

HB

1

24-LS0001V
Mischel
2/15/05

CS FOR HOUSE BILL NO. 1(HES)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES GATTO, Chenault, Wilson, Lynn, Neuman, Thomas

A BILL
FOR AN ACT ENTITLED

1 **"An Act relating to the base student allocation used in the formula for state funding of**
2 **public education; and providing for an effective date."**

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

4 *** Section 1. AS 14.17.470 is amended to read:**

5 **Sec. 14.17.470. Base student allocation. The base student allocation is**
6 **\$4.919 [~~\$4,576~~].**

7 *** Sec. 2. This Act takes effect July 1, 2005.**

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHB 1(EDU)
 (H) Publish Date: 2/14/05

Revision Date/Time (Note if correction): _____ Dept. Affected: Education & Early Development
 Title An act increasing the base student allocation RDU K-12 Support
for state funding of public education; and providing for an ... Component Special Schools
 Sponsor Rep. Gatto
 Requester Special Committee on HESS Component No. 2735

Expenditures/Revenues (Thousands of Dollars)

Nota: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	447.5	0.0	0.0	0.0	0.0	0.0
Miscellaneous						
TOTAL OPERATING	447.5	0.0	0.0	0.0	0.0	0.0

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	447.5	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	447.5	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would increase the Base Student Allocation, from \$4,576 to \$4,896 for FY06.

The funding for the Alaska Challenge Youth Academy is authorized under AS 14.30.740. The funding of this program is directly linked to the based student allocation set out in AS 14.17.470.

Prepared by: Eddy Jeans, Director Phone 465-8679
 Division School Finance Date/Time 2/11/05 4:48 PM
 Approved by: Karen Rehfeld, Deputy Commissioner Date 2/11/2005
 Agency Education & Early Development

ALASKA MILITARY YOUTH ACADEMY

FY06 PROJECTION	
175 x \$4896 x 7 =	5,997,600
289 x \$4896 x .6 =	848,966
less \$2,100,000	(2,100,000)
	4,746,566
FY06 Current Entitlement:	4,299,078
FY06 INCREASE TO AMYA:	\$ 447,488

ALASKA COUNCIL



OF SCHOOL ADMINISTRATORS

326 Fourth Street, Suite 404 • Juneau, Alaska 99801
Phone: (907) 586-9702 • Fax: 586-5879
web site: www.alaskaacsa.org

Alaska Council of School Administrators

15 February 2005

House Finance Committee members
Alaska State Capitol
Juneau, Alaska 99801

Dear Committee members:

I have a meeting that conflicts with the scheduled Finance Committee hearing on HB 1 and HB 30, so I offer this written testimony for the committee's consideration.

The Alaska Council of School Administrators supports increases to the education foundation program to address Alaska school districts' needs. The Council appreciates the progress made last year to provide additional funds to mitigate against rising costs of doing educational business. We seek a continuation of that forward momentum, so that school districts do not have to further reduce services to children.

ACSA supports HB 1 and HB 30 with the caveat that the Base Student Allocation is not sufficient to meet the needs of many school districts. With additional funds, class size issues can be addressed as well as further attention paid to enhancing student achievement in the curricular areas of state assessments.

Please consider increasing the Base Student Allocation, consistent with the growing needs of school districts. Thank you for your attention and the opportunity to testify.

Sincerely,

Mary A. Francis, Ph.D.
Executive Director



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web site: www.alaskaacsa.org

Alaska Council of School Administrators

Two highest priorities for education

- *long-term fix for TRS/PERS systems; look at combining small districts
- *pay for TRS/PERS increases; re-authorize bond debt reimbursement program
- *funds to address class size; pay for TRS/PERS increases
- *state data system to track students; supplement delivery system for at-risk students
- *funding to keep current staff; funding for maintenance of physical plant
- *pay for TRS/PERS increases and fix the problem
- *adequate funding; continue debt reimbursement program
- *help with TRS/PERS; long-range fiscal plan for the state
- *adequate funding
- *resources to train teachers
- *adequate funding; how and when a district can release tenured teachers
- *fund increases to TRS/PERS; increase educational funding; fulfill commitment to debt reimbursement program; change in transportation funding from by student to by bus
- *educational funding; local control; continue HR 242 regarding hire of retired teachers in hard to fill positions

*restore funding for early education program; volatile insurance costs

*forward funding; funding for building maintenance

*forward funding; fund increases to TRS/PERS

Many district superintendents expressed gratitude to Representative Neuman for asking for this information.

ALASKA COUNCIL



OF SCHOOL ADMINISTRATORS

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Alaska Council of School Administrators

14 February 2005

House Health, Education and Social
Services Committee members
Alaska State Capitol
Juneau, Alaska 99801

Dear Committee Members:

The Alaska Council of School Administrators supports increases to the education foundation program to address Alaska's school districts' needs. The association appreciates the progress made last year to provide additional funds to mitigate against rising costs of doing educational business. We seek to continue the forward momentum so that districts do not have to cut further services to children.

ACSA supports HB 1 and HB 30 with the caveat that the Base Student Allocation is not sufficient to meet the needs of many school districts. With additional funds, class size issues can be addressed as well as further attention paid to enhancing student achievement in the curricular areas of state assessments.

Please consider a higher Base Student Allocation amount, consistent with the growing needs of districts. Thank you for your attention to this matter.

ASSOCIATION OF ALASKA SCHOOL BOARDS

Advocates for Alaska's Youth

February 8, 2005

Statement by the Association of Alaska School Boards on Foundation Formula Funding

Carl Rose, executive director of AASB, issued the following statement today in testimony to the House Special Committee on Education:

Thank you for the opportunity to testify today. Our 52 member school districts have a huge stake in the legislation before you. Nothing less than the future of our children, and the future of our state, will be shaped by the decisions the 24th Alaska Legislature makes in regards to education funding.

In late January, the AASB teleconferenced with our five largest districts to discuss the accelerated timetable the Legislature has established for considering the state operating budget. School districts appreciate the willingness of the Legislature to consider education funding early in the session. As a consequence, we need to establish our positions and make them known to the Legislature in a significantly shortened timeframe.

After discussions with our largest districts, AASB believes that the foundation formula increased proposed by the administration, while much appreciated as a starting point, simply won't provide the level of state support most of them require in fiscal year 2006. Our organization believes the precedent established last year, when the Legislature provided an increase of \$82.5 million in foundation funding, should guide this year's deliberations on the formula.

(more)

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aasb@aasb.org

<http://www.aasb.org>

Using that yardstick, AASB urges the Legislature to increase the base student allocation to \$4,995 and appropriate an additional \$85 million in basic state support for K-12 education.

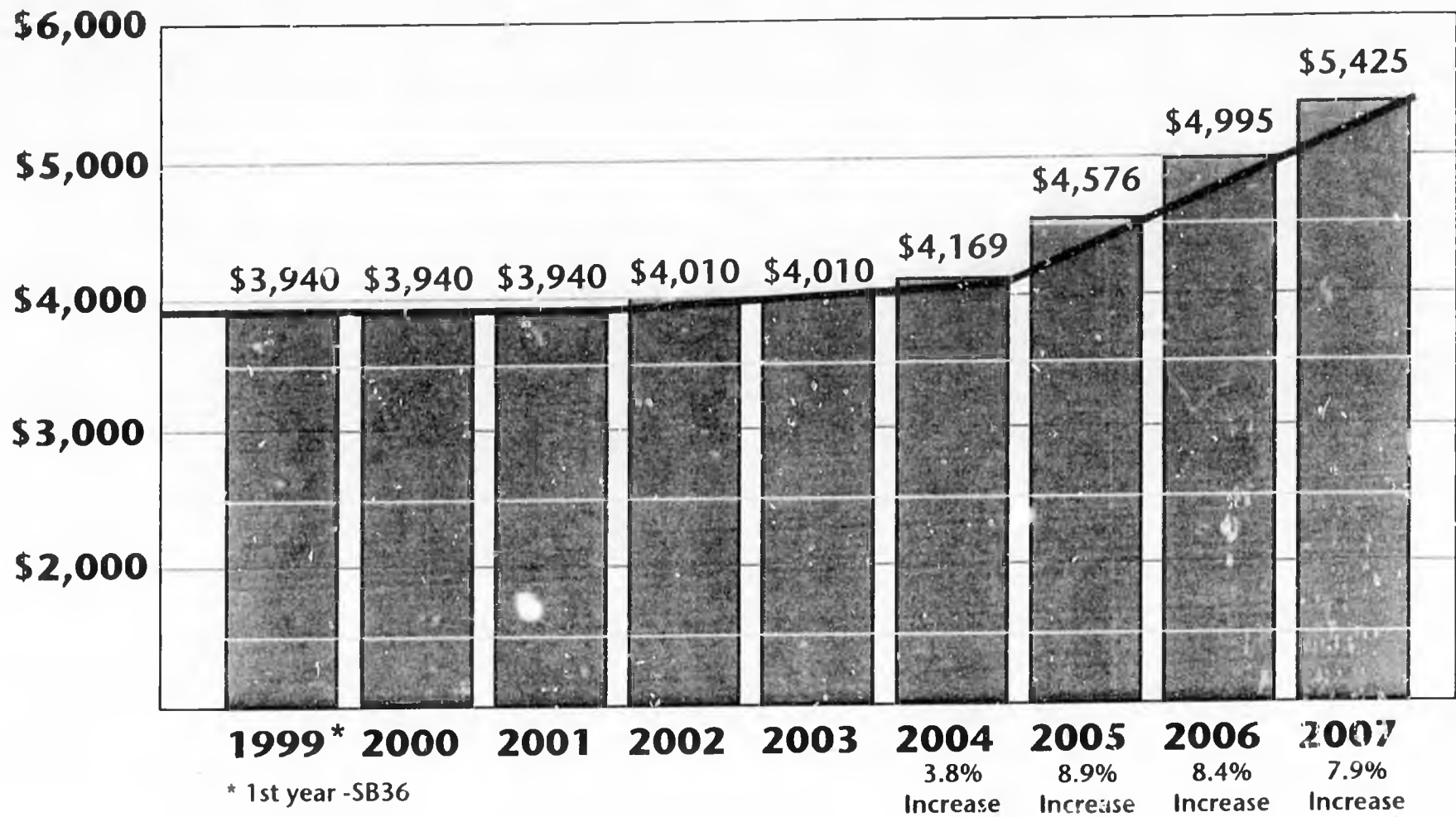
That is the minimum level of state support that is required by most of our school districts across the state. This increase is less than some teachers and parents support, but it is more than the administration has offered to date.

As you know, much of that extra state support will never reach the classroom. Because of requirements for funding increased retirement costs, \$38 million is earmarked for the PERS/TRS systems and \$47 million would go towards instruction and operations. (Note graphs that accompany this testimony).

