

**SB**

**235**

# FISCAL NOTE

STATE OF ALASKA  
2006 LEGISLATIVE SESSION

Fiscal Note Number: 2  
Bill Version: CSSB 235(FIN)  
(S) Publish Date: 4/12/06

Revision Date/Time (Note if correction):	Dept. Affected: <u>Education</u>
Title: <u>An act relating to school performance</u>	RDU: <u>K-12 Support</u>
<u>incentive payments</u>	Component: <u>New -School Performance</u>
Sponsor: <u>Rules Committee</u>	<u>Incentive Program</u>
Requester: <u>Governor</u>	Component No. _____

**Expenditures/Revenues** (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	5,800.0	5,800.0	5,800.0	**	**	**
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>5,800.0</b>	<b>5,800.0</b>	<b>5,800.0</b>	<b>**</b>	<b>**</b>	<b>**</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	5,800.0	5,800.0	5,800.0	**	**	**
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type-Do not abbreviate)						
<b>TOTAL</b>	<b>5,800.0</b>	<b>5,800.0</b>	<b>5,800.0</b>	<b>**</b>	<b>**</b>	<b>**</b>

Estimate of any current year (FY2006) cost: 0.0  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This legislation will allow the Department of Education & Early Development to establish a school performance incentive program. This program will provide an incentive payment of up to \$5,500 for certified personnel and up to \$2,500 for non-certified personnel if the students in their school demonstrate substantial growth in achievement on state assessments from one year to the next. Incentive payments will be based on four achievement levels. The cost of the incentive program will not exceed \$5.8 million annually because the program is limited to 850 certified staff and approximately 340 non-certified staff. The program will sunset June 30, 2009. This bill also requires LB&A to review the program by December 31, 2008 and recommend whether it should be continued or not.

It is not expected that all 850 certified staff will qualify for the maximum bonus. EED prepared this fiscal note to show the legislature the maximum entitlement under this pilot program. The following page outlines the amount of the bonus for each of the achievement levels.

Prepared by: <u>Eddy Jeans, Director</u>	Phone: _____
Division: <u>School Finance</u>	Date/Time: <u>2/23/06 12:00 AM</u>
Approved by: <u>Roger Sampson</u>	Date: <u>2/23/06 12:00 AM</u>
Agency: <u>Commissioner</u>	

FISCAL NOTE

STATE OF ALASKA  
2006 LEGISLATIVE SESSION

Fiscal Note Number: 2  
Bill Version: CSSB 235(FIN)  
(S) Publish Date: 4/12/06

**ANALYSIS CONTINUATION**

Staffing: The department will utilize existing staff, to the extent possible, to calculate the schools that qualify for the bonus at which level, the staff to be awarded the bonus and to make the actual grant payments and provide the accounting support. Depending upon the volume of payments, it may be necessary to hire staff. If so, funds would be transferred from the grant line to cover personnel costs.

The School Performance Incentive Program will have four levels: Strong; High; Excellent; Outstanding. All school staff, certified and non-certified will be eligible for the incentive payment if the students in the school meet the achievement targets. The table below outlines the levels and the amount of the incentive payment for each level:

Achievement Level	Bonus Amount for Certified Staff	Bonus Amount for Non-Certified Staff
Strong	\$2,500	\$1,000
High	\$3,500	\$1,500
Excellent	\$4,500	\$2,000
Outstanding	\$5,500	\$2,500
Approximate # of Employees Statewide	9,000	3,700

The following chart illustrates the cost based on 850 certified staff and 340 non-certified staff that would qualify for the incentive at the highest level or \$5,500 per certified staff and \$2,500 for non-certified staff

Achievement Level = Outstanding

Range of Cost - Assumptions

	Number of Certified Staff	Number of Non-Certified Staff	Certified Cost	Non-Certified Cost	Central Office Staff may receive up to 5% of the total paid to all employees at all schools	Total
	850	340	\$4,675,000	\$850,000	\$276,250	\$5,801,250

# FISCAL NOTE

**STATE OF ALASKA**  
**2006 LEGISLATIVE SESSION**

Fiscal Note Number: 1 (CORRECTED)  
 Bill Version: SB 235  
 (S) Publish Date: 1/17/06

