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FISCAL NOTE

*63000
See 2-23-91
not submitted*

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SB54

Revision Date: 3/6/91 Department Affected: Education
Title: State Aid for Education BRU: K-12 Support
Component: Foundation

Sponsor: Adams
Requestor: Senate HESS COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	82,810.9	82,810.9	82,810.9	82,810.9	82,810.9	82,810.9
MISCELLANEOUS						
TOTAL OPERATING	82,810.9	82,810.9	82,810.9	82,810.9	82,810.9	82,810.9

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	82,810.9	82,810.9	82,810.9	82,810.9	82,810.9	82,810.9
FEDERAL FUNDS						
OTHER						
TOTAL	82,810.9	82,810.9	82,810.9	82,810.9	82,810.9	82,810.9

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.) This fiscal analysis compares the projected cost of SB54 with the FY91 authorized level of funding (505,425.1). Section 1. will result in an increased cost to the State proportionate to any increase in municipal property values. This is not reflected in the fiscal note since it is impossible to predict future property values.

Prepared By: Mary Hakala Phone: 465-2800
Division: Commissioner's Office Date: 3/6/91

Approved by Commissioner: Steve Hole, Acting Commissioner
Agency: Education Date: 3/6/91

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

SB 54: State Aid for Education
 Fiscal Note Analysis
 March 5, 1991
 Page 2 of 2

	<u>FY92</u>	<u>FY93</u>	<u>FY94</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
FY92 Full Funding under current law:	541,746.2					
SB 54 additional cost	46,489.8					
SB 54 Foundation Full (est)	<u>588,236.0</u>	588,236.0	588,236.0	588,236.0	588,236.0	588,236.0
vs.						
FY91 Authorized	<u>505,425.1</u>	<u>505,425.1</u>	<u>505,425.1</u>	<u>505,425.1</u>	<u>505,425.1</u>	<u>505,425.1</u>
Difference	82,810.9	82,810.9	82,810.9	82,810.9	82,810.9	82,810.9

Note:

- * Section 1. will result in an increased cost to the State proportionate to any increase in municipal property values. This is not reflected in the fiscal note since it is impossible to predict future property values.
- * No accommodation is made in this fiscal analysis for anticipated enrollment increases.

SB54 + HB53

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ALASKA DEPARTMENT OF EDUCATION			
PROJECTED FY92 FOUNDATION PROGRAM			
AASA PROPOSED PROGRAM REVISIONS	Section 5	Sections 2+3	Sections 2+3
PREPARED 1/2/91 revised 1/18/91			
	CURRENT FORMULA	PROPOSED TABLES	PROPOSED TABLES
	UNIT VALUE AT \$63,000	UNIT VALUE AT \$60,000	UNIT VALUE AT \$63,000
			ADDITIONAL COST
ADAK	\$222,480	\$152,400	\$7,620
ALASKA GATEWAY	\$242,880	\$157,800	\$7,890
ALEUTIAN REGION	\$38,310	\$0	\$0
ALEUTIANS EAST	\$192,360	\$58,800	\$2,940
ANCHORAGE	\$10,064,760	\$254,400	\$12,720
ANNETTE ISLANDS	\$127,140	\$173,400	\$8,670
BERING STRAIT	\$839,250	\$225,800	\$11,250
BRISTOL BAY	\$122,310	\$153,000	\$7,650
CHATHAM	\$174,660	\$70,800	\$3,540
CHUGACH	\$80,040	\$0	\$0
COPPER RIVER	\$245,950	\$157,200	\$7,260
CORCOVA	\$140,430	\$196,200	\$9,810
CRAIG	\$117,510	\$174,600	\$8,730
DELTA/GREELY	\$261,000	\$139,200	\$6,960
DILLINGHAM	\$184,350	\$241,800	\$12,090
FAIRBANKS	\$3,644,520	\$374,400	\$18,720
GALENA	\$74,730	\$39,000	\$1,950
HAINES	\$135,960	\$177,800	\$8,850
HOONAH	\$80,070	\$119,400	\$5,970
HYDABURG	\$51,030	\$0	\$0
IDITARCO	\$258,000	\$63,000	\$3,150
JUNEAU	\$1,305,870	\$120,000	\$6,000
KAKE	\$34,260	\$53,400	\$2,670
KASHUNAMIUT	\$92,370	\$96,000	\$4,800
KENAI	\$2,666,340	\$1,172,400	\$58,620
KETCHIKAN	\$687,990	\$120,000	\$6,000
KLAWOCK	\$72,180	\$82,200	\$4,140
KODIAK	\$743,400	\$130,300	\$6,540
KUSPUK	\$259,620	\$82,200	\$4,140
LAKE AND PENN.	\$315,330	\$0	\$0
LOWER KUSKOKWIM	\$1,666,680	\$93,000	\$4,650
LOWER YUKON	\$692,520	\$393,000	\$19,650
MATSU	\$2,501,220	\$597,000	\$29,850
NENANA	\$78,450	\$72,000	\$3,600
NOME	\$274,740	\$160,800	\$8,040
NORTH SLOPE	\$457,630	\$332,400	\$16,620
NORTHWEST ARCTIC	\$823,200	\$332,400	\$16,620
PELICAN	\$30,780	\$0	\$0
PETERSBURG	\$186,960	\$120,000	\$6,000
PRIBILCF	\$93,870	\$600	\$30
RAILBELT	\$152,700	\$99,000	\$4,950
SITKA	\$414,360	\$120,000	\$6,000
SKAGWAY	\$53,010	\$10,200	\$510
SOUTHEAST	\$294,720	\$66,600	\$3,330
SOUTHWEST	\$318,060	\$47,400	\$2,370
ST MARY'S	\$68,490	\$0	\$0
TANANA	\$63,930	\$0	\$0
UNALASKA	\$114,450	\$172,800	\$8,640
VALDEZ	\$208,350	\$133,200	\$6,660
WRANGELL	\$152,220	\$120,000	\$6,000
YAKUTAT	\$63,540	\$34,300	\$1,740
YUKON FLATS	\$266,340	\$39,500	\$1,980
YUKON/KOYUKUK	\$333,930	\$59,400	\$2,970
YUPIIT	\$223,020	\$30,500	\$1,525
TOTALS	\$33,258,340	\$7,920,400	\$421,620

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ALASKA DEPARTMENT OF EDUCATION			
PROJECTED FY92 FOUNDATION PROGRAM			
AASA PROPOSED PROGRAM REVISIONS		Section 4	Section 4
PREPARED 1/2/91 revised 1/18/91			
	SINGLE/DUAL	SINGLE/DUAL	
	UNIT VALUE AT \$60,000	UNIT VALUE AT \$63,000	TOTAL
		ADDITIONAL COST	INCREASE
ADAK	\$237,000	\$11,850	\$631,350
ALASKA GATEWAY	\$0	\$0	\$408,570
ALEUTIAN REGION	\$42,600	\$2,130	\$83,040
ALEUTIANS EAST	\$0	\$0	\$256,100
ANCHORAGE	\$0	\$0	\$10,331,880
ANNETTE ISLANDS	\$165,000	\$8,250	\$482,460
BERING STRAIT	\$0	\$0	\$1,075,500
BRISTOL BAY	\$81,000	\$4,050	\$368,010
CHATHAM	\$0	\$0	\$249,000
CHUGACH	\$0	\$0	\$80,040
COPPER RIVER	\$0	\$0	\$431,010
CORDOVA	\$187,800	\$9,390	\$543,630
CRAIG	\$165,600	\$8,280	\$474,720
DELTA/GREELY	\$262,800	\$13,140	\$683,100
DILLINGHAM	\$234,000	\$11,700	\$684,480
FAIRBANKS	\$0	\$0	\$4,037,640
GALENA	\$150,000	\$7,500	\$273,210
HAINES	\$0	\$0	\$321,810
HOONAH	\$165,600	\$8,280	\$379,320
HYDABURG	\$96,600	\$4,830	\$152,460
IDITAROD	\$0	\$0	\$324,150
JUNEAU	\$0	\$0	\$1,431,870
KAKE	\$129,600	\$6,480	\$256,410
KASHUNAMIUT	\$180,600	\$9,030	\$382,800
KENAI	\$0	\$0	\$3,897,360
KETCHIKAN	\$350,400	\$17,520	\$1,181,910
KLAWOCK	\$143,400	\$7,170	\$309,690
KODIAK	\$0	\$0	\$880,740
KUSPUK	\$0	\$0	\$346,560
LAKE AND PENN.	\$0	\$0	\$315,330
LOWER KUSKOKWIM	\$0	\$0	\$1,764,330
LOWER YUKON	\$0	\$0	\$1,105,170
MATSU	\$0	\$0	\$3,128,070
NENANA	\$155,400	\$7,770	\$317,220
NOME	\$276,600	\$13,830	\$734,010
NORTH SLOPE	\$0	\$0	\$1,006,650
NORTHWEST ARCTIC	\$0	\$0	\$1,172,220
PELICAN	\$58,200	\$2,910	\$91,890
PETERSBURG	\$189,000	\$9,450	\$511,610
PRIBILOF	\$122,400	\$6,120	\$223,020
RAILBELT	\$0	\$0	\$256,650
SITKA	\$291,600	\$14,580	\$846,540
SKAGWAY	\$111,000	\$5,550	\$180,270
SOUTHEAST	\$0	\$0	\$364,650
SOUTHWEST	\$0	\$0	\$367,830
ST MARY'S	\$127,800	\$6,390	\$202,680
TANANA	\$122,400	\$6,120	\$192,450
UNALASKA	\$157,800	\$7,890	\$461,580
VALDEZ	\$228,000	\$11,400	\$587,610
WRANGELL	\$193,200	\$9,660	\$481,080
YAKUTAT	\$126,000	\$6,300	\$232,380
YUKON FLATS	\$0	\$0	\$307,920
YUKON/KOTYUKUK	\$0	\$0	\$396,300
YUPIIT	\$0	\$0	\$85,750
TOTALS	\$4,751,400	\$237,570	\$46,489,830

SENATE BILL NO. 54

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY SENATORS ADAMS, Shultz

Introduced: 1/21/91

Referred: HESS and Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to state aid for education; and providing for an effective date."

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

3 * Section 1. AS 14.17.025(a) is amended to read:

4 (a) Local contributions to a city or borough school district shall include at least the lesser

5
6 (1) the equivalent of a four mill tax levy on the full and true value of the taxable
7 real and personal property in the district as of January 1, 1990, or as of January 1 of the second
8 preceding fiscal year, whichever tax is lower, as determined by the Department of Community
9 and Regional Affairs under AS 14.17.140 and AS 29.45.110; or

10 (2) 35 percent of the district's basic need for the preceding fiscal year, as
11 determined under AS 14.17.021(b).

12 * Sec. 2. AS 14.17.041(a) is amended to read:

13 (a) For funding communities that have an average daily membership of less than 200 in
14 grades K-6 or less than 200 in grades 7-12, combined elementary and secondary instructional

*10-2000 a year due
to decreasing value
operates w/ in
basic need*

*basic need of
state level*

*And
Kinn
Mason
of benefit*

*Notable
Amended*

units are determined under the following table:

ADM	No. Instructional Units
1 - 10	2
11 - 20	2 + ((ADM-10)/5)
21 - 60	4 + ((ADM-20)/8)
61 - <u>240</u> [120]	9 + ((ADM-60)/12)
<u>241</u> [121] - 525	<u>24 + ((ADM-240)/14)</u> [14 + ((ADM-120)/15)]

*6.9 mil +
multi school
small school
formula
change*

* Sec. 3. AS 14.17.041(b) is amended to read: *AB 45*

(b) For funding communities that are not included under (a) of this section,

(1) instructional units for elementary students are determined by the formula: units = 16 [15] + ((ADM-200)/17), where ADM is the number of students in average daily membership in grades kindergarten through 6;

(2) instructional units for secondary students are determined by the formula: units = 19 [18] + ((ADM-200)/13), where ADM is the number of students in average daily membership in grades 7 through 12.

*4.9
Change
lowered*

* Sec. 4. AS 14.17.041 is amended by adding new subsections to read:

(e) A district with an ADM of 3,000 or less that consists of one funding community shall increase the elementary and secondary instructional units received under (a) or (b) of this section by multiplying the instructional units by a percentage determined under the following table:

District ADM	Percentage
1 - 250	1.12
251 - 525	1.08
526 - 1000	1.06
1001 - 2000	1.04
2001 - 3000	1.03

(f) A district with an ADM of 1,000 or less that consists of two funding communities shall increase the elementary and secondary instructional units received under (a) or (b) of this section by multiplying the instructional units by a percentage determined under the following table:

District ADM	Percentage
1 - 250	1.08

1 251 - 525 1.04
2 526 - 1000 1.02

3 * Sec. 5. AS 14.17.056 is amended to read:

4 Sec. 14.17.056. INSTRUCTIONAL UNIT VALUE. The instructional unit value is
5 \$63,000 [~~\$60,000~~].

6 * Sec. 6. This Act takes effect July 1, 1991.

ALASKA DEPARTMENT OF EDUCATION
 FY 1990 SCHOOL OPERATING FUND - FUND BALANCE COMPLIANCE TEST (AS 14.17.082)
 PREPARED 1/9/91

SCHOOL DISTRICT	TOTAL FY90 AUDITED EXPEND.&TRANSF	TOTAL FY90 FUND BALANCE	RESERVED FY90 FUND BALANCE	UNRESERVED FY90 FUND BALANCE	PERCENTAGE OF UNRESERVED FY90 FUND BALANCE
ALEUTIAN EAST	\$4,307,580	\$934,696	\$925,669	\$9,027	0.21%
ANCHORAGE	\$219,923,951	\$19,871,701	\$7,537,672	\$12,334,029	5.61%
BRISTOL BAY	\$1,007,172	\$444,516	\$444,516	\$0	0.00%
CORDOVA	\$3,420,502	\$57,278	\$0	\$57,278	1.67%
CRAIG	\$1,692,542	\$110,246	\$98,070	\$12,176	0.72%
DILLINGHAM	\$3,918,069	\$973,423	\$638,794	\$334,629	8.54%
FAIRBANKS	\$82,303,967	\$3,686,345	\$2,149,108	\$1,537,237	1.87%
GALENA	\$2,245,409	\$809,879	\$621,770	\$188,109	8.38%
HAINES	\$2,934,200	\$372,617	\$85,148	\$287,469	9.80%
HOONAH	\$2,093,204	\$102,959	\$102,959	\$0	0.00%
HYDABURG	\$1,073,125	\$272,777	\$193,323	\$79,454	7.40%
JUNEAU	\$30,203,211	\$641,612	\$418,028	\$223,584	0.74%
KAKE	\$1,831,453	\$33,237	\$0	\$33,237	1.81%
KENAI	\$57,261,524	\$1,175,032	\$1,399,725	(\$224,693)	-0.39%
KETCHIKAN	\$15,458,099	\$196,515	\$177,892	\$18,623	0.12%
KLAWOCK	\$2,223,241	\$601,678	\$483,451	\$118,227	5.32%
KODIAK	\$15,283,484	\$1,630,971	\$535,790	\$1,095,181	7.17%
MAT-SU	\$51,027,203	\$1,650	\$0	\$1,650	0.00%
NENANA	\$1,730,766	\$251,526	\$93,524	\$158,002	9.13%
NOME	\$5,816,706	\$491,280	\$200,572	\$290,708	5.00%
NORTH SLOPE	\$29,068,517	\$452,283	\$404,283	\$48,000	0.17%
NORTHWEST ARCTIC	\$18,008,053	\$7,456,280	\$5,898,331	\$1,557,949	8.65%
PELICAN	\$629,678	\$212,795	\$167,429	\$45,366	7.20%
PETERSBURG	\$4,108,316	\$415,599	\$166,225	\$249,374	6.07%
SITKA	\$9,951,764	\$1,274,659	\$358,666	\$915,993	9.20%
SKAGWAY	\$1,241,899	\$67,839	\$52,601	\$15,238	1.23%
ST. MARY'S	\$2,384,713	\$530,293	\$391,772	\$138,521	5.81%
TANANA	\$1,643,099	\$282,250	\$311,557	(\$29,307)	-1.78%
UNALASKA	\$1,991,685	\$126,986	\$39,928	\$87,058	4.37%
VALDEZ	\$7,080,840	\$2,572,598	\$1,925,547	\$647,051	9.14%
WRANGELL	\$3,388,117	\$250,377	\$96,755	\$153,622	4.53%
YAKUTAT	\$1,547,197	\$128,699	\$128,699	\$0	0.00%
TOTALS C&B'S	\$588,589,849	\$46,430,596	\$26,047,804	\$20,382,792	

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ALASKA DEPARTMENT OF EDUCATION
 FY 1990 SCHOOL OPERATING FUND - FUND BALANCE COMPLIANCE TEST (AS 14.17.082)
 PREPARED 1/9/91

SCHOOL DISTRICT	TOTAL FY90 EXPEND.&TRNSFRS	TOTAL FY90 FUND BALANCE	RESERVED FY90 FUND BALANCE	UNRESERVED FY90 FUND BALANCE	PERCENTAGE OF UNRESERVED FY90 FUND BALANCE
ADAK	\$5,367,679	\$3,228,145	\$2,783,780	\$444,365	8.28%
ALASKA GATEWAY	\$5,273,769	\$614,962	\$149,878	\$465,084	8.82%
ALEUTIAN REGION	\$1,251,905	\$54,857	\$26,874	\$27,983	2.24%
ANNETTE ISLAND	\$3,788,356	\$1,405,658	\$1,881,521	(\$475,863)	-12.56%
BERING STRAIT	\$19,413,314	\$8,816,052	\$7,799,624	\$1,016,428	5.24%
CHATHAM	\$3,915,802	\$723,522	\$1,470,415	(\$746,893)	-19.07%
CHUGACH	\$1,666,889	\$478,660	\$407,524	\$71,136	4.27%
COPPER RIVER	\$5,281,962	\$780,605	\$386,874	\$393,731	7.45%
DELTA GREELY	\$6,212,477	(\$21,520)	\$190,000	(\$211,520)	-3.40%
IDITAROD	\$6,055,883	\$1,805,711	\$1,361,120	\$444,591	7.34%
KASHUNAMIUT	\$2,409,837	\$613,478	\$506,420	\$107,058	4.44%
KUSPUK	\$5,859,603	\$924,383	\$924,383	\$0	0.00%
LAKE & PENINSULA	\$7,441,305	\$2,369,160	\$2,290,275	\$78,885	1.06%
LOWER KUSKOKWIM	\$37,368,099	\$12,017,291	\$10,209,839	\$1,807,452	4.84%
LOWER YUKON	\$17,329,257	\$7,080,314	\$6,991,314	\$89,000	0.51%
PRIBILOF	\$2,182,276	\$1,167,646	\$955,438	\$212,208	9.72%
RAILBELT	\$3,203,755	\$666,220	\$423,195	\$243,025	7.59%
SOUTHEAST ISLAND	\$6,281,076	\$801,695	\$311,898	\$489,797	7.80%
SOUTHWEST REGION	\$7,064,151	\$3,874,048	\$3,522,623	\$351,425	4.97%
YUKON FLATS	\$6,385,599	\$1,458,657	\$1,380,148	\$78,509	1.23%
YUKON-KOYUKUK	\$7,503,299	\$3,277,356	\$2,634,398	\$642,958	8.57%
YUPIIT	\$6,097,321	\$2,009,961	\$1,411,402	\$598,559	9.82%
TOTALS REAA'S	\$167,353,614	\$54,146,861	\$48,018,943	\$6,127,918	
STATEWIDE TOTALS	\$755,943,463	\$100,577,457	\$74,066,747	\$26,510,710	

A REVIEW

**THE ALASKA SCHOOL FOUNDATION FUNDING
PROGRAM**

JANUARY 1991

ALASKA'S PUBLIC SCHOOL FOUNDATION PROGRAM, AS 14.17 enables the state to meet fiscal equalization criteria outlined in the federal PL-874 law, commonly known as the "disparity test." Alaska must meet the guidelines in order to utilize approximately \$70 million in PL-874 funds within the state foundation plan as general revenues.