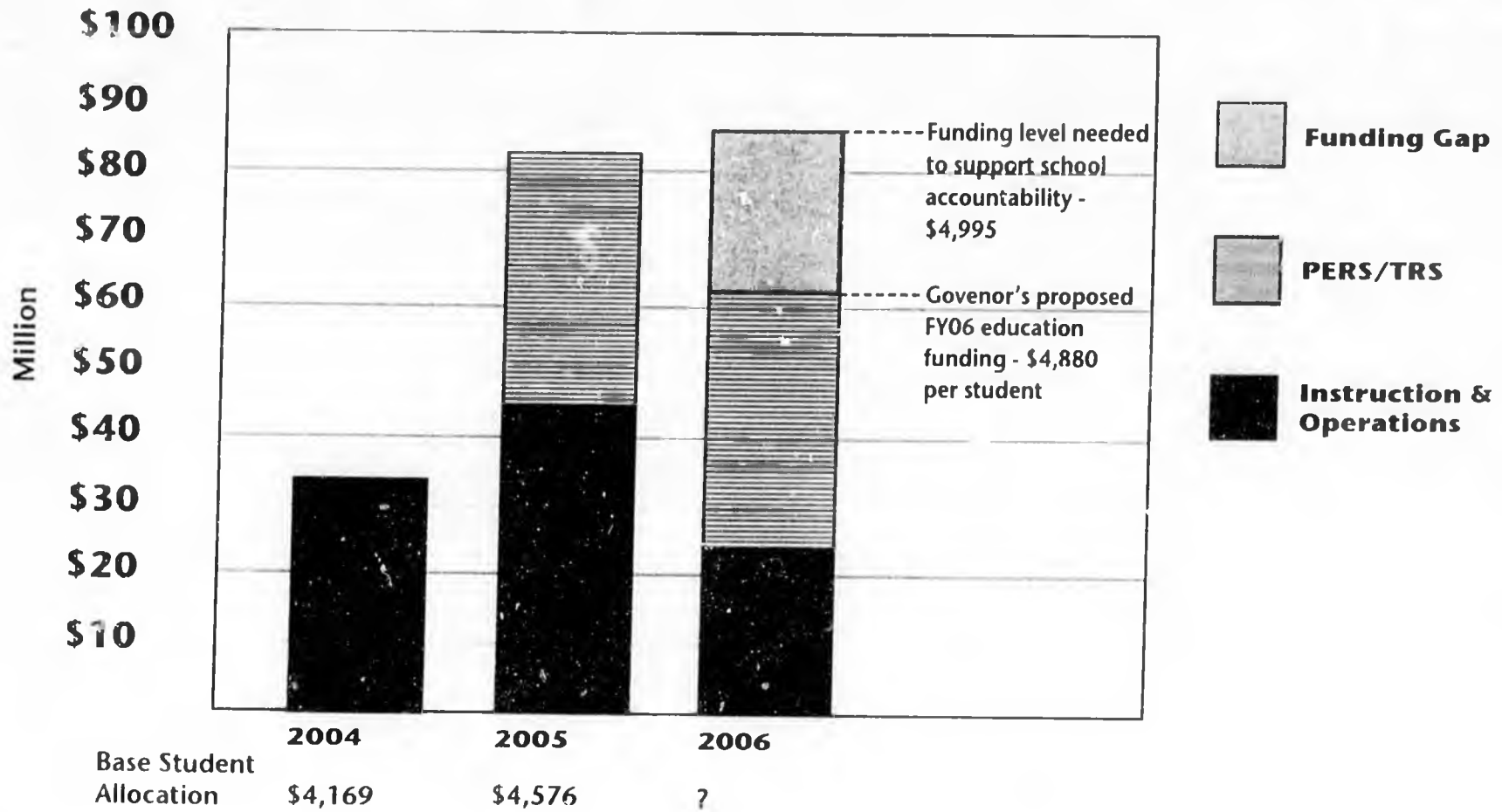
AASB believes that when the Legislature examines the need for increasing the foundation formula for K-12 education, you will see that this is a good investment in the future of Alaska. Certainly, the public will support you in making this investment happen.

Thank you.

Base Student Allocation 1999-2007



Proposed School Funding



School Boards United

The 52 member districts of the Association of Alaska School Boards met in district forums during the AASB Legislative Fly-In on February 13, 2005 and considered the following bills pending before the Alaska Legislature:

Bill/Topic	REA/Rural Districts	Municipalities	Large Districts
Education Funding HB 1 - Base Student Allocation increase	\$4,995 minimum level in FY06, but not adequate	\$4,995 minimum, but not adequate	\$4,995 minimum, but not adequate
PERS/TRS funding (inside foundation)	Support	Support	Support
Early Funding HB 20, SB 13, SB 23	Support, but need option of supplemental	Support March 15, but need option of supplemental	Support, but need option of supplemental
Limit administrative expenses SB 57	Oppose	Oppose	Oppose
School Construction Debt HB 13	Support	Support	Support
School Safety HB 41 Min. 60 days for assault	Support	Support	Support
HB 88, SB 65 Waive minors into adult court	Monitor	Support	Monitor
SB 10 Remove cap on damage awards for vandalism	Monitor	Support	Support
Student Health HB 3 - Scoliosis tests	Oppose	Oppose	Oppose
HB 85 Self-administer drugs	Support	Support	Support
SB4 SB 35 First aid classes	Oppose	Oppose	Oppose
SB 48 Psychotropic Drugs	Oppose	Oppose	Oppose
HB 128 Physical fitness task force	Monitor	Monitor	Oppose
Teacher Recruitment SB 24, SB 31, SB 61	Support	Support	Support

Talking Points on Education Bills

Education Funding HB 1	\$4,995 minimum needed to provide education mandated by NCLB and higher costs Continue the positive investment trend line established in 2004 Districts already hurting from years of under-funding Many districts already at local funding cap Federal education cuts and under-funding will impact schools
PEP/TRS funding	Appreciate governor's initiative to fund at 100 percent; keep inside formula
Early Funding HB 20, SB 13, SB 23	Good idea to help district planning, but when revenues are available late in session, education should be at the table.
Limit Administrative Expenses SB 57	30 percent ceiling is already unrealistic; 32 districts secured waivers this year
School Construction Debt HB 13	Districts have identified \$580 million in construction needs; governor requesting only \$30 million in FY 06 school repairs
School Safety HB 41, HB 88, HB 65, SB 10	School employees must be protected and our schools must be safe from violent acts. But legislature should be careful about removing discretion from the hands of school officials and the courts.
Student Health HB 85, HB 3, SB 4, SB 35, SB 48, HB 128	Districts are skittish about more unfunded mandates from the state and federal government. It makes sense to allow students to carry and self-administer allergy and asthma drugs (HB 85). We will monitor other bills as they move through the process.
Teacher Recruitment SB 24, SB 31, SB 61	Retire-rehire law has helped many districts cope with personnel emergencies & teacher shortages. Cost to the retirement program has been minimal. It's a local option that should be extended.

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSHB 1(EDU)
 (H) Publish Date: 2/14/05

Revision Date/Time (Note if correction): _____ Dept. Affected: Education & Early Development
 Title An act increasing the base student allocation RDU K-12 Support
for state funding of public education; and providing for an ... Component Foundation Program
 Sponsor Rep. Gatto
 Requester Special Committee on HESS Component No. 141

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	65,351.1	0.0	0.0	0.0	0.0	0.0
Miscellaneous						
TOTAL OPERATING	65,351.1	0.0	0.0	0.0	0.0	0.0

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	65,351.1	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	65,351.1	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would increase the Base Student Allocation, from \$4,576 to \$4,896 for FY06.

Prepared by: Eddy Jeans, Director
 Division: School Finance
 Approved by: Karen Rehfeld, Deputy Commissioner
 Agency: Education & Early Development

Phone: 465-8679
 Date/Time: 2/11/05 4:44 PM
 Date: 2/11/2005

School District	FY06	FY06	Difference
	Projection @ \$4,576	Projection @ \$4,896	
Alaska Gateway	4,915,667	5,172,244	256,577
Aleutian Region	1,059,727	1,107,245	47,518
Aleutians East Borough	3,501,788	3,791,724	289,936
Anchorage	223,154,797	244,437,783	21,282,986
Annette Island	1,398,131	1,580,614	182,483
Bering Strait	17,205,353	18,879,869	1,674,516
Bristol Bay Borough	1,239,140	1,376,794	137,654
Chatham	1,733,593	1,862,796	129,203
Chugach	1,905,637	1,973,222	67,585
Copper River	6,032,438	6,466,777	434,339
Cordova	3,087,845	3,353,081	265,236
Craig	3,698,050	3,988,047	289,997
Delta/Greely	8,942,900	9,566,381	623,481
Denali Borough	4,597,598	4,957,742	360,144
Dillingham	4,263,506	4,618,703	355,197
Fairbanks N. Star Borough	72,823,842	79,784,834	6,960,992
Galena	16,058,992	16,718,508	659,516
Haines Borough	1,563,785	1,731,116	167,331
Hoonah	1,535,829	1,659,886	124,057
Hydaburg	767,366	800,624	33,258
Iditarod Area	4,427,089	4,612,373	185,284
Juneau Borough	23,648,457	26,075,997	2,427,540
Kenai	1,190,539	1,286,335	95,796
Kashunamiut	2,346,629	2,815,452	268,823
Kenai Peninsula Borough	46,190,906	50,742,580	4,551,674
Ketchikan Gateway Borough	11,703,837	12,826,740	1,122,903
Klawock	1,331,394	1,395,118	63,724
Kodiak Island Borough	15,580,674	16,992,847	1,412,173
Kuspuk	4,610,680	5,020,027	409,347
Lake & Peninsula Borough	5,980,874	6,431,633	450,759
Lower Kuskokwim	39,975,145	42,736,125	2,760,980
Lower Yukon	18,120,223	19,843,330	1,723,107
Mat-Su Borough	83,064,699	89,943,842	6,879,143
Nenana	3,922,379	4,200,779	278,400
Nome	6,359,841	6,860,945	501,104
North Slope Borough	8,451,990	9,804,944	1,352,954
Northwest Arctic Borough	22,227,553	24,013,879	1,786,326
Pelican	404,184	416,914	12,730
Petersburg	3,691,527	4,020,977	329,450
Pribilof	1,258,266	1,384,039	125,773
Saint Mary's	1,992,370	2,132,520	140,150
Sitka Borough	7,265,034	7,967,690	702,656
Skagway	710,547	780,857	70,310
Southeast Island	3,069,832	3,191,812	121,980
Southwest Region	6,817,409	7,463,921	646,512
Tanana	1,027,629	1,103,075	75,446
Unalaska	2,405,593	2,650,515	244,922
Valdez	3,684,508	4,001,373	316,865
Wrangell	2,276,815	2,477,019	200,204
Yakutat	991,431	1,072,970	81,539
Yukon Flats	4,617,236	4,840,941	223,705
Yukon/Koyukuk	11,059,848	11,918,696	858,848
Yup'it	4,225,753	4,632,579	406,826
Mt. Edgecumbe High School	1,842,250	2,023,344	181,094
Other	26,096,100	26,096,100	
Total	762,255,225	827,606,278	65,351,053

School Boards United

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HB 85 Self-administer drugs	Support	Support	Support
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Teacher Recruitment SB 24, SB 31, SB 61	Retire-rehire law has helped many districts cope with personnel emergencies & teacher shortages. Cost to the retirement program has been minimal. It's a local option that should be extended.



FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

(907) 452-2000 520 Fifth Avenue Fairbanks, AK 99701-4756 www.northstar.k12.ak.us

February 10, 2005

The Honorable Mark Neuman, Chairperson
House Special Committee on Education
State Capitol
Juneau, AK 99801

Dear Representative Neuman:

On Tuesday February 08, 2005, the House Special Committee on Education took public testimony on various education funding bills. Nick Stayrook, Chief Information Services Officer for the Fairbanks North Star Borough School District, provided testimony during that meeting.

Representative Gatto asked for information on the total student enrollment and number of classroom teachers. Listed below is the information:

Total student enrollment (in FTE)	14,576
Total number of classroom teachers	651
* Total number of certificated staff	974

* Includes certificated counselors, librarians, special education teachers, mentor teachers, physical education and music teachers with no classroom assignments, etc.

