

01/24/13
BUDGET
OVERVIEW
FY 14:
DEPARTMENT
OF EDUCATION
& EARLY
DEVELOPMENT

<TARGET><BILL></BILL><SUBJECT>01-24-13 BUDGET OVERVIEW
FY 14 DEPARTMENT OF EDUCATION and EARLY
DEVELOPMENT</SUBJECT><COMM>HFIN28</COMM></TARGET>

1/24/13

State of Alaska FY2014 Governor's Operating Budget

Department of Education and Early Development

January 24, 2013



Department of Education and Early Development Alaska State Constitution- Alaska Statutes

Alaska Constitution Section 7.1 – Public Education

Responsibility: To establish and maintain a system of public schools.

Key Functions: Fund, Provide oversight and support, Set standards, Assess students towards standards.

State Education Policy – AS 14.03.015

The purpose of education is to help ensure that all students will succeed in their education and work.

Governing Statutes – Alaska Statutes Title 14

Department of Education and Early Development

Mission

To ensure quality standards-based instruction to improve academic achievement for all students.

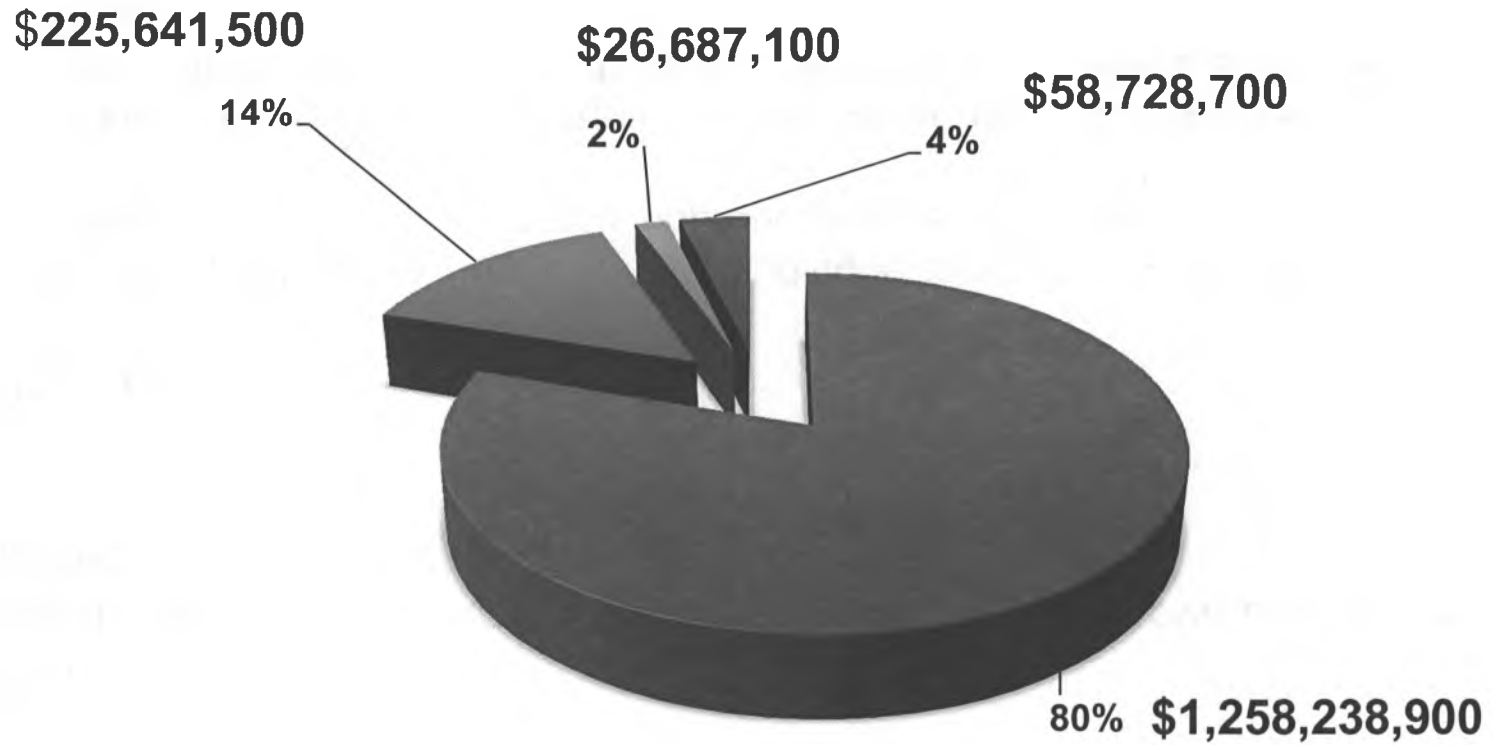
Core Services

1. **Public School Funding** – Ensure funding is appropriately distributed to recipients based on legislative appropriations and by Statute.
2. **Fiscal Accountability, Compliance and Oversight** – Ensure the department effectively and efficiently manages state, federal and other funds.
3. **School Effectiveness Programs** – Assist districts by providing programs, technical on-site and distance delivery support, and early intervention services.
4. **Active Partnerships** – Provide opportunities for, and collaborate with government entities, and other public and private organizations.