PL 81-874 DISPARITY TEST - The federal PL-874 disparity test measures the disparity in local school district expenditures. The test takes into consideration designated state and local revenues. Under guidelines of the disparity test, the range of revenues may not vary more than 25 percent between the school district that raises the lowest amount of revenues per instructional unit and the school district that raises the greatest amount. Since federal regulations allow states to eliminate five percent of the

students at the top of the scale and five percent at the bottom, Alaska eliminates both of its oil rich school districts, Valdez and North Slope Borough, which contribute considerably more than 25 percent beyond the lowest amount. Since REAAs are not authorized to raise local taxes, five percent of the students at the bottom of the scale can be from any REAA. The disparity test uses \$60,000 per instructional unit as the base.

THE FOUNDATION PROGRAM is based on the "instructional unit" method of funding.

THE DEFINITIONS printed on page 2, when used with the two mathematical formulas below and the numerical data on page 4, provide for understanding the foundation law.



THE FORMULA USED TO CALCULATE BASIC NEED:

$$\text{BASIC NEED} = (\text{INSTRUCTIONAL UNITS}) \times (\text{AREA COST DIFFERENTIAL}) \times (\$60,000)$$

THE FORMULA USED TO CALCULATE STATE FOUNDATION AID:

$$\text{STATE FOUNDATION AID} = (\text{BASIC NEED}) - (\text{LOCAL EFFORT}) + (90\% \text{ ELIGIBLE PL-874})$$

TERMS AND CONCEPTS.

ADM (AVERAGE DAILY MEMBERSHIP) - The average of the number of students enrolled in a school district or specific school program (vocational education, bilingual education, special education) over a specified fall or spring reported period. The more students a district has in Average Daily Membership, the more funding it receives through the foundation program.

INSTRUCTIONAL UNIT - A number represented by a group of students identified by grade levels and whether the students are enrolled in vocational, special or bilingual education programs. (See page 4, column A.)

AREA COST DIFFERENTIAL - A factor multiplied by a school district's instructional units to adjust for costs - primarily personnel costs - in various school districts. Factors vary between 1.0 and 1.46, depending usually on remoteness of the district. (See page 4, column B.)

INSTRUCTIONAL UNIT VALUE - The amount under the new foundation formula is \$60,000 per instructional unit. That amount was established by the regulation when the law was passed.

BASIC NEED - An amount of money determined by multiplying the area cost differential by the number of a school district's allowable instructional units times the instructional unit value, set annually by the legislature. The foundation program sets the instructional unit value at \$60,000. (See page 4, column D.)

REQUIRED LOCAL EFFORT - Under the law, city and borough school districts are required to contribute the lesser amount of:

- (1) the equivalent of funds generated by a four mill tax levy based on the full and true value of the taxable real and personal property in the school district; or
- (2) 35 percent of a school district's basic need for the preceding school year.

School districts are not allowed to contribute more than the equivalent of 2.0 mills or \$13,800 per adjusted unit in addition to required local effort in order to hold disparities in funding per instructional unit among school districts to no more than 25 percent. The amount of local effort, either in the 4 mill equivalent or 35 percent basic need, is subtracted from a school district's basic need. Since Regional Education Attendance Areas do not have authority to collect taxes, there is no deduction for the local contribution portion of basic need in these districts. (See page 4, column E.)

PL-874 - Federal Law PL-874, impact aid to education, provides federal funds to school districts for children of parents living and/or working on federal property as an "in lieu of local tax" revenue. Under the foundation program 90 percent of each school district's eligible PL-874 receipts is subtracted from the district's basic need. (See page 4, column F.)

STATE FOUNDATION AID - The amount of state money school districts are entitled to receive under the Public School Foundation Program, after local and federal shares are deducted. (See page 4, column G.)

OTHER ISSUES:

REDUCED LOCAL SHARE - A reduction of the assessed value of property in most municipal school districts has reduced the value of the required local share of basic need in the FY 91 foundation formula. Under the foundation formula, the state must make up the difference between this reduced local share and basic need. This increases the projected full entitlement cost of the foundation formula by \$7,695,249 for FY 91.

DECLINING ENROLLMENT - The law contains language that protects districts from losing more than 10 percent of the prior year's K-12 instructional units.

CENTRALIZED CORRESPONDENCE STUDY - The law provides a formula for computing funds for the state Centralized Correspondence Study program. Instructional units are computed under the same formula used by elementary schools with more than 200 students and multiplied by 0.65.

GATHERING/ REPORTING STUDENT DATA - The statute requires districts to report to the Department of Education by October 15 of each school Year an estimate of its student population for the next school year. The Department of Education will use the estimates to determine the amount of state foundation aid to seek from the Legislature for the following school year.

FUND BALANCE LIMITATION - The law prohibits districts from accumulating an unreserved fund balance of more than 10 percent of their operating expenditures for the year. The Department of Education must deduct the amount exceeding 10 percent from a school district's succeeding year's foundation entitlement.

FULL AND TRUE VALUE - The Department of Community and Regional Affairs will determine the full value of the taxable real and personal property in each city and borough school district for the purpose of calculating a school district's required local effort.

DISTRIBUTION PROCEDURES - The Department of Education will make payment of foundation aid through monthly payments to school districts. The payments for the first nine months of each fiscal year will be based on actual student counts for the prior school year. Payments for the last three months will be adjusted by actual year student counts. Any overpayments or underpayments made during the first nine months will be adjusted in the final three payments of the fiscal year. The first counting period will be during a 20-day period ending on the fourth Friday in each October. A subsequent reporting period, a 20-day period ending the second Friday of each February, may be used to calculate foundation funding, if the February counting period yields more instructional units.

STATE OF ALASKA

DEPARTMENT OF EDUCATION

WALTER J. HICKEL, GOVERNOR

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

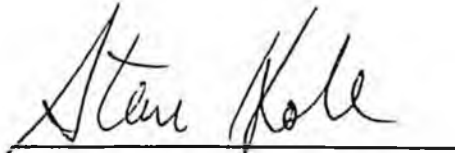
Position Paper

SB 54: State Aid for Education

The State Board of Education supports SB 54 with the following amendments:

- * Delete section 1.
- * Amend section 4 to apply only to single site municipal districts with fewer than 750 ADM

The Board has no position on section 5 of the bill.



Steve Hole
Acting Commissioner

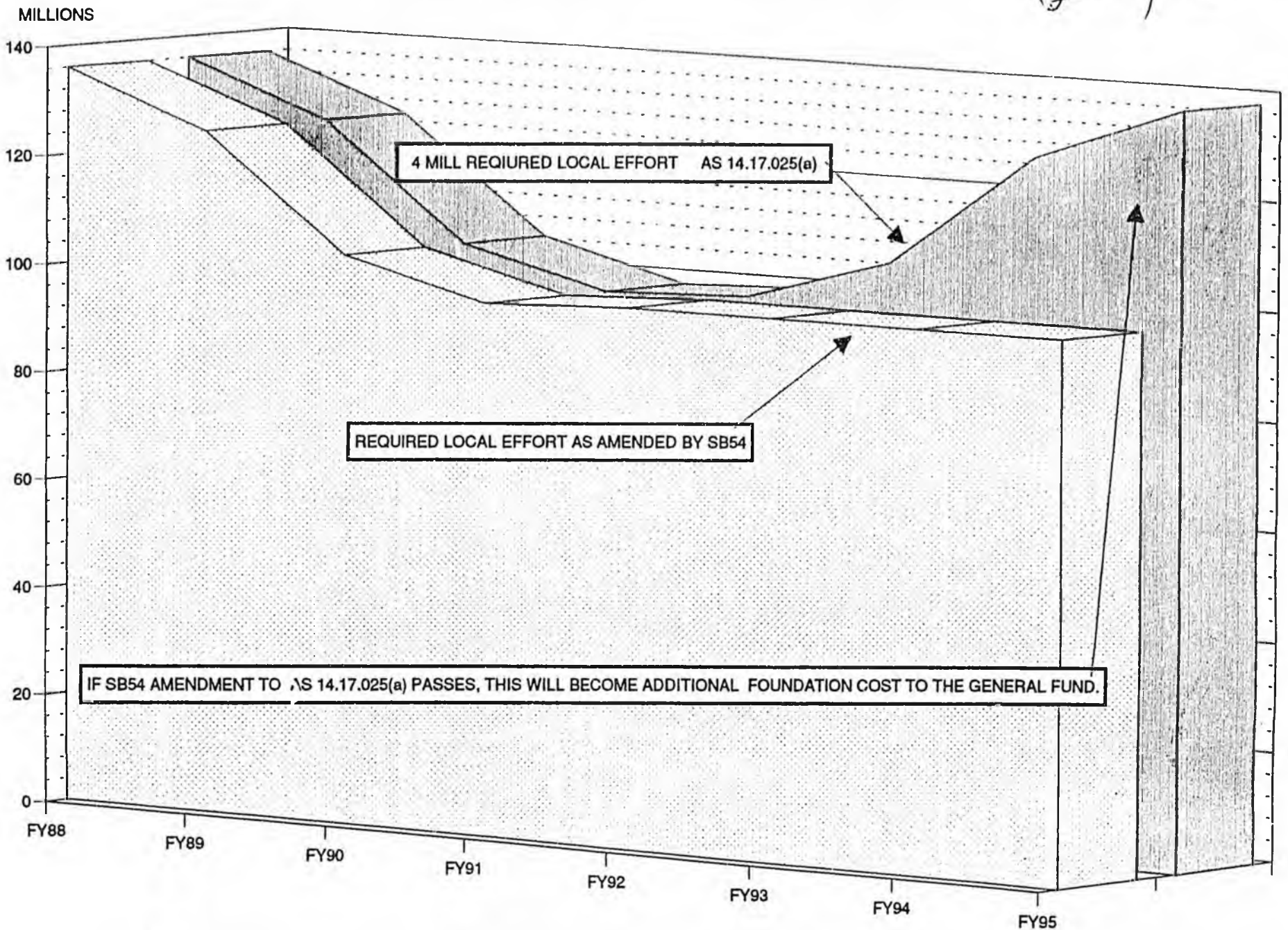
3-7-91

Date

*N.E.A. Supports - Dropping Sect 1 if needed to
move.*

*Commend Bd for looking @ Sect 4
[Example missed by 20 students]*

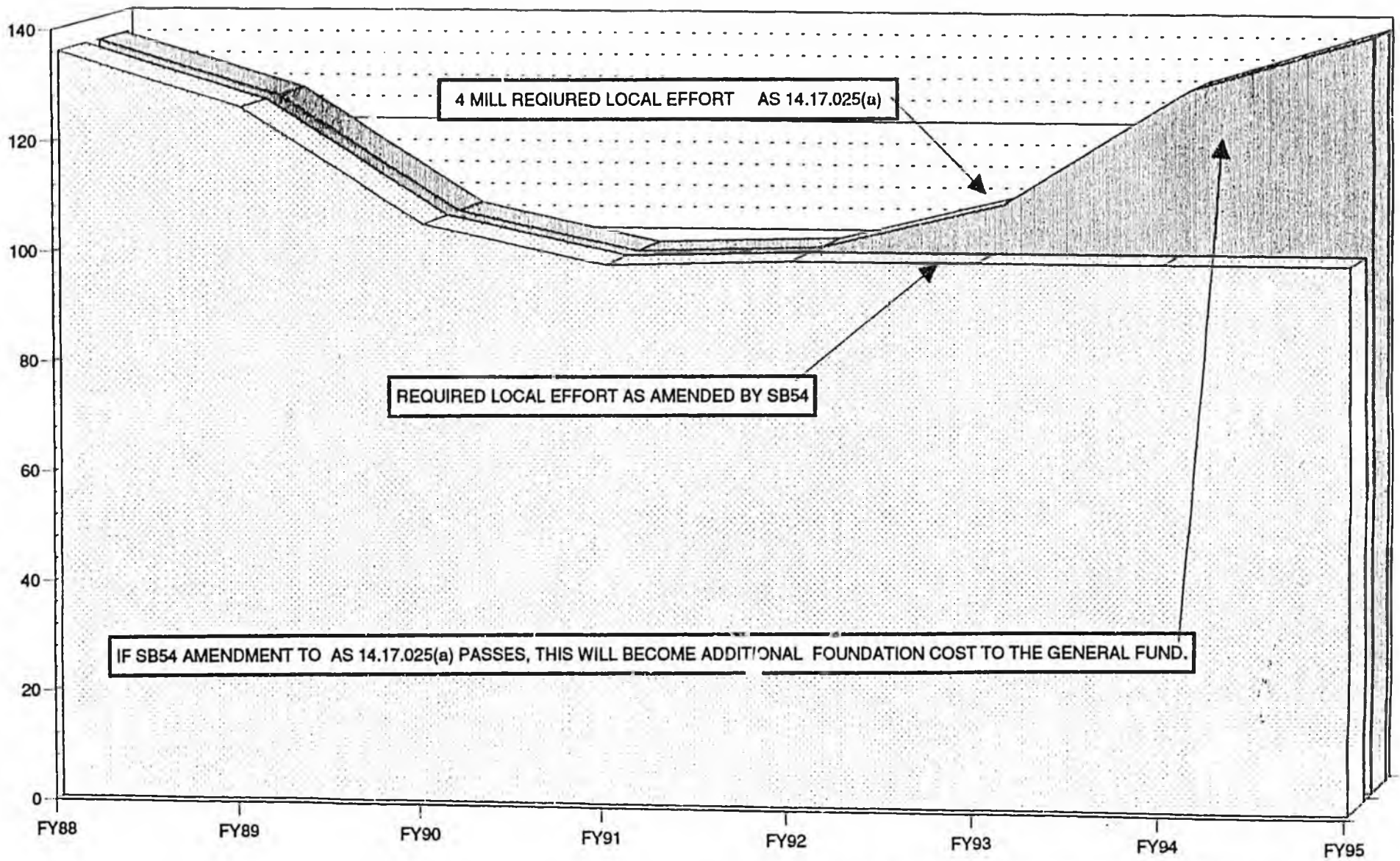
FOUNDATION PROGRAM AS 14.17.025(a) VS SB54 AMENDMENT



ASSUMPTION: PROPERTY VALUE INCREASE OVER THE NEXT THREE YEARS WILL MIRROR THE DECREASES BETWEEN FY88 AND FY91.

FOUNDATION PROGRAM AS 14.17.025(a) VS SB54 AMENDMENT

MILLIONS



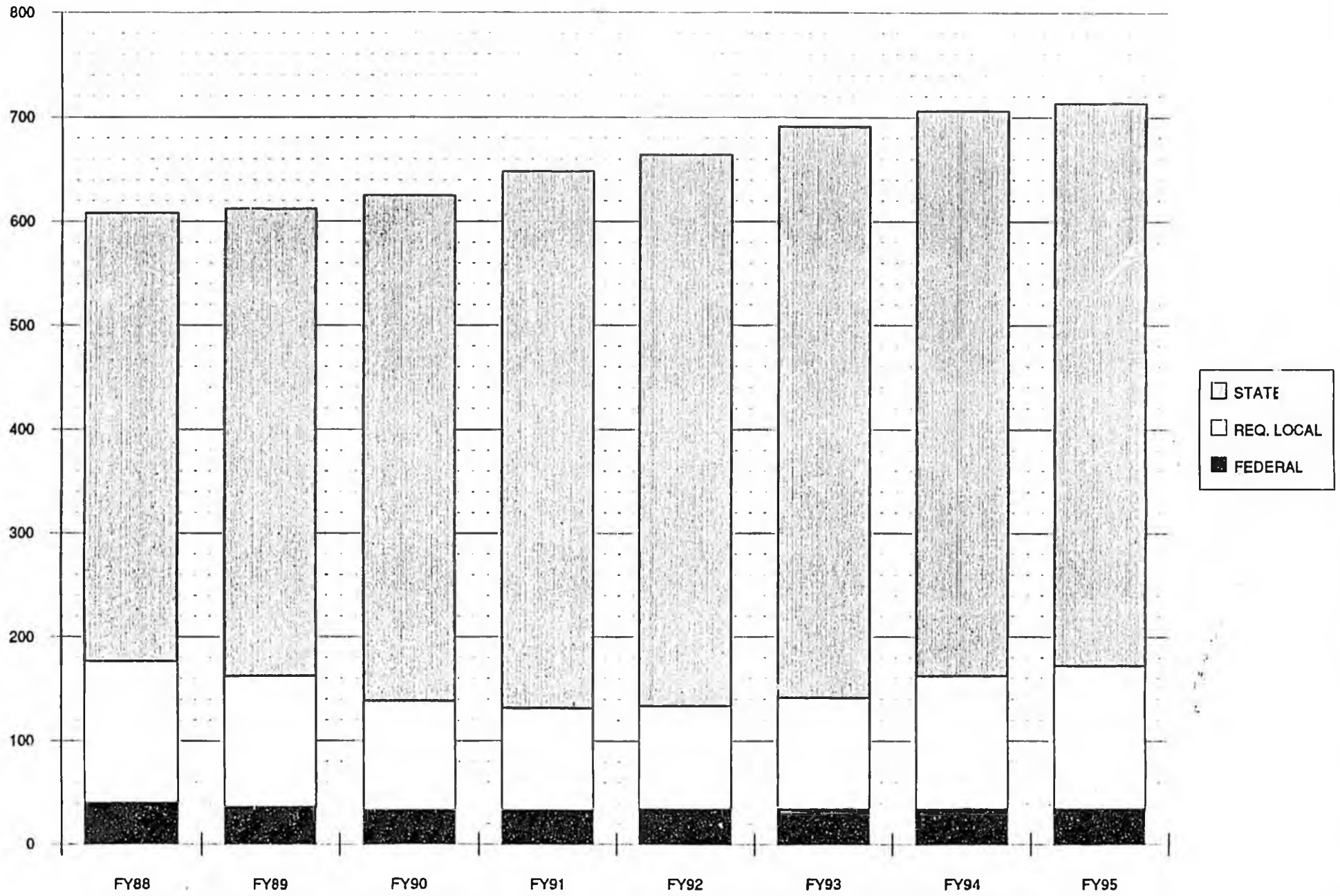
ASSUMPTION: PROPERTY VALUE INCREASE OVER THE NEXT THREE YEARS WILL MIRROR THE DECREASES BETWEEN FY88 AND FY91.