In addition, information was requested on the base student allocation. The Fairbanks School Board has not yet acted on a student funding resolution. The Fairbanks School Board will consider a resolution that calls for a base student allocation of \$4,995.00, at its February 15 meeting.

Thank you again for allowing public testimony on education funding.

Sincerely yours,

Ann E. Shortt, Ed. D.
Superintendent of Schools

cc: School Board Members
Interior Delegation



NEA-ALASKA

Affiliated with the National Education Association

Bill Bjork testimony before House Education February 10, 2004

Good Morning Chairman Neuman and members of the House Education Committee. For the record my name is Bill Bjork and I serve as President for the more than 12,500 members of NEA-Alaska.

To begin, let me applaud the committee for hearing all of the education legislation and allowing testimony from across Alaska to determine the level of State funding for K-12 education in Alaska.

You have heard from several districts and parents advocating for a per student figure in the Base Student Allocation (BSA). The numbers vary, because the specific pupil needs in each school district vary. Many are attempting to reduce large class sizes. Others cite the need for intervention programs and reading programs as a means to address the under-funded federal mandates of No Child Left Behind. While the numbers and needs vary, the reasoning behind the numbers is similar. **What will it take to meet Alaska's constitutional mandate to establish and MAINTAIN a public education system open to all?**

Last year, the 23rd Alaska Legislature passed a K-12 funding increase of \$407 per student in the BSA. NEA-Alaska applauds and sincerely appreciates this effort. The debate last session revolved around what amount of funding would it take to not have to cut programs and personnel. This year there appears to be the same conversation. Governor Murkowski has proposed a \$62 million (\$304 per student) increase that would indeed cover the TRS/PERS contribution rate increase and address inflation for the past year. This proposal covers two legs of the three-legged "education funding" stool. It does not take into account pupil needs; the resources needed for students to achieve up to State and federal standards.

We talk often about adequate funding for K-12 education. Most legislators, school board members, public school employees and parents ask us, what is adequate? Everyone wants a number, but adequacy in education truly means that Alaska's schools will have the resources necessary to offer opportunities for all students to achieve to standards—leaving no child behind!

Alaskans realize that there were 20 years (1983-2002) of flat funding that did not keep pace with inflation. During that timeframe inflation ate away 47% of the buying power of the student dollar. Former Senator Rick Halford was fond of saying "when you're trying to get out of a hole, stop digging." Two years ago the legislature quit digging. Last year the legislature began backfilling the funding hole! This year we are confident that there will be the resources available to continue addressing K-12 funding needs.

NEA-Alaska is advocating a BSA increase of \$739 per student (approx - \$148 million) to address TRS/PERS, inflation (About \$60-62 million total) and to make a down payment towards adequacy. This amount would not just stop at holding the status quo from last year, but start on the road to providing an adequate and meaningful education for the 133,000 students in Alaska's K-12 public schools.

Thank you for your time and I would be happy to answer questions.

February 10, 2005

Representative Neuman
House Special Committee on Education
907-465-4822

Dear Representative Neuman,

The Glacier Valley Site Council strongly supports arts education for all students in the Juneau School District. Substantial research shows that the arts positively affect not only children's academic achievement, but their social and emotional development, as well. Here are just a few of the reasons why the GV Site Council strongly encourages the House Special Committee on Education to make the arts a priority in our schools:

- The *No Child Left Behind Act's* definition of core academic subjects includes the arts
- Studies nation-wide show that the arts can be utilized as a remedy for the school district's Five Strategic Goals (Drop-Out, Native Success, Healthy Behaviors, Staff Development, Community), and
- Academic achievement through an arts-integrative model is already established at a local level, both quantitatively and qualitatively.

At Glacier Valley we believe in arts education and would like to see equitable art programs introduced into the schools, especially a visual art program for our elementary schools. The cost for such a program across the district would be \$200,000 per year. We hope that the legislature will consider this program's impact on our children's success in school, as well as the importance of equity in art education across the district. If you have any questions, please feel free to contact Glacier Valley's principal, Ted Wilson, at 463-1801.

Sincerely,

Members of the Glacier Valley Site Council



Alaska State Legislature

Please enter into the record my testimony to the HOUSE SPECIAL COMMITTEE ON
 committee name EDUCATION
 committee on EDUCATION FUNDING, dated FEB. 10, 2005
 bill/subject

PLEASE SEE TESTIMONY
 ATTACHED

Signed: TAMIE EVERTON FOGLE

Testifier

SELF

Representing (Optional)

PO BOX 3809 KODIAK 99615

Address

486-6259 hm

Phone No.



From the desk of Tamie Everton Fogle
481-2511 wk, 486-6259 hm
tamfogle@ptialaska.net

February 9, 2005

To: The House Special Committee on Education
Cc: Gabriel LeDoux, District 36 representative

I am writing in regards to the hearings occurring regarding K-12 funding. I am a parent with two elementary age daughters, and I have worked as a teacher for 7 years and a classroom aide for 2 years within the Kodiak Island Borough School District. I am also a product of the Alaskan school system, having attended elementary schools in both Ketchikan and Valdez, and then high school in Kodiak. After completing my undergraduate education at Harvard University, I returned to Kodiak and worked for several years as a substance abuse counselor before being hired by the school district. Recently, I completed my Master's degree through the University of Alaska, Fairbanks. I am an Alaskan. And I am worried.

In our school district we have experienced many cuts to funding. At first, these cuts appear to have had little impact, but as someone who has been a part of this community since 1982, I can see a gradual erosion of the programs, staff and materials that are necessary for a strong educational system.

The elementary schools have lost their band programs, swimming lessons and counselors. Cuts have forced music and PE to half the level it once was for both elementary and middle school students. The alternative programs at the high school which worked with struggling students and reached out to drop-outs is gone. Storage spaces and workrooms have been converted into classrooms throughout the district. Two of our schools were crowded to the point that the district is now bussing the 6th grade students out of their neighborhoods to help alleviate the problem. In the High School where I work, student enrollment has increased dramatically since I was a student, yet staff numbers are not significantly higher. Teachers have become very creative at masking and overcoming the difficulties which cuts have caused. But why should they be forced to do this?

While I appreciate any increase to funding that the governor and the legislature are willing to offer, the amounts and numbers I have been hearing will not begin to address the gradual erosion that has been occurring since the end of the 1980's. The amounts may meet the cost of inflation for this year. But I do not believe that the status quo is what education should aim for. We have been given mandates from both our State and Federal governments to provide a quality education for every child and not to leave any of them behind. At the moment, we can do a reasonably good job for the majority, but the funding is not sufficient to do an excellent job for all. If you truly want us to reach every child, you must provide the money that will make that possible.

I teach because I care deeply about the students in my community. I am afraid that leaving the erosion of our educational system at its current level will have drastic consequences for our children and our society. We need classroom spaces set up for learning, class sizes that allow learning to occur, programs that will help our children to grow into well rounded and intelligent adults and the materials and staff to meet our students' varied needs.

I urge you to listen to the many voices throughout the state that are asking for adequate funding for education. Thank you for your time.

Sincerely,

A handwritten signature in cursive script that reads "Tamie Everton Fogle".

Tamie Everton Fogle, B.A., M.Ed.

Rex Shattuck

From: Mindy Lobaugh [mindy_lobaugh@eed.state.ak.us]
Sent: Wednesday, February 02, 2005 11:32 AM
To: Rex Shattuck
Cc: Eddy Jeans (E-mail)
Subject: Base Student Allocation Increase Proposals
Attachments: BaseAllocIncreases.xls

Rex,

I am attaching a spreadsheet that demonstrates the various Legislation proposals to increase the Base Student Allocation and what the cost to the State will be.
If you have any questions please don't hesitate to ask.

Sincerely,

Mindy Lobaugh
Foundation Program Administrator
907-465-2261

School District	HB1 \$4,589	HB18 \$4,901	HB73 \$4,880
Alaska Gateway	14,254	259,866	246,051
Aleutian Region	1,931	48,260	45,142
Aleutians East Borough	11,778	294,466	275,439
Anchorage	864,621	21,615,532	20,218,836
Annette Island	7,413	185,334	173,359
Bering Strait	68,028	1,700,680	1,590,790
Bristol Bay Borough	5,592	139,805	130,772
Chatham	5,249	131,222	122,743
Chugach	2,745	68,641	64,206
Copper River	17,645	441,125	412,622
Cordova	10,776	269,380	251,974
Craig	11,781	294,528	275,497
Delta/Greely	25,329	633,223	592,307
Denali Borough	14,631	365,771	342,137
Dillingham	14,430	360,747	337,437
Fairbanks N. Star Borough	282,790	7,069,757	6,612,942
Galena	43,297	669,507	627,542
Haines Borough	6,798	169,946	158,965
Hoonah	5,040	125,996	117,854
Hydaburg	1,551	33,777	31,595
Iditarod Area	7,527	188,179	176,020
Juneau Borough	98,619	2,465,471	2,306,163
Take	3,892	97,292	91,006
Kashunamiut	10,921	273,023	255,382
Kenai Peninsula Borough	184,912	4,622,794	4,324,090
Ketchikan Gateway Borough	45,618	1,140,448	1,066,758
Klawock	2,589	64,720	60,538
Kodiak Island Borough	57,370	1,434,238	1,341,564
Kuspuk	16,630	415,743	388,880
Lake & Peninsula Borough	18,312	457,802	428,221
Lower Kuskokwim	82,341	2,813,763	2,592,076
Lower Yukon	70,001	1,750,031	1,636,952
Mat-Su Borough	279,465	6,986,629	6,535,186
Nenana	11,310	282,750	264,480
Nome	20,358	508,934	476,049
North Slope Borough	54,964	1,374,094	1,285,306
Northwest Arctic Borough	72,569	1,814,237	1,697,010
Pelican	517	12,928	12,093
Petersburg	13,384	334,598	312,977
Pribilof	5,110	127,738	119,484
Saint Mary's	5,693	142,340	133,143
Sitka Borough	28,545	713,635	667,523
Skagway	3,133	71,033	67,997
Southeast Island	6,905	123,855	115,983
Southwest Region	26,264	656,613	614,186
Tanana	3,065	76,625	71,674
Unalaska	6,615	249,162	231,352
Valdez	18,084	321,038	303,511
Wrangell	8,133	203,333	190,194
Yakutat	3,312	82,813	77,462
Yukon Flats	9,088	227,200	212,520
Yukon/Koyukuk	34,891	872,268	815,906
Yupitit	16,527	413,182	386,484
Mt. Edgecumbe High School	7,357	183,924	172,040
Total	2,649,500	66,379,996	62,058,420

**ANCHORAGE SCHOOL DISTRICT
ASDR 2004-2005-10**

**RESOLUTION IN SUPPORT OF INCREASED STATE FUNDING OF THE
ALASKA PUBLIC SCHOOL FUNDING PROGRAM**

WHEREAS, state funding for public schools is essential to maintain an education system that meets the needs of the children of Alaska; and

WHEREAS, Governor Frank Murkowski has recognized the importance of increasing public school funding by recommending that foundation formula funding for public schools be increased; and

WHEREAS, public school students will require adequate education programs in order to meet student achievement requirements imposed under both state and federal law; and

WHEREAS, adequate education programs will require a significant increase in state education funding to allow school districts to have the education resources to meet student needs; and

WHEREAS, school districts are experiencing increased fixed costs in their retirement systems and in other area including fuel and electricity; and

WHEREAS, improvements to the public school system require a combination of strategies including improving instructional quality, decreasing class sizes, providing safe and efficient transportation, and providing adequate employee compensation; and

WHEREAS, providing increased education funding benefits all the public schools in the state and all residents of the state by developing our most precious natural resource – children, and providing a foundation for economic growth; and

WHEREAS, in order to prevent program cuts, to assure a maintenance level of public school funding, and to make modest reduction in class sizes, public school funding will need to be increased by \$112 million dollars for the next fiscal year;

BE IT RESOLVED, that the Anchorage School District strongly supports increasing state support for public schools; and

BE IT FURTHER RESOLVED, that the Anchorage School District requests the Governor and legislature to increase the base student allocation in the foundation formula to \$5,120, which would provide an additional \$112 million dollars in state support for public schools.

