

**SB**

**244**

**SFIN**

**FILE**

# SENATE FINANCE COMMITTEE REPORT

DATE: 3/6/96

DATE TURNED INTO OFFICE: 4-11-96

The Finance Committee considered SB 244

Relating to state foundation aid and supplementary state aid for education.

CS (Fix)  
+  
New DOE  
fiscal  
note coming

and recommends:

- be replaced with \_\_\_\_\_ CS SB 244 (Fix)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:**
- same title
  - new title
- House Bill:**
- same title
  - technical change
  - new: SCR# \_\_\_\_\_

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>Steve Rin</i>	✓		
		<i>Roll E. Kelly</i>	✓		
		<i>James J. Donley</i>	✓		
		<i>Paul T. Haroff</i>	✓		(No simple/ dual s. for -1?)
		<i>Bob Sharp</i>	✓		
Co-Chair: <i>[Signature]</i>	✓	Co-Chair: _____			
Co-Chair: <i>[Signature]</i>		Co-Chair: <i>Rick Halford</i>	✓		

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal
<i>DOE</i>	<i>4/11/96</i>		<i>20.2</i>

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

# FISCAL NOTE

No. 1

Bill Version: SB 244

(S) Publish Date: 1/26/1996

**STATE OF ALASKA**

**1996 LEGISLATIVE SESSION**

Revision Date: \_\_\_\_\_

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

Sponsor: Rules Committee

Requester: Governor

Department Affected: Education

BRU: K-12

Component: Foundation Program

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						
<b>TOTAL OPERATING</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES</b>						
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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						
<b>TOTAL</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>

**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  
 Division: School Finance  
 Approved by Commissioner: *[Signature]*  
 Agency: Education

Phone: 465-8685  
 Date: January 19, 1996  
Shirley Holloway, Ph. D.  
 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	IDIAROD	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

3/26/96

# 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						
<b>TOTAL OPERATING</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>

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 CF	223.8	223.8	223.8	223.8	223.8	223.8
1005 GF/Program Receipts						
Other						
<b>TOTAL</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>

### 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  
 Division: School Finance  
 Approved by Commissioner: *Shirley Holloway*  
 Agency: Education

Phone: 465-8685  
 Date: January 19, 1996  
Shirley Holloway, Ph. D.  
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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	1.82	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 KUSOKWIM	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	43.56	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
<b>TOTALS</b>	<b>126,591.89</b>	<b>9,692.16</b>	<b>45.29</b>		<b>51.63</b>	<b>\$3,494,430</b>

	A	B	C	D
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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
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14	ANNETTE ISLANDS	50,816	22,525	(28,291)
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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	\$1,019,348	\$1,242,175	\$223,827

# FISCAL NOTE

STATE OF ALASKA

BILL NO. CSSB244(FIN)

1996 LEGISLATIVE SESSION

Revision Date: 4/11/96

Department Affected: Education

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

BRU: K-12

Sponsor: Rules Committee

Component: Foundation

Requester: Senate Finance Committee

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	20.2	20.2	20.2	20.2	20.2	20.2
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>20.2</b>	<b>20.2</b>	<b>20.2</b>	<b>20.2</b>	<b>20.2</b>	<b>20.2</b>

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	20.2	20.2	20.2	20.2	20.2	20.2
1005 GF/Program Receipts						
1006 GF/MHTTA						
Other						
<b>TOTAL</b>	<b>20.2</b>	<b>20.2</b>	<b>20.2</b>	<b>20.2</b>	<b>20.2</b>	<b>20.2</b>

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY96) impact: \$ 311.7

ANALYSIS: (Attach a separate page if necessary.)

Refer to attached spreadsheet for fiscal impact of sections 1 and 2 of the legislation. Section 3 contains a hold-harmless provision which provides school districts with the same level of foundation revenue they were entitled to prior to implementation of this legislation.

Prepared by: Eddy Jeans, Project Assistant

Phone: 465-8685

Division: School Finance

Date: April 11, 1996

Approved by Commissioner: Shirley J. Holloway

Shirley Holloway, Ph. D., Commissioner

Agency: Education

Date: April 11, 1996

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ALASKA DEPARTMENT OF EDUCATION  
 FY96 FOUNDATION PROGRAM  
 CS SB244(FIN)