4% growth in enrollment

FOUNDATION FUNDING BY SOURCE

CURRENT FUNDING FORMULA

MILLIONS

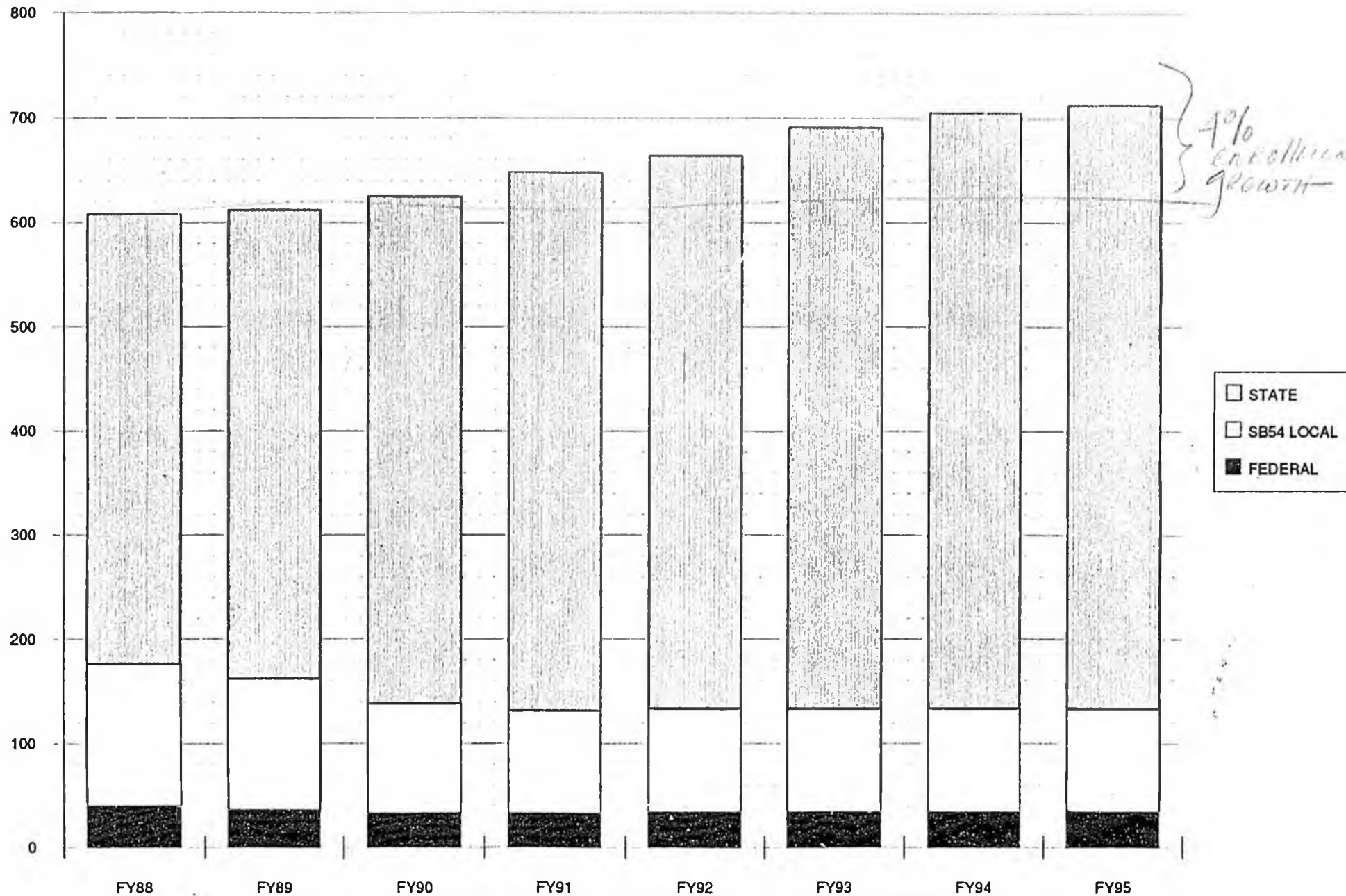


ASSUMPTION: PROPERTY VALUE INCREASE OVER THE NEXT THREE YEARS WILL MIRROR THE DECREASES BETWEEN FY88 AND FY91.

FOUNDATION FUNDING BY SOURCE

SB 54 AMENDMENT TO AS 14.17.025(a)

MILLIONS



4% enrollment growth

STATE
 SB54 LOCAL
 FEDERAL

FY88

FY89

FY90

FY91

FY92

FY93

FY94

FY95

ASSUMPTION: PROPERTY VALUE INCREASE OVER THE NEXT THREE YEARS WILL MIRROR THE DECREASES BETWEEN FY88 AND FY91.

ALASKA DEPARTMENT OF EDUCATION

#1 #2 #3

DISTRIBUTION COPY

ALASKA DEPARTMENT OF EDUCATION			
PROJECTED FY92 FOUNDATION PROGRAM			
AASA PROPOSED PROGRAM REVISIONS			
PREPARED 1/2/91 revised 1/18/91			
	CURRENT FORMULA	PROPOSED TABLES	PROPOSED TABLES
	UNIT VALUE AT \$63,000	UNIT VALUE AT \$60,000	UNIT VALUE AT \$63,000
			ADDITIONAL COST
ADAK	\$222,480	\$152,400	\$7,620
ALASKA GATEWAY	\$242,880	\$157,800	\$7,890
ALEUTIAN REGION	\$38,310	\$0	\$0
ALEUTIANS EAST	\$192,360	\$58,800	\$2,940
ANCHORAGE	\$10,064,760	\$254,400	\$12,720
ANNETTE ISLANDS	\$127,140	\$173,400	\$8,670
BERING STRAIT	\$839,250	\$225,000	\$11,250
BRISTOL BAY	\$122,310	\$153,000	\$7,650
CHATHAM	\$174,660	\$70,800	\$3,540
CHUGACH	\$80,040	\$0	\$0
COPPER RIVER	\$265,950	\$157,200	\$7,860
CORDOVA	\$140,430	\$196,200	\$9,810
CRAIG	\$117,510	\$174,600	\$8,730
DELTA/GREELY	\$261,000	\$139,200	\$6,960
DILLINGHAM	\$184,890	\$241,800	\$12,090
FAIRBANKS	\$3,644,520	\$374,400	\$18,720
GALENA	\$74,760	\$39,000	\$1,950
HAINES	\$135,960	\$177,000	\$8,850
HOONAH	\$80,070	\$119,400	\$5,970
HYDURG	\$51,030	\$0	\$0
IDITAROD	\$258,000	\$63,000	\$3,150
JUNEAU	\$1,305,870	\$120,000	\$6,000
KAKE	\$64,260	\$53,400	\$2,670
KASHUWAMIUT	\$92,370	\$96,000	\$4,800
KENAI	\$2,666,340	\$1,172,400	\$58,620
KETCHIKAN	\$687,990	\$120,000	\$6,000
KLAWOCK	\$72,180	\$82,800	\$4,140
KODIAK	\$743,400	\$130,800	\$6,540
KUSPUK	\$259,620	\$82,800	\$4,140
LAKE AND PENN.	\$315,330	\$0	\$0
LOWER KUSKOKWIM	\$1,666,680	\$93,000	\$4,650
LOWER YUKON	\$692,520	\$393,000	\$19,650
MATSU	\$2,501,220	\$597,000	\$29,850
NENANA	\$78,450	\$72,000	\$3,600
NOME	\$274,740	\$160,800	\$8,040
NORTH SLOPE	\$657,630	\$332,400	\$16,620
NORTHWEST ARCTIC	\$823,200	\$332,400	\$16,620
PELICAN	\$30,780	\$0	\$0
PETERSBURG	\$186,960	\$120,000	\$6,000
PRIBILOF	\$93,870	\$600	\$30
RAILBELT	\$152,700	\$99,000	\$4,950
SITKA	\$414,360	\$120,000	\$6,000
SKAGWAY	\$53,010	\$10,200	\$510
SOUTHEAST	\$294,720	\$66,600	\$3,330
SOUTHWEST	\$318,060	\$47,400	\$2,370
ST MARY'S	\$68,490	\$0	\$0
TANANA	\$63,930	\$0	\$0
UNALASKA	\$114,450	\$172,800	\$8,640
VALDEZ	\$208,350	\$133,200	\$6,660
WRANGELL	\$152,220	\$120,000	\$6,000
YAKUTAT	\$43,540	\$34,800	\$1,740
YUKON FLATS	\$266,340	\$39,600	\$1,980
YUKON/KOTYUKUK	\$333,930	\$59,400	\$2,970
YUPIIT	\$223,020	\$30,600	\$32,130
TOTALS	\$33,258,840	\$7,820,400	\$421,620

see 4 + 63,000 *FEI total effort*

ALASKA DEPARTMENT OF EDUCATION PROJECTED FY92 FOUNDATION PROGRAM AASA PROPOSED PROGRAM REVISIONS PREPARED 1/2/91 revised 1/18/91			
	SINGLE/DUAL UNIT VALUE AT \$60,000	SINGLE/DUAL UNIT VALUE AT \$63,000 ADDITIONAL COST	TOTAL INCREASE
ADAK	\$237,000	\$11,850	\$631,350
ALASKA GATEWAY	\$0	\$0	\$408,570
ALEUTIAN REGION	\$42,600	\$2,130	\$83,040
ALEUTIANS EAST	\$0	\$0	\$254,100
ANCHORAGE	\$0	\$0	\$10,331,880
ANNETTE ISLANDS	\$165,000	\$8,250	\$482,460
BERING STRAIT	\$0	\$0	\$1,075,500
BRISTOL BAY	\$81,000	\$4,050	\$368,010
CHATHAM	\$0	\$0	\$249,000
CHUGACH	\$0	\$0	\$80,040
COPPER RIVER	\$0	\$0	\$431,010
CORDOVA	\$187,800	\$9,390	\$543,630
CRAIG	\$165,600	\$8,280	\$474,720
DELTA/GREELY	\$262,800	\$13,140	\$683,100
DILLINGHAM	\$234,000	\$11,700	\$684,480
FAIRBANKS	\$0	\$0	\$4,037,640
GALENA	\$150,000	\$7,500	\$273,210
HAINES	\$0	\$0	\$321,810
HOONAH	\$165,600	\$8,280	\$379,320
HYDABURG	\$96,600	\$4,830	\$152,460
IDITAROD	\$0	\$0	\$324,150
JUNEAU	\$0	\$0	\$1,431,870
KAKE	\$129,600	\$6,480	\$256,410
KASHUNAMIUT	\$180,600	\$9,030	\$382,800
KENAI	\$0	\$0	\$3,897,360
KETCHIKAN	\$350,400	\$17,520	\$1,181,910
KLAWOCK	\$143,400	\$7,170	\$309,690
KODIAK	\$0	\$0	\$880,740
KUSPUK	\$0	\$0	\$346,560
LAKE AND PENN.	\$0	\$0	\$315,330
LOWER KUSKOKWIM	\$0	\$0	\$1,764,330
LOWER YUKON	\$0	\$0	\$1,105,170
MATSU	\$0	\$0	\$3,128,070
NENANA	\$155,400	\$7,770	\$317,220
NOME	\$276,600	\$13,830	\$734,010
NORTH SLOPE	\$0	\$0	\$1,006,650
NORTHWEST ARCTIC	\$0	\$0	\$1,172,220
PELICAN	\$58,200	\$2,910	\$91,890
PETERSBURG	\$189,000	\$9,450	\$511,410
PRIBILOF	\$122,400	\$6,120	\$223,020
RAILBELT	\$0	\$0	\$256,650
SITKA	\$291,600	\$14,580	\$846,540
SKAGWAY	\$111,000	\$5,550	\$180,270
SOUTHEAST	\$0	\$0	\$364,650
SOUTHWEST	\$0	\$0	\$267,830
ST MARY'S	\$127,800	\$6,390	\$202,680
TANANA	\$122,400	\$6,120	\$192,450
UNALASKA	\$157,800	\$7,890	\$461,580
VALDEZ	\$228,000	\$11,400	\$587,610
WRANGELL	\$193,200	\$9,660	\$481,080
YAKUTAT	\$126,000	\$6,300	\$232,380
YUKON FLATS	\$0	\$0	\$307,920
YUKON/KOYUKUK	\$0	\$0	\$396,300
YUPIIT	\$0	\$0	\$285,750
TOTALS	\$4,751,400	\$237,570	\$46,489,830

7.8 60,000
8.2 63,000

see 4
4.7 60,000
4.9 63,000

see 4 Bd
2.5 60,000.00
2.6 63,000.00

PROJECTED FY92 FOUNDATION PROGRAM
AASA PROPOSED PROGRAM REVISIONS

PREPARED 2/13/91	SB54 NEW TABLES AASA SEC. 3 PROPOSAL	60,000	60,000 SB54 NEW TABLES AASA SEC. 2 PROPOSAL
ADAK	\$152,400		\$0
ALASKA GATEWAY	\$0		\$157,800
ALEUTIAN REGION	\$0		\$0
ALEUTIANS EAST	\$0		\$58,800
ANCHORAGE	\$240,000		\$14,400
ANNETTE ISLANDS	\$0		\$173,400
BERING STRAIT	\$0		\$225,000
BRISTOL BAY	\$0		\$153,000
CHATHAM	\$0		\$70,800
CHUGACH	\$0		\$0
COPPER RIVER	\$0		\$157,200
CORDOVA	\$0		\$196,200
CRAIG	\$0		\$174,600
DELTA/GREELY	\$139,200		\$0
DILLINGHAM	\$0		\$241,800
FAIRBANKS	\$374,400		\$0
GALENA	\$0		\$39,000
HAINES	\$0		\$177,000
HOONAH	\$0		\$119,400
HYDABURG	\$0		\$0
IDITAROD	\$0		\$63,000
JUNEAU	\$120,000		\$0
KAKE	\$0		\$53,400
KASHUNAMIUT	\$0		\$96,000
KENAI	\$600,000		\$572,400
KETCHIKAN	\$120,000		\$0
KLAWOCK	\$0		\$82,800
KODIAK	\$130,800		\$0
KUSPUK	\$0		\$82,800
LAKE AND PENN.	\$0		\$0
LOWER KUSKOKWIM	\$0		\$93,000
LOWER YUKON	\$0		\$393,000
MATSU	\$480,000		\$117,000
NENANA	\$0		\$72,000
NOME	\$160,800		\$0
NORTH SLOPE	\$174,000		\$158,400
NORTHWEST ARCTIC	\$174,000		\$132,000
PELICAN	\$0		\$0
PETERSBURG	\$120,000		\$0
PRIBILOF	\$0		\$600
RAILBELT	\$0		\$99,000
SITKA	\$120,000		\$0
SKAGWAY	\$0		\$10,200
SOUTHEAST	\$0		\$66,600
SOUTHWEST	\$0		\$47,400
ST MARY'S	\$0		\$0
TANANA	\$0		\$0
UNALASKA	\$0		\$172,800
VALDEZ	\$133,200		\$0
WRANGELL	\$120,000		\$0
YAKUTAT	\$0		\$34,800
YUKON FLATS	\$0		\$39,600
YUKON/KOYUKUK	\$0		\$59,400
YUPIIT	\$0		\$30,600
TOTALS	\$3,358,800		\$4,435,200

	A	B	C	D	E	F
1	ALASKA DEPARTMENT OF EDUCATION					PROJECTED FY92
2	FOUNDATION FUNDING PROGRAM					FOUNDATION
3	PREPARED 2/28/91					SB54 SEC. 2&3
4			PROJECTED FY92	PROJECTED FY92	PROJECTED FY92	SINGLE SITE < 700
5		FY91 FOUNDATION	FOUNDATION	PRORATION TO	FOUNDATION	PRORATION TO
6		STATE AID	STATE AID	GOV. BUDGET	SB54 SEC. 2&3	GOV. BUDGET
7		100% ENTITLEMENT	100% ENTITLEMENT	OF \$514,648.9	SINGLE SITE < 700	OF \$514,648.9
8	ADAK	\$2,083,942	\$2,173,342	\$1,993,966	\$2,325,742	\$2,072,189
9	ALASKA GATEWAY	\$4,329,618	\$4,346,718	\$4,150,894	\$4,504,518	\$4,228,188
10	ALEUTIAN REGION	\$680,468	\$680,468	\$649,580	\$680,468	\$638,253
11	ALEUTIANS EAST	\$3,078,324	\$2,916,674	\$2,761,582	\$2,976,074	\$2,760,835
12	ANCHORAGE	\$156,404,478	\$162,149,942	\$154,035,162	\$162,404,342	\$151,299,715
13	ANNETTE ISLANDS	\$1,170,462	\$1,305,462	\$1,202,955	\$1,479,462	\$1,329,777
14	BERING STRAIT	\$12,271,870	\$12,719,470	\$12,042,819	\$12,944,470	\$12,007,283
15	BRISTOL BAY	\$1,663,843	\$1,663,201	\$1,564,588	\$1,816,201	\$1,672,995
16	CHATHAM	\$2,554,523	\$2,556,923	\$2,416,102	\$2,627,723	\$2,431,360
17	CHUGACH	\$1,461,376	\$1,421,776	\$1,357,243	\$1,421,776	\$1,333,578
18	COPPER RIVER	\$5,221,136	\$5,087,336	\$4,872,912	\$5,144,536	\$4,942,818
19	CORDOVA	\$2,301,985	\$2,265,566	\$2,152,343	\$2,649,566	\$2,473,666
20	CRAIG	\$1,689,191	\$2,138,924	\$2,044,181	\$2,479,724	\$2,331,460
21	DELTA/GREELY	\$4,269,949	\$4,244,749	\$4,034,316	\$4,383,949	\$4,088,677
22	DILLINGHAM	\$2,936,054	\$2,915,918	\$2,766,849	\$3,391,718	\$3,161,768
23	FAIRBANKS	\$57,115,905	\$60,237,647	\$57,299,228	\$60,612,047	\$56,175,431
24	GALENA	\$1,085,274	\$1,202,673	\$1,142,397	\$1,311,673	\$1,298,880
25	HAINES	\$2,374,218	\$2,258,312	\$2,148,693	\$2,445,312	\$2,275,742
26	HOONAH	\$1,446,196	\$1,405,719	\$1,341,162	\$1,690,719	\$1,586,785
27	HYDABURG	\$956,647	\$981,799	\$940,656	\$1,077,799	\$1,016,279
28	IDITAROD	\$4,163,521	\$4,386,121	\$4,178,107	\$4,449,121	\$4,161,353
29	JUNEAU	\$20,344,548	\$20,626,989	\$19,574,123	\$20,746,989	\$19,301,407
30	KAKE	\$1,083,087	\$1,036,056	\$984,246	\$1,213,056	\$1,138,164
31	KASHUNAMIUT	\$1,308,396	\$1,390,596	\$1,316,122	\$1,435,596	\$1,379,522
32	KENAI	\$37,253,584	\$39,335,955	\$37,186,201	\$40,508,355	\$37,505,653
33	KETCHIKAN	\$9,952,787	\$10,378,089	\$9,823,392	\$10,498,089	\$9,733,364
34	KLAWOCK	\$1,333,158	\$1,290,491	\$1,232,295	\$1,518,691	\$1,424,691
35	KODIAK	\$12,155,260	\$11,967,600	\$11,368,229	\$12,098,400	\$11,272,022
36	KUSPUK	\$4,716,683	\$4,684,283	\$4,474,963	\$4,761,683	\$4,477,006
37	LAKE AND PENINSUL	\$5,386,950	\$5,474,080	\$5,219,843	\$5,474,080	\$5,126,610
38	LOWER KUSKOKWIM	\$27,178,760	\$27,763,760	\$26,419,988	\$27,856,760	\$26,015,080
39	LOWER YUKON	\$10,288,288	\$9,908,488	\$9,350,139	\$10,308,888	\$9,516,163
40	MAT-SU	\$39,817,389	\$42,994,356	\$40,977,731	\$43,591,356	\$40,802,307
41	NENANA	\$1,577,456	\$1,503,966	\$1,440,715	\$1,731,366	\$1,632,391
42	NOME	\$4,912,948	\$4,913,430	\$4,691,919	\$5,071,230	\$4,762,628
43	NORTH SLOPE	\$7,888,743	\$8,057,882	\$7,527,663	\$8,390,282	\$7,647,309
44	NORTHWEST ARCTIC	\$13,286,800	\$11,464,556	\$10,800,846	\$11,770,556	\$10,846,592
45	PELICAN	\$581,637	\$561,341	\$536,524	\$619,541	\$582,417
46	PETERSBURG	\$2,981,875	\$3,051,475	\$2,900,737	\$3,171,475	\$2,958,848
47	PRIBILOF	\$1,344,889	\$1,415,689	\$1,340,006	\$1,416,289	\$1,312,818
48	RAILBELT	\$2,966,307	\$3,013,707	\$2,890,592	\$3,112,707	\$2,938,989
49	SITKA	\$6,441,269	\$6,205,158	\$5,971,077	\$6,425,158	\$5,961,953
50	SKAGWAY	\$904,356	\$822,752	\$780,012	\$843,952	\$878,861
51	SOUTHEAST	\$4,842,342	\$5,096,142	\$4,858,522	\$5,162,742	\$4,834,313
52	SOUTHWEST	\$4,667,542	\$5,029,342	\$4,772,904	\$5,076,142	\$4,723,035
53	ST. MARY'S	\$1,307,241	\$1,304,147	\$1,248,926	\$1,431,947	\$1,349,435
54	TANANA	\$1,165,181	\$1,168,693	\$1,117,145	\$1,291,093	\$1,211,903
55	TANALASKA	\$1,616,402	\$1,668,678	\$1,576,402	\$1,693,278	\$1,654,348
56	VALDEZ	\$2,674,681	\$2,699,117	\$2,531,133	\$2,832,317	\$2,595,392
57	WRANGELL	\$2,478,311	\$2,603,887	\$2,491,159	\$2,917,087	\$2,732,096
58	YAKUTAT	\$1,131,374	\$1,157,318	\$1,106,088	\$1,318,118	\$1,239,242
59	YUKON FLATS	\$4,973,684	\$4,788,884	\$4,574,146	\$4,828,484	\$4,532,815
60	YUKON/KOYUKUK	\$5,449,696	\$5,421,496	\$5,152,263	\$5,481,496	\$5,111,224
61	YUPIIT	\$3,491,802	\$3,503,002	\$3,323,991	\$3,533,802	\$3,286,398
62	OTHER	\$9,704,648	\$10,285,221	\$10,013,119	\$10,285,221	\$10,285,222
63	TOTALS	\$526,467,054	\$541,746,166	\$514,658,900	\$551,865,166	\$514,658,900

