

**02/18/15
OVERVIEW:
ALASKA'S
PARTICIPATION
IN IMPACT AID
(PUBLIC LAW
874)**

<TARGET><BILL></BILL><SUBJECT>02-18-15 OVERVIEW
ALASKAS PARTICIPATION IN IMPACT AID (PUBLIC LAW
874)</SUBJECT><COMM>HEDC29</COMM></TARGET>



Alaska's Participation In
Impact Aid (Public Law 874)



What is Impact Aid?

Impact Aid is a federal formula grant program designed to assist local schools that have:

1) lost revenue due to tax-exempt federal related property and

2) incurred increased expenditures due to the enrollment of federally connected children.

History of Impact Aid

The federal Impact law came into effect in 1950.

Alaska has participated in Impact Aid since inception.

The equalization provision was added to the Impact Aid law in 1976.

Alaska began using the equalization qualification allowing the state to fund a portion of basic need with Impact Aid at the inception (1976) of this provision.

Who Participates in Impact Aid?

School Districts with concentrations of federally connected children who are

Children of:

- Military personnel
- Others who work on federal land (i.e. park rangers)

Children whose parents reside on:

- Indian lands
- Federal low rent housing

Under a special Impact Aid provision placed into permanent law by US Senator Ted Stevens, the state of Alaska applies for military Impact Aid and passes the funds directly to the participating school districts. This provides for a higher reimbursement rate than if the application was submitted individually by the military base effected school districts of Anchorage, Fairbanks, and Kodiak. The state also applies on behalf of Mt. Edgecumbe.

Other Participation Eligibility

A district's eligibility is based on:

- The number of eligible federally connected children equal to at least 3% of the total number of students in average daily attendance. OR
- The number of eligible federally connected children in Average Daily Attendance equal to at least 400.

The impact aid count date is selected by the district.

- No earlier than the 4th day of the school year; and
- No later than January 31st.

The Application

Who May Apply

- A school district that serves a concentration of federally connected children and is providing free and public education.

When to Apply

- The deadline for submitting the impact aid application is January 31st.

What is considered a Complete Application

- A signed electronic application that has been submitted through the G5 site;

Late Applications

- An applicant can still apply for up to 60-days following the deadline however this applicant will incur a 10% reduction in funding.

Amendments

- A district may modify or update their application until September 30.

Funding Categories

Impact Aid Provides funding related to four main categories:

- 1) 8003: basic support; heavily impacted districts; and children with disability.**
- 2) 8007: Construction.**
- 3) 8002: Property and 4) 8008: Facilities.

Alaska qualifies on an annual basis for 8003 and 8007 funding. **

1. Basic Support Payment

8003 Basic support payments are based on a formula that considers:

1. Number eligible students in the district, that is the Impact Aid count of federally connected children in the district.
2. Average statewide per pupil expenditures

Basic Support is discretionary funding

2. Children with Disabilities Payment

Category two supplies payments to provide additional assistance to school districts that educate federally connected children who are eligible for services under the Individuals with Disabilities Act.

- The children with disabilities Impact Aid payment rate can range from \$500 to \$1,200 per child.

3. Construction Fund Payment

Construction payments are provided when the federally connected children equal at least 50% of the membership in the school districts average daily attendance.