	Section 1 96% Impact Aid	Section 2 \$500 per Adj. Unit	Net Adjustment	Section 3 Hold Harmless
ADAK	0	0	0	0
ALASKA GATEWAY	(25,907)	45,040	19,133	0
ALEUTIAN REGION	(3,930)	5,005	1,075	0
ALEUTIANS EAST	0	0	0	0
ANCHORAGE	0	0	0	0
ANNETTE ISLANDS	(65,778)	22,795	(42,983)	42,983
BERING STRAIT	(258,696)	159,600	(99,096)	99,096
BRISTOL BAY	0	0	0	0
CHATHAM	(34,618)	26,840	(7,778)	7,778
CHUGACH	(10,227)	15,190	4,963	0
COPPER RIVER	(6,801)	45,935	39,134	0
CORDOVA	0	0	0	0
CRAIG	0	0	0	0
DELTA/GREELEY	(51,764)	49,090	(2,674)	2,674
DENALI	0	0	0	0
DILLINGHAM	0	0	0	0
FAIRBANKS	0	0	0	0
GALENA	0	0	0	0
HAINES	0	0	0	0
HOONAH	0	0	0	0
HYDABURG	0	0	0	0
IDITAROD	(38,101)	47,895	9,794	0
JUNEAU	0	0	0	0
KAKE	0	0	0	0
KASHUNAMIUT	(27,656)	18,100	(9,556)	9,556
KENAI	0	0	0	0
KETCHIKAN	0	0	0	0
KLAWOCK	0	0	0	0
KODIAK	0	0	0	0
KUSPUK	(43,067)	46,345	3,278	0
LAKE AND PENINSULA	0	0	0	0
LOWER KUSKOKWIM	(304,641)	335,370	30,729	0
LOWER YUKON	(266,669)	138,310	(128,359)	128,359
MAT-SU	0	0	0	0
NENANA	0	0	0	0
NOME	0	0	0	0
NORTH SLOPE	0	0	0	0
NORTHWEST ARCTIC	0	0	0	0
PELICAN	0	0	0	0
PETERSBURG	0	0	0	0
PRIBILOF	(21,162)	19,655	(1,507)	1,507
SITKA	0	0	0	0
SKAGWAY	0	0	0	0
SOUTHEAST	(27,339)	35,995	8,656	0
SOUTHWEST	(62,721)	61,195	(1,526)	1,526
ST. MARY'S	0	0	0	0
TANANA	0	0	0	0
UNALASKA	0	0	0	0
VALDEZ	0	0	0	0
WRANGELL	0	0	0	0
YAKUTAT	0	0	0	0
YUKON FLATS	(43,513)	53,700	10,187	0
YUKON/KOYUKUK	(57,362)	66,610	9,248	0
YUPIIT	(57,898)	39,705	(18,193)	18,193
<b>TOTALS</b>	<b>(\$1,407,850)</b>	<b>\$1,232,375</b>	<b>(\$175,475)</b>	<b>\$311,672</b>

	A	B	C	D
1	ALASKA DEPARTMENT OF EDUCATION			
2	PROJECTED FY97 FOUNDATION PROGRAM			
3	Revised based on CS SB244(FIN)			
4				
5		Section 1	Section 2	
6		96%	\$500 per	Net
7		Impact Aid	Adj. Unit	Change
8				
9	ADAK	\$0	\$0	\$0
10	ALASKA GATEWAY	22,832	44,245	21,413
11	ALEUTIAN REGION	3,421	4,670	1,249
12	ALEUTIANS EAST	0	0	0
13	ANCHORAGE	0	0	0
14	ANNETTE ISLANDS	60,980	22,525	(38,455)
15	BERING STRAIT	207,308	164,585	(42,723)
16	BRISTOL BAY	0	0	0
17	CHATHAM	39,095	27,360	(11,735)
18	CHUGACH	7,513	15,100	7,587
19	COPPER RIVER	4,835	44,615	39,780
20	CORDOVA	0	0	0
21	CRAIG	0	0	0
22	DELTA/GREELY	53,771	44,085	(9,686)
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	34,842	49,335	14,493
31	JUNEAU	0	0	0
32	KAKE	0	0	0
33	KASHUNAMIUT	16,294	18,235	1,941
34	KENAI	0	0	0
35	KETCHIKAN	0	0	0
36	KLAWOCK	0	0	0
37	KODIAK	0	0	0
38	KUSPUK	33,342	48,580	15,238
39	LAKE AND PENN.	0	0	0
40	LOWER KUSKOKWIM	276,742	348,085	71,343
41	LOWER YUKON	196,640	137,715	(58,925)
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	22,345	19,235	(3,110)
50	SITKA	0	0	0
51	SKAGWAY	0	0	0
52	SOUTHEAST	27,657	34,035	6,378
53	SOUTHWEST	64,588	63,340	(1,246)
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	37,919	49,875	11,956
61	YUKON/KOYUKUK	60,000	65,200	5,200
62	YUPIIT	51,899	41,355	(10,544)
63				
64	TOTALS	\$1,222,021	\$1,242,175	\$20,154

WORK DRAFT

WORK DRAFT

WORK DRAFT

4-11-96  
SF  
Moved  
Adopted

9-GS2043V  
Ford  
4/4/96

Amend. #1  
p-2  
lines 17-19  
deleted  
(Adopted)

CS FOR SENATE BILL NO. 244(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:  
Referred:

Sponsor(s): SENATE 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) Beginning July 1, 1995,  
6 the amount of state foundation aid for which a city or borough school district may  
7 qualify in a fiscal year is calculated by subtracting from the basic need defined in (c)  
8 of this section the required local contributions under AS 14.17.025(a) and 90 percent  
9 of eligible federal impact aid for that fiscal year.

10 (b) Beginning July 1, 1995, the amount of state foundation aid for which a  
11 regional educational attendance area may qualify in a fiscal year is calculated by  
12 subtracting from the basic need defined in (c) of this section 96 percent of eligible  
13 federal impact aid for that fiscal year.

14 (c) The basic need of a school district is determined by multiplying the area

1 cost differential of the district under AS 14.17.051 by the number of instructional units  
 2 in the district under AS 14.17.031 and then multiplying that product by the  
 3 instructional unit value in AS 14.17.056.