	G	H	I	J	K
1	ALASKA DEPARTMENT OF EDUCATION				
2	FOUNDATION FUNDING PROGRAM				
3	PREPARED 2/28/81				
4					
5		COLUMN C	COLUMN D	COLUMN E	COLUMN F
6		LESS	LESS	LESS	LESS
7		COLUMN B	COLUMN B	COLUMN B	COLUMN B
8	ADAK	\$89,400	(\$89,976)	\$241,800	(\$1,753)
9	ALASKA GATEWAY	\$17,100	(\$178,724)	\$174,900	(\$10,430)
10	ALEUTIAN REGION	\$0	(\$30,888)	\$0	(\$42,215)
11	ALEUTIANS EAST	(\$161,650)	(\$316,742)	(\$102,250)	(\$317,489)
12	ANCHORAGE	\$5,745,464	(\$2,369,316)	\$5,999,864	(\$5,104,763)
13	ANNETTE ISLANDS	\$135,000	\$32,493	\$309,000	\$159,315
14	BERING STRAIT	\$447,600	(\$229,051)	\$672,600	(\$264,587)
15	BRISTOL BAY	(\$642)	(\$99,255)	\$152,358	\$9,152
16	CHATHAM	\$2,400	(\$138,421)	\$73,200	(\$123,163)
17	CHUGACH	(\$39,600)	(\$104,133)	(\$39,600)	(\$127,798)
18	COPPER RIVER	(\$133,800)	(\$348,224)	\$23,400	(\$218,318)
19	CORDOVA	(\$36,419)	(\$149,642)	\$347,581	\$171,681
20	CRAIG	\$449,733	\$354,993	\$700,533	\$642,269
21	DELTA/GREELY	(\$25,200)	(\$235,633)	\$14,000	(\$181,272)
22	DILLINGHAM	(\$20,136)	(\$169,205)	\$455,664	\$225,714
23	FAIRBANKS	\$3,121,742	\$183,323	\$3,406,142	(\$540,474)
24	GALENA	\$117,399	\$57,123	\$306,399	\$213,606
25	HAINES	(\$115,906)	(\$225,525)	\$61,094	(\$98,476)
26	HOONAH	(\$40,477)	(\$105,034)	\$244,523	\$140,589
27	HYDABURG	\$25,152	(\$15,991)	\$121,152	\$59,632
28	IDITAROD	\$222,600	\$14,586	\$285,600	(\$2,168)
29	JUNEAU	\$282,441	(\$770,425)	\$402,441	(\$1,043,141)
30	KAKE	(\$47,031)	(\$98,841)	\$135,969	\$55,077
31	KASHUNAMIUT	\$82,200	\$7,726	\$118,200	\$71,126
32	KENAI	\$2,082,371	(\$67,383)	\$3,254,771	\$252,069
33	KETCHIKAN	\$425,302	(\$129,395)	\$545,302	(\$219,123)
34	KLAWOCK	(\$42,667)	(\$100,863)	\$183,533	\$91,533
35	KODIAK	(\$187,660)	(\$787,031)	(\$56,860)	(\$883,238)
36	KUSPUK	(\$32,400)	(\$241,720)	\$51,000	(\$238,677)
37	LAKE AND PENINSULA	\$87,130	(\$167,107)	\$87,130	(\$260,340)
38	LOWER KUSKOKWIM	\$585,000	(\$758,772)	\$678,000	(\$1,163,680)
39	LOWER YUKON	(\$379,800)	(\$938,149)	\$12,600	(\$772,125)
40	MAT-SU	\$3,176,967	\$1,160,342	\$3,773,967	\$984,918
41	NENANA	(\$73,490)	(\$136,741)	\$153,910	\$54,385
42	NOME	\$482	(\$221,029)	\$161,282	(\$150,320)
43	NORTH SLOPE	\$169,139	(\$361,080)	\$501,539	(\$241,434)
44	NORTHWEST ARCTIC	(\$1,822,244)	(\$2,485,934)	(\$1,516,244)	(\$2,440,208)
45	PELICAN	(\$20,296)	(\$45,113)	\$37,904	\$780
46	PETERSBURG	\$69,600	(\$81,138)	\$189,600	(\$23,027)
47	PRIBILOF	\$70,800	(\$4,883)	\$71,400	(\$32,071)
48	RAILBELT	\$47,400	(\$75,715)	\$146,400	(\$27,318)
49	SITKA	(\$136,111)	(\$470,192)	(\$16,111)	(\$479,316)
50	SKAGWAY	(\$81,604)	(\$124,344)	\$39,596	(\$25,495)
51	SOUTHEAST	\$253,800	\$16,180	\$320,400	(\$8,029)
52	SOUTHWEST	\$361,800	\$105,362	\$408,600	\$65,543
53	ST. MARY'S	(\$3,094)	(\$58,315)	\$121,706	\$42,194
54	TANANA	\$3,512	(\$48,032)	\$125,912	\$48,722
55	UNALASKA	\$52,276	(\$40,000)	\$382,876	\$238,546
56	VALDEZ	\$24,436	(\$143,548)	\$157,636	(\$79,289)
57	WRANGELL	\$125,576	\$2,848	\$138,776	\$253,785
58	YAKUTAT	\$23,944	(\$25,286)	\$186,744	\$107,868
59	YUKON FLATS	(\$184,800)	(\$399,538)	(\$145,200)	(\$440,869)
60	YUKON/KOYUKUK	(\$28,200)	(\$297,433)	\$31,800	(\$339,472)
61	YUPIIT	\$12,000	(\$167,811)	\$42,000	(\$205,404)
62	OTHER	\$580,573	\$308,471	\$580,573	\$580,574
63	TOTALS	\$15,279,112	(\$11,808,154)	\$25,398,112	(\$11,808,154)

ALASKA DEPARTMENT OF EDUCATION
 PROJECTED FY92 FOUNDATION PROGRAM
 SINGLE/DUAL SITE PROPOSED PROGRAM REVISIONS
 PREPARED 3/6/91

Handwritten: 40
 60,000

Handwritten: Bid new @ 60,000

	PROJ. FY92 ADM	SINGLE/DUAL SB54 PROPOSAL	SINGLE SITE MUNICIPALITIES LESS THAN 750 ADM
ADAK	715.00	\$237,000	\$0
ALASKA GATEWAY	499.00	\$0	\$0
ALEUTIAN REGION	33.00	\$42,600	\$0
ALEUTIANS EAST	359.00	\$0	\$0
ANCHORAGE	42,070.00	\$0	\$0
ANNETTE ISLANDS	411.00	\$165,000	\$0
BERING STRAIT	1,398.00	\$0	\$0
BRISTOL BAY	265.00	\$81,000	\$0
CHATHAM	384.00	\$0	\$0
CHUGACH	110.00	\$0	\$0
COPPER RIVER	578.00	\$0	\$0
CORDOVA	437.90	\$187,800	\$187,800
CRAIG	413.00	\$165,600	\$165,600
DELTA/GREELY	870.00	\$262,800	\$0
DILLINGHAM	485.00	\$234,000	\$234,000
FAIRBANKS	14,683.00	\$0	\$0
GALENA	150.00	\$150,000	\$150,000
HAINES	441.00	\$0	\$0
HOONAH	230.00	\$165,600	\$165,600
HYDABURG	108.00	\$96,600	\$96,600
IDITAROD	394.00	\$0	\$0
JUNEAU	5,328.00	\$0	\$0
KAKE	172.00	\$129,600	\$129,600
KASHUNAMIUT	192.00	\$180,600	\$0
KENAI	9,723.50	\$0	\$0
KETCHIKAN	2,796.00	\$350,400	\$0
KLAWOCK	200.00	\$143,400	\$143,400
KODIAK	2,410.70	\$0	\$0
KUSPUK	413.45	\$0	\$0
LAKE AND PENN.	420.00	\$0	\$0
LOWER KUSKOKWIM	2,835.00	\$0	\$0
LOWER YUKON	1,352.00	\$0	\$0
MATSU	9,997.00	\$0	\$0
NENANA	180.00	\$155,400	\$155,400
NOME	777.95	\$276,600	\$0
NORTH SLOPE	1,406.00	\$0	\$0
NORTHWEST ARCTIC	1,583.60	\$0	\$0
PELICAN	48.00	\$58,200	\$58,200
PETERSBURG	707.00	\$189,000	\$189,000
PRIBILOF	153.00	\$122,400	\$0
RAILBELT	338.00	\$0	\$0
SITKA	1,745.00	\$291,600	\$0
SKAGWAY	130.00	\$111,000	\$111,000
SOUTHEAST	557.10	\$0	\$0
SOUTHWEST	485.00	\$0	\$0
ST MARY'S	115.60	\$127,800	\$127,800
TANANA	109.00	\$122,400	\$122,400
UNALASKA	298.00	\$157,800	\$157,800
VALDEZ	765.00	\$228,000	\$0
WRANGELL	520.00	\$193,200	\$193,200
YAKUTAT	152.00	\$126,000	\$126,000
YUKON FLATS	371.00	\$0	\$0
YUKON/KOYUKUK	510.00	\$0	\$0
YUPIIT	330.00	\$0	\$0
TOTALS	112,154.80	\$4,751,400	\$2,513,400



NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

ANCHORAGE REGIONAL OFFICE

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

JUNEAU OFFICE

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

FAIRBANKS REGIONAL OFFICE

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

February 11, 1991

To: Senator Sturgulewski, Chair
Members; Senate HESS Committee

Re: SB 54; "An Act relating to state aid for
education; and providing for an effective date."

NEA-Alaska strongly supports and encourages your favorable consideration of SB 54.

A disparity has existed in the public school foundation formula relative to single and dual site districts since we returned to the Instructional Unit technique of funding in 1987-88. The result has been an inordinate financial burden on these communities and the reduction or elimination of critical programs and services. These districts have not been able to get back up to prior levels of funding under the current formula.

Since 1987-88 it has been necessary, each year, for single and rural site districts to seek additional appropriations from the Legislature. It is not fair that they have had to withstand additional legislative scrutiny relative to their basic needs under a funding formula that is supposed to treat all districts equitably.

An increase in the Instructional Unit value is long overdue! Since the return to the current method of funding public education the Instructional Unit value of \$60,000 has not been changed. The adverse impact of inflation makes it worth \$52,361 in today's dollars. If it were to keep pace with inflation for 1991-92, in 1987-77 dollars, the Instructional Unit value should be set at \$74,550.

During this brief period critical programs and services for students have been cut back, and, unfortunately, in too many instances, eliminated. Employees have subsidized public education through salary and benefit cuts and freezes and increased workloads. Essential building maintenance has been deferred at an ever increasing eventual cost.

Also, we have been asking more of public education in terms of more effectively dealing with increasing problems in our society. It is time to increase the value of the Instructional Unit in our public school foundation formula.

Thank you for your consideration of our recommendations.

Respectfully submitted,

Bob Manners
Executive Director

Don Oberg
President

cc: Senator Adams

ASSOCIATION OF ALASKA SCHOOL BOARDS

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

Serving Alaskan Education



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DIRECTOR

Carl F.N. Rose

POSITION PAPER IN SUPPORT OF SB 54 / HB 53

Acts relating to state aid for education; and providing for an effective date

The Association of Alaska School Boards enthusiastically supports SB 54 and HB 53, identical bills relating to state aid for education. These bills address a number of issues critical to ensuring adequate and equitable funding for education in Alaska.

The legislature hasn't increased the level of school funding for five years, the result of which has been five years of serious cost cutting by school districts. Due to a lack of inflation proofing and cuts to the foundation program, current levels of funding are inadequate to reach expectations set forth by the governor, legislature and the public-at-large.

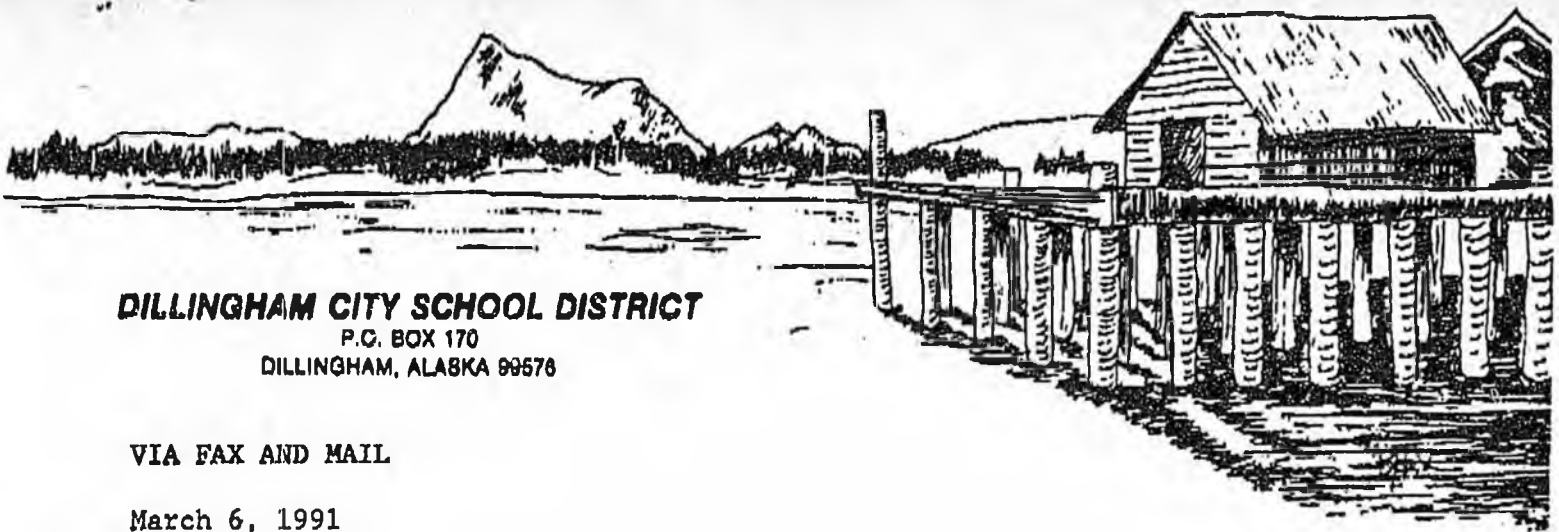
Alaska, like many other states, faces a legal challenge to its foundation funding formula which has produced inequitable funding between districts, particularly as it affects single/dual-site school districts and the issue of local taxation.

Due to fluctuating property values and how those values are tied to the current funding formula, districts find they cannot establish a stable base of funding at the local level. The hold harmless clause found in both bills address this issue.

An increase in the instructional unit value from \$60,000 to \$63,000 would help meet the expectations that Alaskans have set for education and would allow districts to protect the necessary school programs that can meet those expectations, as well as to carry out unfunded or underfunded state and federal mandates.

The Association of Alaska School Boards believes the proposed legislation addresses the concerns raised above. The time has come to take a comprehensive approach to remedying the inadequacies of the foundation funding formula. HB 53 and SB 54 represent the vehicle with which to help us address some of those goals. We encourage your active support of these efforts on behalf of Alaska's children.

2/11/91



DILLINGHAM CITY SCHOOL DISTRICT

P.O. BOX 170
DILLINGHAM, ALASKA 99576

VIA FAX AND MAIL

March 6, 1991

Senator Arliss Sturgulewski, Chair
Senate Health, Education & Social Services Committee
Alaska State Legislature
P. O. Box V (MS 3100)
Juneau, Alaska 99811

Dear Arliss:

As a result of having attended the hearing conducted by the Senate HESS Committee on February 11, 1991, I feel I need to address the fund balance that appears in the audit report for the Dillingham City School District for school year 1990-91. The figure of \$258,429 gives the casual observer the impression that our district is in excellent financial condition. Therefore, one might conclude that increased funding is not warranted at this time. Approximately \$45,000 of that amount was an unanticipated late cash receivable from a P.L. 874 refund. \$200,000 is approximately 5% of our budget. Because we have no other means of increasing our revenue, it would be fiscally reckless to not keep sufficient reserves to pay for maintenance emergencies, legal fees and other unanticipated expenses.

This district has reduced staff and programs over the last 4 years as revenue has flattened and expenses have risen. We do not spend mushy revenue possibilities. Therefore, when supplementals are passed by the legislature in the final days of a session, that money is not hurriedly squandered but is carried over to be wisely budgeted and prudently expended.

Also, over the last four years, the Foundation Unit value has remained static while inflation has increased our cost of supplies, equipment, textbooks, fuel, food, transportation and freight. Salaries have also risen because of the inherent increases in our schedule. Maintenance has been deferred to the point that expensive repair costs are eminent. In the last year and a half we have had five insurance claims which have cost us \$25,000 in insurance deductibles alone. As a result our insurance costs are predictably going to be larger this next year--if we can get it.

Our City's appropriation to the School District is near the cap. I do not want to sound like a gloom and doom sayer, but I hear almost daily of people talking of leaving Dillingham if we cannot offer a viable, if not comprehensive, high

Senator Arlisa Sturgulewski
March 6, 1991
Page 2

school curriculum. As people leave, we could enter a "catch 22" situation where there simply would not be enough students to warrant even the present course offerings.

We try to run a fiscally sound school system. We have never operated in the red and will not. I hope districts do not have to do that in order to prove that more money needs to be allocated to our schools. I also hope we do not conclude that as long as a district has a positive fund balance, it must have enough money.

Sincerely,



Don Renfro
Superintendent

DR:sg

C:sturgulewski.dr

March 4, 1991

Sandra J. Hicks
Legislative Liaison
Sitka School Board Member
114 Jamestown Dr. #A
Sitka AK 99835-9728

TO: SENATOR ARLISS STURGULEWSKI
CHAIR-SENATE H.E.S.S.

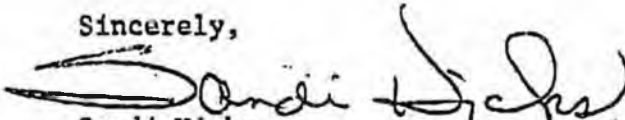
RE: Carry over funds in budget 89-90 for Sitka School District

At the hearing of Senate H.E.S.S. on Tuesday, February 12, 1991 I testified in support of SB 54. At that time it was requested I furnish information regarding the amount of carry over funds and why it was in the 9% bracket. Enclosed is a letter from Dr. Lewis Holloway, Superintendent of Sitka School District, addressing the dispersment of those funds.