DATED this 7th day of February 2005.

ANCHORAGE SCHOOL BOARD



Tim Steele, President

Crystal Kennedy
Jake Metcalfe
Macon Roberts

John Steiner
Jeff Friedman
Mary Marks

Carol Comeau, Superintendent



ASSOCIATION OF ALASKA SCHOOL BOARDS
Advocates for Alaska's Youth

February 8, 2005

**Statement by the Association of Alaska School Boards on
Foundation Formula Funding**

Carl Rose, executive director of AASB, issued the following statement today in testimony to the House Special Committee on Education:

Thank you for the opportunity to testify today. Our 52 member school districts have a huge stake in the legislation before you. Nothing less than the future of our children, and the future of our state, will be shaped by the decisions the 24th Alaska Legislature makes in regards to education funding.

In late January, the AASB teleconferenced with our five largest districts to discuss the accelerated timetable the Legislature has established for considering the state operating budget. School districts appreciate the willingness of the Legislature to consider education funding early in the session. As a consequence, we need to establish our positions and make them known to the Legislature in a significantly shortened timeframe.

After discussions with our largest districts, AASB believes that the foundation formula increased proposed by the administration, while much appreciated as a starting point, simply won't provide the level of state support most of them require in fiscal year 2006. Our organization believes the precedent established last year, when the Legislature provided an increase of \$82.5 million in foundation funding, should guide this year's deliberations on the formula.

(more)

1111 West 9th Street, Juneau, AK 99801

(907) 586-1083

(907) 586-2995

aasb@aasb.org

<http://www.aasb.org>

Using that yardstick, AASB urges the Legislature to increase the base student allocation to \$4,995 and appropriate an additional \$85 million in basic state support for K-12 education.

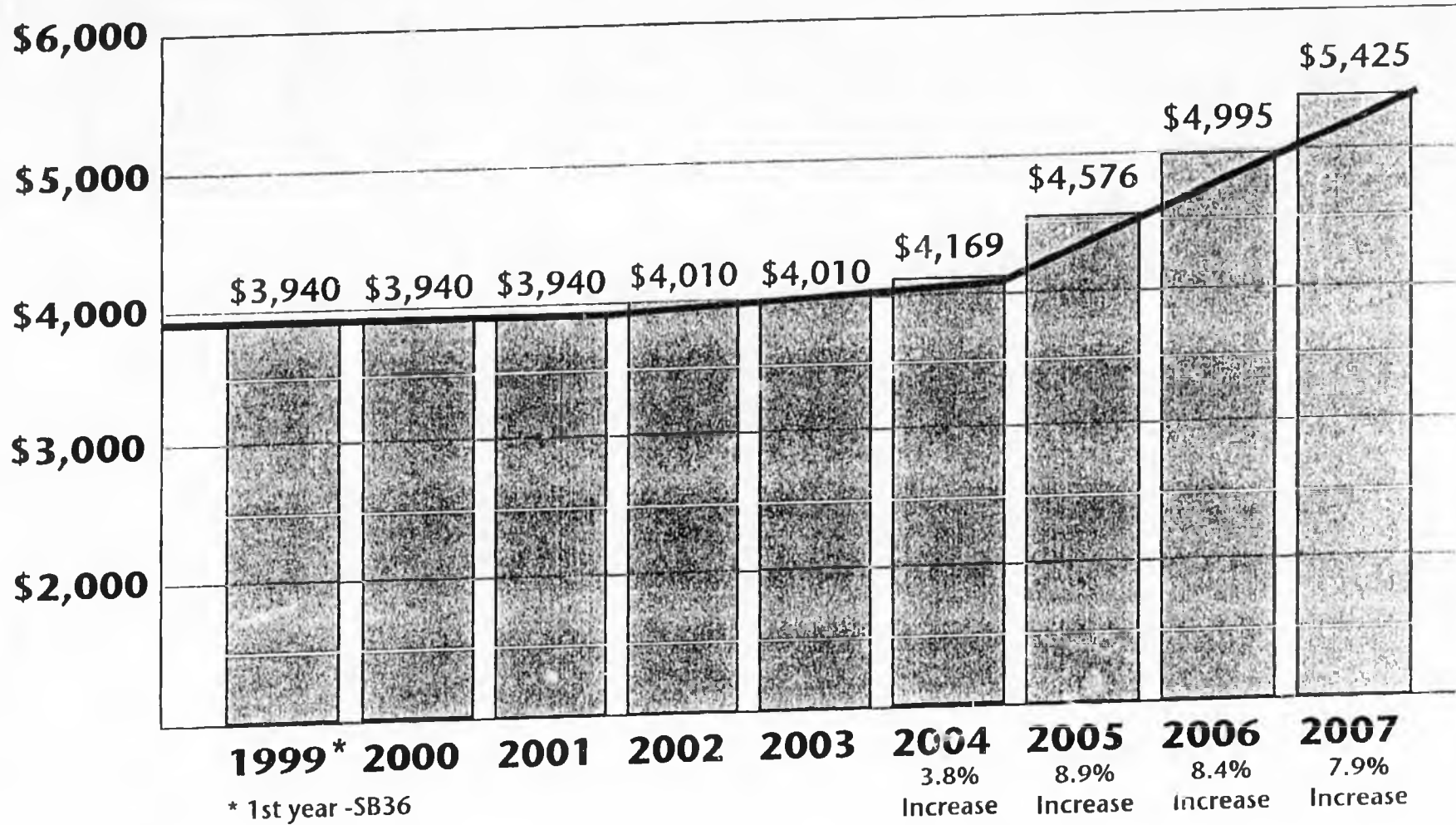
That is the minimum level of state support that is required by most of our school districts across the state. This increase is less than some teachers and parents support, but it is more than the administration has offered to date.

As you know, much of that extra state support will never reach the classroom. Because of requirements for funding increased retirement costs, \$38 million is earmarked for the PERS/TRS systems and \$47 million would go towards instruction and operations. (Note graphs that accompany this testimony).

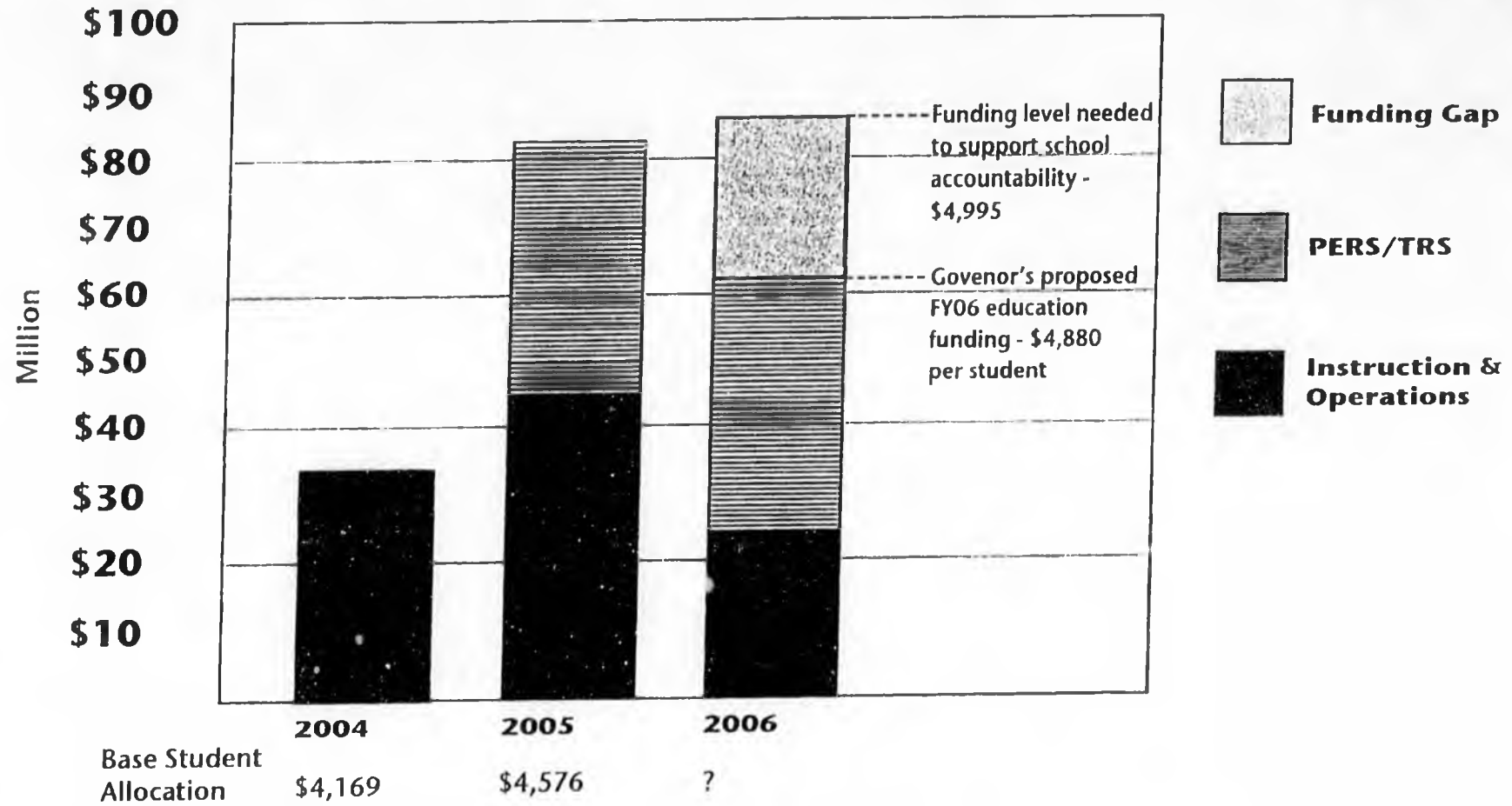
AASB believes that when the Legislature examines the need for increasing the foundation formula for K-12 education, you will see that this is a good investment in the future of Alaska. Certainly, the public will support you in making this investment happen.

Thank you.