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

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

7 Sec. 14.17.026. SUPPLEMENTARY STATE AID FOR REGIONAL  
 8 EDUCATIONAL ATTENDANCE AREAS. (a) Beginning July 1, 1995, in addition  
 9 to the state foundation aid for which a regional educational attendance area may  
 10 qualify under AS 14.17.021(b), a regional educational attendance area may qualify for  
 11 supplementary state aid. The amount of supplementary state aid for which a regional  
 12 educational attendance area may qualify in a fiscal year is calculated by multiplying  
 13 the area cost differential of the regional educational attendance area under  
 14 AS 14.17.051 by the number of instructional units in the regional educational  
 15 attendance area determined under AS 14.17.031 and then multiplying that product by  
 16 a unit allotment of \$500.

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

20 \* Sec. 3. TRANSITION. Notwithstanding the provisions of this Act, if, for fiscal year  
 21 1996, a city or borough school district or a regional educational attendance area would receive  
 22 less foundation aid under this Act than the city or borough school district or regional  
 23 educational attendance area would have received under AS 14.17 without enactment of this  
 24 Act, the school district or attendance area is eligible to receive foundation aid for fiscal year  
 25 1996 equal to the amount that would have been received under AS 14.17 without the  
 26 enactment of this Act.

27 \* Sec. 4. Sections 1 - 3 of this Act are retroactive to July 1, 1995.

28 \* Sec. 5. This Act takes effect immediately under AS 01.10.070(c).

4/11/96  
 SF  
 moved  
 to  
 remove  
 (2)  
 object  
 4-1

JFC-96

4/2/96

Sen. 2

distributed

for

consideration

in CS(Fin)

AMENDMENT

OFFERED IN THE SENATE

TO: SB 244

1 Page 3, after line 11:

2 Insert a new bill section to read:

3 **\*\* Sec. 5.** AS 14.17.250(4) is amended to read:

4 (4) "eligible federal impact aid" for a fiscal year means the amount of  
5 federal aid received by the district as of March 1 of the fiscal year as payment for its  
6 entitlement for the application submitted during the preceding fiscal year, including  
7 advance payments, and adjustments received since March 1 of the preceding fiscal  
8 year from prior year applications, under 20 U.S.C. 7701 - 7714 [20 U.S.C. 237-239  
9 (P.L. 81-874, SECS. 2-4)], as amended, except payments received under 20 U.S.C.  
10 7703(f)(2)(B) or payments received for children receiving preschool education [20  
11 U.S.C. 238(d)(3)(B)(ii) (P.L. 81-874, SEC. 3(d)(2)(B)(ii))], to the extent the state may  
12 consider that aid as local resources under that Act and the regulations adopted under  
13 it;"

14 Renumber the following bill section accordingly.

# 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
- Small city
- Rural
- 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?

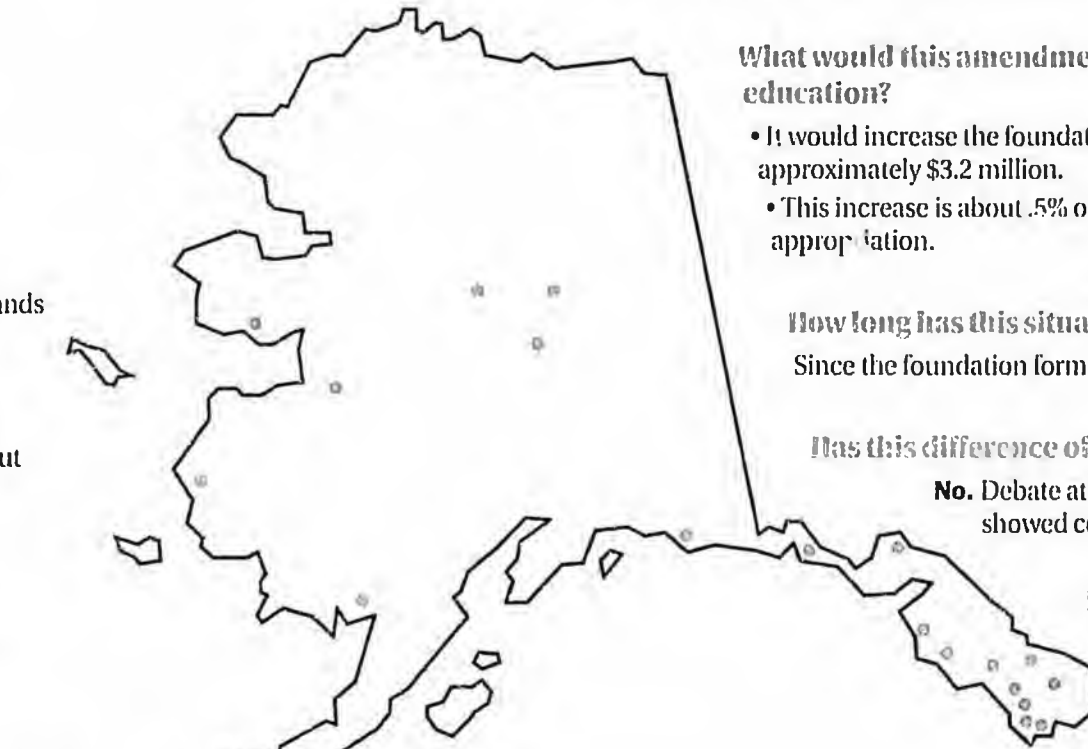
Separate legislative appropriations have been made to provide additional district support.