I apologize for the delay in answering quicker but the District has been involved in extensive meetings with the community, staff and board in trying to prioritize those services or programs which must be eliminated if full funding of the instructional unit (\$63,000.00) is not realized.

Thank you for the opportunity to speak in favor of SB 54. I realize that you and the committee must also prioritize the budget for the state in times of reduced funding and thank you for the support you have given education.

Sincerely,


Sandi Hicks

CC: All member of Senate H.E.S.S.
File



TO: Sandi Hicks
FROM: Lewis Holloway
DATE: February 25, 1991

The Sitka School District is facing a financial dilemma if Foundation Funds are not forthcoming in accordance with the State's obligation to fully fund its educational programs.

At the end of the last school year, this District had an uncommitted fund balance of \$916,000; an amount a little over 9% of its operating budget. These monies were slightly larger than the district's usual carryover target of 5% due to several pending circumstances. Bargaining with the teachers' association was ongoing at the time and no one could anticipate when it would be finalized. Agreements with the bargaining units have since been made and everyone except central office administrative personnel has been given a 3% retroactive pay raise. The District could not have given these pay raises without the availability of the fund balance. These raises amounted to a \$400,000 cost increase to the District.

The fund balance was further exacerbated by the Governor's line item veto of 2% of the Foundation program and the reduction of local Borough support of \$248,000 last summer. An additional \$160,000 was used to purchase badly needed instructional equipment at the beginning of the school year. The instructional benefits of this equipment for the entire school year would maximize students' learning. The amount of funds remaining, albeit small, is anticipated to be used for textbook acquisition and contingency (FY92 start-up purchasing). It should be noted that this District has not been able to purchase new textbook series in math, science, or reading for over 10 years.

POTENTIAL SAVINGS
FOR HOONAH PUBLIC SCHOOLS

	<u>FY 90-91</u>	<u>FY 91-92</u>
1. Georgia Chiarella from 22 hours weekly to 15 reduced paid vacation days	\$2454	\$3485
2. Sharon Hill pay 190 days-7 hrs per day limit 5 paid vacation days	\$1370	\$2054
3. Judy Oliver same as Sharon Hill	\$1512	\$2267
4. 2 secretaries to 1/2 time reduced paid holidays Superintendent Office	\$8010	\$12137
5. Ladonna-7 hrs per day x 200 days w/5 paid holidays	\$2628	\$3982
6. Carol Williams 5 paid vacation days Reduction of 1 hr. per day	\$706 \$1765	\$1070 \$2674
7. Betty & Mildred pay 190 days x 7 hrs and team hours, no work on inservice days, no "doughnut days" for teachers	\$4167	\$6314
8. Cut 3 custodians 1 hr per day	\$7793	\$11807
9. Pay custodians 7 holidays no inservice, teacher workdays, Christmas	\$4316	\$6539
10. Bill HIPO for Dan's pool time less \$5000 as per agreement	\$6534	\$12476
11. No free lunch for teachers and classified	\$2376	\$3600
12. Raise hot lunch for all students 20	\$2237	\$3389
13. Raise adult hot lunch 50	\$105	\$
14. Headstart hot lunch increase	\$691	

	<u>FY 90-91</u>	<u>FY 91-92</u>
15. Resale blue truck	\$8000	
a) run with the money		
b) trade '81 van for new		
16. Sell white truck	\$500	
17. Eliminate Saturday school	\$4381	\$4381
18. Activities travel reduced see attached	\$7104	\$7104
19. Jan Skaflestad not replaced	\$40674	\$56410
20. Not retain 1 non tenure teacher next year		\$33000
21. Savings from regular Superintendent to one real dumb Interim Superintendent	\$11032	\$2000
22. Chris Greenwald-no work on teacher work days-limit to 180 days w/5 vacation days 7 hours per day	\$1612	\$2442
23. Hot lunch-soup and sandwiches twice a week, less beef and pork, more hamburger. Fruit or cookie not both.	\$2000	\$3000
Totals	<u>\$117,316</u> \$121,697	\$180,981

NOTE:

Potential deficit is \$247,000. TRS is going up 1.3% = \$12,371 more next year.

Negotiations are not accounted for.

Superintendent applicants travel not accounted for.

See attached for District Policy vacation and holidays.

Legal Holidays: Thanksgiving and the following day; Labor Day; Christmas Day; New Year's Day; Memorial Day; Independence Day.

savings

R E S O L U T I O N 9 1 - 0 7

KASHUNAMIUT SCHOOL DISTRICT

WHEREAS, the public school foundation formula has not been changed for several years; and

WHEREAS, significant inequities have been identified with the current formula; and

WHEREAS, inflationary cost increases, cost transfers from the state to school districts, and increased federal and state statutory and regulatory burdens on school districts have made it difficult if not impossible for Alaska districts to maintain the level of service to Alaska's young people; and

WHEREAS, SB54 and HB53 address the issues of formula equity and a more nearly adequate level of funding for Alaska districts.

THEREFORE BE IT RESOLVED that the Board of the Kashunamiut School District urge the Legislature and the Governor to support and enact SB54/HB53.

THIS RESOLUTION ADOPTED by the affirmative vote of the Board of the Kashunamiut School District at the regular meeting of January 31, 1991, at which a quorum was present and voting.

Joseph V. Parviz
Board President

01/31/91
Date

Paul F. Anderson
Board Secretary

01/31/91
Date



WRANGELL

**PUBLIC SCHOOLS
DISTRICT OFFICE**

P.O. BOX 2319

WRANGELL, ALASKA 99929

Telephone (907) 874-2347

LINWGOD LAUGHY, Superintendent

GATEWAY TO THE STIKINE

RESOLUTION

91-2

WHEREAS, numerous funding inequities exist in the state's present education foundation formula, including those involving single/dual sites, and

WHEREAS, rapid fluctuations in property values can create major funding difficulties for city and borough school districts, and

WHEREAS, no increase has occurred in the foundation program instructional unit value for four years despite continuous inflation and new requirements from the state with direct financial impact on school districts,

BE IT RESOLVED, that the Wrangell School District Board of Directors urges the passage and enactment of Senate Bill 54 in its entirety.

WRANGELL SCHOOL BOARD

William T. Measner
Board President

01/18/91
Date

Thicki Fisher
Secretary/Treasurer

2/5/91
Date

NENANA CITY PUBLIC SCHOOLS

P.O. BOX 00010
NENANA, ALASKA 99760
907-832-5464
FAX 907-832-5625

Resolution #91-5

regarding

Nenana City Public School District's Support of Senate Bill

Relating to State Aid for Education

Whereas, the issue of inadequate funding for school children has been a concern for the past several years, in Nenana and in the State of Alaska and

Whereas, the programs for children and the staffing at our school has been significantly reduced, even at a time when the student population is increasing, and

Whereas, the concerns of the Nenana community, the Single/Dual Site Consortium and the educational organizations in the State have been put before the legislature numerous times without success, and

Whereas, Senate Bill #54 represents the best interests of the children in Alaska and is a proposal upon which School Board members, parents, teachers and administrators can pledge their support,

Therefore, be it Resolved that the Nenana School District go on record in support of Senate Bill #54 and,

Be it further resolved that the Nenana City Public School District School Board strongly supports the changes in the Foundation Funding for Alaska Public Schools as delineated in Senate Bill #54, and

Be it further resolved that the Nenana City Public School District School Board requests the active support of the Alaska Association of School Boards, the Alaska Association of School Administrators, and the Alaska State Board of Education in seeking these changes during this legislative session, and

Be it further resolved that the Nenana City Public School Board of Education will actively seek the support of Senators, Representatives and other State Officials who may be instrumental in the passage of this legislation to support the children of Alaska.

Dated this 24th day of January, 1991

Nenana City Public School Board

Janice L. Chewie

Donald J. Simons

M. C. Paul Wood

Marcie Brown Moore

James J. J. J. J.

Harold Shields

Marlene Lamb

Paul J. J. J. J.



Southwest Region Schools
P.O. Box 90
Dillingham, Alaska 99576

Phone (907) 842-5287
Fax (907) 842-5428



RESOLUTION 91-4

Alaska Association of School Administrators' Finance Proposal

The Southwest Region School District strongly endorses the finance proposal put forth by AASA and incorporated into the attached legislative bill.

Rationale:

1. This proposal represents a united position of the school districts of Alaska.
2. This proposal will benefit all school districts of the state.
3. This proposal addresses immediate needs of the school districts.
4. It is a first step toward an improved state funding formula for public school districts.

PASSED, APPROVED AND ADOPTED BY THE SCHOOL BOARD OF THE
SOUTHWEST REGION SCHOOL DISTRICT THIS 17th DAY OF
January, 1991.

ATTESTED:

Mike Frank
President, S.W. Region School Board

DATE: 1/17/91

John Cherry
Board Officer or Superintendent

DATE: 1/17/91

ANCHORAGE SCHOOL DISTRICT
LEGISLATIVE REQUESTS
DISTRICT LEGISLATIVE POSITIONS

The Anchorage School District requests that members of the Alaska State Legislature consider the following priorities as approved by the Anchorage School Board:

- Provision for a 5 percent increase in the instructional allotment for school districts statewide under the Public School Foundation Program.
- Adequate funding to provide full reimbursement to school districts, cities and boroughs for school bonded indebtedness that has been incurred.
- Provide early full funding for education, including foundation, pupil transportation, tuition, and community school appropriations.
- The appropriation of sufficient funds for the School District's highest priority capital improvement and major maintenance projects.
- Supplemental funding for the Alaska Public School Foundation Program in the current year.
- Hold harmless on required local effort.
- Legislation that will provide for a review of the funding for single/dual school sites and small school sites throughout the state of Alaska.



ANNETTE ISLANDS SCHOOL DISTRICT

PO. Box 7 • Mellakalla, AK 99926

Accredited by Northwest Accreditation Association

High School Principal's Office
(907) 886-6000
FAX: (907) 886-5420

Superintendent's Office
(907) 886-6332
FAX: (907) 886-5430

Elementary Principal's Office
(907) 886-4121

THE HONORABLE ARLISS STURGULEWSKI
Alaska State Senate
PO Box V
Juneau, AK 99811

February 6, 1991

Dear Senator Sturgulewski,

Enclosed with this letter you will find a resolution acted upon by the Annette Islands School District Board of Education at their regular meeting which was conducted on February 14, 1991. This resolution calls for support by the House, the Senate and the Governor, for House Bill 53 and Senate Bill 54.

As you are aware, the education community, over the last five years, has functioned with a continuously reduced amount of real dollars with which to finance educational programs here in the State of Alaska. Because of constricting budgets, each school district has suffered in different ways. What is common among all districts is that as education dollars have been eroded by inflation, rising costs, and increased requirements from the State and Federal governments, children in the State have gotten less education than they deserve and need.

You are strongly urged to support House Bill 53 and its companion legislation, Senate Bill 54. These bills have near unanimous support of the school districts in the State of Alaska including their boards of education and management teams. Every school district in the State of Alaska is committed to providing the highest quality education for its students. The reduced purchasing power which school districts have at this time is severely limiting the promise for an educated Alaskan population in the future.

Again, the Annette Islands School District Board of Education requests your support for House Bill 53 and Senate Bill 54.

Sincerely,

Paul T. Brendible, President
Board of Education

Walter E. Bromenschenkel, Ed.D.
Superintendent of Schools

\letg

R E S O L U T I O N 9 1 - 0 8

A RESOLUTION SUPPORTING SCHOOL FUNDING ISSUES IN THE STATE OF ALASKA
(House Bill 53 and Senate Bill 54)

WHEREAS, The Annette Islands School District Board of Education recognizes deficiencies within the State of Alaska School Funding Formula, and

WHEREAS, The Annette Islands School District Board of Education recognizes that school districts throughout the State are experiencing severe financial hardship, and

WHEREAS, The Association of Alaska School Administrators has unanimously agreed upon a workable and affordable solution to the State public school finance problems, and

WHEREAS, Members of both the House of Representatives and the Alaska State Senate have introduced legislation which will accomplish the following:

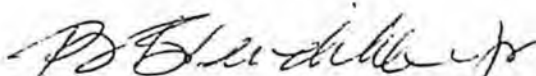
- A. Increase the instructional unit by 5%,
- B. Address the formula problems for small isolated schools,
- C. Resolve the single site funding issue,
- D. Protect school districts who will be adversely impacted by rising property values, and

WHEREAS, The Annette Islands School District endorses immediate legislative action to make whole the FY/91 legislative allocation for education,

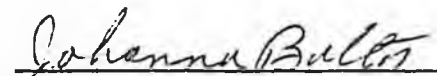
THEREFORE, BE IT RESOLVED, That the Annette Islands School District Board of Education unanimously supports the immediate adoption of House Bill 53 and Senate Bill 54, legislation addressing the school funding formula in the State of Alaska, and

BE IT FURTHER RESOLVED, That the Annette Islands School District Board of Education encourages the Association of Alaska School Administrators, the Alaska Association of School Boards and all other organizations which have an interest in the continuation of quality education in the State of Alaska to support House Bill 53 and Senate Bill 54.

This resolution was considered and unanimously agreed upon by the Annette Islands School District Board of Education at its regular meeting conducted on February 14, 1991.



PRESIDENT, BOARD OF EDUCATION



VICE PRESIDENT, BOARD OF EDUCATION



ANNETTE ISLANDS SCHOOL DISTRICT

P.O. Box 7 • Mellakalla, AK 99926

Accredited by Northwest Accreditation Association

REQUEST FOR LEGISLATIVE SUPPORT

The Annette Islands School District hereby requests the support of all State of Alaska Senators and House of Representative Members for House Bill 53 and Senate Bill 54, acts related to school financing.

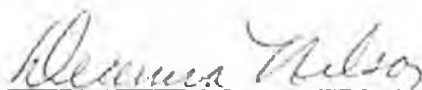
Over the past several years, the Annette Islands School District has made substantial reductions in services to students as well as to the community. Those reductions were occasioned by the application of the current finance formula. The current formula for distribution of funds among schools across the state produces serious inequities. The language of House Bill 53 and Senate Bill 54 corrects those problems, assures an equitable distribution of monies to the various school districts in the State and provides a modest increase in funding which will enable school districts to continue their important work educating the children of Alaska.

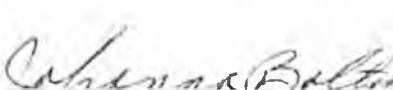
House Bill 53 and its companion legislation, Senate Bill 54 address the following issues:


1. Increasing the instructional unit value by 5% (\$60,000 to \$63,000 per unit).
2. A special adjustment in the formula to accommodate the disparities produced by small school site funding.
3. Reintroduction of the content of House Bill 185 as introduced during the last legislative session which would resolve the single and dual site finance issues.
4. Protection of school districts which are adversely impacted by rising property taxes.

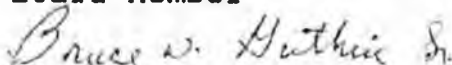
The Annette Islands School District has particular interest in increasing the instructional value and addressing the small school and single site issues. We are a reservation with no taxing capability and, therefore are not impacted by changing values of property, however, we recognize the problems this condition presents for several of the school districts in the State and, therefore, support that as well.

Your consideration and support for the content of House Bill 53 and Senate Bill 54 will be greatly appreciated. Thank you again for taking the time to visit with us and to review our written information.


Board Member


Board Member


Board Member





Matanuska-Susitna Borough School District

125 WEST EVERGREEN — PALMER, ALASKA 99645 — (907) 746-9200

Dr. Eli B. Sorenson, Superintendent

February 8, 1991

Dear Legislator,

Our concern about funding for education has recently moved to a level of urgency. While we need not tell you the Governor's proposal will have significant impact on our ability to deliver basic education, we do feel the need to share information related to such a move. Consider the following:

- *Mat-Su Schools have grown by 1500 students since there was any increase in the unit value. Funding of new students is always one year behind the actual impact.
- *During the same period of time, our cost of doing business has dramatically increased.
- *Mat-Su enrollment has increased by an annual average of 8% for each of the past 20 years. Our best guess for next year is an 8% increase.
- *Our current budget was built on a projection of 2% increase in students, when in fact, there was an 8% increase.
- *Therefore, a 7% cut, almost 8% when all things are factored into our funding package, has the net impact of 22% fewer dollars per child for Mat-Su.
- *A 22% cut in the funding directed towards a single child is devastating.
- *Holding the unit value at \$60,000 has resulted in a significant increase in the local contributions towards education. In our Borough, to approach reality, the 4 mil required contribution would need to be changed to 11 or even 14 mils.
- *Our need for additional schools is approaching a crisis level. We have the students to justify three new schools.

While there are many other things we could use as illustrations of our needs, we are certain you know they are real. To cut the state budget by any amount when there is a critical need for

additional funding is to create a massive problem without providing any solution.

If there is an actual need to change our funding base, then all of us must step forth and address the issue. This can be done through a state income tax, a state sales tax or a reduction in the amount of money being distributed through the permanent fund. All of these solutions are best solved at the State level.

While we are not advocating any specific solution to a loss in oil production, we know cutting the state budget when our student population is growing so fast is at best irresponsible planning. It is significant to note a big loss in oil production will precipitate a loss in jobs, an out migration of students and a reduction in other elements which are currently impacting on our schools. As real economic conditions have organic properties with built-in adjustments, the drastic cuts being proposed are not needed now or in the future. Please involve us in determining how to deal with the well documented needs of our children.

Sincerely,

Mat-Su School District

EBS/pjl

encs.

Matanuska-Susitna: Positions on bills

- HB 5 APPROPRIATION FOR K-12 PROGRAM-SUPPORT
- HB 7 PUBLIC SCHOOL HEALTH AND SAFETY-NO OBJECTIONS
- HB 15 SUPPORT FOR SCHOOL CONSTRUCTION-SUPPORT
- HB 17 FORWARD FUNDING-SUPPORT
- HB 23 AREA COST DIFFERENTIAL-NEUTRAL
- HB 25 INSTRUCTIONAL UNIT VALUE-SUPPORT SB 54
- HB 32 STUDENT LOANS-NO OBJECTIONS
- HB 38 FORWARD FUNDING-SUPPORT
- HB 39 FORWARD FUNDING APPROPRIATION-SUPPORT
- HB 53 FUNDING FOR SCHOOLS (63,000)-SUPPORT
- HB 54 DISTRIBUTION OF NATIONAL FOREST RECEIPTS-NEUTRAL
- HB 68 PUBLIC EMPLOYMENT RELATIONS-SUPPORT
- HB 71 STATE HEALTH RESOURCES AUTHORITY-NEUTRAL
- HB 78 EMPLOYMENT "RIGHTS"-OPPOSE

SB 1 FORWARD FUNDING-SUPPORT

SB 7 INSTRUCTIONAL UNIT VALUE-SUPPORT

SB 16 PUBLIC EMPLOYEES RELATIONS ACT-NEUTRAL

SB 20 APPROPRIATION FOR EDUCATION K-12-SUPPORT

SB 22 SPECIAL APPROPRIATION PERMANENT FUND-NEUTRAL

SB 50 EMPLOYMENT ADMINISTRATORS AND TEACHERS-OPPOSE

SB 54 STATE AID FOR EDUCATION-SUPPORT

SB 79 ENVIRONMENTAL EDUCATION-SUPPORT

SB 80 RETIREMENT ELIGIBILITY-OPPOSE

SB 83 STATE HEALTH-NEUTRAL

Cooperative Efforts Between Klawock, Craig and Hydaburg School Districts

Recently we have heard members of the Legislature and the Department of Education mention the subject of consolidation on Prince of Wales Island. This year the governor's office seems to have joined the discussion. The governor's office has mentioned the possibility of a centralized administration for the island districts as a means by which to significantly reduce educational costs on the island. Steve Hole from the DOE continues to say that the legislature either has to supply additional funding for single site districts or get rid of them. Few people seem to be aware of the cooperative efforts already being made by our districts and show little understanding of the logistical and cultural ramifications of their proposals.