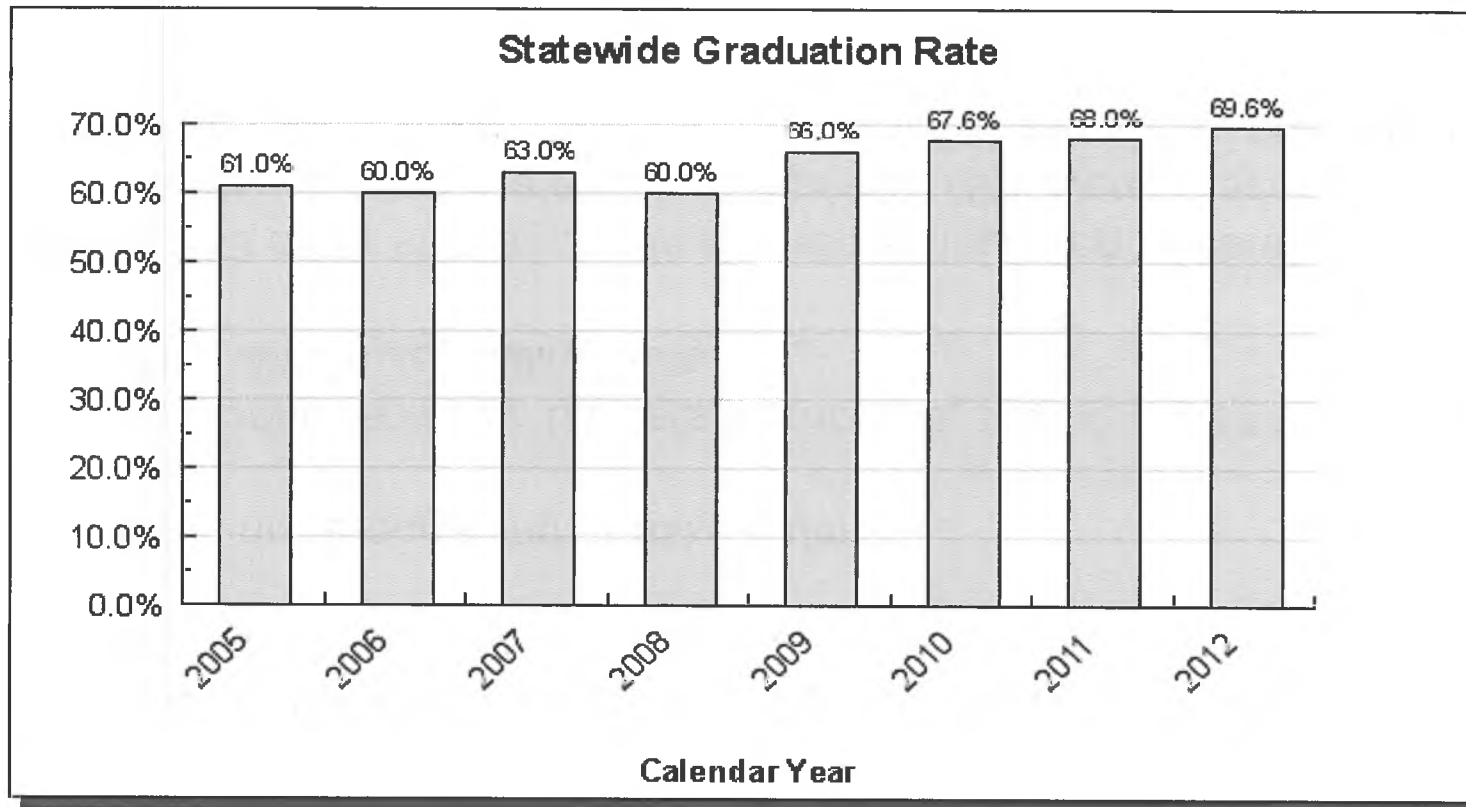
Department of Education and Early Development

EED Budget by Core Services

- 1. Public School Funding
- 2. Fiscal Accountability, Compliance and Oversight
- 3. School Effectiveness Programs
- 4. Active Partnerships



Department of Education and Early Development Core Service: School Effectiveness



of graduates in cohort

in 9th grade cohort*

* Takes into account the transfers in and out.

Targeted Resources for Results for the Department of Education & Early Development