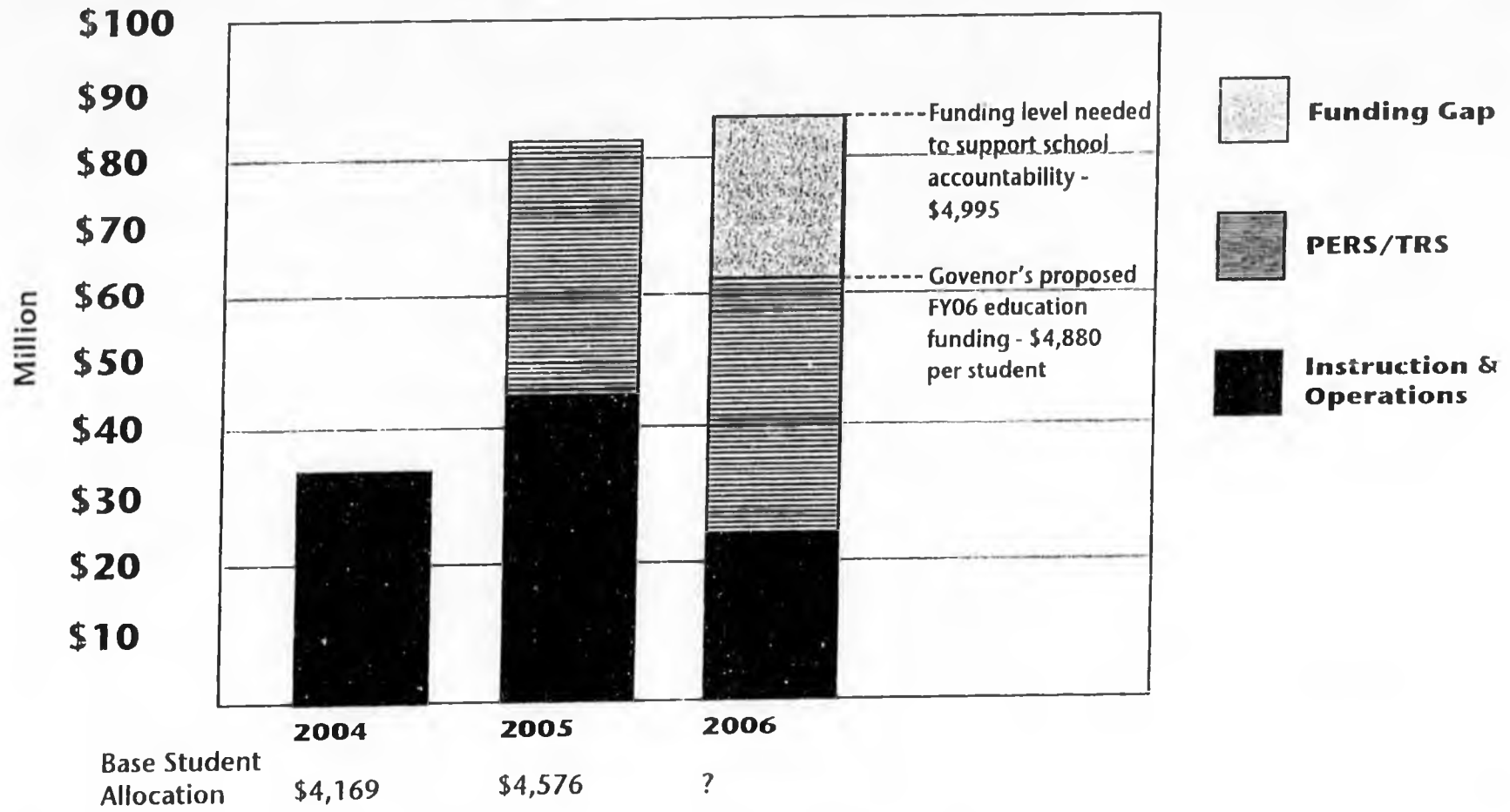
Base Student Allocation 1999-2007



Proposed School Funding



Proposed School Funding



GALENA CITY SCHOOL DISTRICT

GALENA, ALASKA 99741

PHONE (907) 656-1205

FAX (907) 656-2238

SUPERINTENDENT

Jim Smith



To: House Education Committee
Re: Galena City School Position Statement
"School Finance"

Date: February 8, 2005

Please let me note the floor will consume much of any increase we might get, especially if it is applied to PERS/TERS additional dollars as well. Last year the floor was froze for that portion of the increase which helps. For the fifteen schools left with the floor, funding services continues to be a "slippery-slope". The Galena City School District has survived to date by diversifying our operations which for some in the education community is unsettling. If the floor must exist to expiration I would guess that some programs will exhaust with it. No matter what numbers we are using for budget planning next year, the current \$4,869 base or \$4880, the reductions driven by the floor leave us in a recession. Thus any chance we have of any increase is determined by how the floor is addressed for the increase covering PERS/TERS costs and or even the educational services portion of the legislated increase. If we had wish, the floor would be froze as was done a couple years ago, or it would be eliminated.

- 1) Using the current base number, FY 05 \$4,576.
- 2) Joining the FY05 (this year) increase, Galena has dealt with a loss in correspondence school numbers as well as the funding floor so our additional funding has not even covered the increased PERS/TERS costs. With the advent of the new state board spending limits for state-wide correspondence schools we are suffering a student count reduction in the neighborhood of 294 students (-\$1,072,380 in state ADM). At this point, schools haven't final funding numbers from DEED. I believe their waiting for final numbers on federal impact aid. Currently we have entered into collective bargaining with our employee groups. We have utility increases brought on from \$.70 per gallon increased fuel costs, of course increased PERS/TERS costs projected next year up \$391,706, and we still have a funding floor projection of \$919,767 that must be consumed which negates 40% of any increase to come our way all along with other inflationary increases?
- 3) I would project that Galena will be working with a \$700,000 to \$1,000,000 deficit. If we were to use the \$4880, that would generate an additional \$66,880 for the 220 students in the village and an additional \$75,548 for the 3434 correspondence school students. Thus a total increase of \$142,428 in ADM. Remember the floor consumes 40%. We're looking at better than a half million dollar shortfall. We've already identified four positions that will be gone into next year.

I hope these numbers represent our need. Galena finds little compassion from many sources regarding funding challenges which is the reason that we've worked so hard to diversify programs. We'll make the necessary cuts to meet the mark but not diminish quality. Thank you for any positive attention you might offer.

Jim Smith
Superintendent

Educational Funding

Testimony Given by Superintendent Banghart to the House Special Committee on
Education February 8, 2005

For the record, my name is Joe Banghart, I'm superintendent of the Iditarod Area School District. I come to you today as a superintendent and as a concerned Alaskan. My job, as you know, is to run the school district, which involves tending to important details like trying to balance the books, but also, and more importantly, helping to ensure that Alaska's children are well educated and prepared to graduate and meet the challenges that meet them in the world outside of our small school district. Allow me to familiarize you with some of the challenges of operating this school district: The Iditarod Area School District is not located on the road system and does not receive any local financial support for operation of schools. We are currently projecting at least a \$500,000 deficit for the Fiscal Year 2006. This deficit takes in to consideration current fund balance, increases in TRS and PERS, cost of living adjustments for Certified and Classified Staff and the loss of several grants that impact the overall district budget. This does not include a projected 25% increase in fuel cost nor the impact this will have on cost of travel, freight, and electric cost at all schools. Recently at two villages the water/sewer companies were taken over by other organizations and they raised our rates from \$600.00 a month at both sites to \$1,200.00 a month. This is a 200 percent increase in cost borne directly by the district. We are currently talking with another village local utility organization that has proposed a 118 percent increase in electric cost.

Taking all of this into consideration then looking at HB 1, 73, and 18 we are concerned. If the highest proposed offer (HB18) was approved and after our district receives the adjustment for the floor the total net gain to the Iditarod Area School District would only be \$62,000. The floor is determined by the states formula that compares the old foundation formula to the new and makes adjustments for many districts in what is called the floor. This figure is decreased yearly and with the current figure our district will not receive the majority of funds. When we look at what we actually need just to keep operating for next year it is a conservative 10% increase. If HB18 was approved and that is all we receive this amounts to a 1.3 percent increase. What's more, we need to do more than just keep our head above the water if we're going to get Alaska's kids educated.

In order for a school or district to meet Annual Yearly Progress each year, a series of 31 possible individual test must be satisfied. The Annual Yearly Progress Report for all eight schools in the district gives a clear picture of immediate need for severe intervention. Of these eight schools two are at level III, two at Level II, and two at Level I. The other two are so small we cannot obtain an accurate figure to determine AYP. When we examine state testing results for all students in grades 3-12 one site has 92% students who are not proficient in reading, another 90%, another 86%, with a district wide average of students not proficient in reading being 65%. We are required to designate more money to meet the standards set by NCLB yet we are not receiving adequate money from the state or federal government.

A larger portion of our money is going towards basic operating cost. The maintenance budget per student at two sites exceeds \$6,000, labor cost per student at two other sites over \$2,000 and utility cost per student at 4 sites over \$2,000. The cost to operate and maintain our buildings has increased and support money has not been received.

I want to do my job. I want to guarantee a good education for Alaska's children. But I just don't see how these proposed budgets will get us there. Thank you and I am available for any questions you have.

31 certified staff (includes 4 special education teachers)
Average teachers salary \$50,856 (with fringe benefits \$72,543)
33 Classified (only 11 average full time)(average hours worked per day is 2.5)
8 schools
272 students(plus 72 students in Distance Learning Correspondence Program)
Teacher student ration 1 to 11 (all teachers teach more than one grade level)

Maintenance Cost

Average maintenance budget per students	\$4,703
Average labor cost per student	\$1,542
Average utility cost per student	\$2,285
Average cost per square foot	\$ 11.90

Percent of budget towards instructions 61%



Alaska State Legislature

Please enter into the record my testimony to the House Education
committee name

Committee on Education Funding Bills, dated 2-8-05
bill # / subject public hearing date

Good afternoon,

Attached is some information about the Kenai Peninsula Borough School District that may be useful in your work on funding K-12 education. Hopefully, the FAQ's will help clear up some of the confusion I sensed during today's audio conference. Also attached is the updated Board of Education's State Legislative Priorities and Resolution 04-05-3, both acted on by the Board at last night's meeting. These documents were the basis for my comments today. Please let me know if you have any questions. I will be traveling the next few days, however, I may be reached by cell phone at 907-398-4339.

Thank you for all you do on behalf of Alaskans!

Melody Douglas, CFO

Signed: Melody Douglas
Testifier

Kenai Peninsula School District
Representing (optional)

148 S. Binkley Soldotna, AK 99669
Address

(907) 262-5846 (907) 398-4339 cell
Phone number

Rex Shattuck



From: Melody Douglas [mdouglas@kpbsd.k12.ak.us]
Sent: Tuesday, February 08, 2005 5:23 PM
To: Rep. Carl Gatto; Rep. Bob Lynn; Representative_William_Thomas@legis.state.ak.us; Rep. Peggy Wilson; Rep. Les Gara; Rep. Mark Neuman; Rep. Woodie Salmon
Cc: dpeterson@kpbsd.k12.ak.us; MaryBea Byrne; kevans@kpbsd.k12.ak.us
Subject: Kenai Peninsula Borough School District Information

Attachments: Resolution 04-05-3.doc; Legislative Priorities.doc; Frequently Asked Questions.doc



Resolution
4-05-3.doc (41 KB)

Legislative
Priorities.doc (39...

Frequently Asked
Questions.doc...

Good afternoon,

Attached is some information about the Kenai Peninsula Borough School District that may be useful in your work on funding K-12 education. Hopefully, the FAQ's will help clear up some of the confusion I sensed during today's audio conference. Also attached is the updated Board of Education's State Legislative Priorities and Resolution 04-05-3, both acted on by the Board at last night's meeting. These documents were the basis for my comments today. Please let me know if you have any questions. I will be traveling the next few days, however, I may be reached by cell phone at 907-398-4339.

Thank you for all you do on behalf of Alaskans!