In light of the continued pressure being placed upon us, and the fact that any saving which can be made will be helpful; it is important for us to take a serious look at cooperative endeavors. By taking a serious look at cooperation, we can also show a good faith effort on the part of the districts and add credibility to our position. With these thoughts in mind, we have prepared a list of items which might be considered. We have also listed those things which are presently being done. I would stress that this is a preliminary list and some things could possibly be added. It should also be pointed out that areas which may be feasible between some districts would not necessarily be practical for all districts due to distance and organizational structures.

<u>Area</u>	<u>Potential</u>	<u>Not Feasible</u>	<u>Already Being Done</u>
Instruction Regular			
Shared Teachers			X
Health Insurance Pool	X		
Joint Purchasing	X		
Equipment Purchasing	X		
Teacher Inservice Training			X
Centralized Media Library (Computer Programs/Tapes Etc.)	X		
Library/Media Teacher	X		
Curriculum Planning	X		
Counseling Services	X		
Vocational Education			
Shared Teachers	X		
Supplies	X		
Equipment	X		
Special Education			
Professional/Technical Services			X
Exchange of Specialized Equipment			X
Joint Grants			X

Administrative Services

Centralized Administration		X	
Centralized Business Services		X	
Classified Inservice Training			X
Audit Services	X		
Staff Development	X		
Board Training	X		
Negotiations (Training)	X		
Satellite Delivery System			

Maintenance

Inservice Training	X		
Purchasing	X		
Professional Technical Ser.	X		
Equipment	X		

Food Service

Joint Purchasing	X		
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*Kemai Per-Baro
Sch. Dist Draft*

COMPUTATION OF FOUNDATION REVENUE
AND LOCAL EFFORT CAP

<u>Foundation Revenue</u>	<u>1990-91</u>	<u>1991-92</u>
Unit Value	\$ 60,000	\$ 60,000
Units	<u>x841.30</u>	<u>x878.50</u>
Basic Need	\$50,478,000	\$52,710,000
Less the lesser of:		
a) 4 mills x assessed value, or	\$13,143,523	\$13,885,097
b) 35% of prior year basic need	16,512,510	16,488,360
	<u>13,143,523</u>	<u>13,885,097</u>
Less P.L. 874	140,000	140,000
Foundation Revenue	<u>\$37,194,477</u>	<u>\$38,684,903</u>

Local Effort Budget Cap

35% or 4 mills from above	\$13,143,523	\$13,885,097
Plus the greater of:		
a) 2 mills x assessed value	\$ 6,571,761	\$ 6,942,548
b) Unit value x units x 23%	11,609,940	12,123,300
	<u>11,609,940</u>	<u>12,123,300</u>
Maximum Local Effort	<u>\$24,753,463</u>	<u>\$26,008,397</u>
Total Foundation and Local Effort	<u>\$61,947,940</u>	<u>\$64,693,300</u>

	<u>1990-91</u>	<u>1991-92</u>
Second preceeding year assessed value	\$3,285,880,710	\$3,471,274,140
Prior year basic need	47,178,600	47,109,600

The maximum local effort includes the borough contribution, rentals, miscellaneous and state tuition.

<u>Budget</u>	<u>1990-91</u>	<u>1991-92</u>	<u>Increase</u>
Foundation	\$37,194,477	\$38,684,903	\$1,490,426
Borough Appropriation	<u>24,334,010</u>	<u>25,728,933</u>	<u>1,394,923</u>
Total	<u>\$61,528,487</u>	<u>\$64,413,836</u>	<u>\$2,885,349</u>

M. D. ...

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

1991-92 BUDGET

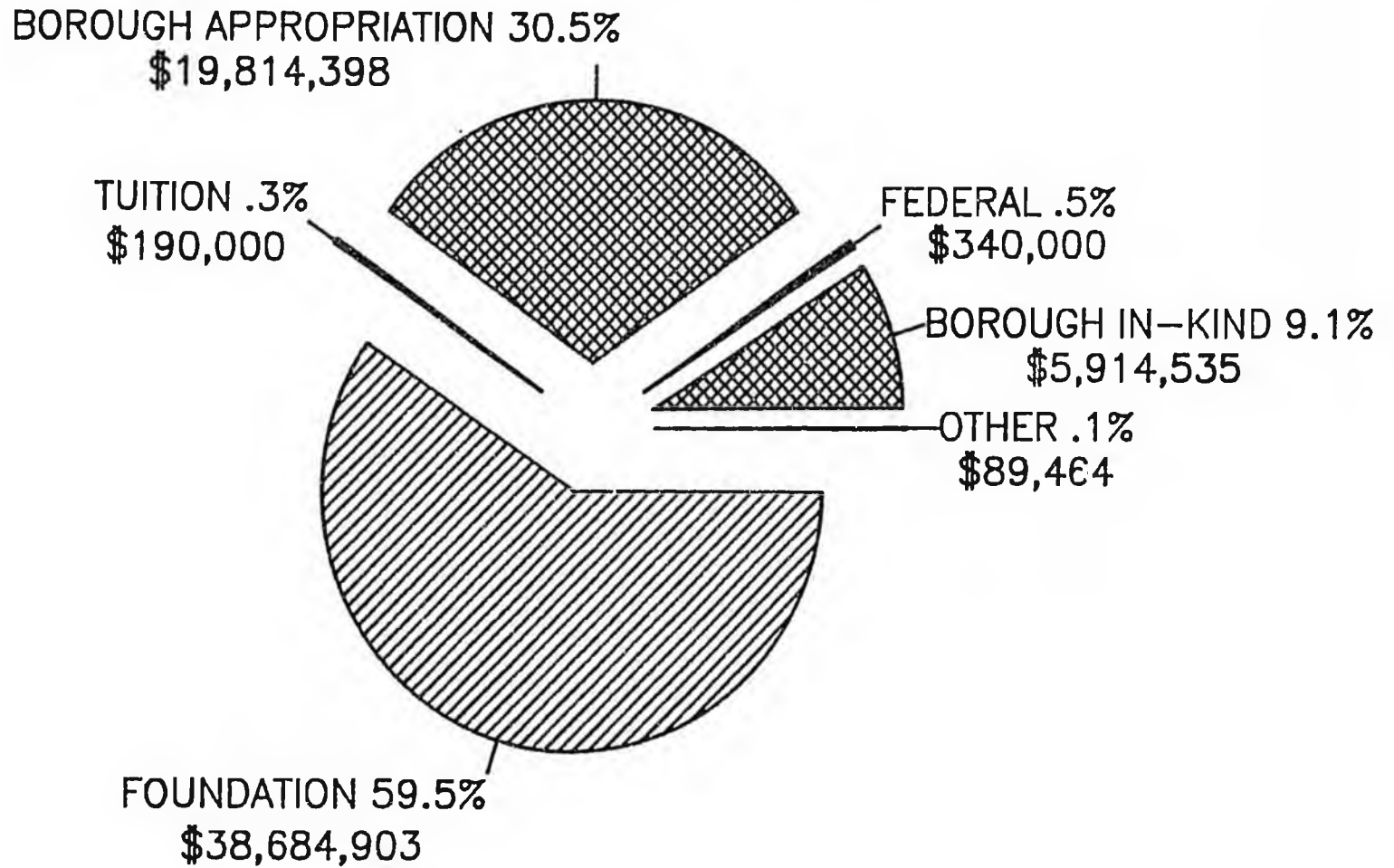
Proposed Instructional Program Cuts *

Director Instruction	4,480
1/3 Cut honor band, choir, supplies	2,445
Special Education	4,400
Supplies, professional-technical	10,350
Health Services	11,266
Travel, temporary	
Elementary Curriculum	41,512
Curriculum development, inservice training	
Inservice	27,200
Districtwide inservice	
Secondary Curriculum	60,850
Curriculum development STEP	
Testing	22,800
Reduced program, and test development	
Media	5,252
Supplies	
Grants	<u>9,555</u>
TOTAL CUTS	200,110
Alternative Program	<u>+ 5,000</u>
Start-up reading program Kachemak Selo	
GRAND TOTAL	<u>195,110</u>

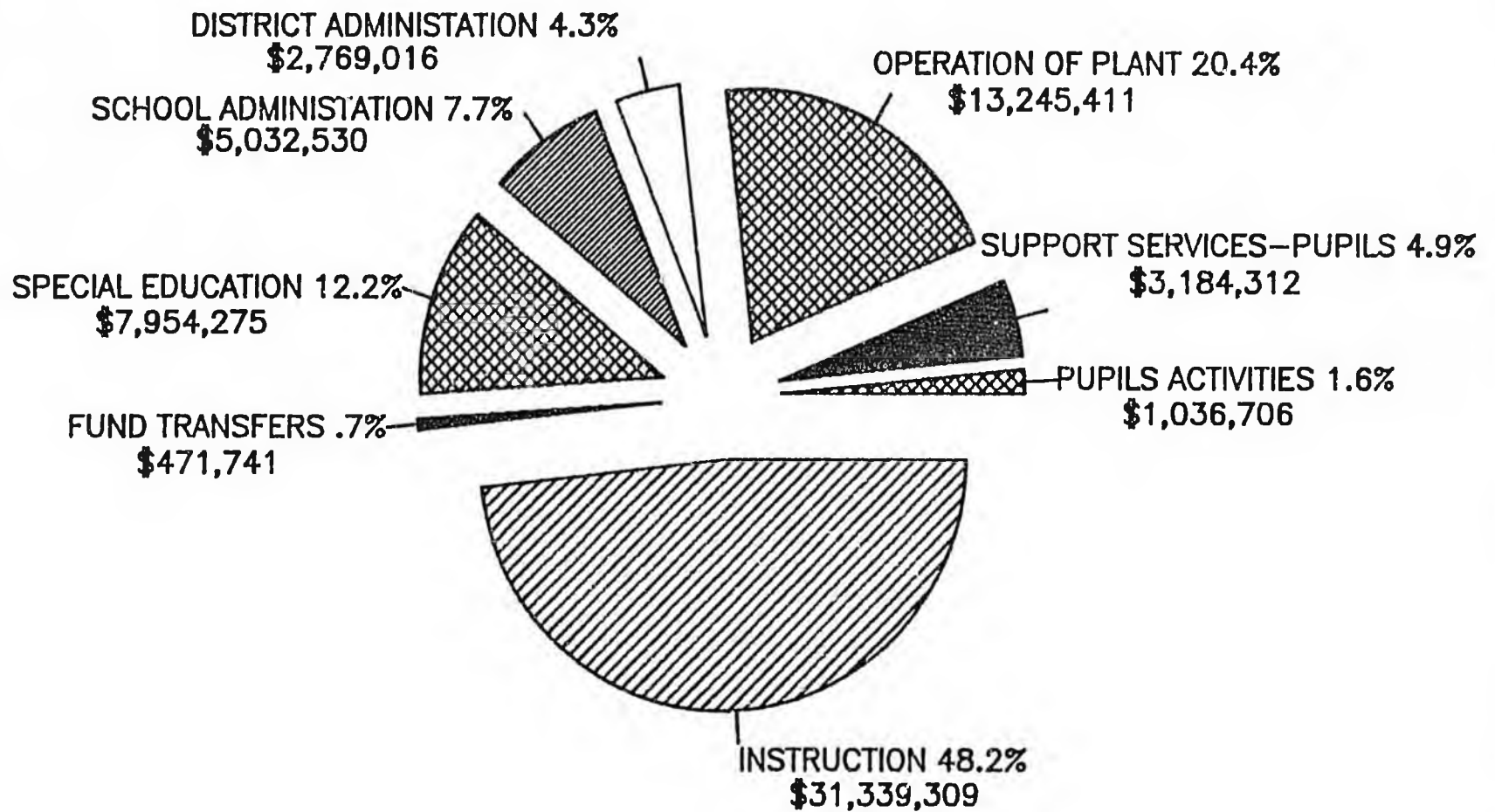
* Cuts to get ↓ toward 60,000⁰⁰ Glaves where
 cuts would or could be made if short funding

OPERATING FUND REVENUES

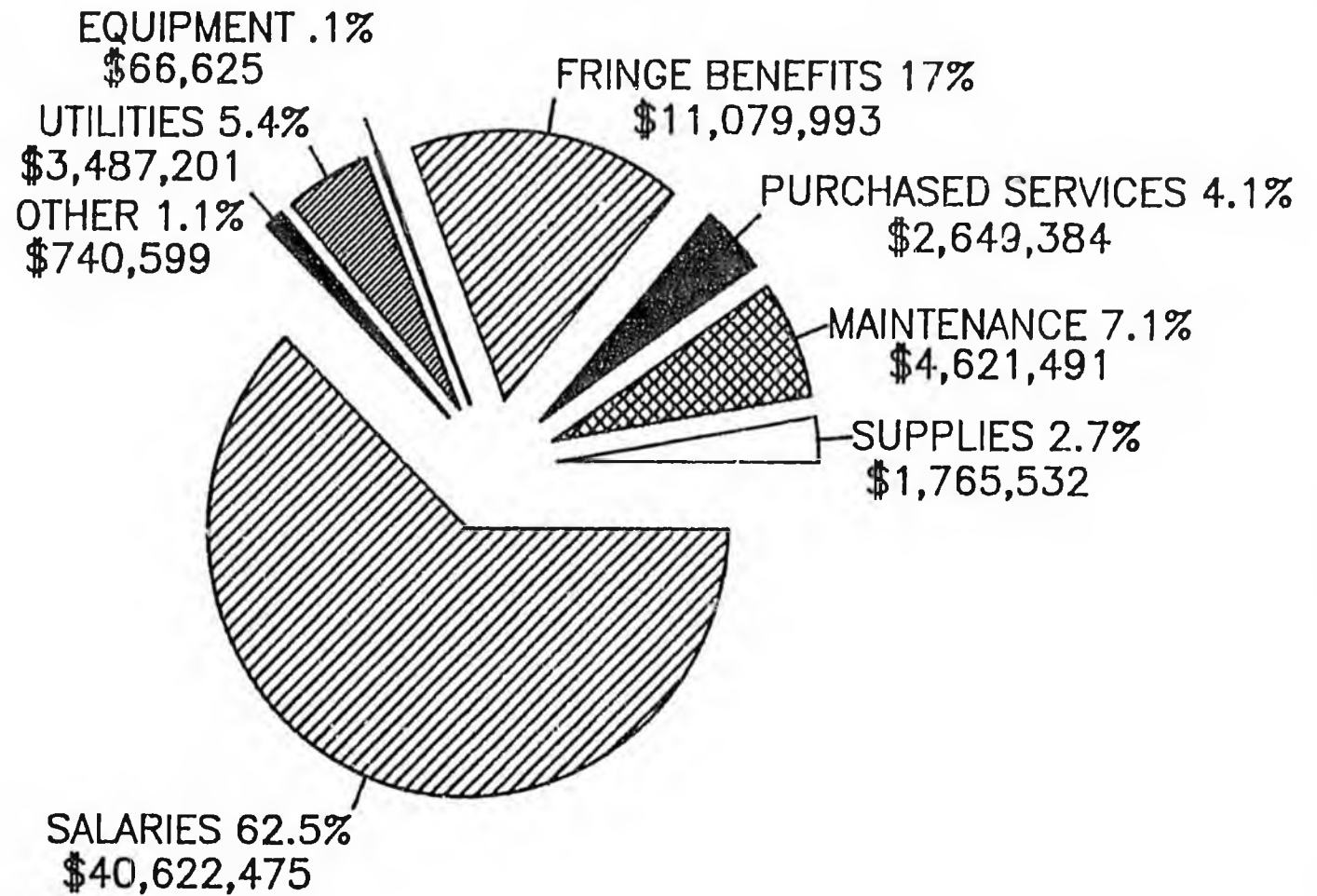
\$65,033,300



OPERATING FUND EXPENDITURES BY FUNCTION



OPERATING FUND EXPENDITURES BY OBJECT

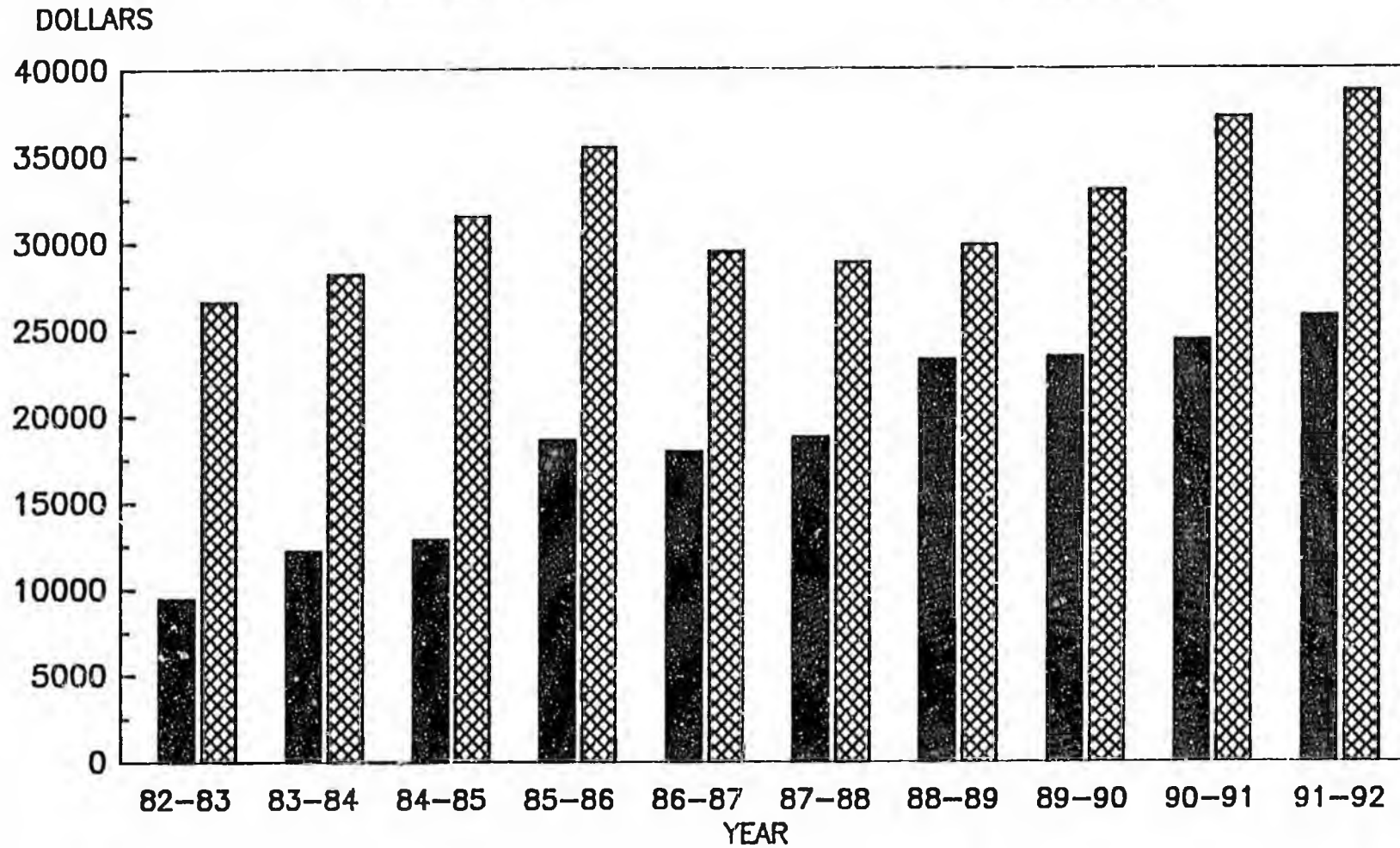
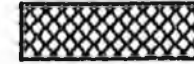