▪Jobs for Alaska's Graduates

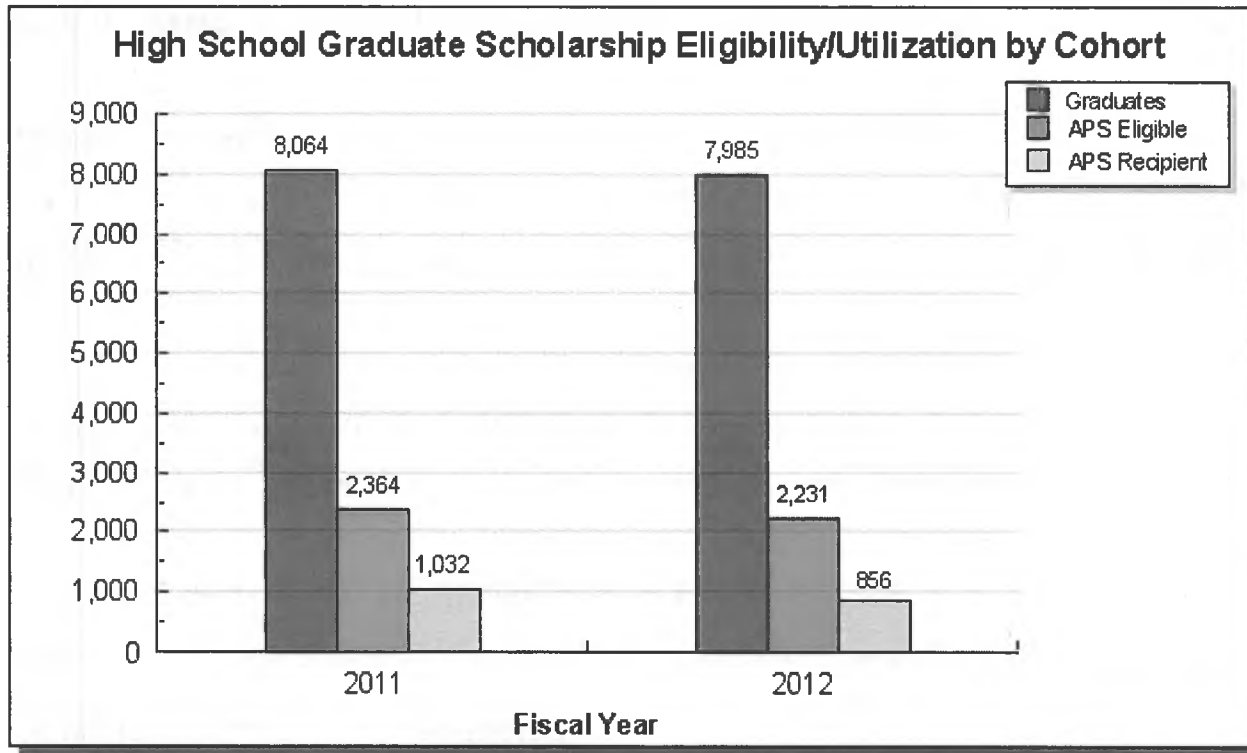
Cooperative effort in partnership with the Departments of Education, Department of Labor, and United Way.

The focus is on re-engaging at-risk students.

Addresses credit recovery, barriers to success, setting a plan to graduate and working on employability skills.

Nationally, 33 other states have implemented this program and 93% of JAG students have graduated. Most recently, 79% were in additional training, the military or a meaningful job within 12 months of graduating.

Department of Education and Early Development Core Service: Active Partnerships



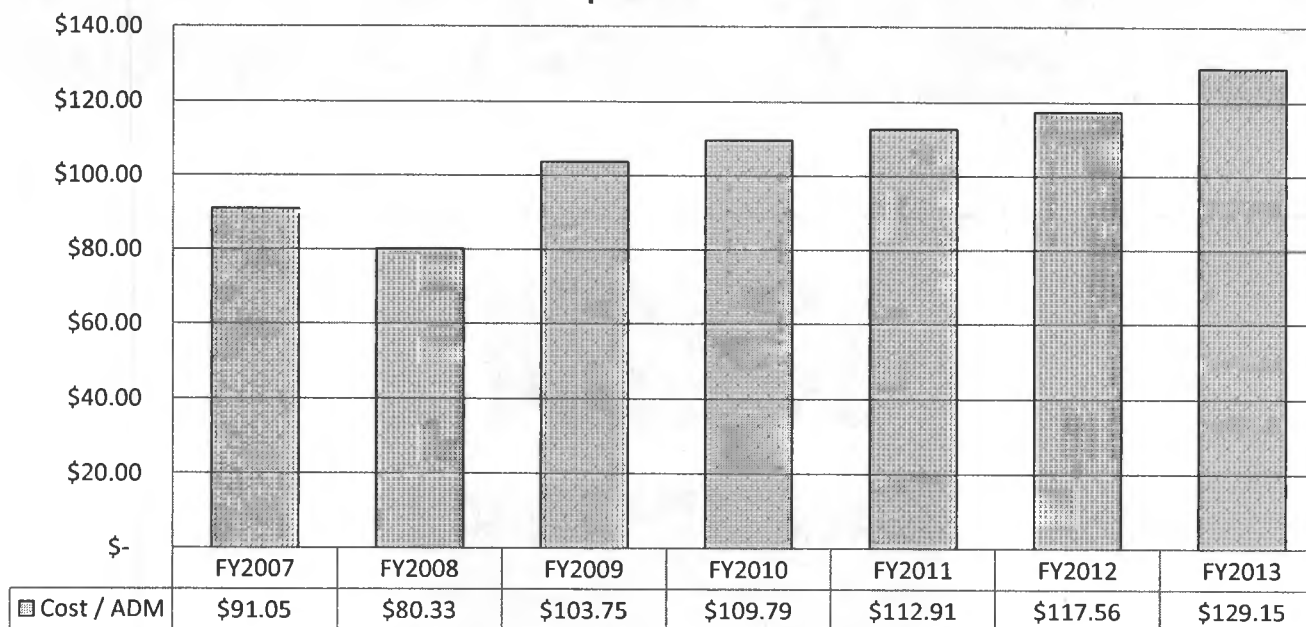
Targeted Resources for Results for the Department of Education & Early Development

- **Digitizing Education in Alaska**

1. **1:1 initiative** provides 60% matching funds for the districts to put digital devices into the hands of students and teachers.
2. **Alaska Learning Network** to provide online courses using highly qualified teachers available to districts statewide and provides professional development in the use of technology in the classroom.
3. **Broadband Support for Online with Libraries (OWL)** to support broadband capabilities in 67 community libraries of which 30 are joint school-community libraries.
4. **Live Homework Help** provides access to qualified online tutors from 1 PM to midnight 7 days a week. The number of students using the service has grown from 5,703 to 8,065 logging a total of 5,359 hours.

