

ALASKA LEGISLATURE

1250

HOUSE and SENATE FINANCE COMMITTEE FILES, 1995-1996

In accordance with AS 37.07.060(b)(4), the Revenue Sources Book is compiled biannually by the Department of Revenue to assist the Governor in formulating a proposed comprehensive financial plan for presentation to the State Legislature. Within the publication are shown prior year actuals, revised current year estimates, and future year projections.

Anticipated State income is projected through the use of a number of data sources: 1) econometric models developed by the Department of Revenue to forecast unrestricted non-petroleum revenues, 2) a petroleum revenue model created by the Department's Oil and Gas Audit Division, and 3) estimates from individual State agencies.

The Department of Revenue thanks the various State agencies for their cooperation in computing anticipated revenues for publication in this document.

This publication was released by the Department of Revenue, produced at a cost of \$1.83 per copy to assist the Governor in formulating a proposed comprehensive financial plan for presentation to the State Legislature, and printed in Anchorage, Alaska. This publication is required by AS 37.07.060.

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Copies of minutes listed below were originally included in this file. The minutes are available on the legislative computer database. In order to save space copies of minutes have not been left in the files.

Mary Pagenkopf

HFin 1/15/96 1:35 pm

Attachment # 1
4/15/96

STATE OF ALASKA
OFFICE OF MANAGEMENT & BUDGET
DIVISION OF BUDGET REVIEW

DATE: 01/10/96
TIME: 13:08:52
PROG: SWTOTALA.RAM

STATEWIDE OPERATING BUDGET SUMMARY

ITEM	FY '96 CONFERENCE	FY '96 AUTHORIZED	FY '97 ADJ BASE	FY '97 GOVERNOR	96AUTH vs 97GVR DIFFERENCE
-----	-----	-----	-----	-----	-----
* * * STATEWIDE TOTAL * * *	3,018,058.6	3,818,784.6	3,847,212.5	3,828,783.3	9,998.7
EXPENDITURES					
Personal Services	1,171,366.2	1,156,684.5	1,172,885.7	1,178,482.7	21,798.2
Travel	44,683.7	43,573.4	44,062.0	44,701.5	1,128.1
Contractual Services	566,760.0	580,193.9	594,447.8	597,873.8	17,679.9
Commodities	129,096.6	126,993.3	126,054.1	128,591.9	1,598.6
Equipment	26,045.7	25,366.2	24,708.2	24,806.5	-559.7
Land/Buildings	1,227.6	959.6	433.6	471.6	-488.0
Grants/Claims	1,006,040.8	1,798,155.4	1,800,359.9	1,782,368.0	-9,787.4
Misc.	72,838.0	86,858.3	84,261.2	65,487.3	-21,371.0
* * * * FUNDING TOTAL * * * *	3,018,058.6	3,818,784.6	3,847,212.5	3,828,783.3	9,998.7
FUNDING					
1001 Constitutional Budget Reserve Fund	17,691.5	17,691.5	17,691.2	16,133.9	-1,557.6
1002 Federal Receipts	679,754.9	702,133.4	702,908.3	698,419.6	-3,713.8
1003 General Fund Match	228,314.6	228,459.7	226,096.0	226,457.1	-2,002.6
1004 General Fund Receipts	1,113,410.0	1,773,804.2	1,795,609.8	1,780,718.6	6,914.4
1005 General Fund/Program Receipts (See note below)	82,912.3	83,367.3	61,989.0	63,445.5	-19,921.8
1007 Inter-Agency Receipts	192,302.9	192,302.9	196,215.7	198,278.2	5,975.3
1010 U/A Interest Income	2,801.4	2,801.4	2,801.4	3,001.4	200.0
1011 Alaska Advance College Tuition Pymnt Fund	19.7	19.7	19.8	16.6	-3.1
1013 Alcoholism & Drug Abuse Revolving Ln Fund	2.0	2.0	2.0	2.0	0.0
1014 Donated Commodity/Handling Fee Account	358.6	358.6	358.6	358.6	0.0

1/10/96

	FY '96 CONFERENCE	FY '96 AUTHORIZED	FY '97 ADJ BASE	FY '97 GOVERNOR	96AUTH vs 97GVR DIFFERENCE
1015 U/A Dormitory/Food/Auxiliary Service	23,984.8	23,984.8	23,984.8	24,449.2	464.4
1016 Federal Incentive Payments	2,847.2	2,917.3	2,904.1	2,934.6	17.3
1017 Benefits Systems Receipts	4,005.8	4,005.8	3,932.6	3,962.1	-43.7
1021 Agricultural Loan Fund	1,429.0	1,429.0	1,441.9	1,641.9	212.9
1022 State Corporation Receipts	60,501.3	60,501.3	60,747.9	54,688.1	-5,813.2
1023 FICA Administration Fund Account	90.8	90.8	91.7	91.7	0.9
1024 Fish and Game Fund	19,293.9	19,293.9	19,672.3	19,593.1	299.2
1025 Science & Technology Endowment Income	12,508.0	12,408.0	12,418.2	12,164.7	-243.3
1026 Highway Working Capital Fund	22,605.9	22,605.9	22,824.7	22,577.2	-28.7
1027 International Airport Revenue Fund	38,397.5	38,443.9	38,736.3	39,337.0	893.1
1029 Public Employees Retirement Fund	15,110.8	15,110.8	15,135.0	16,491.5	1,380.7
1030 School Fund (Cigarette Tax)	0.0	2,655.0	2,655.0	2,690.0	35.0
1031 Second Injury Fund Reserve Account	2,831.7	2,831.7	2,833.8	2,853.4	21.7
1032 Disabled Fishermans Reserve Account	1,290.7	1,290.7	1,292.7	1,301.9	11.2
1033 Surplus Property Revolving Fund	274.8	274.8	277.1	313.7	38.9
1034 Teachers Retirement System Fund	9,638.0	9,638.0	9,660.3	10,035.7	397.7
1035 Veterans Revolving Loan Fund	238.0	238.0	217.9	216.8	-21.2
1036 Commercial Fishing Loan Fund	2,431.1	2,431.1	2,441.0	2,459.8	28.7
1037 General Fund/Mental Health	106,652.7	114,726.3	109,904.5	108,851.3	-5,875.0
1038 U/A Student Tuition/Fees/Services	53,842.2	53,842.2	53,842.2	54,020.9	178.7
1039 U/A Indirect Cost Recovery	16,273.0	16,273.0	16,273.0	19,364.7	3,091.7
1040 Real Estate Surety Fund	175.3	275.3	276.1	194.1	-81.2
1042 Judicial Retirement System	139.9	139.9	140.4	143.1	3.2
1043 Public Law 81-874	225.5	21,016.5	21,017.6	21,017.6	1.1
1044 Debt Retirement Fund	0.0	80,322.4	80,322.4	68,616.6	-11,705.8
1045 National Guard Retirement System	68.5	68.5	68.9	49.9	-18.6
1046 Student Revolving Loan Fund	0.0	0.0	0.0	20.8	20.8
1047 Title 20	6,310.8	6,310.8	6,310.8	6,310.8	0.0
1048 University Receipts	46,638.2	46,638.2	46,638.5	49,481.1	2,842.9
1049 Training and Building Fund	634.4	634.4	643.0	583.0	-51.4
1050 Permanent Fund Dividend Fund	29,081.8	29,081.8	29,068.7	29,490.7	408.9
1051 Rural Development Initiative Fund	95.4	95.4	96.4	96.4	1.0
1052 Oil/Hazardous Prevention & Response Fund	11,981.4	11,981.4	12,059.4	11,530.9	-450.5
1053 Investment Loss Trust Fund	18.7	18.7	18.8	16.4	-2.3
1054 State Employment & Training Program	3,781.2	3,781.2	3,781.2	3,946.2	165.0
1055 Inter-agency Rcpts/Oil & Hazardous Waste	2,016.5	2,016.5	2,031.8	2,147.1	130.6

1/10/96

	FY '96 CONFERENCE	FY '96 AUTHORIZED	FY '97 ADJ BASE	FY '97 GOVERNOR	96AUTH vs 97GVR DIFFERENCE
1057 Small Business Loan Fund	8.0	8.0	8.0	8.0	0.0
1059 Correctional Industries Fund	2,250.6	2,250.6	2,250.6	2,750.6	500.0
1061 Capital Improvement Project Receipts	79,616.2	79,616.2	80,697.4	76,426.1	-3,190.1
1062 Power Project Loan Fund	667.0	667.0	671.7	671.7	4.7
1063 National Petroleum Reserve Fund	50.0	50.0	50.0	50.0	0.0
1066 Public School Fund	120.2	5,514.9	5,515.5	11,913.1	6,398.2
1067 Mining Revolving Loan Fund	9.0	9.0	9.1	9.0	0.0
1068 Child Care Revolving Loan Fund	6.5	6.5	6.5	6.5	0.0
1069 Historical District Revolving Loan Fund	3.0	3.0	3.0	3.0	0.0
1070 Fisheries Enhancement Revolving Loan Fund	271.7	271.7	272.7	274.9	3.2
1071 Alternative Energy Revolving Loan Fund	276.2	276.2	277.6	279.5	3.3
1072 Residential Energy Conservation Loan Fund	11.9	11.9	9.0	8.9	-3.0
1074 Bulk Fuel Revolving Loan Fund	48.7	48.7	49.3	49.3	0.6
1075 Alaska Clean Water Loan Fund	296.5	296.5	298.9	447.9	151.4
1076 Marine Highway System Fund	74,347.7	74,347.7	79,692.3	79,686.0	5,338.3
1077 Indv/Foundt'n/Corp Gifts/Grants/Bequests	1,976.5	1,976.5	912.8	920.3	-1,056.2
1079 Storage Tank Assistance Fund	3,191.3	3,191.3	3,201.9	3,203.9	12.6
1081 Information Services Fund	21,586.5	21,586.5	21,760.0	20,407.4	-1,179.1
1089 Power Cost Equalization	19,385.6	19,385.6	19,385.6	19,947.7	562.1
1091 General Funds - Designated (See note below)	0.0	0.0	23,730.8	26,421.6	26,421.6
1092 Mental Health Trust Receipts	952.8	952.8	957.0	1,945.0	992.2
1093 Clean Air Protection Fund	0.0	0.0	0.0	1,943.9	1,943.9
1094 Mental Health Trust Administration	0.0	0.0	0.0	893.5	893.5

STAFFING

Full-time	17,477.0	17,506.0	17,572.0	17,457.0	-49.0
Part-time	2,843.0	2,843.0	2,805.0	2,738.0	-105.0
Temporary	1,147.0	1,168.0	1,160.0	1,199.0	31.0

Note on Program receipts: Starting in FY97, general fund program receipts which are restricted by contract, statute, etc. are listed as a separate fund source called "designated".

1/15/96

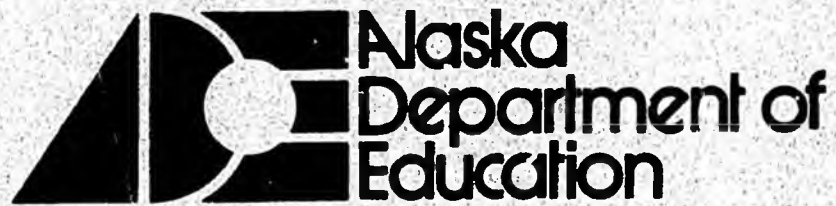
STATE of ALASKA DEBT SERVICE PAYMENT SCHEDULE

Revised January 15, 1996

	FY96 Authorized	FY97 Budget	FY98 Forecast	FY99 Forecast	FY00 Forecast
General Obligation (GO)	21,337.3	16,528.7	14,219.2	8,839.3	2,433.0
Lease Finance	9,628.2	9,595.9	9,533.4	9,522.7	8,611.1
School Debt Reimbursement	80,322.4	68,616.6	67,050.0	64,216.4	54,850.0
International Airport	<u>5,793.8</u>	<u>5,806.0</u>	<u>5,802.0</u>	<u>4,969.8</u>	<u>2,877.5</u>
Total State Debt Service	117,081.7	100,547.2	96,604.5	87,548.1	68,771.5
General Fund	109,402.6	94,741.2	90,802.5	82,578.4	65,894.0
Other Funds	7,679.1	5,806.0	5,802.0	4,969.8	2,877.5

Amounts shown for FY98, FY99, and FY00 do not include trustee fees. (FY97 includes fees of 126.7.)

1/15/96 Revised forecast for FY98 - FY00 School Debt Reimbursement based on the assumption that all remaining authorized bonds will be approved and sold in FY97.



FY97 Budget Overview

January 15, 1996

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FY97 Budget Overview

**State Board of Education
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Chelsie Venechuk, Student Advisor

**Department of Education
Commissioner**

Shirley J. Holloway, Ph.D.

FY97 Budget Overview

**Department of Education
Mission**

The mission of the Department of Education is to lead and support the development of responsible, economically viable, lifelong learners and citizens.

This new mission requires the Department to change its relationship with learners, schools, districts, communities and other educational entities as well as other social agencies. Partnerships, rather than hierarchical relationships become the new norm.

The mission also requires new relationships among staff within the Department. Isolated projects and activities give way to collaborative activities that support learners across ages, cultures and communities.

The department becomes the keeper of the vision of an educational system that develops "responsible, economically viable, lifelong learners and citizens."

Goals and Objectives

The Department stands at the intersection of many parts of the state's social system necessitating that it direct its attention to a new set of goals.

GOAL A FOCUS ON LEARNING

Focus the education system on improving the knowledge, skills and attitudes of learners to prepare them for community and global citizenry, lifelong learning and work.

OBJECTIVES

- Prepare every citizen to fully participate as an educated member in the cultural, aesthetic, civic, and economic life of their communities.
- In collaboration with schools, districts, and communities, develop standards that help raise the quality of curriculum content, student performance, educator preparation, and school operations.
- Facilitate the connection of services and programs to the lifelong learner through educational technology and information systems.
- Promote and support self-reliance, independence, choice, control, involvement, and productivity within all program services for individuals who experience disabilities and their families.
- Protect and preserve Alaska's cultural and historical heritage.

GOAL B

LEADERSHIP FOR EFFECTIVENESS AND EFFICIENCY

Provide leadership and support throughout the education system to effectively and efficiently serve constituents of all ages and stages of learning.

OBJECTIVES

- With innovation and efficiency, deliver high quality programs and services to lifelong learners.
- Involve learners, parents, families, and communities as active partners in all aspects of the learning process.
- Become a customer-service oriented organization, providing districts and constituents support that directly impacts learning and development.
- Ensure that all programs and services are fully accessible to persons with limited access and/or barriers to participation.

GOAL C

ADVOCATE EXEMPLARY PRACTICES

Advocate the use of model programs and alternatives for learners of all ages, abilities, and cultures in collaboration with consumer groups, service providers, Native associations, and other public agencies.

OBJECTIVES

- Provide effective traditional and nontraditional multicultural outreach services and opportunities.
- Expand and improve vocational rehabilitation services to individuals from underrepresented groups who experience disabilities.
- Provide technical assistance to regions and districts in establishing school-community partnerships.
- Through research and assessment identify educational practices that support learner needs.
- Facilitate access to and sharing of information, programs, and data among schools, communities, libraries, museums, and other appropriate organizations.

GOAL D COLLABORATION
Promote collaboration among schools, learners, families, and communities to enhance learning and the delivery of services.

OBJECTIVES

- Enhance learning by sharing information, early intervention, and providing referral services for all persons, including those who experience disabilities.
- Actively participate in state-wide inter-agency collaboration in the design and delivery of educational programs and services.
- Support the establishment of local school/community/agency partnerships to assess and determine needs and the most effective design and delivery of programs and services.
- Promote the involvement of learners, families, and communities as active partners in all aspects of the learning process.

GOAL E INSPIRE PUBLIC CONFIDENCE
Promote and inspire public confidence in and support for education

OBJECTIVES

- Maintain open and continuous communication with the Governor, State Board of Education and legislature regarding the education goals to ensure congruent policy development.
- Continuously communicate the mission and goals throughout the state.
- Use technology to facilitate communication throughout the state.
- Promote to the general public all learning programs, services, and opportunities including early childhood, K-12, post-secondary options, vocational technology, vocational rehabilitation, museums, libraries, archives, and the importance of the arts in the development of lifelong learners.
- Leverage public support for and awareness of vocational rehabilitation services, resources, and activities.
- Tailor communications to various populations including persons who experience disabilities, to ensure awareness of and access to appropriate resources, education, and assistance.
- Act as a steward and keeper of the public trust. Ensure legal and authorized compliance with fiscal requirements and responsibilities serving with a high level of accountability, integrity, and efficiency.

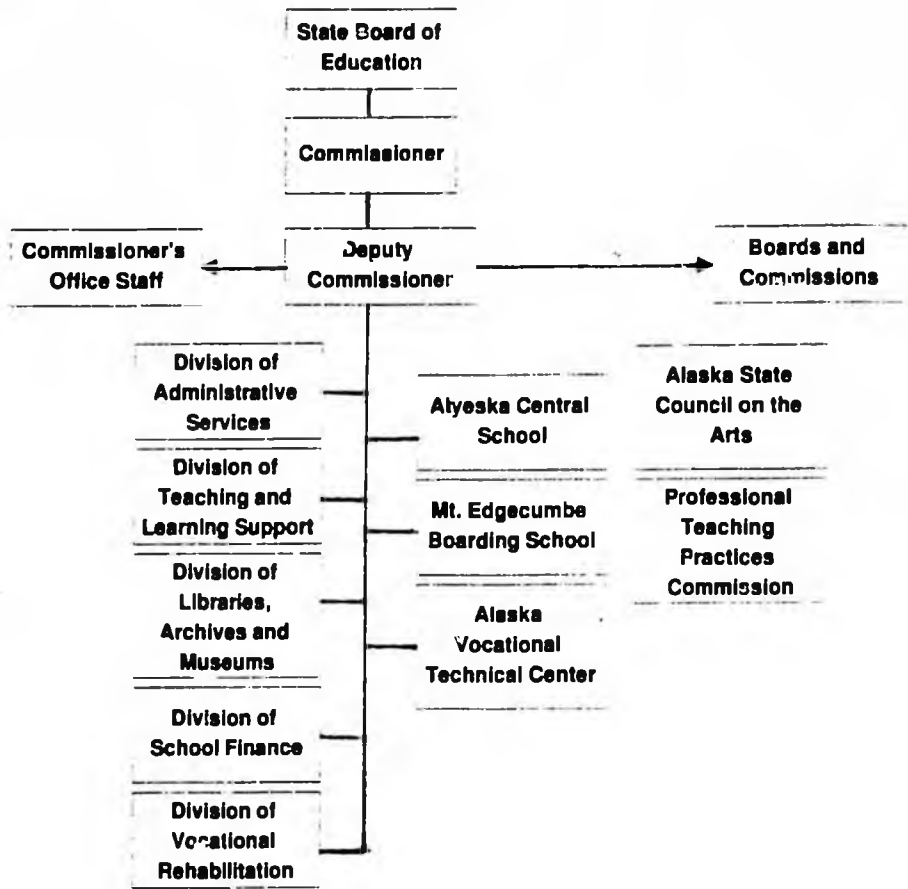
Implementation of the Goals

To implement these Goals and provide leadership support throughout the education system the Department of Education staff will:

- focus the state education system on learners of all ages and stages;
- see themselves as lifelong learners;
- model the practice of being accountable for outcomes;
- support individual as well as group learning and growth;
- respect and leverage multiculturalism and diversity;
- engage in collaborative and inclusive work;
- facilitate the flow of and access to information throughout the education system
- become increasingly constituent-focused;
- recognize the important contributions that the arts and the state's cultural and historical heritage provide to education,
- recognize the Department, other departments, legislature, State Board of Education, agencies, districts, schools, and communities as connected components of a whole, dynamic system, rather than separate, isolated parts.

As a next step, the Department of Education will be facilitating a process for developing system-wide strategies for implementation of the Goals.

**Alaska Department of Education
FY97 Organization**

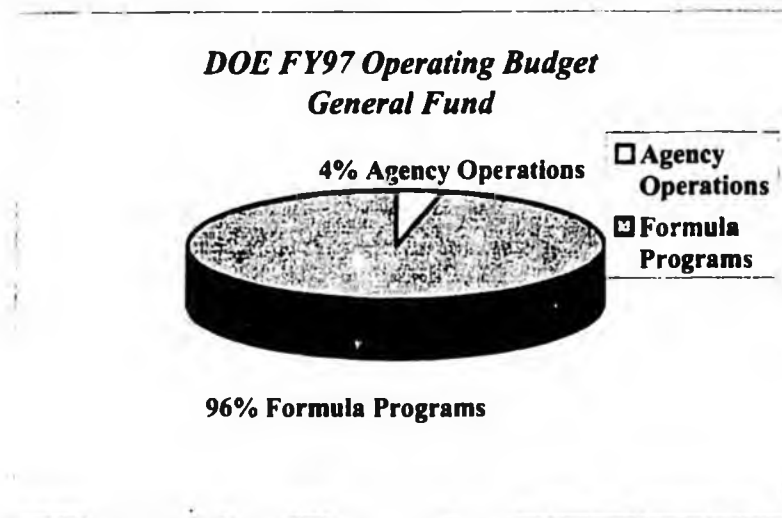


FY97 Operating Budget

FY97 Budget Overview

**Department of Education
FY 97 Operating Budget Summary**

	General Funds	Federal Funds	Other Funds	Total
<i>Agency Operations</i>	25,420.7	72,622.5	10,564.0	108,607.2
<i>Formula Programs</i>	657,495.5	42,791.0	83,162.5	783,449.0
Total	682,916.2	115,413.5	93,726.5	892,056.2



General Fund Expenditures

- 96.4% Grants in support of public education
- 1.0% Operation of Mt. Edgecumbe Boarding School, Alyeska Central School and the Alaska Vocational Technical Center
- 0.7% Vocational Rehabilitation
- 0.1% Professional Teaching Practices Commission and the Alaska State Council on the Arts
- 1.8% Department operations in support of general fund activities and over \$200.0 million in federal and other funds

FY97 Budget Overview

Highlights FY97 General Fund Changes

- | |
|--|
| <p>* <i>Foundation Program</i> 126.7</p> <p>A total of \$6,587.9 is needed to fully fund the Foundation Program in FY97. Projected Public School Revenues available in FY97 will fund all but \$126.7 of the increase from the general fund.</p> |
| <p>* <i>Additional District Support</i> -79.3</p> <p>The estimate of funding for single site school districts based on the FY97 enrollment projections.</p> |
| <p>* <i>Schools for the Handicapped</i> 16.1</p> <p>Increase for the Special Education Services Agency based on the statutory formula requirement.</p> |
| <p>* <i>Pupil Transportation</i> -2,627.4</p> <p>The FY97 budget is based on 92% of the amount authorized for pupil transportation in FY96.</p> |
| <p>* <i>Community Schools</i> -100.0</p> <p>The FY97 budget reduces funding for community schools from \$600.0 to \$500.0 which will reduce grants to school districts.</p> |
| <p>* <i>School Debt Reimbursement</i> -11,705.8</p> <p>The decrease in the funding required to reimburse school districts for eligible debt will reduce the amount of general fund required for this program.</p> |
| <p>* <i>Commissioner's Office</i> -60.0</p> <p>The general fund reduction in the commissioner's office will require additional support from all department divisions.</p> |
| <p>* <i>Alyeska Central School</i> -59.8</p> <p>Deletion of the general fund in this component will require that funding from the Foundation Program pay the full cost of operations.</p> |

Highlights FY97 General Fund Changes

- * Kotzebue Technical Center Operations Grant** -60.0
 The 8% reduction in the operations grant will impact the ability of the Alaska Technical Center in Kotzebue to maintain the current level of services.
- * Vocational Rehabilitation Administration** -185.7
 The Division of Vocational Rehabilitation is in the process of restructuring and streamlining program administration to improve services to clients. This reduction will consolidate accounting functions with the Division of Administrative Services and eliminate one position.
- * Library Operations** 150.0
 Funding for library materials, including periodicals and subscriptions, will be funded in the operating budget rather than in the capital budget.
- * Library Operations** 225.0
 A total of \$300.0 has been included in the operating budget to continue funding for the Statewide Library Electronic Doorway (SLED) previously included in the capital budget: \$150.0 in general fund; \$75.0 in program receipts; and \$75.0 in private gifts/grants.
- * Specific Cultural Programs** -88.4
 This reduction will eliminate designated grants to the Institute of Alaska Native Arts (\$26.6); the Museum of Alaska Transportation & Industry (\$30.9); and the NANA Museum of the Arctic (\$30.9).
- * Alaska Commission on Postsecondary Education** -1,832.1
 Executive Order #97 transfers the responsibility for the student aid and education institution regulation functions to the Department of Revenue and eliminates the commission. The Alaska Student Loan Corporation is renamed the Alaska Student Aid Corporation. The transfers will provide additional expertise and streamline the investment functions for the student loan funds. The policy and planning functions formerly assigned to the commission are transferred to the Department of Education.

FY97 Budget Overview

Department of Education

Operating Budget Comparison FY97 Governor to FY96 Authorized

All Funds

	FY96 Authorized*	FY97 Governor	FY96/97 Change	% Change
K-12 Support:				
Foundation	643,401.9	649,839.8	6,437.9	1.0%
Additional District Support	3,228.7	3,149.4	-79.3	-2.5%
Cigarette Tax	2,655.0	2,690.0	35.0	1.3%
Tuition Students	1,731.2	1,731.2	0.0	0.0%
Boarding Home Grants	185.9	185.9	0.0	0.0%
Youth in Detention	700.0	800.0	0.0	0.0%
Schools for the Handicapped	3,705.2	3,721.3	16.1	0.4%
Pupil Transportation	32,842.2	30,214.8	-2,627.4	-8.0%
Child Nutrition	22,000.0	22,000.0	0.0	0.0%
Community Schools	600.0	500.0	-100.0	-16.7%
School Debt Reimbursement	80,322.4	68,616.6	-11,705.8	-14.6%
Subtotal K-12 Support	791,472.5	783,449.0	-8,023.5	-1.0%
K-12 Support - Percent of Total Funds	87.3%	87.8%		
Agency Operations:				
Teaching & Learning Support	59,542.2	62,201.9	2,659.7	4.5%
Executive Administration	1,803.5	2,097.5	294.0	16.3%
School Finance	2,937.7	2,975.7	38.0	1.3%
Alyeska Central School	4,080.5	4,124.4	43.9	1.1%
Professional Teaching Practices Commission	188.2	190.1	1.9	1.0%
Alaska State Council on the Arts	1,254.3	1,257.5	3.2	0.3%
Kotzebue Technical Center Grant	734.0	674.0	-60.0	-8.2%
Alaska Vocational Technical Center	4,527.4	4,548.3	20.9	0.5%
Mt. Edgecumbe Boarding School	3,998.1	4,156.3	158.2	4.0%
Vocational Rehabilitation	19,120.5	19,053.7	-66.8	-0.3%
Libraries, Archives & Museums**	6,943.6	7,327.8	384.2	5.5%
Alaska Commission on Postsecondary Education	9,667.3	0.0	-9,667.3	-100.0%
Subtotal Agency Operations	114,797.3	108,607.2	-6,190.1	-5.4%
Agency Operations - Percent of Total Funds	12.7%	12.2%		
Total Education	906,269.8	892,056.2	-14,213.6	-1.6%

*FY96 includes transfers of Teacher Certification, Assessment and Food Services for comparison

**FY97 includes base transfers from capital to operating for SLED and Library Materials and

E. O. 97 transferring the Alaska Commission on Postsecondary Education to the Dept. of Revenue

**Department of Education
Operating Budget Comparison FY97 Governor to FY96 Authorized**

General Funds

	FY96 Authorized*	FY97 Governor	FY96/97 Change	% Change
<i>K-12 Support:</i>				
Foundation	617,216.2	617,192.9	-23.3	0.0%
Additional District Support	3,228.7	3,149.4	-79.3	-2.5%
Cigarette Tax	0.0	0.0	0.0	0.0%
Tuition Students	1,731.2	1,731.2	0.0	0.0%
Boarding Home Grants	185.9	185.9	0.0	0.0%
Youth in Detention	800.0	800.0	0.0	0.0%
Schools for the Handicapped	3,705.2	3,721.3	16.1	0.4%
Pupil Transportation	32,842.2	30,214.8	-2,627.4	-8.0%
Child Nutrition	0.0	0.0	0.0	0.0%
Community Schools	600.0	500.0	-100.0	-16.7%
School Debt Reimbursement	0.0	0.0	0.0	0.0%
Subtotal K-12 Support	660,309.4	657,495.5	-2,813.9	-0.4%
K-12 Support - Percent of General Fund	96.0%	96.3%		
<i>Agency Operations:</i>				
Teaching & Learning Support	4,167.6	4,183.1	15.5	0.4%
Executive Administration	1,665.8	1,622.7	-43.1	-2.6%
School Finance	921.7	889.5	-32.2	-3.5%
Alyeska Central School	176.9	117.1	-59.8	-33.8%
Professional Teaching Practices Commission	188.2	190.1	1.9	1.0%
Alaska State Council on the Arts	564.0	565.4	1.4	0.2%
Kotzebue Technical Center Grant	734.0	674.0	-60.0	-8.2%
Alaska Vocational Technical Center	4,372.3	4,393.0	20.7	0.5%
Mt. Edgecumbe Boarding School	2,312.1	2,321.8	9.7	0.4%
Vocational Rehabilitation	4,776.6	4,614.1	-162.5	-3.4%
Libraries, Archives & Museums**	5,514.4	5,849.9	335.5	6.1%
Alaska Commission on Postsecondary Education	1,926.2	0.0	-1,926.2	-100.0%
Subtotal Agency Operations	27,319.8	25,420.7	-1,899.1	-7.0%
Agency Operations - Percent of General Fund	4.0%	3.7%		
Total Education	687,629.2	682,916.2	-4,713.0	-0.7%

*FY96 includes transfers of Teacher Certification, Assessment and Food Services for comparison

**FY97 includes base transfers from capital to operating for SLED and Library Materials and E.O. 97 transferring the Alaska Commission on Postsecondary Education to the Dept. of Revenue

FY97 Budget Overview

FY97 Operating Budget

		General Funds	Federal Funds	Other Funds	Total Funds
FY96 Conference Committee Totals		27,319.8	70,408.2	17,069.3	114,797.3
<i>Other Appropriations:</i>					
Formula Programs	CH103, SLA95, HB268	657,080.7	42,791.0	88,372.1	788,243.8
Additional District Support	CH103, SLA95, HB268	3,228.7	0.0	0.0	3,228.7
FY96 Authorized		687,629.2	113,199.2	105,441.4	906,269.8
<i>FY97 Base Adjustments:</i>					
Commissioner's Office	FY96 Personal Services Reconciliation	0.0	0.0	58.9	58.9
Educational Facilities Support	FY96 Personal Services Reconciliation	0.0	0.0	9.3	9.3
Archives	FY96 Personal Services Reconciliation	0.0	0.0	-29.2	-29.2
Foundation Program	Fund source change: GF/MH to GF	0.0	0.0	0.0	0.0
Schools for the Handicapped	Fund source change: GF/MH to GF	0.0	0.0	0.0	0.0
Client Services	Fund source change: GF/MH to GF	0.0	0.0	0.0	0.0
Vocational Rehabilitation Admin	Fund source change: GF/MH to GF	0.0	0.0	0.0	0.0
Teacher Certification	Fingerprint fees to Designated GF	0.0	0.0	0.0	0.0
Client Services	Small Business Enterprise - Designated GF	0.0	0.0	0.0	0.0
All Components (Personal Svcs)	Salary Adjustments	141.4	99.2	101.5	342.1
All Components (Personal Svcs)	Risk Management Adjustments	4.6	2.7	4.1	11.4
Administrative Services	Information Services Rate Adjustments	0.0	0.0	-29.8	-29.8
Student Loan Operations	Information Services Rate Adjustments	0.0	0.0	-89.6	-89.6
Foundation Program	Completion - Class Size Reduction Study	-150.0	0.0	0.0	-150.0
Library Operations	SLED funding (Capital to Operating)	225.0	0.0	75.0	300.0
Library Operations	Library Materials (Capital to Operating)	150.0	0.0	0.0	150.0
<i>Transfers:</i>					
Assessment Program	to Teaching & Learning Support	0.0	0.0	0.0	0.0
Teacher Certification	to Teaching & Learning Support	0.0	0.0	0.0	0.0
Food Services	to School Finance	0.0	0.0	0.0	0.0
Gov's Council on Career & Voc Educ	to Governor's Office - AHRIC	0.0	-161.4	0.0	-161.4
FY97 Adjusted		688,000.2	113,139.7	105,541.6	906,681.5
<i>Decrements:</i>					
		-3,394.7	-155.9	-11,885.3	-15,435.9
<i>Increments:</i>					
		142.8	2,706.5	7,070.3	9,919.6
<i>Transfers:</i>					
	EO#97 - ACPE to Dept. of Revenue	-1,832.1	-276.8	-7,000.1	-9,109.0
Total FY97 Governor - January		682,916.2	115,413.5	93,726.5	892,056.2

FY97 Budget Overview

FY97 Operating Budget		General Funds	Federal Funds	Other Funds	Total Funds
<i>FY97 Decrements:</i>					
Additional District Support	Estimate of full funding	-79.3	0.0	0.0	-79.3
Pupil Transportation	8% general fund reduction	-2,627.4	0.0	0.0	-2,627.4
Community Schools	Reduce general fund	-100.0	0.0	0.0	-100.0
School Debt Reimbursement	Estimate of debt	0.0	0.0	-11,705.8	-11,705.8
Commissioner's Office	position and funding	-60.0	0.0	0.0	-60.0
Educational Facilities Support	reduce general fund	-40.0	0.0	0.0	-40.0
Alyeska Central School	Delete general fund	-59.8	0.0	0.0	-59.3
Kotzebue Technical Center	8% general fund reduction	-60.0	0.0	0.0	-60.0
Vocational Rehabilitation Admin	admin efficiencies	-185.7	0.0	0.0	-185.7
Special Projects	reduce travel	0.0	-17.4	0.0	-17.4
Specific Cultural Programs	Eliminate grants	-88.4	0.0	0.0	-88.4
Program Administration	Eliminate of SPRE	0.0	-100.0	0.0	-100.0
Student Loan Operations	Loan Servicing System	0.0	0.0	-179.5	-179.5
WICHE Student Exchange	Eliminate first year funding	-94.1	0.0	0.0	-94.1
Federal Student Aid	Reduction in fed funds	0.0	-38.5	0.0	-38.5
Total FY97 Decrements		-3,394.7	-155.9	-11,885.3	-15,435.9
<i>FY97 Increments:</i>					
Foundation Program	Full Funding	126.7	0.0	6,461.2	6,587.9
Cigarette Tax Distribution	Available Revenues	0.0	0.0	35.0	35.0
Schools for the Handicapped	Full Funding for SESA	16.1	0.0	0.0	16.1
Special & Supplemental Services	DHSS funds	0.0	0.0	9.1	9.1
School to Work	Federal Grant - School to Work Trans	0.0	2,600.0	0.0	2,600.0
State Board of Education	Department Support	0.0	0.0	22.7	22.7
Commissioner's Office	Program Support	0.0	0.0	119.5	119.5
Administrative Services	I/A Chargeback	0.0	0.0	157.9	157.9
Data Management	Common Core Data	0.0	56.1	0.0	56.1
Alyeska Central School	Foundation Program Funding	0.0	0.0	89.5	89.5
Edgumbe Boarding School	Foundation Program Funding	0.0	0.0	141.9	141.9
Disability Determination	increased workload	0.0	48.5	0.0	48.5
Program Administration	Vendor collection contract & VA	0.0	1.9	33.5	35.4
Total FY97 Increments		142.8	2,706.5	7,070.3	9,919.6

FY97 Budget Overview

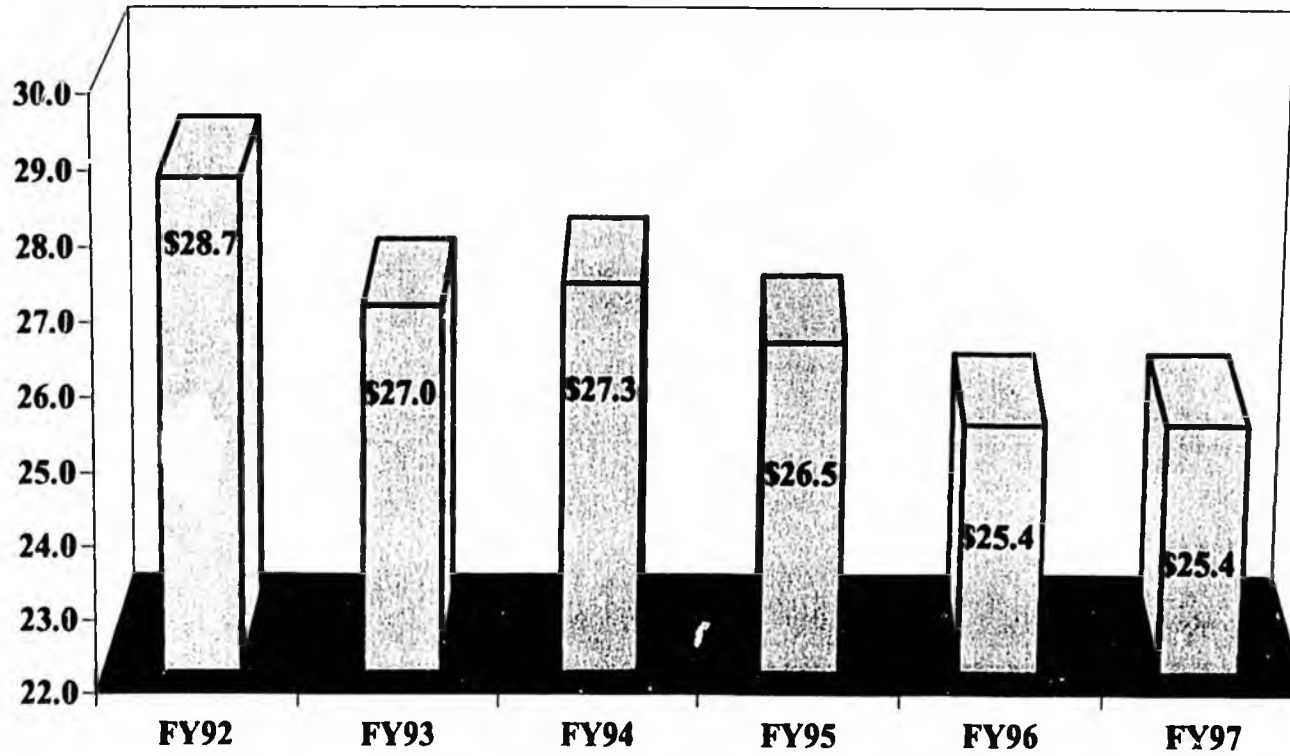
Changes From FY96 Authorized By Component - All Funds

	FY96	FY97	Change
Formula Programs			
Foundation Program	643,401.9	649,839.8	6,437.9
Additional District Support	3,228.7	3,149.4	-79.3
Cigarette Tax Distribution	2,655.0	2,690.0	35.0
Tuition Students	1,731.2	1,731.2	0.0
Boarding Home Grants	185.9	185.9	0.0
Youth in Detention	800.0	800.0	0.0
Schools for the Handicapped	3,705.2	3,721.3	16.1
Pupil Transportation	32,842.2	30,214.8	-2,627.4
Child Nutrition	22,000.0	22,000.0	0.0
Community Schools	600.0	500.0	-100.0
School Debt Reimbursement	80,322.4	68,616.6	-11,705.8
Subtotal Formula Programs	791,472.5	783,449.0	-8,023.5
Agency Operations			
Special & Supplemental Services	36,709.6	36,732.6	23.0
Basic Education & Instructional Improvement	11,950.6	12,172.8	222.2
Education Special Projects	215.0	215.0	0.0
Adult Basic Education	3,080.0	3,080.0	0.0
Federal Vocational Education Grants	4,822.3	4,822.3	0.0
Adult & Vocational Education Administration	722.7	728.7	6.0
Alaska Career Information System	321.9	324.0	2.1
Rural School Vocational Education Program	190.0	190.0	0.0
School to Work	0.0	2,600.0	2,600.0
Teacher Certification	666.1	670.4	4.3
State Board of Education	67.7	90.4	22.7
Commissioner's Office	530.9	656.3	125.4
Administrative Services	1,871.0	2,016.9	145.9
District Support Services	789.6	795.5	5.9
Data Management	534.3	377.0	-157.3
Educational Facilities Support	727.7	715.3	-12.4
Donated Commodities	358.6	358.6	0.0
Child Nutrition Administration	725.4	729.3	3.9
Alyeska Central School	4,080.5	4,124.4	43.9
Professional Teaching Practices Commission	188.2	190.1	1.9
Alaska State Council on the Arts	1,254.3	1,257.5	3.2
Kotzebue Technical Center Operations Grant	734.0	674.0	-60.0
AVTEC Operations	4,527.4	4,548.3	20.9
Mt. Edgecumbe Boarding School	3,998.1	4,156.3	158.2
Client Services	10,939.1	10,995.6	56.5
Federal Training Grant	56.3	56.3	0.0
Vocational Rehabilitation Administration	1,183.1	1,007.5	-175.6
Independent Living Rehabilitation	1,123.2	1,124.2	1.0
Disability Determination	3,219.5	3,283.5	64.0
Special Projects	1,310.3	1,293.6	-16.7
Assistive Technology	1,104.0	1,106.2	2.2
Americans with Disabilities	185.0	186.8	1.8
Library Operations	4,715.2	5,196.2	481.0
Archives	767.6	746.9	-20.7
Museum Operations	1,372.4	1,384.7	12.3
Specific Cultural Programs	88.4	0.0	-88.4
Program Administration	966.0	0.0	-966.0
Student Loan Operations	6,451.5	0.0	-6,451.5
WICHE Student Exchange Program	329.7	0.0	-329.7
WAMI Medical Education	1,267.0	0.0	-1,267.0
Federal Student Aid	493.0	0.0	-493.0
Gov. Council on Vocational & Career Education	160.1	0.0	-160.1
Subtotal Agency Operations	114,797.3	108,607.2	-6,190.1
Total Education	906,269.8	892,056.2	-14,213.6

Changes From FY96 Authorized By Component - General Funds

	FY96	FY97	Change
Formula Programs			
Foundation Program	617,216.2	617,192.9	-23.3
Additional District Support	3,228.7	3,149.4	-79.3
Cigarette Tax Distribution	0.0	0.0	0.0
Tuition Students	1,731.2	1,731.2	0.0
Boarding Home Grants	185.9	185.9	0.0
Youth in Detention	800.0	800.0	0.0
Schools for the Handicapped	3,705.2	3,721.3	16.1
Pupil Transportation	32,842.2	30,214.8	-2,627.4
Child Nutrition	0.0	0.0	0.0
Community Schools	600.0	500.0	-100.0
School Debt Reimbursement	0.0	0.0	0.0
Subtotal Formula Programs	660,309.4	657,495.5	-2,813.9
Agency Operations			
Special & Supplemental Services	33.3	33.6	0.3
Basic Education & Instructional Improvement	948.4	1,153.5	205.1
Education Special Projects	0.0	0.0	0.0
Adult Basic Education	1,736.8	1,736.8	0.0
Federal Vocational Education Grants	0.0	0.0	0.0
Adult & Vocational Education Administration	180.8	182.5	1.7
Alaska Career Information System	214.3	216.3	2.0
Rural School Vocational Education Program	190.0	190.0	0.0
School to Work	0.0	0.0	0.0
Teacher Certification	666.1	670.4	4.3
State Board of Education	46.4	46.4	0.0
Commissioner's Office	436.2	382.4	-53.8
Administrative Services	1,183.2	1,193.9	10.7
District Support Services	513.3	518.1	4.8
Data Management	421.3	207.4	-213.9
Educational Facilities Support	140.0	118.3	-21.7
Donated Commodities	0.0	0.0	0.0
Child Nutrition Administration	45.0	45.7	0.7
Alyeska Central School	176.9	117.1	-59.8
Professional Teaching Practices Commission	188.2	190.1	1.9
Alaska State Council on the Arts	564.0	565.4	1.4
Kotzebue Technical Center Operations Grant	734.0	674.0	-60.0
AVTEC Operations	4,372.3	4,393.0	20.7
Mt. Edgecumbe Boarding School	2,312.1	2,321.8	9.7
Client Services	3,521.5	3,539.7	18.2
Federal Training Grant	5.6	5.6	0.0
Vocational Rehabilitation Administration	379.1	196.6	-182.5
Independent Living Rehabilitation	602.5	602.5	0.0
Disability Determination	0.0	0.0	0.0
Special Projects	82.9	82.9	0.0
Assistive Technology	0.0	0.0	0.0
Americans with Disabilities	185.0	186.8	1.8
Library Operations	3,637.9	4,043.3	405.4
Archives	455.7	461.9	6.2
Museum Operations	1,332.4	1,344.7	12.3
Specific Cultural Programs	88.4	0.0	-88.4
Program Administration	0.0	0.0	0.0
Student Loan Operations	0.0	0.0	0.0
WICHE Student Exchange Program	329.7	0.0	-329.7
WAMI Medical Education	1,267.0	0.0	-1,267.0
Federal Student Aid	329.5	0.0	-329.5
Gov. Council on Vocational & Career Education	0.0	0.0	0.0
Subtotal Agency Operations	27,319.8	25,420.7	-1,899.1
Total Education	687,629.2	682,916.2	-4,713.0

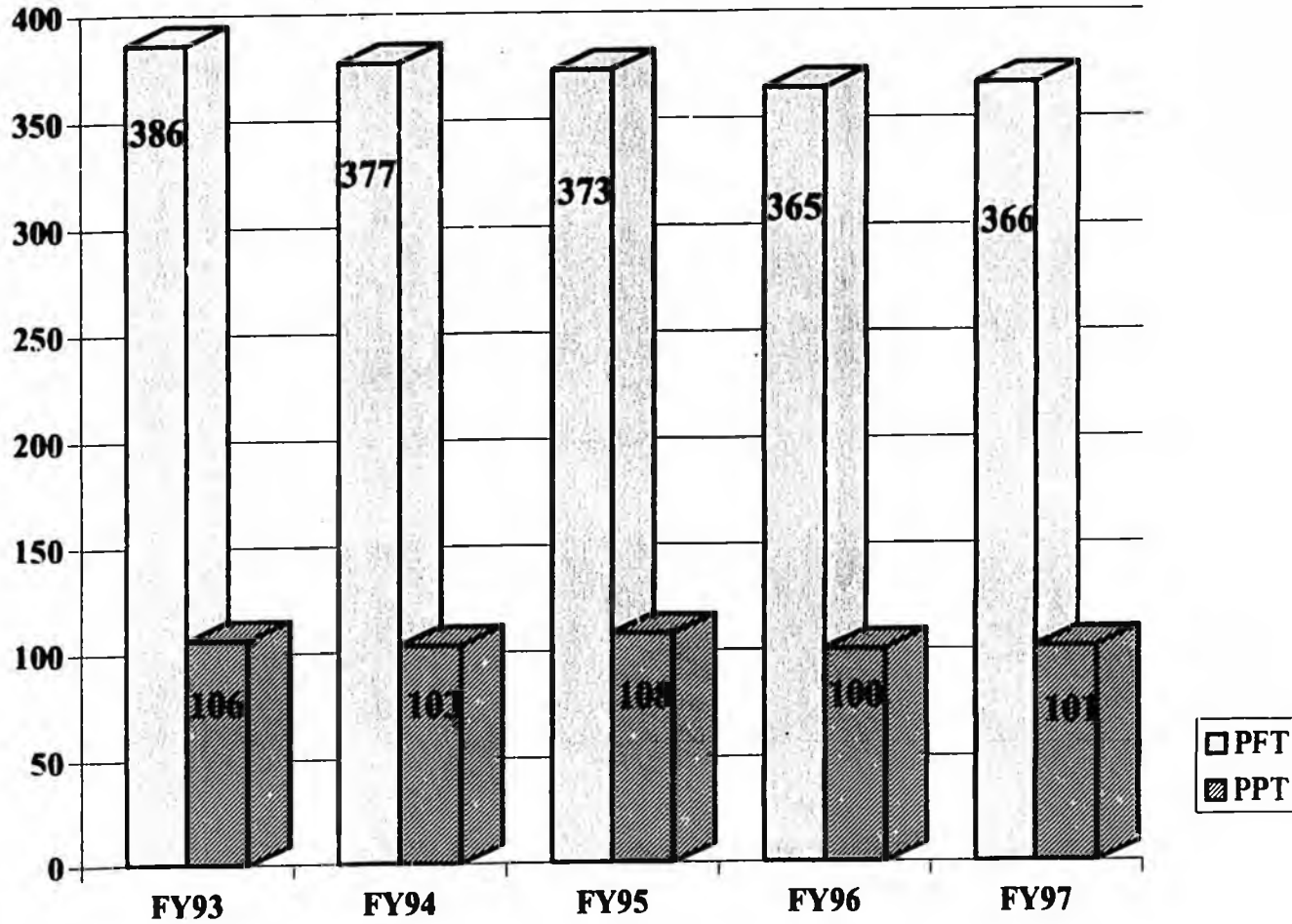
Department of Education: Agency Operations (General Funds in millions)



Department of Education
Agency Operations
Six-Year General Fund Comparison

	FY92	FY93	FY94	FY95	FY96	FY97	FY92/97 Variance
Teaching & Learning Support	4,740.5	3,976.3	3,559.7	3,565.8	3,348.6	4,183.1	-557.4
Executive Administration	2,497.5	2,442.0	3,031.3	2,649.0	2,331.9	1,622.7	-874.8
School Finance	1,106.7	961.1	1,436.4	1,064.4	1,074.6	889.5	-217.2
Alyeska Central School	124.6	103.0	112.5	176.9	176.9	117.1	-7.5
Professional Teaching Practices Commission	123.9	174.2	187.3	188.2	188.2	190.1	66.2
Alaska State Council on the Arts	1,193.6	1,070.8	1,042.1	829.6	564.0	565.4	-628.2
Kotzebue Technical Center Grant	914.5	848.7	848.7	814.0	734.0	674.0	-240.5
Alaska Vocational Technical Center	4,748.1	4,388.8	4,507.7	4,472.3	4,372.3	4,393.0	-355.1
Mt. Edgecumbe Boarding School	1,947.7	2,288.3	2,266.3	2,212.0	2,312.1	2,321.8	374.1
Vocational Rehabilitation	4,911.0	4,612.7	4,566.4	4,742.4	4,776.6	4,614.1	-296.9
Libraries, Archives & Museums	6,435.4	6,141.3	5,764.1	5,742.6	5,514.4	5,849.9	-585.5
Total	28,743.5	27,007.2	27,322.5	26,457.2	25,393.6	25,420.7	-3,322.8

Department of Education: Full and Part Time Positions



**Department of Education
Five-Year Position Comparison**

	FY93		FY94		FY95		FY96		FY97		FY93-97 Variance	
	PFT	PPT	PFT	PPT	PFT	PPT	PFT	PPT	PFT	PPT	PFT	PPT
Teaching & Learning Support	61	2	60	1	61	2	61	0	63	0	2	-2
Executive Administration	40	3	44	4	37	5	37	2	35	1	-5	-2
School Finance	20	1	12	0	18	1	17	2	22	4	2	3
Alyeska Central School	28	24	24	24	23	25	21	26	21	26	-7	2
Professional Teaching Practices Commission	2	0	2	0	2	0	2	0	2	0	0	0
Alaska State Council on the Arts	3	2	3	2	3	2	3	2	4	0	1	-2
Alaska Vocational Technical Center	27	35	26	36	26	36	28	33	24	37	-3	2
Mt. Edgecumbe	17	27	17	26	17	26	15	24	14	26	-3	-1
Vocational Rehabilitation	114	0	116	0	115	2	115	4	113	2	-1	2
Alaska State Library & Archives	56	7	56	5	56	2	52	0	52	0	-4	-7
Alaska State Museum	18	5	17	5	15	7	14	7	16	5	-2	0
Total	386	106	377	103	373	108	365	100	366	101	-20	-5

FY97 Budget Overview

Position Changes From FY96 Authorized By Component

	FY96		FY97		Change	
	PFT	PPT	PFT	PPT	PFT	PPT
Special & Supplemental Services	16	0	16	0	0	0
Basic Educ & Instructional Improve	28	0	29	0	1	0
Adult & Vocational Education Admin	7	0	7	0	0	0
Alaska Career Information System	3	0	3	0	0	0
School to Work	0	0	2	0	2	0
Teacher Certification	6	1	6	0	0	-1
Commissioner's Office	5	1	6	0	1	-1
Administrative Services	26	0	29	1	3	1
District Support Services	6	1	6	1	0	0
Data Management	5	0	4	0	-1	0
Educational Facilities Support	6	1	5	3	-1	2
Donated Commodities	2	0	2	0	0	0
Child Nutrition Administration	5	0	5	0	0	0
Alyeska Central School	21	26	21	26	0	0
Professional Teaching Practices	2	0	2	0	0	0
Alaska State Council on the Arts	3	2	4	0	1	-2
AVTEC Operations	28	33	24	37	-4	4
Mt. Edgecumbe Boarding School	15	24	14	26	-1	2
Client Services	80	0	80	0	0	0
Vocational Rehabilitation Admin	10	2	8	0	-2	-2
Independent Living Rehabilitation	1	0	1	0	0	0
Disability Determination	19	0	19	0	0	0
Special Projects	0	2	0	2	0	0
Assistive Technology	3	0	3	0	0	0
Americans with Disabilities	2	0	2	0	0	0
Library Operations	41	0	41	0	0	0
Archives	11	0	11	0	0	0
Museum Operations	14	7	16	5	2	-2
Total Positions	365	100	366	101	1	1

Formula Programs

FY97 Budget Overview

Formula Programs

The following information is a brief summary of the formula programs within the Department of Education that provide funding to school districts. The schedule on pages 36 and 37 of this overview provides a listing of the estimated allocation for these programs by school district.

Foundation Program

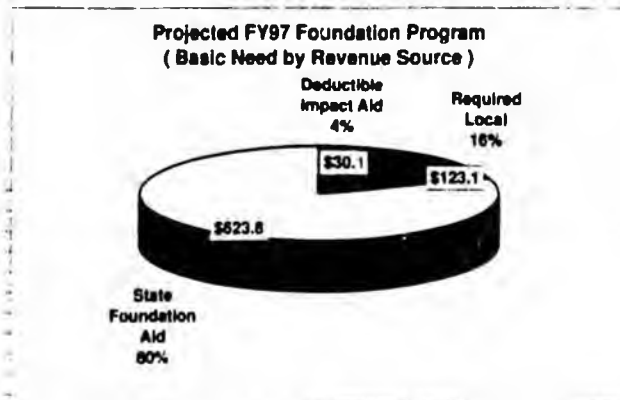
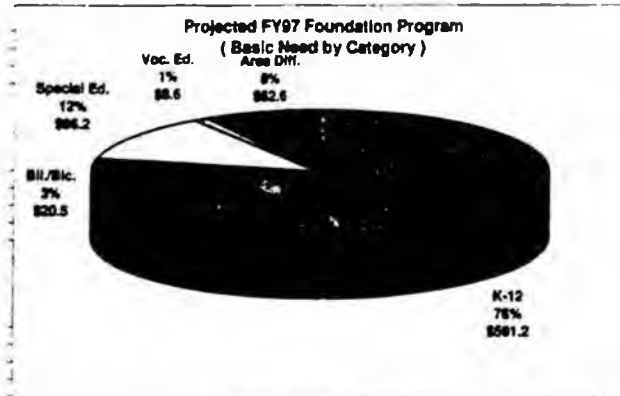
The Foundation Program provides the primary state financial support for the 54 school districts, Mt. Edgecumbe Boarding School and Alyeska Central School, the state's correspondence study program. In FY97, about \$650 million will be distributed to the school districts, according to "Basic Need", as determined by AS 14.17.021, less required local contributions and deductions for eligible Impact Aid. Alaska Statutes 14.17.170 requires that foundation payments are distributed to school districts for the first nine months of the fiscal year based on the total funding received during the preceding fiscal year. The last three months of payments are adjusted to provide each district with its revised entitlement based on current year student count data. The amount requested is based on student count projections, submitted by each school district.

The FY97 budget request includes a general fund decrement of \$150,000 for the class size reduction study that will be completed in the current fiscal year. An increment of \$6,461,200 in public school funds and \$126,700 in general funds is necessary to fund the FY97 projected entitlement for the Foundation Program.

The schedule on page 30 of this overview identifies the changes in the FY97 Foundation Program from the FY96 projection.

The actual funds needed for this program may vary depending upon the actual FY97 student counts, local contributions, and federal impact aid receipts.

The following charts illustrate the projected FY97 Foundation Program Basic Need by Category and Revenue Source. Please refer to the Appendix to this overview entitled *A Review: The Alaska School Foundation Funding Program, January 1996* for more information about the Foundation funding formula.



FY97 Budget Overview

**Department of Education
Foundation Program
Estimate of FY97 Foundation Program Changes**

Basic Need = Instructional Units x Area Cost Differential x \$61,000
State Aid = Basic Need -(Local Effort) - (90% Eligible PL 81-874 Deduct)

	<u>FY96-Authorized</u>	<u>FY97-Projection</u>	<u>Difference</u>
ADM	125,817.19	126,591.89	774.70
<i>Basic Need:</i>			
K-12 Units	9,653.39	9,692.16	38.77
Bl/Blc Units	313.07	335.70	22.63
Spec. Ed. Units	1,566.60	1,576.84	10.24
Voc. Ed. Units	139.15	141.26	2.11
Projected Instructional Adjusted Units	11,672.21 12,666.70	11,745.96 12,771.82	73.75 105.12
Basic Need @ \$61,000/per Instr. Unit \1	\$770,618.0	\$776,971.2	\$6,353.2
Required Local	(118,296.3)	(123,061.2)	(4,764.9)
90% Eligible PL 81-874 Deduct \2	(34,826.8)	(30,097.4)	4,729.4
State Aid	617,494.9	623,812.5	6,317.6
Adjustments \3 & \4	5,386.3	5,236.3	(150.0)
	<u>622,881.2</u>	<u>629,048.8</u>	<u>6,167.6</u>
<i>Impact Aid:</i>			
PL 81-874 \5	20,520.7	20,791.0	270.3
Total Need	<u>643,401.9</u>	<u>649,839.8</u>	<u>6,437.9</u>
<i>Revenues:</i>			
Public School Fund	5,394.7	11,855.9	6,461.2
GF \4	617,216.2	617,192.9	(23.3)
Net change in state revenue	<u>622,610.9</u>	<u>629,048.8</u>	<u>6,437.9</u>

<i>Impact Aid:</i>			
Impact Aid Pass thru	20,791.0	20,791.0	
Full funding	<u>\$643,401.9</u>	<u>\$649,839.8</u>	<u>\$6,437.9</u>

\1 Alyeska Central School @ 65%

\2 Decrease Eligible Impact Aid 13% for FY97

\3 Adjustments-Include \$68.8 for Risk Management property insurance for school buildings occupied on "use" permit by the school districts, \$3,667.5 for on-base military contracts, and \$1,500.0 prior year adjustments

\4 Includes GFMH, a FY97 base adjustment deleting \$150.0 GF due to completion of class size reduction program, and an increment of \$126.7 to GF

\5 PL 81-874 Pass thru for military contracts includes approximately \$10,611.7 for Anchorage, \$8,535.2 for Fairbanks and \$1,373.8 for Kodiak

Additional District Support

Although this program is not considered a "formula" program, the FY97 funding of \$3,149,400 will provide named recipient grants to single site school districts that consist of one funding community with an Average Daily Membership (ADM) of 900 or less to cover perceived shortfalls in the existing foundation formula. The department is proposing legislation that will move the single site funding into the Foundation Program.

Cigarette Tax Distribution

Alaska Statutes 43.50.140 provides that the proceeds derived from the payment of taxes, fees, penalties and license fees received by the Department of Revenue shall be paid into a state fund entitled "School Fund." Funds shall be used exclusively for rehabilitation, construction and repair of the state's school facilities, and for the cost of insurance on school facilities. The funds are distributed in direct proportion to the number of students enrolled in the participating city/borough school districts. Cigarette tax funds are offset against reimbursement for school bond debt in accordance with AS 14.11.100(b).

The FY97 request includes an increase of \$35,000 based on estimates of available revenues prepared by the Department of Revenue.

Tuition Students

Tuition payments are made to individual school districts to compensate for the loss of

revenue caused by children living in mission homes or other nonprofit institutions and children whose custody has been placed elsewhere by decree of the court. The program provides revenue in excess of basic need comparable to excess local contributions. Administrative regulation 4 AAC 09.030 provides that the tuition rate shall be based upon the amount expended annually from local funds for current operation and capital outlay for the prior year divided by the average daily membership (ADM). Approximately 845 students are being served statewide under this program.

Boarding Home Grants

Boarding Home grants are paid to school districts serving high school students who cannot attend a school facility offering a high school program where they reside. Boarding care costs and transportation to and from the boarding home are paid for by the Boarding Home grants. These funds are paid on a reimbursement basis to provider districts. In the current year, approximately 40 students are being served through this program.

Youth in Detention

This program provides reimbursement to school districts for the additional cost of providing educational programs to incarcerated youth in facilities such as the Johnson Youth Center, McLaughlin Youth Center, Fairbanks Youth Center and the Bethel Youth Facility.

FY97 Budget Overview

Schools for the Handicapped

This program provides \$3,721,300 for support services to special education students who cannot be served adequately in the mainstream classroom environment. This funding is allocated to the following programs:

Special Education Service Agency (SESA) - Funding is provided to SESA in accordance with AS 14.30.600-660 for outreach services to school districts that serve low incidence severely disabled students. The FY97 request of \$1,982,900 for SESA includes an increase of \$16,100 based on the statutory formula of 2% of special education foundation funding or \$85 per special education student, whichever is greater.

Alaska Youth Initiative (AYI) - AYI is a cooperative program of the Departments of Education and Health and Social Services and is designed to prevent out-of-state institutionalization of Alaska's trouble youth by providing comprehensive services in Alaska. In FY97, \$637,000 is allocated for AYI.

Providence Heights School - The FY97 request includes \$145,000 for the Anchorage School District to operate the educational program for students at Providence Heights School who are patients of the Alaska Psychiatric Hospital.

Alaska State School for the Deaf - The

Alaska State School for the Deaf is currently operated by the Anchorage School District and provides services for students who are not able to receive an adequate program in their home district. The school district receives foundation funds for the students enrolled. The FY97 request includes \$956,400 for a grant to the district to pay for the residential component. Students from outside Anchorage are housed in group and foster homes while they are attending school.

Pupil Transportation

In accordance with AS 14.09.010, the department may provide for the transportation of students. Subject to availability of funds, the department reimburses school districts for the cost of all approved regular routes, special education routes, other conveyance routes, and in-lieu-of agreements. In addition, the department may provide transportation for children attending non-public schools, where the distances and routes traveled are comparable to those traveled by public school students and integrating non-public student transportation into existing systems where feasible.

The FY97 request of \$32,214,800 represents 92 percent of the FY96 Authorized funding for reimbursable pupil transportation costs.

Child Nutrition Programs

This program distributes federal funds for reimbursement of meals served to eligible children and adults in approved agencies. The federal funds earned by sponsors for reimbursable meals or milk served in participating schools, child or adult day care facilities, residential child care institutions, homeless shelters, or camps help subsidize the meal costs incurred by the sponsor.

Although the funding level remains the same in FY97, the administration of the program has been transferred from the Division of Teaching and Learning Support to the Division of School Finance. With this transfer, all of the major formula programs will be administered in the same division.

Community Schools

Through grants to local school districts, the department provides funding to make school facilities available for community use, when they are not needed for regular school activities. In many communities, the school is the center of local activities, providing a place for both youth and adults to attend instructional classes. For many rural communities, the school is the only facility available for these activities to occur.

AS 14.36.030 provides for an annual grant to school districts operating a community school program of one-half of one percent of public school foundation support or \$10,000, whichever is greater. The statute also allows for proration of grants if the appropriation is insufficient to fully fund the program. Based on that formula, full funding of Community Schools would require an appropriation of over \$3,000,000. The FY97 request includes \$500,000 for the Community Schools program

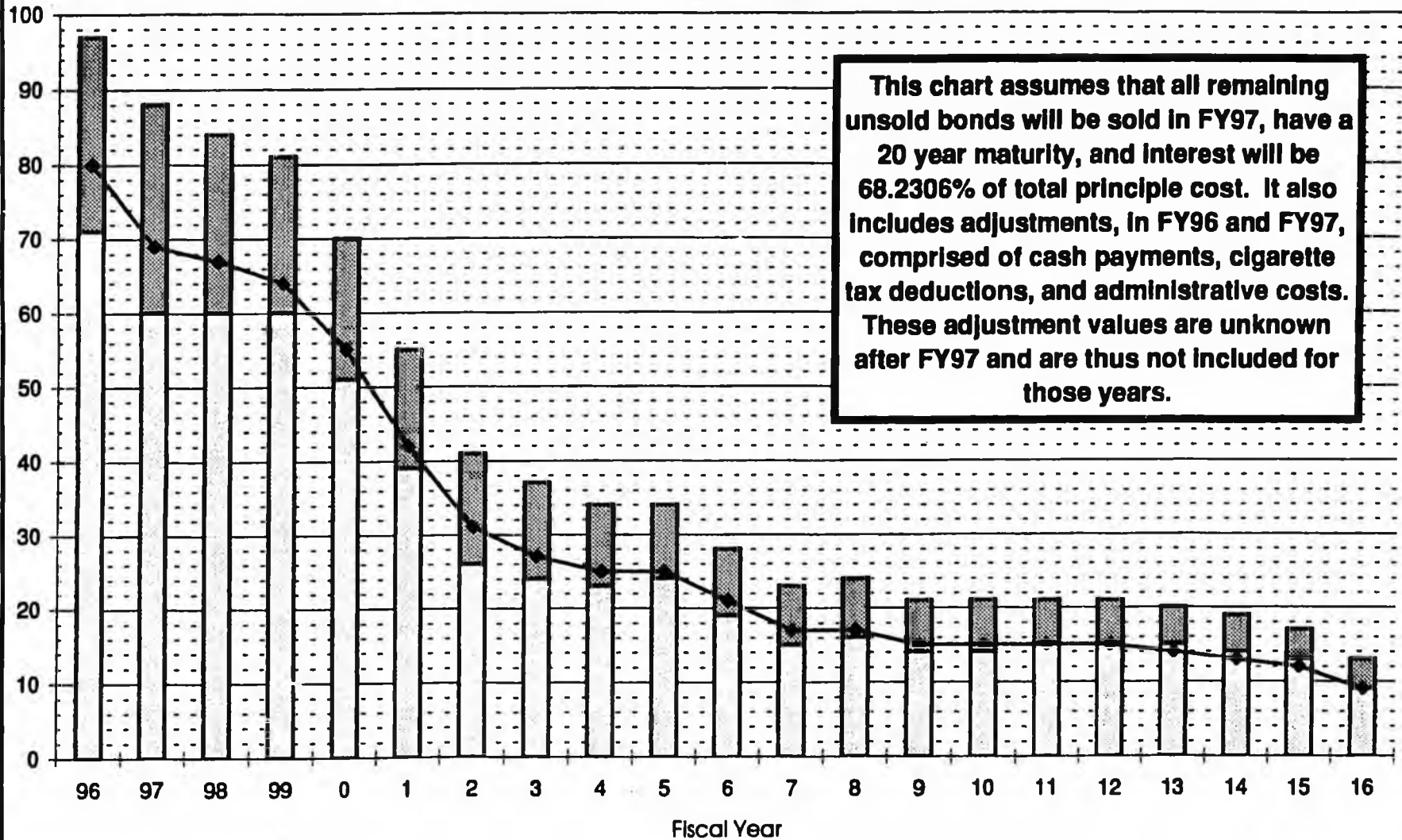
School Debt Reimbursement

The FY97 request of \$68,616,600 for this program will provide reimbursement for school construction debt that is financed by approved municipal bond sales and locally generated revenue. Upon the sale of the bonds, the municipality submits to the Department of Education information which is used to generate an annual budget for the debt service payment pursuant to AS 14.11.100.

The FY97 request is based on notification from eligible school districts, as of October 15, 1995, of voter approval on new bonds issued under the debt retirement program and expectation of debt service related to those, as well as continuation of existing debt. The following chart and schedule project the level of reimbursement under the current program to fiscal year 2016 using specific assumptions. These projections are updated annually based on information provided by school districts.

SCHOOL CONSTRUCTION ELIGIBLE DEBT RETIREMENT

Millions



This chart assumes that all remaining unsold bonds will be sold in FY97, have a 20 year maturity, and interest will be 68.2306% of total principle cost. It also includes adjustments, in FY96 and FY97, comprised of cash payments, cigarette tax deductions, and administrative costs. These adjustment values are unknown after FY97 and are thus not included for those years.

OUTSTANDING PRINCIPAL

 OUTSTANDING INTEREST

◆
 STATE LIAB INCLUDING UNSOLD BONDS

State Liability Including Unsold Bonds Assumptions

- All remaining unsold bonds will have a 20 year maturity.
- All remaining unsold bonds will be sold in FY97
- Interest will be 68.2306% of the total principle cost.

FISCAL YEAR	PROJECTED LIABILITY	ADJUSTMENTS	PROJECTED FUNDING
FY96	82,118,765	-1,796,362	80,322,403
FY97	70,660,464	-2,043,887	68,616,577
FY98	67,049,979		67,049,979
FY99	64,216,402		64,216,402
FY00	54,849,989		54,849,989
FY01	42,385,083		42,385,083
FY02	30,711,707		30,711,707
FY03	27,176,573		27,176,573
FY04	24,934,484		24,934,484
FY05	24,862,359		24,862,359
FY06	20,732,182		20,732,182
FY07	17,283,811		17,283,811
FY08	17,342,933		17,342,933
FY09	14,757,432		14,757,432
FY10	14,766,498		14,766,498
FY11	14,770,373		14,770,373
FY12	14,774,121		14,774,121
FY13	13,928,723		13,928,723
FY14	13,367,596		13,367,596
FY15	11,834,291		11,834,291
FY16	8,993,322		8,993,322

NOTE: The FY96 and 97 liability numbers are based on school district notification of anticipated debt. The adjustments column includes cash payments, cigarette tax deductions, and administrative costs. The adjustment for these items is not known after FY97 and has not been included in this schedule.

December 15, 1995, Governor's FY97 Budget Request

ALASKA DEPARTMENT OF EDUCATION

PROJECTED FY97 STATE PROGRAM ALLOCATIONS

Projected allocations are subject to adjustment based on individual program requirements.

	Total Foundation	Additional District Support	Cigarette Tax Distribution	Tuition	Boarding Home	Youth In Detention	Schools for the Handicapped	Pupil Trans.	Community Schools	Debt Retirement	PROJECTED FY97 TOTALS
ADAK	\$0	\$0	\$0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ALASKA GATEWAY	5,055,414	0	0	0	0	0	0	441,939	3,944	0	5,501,297
ALEUTIAN REGION	518,430	40,260	0	0	0	0	0	0	1,614	0	560,304
ALEUTIANS EAST	3,743,146	0	14,335	0	0	0	0	42,631	2,960	40,305	3,843,377
ANCHORAGE	181,243,565	0	1,058,444	817,305	0	399,677	1,101,400	8,730,885	147,489	21,771,593	215,270,358
ANNETTE ISLANDS	1,833,348	177,510	0	0	0	0	0	11,048	1,614	0	2,023,520
BERING STRAIT	16,969,751	0	0	0	0	0	0	33,953	12,936	0	17,016,640
BRISTOL BAY	1,873,234	0	12,268	0	0	0	0	190,505	1,614	350,306	2,427,927
CHATHAM	2,751,502	0	0	0	0	0	0	6,904	2,074	0	2,760,480
CHUGACH	1,729,510	0	0	0	0	0	0	0	1,614	0	1,731,124
COPPER RIVER	5,370,508	0	0	0	0	0	0	501,870	4,103	0	5,876,481
CORDOVA	2,684,679	168,360	17,795	1,257	0	0	0	51,538	2,039	0	2,925,668
CRAIG	2,335,826	172,020	14,650	255	0	0	0	15,858	1,806	0	2,540,415
DELTA/GREELY	4,571,810	0	0	0	0	0	0	830,862	4,314	0	5,406,986
DENALI	3,021,537	0	15,099	0	0	0	0	261,751	2,555	0	3,300,942
DILLINGHAM	3,839,005	212,890	17,319	8,904	0	0	0	284,825	2,568	0	4,365,511
FAIRBANKS	66,371,794	0	363,086	250,912	0	189,447	0	4,749,949	52,378	11,772,984	83,750,550
GALENA	1,537,153	158,600	10,359	0	0	0	0	33,521	1,614	81,684	1,822,931
HAINES	2,266,876	0	15,481	5,078	0	0	0	148,346	1,734	0	2,437,515
Hoonah	1,963,241	126,270	12,179	0	0	0	0	33,287	1,641	190,824	2,327,442
HYDABURG	977,873	98,210	8,426	0	0	0	0	3,586	1,614	0	1,089,709
IDITAROD	5,496,233	0	0	0	27,966	0	0	40,945	4,344	0	5,569,488
JUNEAU	21,852,487	0	127,190	132,098	0	78,363	0	1,366,192	17,448	3,016,810	26,590,588
KAKE	1,265,711	137,250	9,999	0	0	0	0	24,171	1,614	0	1,438,745
KASHUNAMIUT	1,980,254	147,620	0	0	0	0	0	2,675	1,614	0	2,132,163
KENAI	44,210,660	0	240,988	243,593	22,562	0	0	2,944,674	36,776	8,851,457	56,550,710
KETCHIKAN	9,754,055	0	67,370	63,754	0	0	0	767,956	7,698	1,576,436	12,237,269
KLAWOCK	1,506,757	161,040	10,943	0	0	0	0	6,608	1,614	0	1,686,962
KODIAK	13,742,286	0	67,513	69,549	20,432	0	0	572,632	10,174	1,570,233	16,052,819
KUSPUK	5,426,635	0	0	0	0	0	0	95,909	4,159	0	5,526,703
LAKE AND PENINSULA	6,789,934	0	17,189	0	0	0	0	96,006	5,350	384,893	7,293,372
LOWER KUSKOKWIM	38,315,241	0	0	0	0	132,513	0	236,762	27,920	0	38,712,436

December 15, 1995, Governor's FY97 Budget Request
ALASKA DEPARTMENT OF EDUCATION
PROJECTED FY97 STATE PROGRAM ALLOCATIONS

Projected allocations are subject to adjustment based on individual program requirements.

	Total Foundation	Additional District Support	Cigarette Tax Distribution	Tuition	Boarding Home	Youth In Detention	Schools for the Handicapped	Pupil Trans.	Community Schools	Debt Retirement	PROJECTED FY97 TOTALS
LOWER YUKON	13,851,625	0	0	0	0	0	0	22,184	11,225	0	13,885,034
MAT-SU	56,163,766	0	291,787	61,354	0	0	0	5,179,969	48,173	7,016,317	68,761,366
NENANA	1,528,611	152,500	10,044	0	0	0	0	100,058	1,614	0	1,792,827
NOME	4,589,588	257,420	21,592	5,910	0	0	0	189,419	3,580	0	5,067,509
NORTH SLOPE	11,289,387	0	45,723	0	0	0	0	322,810	8,186	5,542,584	17,208,690
NORTHWEST ARCTIC	17,606,207	0	48,486	0	21,970	0	0	0	13,260	0	17,689,923
PELICAN	569,066	51,240	7,034	0	0	0	0	1,487	1,614	0	630,441
PETERSBURG	3,227,769	210,450	23,255	2,070	0	0	0	110,070	2,587	676,075	4,252,276
PRIBILOF	2,011,494	0	0	0	19,487	0	0	0	1,614	0	2,032,595
SITKA	6,666,245	0	46,891	20,088	0	0	0	338,993	5,507	1,647,965	8,725,689
SKAGWAY	761,123	120,170	8,921	0	0	0	0	5,459	1,614	0	897,287
SOUTHEAST	3,737,413	0	0	0	0	0	0	152,333	0	0	3,889,746
SOUTHWEST	6,758,688	0	0	0	39,277	0	0	56,608	5,302	0	6,859,875
ST. MARY'S	1,399,655	145,790	7,910	0	0	0	0	0	1,614	0	1,554,969
TANANA	1,178,033	117,120	8,269	18,851	0	0	0	18,038	1,614	0	1,341,925
UNALASKA	1,637,671	186,050	14,313	0	0	0	0	151,253	1,614	1,059,969	3,050,870
VALDEZ	3,419,496	0	26,782	0	0	0	0	266,970	2,735	1,993,977	5,709,960
WRANGELL	2,625,110	159,210	18,739	11,922	0	0	0	111,448	2,111	942,365	3,870,905
YAKUTAT	1,387,078	149,450	9,617	0	0	0	0	51,028	1,614	0	1,598,787
YUKON FLATS	5,515,969	0	0	0	0	0	0	58,494	4,558	0	5,579,021
YUKON/KOYUKUK	7,054,395	0	0	0	34,200	0	0	95,420	5,639	0	7,189,654
YUPIIT	4,266,823	0	0	0	0	0	0	0	3,292	0	4,270,115
ALYESKA CORRES.	3,918,213	0	0	0	0	0	0	0	0	0	3,918,213
MR. EDGE CUMBE	1,650,660	0	0	0	0	0	0	0	0	0	1,650,660
OTHER	26,027,260	0	0	18,300	6	0	2,619,900	454,986	0	129,800	29,250,252
	11			12			13	14		15	
TOTALS	\$649,839,800	\$3,149,430	\$2,689,996	\$1,731,200	\$185,900	\$800,000	\$3,721,300	\$30,211,815	\$500,000	\$68,616,577	\$761,449,018

11 OTHER INCLUDES CONTRACTUAL OBLIGATIONS AND OTHER ADJUSTMENTS.

12 OTHER INCLUDES CONTRACTS FOR HYDER STUDENTS ATTENDING SCHOOL IN CANADA.

13 OTHER INCLUDES ALLOCATIONS TO (SESA) AND (AYI).

14 OTHER INCLUDES ESTIMATES TO COVER ADDITIONAL COSTS DUE TO ENROLLMENT INCREASES, POPULATION SHIFTS AND NEW CONTRACTS.

15 OTHER INCLUDES ESTIMATED DEBT REIMBURSEMENT PROGRAM OVERHEAD.

**Department of Education
Formula Fund History-General Funds
(millions)**

Fiscal Year	Foundation Program	School Debt	Pupil Transportation
79 Actual	193.4	22.3	16.2
80 Actual	245.2	24.1	18.6
81 Actual	265.1	38.4	17.0
82 Actual	345.4	39.5	20.1
83 Actual	407.3	49.7	20.4
84 Actual	428.8	93.7	22.3
85 Actual	454.8	95.0	24.6
86 Actual	472.3	106.3	23.1
87 Actual	380.6	115.8	21.4
88 Actual	409.9	109.5	21.1
89 Actual	426.4	109.0	24.6
90 Actual	462.8	108.9	24.5
91 Actual	498.8	116.7	24.5
92 Actual	532.9	127.7	27.3
93 Actual	567.4	125.4	28.4
94 Actual	581.2	99.8	29.4
95 Actual	595.8	103.3	31.6
96 Authorized	617.2	80.3	32.8
97 Governor	617.2	68.6	30.2

Appendices

A REVIEW

THE ALASKA SCHOOL FOUNDATION FUNDING PROGRAM

JANUARY 1996

THE FOUNDATION PROGRAM is based on the "instructional unit" method of funding.

TERMS AND CONCEPTS printed on page 2, when used with the two mathematical formulas below, provide for understanding the foundation law.

THE FORMULA USED TO CALCULATE BASIC NEED:

$$\text{BASIC NEED} = (\text{INSTRUCTIONAL UNITS}) \times (\text{AREA COST DIFFERENTIAL}) \times (\$61,000)$$

THE FORMULA USED TO CALCULATE STATE FOUNDATION AID:

$$\text{STATE FOUNDATION AID} = (\text{BASIC NEED}) - (\text{LOCAL EFFORT}) - (90\% \text{ ELIGIBLE PL 81-874})$$



TERMS AND CONCEPTS:

ADM (AVERAGE DAILY MEMBERSHIP) - The average of the number of students enrolled in a school district or specific school program (vocational education, bilingual education, special education) over a specified fall or spring student count period. The more students a district has in Average Daily Membership, the more instructional units the district generates increasing the funding it receives through the foundation program.

AREA COST DIFFERENTIAL - A factor multiplied by a school district's instructional units to adjust for costs associated with geographic conditions, sparsity and location of various school districts. Factors vary between 1.0 and 1.46, depending usually on remoteness of the district.

BASIC NEED - An amount of money determined by multiplying the area cost differential by the number of a school district's allowable instructional units times the instructional unit value, set by the legislature. The foundation program sets the instructional unit value at \$61,000.

INSTRUCTIONAL UNIT - A number represented by a group of students identified by grade level and the student profile dependent on whether the students are enrolled in vocational, special or bilingual education programs.

INSTRUCTIONAL UNIT VALUE - The amount under the foundation formula is \$61,000 per instructional unit and is established by law.

PL 81-874 - Federal Law PL 81-874, impact aid to education, provides federal funds to school districts for children of parents living and/or working on federal property as an "in lieu of local tax revenue." Under the foundation program 90 percent of each school district's eligible PL 81-874 receipts is subtracted from the district's basic need.

REQUIRED LOCAL EFFORT - Under the law, city and borough school districts are required to contribute the lesser amount of:

- (1) the equivalent amount generated by a four mill tax levy based on the full and true value of the taxable real and personal property in the school district in the second preceding year (two years prior); or
- (2) 35 percent of a school district's basic need for the preceding school year.

In addition to the required local effort school districts are allowed to contribute the greater of an equivalent of 2.0 mills or \$14,030 per adjusted unit to hold disparities in funding per instructional unit among school districts to no more than 25 percent. The amount of local effort, either in the 4 mill equivalent or 35 percent basic need, is subtracted from a school district's basic need. Since Regional Education Attendance Areas do not have authority to collect taxes, there is no deduction for the local contribution portion of basic need in these districts.

STATE FOUNDATION AID - The amount of state money school districts are entitled to receive under the Public School Foundation Program, after local and federal shares are deducted.

OTHER ISSUES:

ALASKA'S PUBLIC SCHOOL FOUNDATION PROGRAM, AS 14.17 enables the state to meet fiscal equalization criteria outlined in the federal PL 81-874 law, commonly known as the "disparity test." Alaska must meet the guidelines in order to recognize approximately \$43 million in PL 81-874 funds within the FY95 state foundation plan as general revenues.

PL 81-874 DISPARITY TEST - The federal PL 81-874 disparity test measures the disparity in local school district revenues. The test takes into consideration designated state and local revenues. Under guidelines of the disparity test, the range of revenues may not vary more than 20 percent between the school district that raises the lowest amount of revenue per instructional unit and the school district that raises the greatest amount beginning in FY98. Since federal regulations allow states to eliminate five percent of the weighted instructional units at the top of the scale and five percent at the bottom, Alaska eliminates both of its oil rich school districts, Valdez and North Slope Borough, which contribute considerably more than 20 percent beyond the lowest amount. Since REAAs are not authorized to raise local taxes, five percent of the units at the bottom of the scale can be from any REAA. The disparity test uses \$61,000 per instructional unit as the base.

CENTRALIZED CORRESPONDENCE SCHOOL - The law provides a formula for computing funds for the state Centralized Correspondence School. Instructional units are computed under the same formula used by elementary schools with more than 200 students and multiplied by 0.65.

DECLINING ENROLLMENT - The law contains language that protects districts from losing more than 10 percent of the prior year's K-12 instructional units by phasing in the reduction over four years.

DISTRIBUTION PROCEDURES - The Department of Education will make payment of foundation aid through monthly payments to school districts. The payments for the first nine months of each fiscal year will be based on actual instructional units for the prior school year. Payments for the last three months will be adjusted by current year instructional units. Any overpayments or underpayments made during the first nine months will be adjusted in the final three payments of the fiscal year. The first counting period will be during a 20-day period ending on the fourth Friday in each October. An optional 20-day count period ending the second Friday of February may be used to calculate foundation funding, if the February counting period yields more instructional units.

FUND BALANCE LIMITATION - The law prohibits districts from accumulating an unreserved fund balance of more than 10 percent of their operating expenditures and other uses for the year. The Department of Education must deduct the amount exceeding 10 percent from a school district's succeeding year's foundation entitlement.

FULL AND TRUE VALUE - The Department of Community and Regional Affairs will determine the full value of the taxable real and personal property in each city and borough school district for the purpose of calculating a school district's required local effort.

GATHERING/REPORTING STUDENT DATA - The statute requires districts to report to the Department of Education by October 15 of each school year an estimate of its student population for the next school year. The Department of Education will use the estimates to determine the amount of state foundation aid to seek from the Legislature for the following school year.

TABLE OF INSTRUCTIONAL UNITS

COMBINED, ELEMENTARY & SECONDARY INSTRUCTIONAL UNITS

Instructional units for funding communities with fewer than 200 students in grades K-6 or fewer than 200 students in grades 7-12 are determined by the formula:

Elementary instructional units for funding communities with more than 200 students in grades K-6 are determined by the formula:

$$\text{UNITS} = 15 + \frac{(\text{ADM} - 200)}{17}$$

ADM	UNITS
1-10	2
11-20	$2 + \frac{(\text{ADM} - 10)}{5}$
21-60	$4 + \frac{(\text{ADM} - 20)}{8}$
61-120	$9 + \frac{(\text{ADM} - 60)}{12}$
121- 525	$14 + \frac{(\text{ADM} - 120)}{15}$

Secondary instructional units for funding communities with more than 200 students in grades 7-12 are determined by the formula:

$$\text{UNITS} = 18 + \frac{(\text{ADM} - 200)}{13}$$

Kindergarten students who attend less than four hours a day are counted as 0.5 ADM.

District correspondence or other students who do not regularly attend school on a daily basis are counted in the appropriate grade level of the funding community with the highest ADM in the district.

VOCATIONAL EDUCATION

FTE * X WEIGHTING FACTOR X .05 = VOCATIONAL EDUCATION UNIT - 280 students in 7 period day or 240 students in 6 period day = 1 Unit

MINIMUM FUNDING: Any funding community in which a vocational education course, approved by the Dept. of Education, is operated receives a minimum of .10 instructional units for vocational education, or each school district in which such a course is operated receives a minimum of 1.00 units whichever is greater.

FACTOR PROGRAM

.5 **CATEGORY 1** contains 16 programs: health, consumer and homemaking, horticulture, commercial art, clothing and textiles, general marketing, food production, renewable and natural resources, forestry, agriculture services and supplies, transportation and travel, wildlife management, business management, child care management and surveying.

.5 **CATEGORY 2** contains 7 programs: aircraft mechanics, communication technologies, commercial photography, agriculture mechanics, accounting and related, small engine mechanic and automotive body repair.

FACTOR PROGRAM

.5 **CATEGORY 3** contains 9 programs: agricultural production, welding, industrial education, woodworking, automobile mechanics, electrical technician, drafting, fisheries and diesel engine mechanics.

.5 **CATEGORY 4** contains 3 programs: graphics, secretarial and word processing, and construction trades.

* Full Time Equivalent

SPECIAL EDUCATION

NUMBER OF STUDENTS X WEIGHTING FACTOR = SPECIAL EDUCATION UNITS

MINIMUM FUNDING: Any funding community in which a special education program, approved by the Department of Education, is operated receives a minimum of 0.25 instructional units for special education, or any school district in which such a program is operated receives a minimum of 1.00 such units, whichever is greater.

FACTOR PROGRAM

.025 **GIFTED AND TALENTED** - 40 Students = 1 Unit
 .056 **RESOURCES** - 18 Students = 1 Unit

FACTOR PROGRAM

0.1 **SELF-CONTAINED** - 10 Students = 1 Unit
 .333 **INTENSIVE/HOSPITAL HOMEBOUND** - 3 Students = 1 Unit

BILINGUAL EDUCATION

WEIGHTING FACTOR * X STUDENT COUNT X .042 = BILINGUAL EDUCATION UNITS

MINIMUM FUNDING: Any funding community in which a bilingual program, approved by the Dept. of Education, is operated receives a minimum of 0.10 instructional units for bilingual education, or each school district in which such a program is operated receives a minimum of 1.00 such units, whichever is greater.

FACTOR PROGRAM

1 **CATEGORY A:** Students who speak a language other than English exclusively. 24 Students = 1 Unit
 1 **CATEGORY B:** Students who speak mostly a language other than English, but also speak some English. 24 Students = 1 Unit
 .2 **CATEGORY C:** Students who speak a language other than English and English with equal ease. 119 Students = 1 Unit

FACTOR PROGRAM

.2 **CATEGORY D:** Students who speak mostly English but also speak a language other than English. 119 Students = 1 Unit
 .1 **CATEGORY E:** Students who speak English exclusively but whose manner of speaking reflects the grammatical structure of another language. 238 Students = 1 Unit

*Language dominance category weighting factor.

Alaska Department of Education
Projected FY97 Foundation Program Entitlements

Prepared December 15, 1995

ALASKA DEPARTMENT OF EDUCATION
PROJECTED FY97 FOUNDATION PROGRAM ENTITLEMENTS

The enrollment and units are based on the final, revised October 15 reports received from school districts.

	BASIC NEED \$61,000	REQUIRED LOCAL	ELIGIBLE PL81-874	PL81-874 PERCENT	DEDUCTIBLE PL81-874 @ 90%	TOTAL FOUNDATION ENTITLEMENT
ADAK	\$0	\$0	\$0	100.00%	\$0	\$0
ALASKA GATEWAY	5,397,890	0	380,529	100.00%	342,476	5,055,414
ALEUTIAN REGION	569,740	0	57,011	100.00%	51,310	518,430
ALEUTIANS EAST	4,283,420	355,181	509,562	40.36%	185,093	3,743,146
ANCHORAGE	237,905,490	51,665,422	9,314,618	66.77%	4,996,503	181,243,565
ANNETTE ISLANDS	2,748,050	0	1,016,335	100.00%	914,702	1,833,348
BERING STRAIT	20,079,370	0	3,455,132	100.00%	3,109,619	16,969,751
BRISTOL BAY	2,679,120	681,970	240,580	57.23%	123,916	1,873,234
CHATHAM	3,337,920	0	651,576	100.00%	586,418	2,751,502
CHUGACH	1,842,200	0	125,211	100.00%	112,690	1,729,510
COPPER RIVER	5,443,030	0	80,580	100.00%	72,522	5,370,508
CORDOVA	3,427,590	728,797	19,032	82.40%	14,114	2,684,679
CRAIG	2,631,540	283,114	16,690	83.88%	12,600	2,335,826
DELTA/GREELY	5,378,370	0	896,178	100.00%	806,560	4,571,810
DENALI	3,348,290	301,901	27,613	100.00%	24,852	3,021,537
DILLINGHAM	4,556,700	528,666	335,087	62.68%	189,029	3,839,005
FAIRBANKS	84,191,590	14,572,622	6,593,515	54.72%	3,247,174	66,371,794
GALENA	1,689,700	72,544	314,774	28.24%	80,003	1,537,153
HAINES	2,821,250	545,269	18,985	53.29%	9,105	2,266,876
HOONAH	2,095,350	96,424	238,998	16.59%	35,685	1,963,241
HYDABURG	1,002,840	23,121	17,039	12.04%	1,846	977,873
IDITAROD	6,018,870	0	580,708	100.00%	522,637	5,496,233
JUNEAU	29,542,910	7,681,779	16,954	56.65%	8,644	21,852,487
KAKE	1,398,730	70,703	281,923	24.56%	62,316	1,265,711
KASHUNAMIUT	2,224,670	0	271,573	100.00%	244,416	1,980,254
KENAI	58,805,220	14,555,007	83,078	52.90%	39,553	44,210,660
KETCHIKAN	13,889,700	4,130,931	8,986	58.29%	4,714	9,754,055
KLAWOCK	1,690,920	62,458	274,629	49.24%	121,705	1,506,757
KODIAK	18,039,530	3,516,806	1,081,508	80.18%	780,438	13,742,286
KUSPUK	5,926,760	0	555,694	100.00%	500,125	5,426,635
LAKE AND PENINSUL	7,294,380	273,430	1,028,381	24.96%	231,016	6,789,934
LOWER KUSKOKWIM	42,466,370	0	4,612,365	100.00%	4,151,129	38,315,241
LOWER YUKON	16,801,230	0	3,277,339	100.00%	2,949,605	13,851,625
MAT-SU	65,053,450	8,883,179	14,639	49.37%	6,505	56,163,766
NENANA	1,595,760	64,822	2,926	88.35%	2,327	1,528,611
NOME	5,212,450	604,197	43,424	47.76%	18,665	4,589,588
NORTH SLOPE	17,158,690	5,398,988	2,648,619	19.73%	470,315	11,289,387
NORTHWEST ARCTIC	19,594,420	1,107,314	2,240,789	43.68%	880,899	17,606,207
PELICAN	625,860	56,794	0	93.29%	0	569,066
PETERSBURG	4,055,890	821,228	15,861	48.29%	6,893	3,227,769
PRIBILOF	2,346,670	0	372,418	100.00%	335,176	2,011,494
SITKA	8,826,700	2,089,590	158,779	49.59%	70,865	6,666,245
SKAGWAY	1,133,990	372,867	0	66.83%	0	761,123
SOUTHEAST	4,152,270	0	460,952	100.00%	414,857	3,737,413
SOUTHWEST	7,727,480	0	1,076,436	100.00%	968,792	6,758,688
ST. MARY'S	1,496,940	18,174	122,527	71.74%	79,111	1,399,655
TANANA	1,231,590	23,772	178,213	18.57%	29,785	1,178,033
UNALASKA	2,653,500	1,015,620	363	63.92%	209	1,637,671
VALDEZ	5,233,190	1,795,535	43,787	46.08%	18,159	3,419,496
WRANGELL	3,169,560	543,719	1,812	44.85%	731	2,625,110
YAKUTAT	1,520,730	119,296	39,086	40.81%	14,356	1,387,078
YUKON FLATS	6,084,750	0	631,979	100.00%	568,781	5,515,969
YUKON/KOYUKUK	7,954,400	0	1,000,006	100.00%	900,005	7,054,395
YUPIIT	5,045,310	0	864,985	100.00%	778,487	4,266,823
ALYESKA CORRES.*	3,918,213	0	0	100.00%	0	3,918,213
MI. EDGE CUMBE	1,650,660	0	0	100.00%	0	1,650,660
TOTALS	\$776,971,213	\$123,061,240	\$45,299,784		\$30,097,433	\$623,812,540

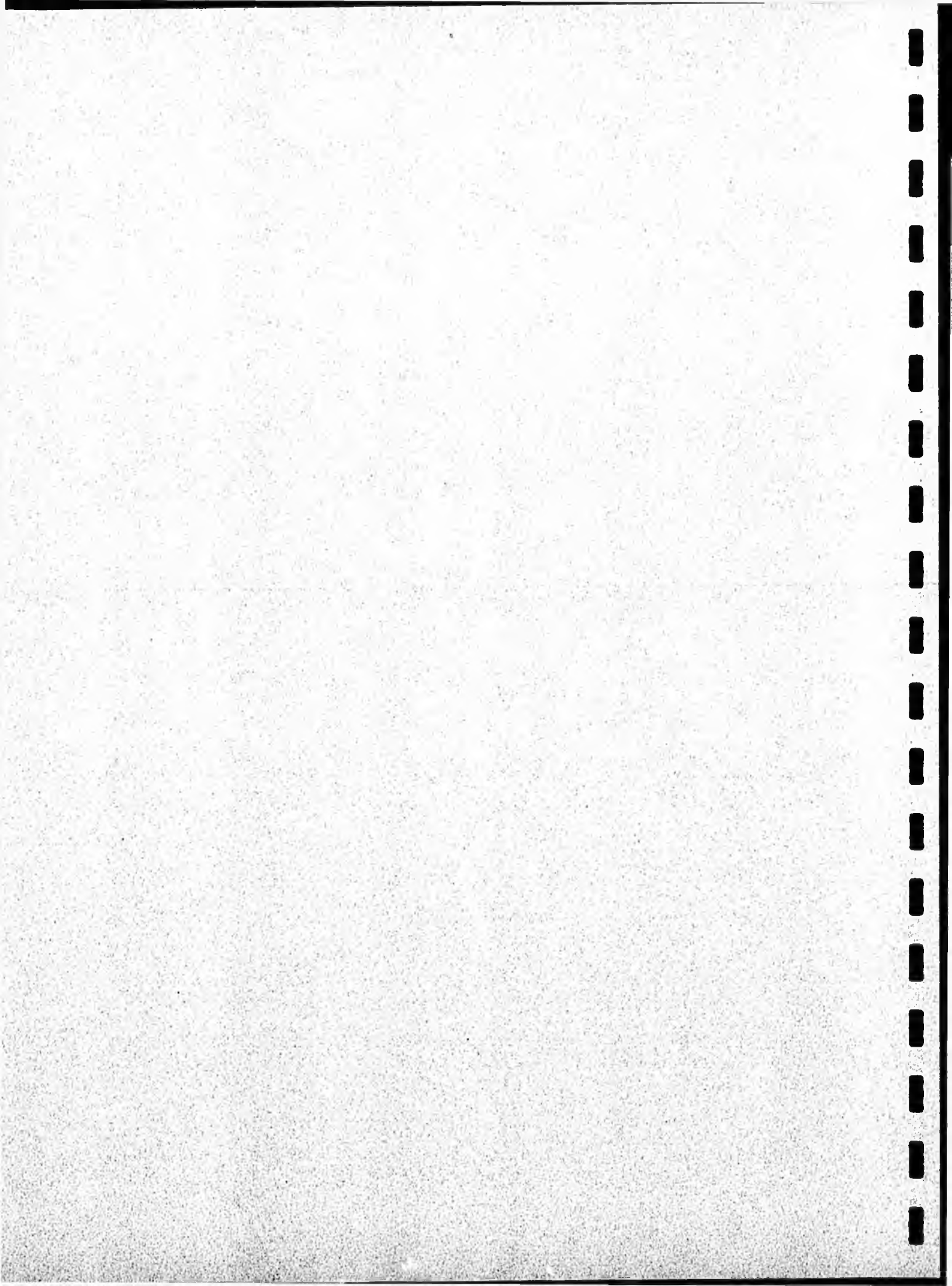
Impact Aid flow through	20,791,000
Military contracts and insurance	3,736,260
Estimated prior year adjustments	1,500,000
EST. FY97 FOUNDATION ENTITL	\$649,839,800

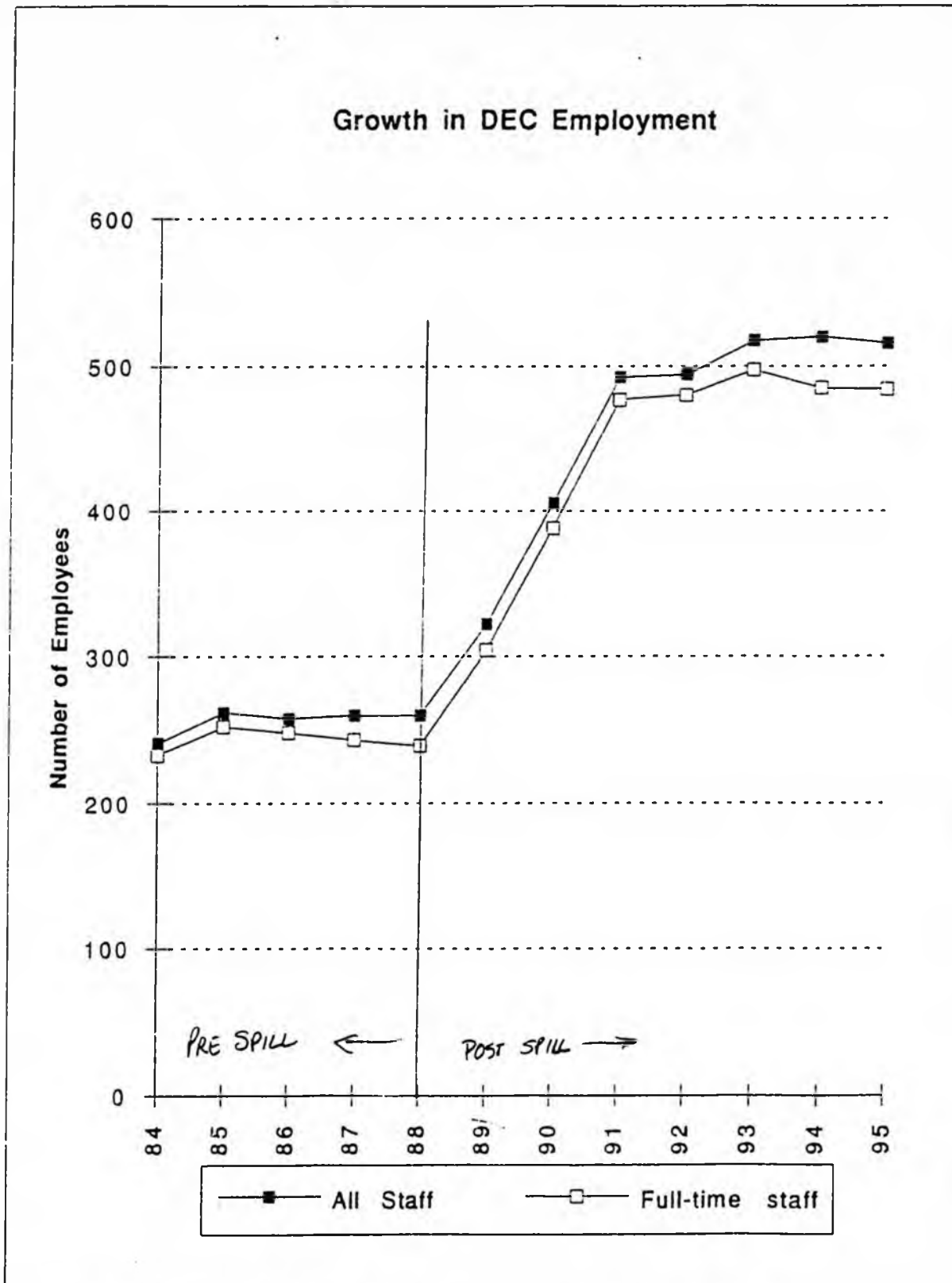
* State correspondence program basic need is adjusted by 65% in accordance with AS 14.17.022.

CA DEPARTMENT OF EDUCATION
 ECTED FY97 FOUNDATION PROGRAM ENTITLEMENTS

llment and units are based on the final, revised October 15 reports received from school districts.

	PROJ. FY97 ADM	K-12 UNITS	BIL./ BIC.	SPEC. ED.	VOC. ED.	FY97 PROJ. INSTR. UNITS	AREA DIFF.	ADJUSTED FY97 INSTR. UNITS
	0.00	0.00	0.00	0.00	0.00	0.00	1.27	0.00
CA GATEWAY	546.00	63.88	1.00	8.48	1.00	74.36	1.19	88.49
CAN REGION	21.00	4.13	1.00	1.00	1.00	7.13	1.31	9.34
CANS EAST	363.00	46.89	1.00	4.71	1.00	53.60	1.31	70.22
CRAGE	46,601.00	3,121.56	92.68	651.86	33.99	3,900.09	1.00	3,900.09
TE ISLANDS	441.00	35.40	1.00	6.34	1.00	43.74	1.03	45.05
G STRAIT	1,786.00	202.29	14.45	17.80	2.27	236.81	1.39	329.17
DL BAY	294.00	27.73	1.00	4.85	1.00	34.58	1.27	43.92
SIAM	345.00	46.48	1.00	4.65	1.00	53.13	1.03	54.72
ACH	137.00	23.03	1.00	1.46	1.00	26.49	1.14	30.20
R RIVER	635.00	68.43	1.00	7.84	1.00	78.27	1.14	89.23
DVA	536.00	41.42	1.00	7.20	1.00	50.62	1.11	56.19
	424.00	34.27	1.00	5.61	1.00	41.88	1.03	43.14
/GREELY	852.00	63.97	1.26	9.78	1.00	76.01	1.16	88.17
I	383.00	40.50	0.00	3.13	1.00	44.63	1.23	54.89
GHAM	598.00	45.87	1.72	10.23	1.00	58.82	1.27	74.70
ANKS	16,091.00	1,100.46	9.54	200.74	16.37	1,327.11	1.04	1,380.19
IA	160.00	16.67	1.00	2.64	1.00	21.31	1.30	27.70
S	443.00	36.87	1.00	5.18	1.00	44.05	1.05	46.25
AH	270.00	24.00	1.00	5.81	1.00	31.81	1.08	34.35
IURG	107.50	12.96	1.00	1.00	1.00	15.96	1.03	16.44
OD	443.00	64.10	1.36	7.35	1.38	74.19	1.33	98.67
U	5,552.00	376.82	6.97	95.54	4.98	484.31	1.00	484.31
	182.00	18.13	1.00	2.13	1.00	22.26	1.03	22.93
NAMIUT	252.00	22.80	1.44	2.18	1.00	27.42	1.33	36.47
	10,401.00	816.98	17.47	116.04	13.53	964.02	1.00	964.02
IKAN	2,850.00	197.46	2.18	24.06	4.00	227.70	1.00	227.70
OCK	230.00	21.33	1.00	3.58	1.00	26.91	1.03	27.72
C	2,897.21	230.35	6.42	31.20	3.34	271.31	1.09	295.73
K	498.00	65.52	1.00	5.53	1.00	73.05	1.33	97.16
ND PENN.	506.00	83.00	1.00	6.28	1.00	91.28	1.31	119.58
I KUSKOKWIM	3,537.50	354.76	94.27	37.18	4.05	490.26	1.42	696.17
I YUKON	1,761.39	181.37	3.52	17.24	1.89	204.02	1.35	275.43
J	12,115.00	905.02	12.95	141.00	7.48	1,066.45	1.00	1,066.45
A	170.00	17.33	1.00	2.47	1.00	21.80	1.20	26.16
	701.75	52.45	1.00	9.32	1.00	63.77	1.34	85.45
SLOPE	1,889.68	167.99	10.55	13.42	2.03	193.99	1.45	281.29
WEST ARCTIC	1,998.00	193.16	5.10	21.64	1.63	221.53	1.45	321.22
N	40.00	6.50	1.00	1.00	1.00	9.50	1.08	10.26
SBURG	774.00	57.43	1.00	7.06	1.00	66.49	1.00	66.49
DF	207.00	24.22	1.00	3.37	1.00	29.59	1.30	38.47
	1,803.00	128.33	1.00	13.43	1.94	144.70	1.00	144.70
AY	140.00	15.67	0.00	1.03	1.00	17.70	1.05	18.59
EAST	364.00	58.44	1.00	4.86	1.15	65.45	1.04	68.07
WEST	689.00	79.91	9.59	6.20	1.00	96.70	1.31	126.68
RY'S	140.00	15.33	1.00	1.55	1.00	18.88	1.30	24.54
A	100.00	12.33	1.00	1.20	1.00	15.53	1.30	20.19
SKA	360.00	30.00	1.00	2.25	1.00	34.25	1.27	43.50
Z	910.00	66.26	1.00	9.03	1.00	77.29	1.11	85.79
GELL	565.00	43.58	1.00	6.38	1.00	51.96	1.00	51.96
AT	173.00	18.91	1.00	2.17	1.00	23.08	1.08	24.93
FLATS	402.00	60.45	2.10	4.67	1.10	68.32	1.46	99.75
/KOYUKUK	624.00	83.49	2.31	8.68	2.83	97.31	1.34	130.40
	383.00	43.35	7.82	6.49	1.00	58.66	1.41	82.71
CA CORRES.	1,624.86	98.82	0.00	0.00	0.00	98.82	1.00	98.82
ECUMBE	275.00	23.76	1.00	1.00	1.30	27.06	1.00	27.06
S	126,591.89	9,692.16	335.70	1,576.84	141.26	11,745.96		12,771.82





Source: Legislative Finance Division.

oil spill - 3/24/89.

Rory Martin

Department of Environmental Conservation Employees			
FY84 to FY95			
	Full-time	Part-time	Temporary
FY84 Actual	233	5	3
FY85 Actual	252	7	3
FY86 Actual	248	10	0
FY87 Actual	243	17	0
FY88 Actual	239	21	0
FY89 Actual	304	18	0
FY90 Actual	388	17	0
FY91 Actual	477	15	0
FY92 Actual	480	14	0
FY93 Actual	497	10	10
FY94 Actual	485	19	16
FY95 Authorized	484	22	9

Oil spill - MARCH 24, 1989

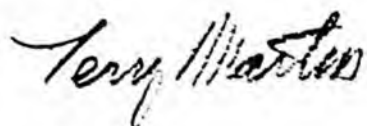
As an example, look at FY 93 actual funding breakdowns:

Personal Services	26,953.20	42.63%
Travel	2,156.50	3.41%
Contractual	23,643.70	37.40%
Commodities	815.00	1.29%
Equipment	1,154.90	1.83%
Lands/Buildings	9.80	0.02%
Grants, Claims	8,192.40	12.96%
Miscellaneous	296.20	0.47%
Total	63,221.70	100.00%

Funding Sources:

1002 Fed Rcpts	7,243.80	11.46%
1003 G/F Match	2,450.40	3.88%
1004 Gen Fund	15,687.20	24.81%
1005 GF/Prgm	405.90	0.64%
1007 I/A Rcpts	685.00	1.08%
1018 EVOSS	1,062.20	1.68%
1052 Oil/Haz Fund	18,595.70	29.41%
1055 IA/OIL Haz	8,688.50	13.74%
1061 CIP Rcpts	367.60	0.58%
1075 Clean Wtr	87.90	0.14%
1079 Storg Tank	7947.5	12.57%
Total	63,221.70	100.00%

Source: Legislative Finance Division.



**Department Of Community & Regional Affairs
General Fund Program & Administrative Funds
Summary of Changes: FY 96 Authorized to FY 97 Governor Request**

Decreases

Phase out of Municipal Land Trustee Program	91.0
Alaska Coastal Mgmt. Plan Program	100.0
Administrative Service Division Streamlining	157.0
Energy Division Operations (Circuit Rider Program, equipment, other personnel)	495.0
Economic Development Personnel	150.0
Total Decreases	993.0

Increases

Rural Utility Business Assistance (transfer from DEC)	135.0
Rural Utility Business Assistance (Education/Training)	50.0
Other Adjustments (ie; OMB adjustments for salary increases, risk management; chargeback)	125.0
Total Increases	310.7
Net Decrease from FY 96 Authorized	682.3
% Decrease	6.6%

FY 97 Budget — Agency Overview
Department of Community and Regional Affairs

DCRA Mission

To foster the development of self reliant and productive individuals, families and communities by providing training, technical assistance and financial support.

Major Goals and Strategies

Strengthen Communities

- Increase the capacity of local government to effectively provide basic public services by providing communities training and onsite technical assistance.
- Support the provision of basic local government services by providing financial assistance (State Revenue Sharing, Municipal Assistance) that supplements local revenue generation.
- Support the provision of local power generation at a reasonable cost and quality that can serve as a foundation for local economic development and community development.
- Improve the safety and cost effectiveness of energy sources for power generation and heating in rural Alaska by constructing and repairing bulk fuel storage facilities.
- Ensure that the significant investment in rural infrastructure is properly managed and maintained by providing technical assistance targeted at rural utility business management.
- Promote local economic development projects with targeted funding and Economic Development Specialist positions who can serve as catalysts to help make projects succeed.

Strengthen Families

- Improve the overall quality of life of low-income children and parents through a comprehensive Head Start program of education, health, nutrition, social services, parent involvement and career development.
- Ensure parents access to affordable, high quality child care programs by providing funding and technical assistance to care givers and parents, allowing parents to take advantage of job training and work opportunities.

Strengthen Individuals

- Ensure that residents of small rural communities in Western Alaska get the maximum benefits from their participation in the Community Development Quota (CDQ) program, a fisheries development initiative.
- Provide individual Alaskans with the job training programs they need through the federal Job Training Partnership Act (JTPA) and the state-funded State Training and Employment Program (STEP).

Key Performance Measures, FY 97

- ◆ **Child Care:** Department supported child care programs will serve 3,650 children and 550 child care providers.
- ◆ **Head Start:** Head Start services will be provided to an additional 256 children, three years old and younger, in the Bethel region through a new Early Head Start grant. Head Start will also provide program related jobs and training for 575 community residents, at least 50% of whom are, or were, Head Start parents.
- ◆ **Bulk Fuel Storage:** The bulk fuel storage facility problems will be fully resolved in two communities by building new facilities; or bulk fuel storage facilities will be brought up to acceptable standards in about 10 communities.
- ◆ **Rural Power Systems:** Power system upgrades will be completed in at least three rural communities.
- ◆ **Community Development Quota Program (CDQ):** All six CDQ groups will have met the goal and milestones set out in their respective CDQ Community Development Plans.
- ◆ **Rural Utility Business Assistance:** 5 more rural communities will have been provided adequate utility bookkeeping systems.
- ◆ **Internal Revenue Service Community Work Out Plans:** Staff will have facilitated negotiations between IRS and communities to develop work out plans on past due taxes and abate over \$50,000 in tax penalties for these communities.
- ◆ **Military Base Closure Assistance:** Staff will have facilitated local efforts to complete a base re-use plan for Adak; and a preliminary economic recovery strategy and base re-use plan for Fort Greely/Delta Junction.

Other Key Issues

Revenue Sharing: The Alaska Municipal League has initiated a proposal to combine and modify the department's two major local government financial assistance programs, State Revenue Sharing and Municipal Assistance. The key element of this proposal is to tie the combined funding level of the two programs to a percentage of the state's annual operating budget.

Power Cost Equalization: At present rates of expenditure, the Power Cost Equalization and Rural Electric Capitalization Fund will be reduced to zero within the next 3 years. Abrupt termination of the program could have severe economic consequences in rural Alaska.

Senior Citizens/Veterans Tax Exemption Programs: These programs are mandated by the state. While the state previously distributed full funding to municipalities to make up for local revenues not collected due to these programs, these reimbursements have been reduced dramatically. To enhance local revenue generation capacity and support the provision of local services, this state mandate should be eliminated and such exemptions made a local government option.

JTPA Federal Reductions: Due to major changes in Congressional legislation on work force development delivery systems, the JTPA Office will face a reduction in administrative funds available to the department.

Human Resource Investment Council: This new entity, created through the efforts of this department, other state agencies and the private sector, will provide a streamlined approach to providing employment and training services to an increasing number of Alaskan residents. The new council merges the focus, planning and oversight activities of three formerly separate advisory boards into one board.

Efficiencies and Economies

Division of Administrative Services - A general fund reduction of \$157.0 in personal services will occur with a corresponding deletion of four positions. Clerical, administrative, fiscal and audit procedures will be streamlined.

Division of Community and Rural Development - Achieve overall general fund savings by reducing personal services and streamlining rural development grants and other economic development functions with those of the Department of Commerce and Economic Development.

Division of Energy - Elimination of all contractual funds associated with the Circuit Rider Maintenance program will save \$375,000 per year. Elimination of the Division's office in Juneau will save \$120,000 in personnel costs each year. An additional \$25,000 will be saved by reducing equipment purchases. Though some funds are expected to be recouped through loan and grant programs, the division will be implementing a 3-year plan of down-sizing and concentration of efforts on rural utility programs.

Division of Municipal and Regional Assistance - FY 97 will be the first year in a 2-year planned elimination of the Municipal Lands Trustee (MLT) program. In FY 97, \$91.0 will be cut, followed by an additional \$63 cut in FY 98.

Department of Community Regional Affairs
 Summary Of General Fund Changes
 FY 96 Authorized to FY 97 Governor's Request

	FY 96 Authorized	FY 97 Gov. Request	Increase (Decrease)	%
Total General Funds	90333.6	83031.5	-7302.1	8.1%
Formula Funded Programs				
Homeowners' Property Tax Exemption	1163.8	0.0	-1163.8	
Renters' Equivalency Rebate	336.2	300.0	-36.2	
State Revenue Sharing	26271.7	24170.0	-2101.7	
Municipal Assistance	31959.0	29402.3	-2556.7	
Total Formula Funded	59730.7	53872.3	-5858.4	9.8%
Pass Through Funds				
Alaska Legal Services	261.0	261.0	0.0	
Designated Grant	0.0	80.0	80.0	
Rural Utility Business Assistance	0.0	90.0	90.0	
Child Care Grants	2255.8	2255.8	0.0	
Day Care Assistance, Resource & Referral Grants, Ed. & Training	11211.1	11211.1	0.0	
Head Start Grants	5529.8	5529.8	0.0	
Rural Development Assistance Grants*	906.4	0.0	-906.4	
Grants to Utilities for Electrical Equip.	25.0	0.0	-25.0	
Total Pass Through Funds	20189.1	19427.7	-761.4	3.8%
Total Pass Through & Formula Funds	79919.8	73300.0	-6619.8	8.3%
Program & Administration	10413.8	9731.5	-682.3	6.6%

*800.0 Requested in Capital Budget

**Department Of Community & Regional Affairs
General Fund Program & Administrative Funds
Summary of Changes: FY 96 Authorized to FY 97 Governor Request**

Decreases

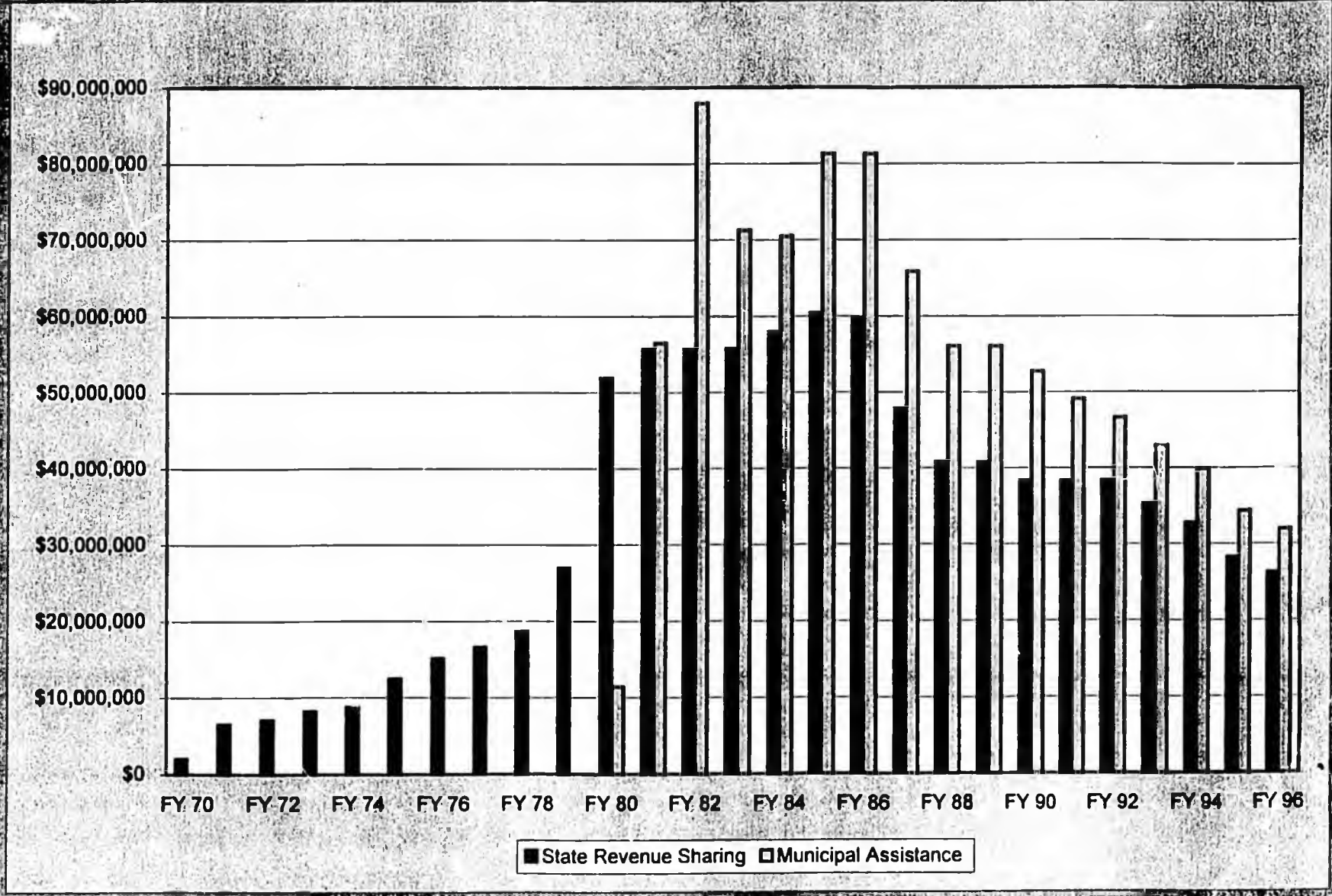
Phase out of Municipal Land Trustee Program	91.0
Alaska Coastal Mgmt. Plan Program	100.0
Administrative Service Division Streamlining	157.0
Energy Division Operations (Circuit Rider Program, equipment, other personnel)	520.0
Economic Development Personnel	150.0
Total Decreases	1018.0

Increases

Rural Utility Business Assistance (transfer from DEC)	135.0
Rural Utility Business Assistance (Education/Training)	50.0
Other Adjustments (ie; OMB adjustments for salary increases, risk management; chargeback)	150.0
Total Increases	335.7
Net Decrease from FY 96 Authorized	682.3
% Decrease	6.6%

Funding History of State Revenue Sharing - Municipal Assistance

	State Revenue Sharing	Municipal Assistance
FY 70	\$2,020,000	
FY 71	\$6,500,000	
FY 72	\$7,085,000	
FY 73	\$8,215,000	
FY 74	\$8,777,000	
FY 75	\$12,458,626	
FY 76	\$15,130,100	
FY 77	\$16,596,657	
FY 78	\$18,656,800	
FY 79	\$26,944,912	
FY 80	\$51,900,000	\$11,399,999
FY 81	\$55,707,600	\$56,496,000
FY 82	\$55,707,600	\$87,929,546
FY 83	\$55,721,000	\$71,300,000
FY 84	\$57,950,000	\$70,500,000
FY 85	\$60,350,000	\$81,306,800
FY 86	\$59,632,200	\$81,306,800
FY 87	\$47,879,100	\$65,858,500
FY 88	\$40,773,400	\$56,084,400
FY 89	\$40,773,400	\$56,084,400
FY 90	\$38,347,000	\$52,747,000
FY 91	\$38,347,000	\$49,103,200
FY 92	\$38,347,000	\$46,648,000
FY 93	\$35,279,200	\$42,916,200
FY 94	\$32,809,700	\$39,912,100
FY 95	\$28,249,133	\$34,364,367
FY 96	\$26,271,700	\$31,959,000



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Copies of minutes listed below were originally included in this file. The minutes are available on the legislative computer database. In order to save space copies of minutes have not been left in the files.

Mary Pagenkopf

HFIn 1/16/96 1:35 p.m.

1/16/96

Labor

EMPLOYMENT SECURITY DIVISION

EMPLOYMENT/UNEMPLOYMENT SERVICES

The primary reason the Employment Security Division exists is to ease the negative effects that involuntary unemployment has on Alaska's wage earners, their families, communities, and all Alaskans by advancing their opportunities for profitable employment, and by administering a partial wage replacement program for eligible workers.

The Employment Services program provides labor exchange services to Alaskans, including recruiting job seekers, obtaining job openings from employers, matching and referring qualified applicants to jobs, vocational counseling and testing, maintaining a statewide job listing, assisting employers with special occupational needs, and disseminating labor market information.

The Unemployment Insurance program collects employer contributions for deposit in the UI Trust Fund and pays benefits to workers who are temporarily unemployed and looking for work. Unemployment in Alaska is highly seasonal, with a high volume in winter months, and low during summer. For the past ten years, \$1.3 billion was paid in Unemployment Insurance benefits. In 1994, there were 120,000 new claims for regular benefits.

ALASKA WORK PROGRAMS

The Alaska Work Programs operate the JOBS and Food Stamp Employment & Training programs and participates in a partnership between the division and the Department of Health & Social Services, Division of Public Assistance to enable Aid to Families with Dependent Children and Food Stamp recipients to attain economic self-sufficiency. Services provided include: assessment, testing, counseling, employability planning, case management, job readiness and job search activities, placement and job development assistance to the program participants.

STATE TRAINING AND EMPLOYMENT PROGRAM

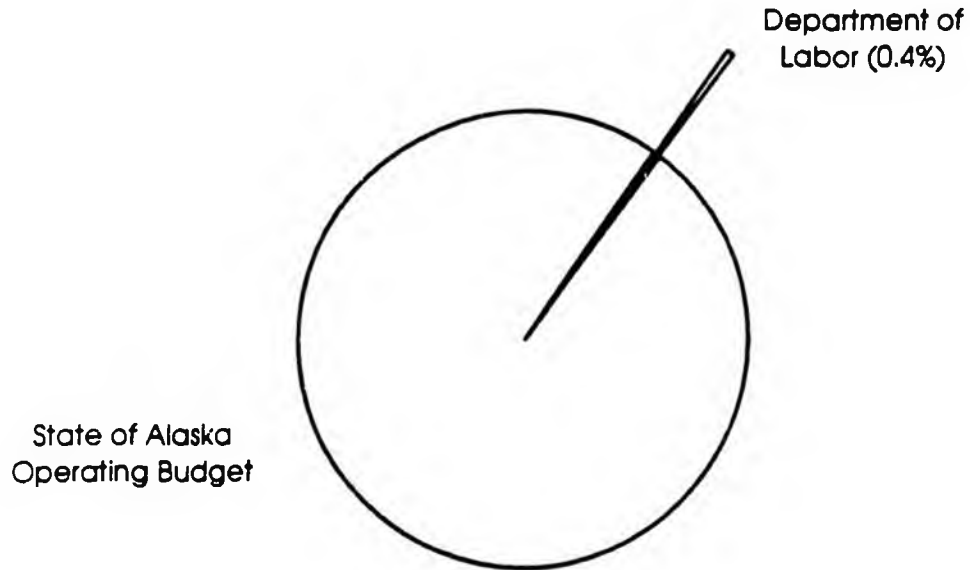
The Alaska State Training and Employment Program (STEP) was established to help increase training opportunities for Alaska's workers, especially those severely affected by fluctuations in the state's labor market and provides a job ready workforce upon which new and expanding businesses can draw. Priority for service is given to individuals currently receiving unemployment, women, minorities, and/or rural Alaskans, persons enrolled in the Unemployed Parent Program of AFDC, persons responsible for court-ordered child support payments, persons lacking skills or whose skills have been outdated by technological change, and individuals whose annual income is less than the Alaska Annual Average Wage (\$31,892) as determined by the Alaska Department of Labor. As of June 30, 1994, nearly 4,700 participants have

Attachment 2
1/16/96
Labor

ALASKA DEPARTMENT OF LABOR

FY 97 BUDGET OVERVIEW

FY 96 General Fund Operating Budget Comparison



DEPARTMENT OF LABOR

AGENCY CONTACTS

Tom Cashen, Commissioner	465-2700
Ed Flanagan, Deputy Commissioner	465-2700
Dwight Perkins, Special Assistant	465-2700
Jan Hart DeYoung, Hearing Examiner Alaska Labor Relations Agency	269-4895 (Anchorage)
Arbe Williams, Director Administrative Services Division	465-2720
Paul Grossi, Director Worker's Compensation Division	465-2790
Al Dwyer, Director Labor Standards & Safety Division	269-4914 (Anchorage) 465-4855 (Juneau)
Rebecca J. Nance, Director Employment Security Division	465-2712

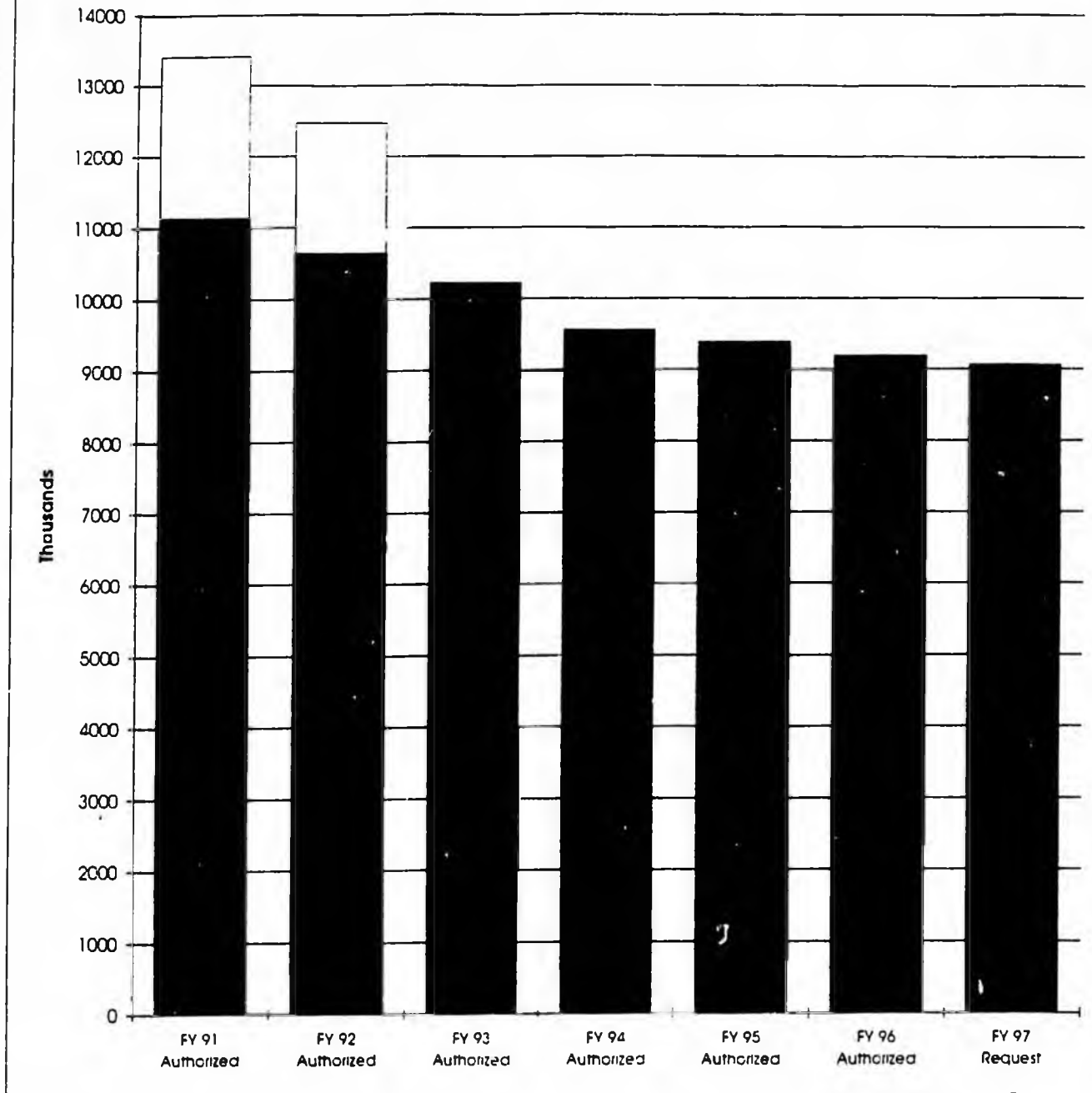
State of Alaska
 FY 96 Authorized Budget Comparison

1/10/96

Source: Legislative Finance Summary dated 01/09/96

	General Funds		Total Funds	Positions			
				PFT	PPT	Non-Perm	
1. Education	677,792.8	1. Education	906,269.8	1. University of Alaska	3,464	243	0
2. Health & Social Services	357,384.3	2. Health & Social Services	861,479.1	2. Transportation	2,687	777	0
3. Administration	168,126.7	3. University of Alaska	442,511.6	3. Health & Social Services	2,078	59	16
4. University of Alaska	167,160.9	4. Transportation	336,228.6	4. Corrections	1,349	6	21
5. Transportation	129,764.6	5. Administration	256,480.7	5. Administration	1,102	94	69
6. Corrections	128,503.5	6. Community & Regional Aff.	147,912.7	6. Public Safety	865	55	2
7. Community & Regional Aff.	90,333.6	7. Corrections	137,909.9	7. Revenue	760	55	72
8. Public Safety	85,356.6	8. Revenue	119,003.2	8. Fish & Game	732	813	64
9. Alaska Court System	45,868.9	9. Public Safety	99,314.3	9. <u>Labor</u>	669	46	0
10. Natural Resources	42,763.4	10. Fish & Game	93,170.7	10. Alaska Court System	652	39	21
11. Fish & Game	40,522.0	11. Natural Resources	62,626.5	11. Natural Resources	583	240	818
12. Commerce	37,013.5	12. <u>Labor</u>	61,591.5	12. Environmental Conservation	498	14	11
13. Legislature	30,941.9	13. Commerce	61,309.6	13. Education	471	101	5
14. Law	19,822.4	14. Law	55,432.8	14. Law	439	6	0
15. Governor	18,069.4	15. Environmental Conservation	46,931.4	15. Commerce	395	15	0
16. Environmental Conservation	17,978.4	16. Alaska Court System	46,308.2	16. Legislature	242	272	0
17. Revenue	12,085.3	17. Military & Vet Affairs	31,824.8	17. Community & Regional Aff.	185	7	1
18. <u>Labor</u>	9,177.2	18. Legislature	31,053.9	18. Governor	179	1	23
19. Military & Vet Affairs	6,915.8	19. Governor	21,375.3	19. Military & Vet Affairs	156	0	45
Total	2,085,581.2	Total	3,818,734.6	Total	17,506	2,843	1,168

Alaska Department of Labor - GENERAL FUNDS



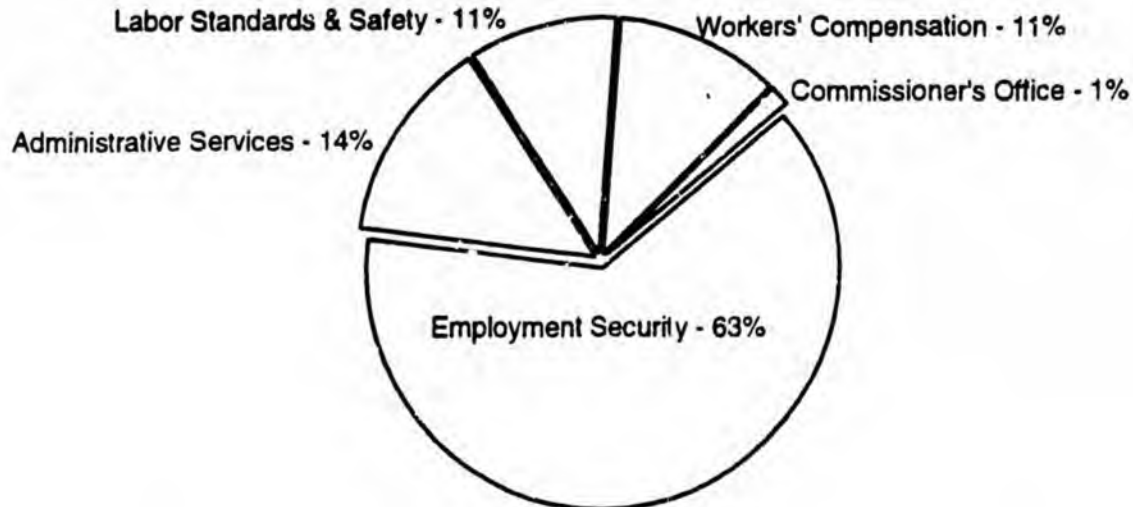
Note: During FY 91 & FY 92 the State Training & Employment Program (STEP) was classified as general funds. In FY 93 STEP classification was changed to non-general funds. Amounts for the STEP program are shown as unshaded in the appropriate years.

Major Fund Changes

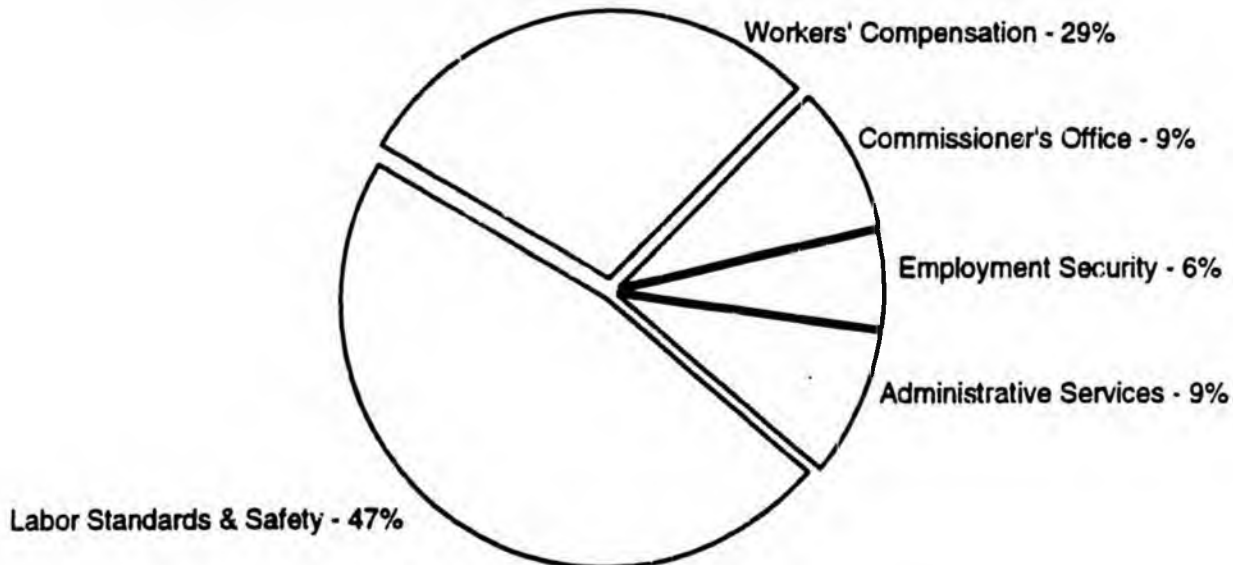
- FY 91 - FY 92 Decreases for 5%- reductions and STEP
- FY 92 - FY 93 Increase for DP Chargeback, STEP fund source change, Unallocated & Misc cuts
- FY 93 - FY 94 Reductions to Labor Market Info, Comm. Offs, Work Comp, Labor Standards & Safety
- FY 94 - FY 95 Reductions to Data Processing, Labor Market Info and Occ Safety & Health
- FY 95 - FY 96 Reduction to Occupational Safety & Health
- FY 96 - FY 97 Reductions to Wage & Hour and Mechanical Inspection

Department of Labor

FY 97 Operating Budget Request by Division



FY 97 GENERAL FUND Operating Budget Request by Division

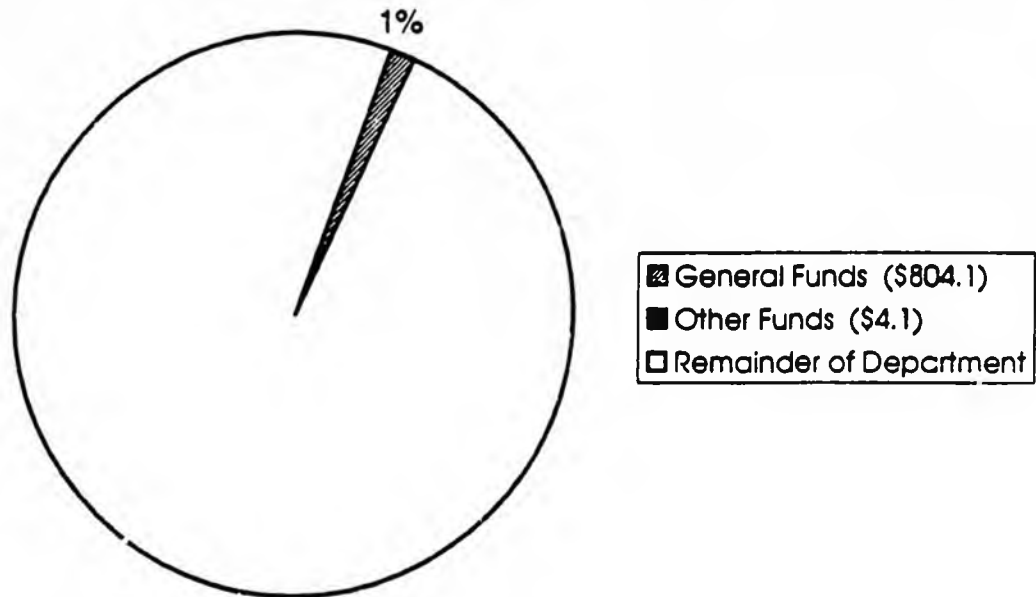


The Department is comprised of the Commissioner's Office, which includes the Alaska Labor Relations Agency, and four divisions:

- Administrative Services
- Employment Security
- Labor Standards & Safety
- Workers' Compensation

The Department of Labor's mission as set out in Title 23 is to foster and promote the welfare of the wage earners in the state, improve their working conditions and advance their opportunities for profitable employment.

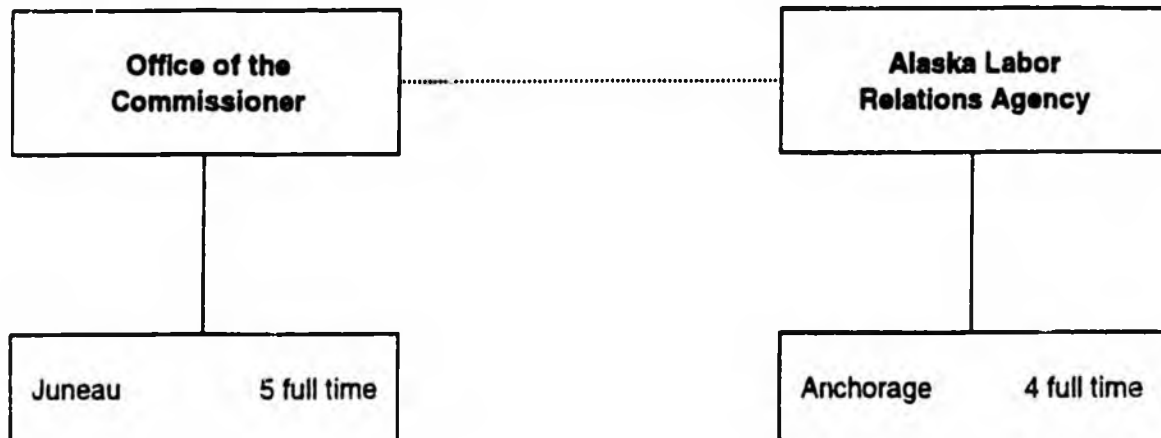
COMMISSIONER'S OFFICE



Department of Labor's FY 97 Budget Request

The Office is comprised of two components:

- Office of the Commissioner
- Alaska Labor Relations Agency



COMMISSIONER'S OFFICE

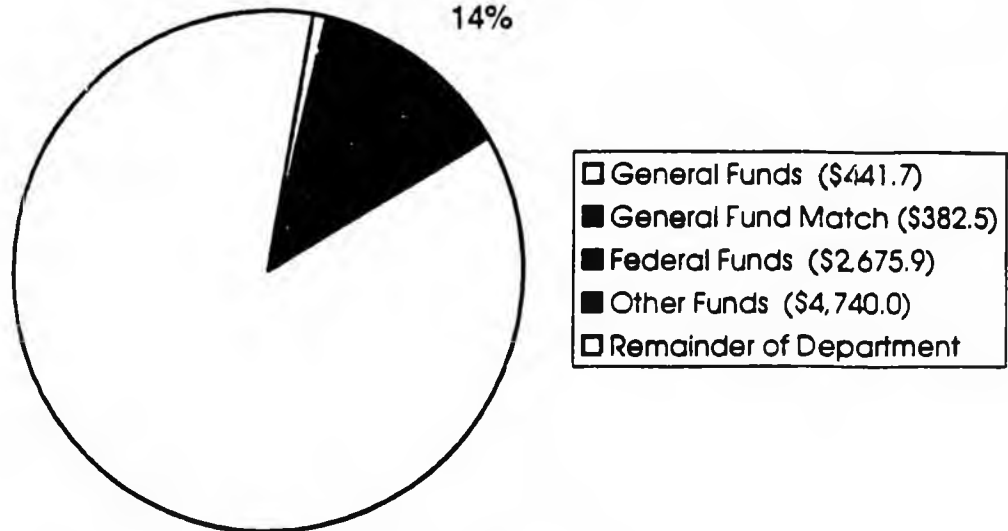
COMMISSIONER'S OFFICE

The Commissioner's Office is the policy arm of the department and focuses operations on the purpose of the department which is to foster and promote the health, safety, and economic well being of Alaska's workers.

ALASKA LABOR RELATIONS AGENCY

The Alaska Labor Relations Agency administers the Public Employment Relations Act and the Alaska Railroad's laws for public employers in the state. This includes the State, University, Railroad, political subdivisions, and school districts. The Agency's principal role is to referee disputes between organized labor and public employers. The Agency's methods can be informal, through conciliation, or formal, through quasijudicial administrative hearings.

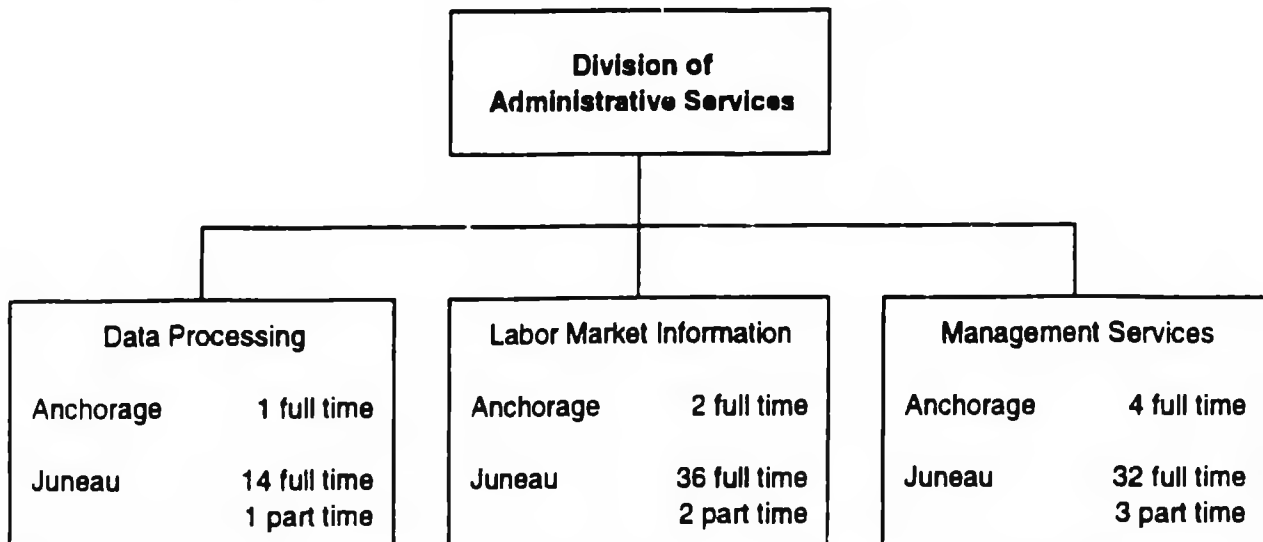
ADMINISTRATIVE SERVICES DIVISION



Department of Labor's FY 97 Budget Request

The Division is comprised of three components:

- Data Processing
- Labor Market Information
- Management Services



ADMINISTRATIVE SERVICES DIVISION

DATA PROCESSING

Data Processing Operations provides the internal data processing support necessary for department programs to operate as efficiently, effectively and economically as possible. Services include: long-range planning, coordination of operations with the Department of Administration and other agencies to facilitate public access to services; LAN operation and maintenance; development of hardware and software standards; application installation and maintenance; equipment installation and repair; database management; and computer security.

LABOR MARKET INFORMATION

The Labor Market Information component funds the department's Research & Analysis (R&A) section and produces economic and demographic information to support the advancement of meaningful job opportunities for Alaskans. The R&A section is the primary source of Alaska's labor market information and demographic data.

This section prepares and provides monthly analysis on the condition of Alaska's labor market through the department's Alaska Economic Trends publication. Surveys of Alaska wage rates as well as forecasts of employment and occupational staffing patterns are developed to aid Alaskans in selecting their future careers. To assist the state's efforts to promote the hiring of resident Alaskans, reports on resident hire are also prepared.

Information on the size and structure of Alaska's population is prepared by this section. Electronic census geographic information to enhance the accuracy of the decennial census and facilitate the state's redistricting work is also produced by R&A.

The section also provides housing market information and affordability indices for communities throughout the state as well as information on occupational injuries and pre and post training earnings. Information provided by this section supports the state's employment and training initiatives.

MANAGEMENT SERVICES

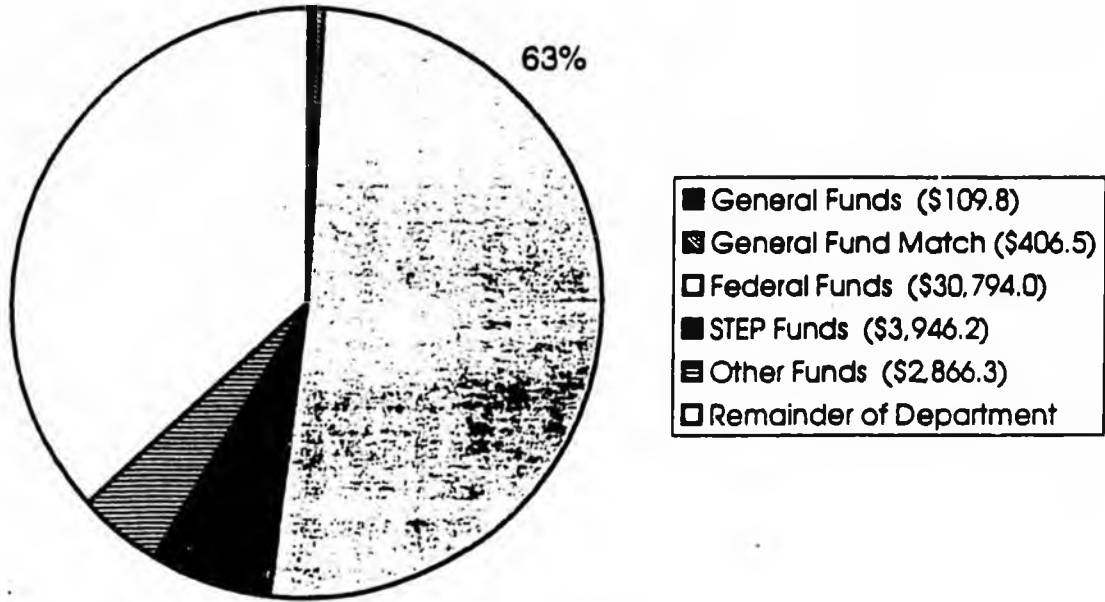
Services consist of budget planning, monitoring and reporting; federal, state and unemployment insurance trust fund accounting; publications; personnel management, training, affirmative action activities and labor relations; systems analysis and computer programming; and purchasing, supply, mail and office space management. These services are provided to all agencies in the department.

ADMINISTRATIVE SERVICES DIVISION (Continued)

DIVISION HIGHLIGHTS

The Department of Labor continues to operate under an agreement with the Department of Administration which caps the chargeback of costs for data processing operations. The cap was increased by \$316.0 to \$1,600.0 for FY 97. In order to provide direction to minimize chargeback costs and to support the department's programs efficiently, Data Processing Operations has been reorganized. Under the direction of the Director of the Administrative Services Division, the Manager of Information Services now supervises all mainframe and network programming and system support staff.

EMPLOYMENT SECURITY DIVISION



Department of Labor's FY 97 Budget Request

The Division is comprised of four components:

- Alaska Work Programs (JOBS)
- Employment/Unemployment Services
- Governor's Committee on Employment of People with Disabilities
- State Training & Employment Program

Division of Employment Security					
Anchorage	110 full time 1 part time	Juneau	166 full time 25 part time	Seward	4 full time 1 part time
Bethel	1 full time 1 part time	Kenai	22 full time 3 part time	Sitka	5 full time 1 part time
Dillingham	2 full time	Ketchikan	18 full time	Soldotna	2 full time
Eagle River	8 full time	Kodiak	6 full time 3 part time	Tok	1 full time 1 part time
Fairbanks	44 full time 1 part time	Kotzebue	2 full time 1 part time	Valdez	5 full time 1 part time
Glennallen	1 full time 1 part time	Nome	4 full time	Wasilla	21 full time
Homer	4 full time 1 part time	Petersburg	2 full time		

EMPLOYMENT SECURITY DIVISION

EMPLOYMENT/UNEMPLOYMENT SERVICES

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EMPLOYMENT SECURITY DIVISION (Continued)

received STEP training. One-tenth of one percent of each worker's wages subject to regular UI contributions is collected by DOL and put into a special account. The money is appropriated by the Legislature to fund STEP. STEP expenditures for fiscal year '94 were \$2.9 million.

The STEP pilot program is scheduled to sunset June 30, 1996. Legislation has been drafted to create a permanent program starting in FY 97.

GOVERNOR'S COMMITTEE ON EMPLOYMENT OF PEOPLE WITH DISABILITIES

The Committee was established in 1960 and exists to promote and empower people with disabilities to gain, retain, and advance in employment in Alaska. A new Committee project, Interagency Vocational and Employment Network (IVEN), has become the catalyst for coordination among service providers who help place people with disabilities in jobs. The network is with service providers in the Anchorage/Mat-Su area and Fairbanks. By providing a centralized location with an applicant pool of job-ready individuals with disabilities, employers have one number to call to learn if a qualified worker is available. The program boasts cooperative relationships with some of Alaska's largest, private employers.

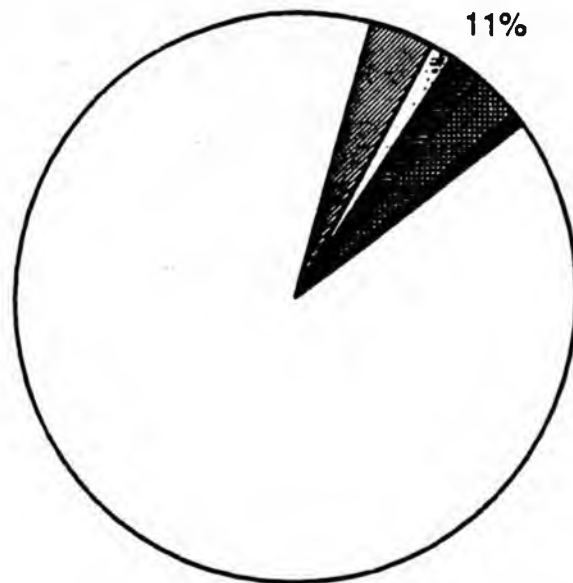
DIVISION HIGHLIGHTS

In order to promote year-round employment and resident hire in the seafood industry, the division has established a seafood office. The office's primary mission is to work with Alaska's seafood industry processors to build partnerships that will provide a stable workforce for processors with an emphasis on the employment of Alaskans and progression into quality year-round jobs. The recruitment of rural Alaskans is a priority and the experience and expertise of the Department of Community and Regional Affairs is being utilized to build upon and expand the rural seafood job placement successes of the CDQ program.

Through the Alaska Human Resource Investment Council, the division continues its commitment to collaborate with its employment and training partner agencies with a focus on enacting a comprehensive human resource policy for Alaska and to establish a viable workforce development system accessible to all Alaskans seeking jobs and job training.

In 1995 the JOBS program moved 2,383 AFDC clients into paid employment. 1,405 parents closed their JOBS case and went off AFDC. More than doubling the average monthly caseload of 900 clients in FY 93, the Alaska JOBS program served an average of 1,860 clients per month in 1995, yet the cost per client continued to decline. In FY 95, the average cost per JOBS parent was \$2,133, down 28% from FY 94's cost of \$2,959, and 54% from FY 93's cost of \$4,674. JOBS caseload growth continued to outpace AFDC growth, when since June 1992, JOBS cases grew 15% compared to AFDC case growth of 7%.

LABOR STANDARDS & SAFETY DIVISION

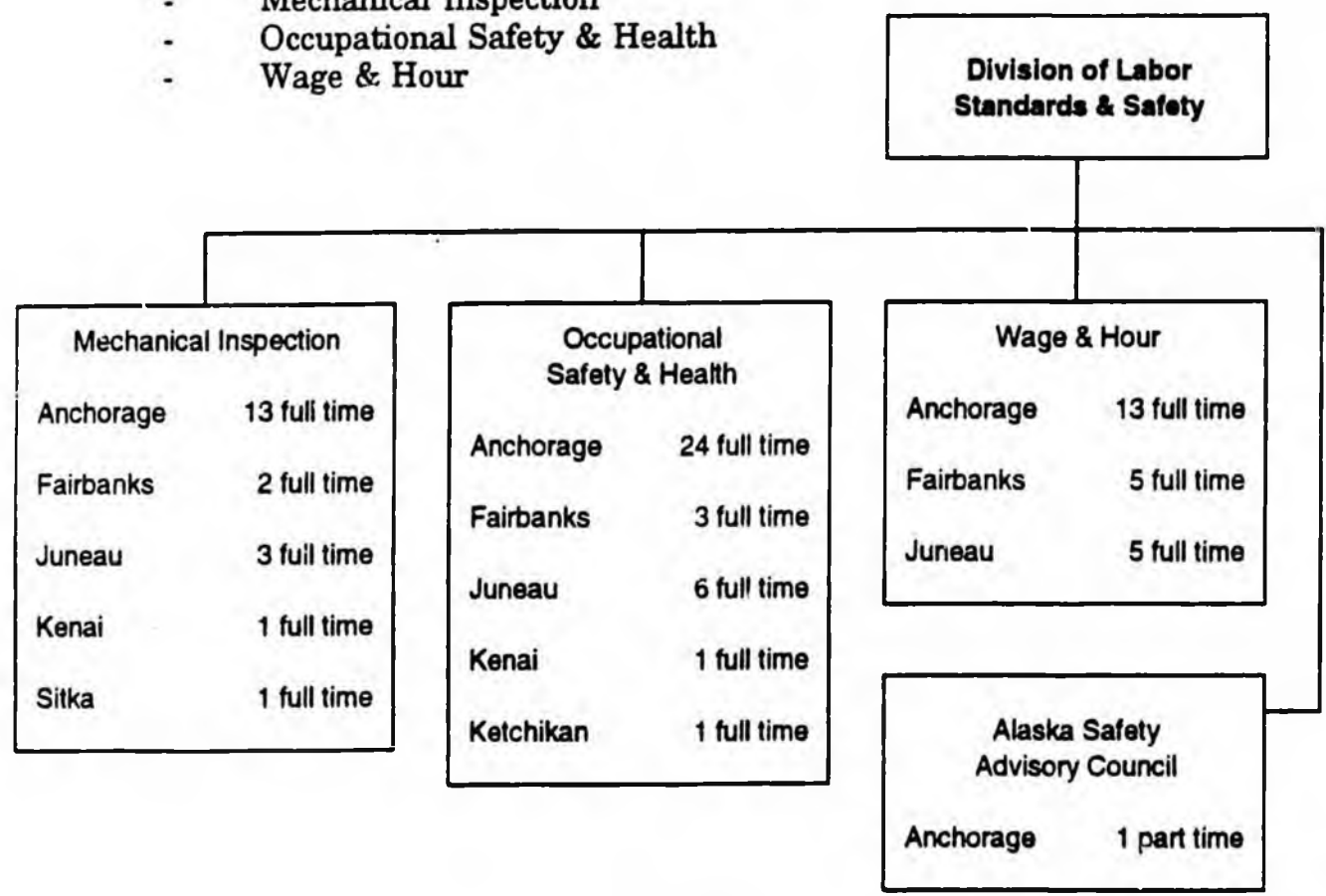


	General Funds (\$2,163.2)
	Program Receipts (\$875.2)
	General Fund Match (\$1,230.7)
	Federal Funds (\$1,637.1)
	Other Funds (\$400.1)
	Remainder of Department

Department of Labor's FY 97 Budget Request

The Division is comprised of four components:

- Alaska Safety Advisory Council
- Mechanical Inspection
- Occupational Safety & Health
- Wage & Hour



LABOR STANDARDS & SAFETY DIVISION

ALASKA SAFETY ADVISORY COUNCIL

The Alaska Safety Advisory Council provides assistance to various state agencies by making recommendations on proposed legislation and regulations dealing with safety, health, and injury prevention, also the Council works to promote coordination of state and federal programs that deal with accident prevention. In addition the Council organizes, promotes and holds the annual Governor's Safety Conference to bring together Alaskans interested in safety & health matters.

MECHANICAL INSPECTION

The Mechanical Inspection program provides the public with protection from the following dangers: improperly installed or improperly maintained boilers, pressure vessels, elevators, wheelchair lifts and recreational devices such as ski lifts, tramways, and amusement rides; sub-code electrical and plumbing installations and incompetent installers.

OCCUPATIONAL SAFETY & HEALTH

The Occupational Safety & Health program, through regulation development and enforcement, inspections, training and the distribution of applicable information, attempts to lower the number of industrial fatalities, injuries and illnesses suffered by Alaskan workers. The program also certifies individuals to perform hazardous work including asbestos removal, hazardous painting and explosives handling.

WAGE & HOUR

The Wage & Hour program promotes the welfare of the wage earner in the state by ensuring compliance with the state's labor laws relative to payment of wages, minimum wage, overtime, family leave, employment preference and prevailing wage; and protects minors from abuse and exploitation in the workplace. The program also protects the general public from unscrupulous business operations of unlicensed construction contractors and employment agencies.

DIVISION HIGHLIGHTS

The Wage & Hour program recovers in excess of \$1 million in wages for approximately 2,100 employees annually.

The five year occupational fatality average for occupations covered by the Occupational Safety & Health program has declined by more than 54% since the inception of the program. In comparing 1993 with the previous year, lost time injuries were reduced 10% and money paid out in workers' compensation claims was reduced by \$3.3 million.