Melody Douglas, CFO

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Resolution 04-05-3

RESOLUTION ON STUDENT FUNDING

Whereas, the Governor recognizes the challenge of creating a quality educational system and desires to continue to improve education; and

Whereas, the Governor said in the State of the State Address: "... increases in the retirement system costs and unforeseen energy expenses have put too great a burden on local governments in the short term," and he introduced a funding bill to increase the foundation funding by \$62 million resulting in a base student allocation of \$4,880; and

Whereas, increasing student achievement and improving school performance (required by both the No Child Left Behind Act and Alaska statute and standards) will require schools to go beyond status quo operations and institute new or improved programs over the long term to address the specific unique needs of each student; and

Whereas, increasing student achievement and improving school performance require resources *beyond* those needed to simply address the increased costs of the retirement system and the unforeseen energy expenses; and

Whereas, the Kenai Peninsula Borough School District recognizes that improving student achievement will require a combination of the following strategies at a minimum:

- reducing Pupil Teacher Ratio (PTR) to 20:1 average at kindergarten
- reducing PTR to 22:1 average at 1-3rd grade
- reducing PTR to 26:1 at 4-6th grade
- expanding literacy resources and training in primary grades
- expanding distance education opportunities; and

Whereas, reaching a level of truly adequate foundation funding that will increase student achievement and improve school performance will require a reasonable and dependable trend of funding increases over a number of years; and

Whereas, by our district requesting a higher level of funding increase for 2006 than currently proposed by the Governor, we recognize that the benefit would accrue not only to our students but also to all students in Alaska, both urban and rural; now therefore be it

Resolved, That the Kenai Peninsula Borough School District strongly supports the funding bill introduced by the Governor to increase foundation funding; and be it further

Resolved, That the Kenai Peninsula Borough School District requests the Governor and Legislature increase the base student allocation to \$5086 for FY06 and make an additional appropriation of \$114 per Kenai Peninsula Borough School District student to assist with the additional fixed costs of operating rural schools. As the Kenai Peninsula Borough School District is a model for the State, with your support we can work together to make our children a true priority.

Attest:

Sammy Crawford, President
School Board

Sally Tachick
Notary Public
My Commission Expires 7/25/05

Kenai Peninsula Borough School District

Frequently Asked Questions

February 8, 2005

What are the District's statistics?

The District is the fourth largest district in the state with 9,546 students, housed in 44 schools in 21 communities covering 26,000 square miles. The District has 1125 employees: 600 certified staff, 470 support staff and 55 administrators. There are fifteen schools with under 100 students and five sites have severely limited access (they are not on a road system).

What base student allocation does the District need?

\$5200 is needed per the District's State Legislative Priorities, with a revised fiscal note, adopted at the February 7, 2005 Board of Education Meeting.

What will Governor Murkowski's recommended base student allocation of \$4880 cover for the District?

The Governor's recommendation does not cover the District's costs for FY06 operations due to scheduled increases in utility, insurance, salary and benefit costs. However, this increase in funding would enable the District to avoid a significant budget reduction process that has been experienced in recent years.

What does the District's Preliminary FY06 Budget include?

This is the District's first attempt to recover lost ground in pupil teacher ratios by lowering class sizes to more reasonable levels. The FY06 Preliminary Budget includes a modest change; primarily to the K-6 staffing formula. We have systematically increased class sizes in recent years in order to balance our budget to available revenue. The budget includes continuing other District programs as is.

What does the District need to address the true staffing needs of the District?

A base student allocation of \$5200 for FY06 is needed to address the needs outlined in the District's Legislative Priorities; this assumes continued funding to the cap by the Kenai Peninsula Borough.

What would a base student allocation of \$4995 do for the District?

This allocation would meet the obligations of the District for FY06 without use of fund balance and would allow the District to budget for a minimum number of unallocated temporary positions to offset, specifically at the 7-12 level, a portion of basic program offerings being lost through enrollment declines. In other words, schools of 400-500 students could possibly keep a minimum number of electives for one more year.

Attached for further clarification is the District's State Legislative Priorities and Resolution 04-05-3 approved by the Board of Education on February 7, 2005.

KENAI PENINSULA BOROUGH SCHOOL DISTRICT 2005 STATE LEGISLATIVE PRIORITIES

**** Recognize that children are the first priority in the State of Alaska.***

By recognizing and declaring children as the top priority in Alaska, and encouraging support for programs guaranteeing their safety, health, and education, the stability of Alaska's future will be protected.

**** Assure that health and safety needs are met by providing accountability for all school-age children in the state.***

Having a choice of an educational delivery system is important to Alaskans. However, all children have a right to an education. A registration and educational accountability system for all school-age children will help protect their right to an education as well as help protect the health and safety needs of those least likely to care for themselves.

**** Fund education on a forward basis so that budgets are known prior to statutory requirements for notifying teachers of non-retention.***

School district issuance of teaching contracts is governed by state statute. Without knowledge of state funding, districts are required to balance their resources. In times of reduction, as a labor intensive workplace, this balancing occurs in school districts by having fewer people doing the job. A process of non-retaining teachers occurs in mid-March with reinstatement occurring once the budget amount is known, usually in mid-May. Funding for education should be established early so that adequate planning can occur.

**** Fully fund the contribution changes required to the Teachers Retirement System (TRS) and the Public Employees Retirement System (PERS) in addition to the State educational funding formula.***

An important factor in student academic achievement is highly qualified and committed employees. The state mandated employer contribution increase to TRS and PERS is in excess of \$2 million for KPBSD, equating to an increase of \$114 per student. Fully funding this increase in addition to the current educational funding formula ensures that the District is not forced to reallocate instructional funds to pay for this obligation.

**** Recognize, through adjustments to the area cost differential within the educational funding formula, the high cost of doing business in the Kenai Peninsula Borough School District.***

With fifteen schools of under 100 students, 44 separate school programs, and five sites with severely limited access, a cost differential of 1.004 is not sufficient to provide equitable education for communities throughout the peninsula. KPBSD continues to be efficient with low administrative costs, meeting 70/30% instructional/other cost requirements, and receiving the maximum funding available through the local contribution. Since 1984, studies have shown that KPBSD has received less consideration than other districts for the high cost of doing business. It is estimated that a single year's adjustment of over \$2 million to the cost differential for KPBSD (equates to an increase of \$114 per student) would result in a more equitable distribution of state resources for KPBSD students.

*** Increase the foundation formula to reduce large class sizes.**

With high academic achievement standards, federal mandates, and increased accountability, increasing class sizes are of concern to parents and educators. Due to budget constraints, KPBSD has been forced to increase the numbers of students in classrooms. Current pupil teacher ratios are 24:1 in grades K-3; 29:1 in grades 4-6, 24.5:1 in 7-12, and 19:1 in our K-12 small schools. In order to lower class sizes to the appropriate and research based averages of 18:1 in K-3, and 24:1 in 4-12, approximately sixty additional teachers would be needed in KPBSD. This would mean an increase of \$3.9 million, or the need for \$175 additional in the funding formula.

*** Inflation-proof the educational funding formula.**

Costs continue to rise in education as in any business. In Alaska, the Permanent Fund is adjusted for these increases but the educational funding formula is not. Therefore, regular expected increases to the cost of doing business each year require Districts to reduce budgets to account for inflationary costs. A regular mechanism for addressing increasing costs needs to be developed. An example of an annual estimated cost of living adjustment of 1.5% would be \$1.2 million, adding an additional \$69 per student to the funding formula.

Fiscal Note for KPBSD Legislative Priorities

	12-6-04 Legislative Priorities	1-5-05 Preliminary Budget	1-31-05 Revised Fiscal Note
Current per pupil state foundation formula amount	\$ 4,576	\$ -	\$ -
Governor's Proposal (\$62 million)	-	4,869	-
District needs per FY06 Preliminary Budget	-	-	4,980 ***
Retirement obligation (TRS/PERS)	114	-	-
Recognize area cost differential issues in KPBSD	114	114	114
Reduce large class sizes	175	106 **	106 **
Address higher costs of doing business each year	69	-	-
	<u>\$ 5,048</u>	<u>\$ 5,089</u>	<u>\$ 5,200</u>

* Increase in base student allocation of \$293 (revised to \$304 by DEED for \$4880) used to address all salary and benefit increases, property, liability and workers compensation increases, distance delivery upgrade, elementary reading curriculum

** Preliminary Budget contains approximately \$1.2 million of \$3.9 million legislative priority for reducing large class sizes

*** Additional base student allocation amount needed over Governor's proposal to balance FY06 revenues to expenditures
Note: no fund balance allocation of \$1.7 million needed with this scenario



**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT
501 N. GULKANA STREET
PALMER, ALASKA 99645**

Board Memo No. 05-110

A Resolution of Matanuska-Susitna Borough School Board Regarding Education Funding.

WHEREAS, the Governor recognizes the challenge of creating a quality educational system and desires to continue to improve education; and,

WHEREAS, the Governor said in the State of the State Address, "Increases in the retirement system costs and unforeseen energy expenses have put too great a burden on local governments in the short term." and,

WHEREAS, he introduced a funding bill to increase foundation funding by \$62 million resulting in a base student allocation of \$4,880; and,

WHEREAS, increasing student achievement and improving school performance (required by both the No Child Left Behind Act and Alaska statute and standards) will require schools to go beyond status quo operations and institute new or improved programs that meet the unique needs of each student; and,

WHEREAS, increasing student achievement and improving school performance require resources *beyond* those needed to simply address the increased costs of the retirement system and the unforeseen energy expenses; and,

WHEREAS, the School Board of the Matanuska-Susitna Borough School District recognizes that improving student achievement will require a combination of the following strategies at a minimum:

- Extending instructional time with students,
- Restoring teaching supplies and textbooks,
- Strengthening professional development,
- Strengthening classroom assessments,
- Continuing with curriculum alignment,
- Expanding Career & Technical Education,
- Designing interventions to address challenges from growth and overcrowding; and,

WHEREAS, reaching a level of truly adequate foundation funding that will increase student achievement and improve school performance will require a reasonable and dependable trend of funding increases over a number of years; and,

WHEREAS, by our district requesting a higher level of funding increase for 2006 than currently proposed by the Governor, we recognize that the benefit would accrue not only to our students but also to all students in Alaska, both urban and rural; and,

WHEREAS, the MSBSD School Board strongly supports the funding bill introduced by the Governor to increase foundation funding; and,

THEREFORE BE IT RESOLVED, the MSBSD School Board requests the Governor and Legislature increase foundation funding in the Governor's bill by an additional \$23 million, for a total FY06

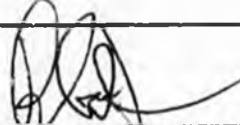
increase of \$85 million. With the resulting base student allocation of \$4995, schools could continue to work toward increasing student achievement and improving school performance.

BE IT FURTHER RESOLVED that the MSBSD School Board strongly opposes any change to its district cost factor (per the 2003 Alaska School District Cost Study). Such a change would negate any increases by the Governor and Legislature by shifting funds from districts with increasing enrollment and rapid growth, like Mat-Su, to districts with decreasing enrollment.

ADOPTED by Matanuska-Susitna Borough School District this 2nd day of February 2005.