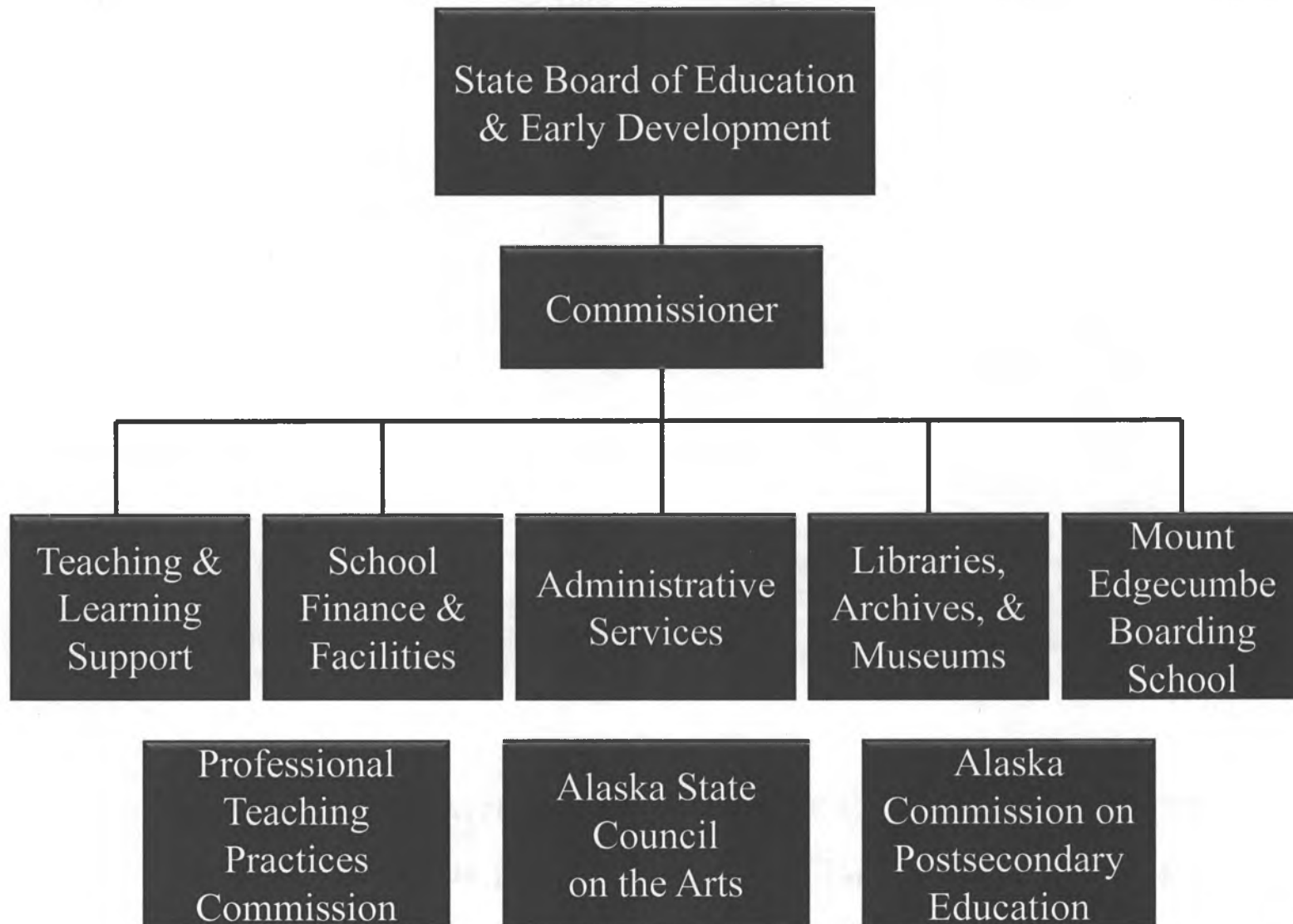
Department of Education and Early Development Core Service: Fiscal Accountability, Compliance and Oversight

**General Fund Cost of Fiscal Accountability, Compliance and Oversight
per ADM**



Components included: Executive Administration, Administrative Services, Information Services, School Finance and Facilities, Student and School Achievement, Child Nutrition Services and State Facilities Rent.

Structure



**Department of Education & Early Development
 FY2014 Operating Budget Governor's December 14
 includes School Debt Reimbursement**

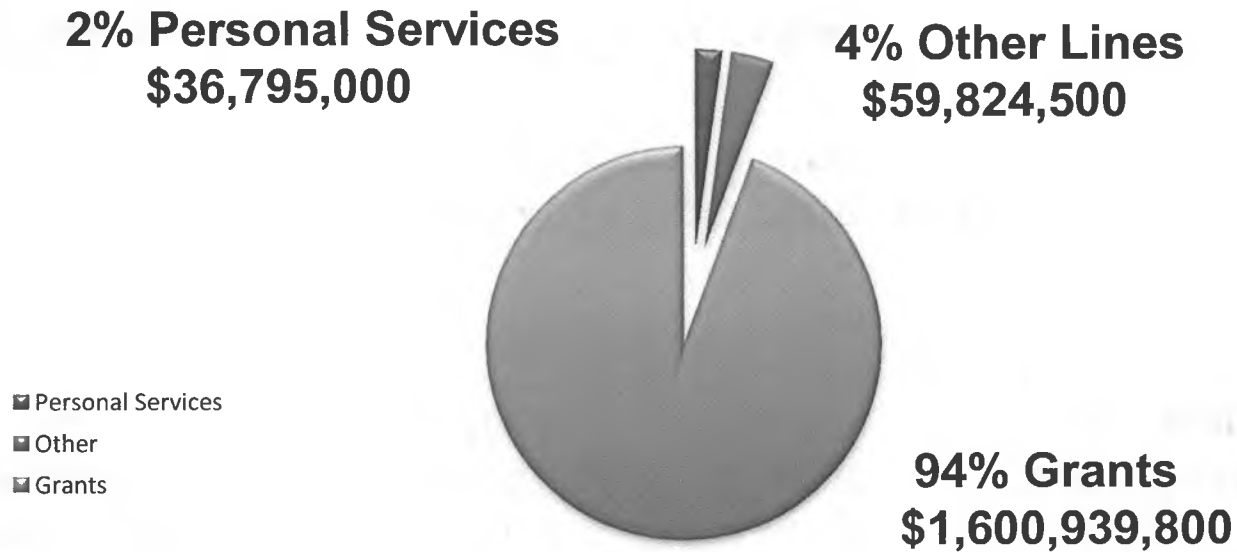
	Designated General Funds	Unrestricted General Funds	Federal Funds	Other Funds	Total
<i>K-12 Formula Programs</i>	31,300.0	1,334,411.0	20,791.0	0.0	1,386,502.0
<i>Agency Operations</i>	13,808.8	58,235.0	213,007.0	26,006.5	311,057.3
Total	45,108.8	1,392,646.0	233,798.0	26,006.5	1,697,559.3

**EED FY2014 Operating Budget
 By Fund Source**



Operating Overview All Funds

EED FY2014 Operating Budget By Line Item



Position Count:

Full-time	335
Part-time	14
Non-perm	8

General Fund Breakout

EED FY2014 Operating Budget

18% Agency Operations
\$72,043,800



82% K-12 Formula Programs
\$1,365,711,000

- K-12 Formula Programs
- Agency Operations

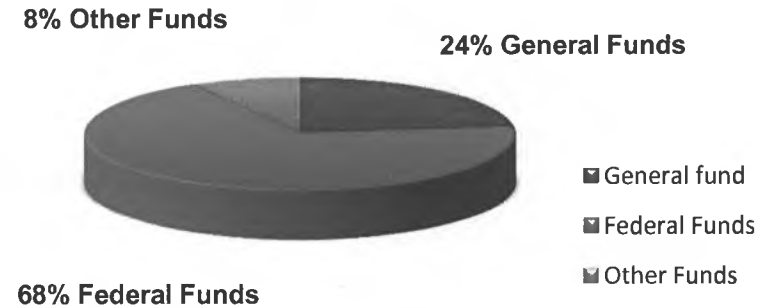
Agency Operations Without Foundation Program, Pupil Transportation and School Debt Reimbursement

	Designated General Funds	Unrestricted General Funds	Federal Funds	Other Funds	Total
<i>Agency Operations</i>	13,808.8	58,235.0	213,007.0	26,006.5	311,057.3

**EED FY2014 Operating Budget
General Fund**



**FY2014 Agency Operations
By Fund Source**



FY14 Governor's Budget Highlights for the Department of Education & Early Development

School district support outside the formula to address continuing high costs for fuel and other items. Funding will be distributed by AADM to include district cost factors

Forward funding of the Foundation Program and Pupil Transportation to be deposited into the Public Education Fund

Mental Health Trust Board recommendations for the Autism Resource Center and Rural Transition Services maintains current level of services.

FY14 Governor's Budget Highlights for the Department of Education & Early Development

Statewide K-3 Literacy Program which includes funding to the districts for early screening tools necessary to identify the needs of young students.

Pre-K Grant Funding – The Pre-K Grant program has been funding at \$2,000.0 annually until last year where one time funds were added. This increment provides an additional \$480.0 to the base funding.