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Education  
 Title An act relating to school performance RDU K-12 Support  
incentive payments Component New -School Performance  
 Sponsor Rules Committee Incentive Program  
 Requester Governor Component No. \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	15,000.0					
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>15,000.0</b>	<b>**</b>	<b>**</b>	<b>**</b>	<b>**</b>	<b>**</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	15,000.0					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type-Do not abbreviate)						
<b>TOTAL</b>	<b>15,000.0</b>	<b>**</b>	<b>**</b>	<b>**</b>	<b>**</b>	<b>**</b>

Estimate of any current year (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This legislation will allow the Department of Education & Early Development to establish a school performance incentive program. This program will provide an incentive payment of up to \$5,500 for certified personnel and up to \$2,500 for noncertified personnel if the students in their school demonstrate substantial growth in achievement on state assessments from one year to the next. Incentive payments will be based on four achievement levels. The cost of the incentive program will vary from one year to the next based on the number of schools that qualify and at which level. Because it is not known how many schools will qualify for the incentive payments in FY2007, the department will seek an extended lapse date for this appropriation through June 30, 2008.

The following page outlines the amount of the bonus for each of the achievement levels. There is also an estimate of the range of costs for the program. If 5% of Alaska's school staff qualified for the incentive at the highest level, the cost would be approximately \$3 million and up to \$15 million if 25% qualify.

Prepared by: Barbara Thompson, Director Phone \_\_\_\_\_  
 Division Teaching & Learning Support Date/Time 1/11/06 3:00 PM  
 Approved by: Roger Sampson Date 1/12/2006  
 Agency Commissioner

**ANALYSIS CONTINUATION**

Staffing: The department will utilize existing staff, to the extent possible, to calculate the schools that qualify for the bonus at which level, the staff to be awarded the bonus and to make the actual grant payments and provide the accounting support. Depending upon the volume of payments, it may be necessary to hire staff. If so, funds would be transferred from the grant line to cover personnel costs.

The School Performance Incentive Program will have four levels: Strong; High; Excellent; Outstanding. All school staff, certified and non-certified will be eligible for the incentive payment if the students in the school meet the achievement targets. The table below outlines the levels and the amount of the incentive payment for each level:

Achievement Level	Bonus Amount for Certified Staff	Bonus Amount for Non-Certified Staff
Strong	\$2,500	\$1,000
High	\$3,500	\$1,500
Excellent	\$4,500	\$2,000
Outstanding	\$5,500	\$2,500
Approximate # of Employees Statewide	9,000	3,700

The following chart illustrates a range of costs based on estimates of the percentage of school staff that would qualify for the incentive at the highest level or \$5,500 per certified staff and \$2,500 for non-certified staff:

Achievement Level = Outstanding

Range of Cost - Assumptions

Assumption % of staff that qualify for bonus	Estimate of Certified Staff that qualify (of approx. 9,000)	Estimate of Non-Certified Staff that qualify (of approx 3,700)	Range of Certified Cost Based on % of staff	Range of Non-Certified Cost Based on % of staff	Central Office Staff may receive up to 5% of the total paid to all employees at all schools	Total
5%	450	185	\$2,475,000	\$462,500	\$146,875	\$3,084,375
10%	900	370	\$4,950,000	\$925,000	\$293,750	\$6,168,750
15%	1,350	555	\$7,425,000	\$1,387,500	\$440,625	\$9,253,125
20%	1,800	740	\$9,900,000	\$1,850,000	\$587,500	\$12,337,500
25%	2,250	925	\$12,375,000	\$2,312,500	\$734,375	\$15,421,875
30%	2,700	1,110	\$14,850,000	\$2,775,000	\$881,250	\$18,506,250
40%	3,600	1,480	\$19,800,000	\$3,700,000	\$1,175,000	\$24,675,000
50%	4,500	1,850	\$24,750,000	\$4,625,000	\$1,468,750	\$30,843,750
75%	6,750	2,775	\$37,125,000	\$6,937,500	\$2,203,125	\$46,265,625
100%	9,000	3,700	\$49,500,000	\$9,250,000	\$2,937,500	\$61,687,500

## **SB235 – School Performance Incentive Program**

**April 19, 2006**

### **What the bill does –**

- Increases student achievement
- Creates the environment for every school employee to work together and focus on greatly increasing student achievement in reading, writing and mathematics
- Rewards school staff for exceeding expectations and accelerating student learning
- Implements proven private sector practice into public education
- Links student academic performance to the bonus
- If we don't see significant increases in student achievement then there is no financial liability
- When schools and kids achieve exceed expectations and more than a years worth of academic growth – Alaska benefits!