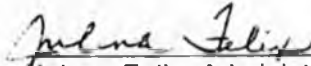


Michael Chmielewski, Board President



Robert Doyle, Chief School Administrator

ATTEST:



Julena Felix, Administrative Assistant



**MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT
501 N. GULKANA STREET
PALMER, ALASKA 99645**

SUBJECT: 2004-05 Legislative Priorities with Board Approved Changes

Borough

- Comprehensive planning for future school sites
- Fall 2005 bond election for new schools
- Clarification of fund balance issues

State

- Funding for construction of 20 portable classrooms
- Reauthorization of Bond Debt Reimbursement to 90/10
- Foundation Funding
 - Funding to pay for mandatory PERS/TRS increases

Federal

- Fully fund NCLB mandates
- Amendments to NCLB:
 - Remove "Students with Disabilities" and "Limited English Proficient" subgroups from AYP calculations
 - Adopt a progress model, versus a cut-score model
 - Offer school-based supplemental support before school choice/transportation; stop requiring districts to withhold transportation funding
 - Require evaluation of supplemental service providers



MATANUSKA-SUSITNA BOROUGH SCHOOL DISTRICT

Office of Public Information

501 N. Gulkana • Palmer, Alaska 99645

Phone: 907-746-9251 • Fax: 907-761-4076

Growth – Mat-Su Borough School District

MSBSD is growing by nearly 500 students each year, which is roughly equivalent to the population of an elementary school. We welcome the growth, yet it places significant strain on our existing school facilities and services. While we aren't responsible for the growth, we do consider the district to be a major player in the Valley's growing economy.

In fall 2007, the district will open a new Wasilla-area elementary school. By that time, the district's core area elementary schools will have well exceeded their actual capacity by approximately four 500-student buildings. The State's calculations for building capacity may tell a different story. However, the State's calculation inaccurately reflects available space. For instance, actual capacity changes based upon program needs (special education, for example) and class size. At this time, it is impossible to identify available classroom space in any of the district's core-area elementary schools.

As our community scrambles to address the largest growth rate in the state, we must continue to invest in the infrastructure of our schools. Research proves educated individuals are more likely to be employed and earn more. They contribute to the economy by spending more money and paying more in social security taxes. As education levels rise, the costs of social programs go down. Higher levels of education mean lower levels of spending on welfare, unemployment, health care, and criminal justice.

Business relies on quality K-12 education and higher education institutions to create a highly qualified workforce to serve the needs of a diverse economy and participate in democracy. The status of the local school system is a major quality of life consideration for relocating businesses and employees. Success in our economy requires attracting and retaining individual talent. Quality schools stabilize communities and increase housing values.

Again, we aren't driving growth in the Valley, but yet we must respond appropriately. Currently we're looking for solutions to overcrowding. Bonding for new schools is a major piece of any solution. Debt-reimbursement has been successfully used in the past to construct new facilities and complete major maintenance on our oldest buildings. Extending debt reimbursement may not be possible in light of opposition from the State Department of Education & Early Development and the Department of Revenue. With that in mind, we're requesting creative solutions to problems caused by rapid growth, perhaps to include direct capital appropriations and grants.

FY - 2006 Capital Budget
Six-Year Capital Improvement Plan

District : Matanuska-Susitna Borough School District Date: January 24, 2005 Page 1 of 4 Pages

District Priority	Project Location and Description	Primary Purpose	Year for which funding is being requested						Estimated Cost
			FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	
1	Settlers Bay Elementary School Big Lake Attendance Area	Cat. B	X						\$13,000,000
2	Fire Alarm Upgrade, Palmer Junior Middle School	Cat. C	X						\$450,000
3	Wasilla High School Remodel Phase III	Cat. C	X						\$3,500,000
4	Re-Roof Su-Valley High School	Cat. C	X						\$1,000,000
5	New South Palmer Elementary School	Cat. B	X						\$13,000,000
6	New South Trunk Road Elementary School	Cat. B	X						\$13,000,000
7	Expand Cafeteria, Replace Gym Floor, Upgrade entry Lighting, Wasilla Middle School	Cat. F	X						\$2,200,000
8	New High School Core Area	Cat. B	X						\$35,000,000
9	New Mid-Valley High School	Cat. E		X					\$7,500,000

Submit with CIP Application

District Priority	Project Location and Description	Primary Purpose	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Estimated Cost
10	Valley Pathways Phase III New Building	Cat. B		X					\$6,451,000
11	Fire Alarm Upgrade, Colony High School	Cat. C		X					\$600,000
12	Reroof Snowshoe Elementary	Cat. C		X					\$350,000
13	Reroof Houston Middle School Big Lake Attendance Area	Cat. C			X				\$1,076,000
14	Fire Alarm Upgrade, Houston Middle School	Cat. C			X				\$300,000
15	Upgrade Running Tracks Three High Schools	Cat. C			X				\$616,000
16	Fire Alarm Upgrade, Colony Middle School	Cat. C			X				\$450,000
17	ADA Upgrades District-Wide	Cat. C				X			\$200,000
18	Lighting Upgrades District-Wide	Cat. C				X			\$300,000
19	Energy Upgrades District-Wide	Cat. C				X			\$400,000
20	Fencing Iditarod Site	Cat. C				X			\$100,000
21	Flooring Replacements Palmer Junior Middle	Cat. C				X			\$250,000


Submit with CIP Application

District Priority	Project Location and Description	Primary Purpose	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Estimated Cost
22	Flooring Replacements District-Wide	Cat. C				X			\$400,000
23	Career Center Addition	Cat. B					X		\$10,000,000
24	Re-Roofing Big Lake Elementary	Cat. C					X		\$350,000
25	Re-Roofing Administration Building	Cat. C					X		\$530,000
26	Flooring Replacements District-Wide	Cat. C					X		\$300,000
27	ADA Upgrades District-Wide	Cat. C					X		\$225,000
28	Reroofing District-Wide	Cat. C					X		\$300,000
29	Internal Renewal Su-Valley High School	Cat. C						X	\$3,000,000
30	Wasilla High School Auditorium	Cat. B						X	\$4,000,000
31	Mechanical Upgrades Wasilla Middle School	Cat. B						X	\$650,000
32	Internal Renewal Big Lake Elementary School	Cat. C						X	\$350,000
33	Lighting Upgrades District-Wide	Cat. C						X	\$300,000

Submit with CIP Application

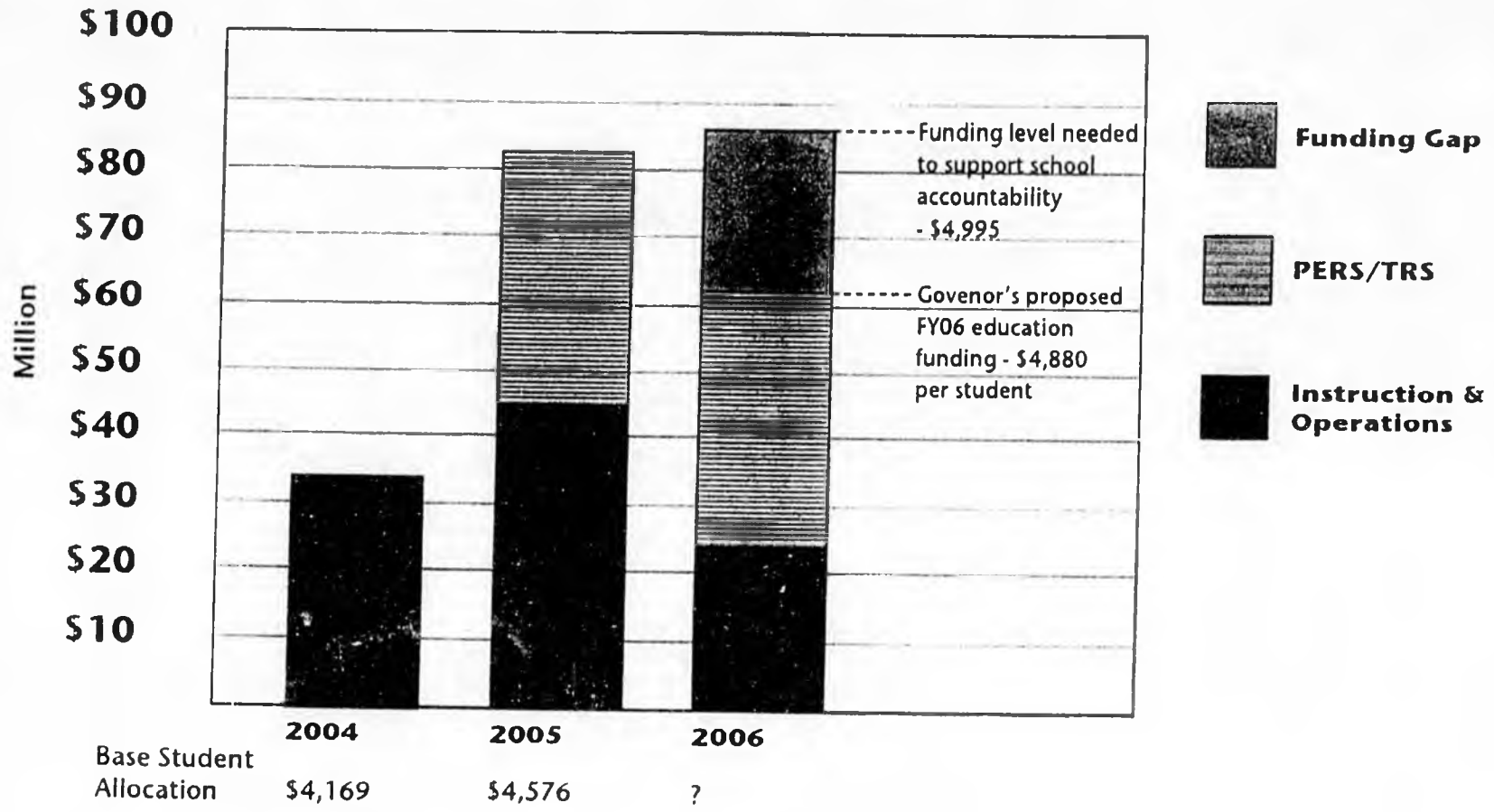
District Priority	Project Location and Description	Primary Purpose	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Estimated Cost
34	Energy Upgrades District-Wide	Cat. C						X	\$400,000

I hereby certify that the information presented is true and correct to the best of my knowledge.

