        | 1,052,096.        |
| 1985                           | 37,154.           | 52,308.           | 89,462.           |
| 1986                           | 53,719.           | 491,810.          | 545,529.          |
| 1987                           | 0.                | 0.                | 0.                |
| 1988                           | 101,989.          | 308,167.          | 410,156.          |

1) This table of payments to the State of Alaska from National Forest receipts indicates the final payment derived from the National Forests in Alaska for the period requested (16 U.S.C. 500 as amended by P.L. 94-588).



# NEA-ALASKA

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February 5, 1991

To: Senator Sturgulewski, Chair  
Members, Senate HESS Committee

Re: **SS SB 20**; *"An Act making appropriations to the Department of Education for K-12 support; and providing for an effective date."*

NEA-Alaska commends the sponsor and the Committee for the expeditious attention which is being given to this critical legislation. We support it and encourage that it be passed and quickly signed into law.

We also strongly encourage that the Committee give serious consideration during the current legislative session to the concerns which are raised in the attached issue paper. Public education cannot effectively meet the growing needs of an increasing student population if state and local funding levels continue to be predicated on an Instructional Unit value of \$60,000!

Each year our public schools are expected to deal with more and more of the basic problems in society in addition to enhancing and improving the overall quality of educational opportunity for each student. Changes in the family structure and function place additional burdens on public education. Students must be better prepared for a constantly changing work environment.

If we are to be collectively successful in meeting these critical needs we must not only re-allocate our human resources, we must also increase the level of our financial commitment.

Thank you for your support and for your consideration of our position.

Respectfully submitted,

Bob Manners  
Executive Director

Don Oberg  
President

cc: Senator Fischer



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January, 1991

## EDUCATION FUNDING CRISIS IN ALASKA

We have not kept pace with the increasing needs and obligations we have in Alaska public education. While inflation alone has caused the elimination of critical programs and services for students the changing family structure and increased expectations of society generally have placed substantially heavier burdens and expectations on public education.

Each time a basic program or service is reduced or eliminated in public education there is the increased probability that some student will become "at risk" of dropping out of school before completion of high school. The "greater risk" for that student is the diminished or lost opportunity to be successful and achieve to his or her potential.

Moreover, we as a State, have an obligation to all of our students, "at risk" or not, to fully prepare them for survival and leadership in the radically different economic society that the next century will present. To impart to our students the new and different skills and abilities this impending *economic renaissance* demands, will require new and stronger financial support for the public schools in Alaska today.

The combination of the 1990 Cowper vetoes; \$9.7 million in the funding formula, \$1.2 million in pupil transportation, and \$12.9 million in debt service, together with the Hickel Administration's announced 5 percent cut to the funding formula for 91-92, send an ominous message about the health and welfare of public education in Alaska.

With the \$9.7 million veto and the unanticipated enrollment increases taken into consideration a supplemental appropriation of nearly \$21 million is needed for the current year, 1990-91. Such an appropriation does not solve the funding problems for public education in Alaska. It merely maintains a currently under-funded program.

Since the 1983 release of the *Nation At Risk* report public education has been scrutinized, analyzed, and, unfortunately, compromised by organizations, government, governmental agencies, and a myriad of interest groups from the private sector.

Every finding and credible conclusion about what is necessary to restore public education--and to ensure that the quality of our public education programs and services is increased--speaks to the need for an increased financial commitment at local, state, and national levels.

Unfortunately, we in Alaska are also failing this test of the depth of our collective commitment to public education.

While public education does indeed represent a significant share of the operating budget in Alaska, as a percentage of the total budget it has steadily declined.

### Historical Review

During Alaska's first year as a State, the appropriation for supporting public education was 44% of the total operating budget. Ten years later, 1970-71, the level of State support was at 35% of the total operating budget. Even though the early years of statehood were financially difficult

for Alaska, the level of State support for public education was strong. Since these times the level of State support for public education as a share of the total operating budget has steadily declined. During 1990-91 the total State share for K-12 public education is 17% of the operating budget, less than one-half of what it was in the first decade of statehood!

Even when local financial commitments are taken into consideration, the total Alaska level of spending for public education is appalling. Again, this has not always been the case. During its first decade as a State, 30% to 38% of all state and local operating expenditures went to public education; a figure which at that time was comparable to national averages. For 1987-88, the last year for which figures are available, Alaska now ranks last in the nation; at 22.8% of all state and local governmental expenditures for public education. (The national average in 1987-88 was 34.4%.) When added to the reality of the Permanent Fund Dividend Program this data is particularly depressing.

We have neither an income tax or a sales tax in Alaska. We are last in the nation in our combined state and local financial effort to support public education. The Permanent Fund Dividend Program returns to every major organized borough nearly three (3) times the amount of financial support that those citizens are willing to give public education at the local level. The most obvious conclusion is that public education is no longer a real funding priority in Alaska.

Additionally, since 1986, public education has suffered severe financial setbacks. Correlated with the drop in oil prices, State support for public education was severely cut back. Between the 1985-86 and 1986-87 school years the level of State support dropped by 15%. In 1987, the Governor led the move to "pass along" the States' \$25-30 million share of the cost of retirement contributions to local school districts, thus encumbering them with an additional financial burden.