Sample Impact Aid Payment Vouchers

U.S. DEPARTMENT OF EDUCATION OFFICE OF ELEMENTARY AND SECONDARY EDUCATION IMPACT AID PROGRAM WASHINGTON, D.C. 20202-8244		Voucher Numbers 318014 2014-2	Fiscal Year 2014	Date 08/05/2014				
VOUCHER FOR IMPACT AID SECTION 8003 PAYMENTS (TITLE VIII of the Elementary and Secondary Education Act)		Total ADA 1,753.04	Total Membership 1,886	Application Number 11-AK-2014-2802				
		Local Contribution Rate & Type \$8,638.50		Total Current Expenditures \$54,482,000.00				
Bering Strait School District Attention: Mr. Mark A. Vink P.O. Box 225 Unalakleet, AK 99684								
Grantee DUNS Number: 11-734-8144								
Payee DUNS Number: 11-734-8144								
PR/Award#: S041B-2014-0135								
Pay Type: Interim								
Section 8007 Formula Constr. Payment								
County: Unorganized Territory								
Negotiated Ratio	Attendance Ratio = Prior-Year ADA / Prior-Year Membership 0.92950 = 1,840.00 / 1,840	LOT% = 100.00%	TCE% = 35.55%	+ Membership% = 100.00%				
SECTION 8003(b) BASIC SUPPORT PAYMENT LOT Percent Paid: 80.0000%								
Category	Membership	ADA	Weight	WSU	Max BSP	Full LOT	Prorated LOT	
(A) (i)	0	0.00	1.00	0.00	\$0.00	\$0.00	\$0.00	
(A) (ii)	0	0.00	1.00	0.00	\$0.00	\$0.00	\$0.00	
(B)	0	0.00	1.00	0.00	\$0.00	\$0.00	\$0.00	
(C)	1,886	1,753.04	1.25	2,191.30	\$19,367,805.05	\$19,367,805.05	\$15,494,244.04	
(D) (i)	0	0.00	0.20	0.00	\$0.00	\$0.00	\$0.00	
(D) (ii)	0	0.00	0.20	0.00	\$0.00	\$0.00	\$0.00	
(E)	0	0.00	0.10	0.00	\$0.00	\$0.00	\$0.00	
(F)	0	0.00	0.05	0.00	\$0.00	\$0.00	\$0.00	
(G) (i)	0	0.00	0.05	0.00	\$0.00	\$0.00	\$0.00	
(G) (ii)	0	0.00	0.05	0.00	\$0.00	\$0.00	\$0.00	
8003(b) Total	1,886	1,753.04		2,191.30	\$19,367,805.05	\$19,367,805.05	\$15,494,244.04	
(A) (ii)	0	0.00	1.00	0.00			\$0.00	
(B)	0	0.00	1.00	0.00			\$0.00	
(C)	175	162.66	1.00	162.66			\$178,926.00	
(D) (i)	0	0.00	0.50	0.00			\$0.00	
(D) (ii)	0	0.00	0.50	0.00			\$0.00	
8003(d) Total	175			162.66			\$178,926.00	
8003(d) Maximum:					8003(d) Reduction			
8003(e) Hold Harmless					\$0.00			
8003(b)(2) Heavily Impacted Local Educational Agency:								
8005(d)(2) Late Applicant 10% Payment Reduction					\$0.00			
8007(a) Construction - Indian Lands WSU: 2,191.30					8007 Rate: \$100.00 \$219,130.00			
8007(a) Construction - Uniformed Services								
Other(1)					\$0.00			
Other(2)					\$0.00			
Other(3)					\$0.00			
Total Payments Summary					\$15,892,300.04			
Prior Payments for this Fiscal Year					\$15,673,170.04			
Overpayment					\$0.00			
Amount Certified for Current Payment this Fiscal Year					\$219,130.00			
Deductions for Prior Overpayments					\$0.00			
Amount of Payment to Applicant					\$219,130.00			