### **Finance CS**

- Limits participation to 850 certified staff.
- Requires LB&A review and recommendations to continue beyond June 30, 2009.
- Reduces fiscal note from estimated \$15 million to \$5.8 million.

More details:

**The School Performance Incentive Program -**

- Awards bonuses to a school's teachers, administrators and support staff each year that its students show more than a year of academic growth
- Certified Staff may receive bonuses of up to \$5,500
- Non-certified staff may receive bonuses of up to \$2,500

**The program is based on -**

- Each student's scores on the state's standards based assessments are compared to his or her performance in the previous year.
- Schools earn points based on how each student does compared to last year. The points are totaled and divided by the number of students in the school to produce a school score.
- The school score is applied to an index that has several levels. There are four bonus levels: the higher the school score, the larger the bonuses.
- If no progress is shown, no bonus is earned.
- The procedures for calculating and awarding the bonus will be established by department regulation.

**The benefits to Alaska are -**

- Accountability: The money is directly linked to high levels of student learning.
- Effective instruction, staff collaboration, and shared responsibility.
- Enhanced Alaska teacher recruitment efforts.
- Targeting results: no progress, no financial liability to the state.

**The expected results of the program are -**

- Increases in student achievement.
- Instruction directly linked to outcomes.
- Incentives to work differently and create partnerships that will result in more than a year's growth in learning for students.
- Creative and effective use of instructional time in schools.
- Leveling the playing field for all schools; large or small, high or low - performing.

**The changes made in the Senate Finance Committee Substitute -**

- Limits the participation in the program to 850 certified staff.
- Requires a sunset review by Legislative Budget & Audit by December 31, 2008, to recommend whether or not the program should be continued beyond July 1, 2009.
- Reduced the fiscal note from estimated \$15 million to \$5.8 million.

# **Alaska School Performance Incentive Program**

*Measuring Individual Student  
Achievement*



# *What is the Program?*

## School Performance Incentive Program

- Performance incentive pay for improved student achievement beyond a year's growth
- Entire staff in a school receive incentive (all or none) includes administrators, teachers, classified
- Target based on individual student growth
- Compares the same student from previous year to current year
- All schools qualify if they meet growth target
- Measurement tool is the Standards Based Assessments (SBA) given annually in April



# *Benefits*

## School Performance Incentive Program

- Target not reached = no state financial liability
- Create a strong workforce for Alaska
- Enhance teacher recruitment efforts
- Accountability: directly linked to high levels of achievement
- Promote collaboration, effective instruction and spread responsibility across grade levels and content areas
- Requires focused instruction aligned to Alaska standards

# *Expected Outcomes*

## School Performance Incentive Program

- All staff have ownership of instruction and share responsibility for results
- Incentive to work differently, embrace innovation and create partnerships to improve student achievement
- Accountability and incentive to cause all students to reach proficiency and higher levels of advanced achievement
- Expand responsibility for the three Rs to all staff
- Instruction designed and delivered to meet student needs



# *Why Other Models Fail*

## School Performance Incentive Program

- Not based on student growth
- Unrealistic targets
- Conflict among staff: Some must lose for others to win
- Exclude building administrators
- Instrument used to measure is not reliable and consistent
- Compensation not large enough to provide incentive for change
- Weak commitment to the program



# Value Table

## School Performance Incentive Program

Previous Year Level ↓	Current Year Level					
	Far Below Prof. Minus	Far Below Prof. Plus	Below Proficient Minus	Below Proficient Plus	Proficient	Advanced
Far Below Prof. Minus	0	140	170	200	220	220
Far Below Prof. Plus	0	80	140	170	200	200
Below Prof. Minus	0	40	90	140	180	180
Below Prof. Plus	0	10	50	90	140	150
Proficient	0	0	20	50	100	130
Advanced	0	0	20	50	100	110

Values may change as a result of 2006 data analysis, public input, and State Board regulations.