## 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.*



# 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

Phone: 586-9073 Fax: 586-5772



Printed on recycled paper

# Q:

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

# 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

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

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.

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.

## SENATE BILL NO. 244

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/26/96

Referred: HES, FIN

## 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  
8 required local contributions under AS 14.17.025(a) and 90 percent of eligible federal  
9 impact aid 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  
13 fiscal year.

14 (c) The basic need of a school district is determined by multiplying the area

1 cost differential of the district under AS 14.17.051 by the number of instructional units  
2 in the district under AS 14.17.031 and then multiplying that product by the  
3 instructional unit value in AS 14.17.056.

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

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

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

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

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

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

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

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

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

1 (4) the number of units for bilingual education determined under  
2 AS 14.17.047.

4/11/96

Amend  
# 2

② 1-5

3 \* Sec. 4. AS 14.17.041 is amended by adding a new subsection to read:

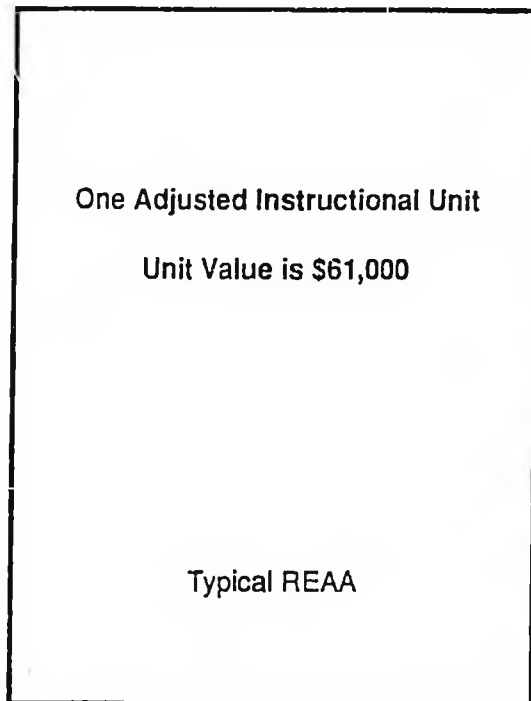
4 (c) For districts that consist of one funding community with an ADM of 900  
5 or less, the elementary and secondary instructional units determined under (a) or (b)  
6 of this section are increased by multiplying those units by the percentage set out in the  
7 following table:

Failed

8	ADM	Percentage
9	1 - 250	12
10	251 - 525	8
11	526 - 900	6

12 \* Sec. 5. This Act takes effect July 1, 1996.

Department of Education  
Foundation Program  
Disparity Computations



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%

Source:

Excess unit value is \$14,030

Local

One Adjusted Instructional Unit

Unit Value is \$61,000

Sources:

State - Foundation Aid

Federal - Impact Aid

Local - 4 Mill Required Local

Typical City \ Borough

Department of Education  
Foundation Program  
Disparity Computations

Total Value including Excess local is \$75,030

Allowable local excess at 23%

Source:

Excess unit value is \$14,030

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	Includes single site appropriations.										
5	<b>Preliminary Disparity Test FY95 - Excludes Supplemental \$500 Unit Allocation to REAAs</b>										
6		FY95 Actual	Adjustments	Budgeted	Budgeted	SUB-TOTAL	Budgeted	Budgeted	Budgeted	Budgeted	SUB-TOTAL
7	SCHOOL	Foundation	Based on	State	Other State	STATE	City/Borough	Earnings on	Other Local	In-Kind	LOCAL
8	DISTRICT	Payments	budget	Tuition	Revenue	REVENUE	Appropriations	Investments	Revenue	Services	REVENUE
9											
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	3,296,449	6,703	0	0	3,303,152	3,946,990	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	578,779
13	UNALASKA	1,686,016	5,552	0	200,690	1,892,258	1,385,800	20,000	35,936	0	1,441,736
14	HYDABURG	977,477	0	0	108,080	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	26,671,537
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	9,624,799	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	1,520,331	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 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	166,530	1,540,448	0	0	0	0	0
33	ANCHORAGE	179,878,890	0	950,000	983,500	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	125,925
35	NENANA	1,497,731	0	0	164,090	1,661,821	58,514	5,000	5,272	0	68,786
36	CRAIG	2,275,901	0	0	151,890	2,427,791	296,273	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	544,061	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	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	452,500	3,688,900
44	ADAK	0	0	0	0	0	0	0	0	0	0
45	NW ARCTIC	16,268,410	0	0	0	16,268,410	846,708	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	4,916,797	0	0	0	4,916,797	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	5,193,156	0	0	0	5,193,156	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	MI. 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 Budgets	FY95	Revenue		
7	SCHOOL	Other	Federal	Other Federal	FEDERAL	Fund	TOTAL	Adjusted	per Adjuste		
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	33.59	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	16.44	77,047		
15	WRANGELL		1,775	0	1,775	21,500	3,948,924	52.01	75,926		
16	ISKAGWAY		0	0	0	0	1,310,860	17.30	75,772		
17	KAKE		63,179	0	63,179	6,684	1,750,624	23.21	75,328		
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	4,859,564	65.20	74,533		
22	HAINES		9,815	0	9,815	0	3,123,900	42.01	74,361		
23	KETCHIKAN		3,419	0	3,419	0	16,348,865	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		4,279,980	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	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	43.24	69,939		
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	68,901		
35	NENANA		1,695	0	1,695	12,740	1,745,042	25.54	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	6,37,470	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	66,288		
42	CORDOVA		24,734	0	24,734	35,000	3,576,590	54.19	66,001		
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		1,193,884	0	1,193,884	415,168	20,037,382	306.43	65,455		
46	BERING STRAIT	1,070,100	4,457,162	0	4,467,162	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	6,499,670	101.47	64,055		
49	AK GATEWAY	95,000	444,493	0	444,493	140,000	5,596,290	87.89	63,674		
50	YUPIIT	110,000	998,670	0	998,670	90,000	4,967,760	78.16	63,559		
51	DELTA/GREELY	100,000	893,073	75,000	968,073	75,000	6,789,200	107.20	63,332		
52	SOUTHWEST	235,000	967,582	0	967,582	0	7,244,510	114.91	63,045		
53	IDITAROD	86,300	527,424	0	527,424	80,000	5,886,880	93.78	62,773		
54	PRIBILOF	56,000	337,731	0	337,731	0	2,214,790	35.39	62,582		
55	YUKON/KOYUKUK	105,000	979,352	0	979,352	80,000	8,048,510	128.91	62,435		
56	LOWER YUKON	380,000	4,609,641	0	4,609,641	0	16,548,050	265.05	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	66,993	0	66,993	0	638,740	10.34	61,774		
62	SOUTHEAST	47,800	483,473	0	483,473	10,669	4,735,949	76.68	61,763		
63	KUSPUK	43,949	752,048	0	752,048	0	5,555,299	90.35	61,486		
64	ML. 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.										
5	<b>Preliminary Disparity Test FY95 - Includes Supplemental \$500 Unit Allocation to REAs</b>										
6		FY95 Actual	Adjustments	Budgeted	Budgeted	SUB-TOTAL	Budgeted	Budgeted	Budgeted	Budgeted	SUB-TOTAL
7	SCHOOL	Foundation	Based on	State	Other State	STATE	City/Borough	Earnings on	Other Local	In-Kind	LOCAL
8	DISTRICT	Payments	budget	Tuition	Revenue	REVENUE	Appropriations	Investments	Revenue	Services	REVENUE
9											
10	NORTH SLOPE	10,603,231	0	0	40,000	10,043,231	27,863,000	0	50,000	0	27,913,000
11	VALDEZ	3,296,449	6,703	0	0	3,303,152	3,946,990	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	578,779
13	UNALASKA	1,686,016	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	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	272,300	0	44,444,461	20,601,573	0	75,000	5,995,064	26,671,537
21	PETERSBURG	3,196,745	0	1,518	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	9,624,799	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	13,545	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 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	9,358	122,000	1,262,229	0	10,000	1,000	98,000	109,000
31	ANNETTE ISLAND	1,373,918	0	0	188,150	1,562,068	0	0	0	0	0
32	YAKUTAT	1,290,931	0	0	126,270	1,417,201	176,620	2,000	9,362	0	187,982
33	ANCHORAGE	179,878,890	0	960,000	983,500	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	125,925
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	151,890	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	PELICAN	544,061	0	0	56,730	600,791	53,179	3,000	10,500	0	66,679
40	ST. MARY'S	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	BERING 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
46	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	43,945	4,960,742	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
52	SOUTHWEST	6,041,928	0	0	57,455	6,099,383	0	0	0	0	0
53	IDITAROD	5,193,156	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	CHUGACH	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	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	\$2,753,916	\$6,809,192	\$605,127,832	\$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	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	449,387	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	33.59	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	16.44	77,047		
15	WRANGELL		1,775	0	1,775	21,500	3,946,924	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	75,328		
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	4,859,564	65.20	74,533		
22	HAINES		9,815	0	9,815	0	3,123,900	42.01	74,361		
23	KETCHIKAN		3,419	0	3,419	0	16,348,865	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		4,279,980	125,000	4,404,980	100,000	93,698,523	1,313.15	71,354		
28	ALEUTIANS E/ST		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	60,000	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	3,816.80	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	66,286		
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 STRAIT	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	18,428,107	280.71	65,648		
46	NW ARCTIC		1,193,884	0	1,193,884	415,168	20,057,382	306.43	65,455		
47	CHATHAM	40,000	588,013	100,000	688,013	24,000	3,406,895	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	78.16	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	PRIBILOF	56,000	337,731	0	337,731	0	2,232,485	35.39	63,082		
55	YUKON/KOYUKUK	105,000	979,352	0	979,352	80,000	8,112,965	128.91	62,935		
56	LOWER YUKON	380,000	4,609,641	0	4,609,641	0	16,680,575	265.05	62,934		
57	LOWER KUSKO.	850,000	5,240,546	0	5,240,546	0	39,266,590	624.66	62,861	Low	
58	COPPER RIVER	93,000	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	Mt. EDGE CUMBE		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	\$871,291,207	12,309.54	HIGH 75,243		
68								5%	LOW 62,861		
69								615.48	DIFF 12,382		
70									DISPARITY 19.70%		

