

SB

171

<TARGET><BILL>SB 171</BILL><SUBJECT>SB
171</SUBJECT><COMM>SFIN27</COMM></TARGET>

ALASKA STATE LEGISLATURE

SENATE FINANCE COMMITTEE

Senator Bert Stedman, Co-Chair
State Capitol, Room 516
Juneau, AK 99801-1182
(907) 465- 3873 - Phone
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Official Business

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AGENDA

Wednesday, February 8, 2012

Senate Finance Room 532 – 9:00 AM

SB 187 – Pension Reserve Fund

SB 171 – Increase Base Student Allocation

Bills Previously Heard/Scheduled

SENATE FINANCE COMMITTEE REPORT

DATE: 1/30/12

FURTHER:

DATE TURNED
IN TO OFFICE: 2/9/12

Finance Committee considered SENATE BILL NO. 171

SB 171-INCREASE BASE STUDENT ALLOCATION

"An Act increasing the base student allocation used for public school funding; and providing for an effective date."

and recommends:

- be replaced with CS _____ (_____) Same Title New Title
- adopt previous CS _____ (_____) Same Title New Title
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

Dept Abbr.	
ADM	LEG
CED	LAW
COR	LWF
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
EED	X			
EED	X			

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Thomas	✓			
	Earl	✓			
	McClure	✓			
	Olson			✓	
	Ellis	✓			
CO-CHAIR:	Hoffman	✓			
CO-CHAIR:	Stedman	✓			

FISCAL NOTE

STATE OF ALASKA cost # codes
2012 LEGISLATIVE SESSION

Bill Version SB171
Fiscal Note Number _____
Publish Date _____

Identifier (file name) SB171-EED-ACYA-2-8-12 Dept. Affected Education & Early Development
Title "An Act increasing the base student allocation used for Appropriation K-12 Support
public school funding; and providing for an effective date." Allocation Alaska Challenge Youth Academy
Sponsor Senate Education Committee
Requester Senate Finance Committee OMB Component Number 2837

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates					
			FY13	FY14	FY15	FY16	FY17	FY18
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants, Benefits	190.9		389.4	595.5	595.5	595.5	595.5	595.5
Miscellaneous								
TOTAL OPERATING	190.9	0.0	389.4	595.5	595.5	595.5	595.5	595.5

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF	190.9	389.4	595.5	595.5	595.5	595.5	595.5
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		190.9	0.0	389.4	595.5	595.5	595.5	595.5

POSITIONS								
Full-time								
Part-time								
Temporary								

CHANGE IN REVENUES								

Estimated SUPPLEMENTAL (FY12) operating costs _____ (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

This bill was updated at the request of Senate Finance.

Prepared by Elizabeth Nudelman, Director
Division School Finance & Facilities
Approved by Mike Hanley
Commissioner

Phone 465-8679
Date/Time 2/8/12 4:00 PM
Date 2/8/2012

FISCAL NOTE

**STATE OF ALASKA
2012 LEGISLATIVE SESSION**

BILL NO. SB171 _____

Analysis

AS 14.30.740 uses the base student allocation (BSA) to calculate the funding for the Alaska Challenge Youth Academy. This bill amends AS14.17.470 Base student allocation (BSA) of \$5,680 with an increase for the next three fiscal years.

FY2013 increases BSA by \$125 to \$5,805 an increase for that year of **\$190,875**

FY2014 increases BSA by \$130 to \$5,935 an increase for that year of **\$198,510**

FY2015 increases BSA by \$135 to \$6,070 an increase for that year of **\$206,145**

FISCAL NOTE

STATE OF ALASKA cost # codes
 2012 LEGISLATIVE SESSION

Bill Version SB171
 Fiscal Note Number _____
 Publish Date _____

Identifier (file name) SB171-EED-ESS-2-8-12 Dept. Affected Education & Early Development
 Title "An Act increasing the base student allocation used for public school funding; and providing for an effective date." Appropriation K-12 Support
 Allocation Foundation Program
 Sponsor Senate Education Committee
 Requester Senate Finance Committee OMB Component Number 141

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates					
			FY13	FY14	FY15	FY16	FY17	FY18
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants, Benefits	30,613.3		62,451.1	95,513.4	95,513.4	95,513.4	95,513.4	95,513.4
Miscellaneous								
TOTAL OPERATING	30,613.3	0.0	62,451.1	95,513.4	95,513.4	95,513.4	95,513.4	95,513.4

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF	30,613.3		62,451.1	95,513.4	95,513.4	95,513.4	95,513.4
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
	TOTAL	30,613.3	0.0	62,451.1	95,513.4	95,513.4	95,513.4	95,513.4

POSITIONS								
Full-time								
Part-time								
Temporary								

CHANGE IN REVENUES								

Estimated SUPPLEMENTAL (FY12) operating costs _____ (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ (separate capital appropriation required)
 (discuss reasons and fund source(s) in analysis section)

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This fiscal note was updated at the request of Senate Finance.

Prepared by Elizabeth Nudelman, Director
 Division School Finance & Facilities
 Approved by Mike Hanley
Commissioner

Phone 465-8679
 Date/Time 2/8/12 4:00 PM
 Date 2/8/2012

FISCAL NOTE

**STATE OF ALASKA
2012 LEGISLATIVE SESSION**

BILL NO. SB171

Analysis

This bill amends AS14.17.470 Base student allocation (BSA) of \$5,680 with an increase for the next three fiscal years.

FY2013 increases BSA by \$125 to \$5,805 an increase for that year of **\$30,613,254**

FY2014 increases BSA by \$130 to \$5,935 an increase for that year of **\$31,837,784**

FY2015 increases BSA by \$135 to \$6,070 an increase for that year of **\$33,062,310**

Prepared 1/20/2012

SB171 Increase BSA for FY13-FY15.

School District	<i>\$125 increase</i>	<i>\$130 increase</i>	<i>\$135 increase</i>
	\$5,805 BSA	\$5,935 BSA	\$6,070 BSA
	FY2013	FY2014	FY2015
Alaska Gateway	170,989	177,828	184,668
Aleutian Region	31,048	32,289	33,532
Aleutians East Borough	132,799	138,111	143,422
Anchorage	9,237,836	9,607,350	9,976,863
Annette Island	84,214	87,582	90,951
Bering Strait	823,085	856,009	888,932
Bristol Bay Borough	59,150	61,516	63,882
Chatham	75,692	78,719	81,746
Chugach	51,449	53,507	55,564
Copper River	158,106	164,431	170,755
Cordova	95,418	99,234	103,051
Craig	125,252	130,263	135,272
Delta/Greely	231,185	240,433	249,680
Denali Borough	137,431	142,929	148,426
Dillingham	149,148	155,113	161,080
Fairbanks N. Star Borough	3,299,120	3,431,085	3,563,049
Galena	427,796	444,908	462,020
Haines Borough	91,449	95,107	98,764
Hoonah	48,831	50,785	52,738
Hydaburg	24,890	25,885	26,881
Iditarod Area	131,576	136,839	142,103
Juneau Borough	1,136,299	1,181,751	1,227,202
Take	34,843	36,236	37,630
Kashunamiut	118,825	123,578	128,331
Kenai Peninsula Borough	2,146,583	2,232,447	2,318,311
Ketchikan Gateway Borough	506,615	526,879	547,144
Klawock	49,536	51,518	53,499
Kodiak Island Borough	641,607	667,272	692,936
Kuspuk	168,345	175,079	181,812
Lake & Peninsula Borough	214,240	222,809	231,379
Lower Kuskokwim	1,594,235	1,658,005	1,721,774
Lower Yukon	889,656	925,243	960,829
Mat-Su Borough	3,539,464	3,681,042	3,822,621
Nenana	138,249	143,779	149,308
Nome	207,780	216,091	224,403
North Slope Borough	611,921	636,398	660,875
Northwest Arctic Borough	818,523	851,263	884,005
Pelican	8,861	9,216	9,570
Petersburg	149,689	155,676	161,664
Pribilof	39,814	41,406	42,999
Saint Mary's	70,279	73,090	75,901
Sitka Borough	342,827	356,541	370,253
Skagway	20,711	21,540	22,368
Southeast Island	103,820	107,973	112,125
Southwest Region	286,345	297,799	309,252
Tanana	22,480	23,379	24,279
Unalaska	130,020	135,221	140,421
Valdez	174,160	181,127	188,093
Wrangell	103,494	107,633	111,774
Yakutat	37,242	38,731	40,220
Yukon Flats	174,544	181,525	188,508
Yukon/Koyukuk	260,225	270,634	281,043
Yupitit	200,179	208,186	216,193
Mt. Edgecumbe HS	85,379	88,794	92,209
TOTAL	30,613,254	31,837,784	33,062,310

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version SB 171
 Fiscal Note Number 1
 (S) Publish Date 1/30/12

Identifier (file name) SB171-EED-ACYA-1-20-12 Dept. Affected Education & Early Development
 Title "An Act increasing the base student allocation used for public school funding; and providing for an effective date." Appropriation K-12 Support
 Allocation Alaska Challenge Youth Academy
 Sponsor Senate Education Committee
 Requester Senate Education Committee OMB Component Number 2837

Expenditures/Revenues (Thousands of Dollars)

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	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates					
			FY13	FY14	FY15	FY16	FY17	FY18
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants, Benefits	190.9		198.5	206.1				
Miscellaneous								
TOTAL OPERATING	190.9	0.0	198.5	206.1	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002	Federal Receipts							
1003	GF Match							
1004	GF	190.9	198.5	206.1				
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		190.9	0.0	198.5	206.1	0.0	0.0	0.0

POSITIONS

Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES

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Estimated **SUPPLEMENTAL (FY12) operating costs** _____ (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated **CAPITAL (FY13) costs** _____ (separate capital appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable initial version.