# Computing Index

## School Performance Incentive Program

<b>Student</b>	<b>Last Year</b>	<b>Current Year</b>	<b>Points</b>
Student A	Proficient		
Student B	Below Prof. Minus		
Student C	Advanced		
Student D	Below Prof. Plus		
Student E	Far Below Prof. Plus		
Student F	Proficient		
Student G	Far Below Prof. Plus		
Student H	Below Prof. Minus		
Student I	Below Prof. Plus		
Student J	Advanced		
<b>School Index Score</b>			

March 17, 2006

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# Computing Index

## School Performance Incentive Program

Student	Last Year	Current Year	Points
Student A	Proficient	Advanced	
Student B	Below Prof. Minus	Below Prof. Minus	
Student C	Advanced	Proficient	
Student D	Below Prof. Plus	Far Below Prof. Plus	
Student E	Far Below Prof. Plus	Below Prof. Minus	
Student F	Proficient	Below Prof. Plus	
Student G	Far Below Prof. Plus	Below Prof. Plus	
Student H	Below Prof. Minus	Below Prof. Plus	
Student I	Below Prof. Plus	Below Prof. Plus	
Student J	Advanced	Advanced	
<b>School Index Score</b>			

March 17, 2006



# *Computing Index*

School Performance Incentive Program

<b>Student</b>	<b>Last Year</b>	<b>Current Year</b>	<b>Points</b>
Student A	Proficient	Advanced	130
Student B	Below Prof. Minus	Below Prof. Minus	90
Student C	Advanced	Proficient	100
Student D	Below Prof. Plus	Far Below Prof. Plus	10
Student E	Far Below Prof. Plus	Below Prof. Minus	140
Student F	Proficient	Below Prof. Plus	50
Student G	Far Below Prof. Plus	Below Prof. Plus	170
Student H	Below Prof. Minus	Below Prof. Plus	140
Student I	Below Prof. Plus	Below Prof. Plus	90
Student J	Advanced	Advanced	110
<b>School Index Score</b>			<b>1030/10 = 103</b>

March 17, 2006

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# *Performance Levels*

School Performance Incentive Program

Growth Index Level	Index Point Value
Strong	102-104.99
High	105-107.99
Excellent	108-109.99
Outstanding	110 and Greater

Model is built on 100 as one year of growth.

March 17, 2006

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# *Performance Level Incentive*

School Performance Incentive Program

Level	Certificated	Non-Certificated
Strong	\$2,500	\$1,000
High	\$3,500	\$1,500
Excellent	\$4,500	\$2,000
Outstanding	\$5,500	\$2,500

Multiple levels provide greater incentive and achievable gradations, but recognize real growth in achievement.

# School Performance Incentive Program Recap

- Based on growth in student achievement
- Empowers expertise of educators and school personnel
- Includes all staff: all make it or no one makes it
- SBA used to measure growth



State of Alaska  
**OFFICE OF THE GOVERNOR**

**Frank H. Murkowski**  
Governor  
P.O. Box 110001  
Juneau, Alaska 99811-0001  
**NEWS RELEASE**



**Becky Hultberg**  
Press Spokeswoman  
907-465-3500  
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[www.gov.state.ak.us](http://www.gov.state.ak.us)

FOR IMMEDIATE RELEASE: January 11, 2006

**Governor Proposes Incentives for School Staff to Raise Student Achievement**

(Juneau) -- Governor Frank H. Murkowski will introduce bills in the House and Senate to establish monetary incentives for staff at public schools to significantly improve student academic performance.

"The Alaska School Performance Incentive Program is intended to encourage everyone on a school's staff to collaborate and take shared responsibility for all students, use instructional time effectively, and use the results of standards-based assessments to target students' academic needs," said Education Commissioner Roger Sampson.

The program will award bonuses to a school's administrators, teachers and support staff if a substantial number of students show more than a year's academic growth as measured by scores on the state's standards-based assessments. Some school district central office staff may receive a bonus as well.

The bonuses, which are not part of an employee's base pay, will range from \$2,500 to \$5,500 for certificated staff and \$1,000 to \$2,500 for non-certificated staff. There will be several levels of bonuses, based on how much growth students have shown.

"The performance incentive program will inspire and empower Alaska's outstanding educators to use their expertise and innovative instructional practices to improve student growth and achievement," Murkowski said. "This program will enhance Alaska's teacher recruitment efforts, raise accountability by linking the incentive payments directly to increased levels of student achievement, and promote effective instruction."

To determine whether a school's staff is eligible for bonuses, each student's test score will be placed in one of six categories: advanced, proficient, below proficient plus, below proficient minus, far below proficient plus, and far below proficient minus.

At the end of every school year, the state will compare each student's performance with his or her performance the year before, as shown by the six categories. Schools will receive various points for students based on whether a student moved up or down in the categories or stayed in the same one.

-- more --

The points for a school's students will be totaled and then divided by the number of students to produce a school score. The score will be applied to an index that has several levels. The higher the score, the larger the bonus. Schools that show only a year's growth or less will not receive bonuses.

"The program meets a need in Alaska schools for accountability," Commissioner Sampson said. "The money is directly linked to increasingly high levels of student learning. The program provides an incentive for a school's staff to work differently and creatively."

The proposed program differs from merit pay, an idea that has had a mixed reception in other states. Merit pay programs often pitted staff against one another; thus, in order for one to win, others must lose. Such programs hindered cooperation and collaboration.

- Alaska's incentive plan awards bonuses for student growth, even if students aren't yet proficient. Therefore, every school has an equal opportunity to win a bonus.
- Alaska's plan applies to all school staff.
- The targets for school achievement are clear and objective.

The cost will depend on how many people earn bonuses, and on details of the point system and the index, which will be set in regulation by the State Board of Education & Early Development.

A fiscal note prepared by the Department of Education & Early Development estimates the range of what the program could cost. For example, if 5 percent of the state's school staff members won the highest level of bonus, it would cost nearly \$3.1 million. If 25 percent of the state's school staff members won the highest level of bonus, it would cost about \$15.4 million.

**More information:** At the Department of Education & Early Development, contact Les Morse, Director of Assessment & Accountability, 465-8691; or Eric Fry, Information Officer, 465-2851.

###



# Alaska State Legislature

Please enter into the record my testimony to the House Health, Education & Social Services  
committee name

Committee on SB 235, dated 4-27-05  
bill # / subject public hearing date

The Performance Incentive Plan is an embarrassment to the teaching profession. The idea that a teacher would or even could do a better job teaching because of a "salary bonus" is absurd. Any decent teacher would tell you that a child will have a greater chance of succeeding if:

1. there are less children in the classroom (lower PTR)
2. the teacher has time to prepare and collaborate with others
3. if the child's parents are actively engaged in education and seeing their children are fed and ready to come to school etc.....

Please do not vote for this proposal. There are other and better ways these monies could be used to support education. The commissioner presented this plan to teachers at NEA's Delegate Assembly this year and we were strongly opposed to it.

Thank you,

LaDawn Druce

Signed: LaDawn Druce

Testifier

teacher in the Kenai Peninsula Borough

Representing (optional)

P.O. Box 2317 Soldotna, AK 99669

Address

Phone number



SENATOR FRED DYSON

SPONSOR STATEMENT

SCR 28 *"Innovative application of Education Technology"*

SCR 28 is intended to raise awareness of new educational tools that are causing renewed excitement and hope for public K-12 education. Children come to school excited and eager to learn and it is a colossal challenge for teachers to maintain that excitement with fresh things for each child to discover and accomplish; especially in competition with television and the internet. I believe these new tools can empower teachers, parents, and school management to make a positive difference.

New education technology tools allow each student's education information to be accessed by any authorized student, teacher, parent, or administrator from any computer on the internet, 24-7. Individual learning plans (ILPs), portfolios, curriculum, aligned standards, attendance, lesson plans, assignments, virtual "face to face" interactions, assessment tools, and all student records, assessments, student history, challenges, strengths, and special interests can now be at any teacher's fingertips for diagnostic teaching of their students.

An unprecedented scope of information is available on the internet and the tools to manage student access to that information are rapidly coming into place. Never before has there been such an array of exciting teaching tools that can be managed for the benefit of each individual student. SCR 28 brings this news to the table.

A number of Alaska school districts have made innovative application of these education technology tools. We have seen evidence of positive results and received significant encouragement regarding SCR 28. Because education technology reduces the impact of distance, I look forward to seeing significant improvement in distance delivery of instruction to rural-remote Alaska. Because education technology tools significantly expand the ability of teachers to focus on the needs of individual children (and collaboration between adults who care about those needs), I anticipate excited adaptation and acceptance.

SCR 28 collects the factors that are related to innovative application of educational technology in a list of "Whereas" statements, then expresses legislative intent that we work together to find ways to employ these improvements in our Alaska education system.

Updated March 7, 2006

# FISCAL NOTE

**STATE OF ALASKA**  
**2006 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: CSSCR 28(IIES)  
 (S) Publish Date: 4/27/06

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Education & Early Development  
 Title: Relating to the innovative application of RDU: Education Support Sevice  
education technology tools... Component: School Finance & Facilities  
 Sponsor: Senate HESS  
 Requester: Senate HESS Component No.: 2737

**Expenditures/Revenues** (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</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	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipt:						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

SCR 28 allows local school districts to apply for grants available under AS 14.14.115 as a means of installing educational technology.

The Department of Education & Early Development has determined that a zero fiscal note is warranted for SCR 28. If districts apply for grants under AS 14.14.115 the department will include the request in the subsequent year's budget for legislative consideration.

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

Phone: 465-8679  
 Date/Time: 4/17/06 12:02 PM  
 Date: 04/17/2006

# FISCAL NOTE

**STATE OF ALASKA**  
**2006 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: SCR 28  
 ( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Education & Early Development  
 Title: Relating to the innovative application of RDU: Education Support Services  
education technology tools Component: School Finance & Facilities  
 Sponsor: Senate HESS  
 Requester: Senate HESS Component No: 2737

**Expenditures/Revenues** (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</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	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

SCR 28 allows local school districts to apply for grants available under AS 14.14.115 as a means of installing educational technology.

The Department of Education & Early Development has determined that a zero fiscal note is warranted for SCR 28. If districts apply for grants under AS 14.14.115 the department will include the request in the subsequent year's budget for legislative consideration.

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

Phone: 465-8679  
 Date/Time: 4/17/06 12:02 PM  
 Date: 04/17/2006

SCR 28

Education Technology



# Alaska Education Demographics

- 130,560 students, 53 districts, ~500 schools
- 37 (70%) districts have less than 1000 students
- 19 districts in unorganized areas (36%)
- \$10,578 per student ('05 excludes Capitol exp.)
- Pupil to teacher ratio: 17:1
- Pupil to staff ratio: 8:1
- Average teacher salary: over \$50,000
- Approx. 8,000 students in Correspondence Programs

# ADM Pie



# NAEP 2003 performance

<u>Proficiency</u>	Alaska	National Avg.
• Grade 4 Reading	28%	30%
• Grade 4 Math	30%	31%
• Grade 8 Reading	27%	30%
• Grade 8 Math	30%	27%

# AYP and Alaska Schools

## All Alaska Schools

Number of Schools Eligible for AYP Calculations 495  
Number of Schools Not Meeting AYP 203 (41%)

## Title I Schools

Number of Title 1 Schools 291  
Number of Title 1 Schools Not Meeting AYP 124 (38.7%)

	<u>04-05 school year</u>		<u>05-06 School Year</u>
Level 1 <u>Alert</u>	38	→	57
Level 2 <u>Improvement</u>	112	→	45
Level 3 <u>Improvement</u>	39	→	93
Level 4 <u>Corrective Action</u>	7	→	35
Level 5 <u>Restructuring</u>	7	→	15

# AYP Levels

- **Level 1-** School must seek technical assistance from District or EED to avoid being labeled again.
- **Level 2-** School must provide *choice* or *Supplemental Education Services (SES)* implementing School Improvement Plan designed by the school.
- **Level 3-** School must provide *choice* and *SES* implementing School Improvement Plan designed by the school

# AYP Levels (cont.)

- **Level 4-** School must continue offering *choice* and *SES* and must additionally do one of the following:
  - Replace staff, **or**
  - New Curriculum, **or**
  - Decrease school management authority, **or**
  - Appoint outside expert management, **or**
  - Increase school day or school year seat time, **or**
  - Restructure Internal organization of the school.