Separate  
document

ALASKA DEPARTMENT OF EDUCATION  
PROJECTED FY97 FOUNDATION PROGRAM ALLOCATIONS

G:\distdup\97found\FND97PJ.XLS, proration

Unit Value >>>	Full Funding	Prorated		Full Funding	Prorated	Change in	Potential loss
	\$61,000	\$60,500		\$61,000	\$60,500		
	Foundation	Foundation	Loss of	Excess	Excess	Excess	of Revenue
	Entitlement	Allocation	State Aid	Local	Local	Local	Column D plus
							Column G
ADAK	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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	1,833,349	1,810,823	(22,525)	0	0	0	(22,525)
BERING STRAIT	16,969,751	16,805,166	(164,585)	0	0	0	(164,585)
BRISTOL BAY	1,873,234	1,851,274	(21,960)	616,198	611,147	(5,051)	(27,011)
CHATHAM	2,751,502	2,724,142	(27,360)	0	0	0	(27,360)
CHUGACH	1,729,510	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)	1,048,041	1,039,451	(8,590)	(45,940)
FAIRBANKS	66,371,794	65,681,699	(690,095)	19,364,066	19,205,344	(158,722)	(848,817)
GALENA	1,537,153	1,523,303	(13,850)	388,631	385,446	(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	1,946,066	(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	(492,010)	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)	388,912	385,724	(3,188)	(17,048)
KODIAK	13,742,286	13,594,421	(147,865)	4,149,092	4,115,083	(34,009)	(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	37,967,156	(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	17,445,597	(160,610)	4,506,717	4,469,776	(36,941)	(197,551)
PELICAN	569,066	563,936	(5,130)	143,948	142,768	(1,180)	(6,310)
PETERSBURG /2	3,227,769	3,194,524	(33,245)	932,855	925,208	(7,647)	(40,892)
PRIBILOF	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	1,399,655	1,387,385	(12,270)	344,296	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	1,615,921	(21,750)	715,403	715,403	0	(21,750)
VALDEZ	3,419,496	3,376,601	(42,895)	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	7,054,395	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)
Mt. EDGE CUMBE	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 \$649,839,800 \$643,401,860 (\$6,437,940) \$164,071,981 \$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.

**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 that 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.

*Alaska Department of Education*  
*Sectional Analysis for Foundation Formula Legislation*

**SB 244: "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 section 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 districts.

**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.

OFC - 3/27/96  
pm

**DEPARTMENT OF EDUCATION**  
**DIVISION OF SCHOOL FINANCE**

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

March 27, 1996

The Honorable Bert Sharp  
State Capitol, Room 514  
Juneau, Alaska 99801-1182

Dear Senator Sharp:

This letter is in response to Camden Toohey's March 26, 1996 request for information on Projected FY97 Foundation Program Entitlements.

Enclosed is a spreadsheet that includes projected Foundation Entitlements and projected FY97 average daily membership based on the final, revised October 15 reports received from school districts.

Please let me know if you have questions regarding the enclosed spreadsheet.

Sincerely,



Eddy Jeans  
Project Assistant

Enclosure

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

## DECEMBER 15, 1995, GOVERNOR'S FY97 BUDGET REQUEST

## ALASKA DEPARTMENT OF EDUCATION

## PROJECTED FY97 FOUNDATION PROGRAM ENTITLEMENTS

The enrollment and units are based on the final, revised October 15 reports received from school districts.