During 1987-88 when the new funding formula was put in place the Instructional Unit value (the basic component of the formula which generates state funds for local school districts) was set at \$60,000--a level that was itself 8% lower than the rate of State support in the 1985-86 school year. It has not since been adjusted for inflation.

*Using the US-Urban Consumers Consumer Price Index (CPI), in constant dollars, the 1987-88 \$60,000 Instructional Unit value is worth only \$52,361 in purchasing power for school districts during the 1990-91 school year. Using CPI projections the Instructional Unit value would have to be increased to \$74,550 for 1991-92 to have the same purchasing power that \$60,000 did in 1987-88.*

During the past decade, 79-80 to 89-90, Alaska has shown the largest percent increase among the fifty states in the number of high school graduates at a 16.1% increase. For the same period the change in the average salary of instructional staff in Alaska's public school has been -2.8%, constant dollars when adjusted for inflation. In this category, Alaska ranks 50th among the fifty states!

#### Who Has Paid the Price?

In the last five years, school district employees, through cuts and freezes in compensation and benefits, have subsidized the cost of public education in Alaska. Their workloads and responsibilities have increased and they subsidize public education with their property taxes as do other Alaskans. Additionally, teachers average nearly \$300 per year in out of pocket personal expenses for classroom supplies, materials, and equipment because of cutbacks in local school budgets.

Using our *Profiles in Excellence* document NEA-Alaska is in the process of assessing the quality of programs and services in every school district in Alaska. With the assessment less than 1/4 complete some of the more glaring concerns, problems, and needs identified so far include: specific programs on parenting skills, more parent involvement in and support for their child's educational program, significantly increasing class sizes, inadequate supplies/materials/textbooks, the absence of academic and vocational counseling, no meaningful programs for "at risk" students, classroom teachers with increasing numbers of different preparations, reduction and elimination of

critical programs, reduced library services, inadequate in-servicing and staff development programs, limited planning time, more clerical responsibilities and less teaching time.

At the same time, we, as a society, are saying that we want our public schools to do more in the area of substance abuse education, for "at risk" students, for special education students, for children with Fetal Alcohol Syndrome, teenage pregnancy prevention, suicide prevention, and the prevention of child abuse. Our continuing failure to deal with the increasing class size and work load problem only serves to exacerbate these and other concerns unique to public education.

The task of preparing our students for today and tomorrow is expensive, but the cost of their not being prepared is far greater. Each year students enter public schools with greater needs, thus making the challenges for all of us greater. Our public schools, teachers, and other school district employees must continue to be successful in their efforts. By limiting the necessary resources, we are limiting the success potential for everyone, students in particular. Public education costs a lot! However, if we don't spend our money on our public schools we will be forced to spend even more on welfare, prisons, and other social services. Every one of our youth must have the opportunity to realize their full productive potential.

An equitable funding formula which requires an increased local effort and takes into consideration pupil transportation, community schools, debt service, and maintenance and capital costs is critically needed.

The essential components are:

**Full funding** with provision for enrollment increases and the probable need for supplemental appropriations to cover unanticipated needs

**An Early funding decision** so that school districts may plan more realistically and so that the continuity of programs and services is enhanced

**Forward funding** to establish that public education really is the priority in Alaska

**Annually inflation proof** the Instructional Unit value, in a manner similar to the current annual inflation proofing of the Permanent Fund Program, so that essential programs and services are not lost simply because of inflation

**Restore some level of the funding** which has been lost to inflation and other cuts during the past five years either through incentive grants, supplemental categorical funding or basic increases in the formula

**Adjust the formula to more accurately reflect the needs of the small single site districts** which have been disadvantaged since 1987-88, not by year to year *political decisions* as has been the recent practice, but through genuine revision to the funding formula which makes all districts *equal partners* in access to the critical financial resources.

**It is time to re-establish funding of public education in Alaska as the number one priority at both the state and local levels. Clearly, it will cost more than we are presently spending. The alternative is not a choice. Our needs and the needs of the 108,000+ students currently enrolled in our public schools are far too important to all of us.**

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ALASKA ASSOCIATION OF ELEMENTARY SCHOOL PRINCIPALS  
ALASKA ASSOCIATION OF SECONDARY SCHOOL PRINCIPALS  
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## POSITION STATEMENT

### SENATE BILL 20

"AN ACT MAKING APPROPRIATIONS TO THE DEPARTMENT OF EDUCATION FOR K-12 SUPPORT AND PROVIDING FOR AN EFFECTIVE DATE."

The Alaska Council of School Administrators supports full entitlement for education under the language of SB 20.

We believe and recognize it is the responsibility of the State of Alaska as stated in the Alaska Constitution to provide education to all children of Alaska. This can only be accomplished through fully funding the entitlement programs stated in SB 20.

We remember the severe reduction in school funding 5 years ago and the continued responsibility placed on local districts to increase funding to keep up with inflation, increase costs of retirement and health insurance costs as well as costs this past year for fuel.

We recognize there are deficiencies within the current formula which are being addressed by other legislation and encourage this legislature to continue examining them and providing solutions.

Based on information collected to date regarding the future levels of funding for education, full entitlement is the minimum districts need to bring stability and continuity to their educational programs.

The Alaska Council of School Administrators wishes to express our appreciation to the sponsors of SB 20 for recognizing the continued need for full appropriation of funding for the education programs in Alaska.