U.S. DEPARTMENT OF EDUCATION OFFICE OF ELEMENTARY AND SECONDARY EDUCATION IMPACT AID PROGRAM WASHINGTON, D.C. 20202-8244		Voucher Numbers 318007 2014-2	Fiscal Year 2014	Date 08/05/2014				
VOUCHER FOR IMPACT AID SECTION 8003 PAYMENTS (TITLE VIII of the Elementary and Secondary Education Act)		Total ADA 5,008.15	Total Membership 5,368	Application Number 11-AK-2014-0001				
		Local Contribution Rate & Type \$8,638.50		Total Current Expenditures \$967,389,732.00				
Alaska State Department of Education Attention: Ms. Mindy Lobaugh P.O. Box 110500 Juneau, AK 99811-0500								
Grantee DUNS Number: 80-938-8824								
Payee DUNS Number: 80-938-8824								
PR/Award#: S041B-2014-0131								
Pay Type: Interim After Field Review								
Section 8007 Formula Constr. Payment								
County: Unorganized Territory								
Negotiated Ratio	Attendance Ratio = Prior-Year ADA / Prior-Year Membership 0.92950 = .00 / 5,714	LOT% = 96.30%	TCE% = 4.21%	+ Membership% = 92.09%				
SECTION 8003(b) BASIC SUPPORT PAYMENT LOT Percent Paid: 80.0000%								
Category	Membership	ADA	Weight	WSU	Max BSP	Full LOT	Prorated LOT	
(A) (i)	0	0.00	1.00	0.00	\$0.00	\$0.00	\$0.00	
(A) (ii)	0	0.00	1.00	0.00	\$0.00	\$0.00	\$0.00	
(B)	4,962	4,612.18	1.00	4,612.18	\$40,764,752.93	\$39,256,457.07	\$31,405,165.66	
(C)	0	0.00	1.25	0.00	\$0.00	\$0.00	\$0.00	
(D) (i)	0	0.00	0.20	0.00	\$0.00	\$0.00	\$0.00	
(D) (ii)	0	0.00	0.20	0.00	\$0.00	\$0.00	\$0.00	
(E)	0	0.00	0.10	0.00	\$0.00	\$0.00	\$0.00	
(F)	0	0.00	0.05	0.00	\$0.00	\$0.00	\$0.00	
(G) (i)	0	0.00	0.05	0.00	\$0.00	\$0.00	\$0.00	
(G) (ii)	0	0.00	0.05	0.00	\$0.00	\$0.00	\$0.00	
8003(b) Total	4,962	4,612.18		4,612.18	\$40,764,752.93	\$39,256,457.07	\$31,405,165.66	
(A) (ii)	0	0.00	1.00	0.00			\$0.00	
(B)	568	555.94	1.00	555.94			\$611,424.00	
(C)	0	0.00	1.00	0.00			\$0.00	
(D) (i)	0	0.00	0.50	0.00			\$0.00	
(D) (ii)	0	0.00	0.50	0.00			\$0.00	
8003(d) Total	568			555.94			\$611,424.00	
8003(d) Maximum:					8003(d) Reduction			
8003(e) Hold Harmless					\$0.00			
8003(b)(2) Heavily Impacted Local Educational Agency:								
8005(d)(2) Late Applicant 10% Payment Reduction					\$0.00			
8007(a) Construction - Indian Lands								
8007(a) Construction - Uniformed Services WSU: 4,612.18					Membership Excluded: 0 8007 Rate: \$200.00 \$922,436.00			
Other(1)					\$0.00			
Other(2)					\$0.00			
Other(3)					\$0.00			
Total Payments Summary					\$32,936,025.66			
Prior Payments for this Fiscal Year					\$32,016,589.66			
Overpayment					\$0.00			
Amount Certified for Current Payment this Fiscal Year					\$922,436.00			
Deductions for Prior Overpayments					\$0.00			
Amount of Payment to Applicant					\$922,436.00			

State Consideration of Impact Aid Payments in Providing State Aid

Public Law 874 allows a state to seek permission to consider Impact Aid in its state formula if the formula meets a specified equalization standard.

Alaska's public school funding formula (the Foundation formula) is designed as an equalized formula and each year Alaska submits a disparity test calculation showing that the per-pupil revenue between the highest and lowest districts in the state does not exceed a 25% difference.

How is the Disparity Test Calculated?

The disparity test follows the Impact Aid program requirements in calculating disparity.

In general the test aggregates revenues per district and divides by adjusted average daily membership (AADM) to arrive at adjusted per-pupil revenues for each district.