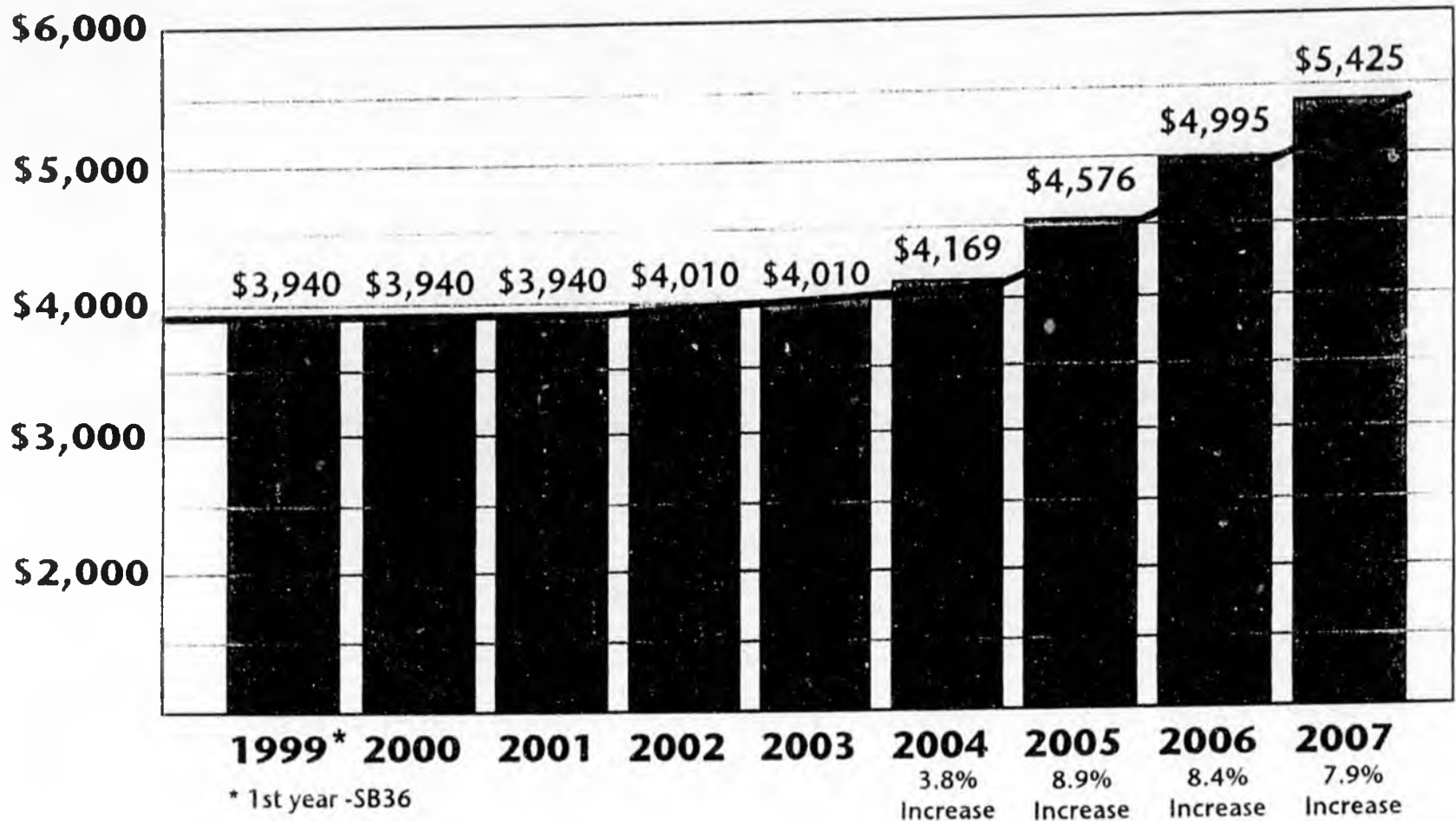
Signed  Date _____
 Chief School Administrator

Submit with CIP Application

Proposed School Funding



Base Student Allocation 1999-2007



1999*

* 1st year -SB36

Rex Shattuck

From: Kris Moore [mooreofus@gci.com]
Sent: Monday, February 07, 2005 8:45 AM
To: mooreofus@gci.net
Subject: Five minutes is all it takes-- TAKE 5 TODAY!

I know how busy we are as educators, parents and involved community members. I am asking you to find a minimum of five minutes and help advocate for quality schools in the state of Alaska.

You do not have to be an expert or understand the details of education funding, which is very complicated and confusing. You also cannot remain silent.

This week the House Education committee will be hearing testimony on education funding.

IF YOU CAN ATTEND AT YOUR LOCAL LIO ON TUESDAY OR THURSDAY, AT 11:00AM, PLEASE GO AND PROVIDE A PUBLIC TESTIMONY OF YOUR STUDENT'S NEEDS.

Funding for additional schools, adequate funding for district goals, smaller classroom sizes, current text books and materials, lower fees and material co-pays, less school fundraisers, funding that will allow decisions to be made based on what's best for kids...etc..

If you cannot attend, please take five minutes to call the LIO office (matsu--376-3704)

They will assist you in sending a message to the members of the education committee and our local legislators. This is the simplest way to use your voice and everyone can and should do it.

Beyond that you can call, email, write, etc...legislators directly using the contact information previously provided.

[http://w3.legis.state.ak.us/home.htm?](http://w3.legis.state.ak.us/home.htm)

Make these contacts today, Monday. Legislators need to hear from YOU, yes you...EACH OF YOU..and please encourage others to take 5 today, also.

In addition, Representative Kohring will be at Wasilla City Hall tonight from 6-8. This is an excellent opportunity for us to be visible to our elected officials.

As always, contact me if you need additional support or information. Several of you have had a difficult time replying to my emails, please make sure your address is correct at mooreofus@gci.net

Since you are at your computer now, why not send a POM over the internet...
<http://www.legis.state.ak.us/poms/>

Take this link and your message is on its way.

Take 5 today!

Kris Moore
Voices for Children
373-2684
mooreofus@gci.net

House Special Committee on Education members Rep_Mark_Neuman@legis.state.ak.us
Rep_Carl_Gatto @legis.state.ak.us Rep_Bob_Lynn @legis.state.ak.us Rep_Bill_Thomas
@legis.state.ak.us Rep_Peggy_Wilson @legis.state.ak.us Rep_Les_Gara @legis.state.ak.us
Rep_Woodie_Salmon @legis.state.ak.us

Katie Shows

From: Rep. Paul Seaton
Sent: Monday, January 31, 2005 12:28 PM
To: Katie Shows
Subject: FW: SSHB 20

Rep. Paul Seaton
House District 35
Capitol Building, Rm. 102
Juneau, Alaska 99801
Ph: 907-465-2689
Fax: 907-465-3472

-----Original Message-----

From: Bill Ferguson [mailto:bill_ferguson@lksd.org]
Sent: Monday, January 31, 2005 10:45 AM
To: paul_Seaton@legis.state.ak.us
Subject: SSHB 20

Representative Paul Seaton

We just received your letter concerning SSHB ,20, Early Funding for Education, and the LKSD Board of Education is in full support of it. It is difficult to prepare a budget for the following year's operation when educational funding is determined until the end of the Alaska Legislative Session. The LKSD Board will have a meeting on February 22 and they will be considering a resolution in support of SSHB 20.

Thank-you for sponsoring this important piece of legislation.

Bill Ferguson
Superintendent
Lower Kuskokwim School District
Box 305
Bethel, Alaska 99559

ALASKA COUNCIL



OF SCHOOL ADMINISTRATORS

326 Fourth Street, Suite 404 • Juneau, Alaska 99801
Phone: (907) 586-9702 • Fax: 586-5879
web site: www.alaskaacsa.org

Alaska Council of School Administrators

14 January 2005

The Honorable Mark Neuman
House of Representatives
Alaska State Capitol, Room 409
Juneau, Alaska 99801-1182

Dear Representative Neuman:

By way of introduction, I am the Executive Director of the Alaska Council of School Administrators (ACSA), an organization with a membership of over 400. ACSA and its member organizations are briefly described in the enclosure.

Since education is one of the legislature's top priorities, I expect to be working closely with you on several issues. I retired after 21 years of administrative experience in various districts from small cities, to a large Rural Education Attendance Area district, the Fairbanks North Star Borough School District, and the Wrangell and Petersburg School Districts. Through experience in such diverse settings, I have gained a broad understanding of Alaska's educational challenges and look forward to being involved as issues are addressed.

In the near future, I will be calling to make an appointment to visit with you and your staff. If I can be of assistance in any way on educational matters, please let me know. I look forward to meeting with you.

Respectfully,

Mary A. Francis, Ph.D.

MF:klc

Encl.

ALASKA COUNCIL



OF SCHOOL ADMINISTRATORS

326 Fourth Street, Suite 404 • Juneau, Alaska 99801
Phone: (907) 586-9702 • Fax: 586-5879
web site: www.alaskaacsa.org

Alaska Council of School Administrators

Two highest priorities for education

- *long-term fix for TRS/PERS systems; look at combining small districts
- *pay for TRS/PERS increases; re-authorize bond debt reimbursement program
- *funds to address class size; pay for TRS/PERS increases
- *state data system to track students; supplement delivery system for at-risk students
- *funding to keep current staff; funding for maintenance of physical plant
- *pay for TRS/PERS increases and fix the problem
- *adequate funding; continue debt reimbursement program
- *help with TRS/PERS; long-range fiscal plan for the state
- *adequate funding
- *resources to train teachers
- *adequate funding; how and when a district can release tenured teachers
- *fund increases to TRS/PERS; increase educational funding; fulfill commitment to debt reimbursement program; change in transportation funding from by student to by bus
- *educational funding; local control; continue HR 242 regarding hire of retired teachers in hard to fill positions

*restore funding for early education program; volatile insurance costs

*forward funding; funding for building maintenance

*forward funding; fund increases to TRS/PERS

Many district superintendents expressed gratitude to Representative Neuman for asking for this information.

Alaska Kids Count! Juneau

Our Goals for Foundation and Local Funding for Public Schools

Juneau's class sizes continue to grow and as a result the quality of our children's education continues to erode. For example, Harborview School has a kindergarten class with 26 children and Auke Bay School has a third grade class with 30 children this year. As parents, we see the need for smaller class sizes and know how fewer children in a classroom allow teachers more time for individual attention to meet each child's learning needs.

Alaska Kids Count supports reducing average class size to reach the Juneau School Board's published class size goals. These are modest ratios and do not reflect an ideal.

<u>Grades</u>	<u>Board Goal</u>	<u>Current Average Class Size</u>
K-2	20	K-5 combined at 25
3-5	25	
6-8	30	32
9-12	30	32

Alaska Kids Count also supports meeting specific instructional needs that affect the classroom such as special education and English as a Second Language, and matching requirements for independent Arts for Kids grant initiatives. These services directly impact the quality of education available to Juneau's students.

To meet these goals, Alaska Kids Count supports an increase in Foundation funding of approximately \$112 million statewide, \$50 million more than the Governor's proposed funding level. This would generate an increase of approximately \$1.8 million in state education funding for Juneau. This requires an estimated Base Student Allocation of \$5120.

The Governor's proposal is a \$62 million increase with \$38 million for retirement and \$24 million to compensate for inflation. Even assuming a \$900 thousand local contribution (to the "cap"), the Governor's proposal requires \$600 thousand in cuts to Juneau's schools. While Alaska Kids Count appreciates the Governor's proposal, we ask the Governor and the Legislature to do more for Alaskan students. Our example is specific to Juneau, but is representative of other school districts' needs.

Alaska Kids Count!



Who are we?

Alaska Kids Count! is a nonpartisan network of parents, educators and community members concerned about the quality of public education in Alaska and committed to making a positive contribution to improve Alaska's schools. It is a grassroots, volunteer effort.

The network's primary goal is to increase State funding to provide the resources needed to offer a high quality education to students in Alaska.

The network provides individuals with the tools and information needed to effectively voice concerns to state and local decision makers. Information is shared primarily through email. Participants are encouraged to attend legislative hearings, write letters to elected officials and newspapers, make phone calls and distribute information on education issues and pending legislation.

Our guiding principles:

- * Parents, voicing their individual and collective concerns, are a powerful and effective lobby.
- * Advocacy will be most effective if it is done collaboratively with parents, educators and organizations from across the state.
- * It is the State's constitutional obligation to provide a free K-12 public education. It is the Legislature's responsibility to determine the means of funding it.
- * To be effective, we must be persistent.

Alaska Kids Count! originated in January 2004 in response to parent concerns about diminishing resources and opportunities in Juneau's public schools. We have evolved into a statewide organization with contacts across the state, with our base of operation in Juneau.

To learn more about Alaska Kids Count! write to williwaw@earthlink.net or visit our web site at www.AlaskaKidsCount.org.

Alaska Kids Count! Steering Committee
Mary Hakala, Mike Sigler, Mike Ford and Andi Story
January 2005