	Projected Foundation Entitlement	PROJ. FY97 ADM	Foundation Per ADM
ADAK	\$0	0.00	0
ALASKA GATEWAY	5,011,169	546.00	9,178
ALEUTIAN REGION	513,760	21.00	24,465
ALEUTIANS EAST	3,708,036	363.00	10,215
ANCHORAGE	179,293,520	46,601.00	3,847
ANNETTE ISLANDS	1,810,823	441.00	4,106
BERING STRAIT	16,805,166	1,786.00	9,409
BRISTOL BAY	1,851,274	294.00	6,297
CHATHAM	2,724,142	345.00	7,896
CHUGACH	1,714,410	137.00	12,514
COPPER RIVER	5,325,893	635.00	8,387
CORDOVA	2,656,584	536.00	4,956
CRAIG	2,314,256	424.00	5,458
DELTA/GREELY	4,527,725	852.00	5,314
DENALI	2,994,092	383.00	7,817
DILLINGHAM	3,801,655	598.00	6,357
FAIRBANKS	65,681,699	16,091.00	4,082
GALENA	1,523,303	160.00	9,521
HAINES	2,243,751	443.00	5,065
HOONAH	1,946,066	270.00	7,208
HYDABURG	969,653	107.50	9,020
IDITAROD	5,446,898	443.00	12,295
JUNEAU	21,610,332	5,552.00	3,892
KAKE	1,254,246	182.00	6,891
KASHUNAMIUT	1,962,019	252.00	7,786
KENAI	43,728,650	10,401.00	4,204
KETCHIKAN	9,640,205	2,850.00	3,383
KLAWOCK	1,492,897	230.00	6,491
KODIAK	13,594,421	2,897.21	4,692
KUSPUK	5,378,055	498.00	10,799
LAKE AND PENINSULA	6,730,144	506.00	13,301
LOWER KUSKOKWIM	37,967,156	3,537.50	10,733
LOWER YUKON	13,713,910	1,761.39	7,786
MAT-SU	55,630,541	12,115.00	4,592
NENANA	1,515,531	170.00	8,915
NOME	4,546,863	701.75	6,479
NORTH SLOPE	11,148,742	1,889.68	5,900
NORTHWEST ARCTIC	17,445,597	1,998.00	8,732
PELICAN	563,936	40.00	14,098
PETERSBURG	3,194,524	774.00	4,127
PRIBILOF	1,992,259	207.00	9,624
SITKA	6,593,895	1,803.00	3,657
SKAGWAY	751,828	140.00	5,370
SOUTHEAST	3,703,378	364.00	10,174
SOUTHWEST	6,695,348	689.00	9,717
ST. MARY'S	1,387,385	140.00	9,910
TANANA	1,167,938	100.00	11,679
UNALASKA	1,615,921	360.00	4,489
VALDEZ	3,376,601	910.00	3,711
WRANGELL	2,599,130	565.00	4,600
YAKUTAT	1,374,613	173.00	7,946
YUKON FLATS	5,466,094	402.00	13,597
YUKON/KOYUKUK	6,989,195	624.00	11,201
YUPIIT	4,225,468	383.00	11,033
ALYESKA CORRES.*	3,886,097	1,624.86	2,392
MT. EDGE CUMBE	1,637,130	275.00	5,953
TOTAL	\$617,443,924	126,591.89	

# STATE OF ALASKA

## DEPARTMENT OF EDUCATION OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR  
MAR 19 1996

GOLDBELT PLACE  
801 WEST 10TH STREET, SUITE 200  
JUNEAU, ALASKA 99801-1894

(907) 465-2800  
FAX (907) 465-4156

March 19, 1996

The Honorable Rick Halford, Co-Chair  
Senate Finance Committee  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182

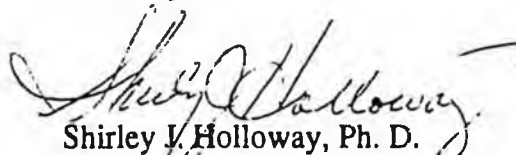
Dear Senator Halford:

I respectfully request that you schedule Senate Bill 244 for a hearing in the Senate Finance Committee at your earliest possible convenience.

As you know, SB 244 is a measure relating to state aid for education. This bill protects the ability of the Legislature to use approximately \$35 million in federal Impact Aid as a source of funding for the operations of public schools through the public school foundation program. Additionally, the measure fixes the long-standing problem of funding for single site school districts. A packet of back-up information is enclosed.

Thank you for your consideration.

Sincerely,

  
Shirley J. Holloway, Ph. D.  
Commissioner

Enclosures

cc: Senator Steve Frank, Co-Chair  
Senator Dave Donley  
Senator Randy Phillips  
Senator Steve Rieger  
Senator Bert Sharp  
Senator Fred Zharoff

TONY KNOWLES  
GOVERNOR



P.O. Box 110001  
Juneau, Alaska 99811-0001  
(907) 465-3500  
Fax (907) 465-3532

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 26, 1996

244

The Honorable Drue Pearce  
Senate President  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182

Dear President Pearce:

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.

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.

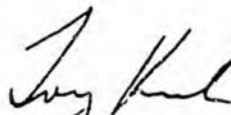
Unfortunately, this bill cannot help us achieve 20 percent disparity for FY 1996. To accomplish that, I will be requesting reallocating \$1.2 million in expected lapse money in this year's foundation formula program. That will provide additional funding to the REAs, mirroring what section 2 of this bill 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

**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 statute 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 that 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.

**Alaska Department of Education Sectional Analysis for Foundation Formula Legislation**

**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.

	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	172,758	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	TANAHA	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	\$1,016,348	\$1,242,175	\$223,827

# **SINGLE SITE SCHOOL DISTRICT CONSORTIUM**

985 K.SD 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:

<b>ADM</b>	<b>FACTOR</b>
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 of almost identical projected FY '95 ADM— Chugach, a multiple site district, and Skagway, a single site district. Notably, the single site district accrues *substantially* less revenue from K - 12 instructional units than does the multiple site district of comparable ADM. (The area cost differential is not included, as it is intended to equalize dollars across the state.)

Chugach	133 ADM	\$1,381,040
Skagway	135 ADM	215,000
Difference		(\$ 486,040)
		( 33.8%)

Even with the FY '95 single site supplemental of \$109,800 (exclusive of area cost differential), Skagway still receives \$356,240 (25.8%) less than Chugach. The Consortium believes that this difference is more than ample to accommodate for Chugach's additional costs necessitated by multiple site operations.

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, Skagway's FY '95 single site supplement amounts to 12% of that district's noncategorical State aid. Obviously, a revenue reduction of 12% would have a very serious impact on any school district.