SCHOOL REVENUES(in thousands)

BOROUGH
FUNDS



FOUNDATION
FUNDS

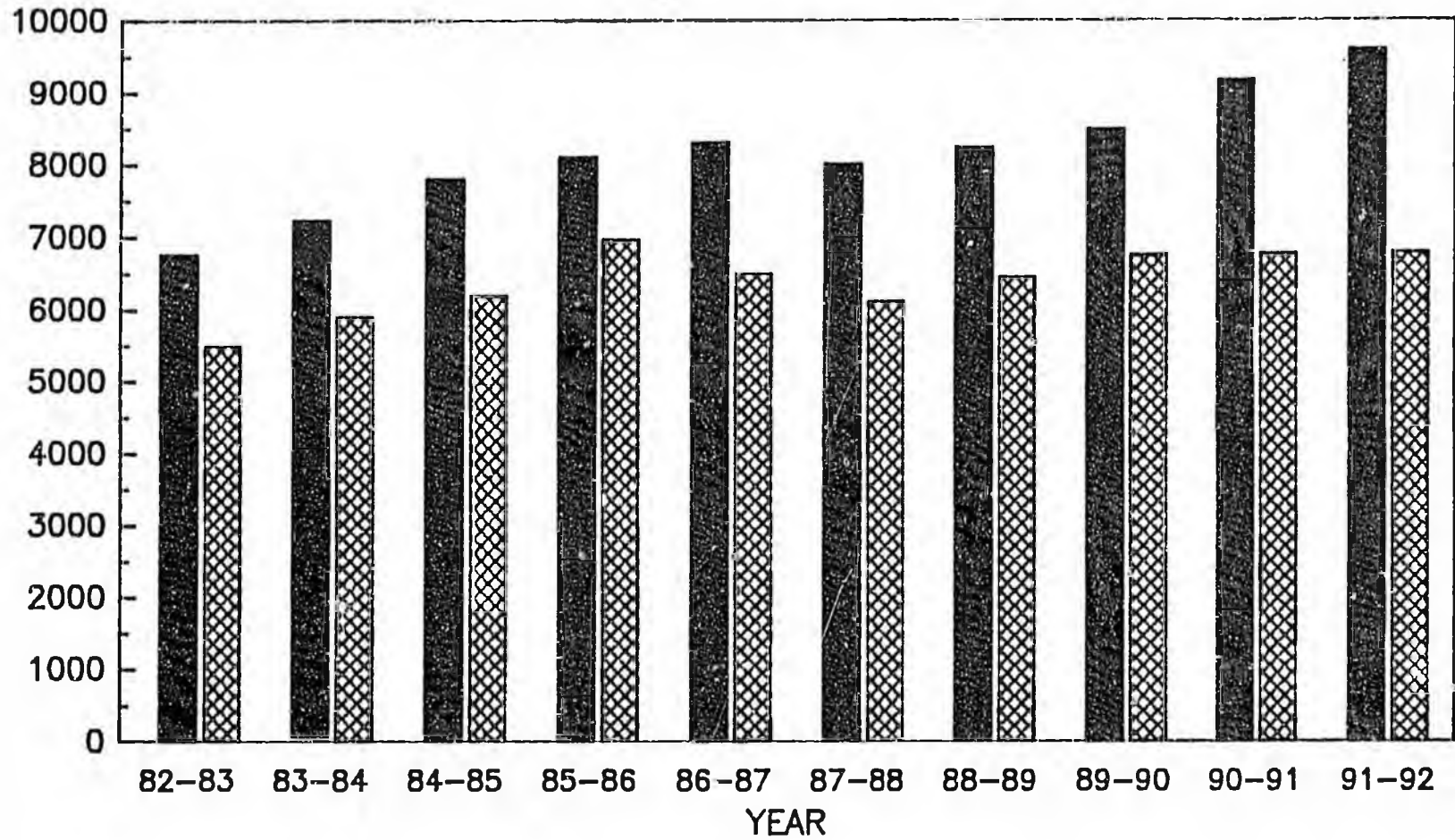


ADM AND COST PER PUPIL LAST TEN YEARS

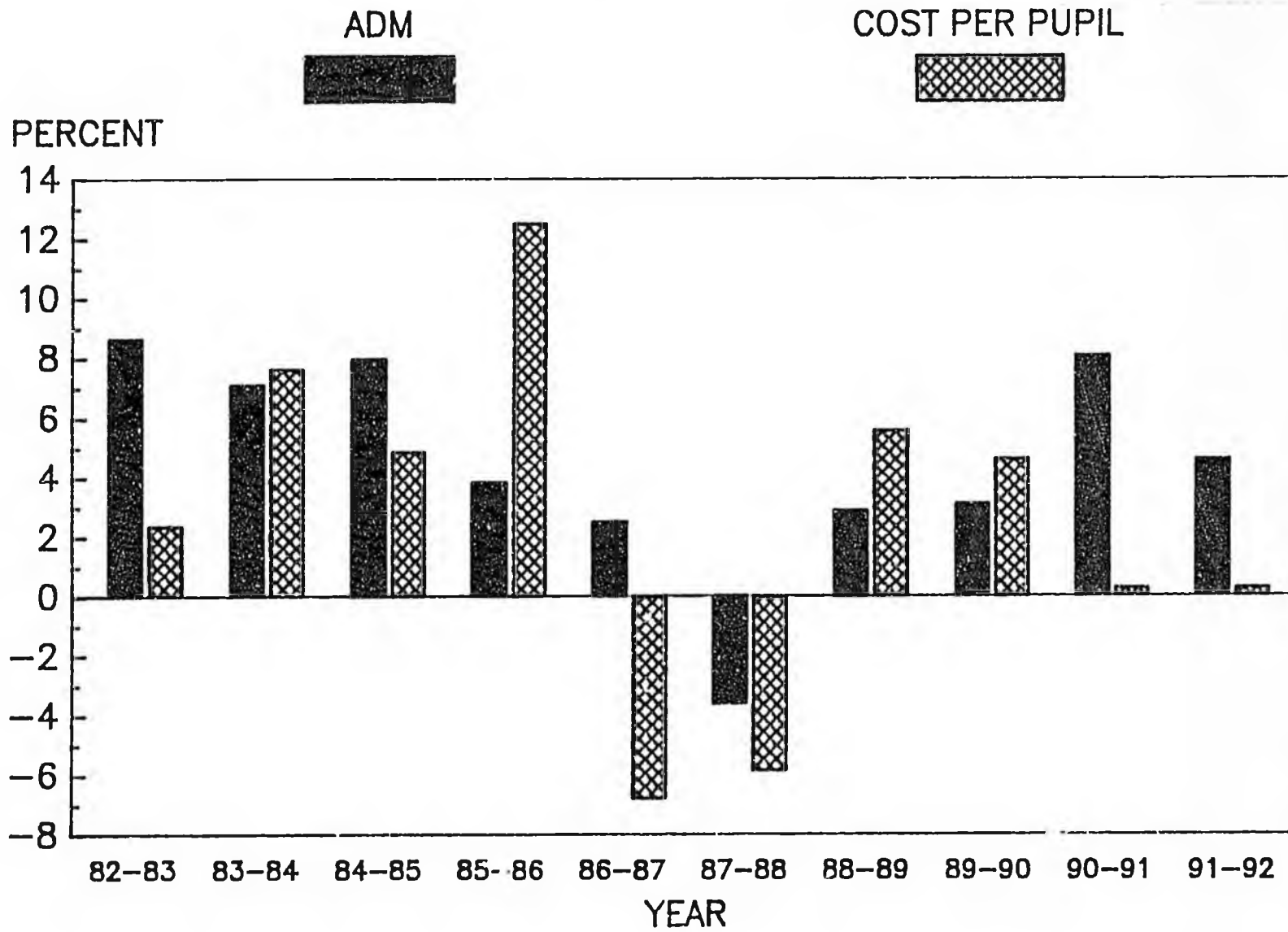
ADM



COST PER PUPIL



PERCENTAGE CHANGE LAST TEN YEARS



MariAnne Gross

57485 CLOVER AV.

Homer, Ak 99603

235-7330

Marilyn Dummit

Marion J. Fales - Delta/Greely School Unit RENA¹⁵

2856 Old Rich Hwy. (Sch. 895-4658)

Delta Jet: AK 99737

895-4502 (Home) 895-4142 (Work)

Jack G. Adams

Boy 587

Delta Jet: AK. 99737

895-4119 Home 895-9994 work

Fran Beck

Boy 527

Delta Jet. Ak 99737 895-4658

Marty Hooker

Asst. Supt. Mat-Su S.D.

Palmer, AK. 99645

746 9200

125 W. Evergreen

Vivian Herschbach, Mat-Su School Bd.

Box 521084

Big Lake 99652

892-7839

Dr. Ell B. Larsen, Supt.

Mat-Su School Dist.

125 W. Evergreen

Palmer, 99645

746-9255

Eldon Buxton sr.

P.O. Box 564

Metlakatla Alaska 99921

886-1434

Bruce W. Guthrie Sr.

P.O. Box 185

Metlakatla, AK. 99926

886-3531

Donald Marvin
Box 42
Klawock AK

Rebecca M. Frank
PO Box 205
Hydaburg AK 99922

John Holst, Supt.
Craig C. ty Schools
Box 800
Craig, AK 99921

Percy Frisby
PO Box 58
Hydaburg, AK 99922

Larry L. Schroeder
Superintendent



HYDABURG CITY SCHOOL

P.O. Box 109
Hydaburg, AK 99922

Bus. Phone
907-285-3491

Home Phone
907-285-3120

KLAWOCK CITY SCHOOL DISTRICT

BOB ANDERSON
Board Member



P.O. Box 9 • Klawock, Alaska 99925 • 907-755-2220



ALASKA ASSOCIATION OF ELEMENTARY SCHOOL PRINCIPALS
ALASKA ASSOCIATION OF SECONDARY SCHOOL PRINCIPALS
ALASKA ASSOCIATION OF SCHOOL ADMINISTRATORS

• ALASKA COUNCIL OF SCHOOL ADMINISTRATORS •
326 Fourth St., Suite 408, Juneau, AK 99801-1101 (907) 586-9702 FAX (907) 586-5879

SUPPORT MATERIAL FOR SENATE BILL 54

Supporting Narrative for School Funding Legislation

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

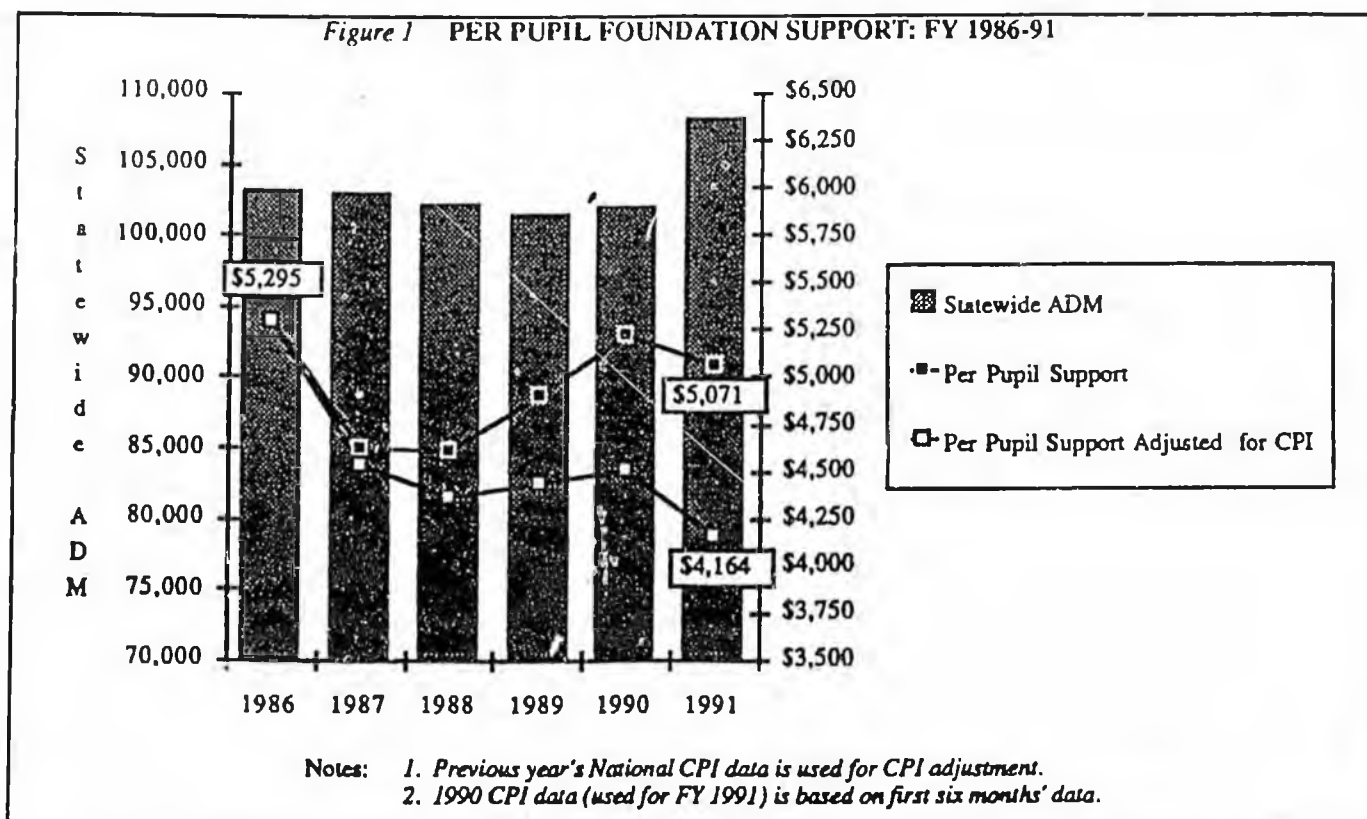
Table 1 shows the levels of foundation support and numbers of pupils for the 1986-91 period.

Table 1 FOUNDATION SUPPORT: 1986-91

	1986	1987	1988	1989	1990	1991
Foundation Support	\$546,202,604	\$477,265,453	\$471,411,214	\$496,872,246	\$533,272,100	\$548,425,100
Statewide ADM	103,159	103,036	102,118	101,442	101,997	108,151

Notes: 1. Foundation Support includes P.L. 874 and tuition payments.
 2. 1988-91 foundation data adjusted for TRS change.
 3. 1986-89 data is audited, with 1990 based upon incomplete preliminary 1990 audits.
 4. 1991 data is estimated.

Figure 1 shows statewide ADM and per pupil foundation support for the 1986-91 period.



The chart shows that the amount of funds per pupil has decreased by \$224, or 4.3% in unadjusted dollars. When adjusted for inflation in the 6 year period, per pupil funding has decreased by \$1,131, or 21.4%.

The value of the instructional unit has not increased since the inception of the current Foundation Formula. The cost of operating schools, however, has continued to increase each year. While the state appropriation for education remains about what it was in 1986, it does not take into account both inflation and an increase in students. At the same time, local contributions in those municipal districts with an ability to raise funds have increased by 33%. Local school districts cannot continue to increase local effort. For many, the cap placed upon such efforts by federal requirements has been reached. Other school districts do not have the option of raising local funds. These districts, including both REAA's and relatively property poor municipal school districts, have therefore not had an increase in overall funding and in fact have had to bear the full brunt of inflation with no relief from the state. One result has been a growing disparity in programs being offered by relatively wealthy and relatively poor school districts.

As a result, a number of adverse impacts have been felt in school districts throughout the state. Class sizes have increased. Staffs are being reduced, and programs have been eliminated. At the same time, more demands are being placed upon our schools. Various reports and studies have identified critical needs in a number of areas: At Risk Students, Suicide Prevention, Early Childhood Education, Alcohol and Substance Abuse, Child Abuse Prevention, AIDS Education, and Pupil Teacher Ratios/Class Size.

We believe that an increase in the foundation appropriation is needed in order to:

1. Prevent further deterioration of educational opportunities throughout Alaska.
2. Provide equity in funding among school districts so that a child's opportunity for a quality education does not depend upon whether the child lives in a certain size of community or upon the relative wealth of that community.

Corporate America has ranked primary and secondary education as the issue needing most attention- sweeping aside the traditional focus of local economic development. The business community believes the solution to many community problems- whether poor housing or substance abuse- is intimately linked to the presence of meaningful jobs. Corporations have concluded that the route to a meaningful job- and to an improvement in the economic climate of the nation- clearly results from a meaningful education, and that, conversely, poor schooling will have major adverse economic impacts. The consequence of the failure to act- to prevent a generation of poorly educated children- will be, on a national level, billions of dollars in lost productivity, unemployment benefits, and other expenses of social and economic dependency.

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

Sectional Analysis of Proposed Legislation

Section 1. AS 14.17.025- HOLD HARMLESS: Due to rising property values, large urban districts will experience a decrease in state dollars. At the same time, local contributions have been increased in the 1986-91 period by an overall amount of 33%, and in many districts are capped. In several of the large urban districts, there appears to be a great reluctance to further raise local contributions to make up for state funds which might otherwise decrease through application of the current provisions of the foundation formula statute.

Sections 2 and 3. AS 14.17.041- SMALL FUNDING SITE FORMULA: The proposed change in the formula provides relief to those districts which have multiple sites, relatively low state support per ADM, and have one or more small schools which are relatively expensive to operate. Such districts must divert funds received for other sites to help defray the cost of operating such small schools.

Section 4. AS 14.17.041- SINGLE/DUAL SITE: The proposed change in the formula adds a new section to existing statute to provide a permanent solution to the problem of small districts of one or two funding communities not generating enough revenues to provide for basic fixed costs.

Section 5. AS 14.17.056- INSTRUCTIONAL UNIT VALUE: The proposed change is for an increase in the instructional unit value from \$60,000 to \$63,000. This will help meet the rising costs of materials, fuel and other utilities, and school programs, including those resulting from new state regulations and reporting requirements.

The Alaska Association of School Administrators believes that the proposed legislation addresses the above concerns by providing both a modest increase in the foundation unit value as well as making changes in the current formula to eliminate sections which have adverse impacts upon certain types of school districts or schools.

The AASA believes that this legislation will help address educational needs of children throughout the state of Alaska, and is therefore deserving of consideration and support.



ALASKA ASSOCIATION OF SCHOOL ADMINISTRATORS

326 Fourth Street • Suite 408 • Juneau, Alaska 99801-1101 • (907) 586-9702 • FAX (907) 586-5879

LEADERSHIP
FOR LEARNING

NARRATIVE FOR AASA PROPOSAL

The Alaska Association of School Administrators members believe this proposal has been developed in the spirit of cooperation among all regions of Alaska, and addresses long standing concerns expressed in past legislative proposals. We believe we have identified and proposed reasonable solutions which benefit all districts and consequently all students in Alaska.

RATIONALE

1. THIS LEGISLATION ADDRESSES SEVERAL ASPECTS OF THE CURRENT FOUNDATION FORMULA:
 - A. It addresses the inequity sighted at the beginning of the existing formula of the treatment of small single/duel site school district.
 - B. It addresses the identified inequity found in multiple site districts where high cost of funding sites are located within a low funded organized district.
 - C. It addresses the problem of districts reaching their local contribution cap with the potential for state levels of funding to decrease because of increased property value.
 - D. Since 1987 the Instruction Unit remains at \$60,000. Meanwhile, the cost of energy/oil, maintenance, medical insurance, retirement, continue to increase along with increased cost of material and salaries.
 - E. Funding formulas across the country have been declared illegal by their individual state courts. Our recommendation helps to meet that issue in a appropriate way.

II. THE FUNDING PROPOSAL ADDRESSES DISTRICTS' LEVEL OF COMMITMENT TO STUDENTS AND THE STATE OF ALASKA AS WELL AS THE RECOMMENDATIONS OF THE LEGISLATIVE JOINT COMMITTEE ON SCHOOL PERFORMANCE:

- A. Addressing the requirements to meet student outcomes as outlined in the State Board Resolutions.
- B. Addresses the reporting requirements and accountability of districts to meet the language of Chapter 173 (Report Card).
- C. It allows districts the resources to adequately meet the mandated requirements placed by districts without the need to shift necessary finances away from essential programs.
- D. With these funds we can establish standards for student performance that are consistent to the state outcomes.
- E. Develop appropriate measure of student performances.
- F. Continue to expand distance learning in rural Alaska thereby increasing course offering and expanded learning opportunities.
- G. Improve professional development and competency particularly in rural Alaska.
- H. Establishing ties with qualified University researchers to study successful education practices particularly in rural Alaska.

GENERAL COMMENTS:

Corporate American has ranked primary and secondary education as the issue needing most attention-sweeping aside the traditional focus of local economic development. The business community believes the solution to many community problems-whether poor housing or substance abuse-is intimately linked to the presence of meaningful jobs. Corporations have concluded that the route to a meaningful job-and to an improvement in the economic climate of the nation-clearly results from a meaningful education, and that, conversely, poor schooling will have major adverse economic impacts. The consequence of the failure to act-to prevent a generation of poorly educated children-will be, on the national level, billions of dollars in lost productivity, unemployment benefits, and other expenses of social and economic dependency.

It is not difficult to apply this national concern to Alaska. If economic development and the creation of meaningful employment is a priority of

government as well as the private sector, then support for education must be an integral part of any plan.

We cannot settle for a status quo. There are justifiable needs which can only be met with additional funding within the foundation formula.

SCHOOL DISTRICT	PROJ. FY92 ADM	COST OF FORMULA CNG	COST AT 5% ON THE UNIT	COST OF SG/DS CHANGE	TOTAL INC IN COST
ADAK	715	160020	222466	249103	631589
ALASKA GATEWAY	499	165690	242867	0	408557
ALEUTIAN REGION	33	0	38318	44566	82884
ALEUTIANS EAST	359	61740	192374	0	254114
ANCHORAGE	42070	267120	10064760	0	10331880
ANNETTE ISLANDS	411	182070	127154	173386	482610
BERING STRAIT	1398	236250	839254	0	1075504
BRISTOL BAY	265	160650	122301	84747	367698
CHATHAM	384	74340	174647	0	248987
CHUBACH	110	0	80028	0	80028
COPPER RIVER	578	165050	265939	0	430999
CORDOVA	438	206010	140426	196867	543303
CRAIG	413	183330	117513	174061	474904
DELTA/GREELY	870	146160	261000	275242	683402
DILLINGHAM	485	253890	184899	245343	684132
FAIRBANKS	14683	393120	3644534	0	4037654
GALENA	150	40950	74763	157248	272961
HAINES	441	185850	135954	0	321804
HOONAH	230	125370	80060	174155	379586
HYDABURG	108	0	51016	101228	152244
IDITAROD	394	66150	257993	0	324143
JUNEAU	5328	126000	1305870	0	1431870
KAKE	172	56070	64272	136035	256377
KASHUNAMIUT	192	100800	92369	189030	382199
KENAI	9724	1231020	2666340	0	3897360
KETCHIKAN	2796	126000	687990	367851	1181841
KLAWOCK	200	86940	72182	150519	309641
KODIAK	2411	137340	743402	0	880742
KUSPUK	413	86940	259629	0	346569
LAKE AND PENN.	420	0	315343	0	315343
LOWER KUSKOKWIM	2835	282694	1666682	0	1949376
LOWER YUKON	1352	412650	692510	0	1105160
MATSU	9997	626850	2501220	0	3128070
NENANA	180	75600	78444	163296	317340
NOME	778	168840	274727	290439	734005
NORTH SLOPE	1406	349020	657633	0	1006653
NW ARCTIC	1584	349020	823194	0	1172214
PELICAN	48	0	30780	61236	92016
PETERSBURG	707	126000	186960	198639	511599
PRIBILOF	153	630	93873	128223	222726
RAILBELT	338	103950	152692	0	256642
SITKA	1745	126000	414360	306205	846565
SKAGWAY	130	10710	53015	116450	180175
SOUTHEAST	557	69930	294715	0	364645
SOUTHWEST	485	49770	318055	0	367825
ST MARYS	116	0	68484	133956	202440
TANANA	109	0	63921	128550	192471
UNALASKA	298	181440	114452	165589	461481
VALDEZ	765	139860	208358	239203	587421
WRANGELL	520	126000	152220	202810	481030
YAKUTAT	152	36540	63536	131698	231775
YUKON FLATS	371	41580	266348	0	307928
YUKON/KOYUKUK	510	62370	333941	0	396311
YUPIIT	330	32130	223006	0	253136
	112155	8336464	33258789	4986675	46641927

Association of Alaska School Boards
SCHOOL FUNDING SURVEY RESULTS 1/90

SUMMARY

*7 DISTRICTS SURVEYED FOR COST INCREASES FROM 1986 TO 1990
(Anchorage, Juneau, Ketchikan, Lower Kuskokwim, Mat-Su, North Slope Northwest Arctic;
awaiting results for 3 districts-Fairbanks, Kenai, Southwest Region)*

AVERAGE INCREASE IN COSTS FOR FUEL	3.99%	
AVERAGE INCREASE IN COSTS FOR AIRFARE	26.4%	
AVERAGE INCREASE IN COSTS FOR FREIGHT	28.87%	
AVERAGE INCREASE IN COSTS FOR MAINTENANCE	13.84%	
AVERAGE INCREASE IN COSTS FOR HEALTH CVG.	112.36%	
AVERAGE INCREASE IN COSTS FOR TEACHER SALARIES & BENEFITS		14.71%
(In 2 of 7 districts the number of teachers decreased from '86 to '90)		
AVERAGE INCREASE IN COSTS FOR ADMINISTRATOR SAL & BENEFITS		6.97%
(In 4 of 7 districts the number of administrators decreased from '86 to '90)		
AVERAGE INCREASE IN COSTS FOR CLASSIFIED PERSONNEL SAL & BENEFITS		18.23%
(In 3 of 7 districts the number of classified personnel decreased from '86 to '90)		
INCREASE IN ENROLLMENT FROM 86-90	0.79%	
INCREASE IN NUMBER OF TEACHERS		3.4%
INCREASE IN NUMBER OF ADMINISTRATORS		-0.35%
INCREASE IN NUMBER OF CLASSIFIED PERSONNEL		4.23%

COMMON RESPONSES TO THE QUESTION:

"PLEASE IDENTIFY PROGRAMS YOU ANTICIPATE BEING ABLE TO REINSTATE/ADD SHOULD YOU RECEIVE AN INCREASE IN YOUR CURRENT FUNDING."

- REDUCE CLASS SIZES/HIRE MORE CERTIFICATED STAFF
- IMPLEMENT/STRENGTHEN EARLY CHILDHOOD EDUCATION & AT-RISK PROGRAMS
- SCHOOL MAINTENANCE
- INSTRUCTIONAL MATERIALS
- STAFF DEVELOPMENT
- NATIVE LANGUAGE PROGRAMS

OTHER FACTORS NOT SURVEYED

INCREASED COST OF IMPLEMENTING R.I.P. PROGRAMS
INCREASED COST OF ASSUMING STATE'S SHARE OF T.R.S.
REDUCTION IN FEDERAL PL-874 FUNDS
COST OF COMPLYING WITH OTHER FEDERAL AND STATE REGULATIONS/MANDATES

SCHOOL FUNDING SURVEY - DRAFT

YEAR	DISTRICT	TCHR SAL INC	ADMIN SAL INC	CLASS SAL INC	ENROLL INC	TCHR FTE INC	ADMIN FTE INC	CLASS FTE INC
FY87	ANCHORAGE	11.37%	4.46%	10.03%	-4.19%	2.15%	-4.19%	6.23%
FY87	JUNEAU	20.60%	20.27%	18.62%	0.54%	19.31%	4.81%	25.86%
FY86	KETCHIKAN	19.84%	16.99%	0.83%	1.17%	3.84%	13.33%	20.96%
FY86	LOWER KUSKOKWIM	8.24%	-0.13%	21.03%	2.40%	1.81%	-15.10%	8.05%
1986	MAT-SU	17.09%	-2.77%	17.39%	-4.42%	-1.67%	11.94%	-10.62%
FY87	NORTH SLOPE	-5.47%	2.91%	34.56%	1.76%	-3.66%	-8.33%	-4.00%
FY87	NORTHWEST ARCTIC	25.81%	4.28%	15.00%	4.18%	0.78%	-3.57%	-14.89%

YEAR	DISTRICT	TCHR SAL 86	TCHR SAL 87	TCHR SAL INC	ADMIN SAL 86	ADMIN SAL 87	ADMIN SAL INC	CLASS SAL 86	CLASS FTE 86	CLASS SAL
FY87	ANCHORAGE	\$115,028,556.00	\$128,107,444.00	11.37%	\$10,124,514.00	\$10,575,964.00	4.46%	\$45,128,188.00	1565.00	10.03%
FY87	JUNEAU	\$15,313,237.00	\$18,468,448.00	20.60%	\$1,426,088.00	\$1,715,186.00	20.27%	\$4,089,565.00	118.00	18.62%
FY86	KETCHIKAN	\$7,826,851.00	\$9,380,052.00	19.84%	\$1,053,843.00	\$1,232,996.00	18.99%	\$2,276,938.00	72.25	9.83%
FY86	LOWER KUSKOKWIM	\$11,363,362.00	\$12,300,563.00	8.24%	\$2,893,620.00	\$2,889,731.00	-0.13%	\$7,604,546.00	214.02	21.83%
1986	MAT-SU	\$20,870,301.00	\$24,438,202.00	17.09%	\$2,498,460.00	\$2,429,084.00	-2.77%	\$7,348,751.00	311.80	17.39%
FY87	NORTH SLOPE	\$9,230,000.00	\$8,725,000.00	-5.47%	\$2,021,000.00	\$2,080,000.00	2.91%	\$8,100,000.00	260.00	34.56%
FY87	NORTHWEST ARCTIC	\$5,713,093.00	\$7,187,753.00	25.81%	\$1,776,690.00	\$1,852,827.00	4.28%	\$3,210,827.00	141.00	18.37%

DISTRICT	ENROLL 86	ENROLL 87	ENROLL INC	TCHR FTE 86	TCHR FTE 87	TCHR FTE INC	ADMIN FTE 86	ADMIN FTE 87	ADMIN FTE INC	CLASS FTE 86	CLASS FTE 87	CLASS FTE INC
ANCHORAGE	41759	40007	-4.19%	2269.00	2318.00	2.15%	143.00	137.00	-4.19%	1565.00	1683.00	6.28%
JUNEAU	4546	4571	0.54%	264.00	315.00	19.31%	20.75	21.75	4.81%	118.00	148.00	25.86%
KETCHIKAN	2560	2590	1.17%	162.25	168.17	3.84%	15.00	17.00	13.33%	72.25	87.40	20.96%
LOWER KUSKOKWIM	2577	2639	2.40%	229.33	233.50	1.81%	38.99	33.10	-15.10%	214.02	226.97	8.05%
MAT-SU	9143	8738	-4.42%	539.77	530.75	-1.67%	48.46	82.00	11.94%	311.80	278.87	-10.62%
NORTH SLOPE	1124	1245	1.76%	150.00	144.50	-3.66%	24.00	22.00	-8.33%	250.00	240.00	-4.00%
NORTHWEST ARCTIC	1560	1625	4.16%	130.50	131.50	0.78%	28.00	27.00	-3.57%	141.00	120.00	-14.89%

SCHOOL FUNDING SURVEY - DRAFT

YEAR	DISTRICT	FUEL INC	AIRFARE INC	FREIGHT INC	HEALTH INC	MAINT INC
FY87	ANCHORAGE	27.80%	4.63%	50.00%	49.91%	50.89%
FY87	JUNEAU	-11.25%	44.09%	8.82%	38.96%	-18.04%
FY86	KETCHIKAN	13.50%	7.45%		130.89%	17.06%
FY86	LOWER KUSKOKWIM	12.63%	20.52%	10.97%	315.50%	3.35%
1986	MAT-SU	7.31%	9.09%	19.67%	131.21%	-2.84%
FY87	NORTH SLOPE	-22.05%	54.62%	75.82%	88.46%	10.38%
FY87	NORTHWEST ARCTIC	-2.94%	44.37%	7.93%	31.61%	10.67%

YEAR	DISTRICT	FUEL 86	FUEL 90	FUEL INC	AIRFARE 86	AIRFARE 90	AIRFARE INC	FREIGHT 86	FREIGHT 90	FREIGHT INC
FY87	ANCHORAGE	\$0.61	\$0.78	27.80%	\$367.00	\$384.00	4.63%	\$0.50	\$0.75	50.00%
FY87	JUNEAU	\$0.80	\$0.71	-11.25%	\$254.00	\$366.00	44.09%	\$0.34	\$0.37	8.82%
FY86	KETCHIKAN	\$0.59	\$0.67	13.50%	\$456.00	\$490.00	7.45%			
FY86	LOWER KUSKOKWIM	\$0.95	\$1.07	12.63%	\$302.00	\$364.00	20.52%	\$0.02	\$0.91	10.97%
1986	MAT-SU	\$0.82	\$0.88	7.31%	\$352.00	\$384.00	9.09%	\$0.51	\$0.73	19.67%
FY87	NORTH SLOPE	\$1.36	\$1.06	-22.05%	\$238.00	\$368.00	54.62%	\$0.91	\$1.60	75.82%
FY87	NORTHWEST ARCTIC	\$1.36	\$1.32	-2.94%	\$320.00	\$462.00	44.37%	\$0.63	\$0.68	7.93%

YEAR	DISTRICT	HEALTH 86	HEALTH 90	HEALTH INC	MAINT 86	MAINT 90	MAINT INC
FY87	ANCHORAGE	\$2370.00	\$3553.00	49.91%	\$3,459,896.00	\$5,220,674.00	50.89%
FY87	JUNEAU	\$2392.00	\$3324.00	38.96%	\$1,380,051.00	\$1,131,000.00	-18.04%
FY86	KETCHIKAN	\$861.00	\$1988.00	130.89%	\$2,046,644.00	\$2,395,874.00	17.06%
FY86	LOWER KUSKOKWIM	\$1161.00	\$4824.00	315.50%	\$6,869,057.00	\$7,099,321.00	3.35%
1986	MAT-SU	\$2675.00	\$6185.00	131.21%	\$8,174,815.00	\$7,942,361.00	-2.84%
FY87	NORTH SLOPE	\$1300.00	\$2450.00	88.46%	\$6,834,000.00	\$7,544,000.00	10.38%
FY87	NORTHWEST ARCTIC	\$424825.00	\$559144.00	31.61%	\$4,249,006.00	\$4,702,571.00	10.67%

RESULTS OF A SURVEY OF SINGLE/DUAL SITE SCHOOL DISTRICTS
CONDUCTED IN 1989 REGARDING THE CHANGES MADE IN INDIVIDUAL SCHOOL
DISTRICTS BECAUSE OF THE CHANGE IN THE SCHOOL FOUNDATION FORMULA.

Results

FY 86 - FY 89 Status and Change Items

School districts were asked to provide status information for fiscal years FY 86 to FY 89 as follows:

- 1 Not offered
- 2 Planned, but postponed
- 3 Offered at a reduced level (e.g., every other year)
- 4 Offered at the present time
- 5 Exemplary program

The following summarizes the status and change responses provided by the 21 school districts returning the questionnaire.

X Instructional Program

Elementary School

Decreases in the quality of program elements (average ratings) were reported in a number of areas of the elementary program.

These included the following.

<u>Area</u>	<u>FY 86 Status</u>	<u>FY 89 Status</u>
Art	1.88	1.61
Music	3.18	2.83
P.E.	3.53	3.44
Heath	2.63	2.53
Foreign Language	1.59	1.56
Native Language	2.63	2.59

An increase was shown in a single area, computer studies. The average status ratings for computer studies increased from 2.71 to 3.29 during this same period of time.

Junior High School

Decreases in the quality of program elements (average ratings) were reported in a number of areas of the junior high school program. These included the following.

<u>Area</u>	<u>FY 86 Status</u>	<u>FY 89 Status</u>
Art	2.89	1.69
Music	3.61	3.25
Foreign Language	1.63	1.56
Native Lang/Culture	2.50	2.28
Home Economics	3.11	2.90
Industrial Arts	3.44	3.25

Increases in the quality of programs were reported in the following areas.

<u>Area</u>	<u>FY 86 Status</u>	<u>FY 89 Status</u>
P. E.	3.89	3.95
Health	3.06	3.47
Computer Studies	2.33	2.60
Business Educ	1.83	1.85

High School

Program quality at the high school level received the following average ratings.

<u>Area</u>	<u>FY 86 Status</u>	<u>FY 89 Status</u>
Business Ed	3.41	3.49
Home Economics	3.17	3.00
Foreign Languages	2.38	2.70
Language Arts	3.07	3.18
Mathematics	2.99	3.10
Industrial Arts	2.75	2.87
Music/Art	2.13	2.02
Science	2.62	2.56
Social Studies	2.18	2.35

Classroom Program Support

Elementary

	FY 86	FY 89
Instructional Supplies/Materials	3.90	3.40
Textbooks	4.00	3.65
Pupil Supplies	4.05	3.40
Instructional Equipment	3.95	3.30

Junior High

	FY 86	FY 89
Instructional Supplies/Materials	3.85	3.40
Textbooks	3.90	3.55
Pupil Supplies	3.95	3.35
Instructional Equipment	3.95	3.20

High School

	FY 86	FY 89
Instructional Supplies/Materials	4.05	3.37
Textbooks	4.05	3.60
Pupil Supplies	4.00	3.50
Instructional Equipment	4.00	3.25
Lab Supplies	3.60	3.30

Other

	FY 86	FY 89
<i>Bilingual/Bicultural</i>		
Instructional Aides	3.07	2.47
Materials	3.44	3.31
Equipment	3.38	3.31

High School Correspondence Study

Instructional Materials	3.00	2.70
Pupil Supplies/Materials	2.90	2.70
Equipment	2.90	2.60
Travel	2.60	2.11

Special Education

Instructional Aides	3.80	3.25
Professional/Technical Services	4.05	3.65
Materials	4.15	3.75
Equipment	4.10	3.70

Vocational Education

Instructional Aides	2.60	2.65
Materials	3.70	3.45
Supplies	3.85	3.35
Repair	3.75	3.40
Tools	3.95	3.55
Equipment	3.55	3.45

Instructional and Pupil Support

	FY 86		FY 89	
	Elementary	Secondary	Elementary	Secondary
- Counseling Services	3.00	3.50	2.85	3.40
Health Services	3.00	2.84	2.63	2.70
Attendance Services	3.05	3.15	2.95	3.05
Assessment	3.90	3.30	3.80	3.40
Librarians	3.95	3.80	3.30	3.25
Library Aides	3.10	3.20	3.20	3.30
Library Materials	3.85	----	3.30	----
Videotape/Software	3.80	3.63	3.50	3.21
Remedial Reading	3.30	----	3.10	----
Remedial Lang Arts	3.37	----	3.05	----
Remedial Math	3.32	----	2.89	----
Curriculum Services	3.47	----	3.13	----
Development	3.32	3.33	2.95	3.11
Alignment	2.95	3.25	2.89	2.93
In-Service	2.89	3.28	2.84	2.78
Evaluation	3.26	3.17	2.95	2.82
Principals	----	3.85	----	3.65
Vice Principals	----	2.00	----	2.06
Activities Dir	----	3.50	----	3.28
Secretaries	----	4.05	----	3.95
Clerks	----	3.00	----	3.17
Office Aides	----	3.06	----	2.81
Dues and Memberships	----	4.10	----	3.70