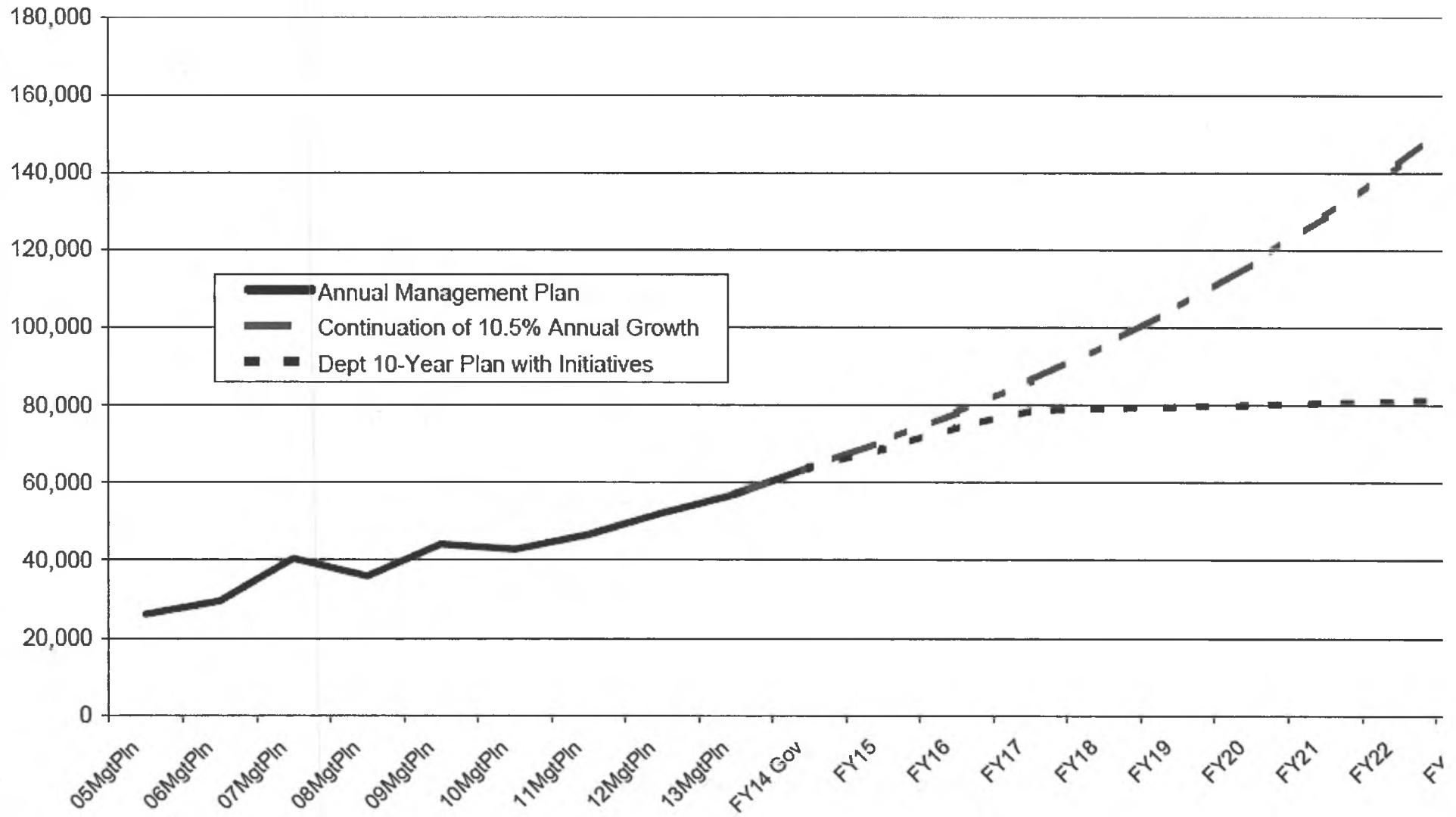
10 Year Plan Highlights Operating Budget

- **The Department of Education and Early Development has incorporated all budgeted changes into the 10 year plan as well as other changes supported by the Office of the Governor.**
- **In FY2014-FY2023, the Foundation Formula projects flat funding which includes \$25,000,000 outside the formula as targeted funding.**
- **Operating cost increases include annual inflation adjustments for contractual obligations.**

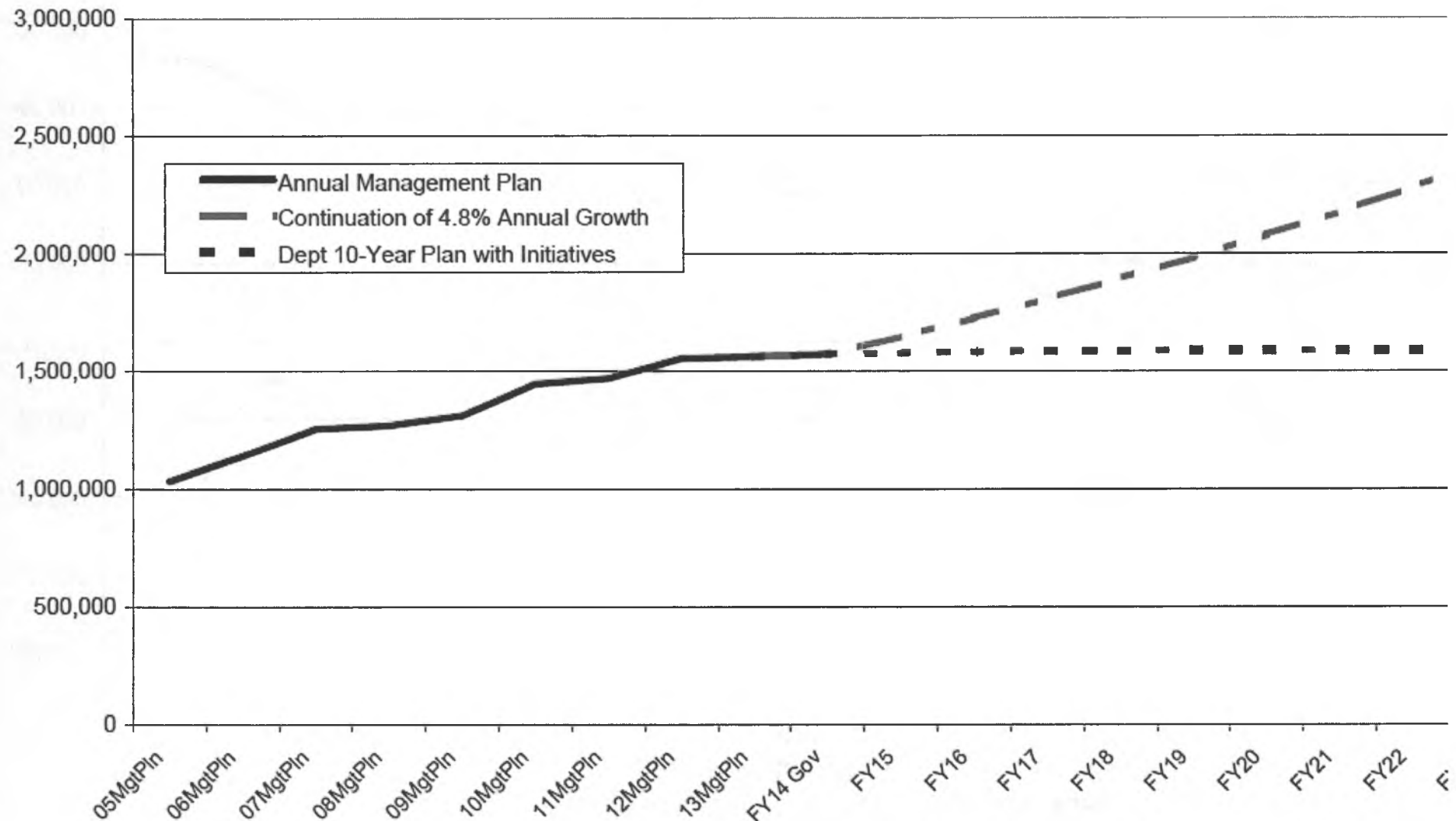
10 Year Plan Highlights Capital Projects