The Single Site School District Consortium urges the Governor to support an amendment to the Foundation Formula, as shown on the previous page, so that small single site districts will have year-to-year assurance that they will have equitable funding under the Foundation Program. If you desire additional information on this issue, please feel free to contact me. Or, you may contact the Consortium consultant:

Wanda Cooksey  
PO Box 240052  
Douglas, Alaska 99824  
Phone 586-9073 FAX 586-5772.

Enclosed is a document regarding the justification for the single site formula adjustment prepared by Dr. Nathaniel Cole, one of the foremost authorities on Alaska school finance. Dr. Cole was one of the chief architects of the current Foundation Formula, yet he readily acknowledges that the Formula had unintended adverse impacts on small single site school districts.

Signed:



B. A. Weinberg, Chairperson  
SINGLE SITE SCHOOL DISTRICT CONSORTIUM

December 13, 1994

# Small Single Site School District Funding

## Issue

*To revise Title 14, Chapter 17 Public School Foundation Program to include an increase for schools with one funding community (site) and 200 or fewer average daily membership (ADM).*

## Background

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

A review of testimony on HB 126 (Chapter 91 SLA 1987), and the discussions in subsequent years on supplemental appropriations for single site school districts, shows that the Legislature believes there is a need for some adjustment in the foundation program for single site school districts. Certainly the passage of supplementals for FY88 (2), 90, 91, 92 and 93 shows there is a continuing need for additional support to single site districts. The major questions concerning the issue are: what site districts should receive additional support, how much support, and how to incorporate the adjustments into the foundation program?

## Analysis

There has been general agreement that single site districts as large as the Nome School District need some adjustment. For purposes of analysis single site school districts of 1000 or fewer in ADM will be divided into three groups, i.e. districts of 1-250 ADM, 251-525 ADM and 526-1,000 ADM. These groups are selected for analysis because they generally follow breakpoints in the present formula for K-12 instructional units. These districts were analyzed on a per ADM basis for changes that have occurred in state funding, local effort, P.L. 81-874 funds, fund balances, property values, supplemental support and pupil teacher ratios (PTR) since FY86. FY86 was selected as the base year because it had the highest state support for public education in the history of the State. The Aleutian Region REAA and the schools in the Aleutian East Borough were excluded from the analysis because of a lack of comparable data, and the North Slope Borough and Valdez City districts were excluded because of extremely high local property values.

## Analysis (continued)

The procedure that was used for analysis purposes was to:

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

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

## Findings

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

## Recommendation

The above analysis and findings support the following recommendation for increased support to single site school districts of 800 or fewer in ADM.

ADM	Percent of K-12 Units
1-250	12
251-525	8
526-800	6

*Analysis and Findings prepared for the Single Site School District Consortium by Dr. Naz Cole, January 28, 1992. Background updated and recommendation modified by Single Site School District Consortium February 1993.*

# FISCAL NOTE

STATE OF ALASKA  
1996 LEGISLATIVE SESSION

BILL NO. SB 244/HB 452

Revision Date: \_\_\_\_\_  
Title: An act relating to state foundation aid and  
supplementary state aid for education  
Sponsor: Rules Committee  
Requester: Governor

Department Affected: Education  
BRU: K-12  
Component: Foundation Program

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						
<b>TOTAL OPERATING</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES						
--------------------	--	--	--	--	--	--

**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						
<b>TOTAL</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>	<b>223.8</b>

**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  
Division: School Finance  
Approved by Commissioner: *[Signature]*  
Agency: Education

Phone: 465-8685  
Date: January 19, 1996  
Shirley Holloway, Ph. D.  
Date: January 19, 1996

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For further distribution information call the Governor's Legislative Office

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	40,250
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	1.82	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
<b>TOTALS</b>	<b>126,591.89</b>	<b>9,692.16</b>	<b>45.29</b>		<b>51.63</b>	<b>\$3,149,430</b>



Official Business

# Alaska State Legislature

## SENATE

State Capitol  
Juneau, Alaska 99801-1182  
(907) 465-3701

March 6, 1996

### MEMO TO FILE

TO: Finance Committee

BILL/RES. NO.: SENATE BILL NO. 244

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

ATTENTION: Nancy, Rhonda, Heidi  
Senate Secretary's Office

This bill/resolution has not yet received a do pass recommendation.

Leave this note in the file.

Thank you.



Official Business

# Alaska State Legislature

## SENATE

State Capitol  
Juneau, Alaska 99801-1182  
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March 6, 1996

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# SENATE COMMITTEE REPORT

## First Committee of Referral

DATE: 1/26/96

FURTHER: Finance

Date of 5-Day Notice: 2/29/96  
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3/6/96

The HESS Committee considered SB 244

Relating to state foundation aid and supplementary state aid for education.

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

Senate Bill:

- same title
- new title
- House Bill:
- same title
- technical title
- new: SCR# \_\_\_\_\_

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>Loren A. Huan</i>			✓
		<i>Mike Miller</i>	✓		
CHAIR:		<i>Lynn Green</i>	✓		

**NEW FISCAL NOTE(S):**

Department                      Date    Zero    Fiscal

Education	1/19/96		223.8

**PREVIOUS FISCAL NOTE(S):\***

Department                      Date    Zero    Fiscal


APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill