

HB

452

FISCAL NOTE

STATE OF ALASKA

BILL NO. SB 244/HB 452

1996 LEGISLATIVE SESSION

Revision Date: _____

Department Affected: Education

Title: An act relating to state foundation aid and supplementary state aid for education

BRU: K-12

Component: Foundation Program

Sponsor: Rules Committee

Requester: Governor

COMPONENT SERIAL NO. 141

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	223.8	223.8	223.8	223.8	223.8	223.8
MISCELLANEOUS						
TOTAL OPERATING	223.8	223.8	223.8	223.8	223.8	223.8

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES						
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	223.8	223.8	223.8	223.8	223.8	223.8
1005 GF/Program Receipts						
Other						
TOTAL	223.8	223.8	223.8	223.8	223.8	223.8

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact: \$ 0.0

ANALYSIS: (Attach a separate page if necessary.)

Refer to attached spreadsheet for fiscal impact of sections 1 and 2 of the legislation. Section 3 has no fiscal impact. Section 4 allocates funds to single-site school districts. An allocation equal to the cost to implement Section 4 is requested in DOE's FY97 budget and is identified as "additional district support."

Prepared by: Eddy Jeans

Phone: 465-8685

Division: School Finance

Date: January 19, 1996

Approved by Commissioner: 

Shirley Holloway, Ph. D.

Agency: Education

Date: January 19, 1996

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	A	B	C	D
1	ALASKA DEPARTMENT OF EDUCATION			
2	PROJECTED FY97 FOUNDATION PROGRAM			
3	Attachment to Governor's proposed education legislation.			
4	"An Act relating to state foundation aid and supplementary state aid for education; and providing for an effective date."			
5		Section 1	Section 2	
6			\$500 per	Column C less
7		5% Impact Aid	Adj. Unit	Column B
8				
9	ADAK	\$0	\$0	\$0
10	ALASKA GATEWAY	19,027	44,245	25,218
11	ALEUTIAN REGION	2,850	4,670	1,820
12	ALEUTIANS EAST	0	0	0
13	ANCHORAGE	0	0	0
14	ANNETTE ISLANDS	50,816	22,525	(28,291)
15	BERING STRAIT	172,756	164,585	(8,171)
16	BRISTOL BAY	0	0	0
17	CHATHAM	32,579	27,360	(5,219)
18	CHUGACH	6,260	15,100	8,840
19	COPPER RIVER	4,029	44,615	40,586
20	CORDOVA	0	0	0
21	CRAIG	0	0	0
22	DELTA/GREELY	44,809	44,085	(724)
23	DENALI	0	0	0
24	DILLINGHAM	0	0	0
25	FAIRBANKS	0	0	0
26	GALENA	0	0	0
27	HAINES	0	0	0
28	HOONAH	0	0	0
29	HYDABURG	0	0	0
30	IDITAROD	29,036	49,335	20,299
31	JUNEAU	0	0	0
32	KAKE	0	0	0
33	KASHUNAMIUT	13,578	18,235	4,657
34	KENAI	0	0	0
35	KETCHIKAN	0	0	0
36	KLAWOCK	0	0	0
37	KODIAK	0	0	0
38	KUSPUK	27,784	48,580	20,796
39	LAKE AND PENN.	0	0	0
40	LOWER KUSKOKWIM	230,618	348,085	117,467
41	LOWER YUKON	163,867	137,715	(26,152)
42	MAT-SU	0	0	0
43	NENANA	0	0	0
44	NOME	0	0	0
45	NORTH SLOPE	0	0	0
46	NORTHWEST ARCTIC	0	0	0
47	PELICAN	0	0	0
48	PETERSBURG	0	0	0
49	PRIBILOF	18,621	19,235	614
50	SITKA	0	0	0
51	SKAGWAY	0	0	0
52	SOUTHEAST	23,047	34,035	10,988
53	SOUTHWEST	53,822	63,340	9,518
54	ST. MARY'S	0	0	0
55	TANANA	0	0	0
56	UNALASKA	0	0	0
57	VALDEZ	0	0	0
58	WRANGELL	0	0	0
59	YAKUTAT	0	0	0
60	YUKON FLATS	31,599	49,875	18,276
61	YUKON/KOYUKUK	50,001	65,200	15,199
62	YUPIIT	43,249	41,355	(1,894)
63				
64	TOTALS	\$1,018,348	\$1,242,175	\$223,827

(7)

HOUSE COMMITTEE REPORT

Date Referred to Committee: January 26, 1996

FURTHER REFERRALS:

State Affairs
Finance

Date of Committee Action: 3/14/96

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

HB 452

HOUSE BILL NO. 452

CALCULATION OF STATE AID TO EDUCATION

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

recommends it be replaced
with the following committee substitute

CS HB 452 (HES)

the same title
 a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal note(s) _____

fiscal note(s) DOE / 1-26-96

zero fiscal note(s) _____

zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>David L. ...</i>			<input checked="" type="checkbox"/>	
<i>... Motaly</i>			<input checked="" type="checkbox"/>	
<i>Car B...</i>	<input checked="" type="checkbox"/>			
<i>...</i>	<input checked="" type="checkbox"/>			
<i>...</i>			<input checked="" type="checkbox"/>	
<i>Loren ...</i>				<input checked="" type="checkbox"/>

CHAIR'S SIGNATURE *Car B...*

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 26, 1996

The Honorable Gail Phillips
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker Phillips:

Under the authority of article III, sec. 18 of the Alaska Constitution, I am transmitting a bill relating to state aid for education. This bill ensures the continued receipt of approximately \$35 million in federal dollars for public schools and fixes the long-standing problem of funding for single site school districts.

I promised Alaskans I would build a school funding program that is better than what we have today. I envision a foundation program that is fair, equitable, and accountable. At the same time it must have funding levels that are affordable, both now and in the future, and it must protect the partnership between state, federal and local dollars. While we continue to make progress toward this goal, this bill takes a substantial first step in addressing the immediate funding issues.

This fiscal year, the state has allocated approximately \$640 million through the foundation program. Almost all of this is from the state general fund, with \$5 million from the Public School Trust Fund, and \$35 million from the federal impact aid program (the so-called P.L. 81-874 funds).

In order to consider the impact aid when calculating the state's portion of school funding, the federal government requires the state to pass a "disparity test" which measures the variation in revenues between our richest and poorest school districts. The federal government recently lowered the maximum allowable disparity in revenues between the districts from 25 percent to 20 percent. The program will also be based on two-year prior data. Thus, in order to consider impact aid dollars in the state's FY 1998 school funding, we must have no more than a 20 percent disparity in FY 1996. Under our current formula, the state cannot meet this new disparity test.

TRANSMITTAL LETTER

This bill will fix the disparity test problem beginning with fiscal year 1997 by providing supplemental state aid of \$500 per instructional unit value for regional educational attendance areas (REAs), the districts that receive the least revenue because of their inability to levy taxes for a local contribution to their schools. This essentially "raises the floor" of our school district funding levels -- bringing it closer to the ceiling of the wealthier districts.

This supplemental funding will not mean a substantial cost to the state because we will also consider more of the federal funding to REAs as an offset to state funding. Currently, only 90 percent of federal aid to REAs is considered in determining the amount of state aid. This bill increases that to 95 percent -- for REAs only. This will not affect the school districts that make larger local contributions.

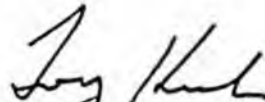
Unfortunately, this bill cannot help us achieve 20 percent disparity for FY 1996. To accomplish that, I will be requesting reallocating \$1.2 million in expected lapse money in this year's foundation formula program. That will provide additional funding to the REAs, mirroring what section 2 of this bill will accomplish through supplemental state aid in FY 1997. This bill, together with my reappropriation request, will ensure that Alaska meets the federal 20 percent disparity test this year and in future years, protecting the state's ability to consider federal impact aid when allocating state aid.

This bill also provides full funding for districts that have come to be known as "single site school districts." These districts have lobbied for years for a change in the foundation formula that would adequately fund their schools. While permanent funding changes have not been affected in statute, the legislature has annually included special grants in the budget for single site districts. It is time to fix this problem once and for all.

To that end, this bill increases the instructional units of a qualifying district by multiplying its units by a percentage between six and 12. The smaller the district, the higher the percentage multiplier. More instruction units translates into more state aid. This simple revision corrects a longstanding problem, and obviates the need for the annual battle for single site appropriations. It is time to let the single site districts go home and redirect their efforts to where they are needed most, to children in the classroom.

This bill is the result of many hours of work by the public, including those citizens who served on the Task Force on School Funding, and the State Board of Education. As my administration continues to explore better ways to fund our schools, this legislation represents a favorable step toward addressing two immediate concerns. I urge your prompt and favorable action on this bill.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tony Knowles".

Tony Knowles
Governor

SB 244/HB 452: "An Act relating to state foundation aid and supplementary state aid for education; and providing for an effective date."

Sectional Analysis

Section 1. Section one of the bill would amend AS 14.17.021 by adding a new subsection applicable only to regional educational attendance areas (REAs). In calculating state foundation aid for REAs, 95% of eligible federal impact aid will be deducted from basic need. Calculation of foundation aid for city and borough school districts will remain unchanged, with only 90% of eligible impact aid deducted. The 95% deduction for REAs recognizes that no required local contribution is deducted from REAs' basic need. The savings to the state, which results from the increased impact aid deduction, will cover the majority of the cost to implement the supplementary aid to REAs set out in section 2 of this bill.

Section 2. Subsection (a) creates a new sections of statute to provide supplementary aid to REAs based on a flat rate per adjusted instructional unit. The flat rate is referred to as the unit allotment. Initially the unit allotment is set at \$500.00 per adjusted unit. This amount will increase the value of the adjusted units in REAs so that disparity of revenues between the 5% and 95% percentiles of districts will be 20%, the maximum allowable under the new federal impact aid statutes. Subsection (b) would allow the department to increase the unit allotment by regulation if necessary for the state to maintain a disparity of no more than 20%.

Section 3. This section amends AS 14.17.031(a)(1) by deleting the reference AS 14.17.041 (a) or (b) and restates the reference as AS 14.17.041. This change is necessary because the bill amends AS 14.17.041 to add a new subsection that provides additional instructional units for certain district.

Section 4. Section four amends AS 14.17.041 by creating a new subsection that would provide additional funding for single site school districts. The percentage increases in elementary and secondary units set out in the bill will generate approximately the same amounts that the various single site school districts have received in appropriation bills passed in recent fiscal years.

Section 5. Establishes a July 1, 1996 effective date.

December 15, 1995, Governor's FY97 Budget Request
 ALASKA DEPARTMENT OF EDUCATION
 PROJECTED FY97 FOUNDATION PROGRAM

12/15/95 File: Single

	PROJ. FY97 ADM	K-12 UNITS	Single Site	AREA DIFF.	Adj. Single Site Units	FY97 Projected Single Site Allocation
ADAK	-	-	-	1.27	-	0
ALASKA GATEWAY	546.00	63.88	-	1.19	-	0
ALEUTIAN REGION	21.00	4.13	0.50	1.31	0.66	40,260
ALEUTIANS EAST	363.00	46.89	-	1.31	-	0
ANCHORAGE	46,601.00	3,121.56	-	1.00	-	0
ANNETTE ISLANDS	441.00	35.40	2.83	1.03	2.91	177,510
BERING STRAIT	1,786.00	202.29	-	1.39	-	0
BRISTOL BAY	294.00	27.73	-	1.27	-	0
CHATHAM	345.00	46.48	-	1.03	-	0
CHUGACH	137.00	23.03	-	1.14	-	0
COPPER RIVER	635.00	68.43	-	1.14	-	0
CORDOVA	536.00	41.42	2.49	1.11	2.76	168,360
CRAIG	424.00	34.27	2.74	1.03	2.82	172,020
DELTA/GREELY	852.00	63.97	-	1.16	-	0
DENALI	383.00	40.50	-	1.23	-	0
DILLINGHAM	598.00	45.87	2.75	1.27	3.49	212,890
FAIRBANKS	16,091.00	1,100.46	-	1.04	-	0
GALENA	160.00	16.67	2.00	1.30	2.60	158,600
HAINES	443.00	36.87	-	1.05	-	0
HOONAH	270.00	24.00	1.92	1.08	2.07	126,270
HYDABURG	107.50	12.96	1.56	1.03	1.61	98,210
IDITAROD	443.00	64.10	-	1.33	-	0
JUNEAU	5,552.00	376.82	-	1.00	-	0
KAKE	182.00	18.13	2.18	1.03	2.25	137,250
KASHUNAMIUT	252.00	22.80	1.87	1.33	2.42	147,620
KENAI	10,401.00	816.98	-	1.00	-	0
KETCHIKAN	2,850.00	197.46	-	1.00	-	0
KLAWOCK	230.00	21.33	2.56	1.03	2.64	161,040
KODIAK	2,897.21	230.35	-	1.09	-	0
KUSPUK	498.00	65.52	-	1.33	-	0
LAKE AND PENN.	506.00	83.00	-	1.31	-	0
LOWER KUSKOKWIM	3,537.50	354.76	-	1.42	-	0
LOWER YUKON	1,761.39	181.37	-	1.35	-	0
MAT-SU	12,115.00	905.02	-	1.00	-	0
NENANA	170.00	17.33	2.08	1.20	2.50	152,500
NOME	701.75	52.45	3.15	1.34	4.22	257,420
NORTH SLOPE	1,889.68	167.99	-	1.45	-	0
NORTHWEST ARCTIC	1,998.00	193.16	-	1.45	-	0
PELICAN	40.00	6.50	0.78	1.08	0.84	51,240
PETERSBURG	774.00	57.43	3.45	1.00	3.45	210,450
PRIBILOF	207.00	24.22	-	1.30	-	0
SITKA	1,803.00	128.33	-	1.00	-	0
SKAGWAY	140.00	15.67	1.88	1.05	1.97	120,170
SOUTHEAST	364.00	58.44	-	1.04	-	0
SOUTHWEST	689.00	79.91	-	1.31	-	0
ST. MARY'S	140.00	15.33	1.84	1.30	2.39	145,790
TANANA	100.00	12.33	1.48	1.30	1.92	117,120
UNALASKA	360.00	30.00	2.40	1.27	3.05	186,050
VALDEZ	910.00	66.26	-	1.11	-	0
WRANGELL	565.00	43.58	2.61	1.00	2.61	159,210
YAKUTAT	173.00	18.91	2.27	1.08	2.45	149,450
YUKON FLATS	402.00	60.45	-	1.46	-	0
YUKON/KOYUKUK	624.00	83.49	-	1.34	-	0
YUPIIT	383.00	43.35	-	1.41	-	0
STATE CCS	1,624.86	98.82	-	1.00	-	0
Mt. EDGE CUMBE	275.00	23.76	-	1.00	-	0
TOTALS	126,591.89	9,692.16	45.29		51.63	\$3,149,430

Department of Education
Briefing Paper
PL81-874 Impact Aid: Disparity Requirement
January 30, 1996

Summary of Issue

Alaska's total receipt of federal Impact Aid is in excess of \$70,000,000 annually. The Alaska Public School Foundation Formula reduces the amount of state aid and limits local aid which a district can receive in accordance with a federally certified system of equalized support. The recognition of federal aid in the foundation formula reduced the FY95 state general fund requirement by over \$43,000,000. The estimated FY96 reduction in general fund obligation as result of recognition of Impact Aid received by districts is \$35,000,000.

Statement of Why the Issue is Timely or Important

The Impact Aid Program was reauthorized by Congress in 1994. The new statutes require calculation of current year disparity utilizing revenue data from two years prior. Because Alaska uses an instructional unit as the method of determining districts' foundation entitlements, disparity is a measure of relative value of each adjusted unit, ignoring the top and bottom 5%. In FY98 the maximum disparity allowed will be reduced from 25% to 20% and will rely on FY96 data. The Department's preliminary disparity test calculation for FY96 is over the maximum 20% allowed by federal law. Unless the federal statutorily required disparity test is met in FY98, it will take a general fund increment of about \$35,000,000 to replace the eligible Impact Aid recognized currently in the school foundation formula.

Alternative Ways of Addressing Issue

1. Seek Congressional relief from the FY98 disparity standard.
2. Prorate the instructional unit value in FY98 by \$2,850 under the existing statute due to state's failure to meet disparity test for FY96.
3. Devise method of increasing unit value of REAA districts to reduce disparity. The method recommended by the State Board of Education Task Force on School Funding and approved by the State Board is the proposed supplemental aid of \$500 per instructional unit to the REAAs for FY96 and the legislation proposed by Governor Knowles for subsequent fiscal years . . . changes the foundation formula by: (a) raising the Impact Aid deduct from present 90% to 95% for REAAs and (b) ensuring the state meets federal disparity requirements in the future by giving the Department of Education statutory authority to increase the amount of supplementary aid to these same districts *through the foundation formula*, an important federal criterion.

CS FOR HOUSE BILL NO. 452(HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered:

Referred:

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

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

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * Section 1. AS 14.17.021 is repealed and reenacted to read:

5 Sec. 14.17.021. STATE FOUNDATION AID. (a) The amount of state
6 foundation aid for which a city or borough school district may qualify in a fiscal year
7 is calculated by subtracting from the basic need defined in (c) of this section the required
8 local contributions under AS 14.17.025(a) and 90 percent of eligible federal impact aid
9 for that fiscal year.

10 (b) The amount of state foundation aid for which a regional educational
11 attendance area may qualify in a fiscal year is calculated by subtracting from the basic
12 need defined in (c) of this section 95 percent of eligible federal impact aid for that fiscal
13 year.

14 (c) The basic need of a school district is determined by multiplying the area
15 cost differential of the district under AS 14.17.051 by the number of instructional units

1 in the district under AS 14.17.031 and then multiplying that product by the instructional
2 unit value in AS 14.17.056.

3 (d) The department may make adjustments to a district's state foundation aid for
4 a fiscal year to correct underpayments made in previous fiscal years.

5 * Sec. 2. AS 14.17 is amended by adding a new section to read: ~

6 Sec. 14.17.026. SUPPLEMENTARY STATE AID FOR REGIONAL
7 EDUCATIONAL ATTENDANCE AREAS. (a) In addition to the state foundation aid
8 for which a regional educational attendance area may qualify under AS 14.17.021(b), a
9 regional educational attendance area may qualify for supplementary state aid. The
10 amount of supplementary state aid for which a regional educational attendance area may
11 qualify in a fiscal year is calculated by multiplying the area cost differential of the
12 regional educational attendance area under AS 14.17.051 by the number of instructional
13 units in the regional educational attendance area determined under AS 14.17.031 and
14 then multiplying that product by a unit allotment of \$500.

15 (b) The department may, by regulation, increase the unit allotment specified in
16 (a) of this section if necessary to keep revenue disparities among school districts in the
17 state in compliance with federal equalization requirements.

18 * Sec. 3. AS 14.17.031(a) is amended to read:

19 (a) The department shall adopt regulations defining funding communities within
20 each district that reflect geographic and attendance area factors. For the purpose of
21 determining instructional units, students are counted in the district and the funding
22 community from which they receive educational services. The total number of
23 instructional units in a school district is the sum of the following units for each funding
24 community within the district, as determined by the department:

25 (1) the number of units for elementary and secondary students determined
26 under AS 14.17.041 [AS 14.17.041(a) OR (b)];

27 (2) the number of units for vocational education determined under
28 AS 14.17.043;

29 (3) the number of units for special education determined under
30 AS 14.17.045; and

31 (4) the number of units for bilingual education determined under
32 AS 14.17.047.

1

* Sec. 4. This Act takes effect July 1, 1996.

STATE OF ALASKA

DEPARTMENT OF EDUCATION

DIVISION OF SCHOOL FINANCE

HB 452

GOLDBELT PLACE
801 WEST 10TH STREET, SUITE 200
JUNEAU, ALASKA 99801-1894
(907) 465-8685
FAX (907) 463-5279

March 8, 1996

The Honorable Con Bunde
State Capitol, Room 108
Juneau, Alaska 99801-1182

Dear Representative Bunde:

During the House HESS committee meeting Tuesday, March 5, 1996, you asked the department to prepare a schedule of local and federal revenues per student. The attached schedule combines the required local revenue and the deductible Impact Aid contained in the Foundation Formula for each school district. The combined revenue is divided by the school districts' average daily membership and sorted high to low. Please let me know if I can be of further assistance.

Sincerely,



Eddy Jeans
Project Assistant

Enclosure

cc: Rick Cross, Deputy Commissioner, DOE
Jim Elliott, Acting Director, School Finance, DOE
Karen R. Hfeld, Director, Administrative Services, DOE
Kimberly Homme, Special Assistant, DOE

ALASKA DEPARTMENT OF EDUCATION
 FY96 FOUNDATION PROGRAM
 Required Local Effort and Deductible Impact Aid per ADM

	Required Local Plus Impact Aid	FY96 ADM	Required Local Plus Impact Aid per ADM
NORTH SLOPE	6,096,300	1,805.90	3,376
BRISTOL BAY	885,163	301.00	2,941
ALEUTIAN REGION	58,948	21.00	2,807
SKAGWAY	360,794	131.30	2,748
UNALASKA	926,673	352.80	2,627
LOWER YUKON	4,000,036	1,695.20	2,360
BERING STRAIT	3,880,454	1,679.10	2,311
YUPIIT	868,478	387.00	2,244
ANNETTE ISLANDS	986,682	444.00	2,222
VALDEZ	1,812,418	895.75	2,023
ALEUTIANS EAST	609,355	355.00	1,716
KASHUNAMIUT	414,834	244.00	1,700
DILLINGHAM	851,904	524.00	1,626
KODIAK	4,473,621	2,871.76	1,558
YUKON FLATS	652,671	422.62	1,544
CHATHAM	519,260	337.30	1,539
SOUTHWEST	940,803	629.80	1,494
PRIBILOF	317,417	213.15	1,489
CORDOVA	760,526	519.15	1,465
PELICAN	55,876	38.25	1,461
LOWER KUSKOKWIM	4,568,558	3,275.15	1,395
KETCHIKAN	3,955,410	2,850.40	1,388
KENAI	14,207,050	10,280.70	1,382
KUSPUK	646,001	468.35	1,379
YUKON/KOYUKUK	856,973	625.10	1,371
IDITAROD	571,508	422.55	1,353
JUNEAU	7,100,453	5,515.35	1,287
HAINES	532,498	434.90	1,224
SITKA	2,190,298	1,804.87	1,214
ANCHORAGE	55,293,807	46,158.76	1,198
SOUTHEAST	410,082	349.85	1,172
GALENA	174,603	150.00	1,164
NORTHWEST ARCTIC	2,193,111	1,892.05	1,159
FAIRBANKS	17,500,286	15,816.00	1,106
PETERSBURG	818,983	753.55	1,087
WRANGELL	594,571	555.00	1,071
CHUGACH	153,402	144.00	1,065
TANANA	100,046	94.00	1,064
DELTA/GREELY	776,467	884.65	878
DENALI	333,773	384.00	869
LAKE AND PENN.	422,476	497.65	849
NOME	564,198	732.95	770
YAKUTAT	133,187	175.00	761
MAT-SU	8,618,195	12,037.28	716
KAKE	135,921	190.00	715
ALASKA GATEWAY	388,604	552.10	704
CRAIG	293,839	424.00	693
HOONAH	182,272	278.00	656
KLAWOCK	117,097	220.15	532
ST. MARY'S	58,998	129.10	457
NENANA	69,963	161.00	435
HYDABURG	28,238	113.60	249
COPPER RIVER	102,014	658.65	155
ADAK	0	0.00	0
STATE CCS	0	1,580.85	0
MI. EDGE CUMBE	0	275.12	0
Total	153,565,095	124,752.76	

**Department of Education
Foundation Program
Disparity Computations**

One Adjusted Instructional Unit
Unit Value is \$51,000

Typical REAA

Sources:

State - Foundation Aid

Federal - Impact Aid

Local - 4 Mill Required Local

Basic Need = Total Units times Area Cost Differential times Unit Value.

**Department of Education
Foundation Program
Disparity Computations**

Allowable local excess at 23% Excess unit value is \$14,030	Source: Local
One Adjusted Instructional Unit Unit Value is \$61,000 Typical City \ Borough	Sources: State - Foundation Aid Federal - Impact Aid Local - 4 Mill Required Local

**Department of Education
Foundation Program
Disparity Computations**

Total Value including Excess local is \$75,030

Allowable local excess at 23%
Excess unit value is \$14,030

Source:
Local

One Adjusted Instructional Unit
Unit Value is \$61,000

Sources:
State - Foundation Aid
Federal - Impact Aid
Local - 4 Mill Required Local

Disparity computations:

Top end \$ 75,030
Low end \$ 61,000
Difference \$ 14,030
Disparity 23.00%

Disparity is computed by dividing the "Difference" by the "Low end".

	A	B	C	D	E	F	G	H	I	J	K
1	ALASKA DEPARTMENT OF EDUCATION										
2	SCHOOL OPERATING FUND REVENUES										
3	COMPILED FROM FISCAL YEAR 1995 Budgets										
4	Impact aid disparity test computations based on FY95 Budgeted data and on foundation distributions and calculations.										
5	Includes single site appropriations.										
6	Preliminary Disparity Test FY95 - Excludes Supplemental \$500 Unit Allocation to REAAs										
7	SCHOOL DISTRICT	FY95 Actual Foundation Payments	Adjustments Based on budget	Budgeted State Tuition	Budgeted Other State Revenue	SUB-TOTAL STATE REVENUE	Budgeted City/Borough Appropriations	Budgeted Earnings on Investments	Budgeted Other Local Revenue	Budgeted In-Kind Services	SUB-TOTAL LOCAL REVENUE
10	NORTH SLOPE	10,003,231	0	0	40,000	10,043,231	27,863,000	0	50,000	0	27,913,000
11	VALDEZ	3,298,448	6,703	0	0	3,305,152	3,948,990	80,000	48,000	0	4,074,990
12	HOONAH	1,856,774	0	0	128,270	1,985,044	638,779	26,000	15,000	0	578,779
13	UNALASKA	1,606,016	5,552	0	200,890	1,892,258	1,385,800	20,000	35,936	0	1,441,736
14	HYDABURG	877,491	0	0	109,080	1,085,571	57,711	4,000	27,500	0	89,211
15	WRANGELL	2,638,591	0	0	151,890	2,790,481	1,086,168	5,000	15,000	29,000	1,135,168
16	SKAGWAY	696,726	0	0	119,560	816,286	488,574	6,000	0	0	494,574
17	KAKE	1,285,536	0	0	136,640	1,422,176	80,000	20,000	8,585	150,000	258,585
18	JUNEAU	22,481,943	0	110,000	0	22,591,943	12,776,000	0	83,032	0	12,859,032
19	SITKA	6,923,549	0	40,000	447,130	7,410,679	3,766,524	0	22,000	0	3,788,524
20	KENAI	44,172,161	0	272,800	0	44,444,961	20,601,573	0	75,000	5,995,064	26,671,637
21	PETERSBURG	3,196,745	0	1,818	199,470	3,398,033	1,429,408	15,000	4,000	0	1,448,408
22	HAINES	2,055,774	0	0	0	2,055,774	1,030,311	17,000	11,000	0	1,058,311
23	KETCHIKAN	9,624,799	0	40,000	28,500	9,693,299	6,347,993	14,000	10,154	280,000	6,652,147
24	BRISTOL BAY	1,522,798	0	0	0	1,522,798	933,421	20,000	15,000	200,000	1,168,421
25	NOME	4,724,803	0	13,645	264,740	5,003,188	1,117,906	30,000	117,290	0	1,265,196
26	KLAWOCK	1,620,331	0	0	166,480	1,686,791	97,500	35,000	56,452	32,400	221,352
27	FAIRBANKS	62,314,043	0	1,249,500	0	63,563,543	25,380,000	0	250,000	0	25,630,000
28	ALEUTIANS EAST	3,577,702	0	0	15,000	3,592,702	797,670	0	7,000	161,000	965,670
29	DILLINGHAM	2,944,758	0	10,000	250,100	3,204,858	685,054	30,000	157,000	0	872,054
30	TANANA	1,130,861	0	9,368	122,000	1,262,229	0	10,000	1,000	98,000	109,000
31	YAKUTAT	1,290,931	0	0	126,270	1,417,201	176,620	2,000	9,362	0	187,982
32	ANNETTE ISLAND	1,373,918	0	0	188,530	1,540,448	0	0	0	0	0
33	ANCHORAGE	179,878,890	0	960,000	983,500	181,822,390	71,773,335	1,751,500	1,089,000	0	74,623,835
34	GALENA	1,388,517	0	0	156,160	1,542,677	25,000	20,000	3,000	77,925	125,925
35	NENANA	1,497,731	0	0	164,090	1,661,821	6,000	5,000	5,272	0	68,786
36	CRAIG	2,275,901	0	0	151,880	2,427,781	283,273	20,000	2,395	40,618	359,286
37	MAT-SU	55,397,110	0	0	0	55,397,110	15,462,862	0	75,203	0	15,538,065
38	KASHUNAMIUT	1,728,969	0	0	206,180	1,935,149	0	0	0	0	0
39	PELICAN	544,081	0	0	56,730	600,791	53,179	3,000	10,500	0	66,679
40	ST. MARYS	1,212,187	0	0	118,560	1,331,747	0	5,000	0	17,753	22,753
41	LAKE AND PENN.	6,741,477	0	0	0	6,741,477	750,000	135,000	20,000	0	905,000
42	CORDOVA	2,581,326	0	0	217,160	2,798,486	699,529	10,341	8,500	0	718,370
43	KODIAK	12,300,474	0	46,787	879,582	13,226,843	3,200,000	0	36,400	452,600	3,689,000
44	ADAK	0	0	0	0	0	0	0	0	0	0
45	NW ARCTIC	16,268,410	0	0	0	16,268,410	648,708	275,000	300,000	758,212	2,179,920
46	BERING STRAIT	14,408,678	0	0	0	14,408,678	0	0	0	0	0
47	CHATHAM	2,628,517	0	0	0	2,628,517	0	0	0	0	0
48	YUKON FLATS	5,619,605	0	0	0	5,619,605	0	0	0	0	0
49	AK GATEWAY	4,918,797	0	0	0	4,918,797	0	0	0	0	0
50	YUPIIT	3,769,090	0	0	0	3,769,090	0	0	0	0	0
51	DELTA/GREELY	5,646,127	0	0	0	5,646,127	0	0	0	0	0
52	SOUTHWEST	6,041,928	0	0	0	6,041,928	0	0	0	0	0
53	IDITAROD	5,193,158	0	0	0	5,193,158	0	0	0	0	0
54	PRIBILOF	1,821,059	0	0	0	1,821,059	0	0	0	0	0
55	YUKON/KOYUKUI	6,884,158	0	0	0	6,884,158	0	0	0	0	0
56	LOWER YUKON	11,558,409	0	0	0	11,558,409	0	0	0	0	0
57	LOWER KUSKO.	32,863,714	0	0	0	32,863,714	0	0	0	0	0
58	DENALI	3,046,313	0	0	0	3,046,313	346,011	12,000	0	0	358,011
59	COPPER RIVER	5,223,578	0	0	0	5,223,578	0	0	0	0	0
60	CHUGACH	1,577,779	0	0	0	1,577,779	0	0	0	0	0
61	ALEUTIAN REGIC	563,747	0	0	0	563,747	0	0	0	0	0
62	SOUTHEAST	4,194,007	0	0	0	4,194,007	0	0	0	0	0
63	KUSPUK	4,759,302	0	0	0	4,759,302	0	0	0	0	0
64	Mt. EDGE CUMBE	1,727,520	0	0	0	1,727,520	0	0	0	0	0
65											
66											
67	TOTALS	\$595,552,467	\$12,255	\$2,753,918	\$5,604,182	\$603,922,822	\$204,098,411	\$2,569,841	\$2,578,581	\$8,292,472	\$217,539,305
68											
69											
70											

	L	M	N	O	P	Q	R	S	T	U	
1	ALASKA DEPARTMENT OF EDUCATION										
2	SCHOOL OPERATING FUND REVENUES										
3	COMPILED FROM FISCAL YEAR 1995 Budgets										
4											
5		REAA's	Adjusted	Excludes Supplemental \$500 Unit Allocation to REAAs							
6		Budgeted	Deductible	Budgeted	SUB-TOTAL	Budgeted	FY95 Budgeted	FY95	Revenue		
7	SCHOOL	Other	Federal	Other Federal	FEDERAL	Fund	TOTAL	Adjusted	per Adjusted		
8	DISTRICT	Revenue	PL81-874	Revenue	REVENUE	Transfers In	REVENUES	Units	Unit		
9											
10	NORTH SLOPE		448,387	0	448,387	0	38,404,618	257.13	149,359		
11	VALDEZ		24,269	0	24,269	0	7,402,411	83.81	88,324		
12	HOONAH		99,705	0	99,705	0	2,661,528	33.58	79,230		
13	UNALASKA		7,100	0	7,100	0	3,341,094	43.17	77,384		
14	HYDABURG		2,603	0	2,603	89,272	1,266,657	16.44	77,047		
15	WRANGELL		1,775	0	1,775	21,500	9,948,924	52.01	75,826		
16	SKAGWAY		0	0	0	0	1,310,860	17.30	75,772		
17	KAKE		63,179	0	63,179	6,684	1,750,624	23.24	75,328		
18	JUNEAU		5,588	0	5,588	50,000	35,508,563	471.89	75,249	High	
19	SITKA		96,865	0	96,865	0	11,298,058	150.53	75,042		
20	KENAI		41,122	0	41,122	0	71,157,720	949.63	74,832		
21	PETERSBURG		13,125	0	13,125	0	4,859,664	65.20	74,533		
22	HAINES		9,815	0	9,815	0	3,123,900	42.01	74,381		
23	KETCHIKAN		3,419	0	3,419	0	16,348,885	220.42	74,171		
24	BRISTOL BAY		208,893	0	208,893	81,860	2,981,972	40.28	74,031		
25	NOME		31,997	0	31,997	67,000	6,367,381	86.03	74,013		
26	KLAWOCK		38,766	0	38,766	8,500	1,955,409	26.53	73,706		
27	FAIRBANKS		4,279,880	125,000	4,404,880	100,000	93,698,523	1,213.15	71,354		
28	ALEUTIANS EAST		334,692	0	334,692	64,000	4,957,064	69.95	70,866		
29	DILLINGHAM		423,126	0	423,126	0	4,500,038	63.55	70,811		
30	TANANA		63,775	0	63,775	0	1,435,004	20.32	70,620		
31	YAKUTAT		38,638	0	38,638	0	1,643,821	23.43	70,159		
32	ANNETTE ISLAND	60,000	1,263,722	160,000	1,423,722	0	3,024,170	49.24	69,039		
33	ANCHORAGE		8,338,237	265,000	6,601,237	0	263,047,462	3,818.88	68,891		
34	GALENA		135,368	0	135,368	0	1,803,970	26.22	68,801		
35	NENANA		1,695	0	1,695	12,740	1,745,042	26.64	68,326		
36	CRAIG		23,296	0	23,296	20,000	2,830,373	41.47	68,251		
37	MAT-SU		13,725	0	13,725	150,000	71,098,900	1,042.00	68,233		
38	KASHUNAMIUT	50,000	478,011	0	478,011	0	2,463,160	36.18	68,081		
39	PELICAN		0	0	0	0	667,470	9.84	67,832		
40	ST. MARY'S		85,830	0	85,830	0	1,440,330	21.57	66,775		
41	LAKE AND PENN.		270,323	0	270,323	0	7,916,800	119.43	65,288		
42	CORDOVA		24,734	0	24,734	35,000	3,576,590	54.18	65,001		
43	KODIAK		1,448,364	0	1,448,364	64,000	18,428,107	280.71	65,648		
44	ADAK	140,100	2,298,424	0	2,298,424	0	2,438,524	37.16	65,622		
45	NW ARCTIC		1,193,684	0	1,193,684	415,168	20,057,382	306.43	65,455		
46	BERING STRAIT	1,070,100	4,487,162	0	4,487,162	225,000	20,170,940	309.44	65,185		
47	CHATHAM	40,000	588,013	100,000	688,013	24,000	3,380,530	52.73	64,110		
48	YUKON FLATS	160,000	570,065	0	570,065	150,000	6,489,670	101.47	64,055		
49	AK GATEWAY	95,000	444,493	0	444,493	140,000	5,586,290	87.89	63,674		
50	YUPIIT	110,000	998,670	0	998,670	90,000	4,987,780	78.16	63,559		
51	DELTA/GREELY	100,000	693,073	75,000	968,073	75,000	6,769,200	107.20	63,332		
52	SOUTHWEST	235,000	967,582	0	967,582	0	7,244,510	114.91	63,046		
53	IOITAROD	86,300	527,424	0	527,424	80,000	5,886,880	93.78	62,773		
54	PRIBLOF	56,000	337,731	0	337,731	0	2,214,790	35.38	62,582		
55	YUKON/KOYUKUK	105,000	979,352	0	979,352	80,000	8,048,510	128.81	62,435		
56	LOWER YUKON	380,000	4,609,641	0	4,609,641	0	16,548,050	285.05	62,434		
57	LOWER KUSKO.	850,000	5,240,546	0	5,240,546	0	38,954,260	624.66	62,361	Low	
58	DENALI		37,307	0	37,307	0	3,441,631	55.31	62,224		
59	COPPER RIVER	93,000	126,732	0	126,732	7,500	5,450,810	87.71	62,146		
60	CHUGACH	15,000	177,191	8,000	185,191	0	1,777,970	28.77	61,799		
61	ALEUTIAN REGION	8,000	68,893	0	68,893	0	638,740	10.34	61,774		
62	SOUTHEAST	47,800	483,473	0	483,473	10,669	4,739,949	76.68	61,763		
63	KUSPUK	43,949	752,048	0	752,048	0	5,555,299	90.35	61,486		
64	MI. EDGE CUMBE		0	0	0	0	1,727,520	28.32	61,000		
65											
66											
67	TOTALS	\$3,745,249	\$42,077,928	\$733,000	\$42,810,928	\$2,067,893	\$870,086,197	12,309.54	HIGH 75,243		
68								5%	LOW 62,361		
69								615.48	DIFF 12,882		
70									DISPARITY 20.66%		

	A	B	C	D	E	F	G	H	I	J	K
1	ALASKA DEPARTMENT OF EDUCATION										
2	SCHOOL OPERATING FUND REVENUES										
3	COMPILED FROM FISCAL YEAR 1995 Budgets										
4	Impact aid disparity test computations based on FY95 Budgeted data and on foundation distributions and calculations.										
5	Includes single site appropriations.										
6	Preliminary Disparity Test FY95 - Includes Supplemental \$500 Unit Allocation to REAAs										
7	SCHOOL DISTRICT	FY95 Actual Foundation Payments	Adjustments Based on budget	Budgeted State Tuition	Budgeted Other State Revenue	SUB-TOTAL STATE REVENUE	Budgeted City/Borough Appropriations	Budgeted Earnings on Investments	Budgeted Other Local Revenue	Budgeted In-Kind Services	SUB-TOTAL LOCAL REVENUE
9	NORTH SLOPE	10,003,231	0	0	40,000	10,043,231	27,863,000	0	50,000	0	27,913,000
11	VALDEZ	3,288,449	8,703	0	0	3,303,152	3,845,890	80,000	48,000	0	4,074,990
12	HOONAH	1,856,774	0	0	126,270	1,983,044	538,779	25,000	15,000	0	678,779
13	UNALASKA	1,880,016	5,552	0	200,690	1,892,258	1,385,800	20,000	35,936	0	1,441,736
14	HYDABURG	977,491	0	0	108,080	1,085,571	57,711	4,000	27,500	0	89,211
15	WRANGEL	2,638,591	0	0	151,880	2,790,481	1,086,168	5,000	15,000	29,000	1,135,168
16	SKAGWAY	696,726	0	0	119,560	816,286	488,574	6,000	0	0	494,574
17	KAKE	1,285,538	0	0	136,640	1,422,178	80,000	20,000	8,585	150,000	258,585
18	JUNEAU	22,481,943	0	110,000	0	22,591,943	12,778,000	0	83,032	0	12,859,032
19	SITKA	9,923,549	0	40,000	447,130	7,410,679	3,708,524	0	22,000	0	3,788,524
20	KENAI	44,172,161	0	272,800	0	44,444,961	20,601,573	0	75,000	5,985,064	26,671,637
21	PETERSBURG	3,196,745	0	1,818	199,470	3,398,033	1,429,406	15,000	4,000	0	1,448,406
22	HAINES	2,055,774	0	0	0	2,055,774	1,030,311	17,000	11,000	0	1,058,311
23	KETCHIKAN	9,824,799	0	40,000	28,500	9,893,299	9,347,993	14,000	10,154	280,000	6,652,147
24	BRISTOL BAY	1,522,798	0	0	0	1,522,798	933,421	20,000	15,000	200,000	1,188,421
25	NOME	4,724,803	0	13,645	264,740	5,003,188	1,117,906	30,000	117,290	0	1,265,196
26	KLAWOCK	1,520,331	0	0	166,460	1,686,791	97,500	35,000	56,452	32,400	221,352
27	FAIRBANKS	62,314,043	0	1,249,500	0	63,563,543	25,380,000	0	250,000	0	25,630,000
28	ALEUTIANS EAS1	3,577,702	0	0	15,000	3,592,702	797,870	0	7,000	161,000	965,870
29	DILLINGHAM	2,944,758	0	10,000	250,100	3,204,858	685,054	30,000	157,000	0	872,054
30	TANANA	1,130,861	0	9,368	122,000	1,262,229	0	10,000	1,000	98,000	109,000
31	ANNETTE ISLAND	1,373,018	0	0	188,150	1,562,068	0	0	0	0	0
32	YAKUTAT	1,299,931	0	0	126,270	1,417,201	176,620	2,000	9,362	0	187,982
33	ANCHORAGE	179,878,890	0	860,000	883,500	181,822,390	71,773,335	1,751,500	1,099,000	0	74,623,835
34	GALENA	1,386,517	0	0	156,160	1,542,677	25,000	20,000	3,000	77,925	126,925
35	KASHUNAMIUT	1,728,969	0	0	224,270	1,953,239	0	0	0	0	0
36	NENANA	1,497,731	0	0	164,090	1,661,821	58,514	5,000	5,272	0	68,786
37	CRAIG	2,275,901	0	0	151,880	2,427,791	296,273	20,000	2,395	40,618	359,286
38	MAT-SU	55,397,110	0	0	0	55,397,110	15,462,862	0	75,203	0	15,538,065
39	PELLICAN	544,061	0	0	56,730	600,791	53,179	3,000	10,500	0	66,679
40	ST. MARYS	1,212,187	0	0	119,560	1,331,747	0	5,000	0	17,753	22,753
41	LAKE AND PENN.	6,741,477	0	0	0	6,741,477	750,000	135,000	20,000	0	905,000
42	ADAK	0	0	0	18,580	18,580	0	0	0	0	0
43	CORDOVA	2,581,326	0	0	217,160	2,798,486	699,529	10,341	8,500	0	718,370
44	BLRING STRAIT	14,408,678	0	0	154,720	14,563,398	0	0	0	0	0
45	KODIAK	12,300,474	0	45,787	879,582	13,226,843	3,200,000	0	36,400	452,500	3,688,900
48	NW ARCTIC	16,268,410	0	0	0	16,268,410	846,708	275,000	300,000	758,212	2,179,920
47	CHATHAM	2,628,517	0	0	26,365	2,654,882	0	0	0	0	0
48	YUKON FLATS	5,619,605	0	0	50,735	5,670,340	0	0	0	0	0
49	AK GATEWAY	4,916,797	0	0	43,845	4,960,642	0	0	0	0	0
50	YUPIIT	3,769,090	0	0	39,080	3,808,170	0	0	0	0	0
51	DELTA/GREELY	5,646,127	0	0	53,600	5,699,727	0	0	0	0	0
62	SOUTHWEST	6,041,928	0	0	67,456	6,099,383	0	0	0	0	0
53	IDITAROD	5,183,156	0	0	46,890	5,240,046	0	0	0	0	0
54	PRIBILOF	1,821,059	0	0	17,695	1,838,754	0	0	0	0	0
55	YUKON/KOYUKUI	6,884,158	0	0	64,455	6,948,613	0	0	0	0	0
56	LOWER YUKON	11,558,409	0	0	132,525	11,690,934	0	0	0	0	0
57	LOWER KUSKO	32,863,714	0	0	312,330	33,176,044	0	0	0	0	0
58	COPPER RIVER	5,223,578	0	0	43,855	5,267,433	0	0	0	0	0
59	GHUGACH	1,577,779	0	0	14,385	1,592,164	0	0	0	0	0
60	ALEUTIAN REGIC	563,747	0	0	5,170	568,917	0	0	0	0	0
61	SOUTHEAST	4,194,007	0	0	38,340	4,232,347	0	0	0	0	0
62	DENALI	3,046,313	0	0	0	3,046,313	346,011	12,000	0	0	358,011
63	KUSPUK	4,759,302	0	0	45,175	4,804,477	0	0	0	0	0
64	ML. EDGEUMBE	1,727,520	0	0	0	1,727,520	0	0	0	0	0
65											
66											
67	TOTALS	\$606,662,467	\$12,256	\$2,753,918	\$6,802,192	\$605,127,832	\$204,098,411	\$2,569,841	\$2,578,681	\$9,202,472	\$217,639,305
68											
69											
70											

	L	M	N	O	P	Q	R	S	T	U
1	ALASKA DEPARTMENT OF EDUCATION									
2	SCHOOL OPERATING FUND REVENUES									
3	COMPILED FROM FISCAL YEAR 1995 Budgets									
4										
5		REAA's	Adjusted	Includes Supplemental \$500 Unit Allocation to REAAs						
6		Budgeted	Deductible	Budgeted	SUB-TOTAL	Budgeted	FY95 Budgeted	FY95	Revenue	
7	SCHOOL	Other	Federal	Other Federal	FEDERAL	Fund	TOTAL	Adjusted	per Adjusted	
8	DISTRICT	Revenue	PL81-874	Revenue	REVENUE	Transfers In	REVENUES	Units	Unit	
9										
10	NORTH SLOPE		448,387	0	448,387	0	38,404,618	257.13	149,359	
11	VAL DEZ		24,269	0	24,269	0	7,402,411	63.81	88,324	
12	HOONAH		99,705	0	99,705	0	2,661,528	33.59	79,236	
13	UNALASKA		7,100	0	7,100	0	3,341,094	43.17	77,394	
14	HYDABURG		2,603	0	2,603	89,272	1,266,657	18.44	77,047	
15	WRANGELL		1,775	0	1,775	21,500	3,948,924	52.01	75,926	
16	SKAGWAY		0	0	0	0	1,310,860	17.30	75,772	
17	KAKE		63,179	0	63,179	6,684	1,750,624	23.24	76,328	
18	JUNEAU		5,588	0	5,588	50,000	35,506,563	471.89	75,243	High
19	SITKA		96,865	0	96,865	0	11,296,068	150.53	75,042	
20	KENAI		41,122	0	41,122	0	71,157,720	949.63	74,932	
21	PETERSBURG		13,125	0	13,125	0	4,859,554	65.20	74,593	
22	HAIMES		9,815	0	9,815	0	3,123,900	42.01	74,361	
23	KETCHIKAN		3,419	0	3,419	0	16,346,895	220.42	74,171	
24	BRISTOL BAY		208,893	0	208,893	81,660	2,881,972	40.28	74,031	
25	NOME		31,997	0	31,997	67,000	6,367,381	86.03	74,013	
26	KLAWOCK		38,766	0	38,766	8,500	1,955,409	26.53	73,706	
27	FAIRBANKS		4,279,980	125,000	4,404,980	100,000	93,698,523	1,313.15	71,354	
28	ALEUTIANS EAST		334,692	0	334,692	64,000	4,957,064	69.95	70,866	
29	DILLINGHAM		423,126	0	423,126	0	4,500,038	63.55	70,811	
30	TANANA		63,775	0	63,775	0	1,435,004	20.32	70,620	
31	ANNETTE ISLAND	80,000	1,263,722	160,000	1,423,722	0	3,045,790	43.24	70,439	
32	YAKUTAT		38,638	0	38,638	0	1,643,821	23.43	70,159	
33	ANCHORAGE		6,336,237	265,000	6,601,237	0	263,047,462	3,818.88	68,881	
34	GALENA		135,368	0	135,368	0	1,803,970	26.22	68,801	
35	KASHUNAMIUT	50,000	478,011	0	478,011	0	2,481,250	36.18	68,581	
36	NENANA		1,695	0	1,695	12,740	1,745,042	25.54	68,326	
37	CRAIG		23,296	0	23,296	20,000	2,830,373	41.47	68,251	
38	MAT-SU		13,725	0	13,725	150,000	71,098,900	1,042.00	68,233	
39	PELICAN		0	0	0	0	667,470	9.84	67,832	
40	ST. MARY'S		85,830	0	85,830	0	1,440,330	21.57	66,775	
41	LAKE AND PENN.		270,323	0	270,323	0	7,916,800	119.43	66,200	
42	ADAK	140,100	2,298,424	0	2,298,424	0	2,457,104	37.16	66,122	
43	CORDOVA		24,734	0	24,734	35,000	3,576,590	54.19	66,001	
44	BERING STRAI	1,070,100	4,467,162	0	4,467,162	225,000	20,325,660	309.44	65,685	
45	KODIAK		1,448,364	0	1,448,364	64,000	16,428,107	280.71	65,648	
46	NW ARCTIC		1,193,884	0	1,193,884	415,188	20,057,382	306.43	65,455	
47	CHATHAM	40,000	588,013	100,000	688,013	24,000	3,408,895	52.73	64,610	
48	YUKON FLATS	160,000	570,065	0	570,065	150,000	6,550,405	101.47	64,555	
49	AK GATEWAY	95,000	444,493	0	444,493	140,000	5,640,235	87.89	64,174	
50	YUPIIT	110,000	998,670	0	998,670	90,000	5,006,840	78.18	64,059	
51	DELTA/GREELY	100,000	893,073	75,000	968,073	75,000	6,842,800	107.20	63,832	
52	SOUTHWEST	235,000	967,582	0	967,582	0	7,301,965	114.91	63,545	
53	IDITAROD	86,300	527,424	0	527,424	80,000	5,933,770	93.78	63,273	
54	PRIBLOF	56,000	337,731	0	337,731	0	2,232,485	35.39	63,082	
55	YUKON/KOYUKUK	105,000	978,352	0	978,352	80,000	8,112,965	128.81	62,935	
56	LOWER YUKON	360,000	4,009,641	0	4,009,641	0	16,680,675	265.05	62,934	
57	LOWER KUSKO	850,000	5,240,548	0	5,240,548	0	39,266,590	624.66	62,861	Low
58	COPPER RIVER	83,000	126,732	0	126,732	7,500	5,494,665	87.71	62,646	
59	CHUGACH	15,000	177,191	8,000	185,191	0	1,792,355	28.77	62,299	
60	ALEUTIAN REGION	8,000	66,993	0	66,993	0	643,910	10.34	62,274	
61	SOUTHEAST	47,800	483,473	0	483,473	10,669	4,774,289	76.68	62,263	
62	DENALI		37,307	0	37,307	0	3,441,631	55.31	62,224	
63	KUSPUK	43,949	752,048	0	752,048	0	5,600,474	90.35	61,986	
64	MI. EDGE CUMBE		0	0	0	0	1,727,520	28.32	61,000	
65										
66										
67	TOTALS	\$3,745,249	\$4,077,928	\$733,000	\$42,810,928	\$2,087,893	\$871,291,207	12,309.54	HIGH 75,243	
68								5%	LOW 62,861	
69								615.48	DIFF 12,382	
70									DISPARITY 19.70%	

**ALASKA DEPARTMENT OF EDUCATION
PROJECTED FY97 FOUNDATION PROGRAM ALLOCATIONS**

G:\dtdup\87found\FND97PJ.XLS, proration

Unit Value >>>	Full Funding	Prorated	Loss of State Aid	Full Funding	Prorated	Change in Excess Local	Potential loss of Revenue Column D plus Column G
	\$61,000	\$60,500		\$61,000	\$60,500		
	Foundation Entitlement	Foundation Allocation		Excess Local	Excess Local		
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADAK							
ALASKA GATEWAY	5,055,414	5,011,169	(44,245)	0	0	0	(44,245)
ALEUTIAN REGION	518,430	513,760	(4,670)	0	0	0	(4,670)
ALEUTIANS EAST	3,743,146	3,708,036	(35,110)	985,187	977,111	(8,076)	(43,186)
ANCHORAGE	181,243,565	179,293,520	(1,950,045)	54,718,263	54,269,752	(448,511)	(2,398,556)
ANNETTE ISLANDS	1,833,348	1,810,823	(22,525)	0	0	0	(22,525)
BERING STRAIT	16,069,751	16,805,166	(164,585)	0	0	0	(164,585)
BRISTOL BAY	1,873,234	1,851,274	(21,960)	618,199	611,147	(5,051)	(27,011)
CHATHAM	2,751,502	2,724,142	(27,360)	0	0	0	(27,360)
CHUGACH	1,729,610	1,714,410	(15,100)	0	0	0	(15,100)
COPPER RIVER	5,370,508	5,325,893	(44,615)	0	0	0	(44,615)
CORDOVA	2,684,679	2,656,584	(28,095)	788,346	781,884	(6,462)	(34,557)
CRAIG	2,335,826	2,314,256	(21,570)	605,254	600,293	(4,961)	(26,531)
DELTA/GREELY	4,571,810	4,527,725	(44,085)	0	0	0	(44,085)
DENALI	3,021,537	2,994,092	(27,445)	770,107	763,794	(6,313)	(33,758)
DILLINGHAM	3,839,005	3,801,655	(37,350)	1,648,041	1,039,451	(8,590)	(45,940)
FAIRBANKS	68,371,794	65,681,690	(690,095)	19,364,066	19,205,344	(158,722)	(848,817)
GALENA	1,537,153	1,523,303	(13,850)	388,631	385,448	(3,185)	(17,035)
HAINES	2,266,876	2,243,751	(23,125)	648,888	643,569	(5,319)	(28,444)
HOONAH /2	1,963,241	1,946,068	(17,175)	481,931	477,980	(3,951)	(21,126)
HYDABURG	977,873	969,653	(8,220)	230,653	228,763	(1,890)	(10,110)
IDITAROD	5,496,233	5,446,898	(49,335)	0	0	0	(49,335)
JUNEAU /2	21,852,487	21,610,332	(242,155)	6,794,869	6,739,174	(55,695)	(297,850)
KAKE	1,265,711	1,254,246	(11,465)	321,708	319,071	(2,637)	(14,102)
KASHUNAMIUT	1,980,254	1,962,019	(18,235)	0	0	0	(18,235)
KENAI /1	44,210,660	43,728,650	(482,010)	13,525,201	13,414,338	(110,863)	(592,873)
KETCHIKAN	9,754,055	9,640,205	(113,850)	3,194,631	3,168,446	(26,185)	(140,035)
KLAWOCK	1,506,757	1,492,897	(13,860)	308,912	385,724	(3,188)	(17,048)
KODIAK	13,742,286	13,504,421	(147,865)	4,149,002	4,115,083	(33,009)	(181,874)
KUSPUK	5,426,635	5,378,055	(48,580)	0	0	0	(48,580)
LAKE AND PENINSULA	6,789,934	6,730,144	(59,790)	1,677,707	1,663,956	(13,751)	(73,541)
LOWER KUSKOKWIM	38,315,241	37,067,156	(348,085)	0	0	0	(348,085)
LOWER YUKON	13,851,625	13,713,910	(137,715)	0	0	0	(137,715)
MAT-SU	56,163,766	55,630,541	(533,225)	14,962,294	14,839,652	(122,642)	(655,867)
NENANA	1,528,611	1,515,531	(13,080)	367,025	364,016	(3,009)	(16,089)
NOME	4,589,588	4,546,863	(42,725)	1,198,864	1,189,037	(9,827)	(52,552)
NORTH SLOPE	11,289,387	11,148,742	(140,645)	24,582,337	24,582,337	0	(140,645)
NORTHWEST ARCTIC	17,606,207	17,445,507	(160,610)	4,506,717	4,469,776	(36,041)	(197,651)
PELICAN	569,086	563,936	(5,130)	143,948	142,768	(1,180)	(6,310)
PETERSBURG /2	3,227,769	3,184,524	(33,245)	832,855	825,208	(7,647)	(40,892)
PRIIBILOF	2,011,494	1,992,259	(19,235)	0	0	0	(19,235)
SITKA /1	6,666,245	6,593,895	(72,350)	2,030,141	2,013,501	(16,640)	(88,990)
SKAGWAY	761,123	751,828	(9,295)	260,818	258,680	(2,138)	(11,433)
SOUTHEAST	3,737,413	3,703,378	(34,035)	0	0	0	(34,035)
SOUTHWEST	6,758,688	6,695,348	(63,340)	0	0	0	(63,340)
ST. MARY'S	1,300,655	1,387,385	(12,270)	344,298	341,474	(2,822)	(15,092)
TANANA	1,178,033	1,167,938	(10,095)	283,266	280,944	(2,322)	(12,417)
UNALASKA	1,637,671	1,615,021	(21,750)	715,403	715,403	0	(21,750)
VALDEZ	3,419,406	3,376,601	(42,805)	1,967,565	1,967,565	0	(42,895)
WRANGELL	2,625,110	2,599,130	(25,980)	728,999	723,023	(5,976)	(31,956)
YAKUTAT	1,387,078	1,374,613	(12,465)	349,768	346,901	(2,867)	(15,332)
YUKON FLATS	5,515,969	5,466,094	(49,875)	0	0	0	(49,875)
YUKON/KOYUKUK	6,054,395	6,989,195	(65,200)	0	0	0	(65,200)
YUPIIT	4,266,823	4,225,468	(41,355)	0	0	0	(41,355)
ALYESKA CORRES.	3,918,213	3,886,097	(32,116)	0	0	0	(32,116)
ML EDGECUMBE	1,650,660	1,637,130	(13,530)	0	0	0	(13,530)
OTHER	26,027,260	25,957,936	(69,324)	0	0	0	(69,324)
TOTALS	\$049,839,000	\$643,401,060	(\$0,437,940)	\$164,071,961	\$162,950,611	(\$1,121,370)	(\$7,559,310)

/1 - Indicates municipal school districts at the local cap. These districts will lose both state and local funds due to proration of foundation formula.