# AYP Levels (cont.)

- **Level 5-1** *Choice + SES + additional level 4 “or”, and,*  
District must now make a plan to prepare for “alternative governance”
  - reopen as charter school,
  - replace all or most of the staff,
  - contract with private management company
  - turn over management to EED,
  - or other major restructure approved by state.
- **Level 5-2** (second year of level 5) Implement District Restructuring Plan for alternative governance, and continue all of the above.

## **Education Technology to address AYP Requirements**

- **Supplemental Ed Services (SES)**
- **New Curriculum**
- **New Staff**
- **Alternative governance (restructuring)**
- **Parental Choice (levels 2-5)**
- **Parental Notification (levels 2-5)**
- **School Improvement Plans (collaboration)**

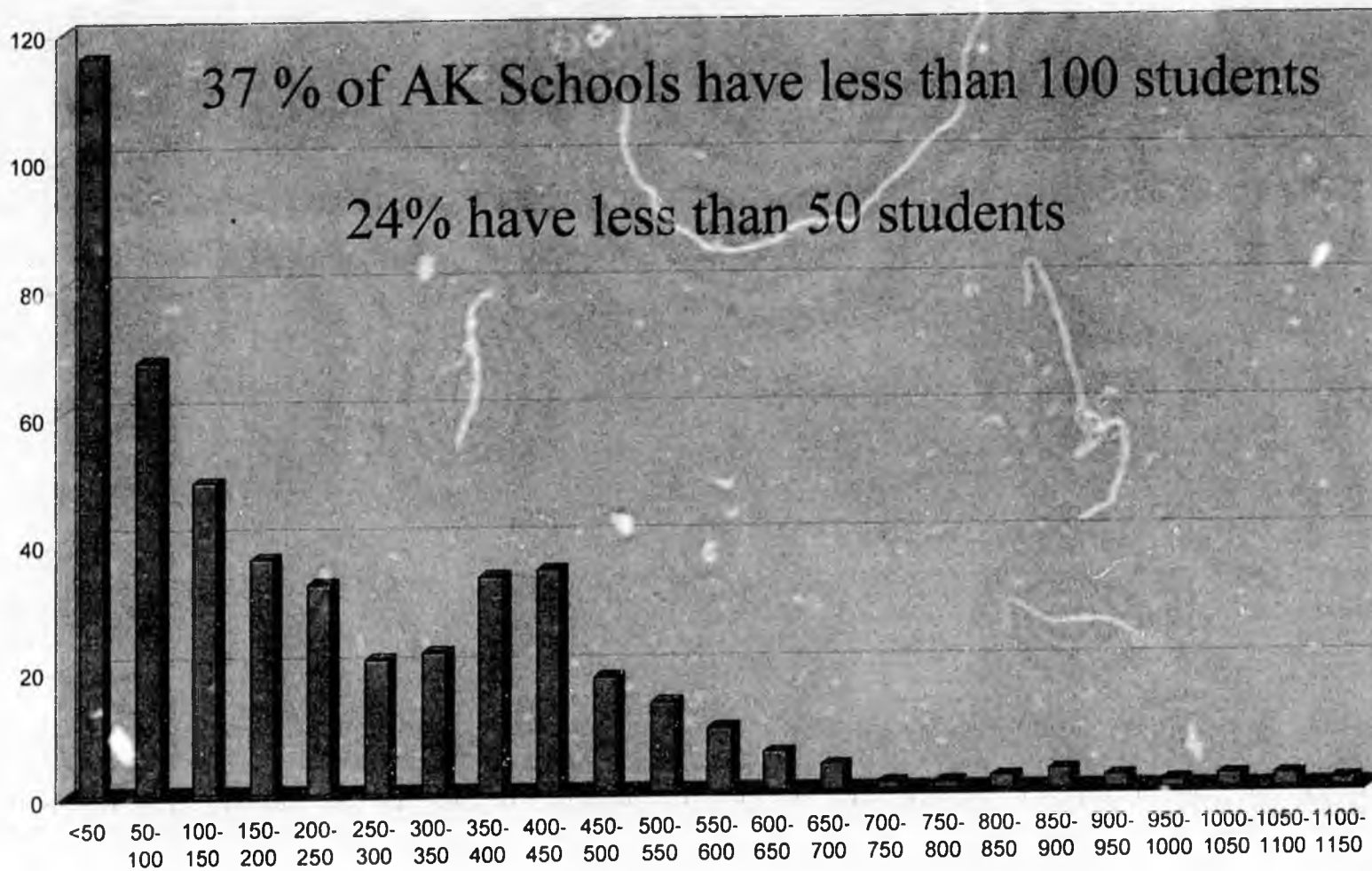
# Education Technology

- Distance delivery
- Efficient grouping into “Virtual” classes
- Accumulative Student Records (individual learning plans, tests, assignments, ...)
- Collaborative focus on student need (Individualized Learning Plan, Goals...)
- Unprecedented scope of information
- Unprecedented Communications
- Governance cooperation (standards, reporting...)

# Myths about Ed. Tech

- Technology takes teachers out of equation
- Primarily Correspondence Application
- Teachers need extensive new Training
- Ed Tech is Computers
- Education Technology is Expensive.

# School Size



# SCR 28 Resolves

- Encourages responsible application of education technology
- Encourages virtual grouping of students
- Encourages use of educational technology to address AYP challenges
- Encourages paying for educational technology via reallocation of savings from use of education technology
- Requests distribution to ALL local school board members in the state.

# SCR 28 is part of the big picture

- AS 14.07.020 (7) permits districts, and the department, the flexibility to contract and cooperate to assure the efficient delivery of education throughout the state.