The districts are sorted from highest to lowest adjusted per-pupil revenues and the difference in adjusted per-pupil revenues from highest to lowest cannot be more than 25%.

The annual disparity test calculation result and instructions are available on the department's website under School Finance.

Further discussion is available by reading the federal regulations.

Alaska school districts receive Impact Aid payments and Federal law allows the state to consider the Impact Aid funding in the state formula, what does that look like?

Eligible Impact Aid

A state may not take into consideration the following:

- Children with disabilities funding
- 1/5th of funding for children who reside on Indian Lands
- Construction funding; and
- Heavily impacted districts (AISD only)

The portion of Impact Aid funds a State may take into consideration.

- The State may consider 100% of the remaining funds; however, under AS 14.17.410 the state of Alaska only uses 90% of eligible impact aid.
- Those districts with a local contribution can further offset that percentage by contributing above the requirement.

Authority: 34 CFR 222.161 and 34 CFR 222.163

District Example #1

Anchorage FY2014

Total Impact Aid	\$20,887,370
<u>Subtraction of non-eligible Impact Aid</u>	<u>-\$667,265</u>
Eligible Impact Aid State may consider	\$20,220,105
Local Required	\$95,445,433
<u>Total Local contributed</u>	<u>/\$195,860,378</u>
Impact Aid percentage	48.73%

Eligible Payments X Impact Aid % $\$20,220,105 \times 48.73\% = \$9,853,257$

Final calculation State looks at 90% $\$9,853,257 \times 90\% = \underline{\underline{\$8,867,931}}$

Of Anchorage's \$20,887,370 in Impact Aid receipts the state will withhold \$8,867,931 as payment towards Basic Need in the foundation formula rather than using state general funds.

District Example #2

Lower Kuskokwim FY2014

Total Impact Aid	\$22,417,251
<u>Subtraction of non eligible Impact Aid</u>	<u>-\$4,794,586</u>
Eligible Impact Aid State may consider	\$17,622,665

Local Required	No local requirement for REAA
<u>Total Local Contributed</u>	<u>No local requirement for REAA</u>
Impact Aid percentage	100%

Eligible Payments X impact Aid % $\$17,622,665 \times 100\% = \$17,622,665$

Final calculation State looks at 90% $\$17,622,665 \times 90\% = \underline{\$15,860,399}$

Of Lower Kuskokwim's \$22,417,251 in Impact Aid receipts the state will withhold \$15,860,399 as payment towards Basic Need in the foundation formula rather than using state general funds.

Alaska Impact Aid Revenues

Federal Impact Aid revenues are approximately \$140 Million dollars annually, to Alaska schools.

Impact Aid Summary –

The following chart is based on the FY2014 Foundation Funding year.