- **Annual School Construction/Major Maintenance items remain at current levels which includes projects to satisfy the Kasayulie settlement (Kwethluk and Kivalina are projected to be funded).**
- **Capital and deferred maintenance projects are included which follow the anticipated needs reflected in the six year CIP Master Plan for Mt. Edgecumbe High School.**
- **Funding for the Stratton Library renovation and full funding for the State Libraries, Archives and Museums Facility are included in the 10 year projection.**

**Department of Education & Early Development
Continued Budget Growth Compared to 10-Year Plan
(Non-Formula Only)
(GF Only)
(\$ Thousands)**



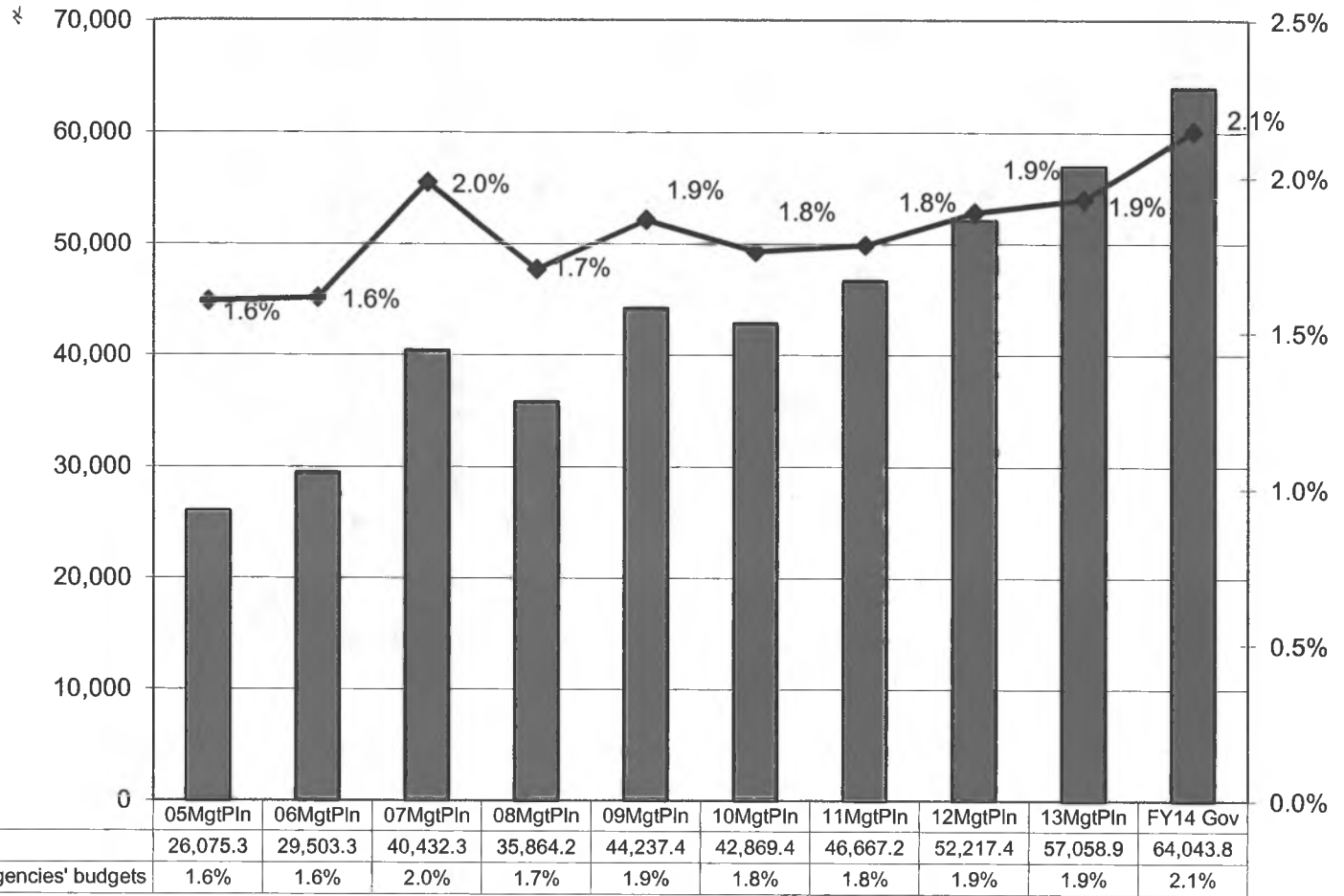
**Department of Education & Early Development
Continued Budget Growth Compared to 10-Year Plan
(All Funds)
(\$ Thousands)**



**Education & Early Development Budget Compared to All Agencies Budgets
(Non-Formula Only)
(GF Only)
(\$ Thousands)**

The department's Non-Formula GF budget grew almost \$38 million (146%) between FY05 and the FY14 Governor's Request - an average annual growth rate for that period of 10.5%.

The department's total Non-Formula FY14 GF budget equals \$195 per resident worker.*

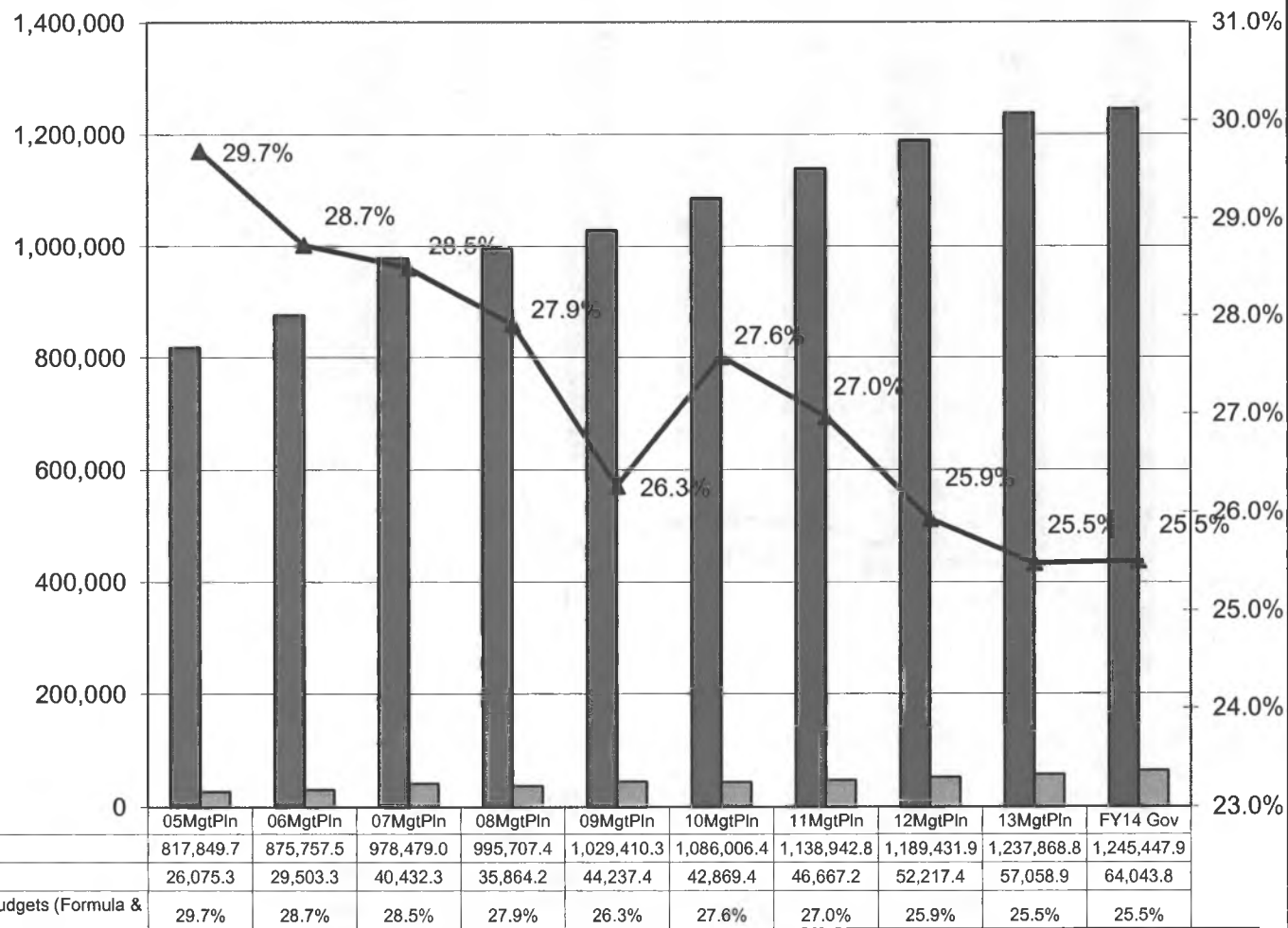


* According to the Department of Labor, there were 328,611 resident workers in Alaska in 2010.

**DEED Formula & Non-Formula Funding (Non-Retirement)
(GF Only)
(\$ Thousands)**

The department's total GF budget grew over \$465 million (55%) between FY05 and the FY14 Governor's Request - an average annual growth rate for that period of 10.5%.

The department's total FY14 GF budget request for DEED formula and non-formula programs equals \$3,985 per resident worker.*



* According to the Department of Labor, there were 328,611 resident workers in Alaska in 2010.