/2 - Indicates municipal school districts that can make up some of the loss, but not all from local sources due to proration of foundation formula.

A:

See
Inside.



Proposed Formula-Legislative Wording

*Sec. __ AS 14.17.041 is amended by adding a new subsection to read:

(e) In a district that consists of a single funding community with an average daily membership of 800 or fewer students, the elementary and secondary instructional units received under (a) or (b) of this section shall be multiplied by the factor determined under the following table:

District ADM	Factor
1-250	1.12
251-525	1.08
526-800	1.06

*Sec. __ This Act takes effect _____.

For more information on the single site funding issue, contact:

Al Weinberg, Chairperson
Single Site School District Consortium
Phone: 858-7713 Fax: 858-7328

Wanda J. Cooksey, Consultant
Single Site School District Consortium
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Q:

How can
you help
6,000
Students
in the
State of
Alaska?

SMALL SINGLE SITE SCHOOL DISTRICTS

Who are they?

Districts with:

- enrollment of 800 or fewer average daily membership (ADM)
- funding limited to one funding community

How many districts?

- 39% of Alaska's 54 districts

What kind of districts?

- Geographically small
- Rural
- Small city
- REAA

Where are these districts?

Aleutian Region	Annette Islands
Cordova	Craig
Dillingham	Galena
Hoonah	Hydaburg
Kake	Kashunamiut
Klawock	Nenana
Nome	Pelican
Petersburg	Skagway
St. Mary's	Tanana
Unalaska	Wrangell
Yakutat	

Are all small schools in small single site school districts?

No. There are school districts covering large geographical areas that have several small schools within the area/district.

What makes small single site school districts different?

A small district, with only one (single) funding community according to the foundation formula, is funded at a substantially lower level per student than is a district of the same enrollment with multiple funding communities.

How many students are affected by this funding situation?

Approximately 6,000.

How can this situation be remedied?

The state law can be amended to add a supplemental funding formula for those small schools that are also a small district.

What would this amendment do for the overall cost of education?

- It would increase the foundation entitlement by approximately \$3.2 million.
- This increase is about .5% of the overall K-12 foundation appropriation.

How long has this situation existed?

Since the foundation formula was amended in 1987.

Has this difference of funding just been discovered?

No. Debate at the time the funding law was changed showed concern for these small school districts.

How have these schools operated since 1987?

Separate legislative appropriations have been made to provide additional district support.

Is there an agreed upon amendment to the foundation formula?

Yes. All 21 small single site school districts agree on a formula that will resolve this issue.

The formula has also received support from the State Board of Education, the Alaska Association of School Administrators, the Association of Alaska School Boards, and NEA-Alaska.

See reverse side for proposed legislative wording.

SINGLE SITE SCHOOL DISTRICT CONSORTIUM

985 KSD WAY
CHEVAK, ALASKA 99563

(907) 858-7713
FAX 858-7328

POSITION PAPER

The Single Site School District Consortium consists of twenty-one single-funding-community school districts with 800 or fewer students in average daily membership (ADM). The Consortium seeks an amendment to the Foundation Formula that adjusts for what we believe to be an inherent inequity.

When the current Foundation Formula was adopted in 1987, the Legislature recognized that certain unintended adverse impacts may result. Almost every year since that time, adjustments have been made to accommodate for these impacts. Most commonly, and almost exclusively for the past five years, these adjustments have taken the form of supplemental noncategorical funds in specific Legislative appropriations directed to single site districts. For the past three years, the following formula (proposed by the Consortium) has been used to generate these supplemental appropriations:

ADM	FACTOR
1 - 250	1.12
251 - 525	1.08
526 - 800	1.06

Although this formula has been used to determine supplemental funding, it has not yet been enacted into law as an amendment to the Foundation Program. The Consortium supports such an amendment as has the State Board of Education, the Association of Alaska School Boards, the Alaska Association of School Administrators, and NEA-Alaska.


The problem with the present Foundation Formula, as it affects single site school districts, is what is referred to as the *front-end load*. Up to the first ten students in a funding community produce two K - 12 instructional units (\$122,000 exclusive of the area cost differential). As ADM increases, more and more students are required to produce a K - 12 instructional unit. Single site districts benefit from this *front-end load* only once, while multiple site districts take advantage of it for each funding community. Admittedly, there are incremental additional costs associated with the operation of multiple sites. However, the Consortium contends that the funding disparity between single and multiple site districts under the present Foundation Formula is unwarranted.

A graphic example of this disparity is seen in the table at right comparing two districts with similar FY '96 ADM-- Alaska Gateway, a multiple site district on the highway system, and Wrangell, a single site district. Notably, the single site district, with 19 more students, accrues *substantially* less revenue from K - 12 instructional units than does the multiple site district. (The area cost differential is not included, as it is intended to equalize dollars across the state.) Even with the FY '96 single site supplemental of \$159,820, Wrangell still receives \$1,050,420 (37.7%) less than Alaska Gateway. The Consortium believes that this difference is more than ample to accommodate for Alaska Gateway's additional costs necessitated by multiple site operations.

Ak. Gateway	536 ADM	\$3,834,460
Wrangell	555 ADM	2,624,220
Difference		(\$1,210,240)
		(46.0%)

In conclusion, it is clear that for several years the Legislature has recognized an inequity in the Foundation Formula impacting small single site school districts. To address this inequity, supplemental funds have been appropriated for these districts. Given the years of supplemental funding, these additional noncategorical revenues have become institutionalized in the budgets of small single site districts. If the supplements are discontinued, the adverse impacts on these districts' operations and programs will be severe. As can be noted in the example discussed above, Wrangell's FY '96 single site supplement amounts to approximately 6% of that district's noncategorical state aid. Obviously, a revenue reduction of 6% would have a very serious impact on any school district.

Signed:


B. A. Weinberg, Chairperson
SINGLE SITE SCHOOL DISTRICT CONSORTIUM
February 27, 1996

SB 244/HB 452

Sec. 4

Small Single Site School District Formula

HISTORY: How Did We Get Here?

The issue of funding for a group of small single site school districts has been with Alaska since the 1987 revision of the foundation formula. At the time Title 14 Chapter 17 was amended a special appropriation was made to mitigate the effect of the new formula on small single site school districts. Additional funding for small single site school districts has been appropriated every year thereafter.

In 1992, Dr. Nat Cole, the author of the current foundation formula, found that, as a group, small single site school districts with 800 or fewer ADM had been adversely impacted by the 1987 revisions. He recommended a formula that would remedy the inequities he found and maintain the integrity of the existing foundation formula.

STATUS: What Is The Situation?

The formula in SB 244/HB 452 is the adjustment recommended by Dr. Cole. Dr. Cole acknowledges an oversight in the legislative drafting that led to the present situation.

The group of 21 school districts known as small single site school districts has received grants annually. These grants have been appropriated by the legislature to the Department of Education. In recent years they have been classified in the budget as Additional District Support. Since 1992 these grant amounts have been based on the formula you find in SB 244/HB 452. These funds, although paid outside the foundation formula, have been institutionalized as state funding in the school districts' budgets. The funding, around \$3 million, represents approximately 6%-12% over foundation payments for these districts. Any district would be seriously harmed with a 6% - 12% budget reduction.

REMEDY: What Will Fix It?

Section 4 of SB 244/HB 452 places the recommended formula **INTO** the foundation formula. Enactment of Section 4 will eliminate the need to appropriate grants annually, outside the formula, for 39% of Alaska school districts.

No fiscal note accompanies Section 4 of SB 244/HB 452 as the appropriation is in SB 213/HB 412 the Operating Budget for 1997. The request is in the Department of Education budget at maintenance levels as it is not new funding.

This formula known as the "single site fix" is supported by the Alaska Association of School Administrators, the Association of Alaska School Boards, NEA-Alaska, The State Board of Education, and **ALL** 21 of the small single site school districts.

Respectfully, I request your consideration and passage of the recommended remedy as set forth in Section 4.