School District	Total Impact Aid Receipts Received At District (See First step in Summary)	Impact Aid Percentage (See Second step in Summary)	Impact Aid State offsets for formula (See Third step in Summary)	Impact Aid Remaining at District
Alaska Gateway	\$ 404,820	100.00%	\$ 283,302	\$ 121,518
Aleutian Region	37,540	100.00%	24,784	12,756
Aleutians East	898,717	36.36%	228,089	670,628
Anchorage	20,887,370	48.73%	8,867,931	12,019,439
Annette Island	3,317,179	100.00%	1,401,502	1,915,677
Bering Strait	15,420,793	100.00%	9,703,645	5,717,148
Bristol Bay	132,870	58.12%	54,697	78,173
Chatham	264,033	100.00%	180,084	83,949
Chugach	97,872	100.00%	72,961	24,911
Copper River	429,961	100.00%	295,361	134,600
Cordova	27,938	41.77%	9,584	18,354
Craig	713,666	43.95%	217,243	496,423
Delta/Greeley	448,373	100.00%	382,505	65,868
Denali	6,904	29.87%	1,856	5,048
Dillingham	808,138	39.94%	232,176	575,962
Fairbanks	14,167,000	55.28%	6,801,255	7,365,745
Galena	220,082	7.07%	9,848	210,234
Haines	0	58.19%	0	0
Hoonah	223,790	27.08%	40,619	183,171
Hydaburg	133,971	30.75%	28,299	105,672
Iditarod Area	355,473	100.00%	245,606	109,867
Juneau	0	51.63%	0	0
Kake	458,144	51.53%	166,189	291,955
Kashunamiut	2,587,816	100.00%	1,835,162	752,654
Kenai Peninsula	0	51.78%	0	0
Ketchikan Gateway	0	52.06%	0	0
Klawock	649,953	55.67%	248,572	401,381
Kodiak Island	1,906,628	31.01%	520,155	1,386,473
Kuspuk	2,406,911	100.00%	1,703,337	703,574
Lake & Peninsula	2,288,208	29.06%	415,810	1,872,398
Lower Kuskokwim	22,417,251	100.00%	15,860,399	6,556,852
Lower Yukon	14,029,494	100.00%	9,873,656	4,155,838
Mat-Su	0	49.24%	0	0
Nenana	5,142	66.37%	2,664	2,478
Nome	74,899	39.67%	26,741	48,158
North Slope	5,634,231	36.21%	1,168,082	4,466,149
Northwest Arctic	7,478,749	26.87%	1,206,765	6,271,984
Pelican	0	76.29%	0	0
Petersburg	0	48.17%	0	0
Pribilof	699,500	100.00%	440,988	258,512
Saint Mary's	0	31.97%	0	0
Sitka	19,047	59.55%	6,872	12,175
Skagway	0	41.33%	0	0
Southeast Island	171	100.00%	154	17
Southwest Region	4,983,325	100.00%	3,532,181	1,451,144
Tanana	206,503	100.00%	146,622	59,881
Uralaska	33,817	51.25%	12,122	21,695
Valdez	4,972	42.60%	1,906	3,066
Wrangell	693	69.65%	434	259
Yakutat	175,082	50.72%	67,932	107,150
Yukon Flats	1,014,443	100.00%	511,529	502,914
Yukon/Koyukuk	1,409,903	100.00%	967,531	442,372
Yupit	3,774,515	100.00%	2,673,242	1,101,273
Mt. Edgecumbe	1,236,919	100.00%	983,544	253,375
TOTALS:	\$ 132,492,806	-	\$ 71,453,936	\$ 61,038,870

FY2014 Foundation Funding

In FY2014 districts received approximately \$132 million in impact aid, the State considered \$71 million as funding in the foundation formula and districts retained \$61 million. The eligibility for the state to consider impact aid as a funding component of basic need, and the requirements such as the percentage to be considered and the calculations required, are contained in the federal impact aid law. If the state did not consider impact aid as a funding source in the foundation formula the state general fund dollars would have increased by \$71 million in FY14.

FY2014 Foundation Funding Formula

School District	\$5,680 Basic Need	Required Local Effort	Eligible Federal Impact AID	Impact AID Percent	Deductible Impact AID 90.0%	State AID	FY2014 Adjusted Floor	Quality Schools	FY14 Total State Entitlement
Alaska Gateway	7,767,059	0	314,780	100.00%	283,302	7,483,757	0	21,879	7,505,636
Aleutian Region	1,283,907	0	27,538	100.00%	24,784	1,259,123	12,924	3,617	1,275,664
Aleutians East	5,578,271	615,516	697,008	36.36%	228,089	4,734,666	0	15,713	4,750,379
Anchorage	421,828,040	95,445,433	20,220,105	48.73%	8,867,931	317,514,676	0	1,188,248	318,702,924
Annette Island	4,394,843	0	1,557,224	100.00%	1,401,502	2,993,341	0	12,380	3,005,721
Bering Strait	38,564,871	0	10,781,828	100.00%	9,703,645	28,861,226	0	108,633	28,969,859
Bristol Bay	2,492,782	715,872	104,567	58.12%	54,697	1,722,213	0	7,022	1,729,235
Chatham	3,119,570	0	200,093	100.00%	180,084	2,939,486	0	8,788	2,948,274
Chugach	2,544,413	0	81,068	100.00%	72,961	2,471,452	5,345	7,167	2,483,964
Copper River	6,518,652	0	328,179	100.00%	295,361	6,223,291	0	18,362	6,241,653
Cordova	4,243,301	709,139	25,495	41.77%	9,584	3,524,578	0	11,953	3,536,531
Craig	5,220,090	338,704	549,217	43.95%	217,243	4,664,143	0	14,704	4,678,847
Delta/Greely	9,829,467	0	425,005	100.00%	382,505	9,446,962	0	27,689	9,474,651
Denali	6,836,562	658,294	6,904	29.87%	1,856	6,176,412	0	19,258	6,195,670
Dillingham	7,245,067	526,870	645,901	39.94%	232,176	6,486,021	0	20,409	6,506,430
Fairbanks	150,773,101	26,940,883	13,670,315	55.28%	6,801,255	117,030,963	0	424,713	117,455,676
Galena	20,756,310	80,489	154,777	7.07%	9,848	20,665,973	0	58,468	20,724,441
Haines	3,873,362	907,376	0	58.19%	0	2,965,986	0	10,911	2,976,897
Hoonah	2,408,831	195,429	166,661	27.08%	40,619	2,172,783	0	6,785	2,179,568
Hydaburg	1,494,010	40,849	102,253	30.75%	28,299	1,424,862	0	4,208	1,429,070
Iditarod Area	5,656,258	0	272,896	100.00%	245,606	5,410,652	0	15,933	5,426,585
Juneau	50,131,226	12,464,402	0	51.63%	0	37,666,824	0	141,215	37,808,039
Kenai	1,935,914	75,414	358,343	51.53%	166,189	1,694,311	0	5,453	1,699,764
Kashunamut	5,338,746	0	2,039,069	100.00%	1,835,162	3,503,584	0	15,039	3,518,623
Kenai Peninsula	97,611,766	22,720,017	0	51.78%	0	74,891,749	0	274,963	75,166,712
Ketchikan Gateway	25,947,546	4,198,727	0	52.06%	0	21,748,819	0	73,092	21,821,911
Klawock	2,620,752	147,806	496,121	55.67%	248,572	2,224,374	0	7,382	2,231,756
Kodiak Island	30,205,104	3,806,666	1,863,753	31.01%	520,155	25,878,283	0	85,085	25,963,368
Kuspuk	7,368,778	0	1,892,597	100.00%	1,703,337	5,665,441	0	20,757	5,686,198
Lake & Peninsula	9,134,406	391,926	1,589,851	29.06%	415,810	8,326,670	0	25,731	8,352,401
Lower Kuskokwim	73,423,770	0	17,622,665	100.00%	15,860,399	57,563,371	0	206,828	57,770,199
Lower Yukon	39,568,073	0	10,970,729	100.00%	9,873,656	29,694,417	0	111,459	29,805,876
Mat-Su	169,151,309	25,355,209	0	49.24%	0	143,796,100	0	476,483	144,272,583
Nenana	6,296,791	75,994	4,460	66.37%	2,664	6,218,133	0	17,737	6,235,870
Nome	9,443,114	834,289	74,899	39.67%	26,741	8,582,084	0	26,600	8,608,684
North Slope	29,804,664	12,884,157	3,584,282	36.21%	1,168,082	15,752,425	0	83,957	15,836,382
Northwest Arctic	37,799,321	1,972,985	4,990,139	26.87%	1,206,765	34,619,571	0	106,477	34,726,048
Pelican	404,643	39,553	0	76.29%	0	365,090	78,322	1,140	444,552
Petersburg	6,678,771	901,121	0	48.17%	0	5,777,650	0	18,813	5,796,463
Pribilof	2,002,541	0	489,987	100.00%	440,988	1,561,553	0	5,641	1,567,194
Saint Mary's	3,736,077	36,034	0	31.97%	0	3,700,043	0	10,524	3,710,567
Sitka	16,471,602	3,051,149	12,822	59.55%	6,872	13,413,581	0	46,399	13,459,980
Skagway	1,167,581	460,310	0	41.33%	0	707,271	0	3,289	710,560
Southeast Island	5,146,137	0	171	100.00%	154	5,145,983	0	14,496	5,160,479
Southwest Region	12,711,386	0	3,924,646	100.00%	3,532,181	9,179,205	0	35,807	9,215,012
Tanana	1,141,510	24,863	162,913	100.00%	146,622	970,025	0	3,216	973,241
Unalaska	5,798,712	1,462,492	26,281	51.25%	12,122	4,324,098	0	16,334	4,340,432
Valdez	7,612,904	3,383,888	4,972	42.60%	1,906	4,227,110	0	21,445	4,248,555
Wrangell	4,074,434	470,852	693	69.65%	434	3,603,148	0	11,477	3,614,625
Yakutat	1,666,285	181,364	148,818	50.72%	67,932	1,416,989	0	4,694	1,421,683
Yukon Flats	7,645,166	0	568,366	100.00%	511,529	7,133,637	0	21,536	7,155,173
Yukon/Koyukuk	13,475,800	0	1,075,034	100.00%	967,531	12,508,269	0	37,960	12,546,229
Yupit	8,947,704	0	2,970,269	100.00%	2,673,242	6,274,462	0	25,205	6,299,667
Mt. Edgecumbe	3,903,864	0	983,544	100.00%	885,190	3,018,674	0	10,997	3,029,671
TOTALS:	1,410,795,164	222,114,072	105,203,694		70,470,392	1,118,210,700	96,591	3,974,071	1,145,406,268

Questions



**Chugach School District
Impact Aid Testimony
February 2015**

The Chugach School District has historically benefited from the federal Impact Aid program. Our staff finds it challenging to gather all of the required information, yet they go to extraordinary lengths to do so as they understand this leads to funding which will support our educational efforts for our students. Collectively, our staff has spent over 100 hours to collect and sort information cards, transfer information to the revised Impact Aid application forms, pull information from additional source spreadsheets and upload the application. In this recent year, even after early contact with the Impact Aid office and making subsequent changes to our collection and submittal processes, we believed were in alignment with updated requirements, we received an Impact Aid denial letter on 01/13/15. In this letter we learned of additional requirements. This was a surprise as we've completed this process for decades using the same processes and we were not made aware of any new requirements prior to submitting our application. One of the main requirements leading to our denied application was the fact that we didn't include the school name on each information card, which was not an issue in the past. This, along with other updated requirements such as signed Active Duty Verifications forms and Village Chief signatures along with tax assessor signatures, lead to our application for Impact Aid funds being denied.

While the requirements to collect information and submit our application has grown increasingly onerous, the federal Impact Aid funding level continues to decline. With this pattern, it has become obvious that this program no longer benefits our district, schools, or students, and has alternately become a drain on our educational system. The table below shows information about the financial impact of this program and the 10% annual allocation for the Chugach School District.

We thank you for exploring this in search of finding solutions which will again lead to the federal Impact Aid program benefitting our district, and districts across Alaska in similar situations.

Sincerely,

Charlene Arneson
President
Chugach School District Board of Education

	Total Impact Aid	90% State Portion	10% District Portion Received
FY08	\$161,399	\$145,259	16,140
FY14	\$81,068	\$72,961	\$8,107
FY15*	\$25,834 *Funds Denied	\$23,251 *Funds Denied	\$2,583 *Funds Denied
FY16 (Projected)	\$43,705	\$39,335	\$4,370