- AS 14.14.110 districts may cooperate, or may be required to cooperate, to provide more efficient or economical education or administrative services. This statute is broad in scope and allows agreements to implement education technology.
- AS 14.14.115 Provides a financial incentive for such cooperation by authorizing grants for co-operative arrangements.
- Complements Carl Rose, AASB Consortium
- Complements the "Whole Village Project"

"Revenues and Expenditures by Public School Districts: School Year 2002-03" published by DOE in November 2005. NAEP 8th-grade reading and math scores published by U.S. DOE in October 2005.

State	Median Per Pupil Spending	Percentage of 8th-Graders at Proficiency or Better in Reading	Percentage of 8th-Graders at Proficiency or Better in Math
Alaska	\$16,665	27%	29%
DC	\$16,344	12%	7%
New York	\$13,989	33%	31%
New Jersey	\$12,419	37%	36%
Wyoming	\$12,116	35%	29%
Delaware	\$10,874	31%	30%
Connecticut	\$10,765	34%	35%
New Mexico	\$10,602	19%	14%
Rhode Island	\$10,189	29%	23%
Massachusetts	\$9,952	44%	43%
Wisconsin	\$9,805	34%	36%
Maine	\$9,787	38%	30%
New Hampshire	\$9,731	38%	35%
Vermont	\$9,614	37%	38%
Maryland	\$9,298	30%	30%
Pennsylvania	\$9,298	36%	31%
Minnesota	\$9,133	37%	43%
Colorado	\$8,948	31%	32%
Montana	\$8,927	37%	36%
West Virginia	\$8,845	22%	17%
Texas	\$8,826	26%	31%
Nebraska	\$8,714	35%	35%
Indiana	\$8,673	28%	30%
Michigan	\$8,651	28%	30%
Hawaii	\$8,632	18%	18%
Kansas	\$8,620	34%	31%
Oregon	\$8,577	33%	33%
North Dakota	\$8,552	37%	35%
Illinois	\$8,465	31%	28%
Nevada	\$8,458	22%	21%
Washington	\$8,454	34%	36%
Georgia	\$8,393	24%	23%
California	\$8,262	21%	22%
South Carolina	\$8,226	25%	30%
Ohio	\$8,208	24%	34%
Virginia	\$8,087	35%	33%
South Dakota	\$8,001	35%	36%
Iowa	\$7,789	34%	34%
Florida	\$7,571	25%	26%
Idaho	\$7,554	32%	30%
North Carolina	\$7,469	27%	32%
Missouri	\$7,462	31%	26%
Louisiana	\$7,443	20%	16%
Alabama	\$6,942	22%	15%
Kentucky	\$6,934	31%	22%
Arizona	\$6,933	23%	26%
Utah	\$6,859	29%	30%
Oklahoma	\$6,817	25%	20%
Arkansas	\$6,774	26%	22%
Tennessee	\$6,460	26%	21%
Mississippi	\$6,387	19%	13%