Prepared by Elizabeth Nudelman, Director
 Division School Finance & Facilities
 Approved by Commissioner Mike Hanley

Phone 465-8679
 Date/Time 1/20/12 12:00 AM
 Date 1/20/2012

FISCAL NOTE #1

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB 171

Analysis

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FY2013 at \$125 for \$5,805 BSA

FY2014 at \$130 for \$5,935 BSA

FY2015 at \$135 for \$6,070 BSA

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version SB 171
Fiscal Note Number 2
(S) Publish Date 1/30/12

Identifier (file name) SB171-EED-ESS-1-20-12 Dept. Affected Education & Early Development
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OPERATING EXPENDITURES	FY13	FY13	FY14	FY15	FY16	FY17	FY18
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits	30,613.3		31,837.8	33,062.3			
Miscellaneous							
TOTAL OPERATING	30,613.3	0.0	31,837.8	33,062.3	0.0	0.0	0.0

FUND SOURCE		(Thousands of Dollars)					
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Part-time							
Temporary							

CHANGE IN REVENUES							

Estimated SUPPLEMENTAL (FY12) operating costs _____ (separate supplemental appropriation required)
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Prepared by Elizabeth Nudelman, Director
Division School Finance & Facilities
Approved by Commissioner Mike Hanley

Phone 465-8679
Date/Time 1/20/12 12:00 AM
Date 1/20/2012

FISCAL NOTE #2

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. SB 171

Analysis

This bill amends AS14.17.470 Base student allocation (BSA) of \$5,680 with an increase for the next three fiscal years.

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Lower Yukon	889,656	925,243	960,829
Mat-Su Borough	3,539,464	3,681,042	3,822,621
Nenana	138,249	143,779	149,308
Nome	207,780	216,091	224,403
North Slope Borough	611,921	636,398	660,875
Northwest Arctic Borough	818,523	851,263	884,005
Pelican	8,861	9,216	9,570
Petersburg	149,689	155,676	161,664
Pribilof	39,814	41,406	42,999
Saint Mary's	70,279	73,090	75,901
Sitka Borough	342,827	356,541	370,253
Skagway	20,711	21,540	22,368
Southeast Island	103,820	107,973	112,125
Southwest Region	286,345	297,799	309,252
Tanana	22,480	23,379	24,279
Unalaska	130,020	135,221	140,421
Valdez	174,160	181,127	188,093
Wrangell	103,494	107,633	111,774
Yakutat	37,242	38,731	40,220
Yukon Flats	174,544	181,525	188,508
Yukon/Koyukuk	260,225	270,634	281,043
Yupitit	200,179	208,186	216,193
Mt. Edgecumbe HS	85,379	88,794	92,209
TOTAL	30,613,254	31,837,784	33,062,310

presentation copy

ALASKA STATE SENATE

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SEN. JOE THOMAS
Alaska State Capitol
Juneau, Alaska 99801
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SENATE EDUCATION COMMITTEE Senators Kevin Meyer & Joe Thomas, Co-Chairs

Senate Bill 171

The legislature shall by general law establish and maintain a system of public schools open to all children of the State, and may provide for other public educational institutions.—Article VIII, Section 1 Alaska Constitution

Every Spring school districts around the state have the unenviable task of developing their budgets—sometimes without complete knowledge of the amount of funding they will receive for the next academic year.

SB 171 gives districts the ability to craft responsible and conservative budgets. It establishes a three-year plan of modest increases—lower than the inflation rate—so districts know the financial parameters they must work within as they plan for sustainability. Forcing districts to rely on unpredictable one year bumps in funding undercuts their ability to do long range, responsible financial and programmatic planning.

This provides districts with a three-year financial plan. Districts will know well in advance how to plan for the education of our children, how to staff the schools, and how to maintain fiscal security over time. Instead of working out whom to layoff each spring, they can budget over a longer period of time, knowing how much money they have to work with.

This additional annual amount added to the BSA allows schools to keep up with the rising cost of educating our children. When a student enters a school, we expect they will receive a quality education. They need an environment conducive to learning—curriculum that meets high standards, a safe, warm building, reliable transportation to and from the facility, and the best teachers possible. Some students have special needs that must be met. If we are going to increase our graduation rates, we must reach out to at risk students.

Failure to increase the Base Student Allocation will lead to lay-offs at school district around the state, program and curriculum reductions, or result in more education costs being borne by local taxpayers.

Because of our unique conditions, delivery of a quality education is more expensive in Alaska than in other states. However, in comparison to other states we are spending less and less to educate our students. In 2009-2010 we ranked 22nd in the nation in per pupil spending. This additional annual amount added to the BSA allows schools to keep up with the rising cost of educating our children. The incremental increases represent less than two percent a year, which is below the current inflation rate.

Alaska must invest in its resources, and the education of our residents is one of the most important investments we can make.

We urge you to support SB 171, and vote for its passage.

Report of the Alaska Council of School Administrators (ACSA) FY13 Funding Review Committee - October 2011

Background

At the August meeting of the Alaska Association of School Administrators (AASA), Education Commissioner Mike Hanley asked district superintendents how much funding would be needed in FY13 to maintain current programs.

AASA/ACSA Executive Director Bruce Johnson suggested a joint project with the Alaska Association of School Business Officials (ALASBO) to study this question. The ALASBO Executive Board appointed the following ALASBO members to work with Bruce Johnson on this committee: Luke Fulp, Kodiak; Chad Stiteler, Anchorage; David Arp, Sitka; Yodean Armour, Klawock; and Amy Lujan, ALASBO Executive Director.

Process

With the help of Education and Early Development staff, budget templates pre-loaded with FY12 information were sent out to each school district, with a request for early estimates of FY13 budget needs. A commitment was made to the confidentiality of district data, due to the preliminary nature of the budget estimates. Using the ALASBO network, data was received directly from 48 of the 54 school districts. Estimates were created for the remaining districts.

Findings

Districts are expecting serious shortfalls in FY13, due to declining federal revenues as well as increased costs.

- health plan costs are expected to increase 7-15%, which is in line with industry estimates
- wage make up 47% of district budgets; many districts have negotiated agreements in place already for FY13; those entering negotiations anticipate modest increases
- energy costs have continued to increase; these higher costs also impact travel and shipping on all goods, from instructional supplies to food for school lunches
- overall expenses are forecast to increase due to inflation, which for the Anchorage CPI has averaged 2.7% since 1990
- the federal program for timber compensation to rural schools and communities (SRSCA) may not be reauthorized; this would reduce funding to schools and municipalities by \$18.5 million, hitting 24 district budgets directly in some cases, and/or the ability of municipalities to provide local funding to school districts
- federal ARRA and Education Jobs Bill funding, which provided \$35 million in unrestricted funding to be spent in FY12 and FY13, will be exhausted by the first quarter of FY13, resulting in program cuts in FY13 and FY14

State Funding Implications

While it is not expected that state funding can make up for all the reductions in federal funding, it is reasonable to expect that state funding can help districts deal with cost increases and ensure a continued quality educational program. The following estimates of funding needs are provided by this committee for guidance to achieve this goal.

- extending the FY12 grant provided by HB108 (\$20 million) is critical to enabling districts to keep up with energy costs, in addition to the BSA increases suggested below
- a \$320 BSA increase would enable districts to keep pace with expected cost increases, though it is possible that program cuts would be necessary, due to flat or declining local and federal revenues NOT funded by this BSA calculation
 - a \$225 BSA increase would maintain the state's proportionate share of district funding, in relation to local and federal funding; however, program cuts would occur if local and federal revenues are flat or reduced



**FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT
2012-13 SCHOOL YEAR**

WHAT BUDGET ESTIMATES GIVE RISE TO THE DISTRICT'S SHORTFALL?

Revenue:

Loss of state one-time energy funding	\$ 2,137,890
Loss of unassigned fund balance ⁽¹⁾	<u>229,820</u>
Shortfall due to loss of revenue/financing sources	\$ 2,367,710

Expenditure:

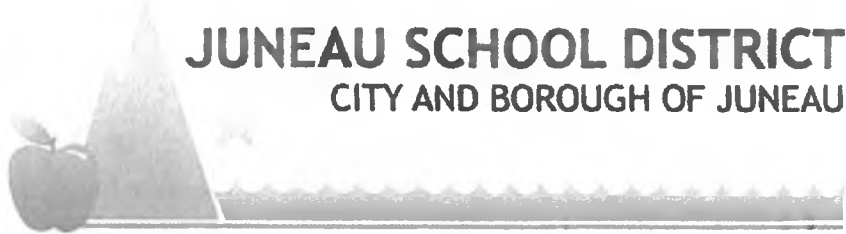
Increased costs due to adding back in "jobs bill" teachers	\$ 2,155,000
Increased costs for curriculum materials purchase	1,484,370
Increased subsidy to Pupil Transportation	1,246,990
Increased utility costs	335,700
Increased support for special education	2,433,170
Increased employee costs	3,852,150
Increased costs in other areas	<u>722,290</u>
Shortfall due to increased costs	\$ 12,229,670

Estimated 2012-13 budget shortfall as of January \$ 14,597,380

BUDGET ASSUMPTIONS

- Student enrollments increase slightly and our military student population remains steady.
- The local contribution to education is flat funded, unchanged from the current year.
- The district loses \$2.1m in one-time State energy funding provided for in the current year.
- The base student allocation amount (BSA) of \$5,680 remains unchanged from the current year.
- The State continues to provide supplemental funding for retirement system contributions and the employer contribution rates remain unchanged from the current year.
- Pupil Transportation will continue to be funded at rates unchanged from the current year.

⁽¹⁾ The district had \$ -0- unassigned audited fund balance at June 30, 2011. The district is estimating that with some additional foundation funding in the current year, along with savings from unfilled reserve teaching positions, that we will have \$1.85m in fund balance available to supplement next year's budget. This can change depending on the high variability of current utility, health care, and other costs.



JUNEAU SCHOOL DISTRICT

CITY AND BOROUGH OF JUNEAU

FY 2013 Juneau School District Budget Information January 17, 2012

HOW DID THE SCHOOL DISTRICT GET HERE?

Loss of one-time aid to school districts from the State of Alaska	\$ 737,000
Elimination of federal jobs funding	460,000
Use of fund balance (reserve) last year	1,687,000
Grants expiring	865,000
Increased energy costs	221,000
Less indirect cost recovery from grants	207,000
Increased employee costs	900,000
Instructional and Technology needs	587,000
Other increases	<u>123,445</u>
	<u>\$5,787,445</u>

WHAT THE DISTRICT KNOWS:

- The Governor of Alaska has not included any increase in the amount school districts receive as part of the funding formula.
- Utility rates will increase.

ASSUMPTIONS USED TO DEVELOP THE FY 2013 BUDGET:

- The Base Student Allocation (BSA) will remain at \$5,680.
- JSD student enrollment will decrease by 26 students to 4,916 next year.
- Juneau students will continue to benefit from the same level of generous support from the City and Borough of Juneau.
- Pupil transportation will continue to be funded at the same level as FY 12 by the State of Alaska.

WHAT THE DISTRICT DOESN'T YET KNOW:

- What level of funding the Legislature will approve.
- Outcomes of the collective bargaining process.

DISTRICT: Yukon Koyukuk

	FY12	% Change	FY13	NOTES
Local Revenues (011-042)	35,000	0.0%	35,000	
E-Rate (047)	1,291,500	0.0%	1,291,500	
State Revenues (050)	11,523,238	FLAT	11,523,238	
TRS/PERS On-Behalf (056/7)	1,653,498	2.0%	1,686,568	
Federal Revenues (100-190)	1,377,927	0.0%	1,377,927	
Other (200)	-		-	
Transfers In (250)	100,000	0.0%	100,000	
Total Revenue	\$ 15,981,163		\$ 16,014,233	
Certif Salaries (310)	3,876,563	2.0%	3,954,094	
Non-Certif Salaries (320)	1,644,749	2.0%	1,677,644	
Employee Benefits (360)	3,893,053	5.0%	4,087,706	
Housing Allowance (380)	-		-	
Transportation Allowance (390)	-		-	
Subtotal: Payroll	\$ 9,414,365		\$ 9,719,444	
Professional Svcs (41X)	1,292,350	1.0%	1,305,274	
Staff Travel (420)	250,800	1.0%	253,308	
Student Travel (425)	51,345	1.0%	51,858	
Utilities (430)	1,777,000	5.0%	1,865,850	
Energy (435)	1,053,000	5.0%	1,105,650	
Purchased Svcs (440)	262,100	1.0%	264,721	
Insurance (445)	200,600	5.0%	210,630	
Supplies (450)	1,533,054	2.0%	1,563,715	
Tuition (480)	-		-	
Other (490)	51,549	1.0%	52,064	
Indirect Cost (495)	(130,000)	-5.0%	(123,500)	
Capital (500)	-		-	
Equipment (510)	-		-	
Other Transfers Out (55X)			246,750	
Transfers to Pupil Transp			-	
Transfers to Food Service	125,000	5.0%	131,250	
Other Special Revenue	110,000	5.0%	115,500	CIP & Teacher Housing
Subtotal: Non-Payroll	\$ 6,341,798		\$ 6,796,321	
Total Expenses	\$ 15,756,163		\$ 16,515,764	
NET TOTAL	\$ 225,000		\$ (501,531)	

QUESTIONS:

1) Are your salary projections based on negotiated agreements already in place for FY13? Please explain below.

NO ON PAST PRACTICE

2) What % increase are you expecting for health benefit costs?

5%

FY2013 Count Impact and Budget Estimates

January 18, 2012

<i>Estimated Number of Students</i>		FY2011-2012 1306	FY2012-2013 1295	Difference -11
Revenues				
A	2013 City/Boro Appropriation	5,026,975	5,026,975	0
B	Misc Local Revenue	30,000	30,000	0
C	E-Rate	130,000	130,000	0
D	Quality Schools	43,883	43,720	-163
E	HB108 Allocation	220,639	0	-220,639
F	Foundation	12,039,137	11,920,556	-118,581
G	Impact Aid	30,000	30,000	0
H	Federal Secure Rural Schools	517,912	0	-517,912
	Total Revenues	18,038,546	17,181,251	-857,295
Expenditures				
I	Salaries and Benefits	14,617,231	14,941,382	324,151
J	Maintenance	1,583,716	1,664,660	80,944
K	School/Program	649,988	647,595	-2,393
	District Administration	518,181	466,803	-51,378
L	Techology	394,200	427,200	33,000
	Prof/Tech/Contract Services	157,700	138,100	-19,600
	School Board	57,100	47,100	-10,000
M	Student Activities	158,645	111,402	-47,243
	Transfers Out	53,000	28,000	-25,000
	Total Expenditures	18,189,761	18,472,242	282,481
	Total Gain/(Loss)	-151,215	-1,290,991	

Assumptions:

Revenues:

- A City and Borough Appropriation remains unchanged from FY2012 to FY2013
- B Misc Local Revenue remains unchanged from FY2012 to FY2013
- C E-Rate reimbursement remains unchanged from FY2012 to FY2013
- D Quality Schools is adjusted to reflect the decrease in enrollment, 34 intensive students, and the final ISER incre
- E State of AK HB108 Allocation is reduced to zero assuming it will not be reauthorized
- F Foundation is adjusted to reflect the decrease in enrollment, 34 intensive students, and the final ISER increase
- G Federal Impact Aid remains unchanged from FY2012 to FY2013
- H Federal Secure Rural Schools funding is reduced to zero assuming it will not be reauthorized

Expenditures:

- I Salaries and related benefits are adjusted to account for current employees rolled into the FY2013 negotiated agreement scales. Health Insurance premiums remain unchanged from FY2012 to FY2013. Workers Compensation Insurance is increased by 12.5% and all others insurances (non-health) are increased by 2.5% based on estimates from agents
- J Heating fuel costs are increased by \$20,000 as fuel prices are currently forecasted to drop in FY2013. The increase is from the anticipation of using more diesel fuel vs. heating electricity. Electricity is increased by \$15,035 to prepare for anticipated increases from the City Electric Department. The custodial contract is increased by 5% from FY2012
- K School and Program discretionary budgets remain unchanged from FY2012 to FY2013
- L Technology includes a \$75,000 increase to continue the School Board's 5 year plan
- M Activities budgets are set at the FY2012 budget process level (reduced by \$50,000 from FY2011)

Note: The \$1.29MM anticipated deficit for FY2013 equates to 14.26 full time certified teaching positions



HAINES BOROUGH SCHOOLS

P.O. Box 1289

Haines, Alaska 99827

December 13, 2011

Dear Honorable Governor Parnell,

In the FY2013 budget you just released, you call for "full funding" of education at \$1.1 billion and for forward funding for FY2014 at \$1.1 billion. Thank you for acknowledging the need for forward funding. That would be a tremendous assistance.

However, since the recommendation you made for the current fiscal year was also at \$1.1 billion, if I'm not mistaken that would make three years of flat funding within the funding formula. Currently inflation is running around 3% as computed by the Anchorage CPI. For different rural communities that number might be somewhat higher. For Haines, with a budget of around \$5.7 million, 3% would represent about a \$170,000 increase in costs of goods and services. We are currently projecting just about that kind of increase in order to keep the student programs and staff in place for FY2013.

Haines was one of 12 districts in the state to make AYP this year. We were one of three districts where our students with special needs made AYP. We have been working hard to continually improve how we educate our students. We've instituted more vocational education classes, we are stressing more school to work connections, we are instituting more early elementary reading interventions, we are making sure our high school students have access to the classes they need to qualify for the Performance Scholarship (thank you for that) and we are giving more attention to helping our special education students do better. All this has resulted in an over all increase in our graduation rate of over 15% over the last four years. For 2010/11 our graduation rate was 88%.

The Haines Borough School District runs pretty lean. If we experience reductions in the amount of services our funding can cover we will immediately be cutting into the muscle that delivers services to our students. Our programs will immediately suffer and will be driven backwards. We need your support to make sure we will be able to continue the good work we have in place.

Governor, it is respectfully requested you add an amount to the funding formula that will cover the inflationary pressures on the costs of goods and services. Along with forward funding, that would mean volumes in our ability to: 1) retain our staff and not have to keep them on pins and needles about their next year's employment until June; 2) better plan and schedule for the next year; and 3) keep morale up, which helps our entire organization.

Thank you,

Carol Kelly, President
Haines Borough School Board

Superintendent's Office
Phone (907) 766-6725
Fax (907) 766-6794

K-12 School Office
Phone (907) 766-6700
Fax (907) 766-6791

**H-9. CURRENT EXPENDITURES FOR PUBLIC K-12 SCHOOLS
PER STUDENT IN FALL ENROLLMENT, 2007-08 (REVISED (\$))**

1.	DISTRICT OF COLUMBIA	17,109
2.	RHODE ISLAND	15,914
3.	NEW JERSEY	15,542
4.	NEW YORK	15,286
5.	WYOMING	13,999
6.	VERMONT	13,915
7.	MASSACHUSETTS	13,706
8.	CONNECTICUT	13,533
9.	MAINE	12,665
10.	DELAWARE	12,521
11.	HAWAII	11,800
12.	NEW HAMPSHIRE	11,672
13.	PENNSYLVANIA	11,659
14.	MARYLAND	11,278
15.	ILLINOIS	10,947
16.	MICHIGAN	10,815
17.	ALASKA	10,705
18.	WISCONSIN	10,672 *
19.	MINNESOTA	10,560
20.	VIRGINIA	10,512
21.	WEST VIRGINIA	10,411
22.	LOUISIANA	10,017
	UNITED STATES	9,934 *
23.	OREGON	9,705
24.	NEW MEXICO	9,619
25.	ARKANSAS	9,591
26.	GEORGIA	9,564
27.	KANSAS	9,560
28.	INDIANA	9,432
29.	COLORADO	9,335
30.	WASHINGTON	9,304
31.	KENTUCKY	9,288
32.	ALABAMA	9,194
33.	SOUTH CAROLINA	9,182
34.	FLORIDA	9,077
35.	MONTANA	9,001
36.	IOWA	8,922
37.	OHIO	8,829
38.	NORTH DAKOTA	8,752
39.	NEBRASKA	8,726
40.	NORTH CAROLINA	8,609
41.	CALIFORNIA	8,586
42.	SOUTH DAKOTA	8,481
43.	MISSOURI	8,466
44.	TEXAS	8,420
45.	TENNESSEE	8,022
46.	OKLAHOMA	7,755
47.	IDAHO	7,535
48.	NEVADA	7,292
49.	MISSISSIPPI	7,175
50.	UTAH	5,734
51.	ARIZONA	5,685
	MEDIAN	9,564
	RANGE	11,424
	SDEV	2,508
	CV	24

Computed from NEA Research, Estimates Database (2009), K-12 =
"Elementary and Secondary" (see Glossary).

**H-11. CURRENT EXPENDITURES FOR PUBLIC K-12 SCHOOLS PER
STUDENT IN FALL ENROLLMENT, 2008-09 (\$))**

1.	DISTRICT OF COLUMBIA	17,438 *
2.	RHODE ISLAND	17,289 *
3.	NEW JERSEY	16,253 *
4.	NEW YORK	15,997 *
5.	WYOMING	14,732
6.	VERMONT	14,679 *
7.	MASSACHUSETTS	13,901
8.	CONNECTICUT	13,864
9.	MAINE	13,309 *
10.	DELAWARE	13,039 *
11.	HAWAII	12,520
12.	NEW HAMPSHIRE	12,344 *
13.	PENNSYLVANIA	12,032 *
14.	MARYLAND	11,743
15.	MICHIGAN	11,197 *
16.	VIRGINIA	11,114 *
17.	WISCONSIN	11,021 *
18.	MINNESOTA	10,996 *
19.	ALASKA	10,904 *
20.	WEST VIRGINIA	10,747 *
21.	ILLINOIS	10,714
22.	ARKANSAS	10,345 *
	UNITED STATES	10,190 *
23.	LOUISIANA	10,160
24.	OREGON	10,129
25.	NEW MEXICO	10,099 *
26.	KANSAS	9,979
27.	GEORGIA	9,952 *
28.	INDIANA	9,780
29.	WASHINGTON	9,633 *
30.	COLORADO	9,574 *
31.	SOUTH DAKOTA	9,466
32.	OHIO	9,358
33.	MONTANA	9,339 *
34.	SOUTH CAROLINA	9,286
35.	KENTUCKY	9,259
36.	NEBRASKA	9,250
37.	IOWA	9,203
38.	TEXAS	9,036
39.	ALABAMA	8,911
40.	MISSOURI	8,862 *
41.	FLORIDA	8,761
42.	NORTH CAROLINA	8,743
43.	CALIFORNIA	8,322
44.	TENNESSEE	8,261 *
45.	NORTH DAKOTA	8,222
46.	OKLAHOMA	8,006 *
47.	IDAHO	7,730 *
48.	NEVADA	7,615 *
49.	MISSISSIPPI	7,484 *
50.	ARIZONA	5,932 *
51.	UTAH	5,912 *
	MEDIAN	9,979
	RANGE	11,726
	SDEV	2,682
	CV	25

Computed from NEA Research, Estimates Database (2009), K-12 =
"Elementary and Secondary" (see Glossary).

**H-11. CURRENT EXPENDITURES FOR PUBLIC K-12 SCHOOLS PER
STUDENT IN FALL ENROLLMENT, 2009-10 (\$))**

1.	NEW JERSEY	16,967 *
2.	NEW YORK	16,922 *
3.	VERMONT	16,308 *
4.	RHODE ISLAND	15,384
5.	WYOMING	15,345
6.	MASSACHUSETTS	14,766
7.	CONNECTICUT	14,472 *
8.	MAINE	14,247 *
9.	MARYLAND	14,244 *
10.	DISTRICT OF COLUMBIA	13,519 *
11.	DELAWARE	13,496 *
12.	NEW HAMPSHIRE	12,979 *
13.	PENNSYLVANIA	12,728 *
14.	MICHIGAN	11,595 *
15.	HAWAII	11,521 *
16.	ILLINOIS	11,457 *
17.	MINNESOTA	11,447 *
18.	WISCONSIN	11,429 *
19.	VIRGINIA	11,290 *
20.	ARKANSAS	11,171 *
21.	WEST VIRGINIA	11,043 *
22.	ALASKA	11,000 *
23.	NEW MEXICO	10,812 *
24.	LOUISIANA	10,750
25.	GEORGIA	10,594 *
	UNITED STATES	10,586 *
26.	OREGON	10,476 *
27.	INDIANA	10,120
28.	WASHINGTON	9,900
29.	NEBRASKA	9,760
30.	COLORADO	9,631
31.	MONTANA	9,613 *
32.	KENTUCKY	9,603 *
33.	SOUTH CAROLINA	9,531
34.	OHIO	9,528 *
35.	IOWA	9,455
36.	KANSAS	9,264
37.	TEXAS	9,227 *
38.	MISSOURI	9,076 *
39.	SOUTH DAKOTA	9,021 *
40.	ALABAMA	9,001
41.	FLORIDA	8,963
42.	CALIFORNIA	8,846 *
43.	NORTH DAKOTA	8,541
44.	NORTH CAROLINA	8,529 *
45.	TENNESSEE	8,199 *
46.	OKLAHOMA	7,968 *
47.	IDAHO	7,875 *
48.	NEVADA	7,813 *
49.	MISSISSIPPI	7,752 *
50.	UTAH	6,859 *
51.	ARIZONA	6,170 *
	MEDIAN	10,476
	RANGE	10,797
	SDEV	2,638
	CV	24

Computed from NEA Research, Estimates Database (2010), K-12 =
"Elementary and Secondary" (see Glossary).

H-10. CURRENT EXPENDITURES FOR PUBLIC K-12 SCHOOLS PER STUDENT IN FALL ENR AS % OF NAT. AVG., 2003-04 (REV.)

1	DISTRICT OF COLUMBIA	159.7
2	NEW JERSEY	158.4
3	NEW YORK	147.8 *
4	CONNECTICUT	141.2
5	MASSACHUSETTS	132.4
6	VERMONT	128.7
7	DELAWARE	126.7
8	RHODE ISLAND	123.0 *
9	MAINE	120.5
10	ALASKA	117.6 *
11	PENNSYLVANIA	116.3
12	WYOMING	116.0
13	MICHIGAN	112.1 *
14	WISCONSIN	111.0
15	ILLINOIS	110.2
16	NEW HAMPSHIRE	108.5
17	OHIO	108.3
18	WEST VIRGINIA	108.1
19	MARYLAND	106.4
20	MINNESOTA	106.3
21	HAWAII	102.3
22	INDIANA	101.2
	UNITED STATES	100.0 *
23	COLORADO	99.1
24	VIRGINIA	98.1
25	GEORGIA	97.2
26	NEW MEXICO	94.6
27	CALIFORNIA	92.9
28	OREGON	92.3
29	MONTANA	92.2 *
30	KENTUCKY	89.9
31	WASHINGTON	88.2
32	NEBRASKA	87.8
33	KANSAS	87.7
34	IOWA	87.3
35	LOUISIANA	87.1
36	TEXAS	86.5
37	SOUTH DAKOTA	85.5
38	MISSOURI	85.0
39	NORTH CAROLINA	84.6
40	SOUTH CAROLINA	84.4
41	NORTH DAKOTA	82.8
42	FLORIDA	80.4
43	ALABAMA	80.1
44	TENNESSEE	77.9
45	NEVADA	76.8
46	IDAHO	76.4 *
47	MISSISSIPPI	73.6 *
48	ARKANSAS	72.0 *
49	OKLAHOMA	71.7
50	ARIZONA	64.1 *
51	UTAH	61.0
	MEDIAN	94.6
	RANGE	98.6
	SDEV	22.8
	CV	22.8

Computed from NEA Research, Estimates Database (2006). K-12 - "Elementary and Secondary" (see Glossary).

H-11. CURRENT EXPENDITURES FOR PUBLIC K-12 SCHOOLS PER STUDENT IN FALL ENROLLMENT, 2004-05 (5)

1	DISTRICT OF COLUMBIA	15,073 *
2	NEW JERSEY	13,370
3	NEW YORK	12,879 *
4	CONNECTICUT	11,874
5	MASSACHUSETTS	11,681
6	VERMONT	11,667
7	DELAWARE	11,016 *
8	MAINE	10,723
9	RHODE ISLAND	10,641 *
10	WYOMING	10,372
11	ALASKA	10,042 *
12	WISCONSIN	9,805 *
13	MICHIGAN	9,784 *
14	PENNSYLVANIA	9,570 *
15	OHIO	9,557 *
16	NEW HAMPSHIRE	9,555
17	WEST VIRGINIA	9,461
18	ILLINOIS	9,327
19	MARYLAND	9,281 *
20	MINNESOTA	9,249
21	GEORGIA	8,882
22	VIRGINIA	8,729
23	INDIANA	8,723 *
	UNITED STATES	8,661 *
24	HAWAII	8,639
25	COLORADO	8,337
26	NEW MEXICO	8,178
27	SOUTH CAROLINA	8,035
28	MONTANA	8,025 *
29	CALIFORNIA	7,942
30	KENTUCKY	7,906
31	OREGON	7,842
32	KANSAS	7,693
33	WASHINGTON	7,683
34	LOUISIANA	7,656
35	IOWA	7,610
36	NEBRASKA	7,586
37	SOUTH DAKOTA	7,536
38	MISSOURI	7,398
39	NORTH CAROLINA	7,392
40	NORTH DAKOTA	7,377
41	TEXAS	7,310
42	FLORIDA	7,181
43	ALABAMA	7,028
44	TENNESSEE	6,855
45	IDAHO	6,743 *
46	NEVADA	6,709
47	OKLAHOMA	6,614
48	MISSISSIPPI	6,452 *
49	ARKANSAS	6,202 *
50	ARIZONA	5,474 *
51	UTAH	5,032
	MEDIAN	8,178
	RANGE	10,042
	SDEV	2,024
	CV	23

Computed from NEA Research, Estimates Database (2006). K-12 - "Elementary and Secondary" (see Glossary).

H-12. CURRENT EXPENDITURES FOR PUBLIC K-12 SCHOOLS PER STUDENT IN FALL ENR AS % OF NATIONAL AVG., 2004-05

1	DISTRICT OF COLUMBIA	174.0 *
2	NEW JERSEY	154.4
3	NEW YORK	148.7 *
4	CONNECTICUT	137.1
5	MASSACHUSETTS	134.9
6	VERMONT	134.7
7	DELAWARE	127.2 *
8	MAINE	123.8
9	RHODE ISLAND	122.9 *
10	WYOMING	119.8
11	ALASKA	115.9 *
12	WISCONSIN	113.2 *
13	MICHIGAN	113.0 *
14	PENNSYLVANIA	110.5 *
15	NEW HAMPSHIRE	110.3
	OHIO	110.3 *
17	WEST VIRGINIA	109.2
18	ILLINOIS	107.7
19	MARYLAND	107.2 *
20	MINNESOTA	106.8
21	GEORGIA	102.5
22	VIRGINIA	100.8
23	INDIANA	100.7 *
	UNITED STATES	100.0 *
24	HAWAII	99.7
25	COLORADO	96.3
26	NEW MEXICO	94.4
27	SOUTH CAROLINA	92.8
28	MONTANA	92.7 *
29	CALIFORNIA	91.7
30	KENTUCKY	91.3
31	OREGON	90.5
32	KANSAS	88.8
33	WASHINGTON	88.7
34	LOUISIANA	88.4
35	IOWA	87.9
36	NEBRASKA	87.6
37	SOUTH DAKOTA	87.0
38	MISSOURI	85.4
39	NORTH CAROLINA	85.3
40	NORTH DAKOTA	85.2
41	TEXAS	84.4
42	FLORIDA	82.9
43	ALABAMA	81.1
44	TENNESSEE	79.1
45	IDAHO	77.9 *
46	NEVADA	77.5
47	OKLAHOMA	76.4
48	MISSISSIPPI	74.5 *
49	ARKANSAS	71.6 *
50	ARIZONA	69.2 *
51	UTAH	58.1
	MEDIAN	94.4
	RANGE	115.9
	SDEV	23.4
	CV	23.2

Computed from NEA Research, Estimates Database (2006). K-12 - "Elementary and Secondary."

TABLE 7

Shares of total per pupil spending for each program
Average of nine districts (includes overhead allocation to each program)

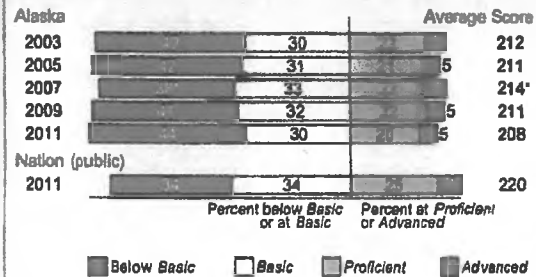
Program Area*	1967	1991	1996	2001	2005	Change	
						1967-2005	1996-2005
<i>Regular education</i>	79.6%	58.8%	57.4%	56.2%	55.0%	-24.6%	-2.3%
<i>Special education</i>	3.7	17.0	18.3	20.1	21.0	17.3	2.7
<i>Compensatory education</i>	5.4	4.3	3.4	4.3	5.1	-0.2	1.7
<i>Food services</i>	2.0	4.1	4.3	3.9	3.5	1.6	-0.7
<i>Pupil support (attendance and counseling)</i>	2.0	3.5	3.2	3.2	3.3	1.3	0.1
<i>Transportation (regular ed)</i>	3.9	3.4	3.3	3.0	2.8	-1.1	-0.6
<i>Vocational education</i>	1.4	3.0	3.1	2.7	2.5	1.0	-0.7
<i>Education of English language learners</i>	0.3	1.8	2.4	2.3	2.1	1.8	-0.3
<i>Regular health & psychological services</i>	1.3	0.9	1.2	1.3	1.1	-0.2	-0.2
<i>Desegregation</i>	0.0	1.6	1.4	1.1	1.0	1.0	-0.4
<i>After school athletics</i>	0.4	0.7	0.7	0.8	1.0	0.6	0.3
<i>"At risk" youth education, alternative education</i>	0.1	0.6	0.6	0.5	1.0	0.9	0.4
<i>Security and violence prevention</i>	0.1	0.4	0.6	0.6	0.7	0.6	0.1
Total	100.0	100.0	100.0	100.0	100.0		
<i>Regular, compensatory ed., At risk, bilingual ed., And desegregation combined</i>	85.4%	67.1%	65.3%	64.4%	64.2%	-21.2%	-10%
<i>Compensatory ed., At risk, bilingual ed., And desegregation combined</i>	5.7%	8.3%	7.9%	8.3%	9.2%	3.4%	1.3%

* Programs listed in order of 2005 share of total per pupil spending

Overall Results

- In 2011, the average score of fourth-grade students in Alaska was 208. This was lower than the average score of 220 for public school students in the nation.
- The average score for students in Alaska in 2011 (208) was not significantly different from their average score in 2009 (211) and was not significantly different from their average score in 2003 (212).
- In 2011, the score gap between students in Alaska at the 75th percentile and students at the 25th percentile was 55 points. This performance gap was not significantly different from that of 2003 (55 points).
- The percentage of students in Alaska who performed at or above the NAEP Proficient level was 28 percent in 2011. This percentage was not significantly different from that in 2009 (27 percent) and was not significantly different from that in 2003 (28 percent).
- The percentage of students in Alaska who performed at or above the NAEP Basic level was 58 percent in 2011. This percentage was not significantly different from that in 2009 (59 percent) and was not significantly different from that in 2003 (58 percent).

Achievement-Level Percentages and Average Score Results



* Significantly different ($p < .05$) from state's results in 2011. Significance tests were performed using unrounded numbers.

NOTE: Detail may not sum to totals because of rounding.

Compare the Average Score in 2011 to Other States/Jurisdictions

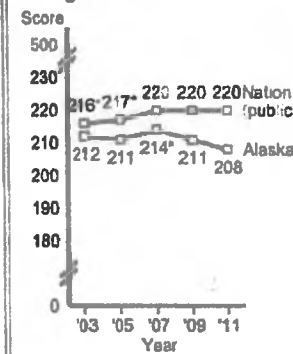


* Department of Defense Education Activity (overseas and domestic schools)

In 2011, the average score in Alaska (208) was

- lower than those in 46 states/jurisdictions
- higher than that in 1 state/jurisdiction
- not significantly different from those in 4 states/jurisdictions

Average Scores for State/Jurisdiction and Nation (public)



* Significantly different ($p < .05$) from 2011. Significance tests were performed using unrounded numbers.

Results for Student Groups in 2011

Reporting group	Percent of students	Avg. score	Percentages at or above Basic	Percent at Proficient	Percent at Advanced
Race/Ethnicity					
White	50	223	37	28	8
Black	4	208	30	20	3
Hispanic	6	212	30	24	5
Asian	6	199	45	14	1
American Indian/Alaska Native	23	175	24	8	1
Native Hawaiian/Pacific Islander	2	192	38	12	2
Two or more races	8	218	32	21	4
Gender					
Male	51	204	33	23	4
Female	49	212	37	28	6
National School Lunch Program					
Eligible	46	191	39	11	1
Not eligible	53	223	31	32	8

NOTE: Detail may not sum to totals because of rounding, and because the "information not available" category for the National School Lunch Program, which provides free/reduced-price lunches, is not displayed. Black includes African American and Hispanic includes Latino. Race categories exclude Hispanic origin.

Score Gaps for Student Groups

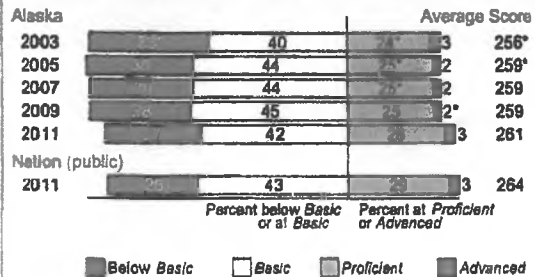
- In 2011, Black students had an average score that was 17 points lower than White students. This performance gap was not significantly different from that in 2003 (17 points).
- In 2011, Hispanic students had an average score that was 12 points lower than White students. This performance gap was not significantly different from that in 2003 (17 points).
- In 2011, female students in Alaska had an average score that was higher than male students by 8 points.
- In 2011, students who were eligible for free/reduced-price school lunch, an indicator of low family income, had an average score that was 32 points lower than students who were not eligible for free/reduced-price school lunch. This performance gap was not significantly different from that in 2003 (32 points).

NOTE: Statistical comparisons are calculated on the basis of unrounded score or percentages.
SOURCE: U.S. Department of Education, Institute of Education Sciences, National Center for Education Statistics, National Assessment of Educational Progress (NAEP), various years, 2003–2011 Reading Assessments.

Overall Results

- In 2011, the average score of eighth-grade students in Alaska was 261. This was lower than the average score of 264 for public school students in the nation.
- The average score for students in Alaska in 2011 (261) was not significantly different from their average score in 2009 (259) and was higher than their average score in 2003 (256).
- In 2011, the score gap between students in Alaska at the 75th percentile and students at the 25th percentile was 48 points. This performance gap was not significantly different from that of 2003 (50 points).
- The percentage of students in Alaska who performed at or above the NAEP Proficient level was 31 percent in 2011. This percentage was greater than that in 2009 (27 percent) and was greater than that in 2003 (27 percent).
- The percentage of students in Alaska who performed at or above the NAEP Basic level was 73 percent in 2011. This percentage was not significantly different from that in 2009 (72 percent) and was greater than that in 2003 (67 percent).

Achievement-Level Percentages and Average Score Results



* Significantly different ($p < .05$) from state's results in 2011. Significance tests were performed using unrounded numbers.

NOTE: Detail may not sum to totals because of rounding.

Compare the Average Score in 2011 to Other States/Jurisdictions

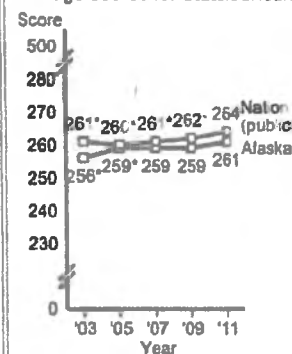


* Department of Defense Education Activity (overseas and domestic schools).

In 2011, the average score in Alaska (261) was

- lower than those in 33 states/jurisdictions
- higher than those in 8 states/jurisdictions
- not significantly different from those in 10 states/jurisdictions

Average Scores for State/Jurisdiction and Nation (public)



* Significantly different ($p < .05$) from 2011. Significance tests were performed using unrounded numbers.

Results for Student Groups in 2011

Reporting groups	Percent of Avg. students score		Percentages at or above		Percent at Advanced
			Basic	Proficient	
Race/Ethnicity					
White	52	274	65	42	4
Black	4	252	50	17	1
Hispanic	6	260	74	24	1
Asian	7	263	73	31	4
American Indian/Alaska Native	22	234	44	13	1
Native Hawaiian/Pacific Islander	2	§	1	2	§
Two or more races	7	264	70	30	2
Gender					
Male	51	258	66	24	1
Female	49	267	76	30	4
National School Lunch Program					
Eligible	41	245	56	18	1
Not eligible	58	273	65	41	4

§ Reporting standards not met.

NOTE: Detail may not sum to totals because of rounding, and because the "information not available" category for the National School Lunch Program, which provides free/reduced-price lunches, is not displayed. Black includes African American and Hispanic. Race categories exclude Hispanic origin.

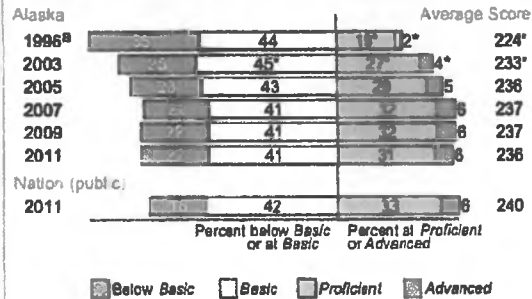
Score Gaps for Student Groups

- In 2011, Black students had an average score that was 22 points lower than White students. This performance gap was not significantly different from that in 2003 (19 points).
- In 2011, Hispanic students had an average score that was 13 points lower than White students. This performance gap was not significantly different from that in 2003 (21 points).
- In 2011, female students in Alaska had an average score that was higher than male students by 11 points.
- In 2011, students who were eligible for free/reduced-price school lunch, an indicator of low family income, had an average score that was 28 points lower than students who were not eligible for free/reduced-price school lunch. This performance gap was not significantly different from that in 2003 (24 points).

Overall Results

- In 2011, the average score of fourth-grade students in Alaska was 236. This was lower than the average score of 240 for public school students in the nation.
- The average score for students in Alaska in 2011 (236) was not significantly different from their average score in 2009 (237) and was higher than their average score in 1996 (224).
- In 2011, the score gap between students in Alaska at the 75th percentile and students at the 25th percentile was 41 points. This performance gap was not significantly different from that of 1996 (40 points).
- The percentage of students in Alaska who performed at or above the NAEP Proficient level was 37 percent in 2011. This percentage was not significantly different from that in 2009 (38 percent) and was greater than that in 1996 (21 percent).
- The percentage of students in Alaska who performed at or above the NAEP Basic level was 78 percent in 2011. This percentage was not significantly different from that in 2009 (76 percent) and was greater than that in 1996 (65 percent).

Achievement-Level Percentages and Average Score Results



* Significantly different ($p < .05$) from state's results in 2011. Significance tests were performed using unrounded numbers.
^a Accommodations not permitted. For information about NAEP accommodations, see <http://nces.ed.gov/nation'sreportcard/about/inclusion.asp>.

NOTE: Detail may not sum to totals because of rounding.

Compare the Average Score in 2011 to Other States/Jurisdictions

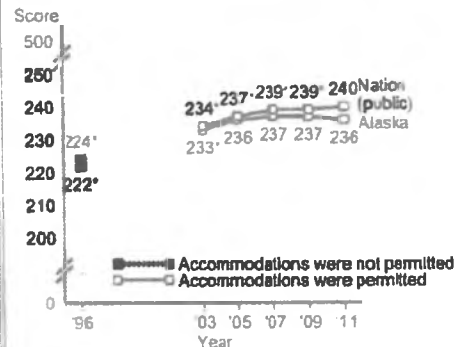


¹ Department of Defense Education Activity (overseas and domestic schools).

In 2011, the average score in Alaska (236) was

- lower than those in 33 states/jurisdictions
- higher than those in 6 states/jurisdictions
- not significantly different from those in 12 states/jurisdictions

Average Scores for State/Jurisdiction and Nation (public)



* Significantly different ($p < .05$) from 2011. Significance tests were performed using unrounded numbers.

NOTE: For information about NAEP accommodations, see <http://nces.ed.gov/nation'sreportcard/about/inclusion.asp>.

Results for Student Groups in 2011

Reporting groups	Percent of students	Avg. score	Percentages at or above		
			Basic	Proficient	Advanced
Race/Ethnicity					
White	50	248	90	50	9
Black	4	225	68	15	2
Hispanic	6	239	82	38	5
Asian	6	238	84	34	3
American Indian/Alaska Native	23	213	50	14	1
Native Hawaiian/Pacific Islander	2	§	§	§	§
Two or more races	8	240	83	38	7
Gender					
Male	52	237	78	38	6
Female	48	235	78	35	5
National School Lunch Program					
Eligible	46	224	65	22	2
Not eligible	53	247	88	49	9

§ Reporting standards not met.

NOTE: Detail may not sum to totals because of rounding, and because the "information not available" category for the National School Lunch Program, which provides free/reduced-price lunches, is not displayed. Black includes African American and Hispanic includes Latino. Race categories exclude Hispanic origin.

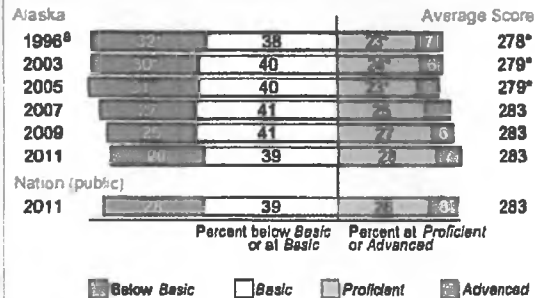
Score Gaps for Student Groups

- In 2011, Black students had an average score that was 23 points lower than White students. This performance gap was not significantly different from that in 1996 (25 points).
- In 2011, Hispanic students had an average score that was 9 points lower than White students. Data are not reported for Hispanic students in 1996, because reporting standards were not met.
- In 2011, male students in Alaska had an average score that was not significantly different from female students.
- In 2011, students who were eligible for free/reduced-price school lunch, an indicator of low family income, had an average score that was 23 points lower than students who were not eligible for free/reduced-price school lunch. This performance gap was not significantly different from that in 1996 (25 points).

Overall Results

- In 2011, the average score of eighth-grade students in Alaska was 283. This was not significantly different from the average score of 283 for public school students in the nation.
- The average score for students in Alaska in 2011 (283) was not significantly different from their average score in 2009 (283) and was higher than their average score in 1996 (278).
- In 2011, the score gap between students in Alaska at the 75th percentile and students at the 25th percentile was 47 points. This performance gap was not significantly different from that of 1996 (51 points).
- The percentage of students in Alaska who performed at or above the NAEP Proficient level was 35 percent in 2011. This percentage was not significantly different from that in 2009 (33 percent) and was greater than that in 1996 (30 percent).
- The percentage of students in Alaska who performed at or above the NAEP Basic level was 74 percent in 2011. This percentage was not significantly different from that in 2009 (75 percent) and was greater than that in 1996 (68 percent).

Achievement-Level Percentages and Average Score Results



* Significantly different ($p < .05$) from state's results in 2011. Significance tests were performed using unrounded numbers.

^a Accommodations not permitted. For information about NAEP accommodations, see <http://nces.ed.gov/nationsreportcard/about/inclusion.asp>.

NOTE: Detail may not sum to totals because of rounding.

Compare the Average Score in 2011 to Other States/Jurisdictions



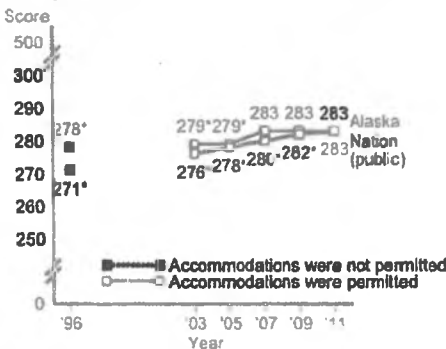
■ District of Columbia
■ DoDEA¹

¹ Department of Defense Education Activity (overseas and domestic schools).

In 2011, the average score in Alaska (283) was

- lower than those in 22 states/jurisdictions
- higher than those in 16 states/jurisdictions
- not significantly different from those in 13 states/jurisdictions

Average Scores for State/Jurisdiction and Nation (public)



* Significantly different ($p < .05$) from 2011. Significance tests were performed using unrounded numbers.

NOTE: For information about NAEP accommodations, see <http://nces.ed.gov/nationsreportcard/about/inclusion.asp>.

Results for Student Groups in 2011

Reporting groups	Percent of students	Avg score	Percentages at or above		
			Basic	Proficient	Advanced
Race/Ethnicity					
White	52	296	88	47	10
Black	4	273	66	17	1
Hispanic	8	277	67	25	5
Asian	8	287	77	38	10
American Indian/Alaska Native	22	258	48	15	3
Native Hawaiian/Pacific Islander	2	‡	‡	‡	‡
Two or more races	7	281	72	32	7
Gender					
Male	51	283	74	36	7
Female	49	284	75	35	7
National School Lunch Program					
Eligible	41	269	60	21	3
Not eligible	58	294	85	45	11

‡ Reporting standards not met

NOTE: Detail may not sum to totals because of rounding, and because the "information not available" category for the National School Lunch Program which provides free/reduced-price lunches, is not displayed. Black includes African American and Hispanic includes Latino. Race categories exclude Hispanic origin.

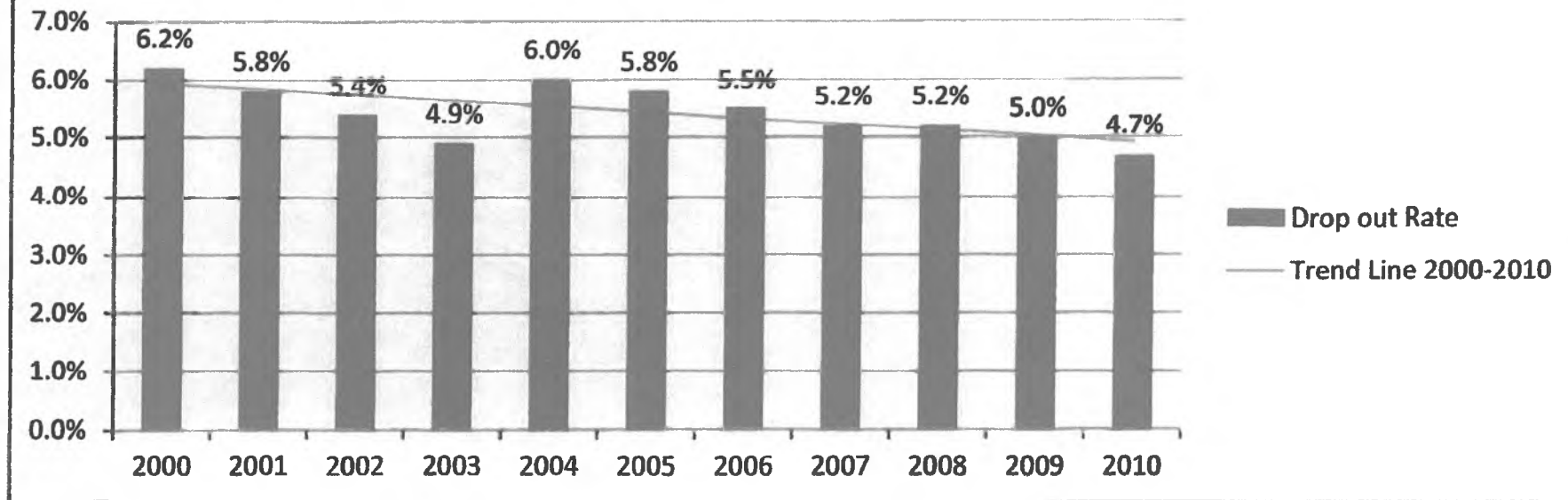
Score Gaps for Student Groups

- In 2011, Black students had an average score that was 23 points lower than White students. Data are not reported for Black students in 1996, because reporting standards were not met.
- In 2011, Hispanic students had an average score that was 19 points lower than White students. Data are not reported for Hispanic students in 1996, because reporting standards were not met.
- In 2011, female students in Alaska had an average score that was not significantly different from male students.
- In 2011, students who were eligible for free/reduced-price school lunch, an indicator of low family income, had an average score that was 26 points lower than students who were not eligible for free/reduced-price school lunch. This performance gap was not significantly different from that in 1996 (26 points).



NOTE: Statistical comparisons are calculated on the basis of unrounded scale scores or percentages.
SOURCE: U.S. Department of Education, Institute of Education Sciences, National Center for Education Statistics, National Assessment of Educational Progress (NAEP), various years, 1996–2011 Mathematics Assessments.

Drop out Rate



22



JUNEAU SCHOOL DISTRICT

CITY AND BOROUGH OF JUNEAU

10014 Crazy Horse Drive ♦ Juneau, Alaska 99801 ♦ 907-523-1702 ♦ Fax: 907-523-1708

February 6, 2012

The Honorable Bert Stedman, Co-Chair
The Honorable Lyman Hoffman Co-Chair
Finance Committee, Alaska State Senate
Alaska State Capitol
Juneau Alaska 99811.1182

Dear Senator Hoffman and Senator Stedman:

Thank you for recognizing the importance of an increase to the Base Student Allocation and for hearing SB171 Increase BSA Funding which will help provide a stable fiscal plan for Alaska's schools. Budget stability allows districts to plan educational programs with certainty, create efficiencies and promote public confidence in schools.

To improve student achievement the Juneau School District is focusing on three distinct areas:

- Professional development of teachers and staff
- Investment in appropriate instructional materials
- Renewed effort on supervision and evaluation of teachers and staff (adopted a new teacher evaluation process last May)

Several system-wide success stories have occurred in Juneau as a result of our investments:

- Graduation rates for Juneau students up to 87% and 86% at JDHS and TMHS
- Achievement in reading has climbed steadily for four years based on higher *national* standards, and math achievement has increased even more dramatically
- Energy and excitement are being generated by a new program that improves student organizational skills and encourages non-college bound students to consider studying for a variety of postsecondary options

These improvements to student achievement have occurred during recent years of significant budget cuts but we cannot guarantee we will continue to get these results while cutting staff. This year we are cutting approximately \$5.8 million on top of the \$4.1million (5.2%) we cut last year.

We appreciate one-time funding last year, the increase to the Career and Technical Education factor, and the continued support of the Legislature to fund our retirement system obligations. This funding is a significant contribution to our district. Without this support, our mission would even be more seriously hampered. However, retirement system funds do not hit the classroom, which is where we make gains in student achievement.

Knowing our funding level in advance of key staff contract deadlines and city budget deadlines would ensure we focus our limited time on student achievement instead of budget uncertainty.

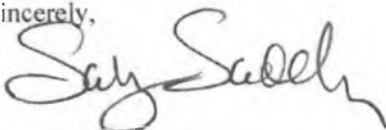
Under the current funding, more than 65 of our school staff will lose their jobs. Our superintendent put that in perspective by asking us to picture a full size school bus filled with talented and hard working people, and then watch as that bus drives onto the ferry and out of our community, as these people seek employment elsewhere. This issue stretches well beyond the doors of our school district. The Juneau Economic Development Council estimates these job losses would result in a negative economic impact to Juneau of nearly \$11.5 million

We would receive approximately \$1.3 million under SB171, which would reduce the level of cuts to be made. Passage of SB171 would result in an overall reduction of \$4.5 million (5.9%) instead of a reduction of \$5.8 million (7.4%) without passage of the bill.

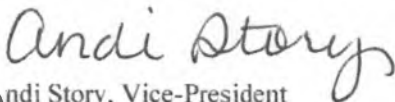
We support an established BSA increase in at least one, and preferably three, years ahead to provide sufficient time to prepare and submit budgets without spending unnecessary time and resources revising budgets based on legislative action after the local process has begun.

We believe this alone will help make us more effective and will promote public confidence in Alaska schools. Any increased funding to the Base Student Allocation can only help us improve our slow progress to ensure each student, every student in Juneau, achieves the academic success we know they can.

Sincerely,



Sally Saddler, President



Andi Story, Vice-President
Juneau School Board

Cc: The Honorable Dennis Egan
The Honorable Cathy Munoz
The Honorable Beth Kerttula
Juneau School Board
Glenn Gelbrich, Superintendent, Juneau School District

Dear Senators:

I am not able to testify on Senate Bills 139 or 171 tomorrow morning due to another commitment so I hope these comments can be entered into the record for your consideration.

First of all, I want to thank all of you for being such outstanding advocates for our public schools in Anchorage, and in the state. We sincerely appreciate your support, both financial and in so many other ways! We applaud your service by being on the Senate Education committee.

As you probably know, I have just released my preliminary budget to the public and to the School Board for their consideration. This budget will have two more public hearings on February 1 and February 9; the School Board will probably make some changes to my preliminary budget. After they complete their work, our budget is transmitted to the Municipality and the Assembly by March 5 which is required by our municipal charter. Our Assembly public hearing is scheduled for March 27 where they will set the upper limit of spending and the level of local contribution to the Anchorage School District. After that time, we have to wait until the legislature and the governor complete your work to determine the level of funding we will have access to. If an increase occurs, we revise our budget again, and reinstate what we can, and then we have to go back to the Assembly for permission to spend the funds if they exceed the already approved upper limit.

As you can imagine. This budget cycle undermines our credibility, and takes a great deal of time and energy to continually revise our budgets. The emotional turmoil on potentially impacted employees is destructive to their morale and ability to focus on their important work of educating our students, and doing their jobs.

We are making excellent use of the additional C and TE funds from SB 84 last year and encourage you to visit some of our high schools to see how these funds are being used to expand our career pathway programs. We would ask that you give serious consideration to expanding the flexibility for the use of these funds for at least middle schools and high schools (grades 6-12) so that we can support our career planning in the middle schools. We have had to recommend the deletion of our career guides in the middle schools for next year, and having the flexibility to use the C and TE funds for the middle grades would allow more expansion of our construction, health and pre-engineering academies.

I urge you to support the funding for the next three years as proposed by the Education Committee in SB 171. The years that we had advance notice of our funding increases as a result of the Education Funding Task Force which was co-chaired by Rep. Mike Hawker and Sen. Bert Stedman allowed us to plan and avoid our annual "guessing as to our funding" as I described above. All districts in the state benefitted from this funding and would urge you to reinstate a three year BSA increase that allowed us to compensate, at a minimum, for inflation and increased costs of doing our work.

Additionally, we are urging you to consider reinstating the COLA to the Pupil Transportation funding for all districts which provide pupil transportation. All districts are having to use their instructional revenue to pay the costs of their transportation contracts. Costs are going up for fuel, tires, repairs, and bus purchases.

Again, my sincere thank you for your long-standing support for education. Please let me know if you have any questions or concerns about these statements, or if you have a need for more information.

Sincerely,
Carol Comeau
Superintendent
Anchorage School District