

834

HHES S

HB 651

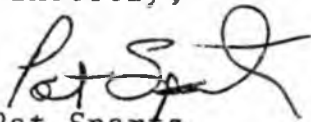
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HB 720

854

We deeply appreciate the concern of yourself and your Committee for the community college programs in Alaska. If we can be of further assistance please call on us.

Sincerely,



Pat Spartz
Faculty Autonomy Committee
Anchorage Community College

P.S. I've taken the liberty of sending copies of this to George Hohman and Terry Stimson, cosponsors of SB483. Both expressed their support of an interim study.

c: Kerry Romesburg, Postsecondary Education Commission
Senator George Hohman
Senator Terry Stimson

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSHB 651
 Title Study of Community College System
 Requested by House HESS Date 4/4/80

II. FISCAL DETAIL

Agency Affected EDUCATION
 Program Category Affected Alaska Commission on Postsecondary Education
 BRU, Program, or Subprogram(s) Affected Commission on Postsecondary Education
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

| | FY 79 | FY 80 | FY 81 | FY 82 | FY 83 | FY 84 |
|--------------------------|-------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES | | | 16.0 | | | |
| 200 TRAVEL | | | 48.9 | | | |
| 300 CONTRACTUAL | | | 10.1 | | | |
| 400 COMMODITIES | | | .5 | | | |
| 500 EQUIPMENT | | | 0 | | | |
| 600 LAND & STRUCTURES | | | 0 | | | |
| 700 GRANTS, CLAIMS, ETC. | | | 0 | | | |
| TOTAL | 0 | 0 | 75.5 | 0 | 0 | 0 |

FUNDING (Thousands of Dollars)

| | N.A. | N.A. | 75.5 | N.A. | N.A. | N.A. |
|-----------------------------|------|------|------|------|------|------|
| GENERAL FUND | | | | | | |
| FEDERAL FUNDS | | | 0 | | | |
| OTHER (Specify Fund Source) | | | | | | |

POSITIONS

| | N.A. | N.A. | 0 | N.A. | N.A. | N.A. |
|-----------|------|------|-----|------|------|------|
| FULL TIME | | | | | | |
| PART TIME | | | 0 | | | |
| TEMPORARY | | | 2.0 | | | |

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Personal Services:

1 Research Analyst .6 mcs. @ 2132 plus fringe

Contractual:

- (a) Consultant 12 days @ \$300/day 3,600
- (b) Printing, copying, etc. 3,000
- (c) State Computer Time and system support. . . 3,500

TRAVEL:

See attached sheets.

Kenny Ramesburg
Kenny Ramesburg

IV. DATE April 4, 1980 PREPARED BY Kenny Ramesburg
 AGENCY Commission on Postsecondary Education
 Original: Legislative Finance PHONE 465-2954
 Budget and Management
 Prime Sponsor (First Legislator Named)

TABLE 1: IN-STATE TRAVEL COST ANALYSIS
FOR SPECIAL STUDY OF ALASKA COMMUNITY COLLEGES

| <u>Member/Representing</u> | <u>Residence</u> | <u>ANCHORAGE</u> | | <u>BETHEL</u> | | <u>FAIRBANKS</u> | |
|----------------------------|------------------|------------------|----------------|-----------------|----------------|------------------|----------------|
| | | <u>Per Diem</u> | <u>Travel</u> | <u>Per Diem</u> | <u>Travel</u> | <u>Per Diem</u> | <u>Travel</u> |
| Senate | Anchorage | 55 | 0 | 160 | 192 | 55 | 128 |
| Senate | Fairbanks | 55 | 128 | 160 | 325 | 55 | 0 |
| House | Anchorage | 55 | 0 | 160 | 192 | 55 | 128 |
| House | Fairbanks | 55 | 128 | 160 | 325 | 55 | 0 |
| Commission | Kenai | 55 | 45 | 160 | 370 | 55 | 173 |
| Commission | Anchorage | 55 | 0 | 160 | 192 | 55 | 128 |
| Commission | Nome | 110 | 350 | 160 | 184 | 110 | 222 |
| Commission | Juneau | 55 | 212 | 160 | 404 | 110 | 340 |
| Staff | Juneau | 55 | 212 | 160 | 404 | 110 | 340 |
| Staff | Juneau | 55 | 212 | 160 | 404 | 110 | 340 |
| Staff | Juneau | 55 | 212 | 160 | 404 | 110 | 340 |
| | TOTAL | \$ 660 | \$1,499 | \$1,760 | \$3,396 | \$ 880 | \$2,139 |

| <u>Member/Representing</u> | <u>Residence</u> | <u>KENAI</u> | | <u>KETCHIKAN</u> | | <u>KODIAK</u> | |
|----------------------------|------------------|-----------------|----------------|------------------|----------------|-----------------|----------------|
| | | <u>Per Diem</u> | <u>Travel</u> | <u>Per Diem</u> | <u>Travel</u> | <u>Per Diem</u> | <u>Travel</u> |
| Senate | Anchorage | 68 | 45 | 52 | 280 | 136 | 122 |
| Senate | Fairbanks | 136 | 173 | 104 | 398 | 136 | 165 |
| House | Anchorage | 68 | 45 | 52 | 280 | 136 | 122 |
| House | Fairbanks | 136 | 173 | 104 | 398 | 136 | 165 |
| Commission | Kenai | 68 | 0 | 104 | 325 | 136 | 167 |
| Commission | Anchorage | 68 | 45 | 52 | 280 | 136 | 122 |
| Commission | Nome | 136 | 395 | 104 | 538 | 136 | 472 |
| Commission | Juneau | 136 | 514 | 104 | 125 | 136 | 334 |
| Staff | Juneau | 136 | 514 | 104 | 125 | 136 | 334 |
| Staff | Juneau | 136 | 514 | 104 | 125 | 136 | 334 |
| Staff | Juneau | 136 | 514 | 104 | 125 | 136 | 334 |
| | TOTAL | \$1,224 | \$2,932 | \$ 988 | \$2,999 | \$1,496 | \$2,522 |

TABLE 1 (Continued)

| <u>Member/Representing</u> | <u>Residence</u> | <u>KOTZEBUE</u> | | <u>NOME</u> | | <u>PALMER</u> | |
|----------------------------|------------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
| | | <u>Per Diem</u> | <u>Travel</u> | <u>Per Diem</u> | <u>Travel</u> | <u>Per Diem</u> | <u>Travel</u> |
| Senate | Anchorage | 192 | 224 | 168 | 350 | 62 | 60 |
| Senate | Fairbanks | 192 | 232 | 168 | 222 | 62 | 173 |
| House | Anchorage | 192 | 224 | 168 | 350 | 62 | 60 |
| House | Fairbanks | 192 | 232 | 168 | 222 | 62 | 173 |
| Commission | Kenai | 192 | 269 | 168 | 395 | 62 | 105 |
| Commission | Anchorage | 192 | 224 | 168 | 350 | 62 | 60 |
| Commission | Nome | 192 | 122 | 84 | 0 | 124 | 268 |
| Commission | Juneau | 192 | 436 | 168 | 562 | 62 | 272 |
| Staff | Juneau | 192 | 436 | 168 | 562 | 62 | 272 |
| Staff | Juneau | 192 | 436 | 168 | 562 | 62 | 272 |
| Staff | Juneau | 192 | 436 | 168 | 562 | 62 | 272 |
| | TOTAL | \$2,112 | \$3,271 | \$1,764 | \$4,137 | \$ 774 | \$1,987 |

| <u>Member/Representing</u> | <u>Residence</u> | <u>SITKA</u> | | <u>VALDEZ</u> | |
|----------------------------|------------------|-----------------|---------------|-----------------|---------------|
| | | <u>Per Diem</u> | <u>Travel</u> | <u>Per Diem</u> | <u>Travel</u> |
| Senate | Anchorage | 124 | 220 | 60 | 80 |
| Senate | Fairbanks | 124 | 322 | 60 | 241 |
| House | Anchorage | 124 | 220 | 60 | 80 |
| House | Fairbanks | 124 | 322 | 60 | 241 |
| Commission | Kenai | 124 | 265 | 60 | 125 |
| Commission | Anchorage | 124 | 220 | 60 | 80 |
| Commission | Nome | 124 | 514 | 120 | 368 |
| Commission | Juneau | 62 | 95 | 120 | 292 |
| Staff | Juneau | 62 | 95 | 120 | 292 |
| Staff | Juneau | 62 | 95 | 120 | 292 |
| Staff | Juneau | 62 | 95 | 120 | 292 |
| | TOTAL | \$1,116 | \$2,463 | \$ 960 | \$2,383 |

TABLE 2: IN-STATE TRAVEL COST ANALYSIS FOR
COMMUNITY COLLEGE UNIT COST OF INSTRUCTION STUDY

| <u>Representing</u> | <u>Residence</u> | <u>ANCHORAGE</u> | | <u>FAIRBANKS</u> | |
|---------------------|------------------|------------------|----------------|------------------|---------------|
| | | <u>Per Diem</u> | <u>Travel</u> | <u>Per Diem</u> | <u>Travel</u> |
| Staff | Juneau | 330 | 636 | 110 | 340 |
| Staff | Juneau | 330 | 636 | 110 | 340 |
| University | Anchorage | 165 | 0 | 55 | 128 |
| University | Fairbanks | 220 | 384 | 55 | 0 |
| TOTAL | | <u>\$1,045</u> | <u>\$1,656</u> | <u>\$ 330</u> | <u>\$ 808</u> |

TABLE 3: OUT-OF-STATE TRAVEL COST FOR
ONE CONSULTANT (TWO TRIPS TO ALASKA)

| | | <u>JUNEAU</u> | |
|------------|---------------|-----------------|---------------|
| | | <u>Per Diem</u> | <u>Travel</u> |
| Consultant | Denver (est.) | \$ 804 | \$ 820 |

HB

664

Funding Information
General Fund \$22,250,500
Other Funds -0-
\$22,250,500

Introduced: 2/4/80
Referred: Health, Education &
Social Services and Finance

1 IN THE HOUSE

BY ANDERSON AND OSTERBACK

2 HOUSE BILL NO. 664

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Transportation and Public Facilities for school
8 construction and upgrade at various locations; and
9 providing for an effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. The sum of ^{3,629,525} \$1,200,000 is appropriated from the general fund
12 to the Department of Transportation and Public Facilities for payment as a
13 grant to the Dillingham City school district for school construction and
14 upgrade.

15 * Sec. 2. The sum of \$1,200,000 is appropriated from the general fund to
16 the Department of Transportation and Public Facilities for payment as a grant
17 to the Bristol Bay borough school district for school construction and up-
18 grade.

19 * Sec. 3. The sum of \$19,850,500 is appropriated from the general fund to
20 the Department of Transportation and Public Facilities for school construc-
21 tion and upgrade in the following amounts in the following regional educa-
22 tional attendance areas:

23 Southwest regional educational

24 attendance area

\$12,094,000

25 Lake-Peninsula regional educational

26 attendance area

7,756,500

27 * Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-
28 070(c).

29

DILLINGHAM CITY SCHOOL DISTRICT

POST OFFICE BOX 202
DILLINGHAM, ALASKA 99576

HERBERT OBA HARRY E. PURDY
PHONE: 842-3624 SUPERINTENDENT OF SCHOOLS ASSISTANT SUPERINTENDENT February 25, 1980

The Honorable Nels Anderson, Jr.
House of Representatives
Pouch V - State Capitol Building
Juneau, AK 99811

RE: Remodeling of Dillingham
High School

Dear Representative Anderson:

Let me start by thanking you for all of your hard work in the past in helping to provide Dillingham with new showers, gym and the funds to begin and complete a new elementary building. For your information the plans will be going out to bid on the third of March.

As you will recall during the last session we were also looking for funds to remodel the current high school. That need is still with use and is more apparent than ever as the Fire Marshall's office in the person of Ray C. Isenberg, has issued the District a notification of fire hazards and an order to correct. There are some which are not difficult to comply with. Enclosed please find the four (4) page report. I have circled the items which will be costly and difficult to comply with from the finance point of view.

To continue you have a number of copies of the "Dillingham Secondary School Facilities Analysis" which was prepared in January, 1978. That document deals with our needs. However, to review page 44 with you, we have completed the shower and locker rooms. Still needed under "A" are the Public Toilets and Hallway between new gym and old building. The rejected bid for the toilets and hallway was \$366,000.

Representative Nels Anderson
Page 2
February 25, 1980

| | |
|-----------------------------|----------------|
| B. Science Lab | 477,200 |
| C. Learning Resource Center | 759,400 |
| D. Music | 302,100 |
| E. Art | 251,800 |
| F. Home Economics | 201,500 |
| G. Health Clinic | 75,600 |
| H. Classrooms | <u>465,500</u> |
| Jan. 1978 est. | \$2,899,100 |
| Inflation 10.5 (1979) | |
| 8.9 (1980) = 19.4% | <u>562,425</u> |
| | \$3,461,525 |

Additionally from a safety stand point
and financial savings a sprinkler system
would be needed.

| | |
|--|----------------|
| | <u>168,000</u> |
| | \$3,629,525 |

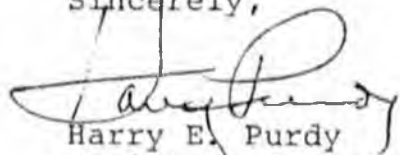
We have asked that a sprinkler system be installed as an add-on in the bids for the new elementary and have looked into the cost. For the building which is about one-half the square foot of the high school is about \$56,000 and since adding the system to the high school which is about 44,000 square feet the cost would be three times the cost for the new elementary. The savings on insurance is great, (for example: the cost for \$1,000 of insurance without the system is \$1.25 and with the system \$.50 for \$1,000 of insurance or a savings of \$.75 per \$1,000 of insurance.) The high school, not counting the gym and showers, is valued at \$4,000,000. As you can see there is a great deal of savings.

The District could get by with \$3,629,000. It would be greatly appreciated by the community, board and administration of the District if you could secure the funds to complete our school construction and remodeling program.

Please let us know in what ways we would be of help.

Thank you again for your help.

Sincerely,



Harry E. Purdy
Assistant Superintendent

HEP:mkt

Enclosure: 2

PAGE #1

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF PUBLIC SAFETY

DIVISION OF FIRE PREVENTION

P. O. BOX 6188, ANNEX
ANCHORAGE, ALASKA 99502

NOTIFICATION OF FIRE HAZARDS AND AN ORDER TO CORRECT

To: MR HERBERT ODE Occupancy Name: DILLINGHAM High School
SUPERINTENDENT Location: DILLINGHAM
DILLINGHAM School Dist Survey Date: 1-15-80
P.O. Box 002 UBC Classification: C-1
DILLINGHAM AK 99576 Surveyor: ISENBERG

The following deficiencies were noted and are required to be corrected as indicated:

| Deficiencies | Corrective action required | Correct by |
|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| 1. PARTITIONS 4 FEET IN HEIGHT FORMING CORRIDORS | PERMANENT PARTITIONS (WALLS) IN EVERY CLASS ROOMS ARE REQUIRED TO EXTEND FROM FLOOR TO CEILING OR OPENINGS AT TOP OF WALL. IBC SECTION 3304 (a) | MARCH 15, 1980 |
| 2. CLASS ROOM DOORS FULLY CORE: | DOORS TO CLASS ROOMS ARE REQUIRED TO BE 20 MINUTE RATED. SMOKE STOP DOORS IBC SECTION 3304 (4)(v) | MARCH 15, 1980 |

A LETTER CERTIFYING THAT THE LISTED DEFICIENCIES HAVE BEEN CORRECTED SHALL BE SENT TO THIS OFFICE WITHIN TEN (10) DAYS FOLLOWING THE DATE (S) SPECIFIED IN COLUMN THREE.

Received by: Herbert Ode
 Relation to Property _____
 Please reply to: _____

ORDER OF THE STATE FIRE MARSHALL
 By: Ray C. Seabury
 (Surveyor)
 Date: Jan 15, 1980

*Indicates deficiency pending from previous survey.

Authority: AS 18.70.070
AS 18.70.080
AS 18.70.090

| | | |
|------------------------------------------------------------------|-------------------------------------------------------------------------------|----------------|
| 3. OPENING INTO CORRIDOR - OLD Radio Room Plain GLASS - | INSTALL 1/4" THICK WIRED GLASS SET IN STEEL FRAMES ULC SEC. 3304 (h) | MARCH 15, 1980 |
|------------------------------------------------------------------|-------------------------------------------------------------------------------|----------------|

| | | |
|-------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------|
| 4 WEST EXIT DOOR OBSTRUCTED BY DESK | REMOVE OBSTRUCTION FROM EXIT DOOR AND MAINTAIN REQUIRED WIDTH ULC SEC. 3301 (a) | UPON RECEIPT OF THIS NOTICE |
|-------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------|

| | | |
|-------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|----------------|
| 5 PORTABLE FIRE EXTINGUISHERS THROUGH OUT SCHOOL REQUIRE CHECKING | HAVE ALL FIRE EXTINGUISHERS CHECKED AND SERVICED IF NEEDED. NFPA 10 & 104 | MARCH 15, 1980 |
|-------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|----------------|

| | | |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------|----------------|
| 6. Radio Room and CLASS ROOMS | REMOVE ALL STYROFOAM FROM TOP OF PARTITIONS AND COMPLETE CONSTRUCTION OF WALL TO CEILING. 13 AIC - SO. 070 (1)(a) | MARCH 15, 1980 |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------|----------------|

| | | |
|--------------------------|-------------------------------------------------------------|----------------|
| 7. Radio Room STORAGE | LOWER STORAGE AND MAINTAIN 18" CLEARANCE FROM CEILING | MARCH 15, 1980 |
|--------------------------|-------------------------------------------------------------|----------------|

H. W. O.
Owner/Operator (Initial)

[Signature]
Surveyor (Initial)

MARCH 15, 1980
Date

D. C. LINGHAM High School
Occupancy (Name)

| | | |
|----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|----------------|
| 8. CEILING TILE MISSING THROUGHOUT SCHOOL | REPLACE ALL CEILING TILE WHERE MISSING | MARCH 15, 1980 |
| 9. FLAME SPREAD REQUIREMENTS OF CORRIDOR WOOD PANELS - LETTER REQUIRED CERTIFYING PANEL MEET CODE. | WOOD PANEL WORK IN CORRIDOR REQUIRED TO HAVE FLAME SPREAD RATING (B) FLAME SPREAD CLASSIFICATION 26-75 - UBC SEC. 4003 TABLE 42-A. | MARCH 15, 1980 |
| 10. OLD BOILER ROOM. | REPLACE ELECTRICAL PANEL BOX COVER. NEC. | MARCH 15, 1980 |
| 11. MAINTS SHOP DOOR. | INSTALL SELF CLOSING DEVICE FOR MAINTS SHOP DOOR | MARCH 15, 1980 |
| 12. EMERGENCY EXIT LIGHT BY OLD CUM NOT WORKING PROPERLY. | REPAIR OR REPLACE BATTERY IN EMERGENCY LIGHT UBC SECTION 3312(a) | MARCH 15, 1980 |

H.H.O.ber

Owner/Operator (Initial)

Dke

Surveyor (Initial)

JAN 15, 1980

Date

Dillingham High School

Occupancy (Name)

Page

3

of

4

| | | |
|------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| 13. EXIT LIGHTS THROUGHOUT | REPLACE EXIT LIGHT BULBS WHERE NEEDED UBC SECTION 3312 (C) | UPON RECEIPT OF THIS NOTICE |
| 14. METAL SHOP OXYGEN BOTTLES | OXYGEN BOTTLES ARE REQUIRED TO BE CHAINED TO WALL | MARCH 15, 1980 |
| 15. DRAFTING ROOM 2ND FLOOR REQUIRES SECOND EXIT. | INSTALL EXIT DIRECT TO EXTERIOR OF BLDG EXIT FROM DRAFTING ROOM NOT TO PASS THROUGH METAL SHOP OR WOOD WORKING SHOP. UBC 3302 (a) UBC SECTION 3302 (E) | MARCH 15, 1980 |
| 16. SEPARATION REQUIRED BETWEEN WOOD WORKING AND METAL SHOPS. | WALL BETWEEN WOOD AND METAL SHOPS IS REQUIRED TO BE 5/8 TYPE X GYPSUM WALLBOARD TO BOTH SIDES OF 2" X 4" 16" ON CENTER TYPED & FINISHED UBC SEC. 803 (D) | MARCH 15, 1980 |

W. W. [Signature]
Owner/Operator (Initial)

[Signature]
Surveyor (Initial)

JAN 15, 1980
Date

DILLINGHAM High
Occupancy (Name)

Page

4

of

4

HB

672

CHUGIAK-EAGLE RIVER
REPUBLICAN WOMEN'S CLUB
P. O. Box 144
Chugiak, Alaska 99567


February 18, 1980

Honorable Nels Anderson
Alaska State House of Representatives
Pouch V
Juneau, Alaska 99811

Dear Mr. Anderson:

The Chugiak-Eagle River Republican Women's Club supports House
Bill No. 672.

Sincerely,


Barbara Franklin
President

rec'd 2/22/80



UNIVERSITY OF ALASKA, RURAL EDUCATION

Dillingham Extension Center
Box 10206
Dillingham, Alaska 99576

February 12, 1980

Representative Nels A. Anderson, Jr.
Pouch V
Juneau, Alaska 99811

Dear Representative Anderson:

Per your suggestion at last evening's Constituent Teleconference, I am forwarding to you my remarks in behalf of the Dillingham Extension Center and its Policy Advisory Council addressed to you and Sen. Hohman in support of HB 672.

"We are here this evening (Trish Dorey, President, PAC, and I) to urge the passage of House Bill 672 allocating funds for Adult Basic Education (ABE) to DOE.

"Various agencies and individuals in the Dillingham Community have over the past five years submitted proposals to bring ABE to the Bristol Bay region. These proposals were never funded and our region is still without an ABE program to serve the needs of more than 5000 people of the 30+ villages in the area.

"I am here as one representative of education in this community to urge passage of HB 672 for the following reasons:

"1. The Bristol Bay region needs an ABE program--as Coordinator of the Dillingham Extension Center I have had the opportunity to travel extensively in the region and ABE is an unmet need which I receive most question about. It is unquestionably, in my opinion, the number one educational priority of the region.


"2. We believe that passage of HB 672, in its present form will finally result in the release of a portion of the total ABE funds (\$617,500) for a program in this region.

"3. The Dillingham Extension Center is in a position vis-a-vis the Bristol Bay Regional Resource Center and its Director, Mr. Bob Brown, to train teachers using models developed by the Northern Institute. I have talked with Mr. Dave Alexander of

TNI who has assured us of assistance in the development of a training program for ABE teachers. We will however, need funds to assist our teacher trainees once they are recruited, as well as funds to support them as they work in the villages training adults in basic literacy skills.

"4. Finally, and perhaps most importantly, we believe that a successful ABE program in the Bristol Bay region will go a long way toward insuring the success of other programs in the region. The University of Alaska as it attempts to extend education to all the people of the Bristol Bay area through its Extension Center is acutely aware of the need to impact people at all educational levels if its own programs are to succeed."

Sincerely,



Charles A. Blood, Jr.
Coordinator
Dillingham Extension Center

CB/jm
cc-Bob Brown
Trish Dorey

A PROPOSAL FOR EDUCATION LEGISLATION TO SERVE SEVEN REGIONS IN ALASKA

INTRODUCTION

This state offers a free education to every member of its varied society. Even so, there are many adults among us who either could not or would not finish (or, in some cases, even start) their elementary or secondary education. Because these adults are poorly educated, they have, throughout an entire lifetime, held some of the least rewarding jobs in our society. Frequently, they have held no jobs at all. They find themselves on the welfare rolls, and each generation begets yet another generation of those who are uneducated, unskilled, and unemployed.

There are men and women in the state who cannot fill out job applications, who cannot read labels on prescriptions or prices at the grocery store, and who cannot help their children with even the simplest homework. They are people who need Adult Basic Education.

On the other hand, there are men and women among us who have recently applied for and received either their first job or a better job. We have adults who no longer must depend upon others to read for them on shopping trips. We have people who take new pride in helping their children learn, who pass that pride in education along to their formerly indifferent families. These are men and women who have received and are now demonstrating the benefits of Adult Basic Education.

DEFINITION

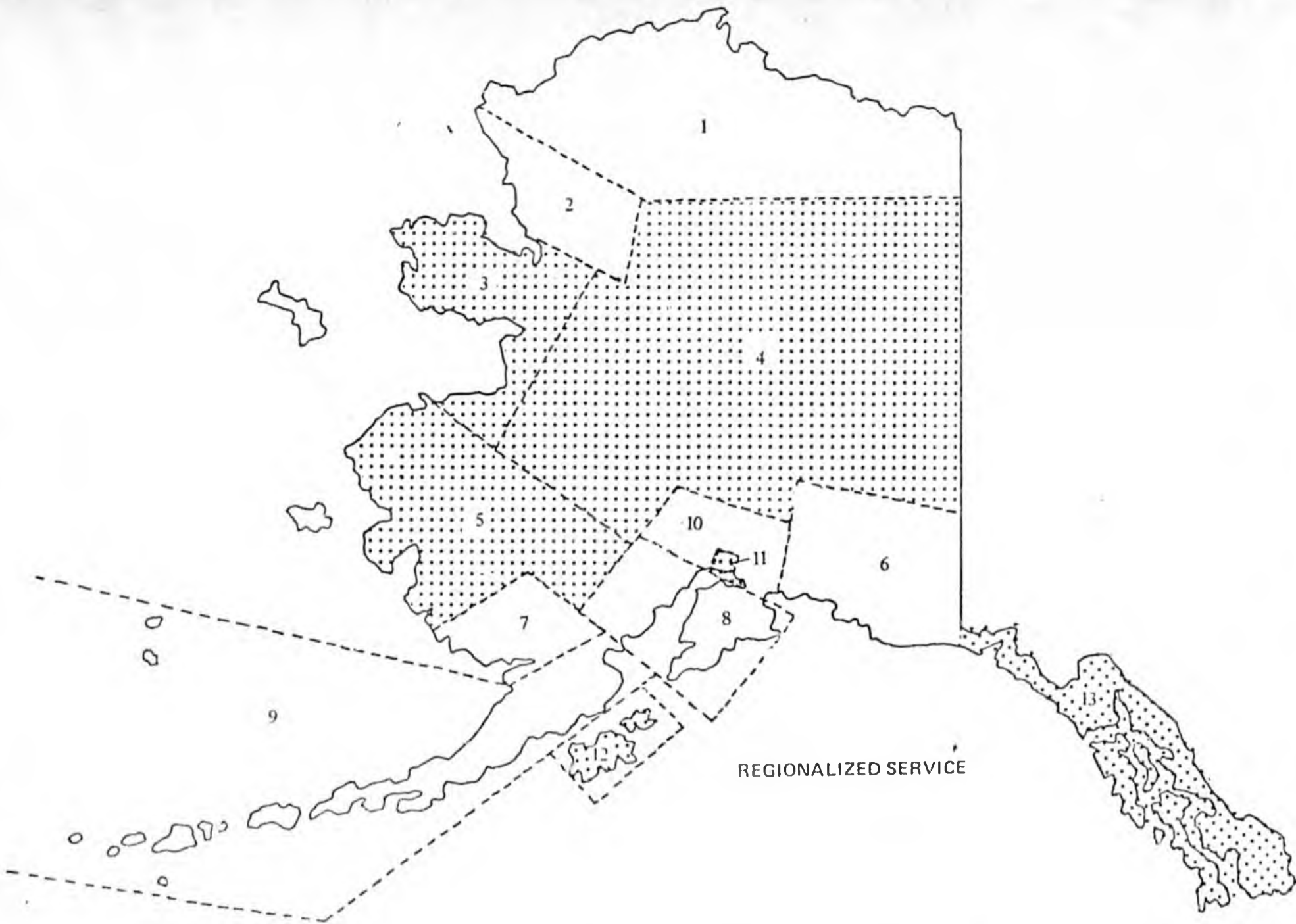
Adult A person sixteen years of age or older who is not enrolled in a regular public or private school program and who is in need of basic literacy skills, English Language instruction, life skills instruction or other assistance up to secondary school completion.

STATEMENT OF NEED

The goals of Alaska Adult Basic Education are:

...to provide the best possible educational opportunities for all undereducated adults in Alaska ... to provide adults opportunities to continue their education to at least the level ... of secondary school ... (to make these) opportunities available for adults who have not completed secondary training as well as adults who have received a certificate of graduation from a school providing a secondary education but are functioning at less than a secondary competency.

There are presently seven geographic regions in the state receiving little or no instructional money for Adult Basic Education. The North Slope, Northwest Arctic, Aleutian/Pribilof Islands and Bristol Bay and Rural Anchorage Regions receive no funding. The Kenai Region receives



REGIONALIZED SERVICE

funding for two part-time classes and Valdez is funded for one teacher. This means that approximately 68,000 Alaskans are being denied access to the advantages of adult education.

At current funding level options are limited. Programs could be drawn out of one region and relocated in another region, but this would cause the loss of experienced staff in whom the state has a considerable investment in training. This would further cause the discontinuation of programs for many students who have had a long term commitment and are in the advanced stages of completion.

A second alternative would be to trim a percentage of money from existing programs and put into the unserved regions. Once again this would cause many people to lose service and take away from programs which already operate at only a minimal level. A case in point is the Kuskokwim Region which serves fourteen out of fifty-three villages now.

The third alternative and that being suggested by this proposal is to leave present funding in place and add minimum funds necessary to complete the network. The state is already in the unfortunate position of denying many of its citizens equal access to educational opportunity. To reduce or remove the programs currently thinly spread over the state would be a denial to our responsibility.

Great social pressure is being exerted upon the Native populations of the state. With Indian Self Determination, the advent of Native Land Claims and localization of the schools people with little education are being required to sit on boards of directors of corporations making decisions with great environmental and financial impact, sitting on school boards making decisions in hiring and firing professional staff as well as judgements on quality of education.

This press for educated adults cannot depend strictly upon the new young graduates to fill the need. Every effort must be made to tap the knowledge and experience of the mature adult in the older generations. This can be done only through basic education.

The following statistics corroborate the need for basic education in the proposed regions to be served.

REGIONAL NEEDS STATEMENTS

1. Bristol Bay:

"In a special report prepared by Robert Natham and Associates for the Federal Government, a number of statistics were identified relative to the well being of Alaska Natives. For Bristol Bay, the figures are indeed stark:

| | |
|----------------------------------------------------|-----|
| The Median education ... school years completed by | |
| Alaska Native (<u>as a whole</u>) is:..... | 7.4 |
| For Bristol Bay..... | 3.5 |

Further, the studies identified 50.3% of the population 25 years of age or older as having an educational attainment of 0-4 years of formal schooling. In this same population group, only 8.6% have

completed four years of high school or have an equivalent high school diploma. There is an immediate need for Adult Basic Education Courses in virtually all Bristol Bay villages."

No Adult Basic Education courses are currently being taught, therefore, there is no existing program or vehicle for adults within the villages to obtain the basic skills necessary to even apply for and pass the five sub-tests for a General Education Diploma (GED). An Adult Basic Education program would not only provide this service but would help provide for equal educational and growth opportunities for those adults who have been and are still being neglected.

2. Northwest Arctic:

An active, comprehensive program of adult education, based on the conceptual framework of Adult Performance Levels, is a prime requisite for growth of political, social, personal, and economic skills of NANA Region residents. In a recent (December 1978) survey, it was found that 42% of respondents had attended school to eighth grade or less. Another 13% attended between nine and eleven years. 45% were at least high school graduates. Teachers and other relatively transient professionals were included in the random sample and contributed to this last category. The indigenous, stable population is primarily of Inupiaq Eskimo heritage and fewer of this group have completed high school than the survey results suggest. Complicated further by multilingualism, the adult populations thus has a high rate of functional illiteracy. The region's people also suffer a high rate of unemployment. Inuit respondents, 52% had not had a job for the past year. An additional 41% were employed part-time. Only 7% had fulltime jobs. Besides unemployment, alcoholism, high prices, and lack of something to do, were seen by the respondents as the region's major problems.

The above statistics would in themselves suggest a need for an adult basic education/adult education program. But there is further evidence as well. When asked the question, "If a school for adults was available here, would you be likely to go?", 73% replied they would. And 90% said they would attend workshops or classes to teach people self-health care.

In follow-up interviews by school district personnel (April 1979), Ambler adults indicated that an average of 36% of respondents would attend each of sixteen (16) vocationally oriented classes. An average of 61% would enroll in each of two (2) consumer education classes, and in each of four (4) health and safety classes. Three (3) ABE courses would each have an enrollment of 10% of the adult population of this village, and a GED preparation course 32%. If extrapolated to the region's adult residents (approximately 2,500 people in eleven villages), one could anticipate about 150 people interested in a ABE program, 800 in a GED program, 900 in job skills, and 1,525 in other life skills program. Of course, many people indicated interest in several programs, and actual attendance would be well below the level of interest, but the need for an adult education program is apparent.

MEDIAN YEARS OF SCHOOL COMPLETED BY REGIONAL POPULATIONS

The following chart was compiled in an effort to show both the educational services needs and the income levels of the target area populations the A.S.H.E.S. Talent Search Project would be aimed at.

| Region | Median Years School Completed | | Highest Grade Completed by largest % of population | | | | Eligible youth age 14-24 (17.4% of poverty population) | Total below poverty pop. | | Total Pop. |
|----------------|-------------------------------|------------|----------------------------------------------------|----------|----|------|--------------------------------------------------------|--------------------------|------|------------|
| | Native | Non-Native | Native % | Non-N. % | | | | | | |
| ALUET | 7.2 | 12.7 | 5-6 | 23.9 | 12 | 46.7 | 73 | 419 | 9.6 | 4359 |
| ARCTIC SLOPE | 5.6 | 18.0 | 5-6 | 23.9 | 12 | 35.9 | 154 | 887 | 28.8 | 3079 |
| CALISTA | 3.0 | 13.5 | 0 | 33.9 | 12 | 33.6 | 1378 | 7889 | 65.5 | 12040 |
| BERING STRAITS | 7.0 | 13.8 | 1-4 | 21.8 | 12 | 28.5 | 387 | 1938 | 35.3 | 5497 |
| BRISTOL BAY | 3.9 | 12.6 | 1-4 | 29.9 | 12 | 38.3 | 256 | 1471 | 33.1 | 4446 |
| CHUGACH | 8.2 | 12.5 | 1-4 | 17.1 | 12 | 41.3 | 146 | 839 | 14.5 | 5794 |
| COOK INLET | 10.2 | 12.6 | 12 | 24.8 | 12 | 48.3 | 1791 | 10292 | 7.0 | 140823 |
| ATHNA | 5.8 | 12.4 | 0 | 22.9 | 12 | 46.2 | 42 | 240 | 18.0 | 1336 |
| KOMTAG | 8.6 | 12.5 | 8 | 28.8 | 12 | 41.9 | 135 | 773 | 5.3 | 8338 |
| IANA | 6.2 | 13.5 | 1-4 | 29.2 | 12 | 34.2 | 238 | 1369 | 37.2 | 3634 |
| OTON | 6.7 | 12.6 | 1-4 | 21.4 | 12 | 42.4 | 892 | 5127 | 10.4 | 49233 |
| EALASKA | 10.3 | 12.5 | 9-11 | 25.3 | 12 | 38.1 | 760 | 4370 | 10.4 | 41957 |
| TOTAL | 7.5 | 12.6 | | | | | 6197 | 35614 | 12.7 | 280536 |

Data compiled from 2(c) Report, Task I. Excerpt from 2(c) Report, Task II, "The lack of basic statistical information prevents educational agencies from evaluating current educational efforts and identifying unmet needs."

3. Aleutian/Pribilof

Due to limited educational opportunities in the past, the people of the Aleutian/Pribilof region have faced many difficulties coping with 20th Century corporate life thrust upon them by the Native Claims Settlement Act. Leadership has been developing with incredible rapidity and effectiveness, but the heavy pressures involved in rapid change have caused frustrations resulting in social disorganization. Village corporations, councils, school committees and school boards have all been forced into leadership decisions for which they often lack basic training and experience. According to the 1970 U.S. Census in the Aleut Corporation area, 15% of the Native people 25 years or older completed grades 1-4; 25% grades 5-6; and 16% grades 7-8. Unless educational needs are met, the following will continue to occur:

- A. Village and city governments will fail or falter or will be dominated by non-Natives.
- B. School boards will be dominated by non-Natives, and Native parents will have little to say about education of their children.
- C. Village corporations will not function at their full potential.
- D. Outside investors will reap fortunes in the Aleutian/Pribilof area while the majority of Aleut people will subsist virtually at poverty level.
- E. The Aleut cultural heritage will be overrun and lost, leaving behind the vicious circle of poverty, alcoholism, drug abuse, family disintegration and loss of identity.

4. Matanuska-Susitna

Matanuska-Susitna Community College identified 4,600 adults having less than a secondary education in the Matanuska-Susitna service area. Bureau of Labor statistics revealed a July unemployment rate of 15.1 percent and November 23.3 percent combined with December's 24.9 percent are symptomatic of the need for basic education and life coping skills training.

5. North Slope

The native residents of the North Slope have a median school completion level of 5.6 years. This lack of education has significant impact upon the ability of natives to compete for and maintain jobs in the now technologically oriented North Slope Region. Additionally, a bank of educated persons is necessary to train for the roles necessary if the new affluence introduced by massive oil revenues is to remain under control of its rightful owners. The few individuals represented in the leadership need many more trained, educated people to take on the many emerging roles in business, education, industry and arctic leadership.

6. Kenai Region

During the summer of 1979, an assessment of the available educational resources and needs of the adult client population was done under a federally funded program named NETWORK. (Network of Education, Training and work Opportunity Resources Knowledge Bank). The final report will not be in this office until October 30, however, preliminary analysis indicates that the statistics presented last year were in the ball park. Thus, they are repeated here.

The population of the Kenai Peninsula is approximately 25,000 with most of the people living in the Kenai-Soldotna area. In Level I (1-9), it is estimated that 1,500 adults could be served. Additional estimates are that there are approximately 3,000 adults in Level II and 150 needing ESL training.

7. Valdez/Copper River

The Valdez/Copper River Region encompasses a population of nearly ten thousand people. Of this ten thousand an estimated 2,400 have less than a high school education. The Native adult population has a median school completion level of 5.8 years. With the pipeline terminal, pumping and maintenance stations throughout the region it is apparent that employment opportunities are fast appearing, but they are at a level which demand solid-scholastic background. Unless the region is given the benefit of ABE services, these opportunities will once again fall to outsiders.

PROPOSED SERVICES

Services shall include instruction in basic literacy, English as a Second Language, life coping skills and vocational counseling in the form of:

an "individualized educational program" a written statement jointly developed by a qualified instructor and by the person, to include:

- present achievement level analysis
- short range and long range goals
- identification of specific services that will be provided toward meeting those goals
- when and where these services will be provided and how long they will last
- a schedule for checking progress achieved under the plan and for rating necessary revisions

These services shall take place in the towns and villages of the respective regions as selected by the educational institution providing the service. Curriculum shall be determined by the student, local educational institution in concert with their local advisory council and the citizens participatory planning process used by the state ABE program.

PROGRAM IMPLEMENTATION

Organization for Delivery of Services

State Organization: In an effort to prevent proliferation of state bureaucracy, these funds should be located in the Alaska Department of Education, Adult Basic Education Section.

This section already has in place the mechanisms for granting and administering funds. A statewide network of curriculum assistance, technical assistance and staff development. The addition of this program to the present network could achieve maximum benefit at minimum cost.

LOCAL DELIVERY

Local/Regional delivery is currently conducted throughout the state by a variety of organizations. These organizations include school districts, community colleges, Native Non-profits, private non-profits and public non-profit agencies. The funds are placed on a competitive basis to the organization offering the most service for the available dollars. Programs in most regions reflect cooperation between two or more agencies for delivery of service. The competition between agencies has been very effective in holding down costs without causing instability in the program. In the case of similar bids the program operator with the proven history of performance is always funded.

Program operators not performing will have historically been given one year grace to upgrade and it has been necessary to null only a program in six years.

FUNDS NECESSARY TO IMPLEMENT NEW REGIONS

| | |
|------------------------------------------------------------------------------|-----------|
| North Slope | \$80,000 |
| Northwest Arctic | 80,000 |
| Bristol Bay | 75,000 |
| Aleutian/Pribilof Islands | 85,000 |
| Kenai Peninsula | 75,000 |
| Rural Anchorage (Mat-Su) | 75,000 |
| Valdez/Copper River | 75,000 |
| Total Program | \$545,000 |
| Staff Development @ 10% | 54,500 |
| Support Services - 1 clerk typist III @ 18,000 including fringe, etc. | 18,000 |
| Total Cost | \$617,500 |

Justification:

Regional Allotments

North Slope, Northwest Arctic and Aleutian/Pribilof Islands Regions are suggested at a higher level of support due to unusual travel costs. Although travel will be much cheaper in the Kenai and Rural Anchorage regions extra funds are justified due to the population density they must serve.

Staff development is a vital component to ABE. Rural teachers are taken from the indigenous population and trained as ABE instructors. This training is a rich source of leaders in the rural areas. Attached find statements of what have happened to many of the ex-instructors once the role of ABE instructor gave them responsibility in the political/social process.

Furthermore, staff development is inherent in quality instruction, particularly when dealing with people who have never taught before or even experienced teachers dealing for the first time with adult students.

Support services are necessary if reasonable service is to be available to the new regions. Although ABE is funded over three times as high as four years ago and is offering many more services to field programs, the present administrative staff need not be expanded but the present 1/2 time secretarial clerical arrangement simply cannot keep up with present volume let alone be expected to handle nearly double the number of contracts currently served.

Matching funds are available from many sources including C.E.T.A., B.I.A., Indian Education, Labor, Social Services, boroughs, etc., once a knowledgeable organization services and negotiates contracts. It is anticipated that the first fiscal year funds at least equally the initial grant will be generated by and the third year they would be generating as much as three dollars per state dollar.

The money being generated tends to be dollars that previously created overlap programs or furnish ancillary services which, though useful, were not coordinated with ABE, therefore seldom used.

United States Council of State Directors

Adult Education Economic Impact Survey
Alaska - FY79

A. Public Assistance

1. List the number of Adult Education Learners removed from public assistance in FY77 (as reported in Table 5, Item 12 in Annual Report). 24
2. Average annual cost per adult for public assistance in your state. Households average 1 adult and 2 dependents nationally and FY77 statistics from USOE reveal Alaska costs to be 12,948 per household including case work, etc. 12,948
3. Total projected savings per year. (Multiply answer in number one times the answer in number two.) 310,752

B. Employment

1. List the number of Adult Education learners who became employed in FY77 as a result of Adult Education (as reported in Table 5, Item 13 in Annual Report). 112
2. Projected income earned by adults who became employed. Take the number of adults receiving jobs as a direct or indirect result of attending Adult Education class: Multiply this number by the minimum hourly rate (now \$2.30) times 40 X 52. If the actual income is known, then use this instead of minimum rate. 1,397,760

Minimum average in Alaska is just over \$6.00

EXAMPLE: 112 persons who became employed X \$6.00 per hour =
\$672.00 per hour X 40 hours per week = \$26,880 X
52 weeks = \$1,397,760 per year new income.

C. Job Promotions

1. List the number of adults who were promoted as a result of Adult Education (as reported in Table 5, Item 14 in Annual Report). 222
2. Using Employers State salary scale minimum is 18¢ per hour. Projected additional money earned by adults who were promoted as a result of Adult Education. Multiply the number of adults receiving a promotion by .10 per hour (which is a minimal figure) X 40 hours X 52. 230,880

EXAMPLE: 222 promotions X .50 per hour = \$111.00 per hour
X 40 hours per week = \$4,440 per week X 52 weeks
= 230,880 per year.

Name

Address and Phone

Organization/Self

For/Against or
Observing

| Name | Address and Phone | Organization/Self | For/Against or Observing |
|----------------|-------------------|-------------------|--------------------------|
| 1/ Clark Jones | Pouch F 465-4685 | DOE | For |
| 2/ | | | |
| 3/ | | | |
| 4/ | | | |
| 5/ | | | |
| 6/ | | | |
| 7/ | | | |
| 8/ | | | |
| 9/ | | | |
| 10/ | | | |
| 11/ | | | |
| 12/ | | | |
| 13/ | | | |



Southwest Region Schools

P.O. Box 196
 Dillingham, Alaska 99576
 Phone (907) 842-5288



January 10, 1980

The Honorable Nels Anderson, Jr.
 Member, Alaska State Legislature
 Pouch V
 Juneau, Alaska 99811

Dear Nels:

We have reviewed our capital improvement needs and find them to be as follows:

1. Aleknagik South Shore

Diking of oil tanks and doing code required work.

\$ 50,000 \$ 50,000

2. Aleknagik North Shore

Additional funds needed to provide complete K-12 school, including space fo industrial arts, kindergarten, specialized secondary classroom, instructional materials center, and support space for a total of 4,600 square feet.

1,350,000 1,350,000

3. Clarks Point

Diking of oil tanks and doing code required work.

75,000

Additional space for industrial arts, multipurpose activities and support space, totaling 4,200 square feet.

1,120,000

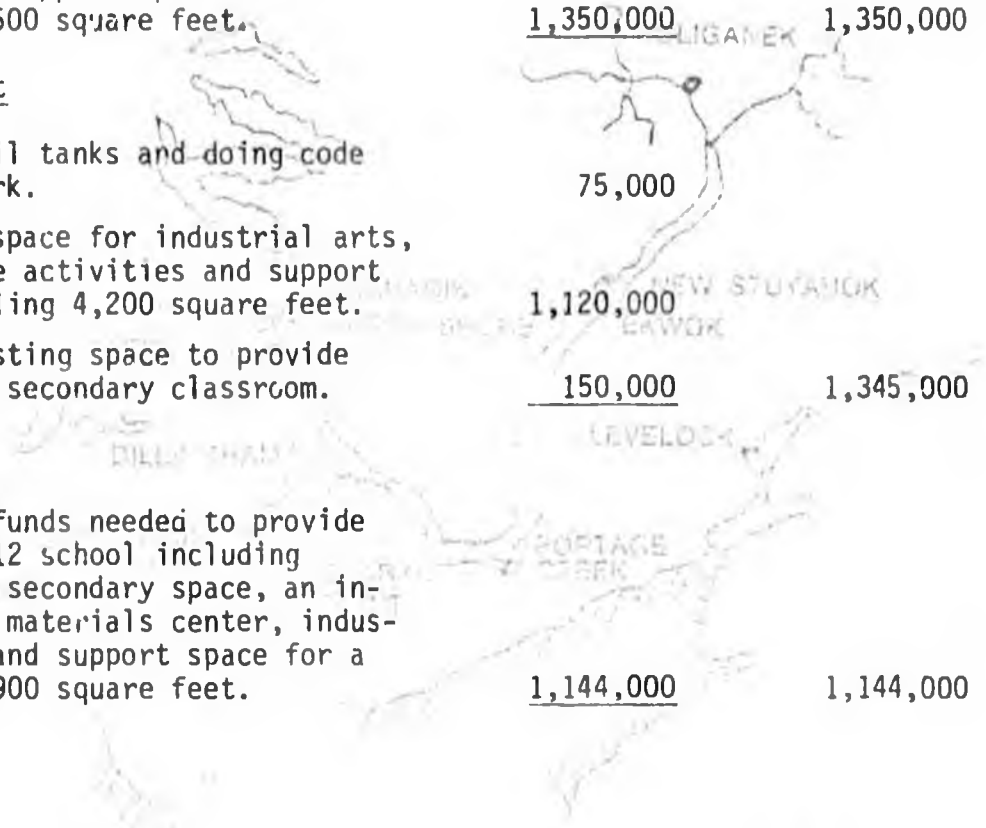
Remodel existing space to provide specialized secondary classroom.

150,000 1,345,000

4. Ekwok

Additional funds needed to provide complete K-12 school including specialized secondary space, an instructional materials center, industrial arts and support space for a total of 3,900 square feet.

1,144,000 1,144,000



5. Koliganek

| | | |
|---------------------------------------------------------------|----------------|------------|
| Funds for a 1,200 square foot industrial arts building. | \$ 370,000 | |
| Oil tank diking and life safety upgrade of original building. | <u>250,000</u> | \$ 620,000 |

6. Levelock

| | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-----------|
| Funds for one elementary classroom, one specialized secondary classroom, an industrial arts room, an instructional materials center, plus supplemental space for a total of 4,700 square feet. | 1,300,000 | |
| Furnace replacement and waste heat recovery. | <u>100,000</u> | 1,400,000 |

7. Manokotak

| | | |
|----------------------------------------------------------------------|----------------|---------|
| Remodel existing space to provide an instructional materials center. | 125,000 | |
| Dike oil tanks and perform code required work. | 150,000 | |
| Upgrade gym floor and improve safety of building. | <u>150,000</u> | 425,000 |

8. New Stuyahok

| | | |
|----------------------------------------------------------------------------------|----------------|---------|
| Convert existing space to an instructional materials center and remodel kitchen. | 200,000 | |
| Dike oil tanks and perform code required work. | 100,000 | |
| Furnace replacement and waste heat recovery. | <u>200,000</u> | 500,000 |

9. Portage Creek (Ohgsenakale)

| | | |
|----------------------------------------------|---------------|---------|
| Furnace replacement and waste heat recovery. | 75,000 | |
| Dike oil tanks and perform required work. | <u>50,000</u> | 125,000 |

10. Togiak

| | | |
|-------------------------------------------------------------------|----------------|-----------|
| Construct and equip a 2,400 square foot industrial arts building. | \$ 720,000 | |
| Heating system replacement and waste heat recovery. | 300,000 | |
| Dike oil tanks and perform code required work. | 75,000 | |
| Replace relocatable classrooms, 3,600 square feet. | <u>960,000</u> | 2,055,000 |

11. Twin Hills

| | | |
|------------------------------------------------|---------------|--------|
| Dike oil tanks and perform code required work. | <u>30,000</u> | 30,000 |
|------------------------------------------------|---------------|--------|

12. District Office

| | | |
|------------------------------------------------------------------|---------------|--------|
| Perform code required work and connect to Dillingham City Water. | <u>50,000</u> | 50,000 |
|------------------------------------------------------------------|---------------|--------|

13. Swimming Pools

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------|
| Construct 20 x 50 x 4 ft. deep pools, plus mechanical systems, lockers and showers in order to improve building life safety and provide swimming instruction to students at Manokotak, New Stuyahok and Togiak. | <u>3,000,000</u> | 3,000,000 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------|

Larger pools with capability for diving could be constructed at the three sites at a cost of \$1,500,000 each or a total of \$4,500,000.

To date we have been unable to secure a rate quotation for fire insurance that would be lower than present rates by using the pools as reservoirs for the sprinkler systems. However, a sprinkler system would definitely improve life safety protection at Manokotak and New Stuyahok where there are no sprinkler systems.

| | |
|--------------|---------------------|
| <u>TOTAL</u> | <u>\$12,094,000</u> |
|--------------|---------------------|

The Honorable Nels Anderson, Jr.
January 19, 1980
Page four

We have appreciated your past efforts on behalf of the students of the District, and know that you will do your very best for them during this session.

Should you need additional information, please do not hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads "Bob".

Robert Van Slyke
Superintendent

RVS:ct

HB

690

FY81 CAPITAL BUDGET REQUEST

1. Instructional Equipment. (Various Units)

This is a six-year program which will maintain a continuous supply of instructional equipment for teaching purposes for the entire University. Most of the needs are determined or based on the existing program needs, the deterioration of the current equipment and projected needs.

2. Seward Marine Education Center. (UA/Fairbanks)

This will be a new facility and will provide conference rooms, library spaces, office and reception areas for marine advisory agent, a public display area, aquarium, etc. This will be located in Seward. This facility will be built on the land that is currently owned by the City of Seward, which has extended the lease agreement with the University for the next two to three years, within which time this project can be implemented.

3. Handicapped Barrier Removal. (Various Units)

This item is in response to the requirement of Section 504 which requires removal of handicapped barriers within the University buildings and campuses.

4. Campus Development Plan. (Statewide Administration)

This project, if approved, would provide a resource to properly develop the expansion and growth of the physical aspects of the University. It would also afford coordination between the academic master plan, physical master plan and land management. It would provide basis and document from which the requests for capital projects in the future could be extracted and coordinated. It will provide a general plan document which is necessary not only for the development of the major campuses, but also the community college campuses as well as coordination of the entire University system.

5. General Building Upgrade and Replacement. (Various Units)

This is a six-year program that will keep vigilance and maintenance over the buildings within the University system, providing continuously good quality space for educational needs, resulting in a lower maintenance cost.

6. Roads, Streets and Parking. (Various Units)

This project is part of the six-year schedule within the capital projects program. It is intended to serve as a maintenance type of project to prevent deterioration of streets, roads and parking, and will therefore result in an economical way of maintaining the vehicular communication lines within the campus.

7. Classroom Building. (UA/Anchorage)

Because of lack of large space the department is currently located in a variety of sites which is not conducive to proper educational development. Enrollment has increased to such a level that it is difficult to handle program needs in current facilities. Therefore, it is proposed that a new classroom building will provide for Departments of Music, Theatre and Art.

8. Galena Learning Center. (Rural Education)

This request will provide space facilities for the Rural Education needs. The student population and interests in technical education are growing, and at this point there is no facility to provide these kinds of programs in the rural areas of this state.

9. Repair Elvey Annex Roof. (UA/Fairbanks)

The existing roof is leaking water around the periphery of the building, resulting in a deterioration of the structure. Spaces below, like the electronics shops, are out of use due to seepage, especially during the winter months. This should be stopped, and the space returned to the user. It is estimated that about 20% of this space is unused during the major portion of the year.

10. University Center - Phase I. (UA/Juneau)

Included in this phase of the project would be a cultural center, student recreational center, administrative center, plus mechanical and other types of spaces necessary for the building's functions. It will house a number of inter-related programs, making an interaction between them much simpler and easier, resulting in a much more efficient operation. It is thought that one single complex approach has numerous advantages; there are economies related to a large building construction rather than numerous small ones. It is thought that the economies of maintenance are better in a single structure rather than numerous buildings located all over the area. It is expected that the program development and attraction of students would increase having a facility that is of a centralized type.

11. Land Acquisition. (UA/Juneau)

It is necessary to purchase property because of the potential need for the location of water supply tank, since this is the highest point on campus. The water would flow by gravity rather than be assisted by mechanical means.

12. Central Receiving. (UA/Fairbanks)

Currently, the Physical Plant is using about one-third of its space for unrelated storage and warehousing. This is an inefficient use of space, therefore it is proposed that a new central warehouse be constructed. A central warehouse would be much more efficient and will lower current operating costs by a significant amount.

13. Prince William Sound Community College.

Projects that are requested are only those listed before you. All listed projects are new. There are no facilities, at the moment, that the college owns. They are currently in a "borrowed space". The justification simply reads: "We have no buildings. We are an established community college; therefore it is appropriate for us to ask for new facilities as soon as possible."

14. Utilities Modification. (UA/Fairbanks)

This request will include water chiller for environmental science labs, a refrigeration system for Irving Building, water chiller for Elvey Building, heating and cooling systems in Elvey Building, steam system upgrading, ventilation and air handling for KUAC, etc.

15. Sewer Connection. (CC-Sitka)

This project is necessary to connect the college buildings to the Sitka community sewer system. Presently the septic tank system must be frequently cleaned. This is costly. It is felt that it would be more advantageous to connect into the city utility system.

16. Engineering Equipment. (UA/Anchorage)

This equipment is necessary to furnish engineering laboratories in the new building. This building is near completion, and the equipment that will be purchased will serve areas such as thermodynamics, electric power, fluid mechanics, electronic communication, etc. This will provide basic furnishing for the educational needs.

17. Applied Science Building. (UA/Anchorage)

This particular request is based on the consolidation of nursing programs. The programs that will be housed in this building are dental and health occupations, chemistry, biology and general type of classrooms. If approved, this will contribute highly to the education of applied science programs and professions within the Anchorage area.

18. On-Line Computer System. (Statewide Administration)

The funds requested for the UACN will be used to: (1) provide increased accessibility and improved service to the Network for all users throughout the University system; (2) provide improved computer hardware and software support for the Division of Community Colleges, Rural Education and Extension; (3) provide needed life support systems in the Anchorage Computer Center and a security system in the Fairbanks Computer Center.

19. Utilities Monitoring and Building Security. (UA/Fairbanks)

It is intended that a computerized system for monitoring of the utility usage and building security be provided for the Fairbanks campus.

20. Physical Plant - Various Programs. (UA/Fairbanks)

This project includes items such as swimming pool chlorinator, re-roofing of some of the buildings, domestic water cooling tower, carpet replacements, elevator safety devices, etc. All items are too numerous to be listed here. There are improvements that have to be made for which no money has been allocated up to this point.

21. Administrative Equipment. (CC-Tanana Valley)

FY81 requests are administrative equipment. This equipment is necessary for college functioning. The technological areas of the programs require more expensive equipment. Although initial investment costs are high, they do decrease over time.

22. Purchase ABE Facility. (CC-Anchorage)

Currently the college is leasing the space for this particular program. The Board of Regents have decided that it would be wiser to purchase the building rather than continue renting.

23. University/Legislature Teleconference Link. (Statewide Administration)

The purpose of this project is to provide a coordinated system of communication between all the campuses and facilitate the contact between the President and Chancellors and all the community colleges within the University system. It is anticipated that the development of the system will be staggered, and that in the long term the entire teleconferencing will be operational throughout the state.

24. Art Department Equipment. (UA/Anchorage)

Due to the lack of space and proper equipment in the art studios, the student body is decreasing - this action is intended to reverse this process. The equipment and the space improvements will be in areas such as ceramic studios, sculpture studios, printmaking studios, painting and drawing, art education, jewelry, photography, etc.

25. Bookstore - UAA/ACC

Currently, a provisional bookstore exists and it does provide a service on a limited basis to both of the units. However, the facility is limited in size and service. It is intended that the new facility will provide full services to both units within the Anchorage area.

26. Yak Estates Plumbing and Heating Conversions. (UA/Fairbanks)

The current state of plumbing in Yak Estates is rather poor. Also, the existing energy source for the heating system should be converted from electric to oil, because operating costs of the electrical heating system is extremely high. Oil conversion would result in significant savings. Capital investments need to be made on this project so that occupancy rates can be increased, so that the university can cover outstanding indebtedness on the project and so that it will not cause financial loss to the university.

27. Statewide Administration Building.

This is the only other statewide capital project anticipated at this time. The reasons for this project is that currently all the statewide administrative units are dispersed all over the Fairbanks campus. There is no identity to a statewide function. This building will afford a possibility to bring all those statewide units into one central location. It is also thought that by centralizing the activity of the statewide functions a better coordination will be attained between the departments responsible for the entire University system.

28. Vocational/Technical Equipment. (Rural Education)

This is a media services need to provide programs to the rural education which presently aren't available.

29. Classroom/Shop Building - Phase IV. (CC-Kenai Peninsula)

This request is made with the hope that since community demand on the college programs is so great and increase in the student enrollment is rapid, this building is proposed so that no delay occurs for the program to be accessible to the public. Spaces that will be included in this structure are: heavy duty electrical equipment shop, petroleum electronics, cooperative extension facilities, etc.

30. Vocational Building and Equipment. (CC-Chukchi)

Besides the "standard" programs described previously, the new project requested by Kotzebue is Item No. 2, Vocational Building and Equipment. This building is a starting area for the delivery of programs in the bush. There is a great student interest in these programs, and having a facility as proposed would be extremely helpful for the community college to expand its service in this area of the state.

31. Arctic Health Incinerator. (UA/Fairbanks)

This will be an incinerator for the disposal of waste from the health experimental labs and controlled by Physical Plant operations.

32. Pratt/Ely Property Renovation. (UA/Juneau)

This is a recently acquired property which has existing structures located there. The structures are rather run down and require extensive remodeling and repair. The remainder of the money from the project when it was purchased will be used for that purpose; however, the funds are insufficient and the additional money is requested for that purpose. It will provide new vocational programs in power technology, marine and fish technology, etc.

33. Phase II Rasmusson Library Addition. (UA/Fairbanks)

The library is overcrowded, making use of the facility difficult and time consuming. It is anticipated that addition to the existing space will occur at this time to allow the expansion of stack area, book collections, media and computer services, creating a centralized and functional facility.

34. Conference Center. (UA/Fairbanks)

This facility will serve the entire University. The development of this facility would not only provide a conference center for outside agencies, but also expand information about the University and provide facilities for adult education. It is anticipated that it will increase the student enrollment, as well as the income to the University. The facility would consist of classroom space, registration areas, food areas and offices for the conference staff as well as exhibition areas and meeting spaces.



UNIVERSITY OF ALASKA
Statewide System of Higher Education
Fairbanks, Alaska 99701

February 25, 1980

Dear Thelma:

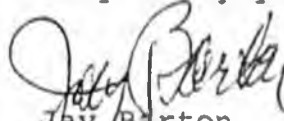
This letter concerns House Bill 690 which I understand you have scheduled for hearings by the House Health, Education and Social Services Committee this coming Friday.

Last week in Juneau I testified before the Senate Health, Education and Social Services Committee with respect to the governor's proposal for general obligation bond funding for the University of Alaska in FY81 totaling \$20,550.0. I thought that you might like to have a copy of the attached related material which I am sending to Senator Glenn Hackney to comply with the request the university received from the Senate Health, Education and Social Services Committee.

I am sorry that I shall not be able to be in Juneau this Friday to testify before your committee with respect to House Bill 690. However, if you or your staff wishes information in addition to what is shown on the attachment with respect to the university's needs and priorities for general obligation bond funding, Dennis Demmert will be able to secure it for you. Or, it may be obtained by contacting me or Sherman Carter, the university's Financial Vice President. His telephone number is 479-7711.

Thank you very much for your assistance in these matters.

Very truly yours,


Jay Barton
President

JB:nba

Representative Thelma Buchholdt
House of Representatives
Pouch V
Juneau, Alaska 99811



UNIVERSITY OF ALASKA
Statewide System of Higher Education
Fairbanks, Alaska 99701

February 25, 1980

Dear Senator Hackney:

On 20 February, the Senate Health, Education and Social Services Committee asked the university to submit a revised capital budget request for general obligation bond funding for FY81 which totaled between \$30 and \$35 million. Attachment number 1A to this paper presents such a request summarized by major administrative unit of the university and also by budget request unit.

As you know --

a. The board of regents authorized the university administration to submit a capital budget request for funding by general obligation bonds in FY81 which totaled \$71,129.0.

b. The governor then recommended that the legislature approve general obligation bond projects for the University of Alaska in FY81 totaling \$20,550.0 as listed below:

| | |
|--------------------------------------|----------|
| Handicap Barrier Removal - All Units | \$525.0 |
| General Building Upgrade - All Units | 950.0 |
| Utilities Modification - UAF | 800.0 |
| Yak Estates Changes - UAF | 600.0 |
| Arts Classroom - UAA | 12,000.0 |
| Sitka Sewer Connection | 75.0 |
| Kenai Classroom | 5,600.0 |

Attachment number 1B to this letter shows how the listing of capital projects which were requested by the board of regents for funding by general obligation bonds in FY81 has been changed to comply with the report requested by the Senate Health, Education and Social Services Committee. It appears that I cannot get the formal approval of the revised listing by the board of regents until the next regular meeting of the board now scheduled for 20-21 March. I believe that the board will then approve my recommendation that, if general obligation bond funding for university capital projects in FY81 is to be provided in an amount of from \$30 to \$35 million, that projects as listed on the attachments be funded. If the board does not approve this recommendation which

Hackney, Senator Glenn

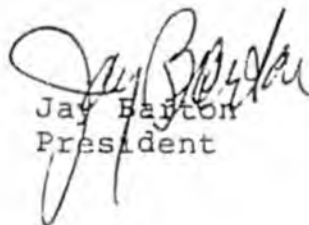
Page 2

February 25, 1980

I shall make, I shall let you know promptly.

Thank you for your assistance in these matters.

Very truly yours,



Jay Barton
President

JB:lei

cc: Board of Regents
Chancellors Cutler, O'Rourke, Harrison and Paradise
Ms. Dixie Brown

Senator Glenn Hackney
Alaska State Senate
Pouch V
Juneau, AK 99811

UNIVERSITY OF ALASKA
FY81 Capital Budget Request
General Obligation Bond Funding

| | |
|-------------------------------------------------|-----------------|
| Board of Regents/Statewide Administration | \$ 917.0 |
| University of Alaska/Fairbanks | 6,253.0 |
| University of Alaska/Anchorage | 6,716.0 |
| University of Alaska/Juneau | 7,162.0 |
| Community Colleges, Rural Education & Extension | <u>13,568.0</u> |
| Total | \$34,616.0 |

| Budget Request Units | Amounts | Subtotal By Unit |
|--------------------------------------------------|---------|---------------------|
| <u>Board of Regents/Statewide Administration</u> | | |
| Campus Development Plan | 595.0 | |
| On Line Computer System | 470.0 | |
| University/Legislative Telecon- ference Link | 52.0 | 917.0 |
| <u>University of Alaska/Fairbanks</u> | | |
| Instructional Equipment | 350.0 | |
| Seward Marine Center | 2,000.0 | |
| Roads, Streets & Parking | 500.0 | |
| Central Receiving Facility | 1,300.0 | |
| Utilities Modification | 800.0 | |
| Utilities Monitoring System | 200.0 | |
| Physical Plant & Improvements | 500.0 | |
| Yak Estates Improvements | 600.0 | 6,253.0 |
| <u>University of Alaska/Anchorage</u> | | |
| Instructional Equipment | 296.0 | |
| Handicap Barrier Removal | 100.0 | |
| General Building Upgrade | 100.0 | |
| Roads, Streets & Parking | 500.0 | |
| Engineering Equipment | 300.0 | |
| Department of Art Equipment | 220.0 | |
| Bookstore to Serve UAA/ACC | 5,200.0 | 6,716.0 |
| <u>University of Alaska/Juneau</u> | | |
| Instructional Equipment | 162.0 | |
| Handicap Barrier Removal | 100.0 | |
| Roads, Streets & Parking | 150.0 | |
| University Center, Phase I | 5,000.0 | |
| Land Acquisition | 150.0 | |
| Pratt/Ely Property Improvements | 600.0 | 7,162.0 |

| Budget Request Units | Amounts | Subtotal By Unit |
|-----------------------------------------------|---------|---------------------|
| <u>CCREE</u> | | |
| <u>Anchorage Community College</u> | | |
| Instructional Equipment | 492.0 | |
| Handicap Barrier Removal | 150.0 | |
| General Building Upgrade | 600.0 | |
| Roads, Streets & Parking | 250.0 | |
| Purchase ABE Building | 220.0 | 1,712.0 |
| <u>Chukchi Community College</u> | | |
| Instructional Equipment | 43.0 | |
| Roads, Streets & Parking | 30.0 | |
| Vocational Building, Equipment | 750.0 | 823.0 |
| <u>Kenai Peninsula Community College</u> | | |
| Instructional Equipment | 210.0 | |
| Classroom/Shop Building IV | 5,600.0 | 5,810.0 |
| <u>Ketchikan Community College</u> | | |
| Instructional Equipment | 105.0 | |
| Handicap Barrier Removal | 120.0 | |
| General Building Upgrade | 30.0 | |
| Roads, Streets & Parking | 175.0 | 430.0 |
| <u>Kodiak Community College</u> | | |
| Instructional Equipment | 54.0 | |
| General Building Upgrade | 75.0 | |
| Roads, Streets & Parking | 110.0 | 239.0 |
| <u>Kuskokwim Community College</u> | | |
| Instructional Equipment | 17.0 | |
| Handicap Barrier Removal | 15.0 | |
| General Building Upgrade | 15.0 | |
| Roads, Streets & Parking | 100.0 | 147.0 |
| <u>Matanuska-Susitna Community College</u> | | |
| Instructional Equipment | 54.0 | |
| Handicap Barrier Removal | 15.0 | |
| General Building Upgrade | 50.0 | |
| Roads, Streets & Parking | 450.0 | 569.0 |
| <u>Northwest Community College</u> | | |
| Instructional Equipment | 114.0 | |
| Handicap Barrier Removal | 25.0 | |
| General Building Upgrade | 70.0 | |
| Roads, Streets & Parking | 100.0 | 309.0 |
| <u>Prince William Sound Community College</u> | | |
| Classroom/Office/Library | 1,500.0 | 1,500.0 |

| Budget Request Units | Amounts | Subtotal By Unit |
|----------------------------------------|----------------|------------------------|
| <u>Sitka Community College</u> | | |
| Instructional Equipment | 119.0 | |
| General Building Upgrade | 10.0 | |
| Roads, Streets & Parking | 200.0 | |
| Sewer Connection | 75.0 | 404.0 |
| <u>Tanana Valley Community College</u> | | |
| Instructional Equipment | 774.0 | 774.0 |
| <u>Rural Education Extension</u> | | |
| Galena Learning Center | 750.0 | |
| VoTech Equipment | 50.0 | 800.0 |
| <u>Cooperative Extension Service</u> | | |
| Instructional Equipment | 51.0 | <u>51.0</u> |
| | Subtotal CCREE | <u>13,568.0</u> |
| | Total U of A | <u><u>34,616.0</u></u> |

UNIVERSITY OF ALASKA
 FY81 Capital Budget Request
 General Obligation Bond Funding

| | |
|-------------------------------------------------|-----------------|
| Board of Regents/Statewide Administration | \$ 917.0 |
| University of Alaska/Fairbanks | 5,753.0 |
| University of Alaska/Anchorage | 6,716.0 |
| University of Alaska/Juneau | 6,562.0 |
| Community Colleges, Rural Education & Extension | <u>13,568.0</u> |
| Total | \$33,516.0 |

| Budget Request Units | Amounts | Subtotal By Unit |
|--------------------------------------------------|---------|---------------------|
| <u>Board of Regents/Statewide Administration</u> | | |
| Campus Development Plan | 395.0 | |
| On Line Computer System | 470.0 | |
| University/Legislative Telecon- ference Link | 52.0 | 917.0 |
| <u>University of Alaska/Fairbanks</u> | | |
| Instructional Equipment | 353.0 | |
| Seward Marine Center | 2,000.0 | |
| Roads, Streets & Parking | 500.0 | |
| Central Receiving Facility | 1,300.0 | |
| Utilities Modification | 800.0 | |
| Utilities Monitoring System | 200.0 | |
| Yak Estates Improvements | 600.0 | 5,753.0 |
| <u>University of Alaska/Anchorage</u> | | |
| Instructional Equipment | 296.0 | |
| Handicap Barrier Removal | 100.0 | |
| General Building Upgrade | 100.0 | |
| Roads, Streets & Parking | 500.0 | |
| Engineering Equipment | 300.0 | |
| Department of Art Equipment | 220.0 | |
| Bookstore to Serve UAA/ACC | 5,200.0 | 6,716.0 |
| <u>University of Alaska/Juneau</u> | | |
| Instructional Equipment | 162.0 | |
| Handicap Barrier Removal | 100.0 | |
| Roads, Streets & Parking | 150.0 | |
| University Center, Phase I | 6,000.0 | |
| Land Acquisition | 150.0 | 6,562.0 |

PRIORITY LIST FOR CAPITAL PROJECTS

FY 81

| PRIORITY NUMBER | UNIT | PROJECT TITLE | CR CODE | FUNDING | | FUNDING | |
|-----------------|---------------------|---------------------------------------|---------|----------|------------|----------|------------|
| | | | | GO (000) | CUMULATIVE | DA (000) | CUMULATIVE |
| 1 | All | Instructional Equipment (14 listings) | B-3 | 2,844 | 4,044 | | |
| 2 | UA/Fairbanks | Seward Marine Education Center | A-1 | 2,000 | 6,044 | | |
| 3 | All | Handicap Barrier Removal (7 Listings) | B-2 | ← | | 525 | 525 |
| 4 | Statewide Admin. | Campus Development Plan | A-1 | ← | | 395 | 920 |
| 5 | All | General Building Upgrade (8 listings) | B-1 | 950 | 6,994 | | |
| 6 | All | Roads, Streets, Parking (10 listings) | A-5 | ← | | 2,565 | 3,495 |
| 7 | UA/Anchorage | Classroom Building | A-1 | 12,000 | 18,994 | | |
| 8 | Rural Education | Galena Learning Center | A-1 | 750 | 19,744 | | |
| 9 | UA/Fairbanks | Repair Elvey Building | B-1 | 120 | 19,864 | | |
| 10 | UA/Juneau | University Center Phase I | A-1 | 6,000 | 29,864 | | |
| 11 | UA/Juneau | Land Acquisition | A-6 | 150 | 30,014 | | |
| 12 | UA/Fairbanks | Central Receiving | A-1 | 1,300 | 31,314 | | |
| 13 | CC-Prince Wm. Sound | Classroom/Office/Library | A-1 | 1,500 | 32,814 | | |
| 14 | UA/Fairbanks | Utilities Modification | A-5 | 800 | 33,614 | | |
| 15 | CC-Sitka | Sewer Connection | A-5 | 75 | 33,689 | | |
| 16 | UA/Anchorage | Engineering Equipment | A-3 | ← | | 300 | 3,785 |
| 17 | CC-Anchorage | Applied Science Building | A-1 | 5,000 | 38,689 | | |
| 18 | Statewide Admin. | On Line Computer System | | | | | |

| Name | Address and Phone | Organization/Self | For/Against or Observing |
|------------------------|-------------------|-----------------------|-----------------------------|
| 1/ <u>John Slusich</u> | | <u>Bd. of Regents</u> | |
| 2/ | | | |
| 3/ | | | |
| 4/ | | | |
| 5/ | | | |
| 6/ | | | |
| 7/ | | | |
| 8/ | | | |
| 9/ | | | |
| 10/ | | | |
| 11/ | | | |
| 12/ | | | |
| 13/ | | | |

| Name | Address and Phone | Organization/Self | For/Against or Observing |
|---------------|--------------------------------|----------------------|-----------------------------|
| 1/ Jay Barton | U of Alaska Fairbanks 479 7311 | U of A / President | testify |
| 2/ Rob Mowant | 548 Douglas AK 2521 586 | Alaska Student Lobby | just observing |
| 3/ | | | |
| 4/ | | | |
| 5/ | | | |
| 6/ | | | |
| 7/ | | | |
| 8/ | | | |
| 9/ | | | |
| 10/ | | | |
| 11/ | | | |
| 12/ | | | |
| 13/ | | | |

HB

701

STATE OF ALASKA
Inter-Department Route Slip

TO:
MAIL STATION NUMBER 3100

DEPARTMENT _____

ATTENTION House Health Fed. & Social
Services

- | | |
|----------------------------------------|----------------------------------------------|
| <input type="checkbox"/> Approval | <input type="checkbox"/> Note & Return |
| <input type="checkbox"/> Signature | <input type="checkbox"/> Initial & Return |
| <input type="checkbox"/> Comment | <input type="checkbox"/> Return As Requested |
| <input type="checkbox"/> Contact Me | <input type="checkbox"/> Return For Approval |
| <input type="checkbox"/> Prepare Reply | <input type="checkbox"/> Necessary Action |
| <input type="checkbox"/> For Your File | <input type="checkbox"/> Your Information |

Remarks:

FROM:
MAIL STATION NUMBER 2100

DEPARTMENT C + KA

BY LYNN WEGENER DATE 7/17/80

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 701
 Title An Act making special appropriations for senior citizens in Nenana
 Requested by Representative Moss Date _____

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs
 Program Category Affected Community Development
 Budget Request Unit(s) Affected Local Government Assistance - Grants

EXPENDITURES (Thousands of Dollars)

| | FY 79 | FY 80 | FY 81 | FY 82 | FY 83 | FY 84 |
|--------------------------|-------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES | | | | | | |
| 200 TRAVEL | | | | | | |
| 300 CONTRACTUAL | | | | | | |
| 400 COMMODITIES | | | | | | |
| 500 EQUIPMENT | | | | | | |
| 600 LAND & STRUCTURES | | | | | | |
| 700 GRANTS, CLAIMS, ETC. | | | | | | |
| TOTAL | 0 | 0 | 0 | 0 | 0 | 0 |

FUNDING (Thousands of Dollars)

| | | | | | | |
|-----------------|---|---|---|---|---|---|
| GENERAL FUND | 0 | 0 | 0 | 0 | 0 | 0 |
| FEDERAL FUNDS | | | | | | |
| OTHER (Specify) | | | | | | |
| | | | | | | |

POSITIONS

| | | | | | | |
|-----------|---|---|---|---|---|---|
| FULL TIME | 0 | 0 | 0 | 0 | 0 | 0 |
| PART TIME | | | | | | |
| TEMPORARY | | | | | | |

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

This bill, by itself, does not have enough fiscal impact on our department to require additional appropriations or positions. There are many such bills pending however, and if a significant number pass the cumulative administrative burden will require additional personnel.

IV. DATE 2-21-80 PREPARED BY McKie Campbell
 AGENCY Community & Regional Affairs
 PHONE 465-4735

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

HB

704

Report To The Alaska State Legislature
House Of Representatives
Health, Education, and Social Services Committee
Representative Thelma Buchholdt, Chairman

By: John C. Garvin, Ph.D.
President, Alaska Association of
Homes for Children, Inc.
Executive Director, Alaska Children's
Services, Inc.
1200 E. 27th Avenue
Anchorage, Alaska 99504
Phone: 276-4515

Date: April 9, 1980

RE: HB704

In behalf of the Alaska Association of Homes for Children, Inc., and Alaska Children's Services, Inc., I want to speak in opposition to HB704 entitled "An Act Relating to the Purchase of Services By The State For Persons Under Its Responsibility; and Providing For An Effective Date."

HB704 was drafted by the Department of Health and Social Services and proposes to repeal and/or amend major sections of Alaska Statute 47:40 so that the intent is totally changed.

The Alaska Association of Homes for Children, Inc. is a statewide association consisting of 14 of the State's 16 private non-profit child care agencies. These agencies provide residential care and treatment for some of Alaska's most troubled, abused, and neglected children and youth. More than 2,000 children are cared for each year with approximately 250 in care on any given day. These are children that do not have families of their own who can care for them and have generally been in and out of numerous foster homes.

For the past ten years, private non-profit child care agencies in Alaska have been providing residential care and treatment for children placed by the Department of Health and Social Services. They have been reimbursed according to Alaska Statute 47:40. This is often referred to as the "Full Cost-of-Care Statute".

Although AS 47:40 has never allowed for the full reimbursement of the care of State placed children, it is superior to the reimbursement method of contracting proposed by HB704 in some of the following ways:

1. AS 47:40 currently enables continuity of care for troubled, disturbed, often abused children who need protection and security. Under the changes proposed by HB704, children could be uprooted and moved from one agency to another at the end of a contract period. Relationships with their primary caregivers would be broken and another, often traumatic move from one home to another could undermine any improvement they have made or security they have found. Even knowing in advance that a move is pending would be detrimental to their sense of wellbeing and security unless it is carefully incorporated into their treatment plan which cannot always be made to coincide with the State's fiscal year.
2. AS 47:40 promotes and maintains the private voluntary nature of child care institutions which historically have provided high quality care

and treatment of orphaned and troubled children. Agencies across the State have invested millions of dollars in facilities and equipment for the care of children. Under HB704, private enterprise would suffer. Agencies would be unable to make long-range plans and the recruitment of professional staff would be seriously jeopardized.

3. AS 47:40 protects the small agencies from hard pressure contracting methods. Under provisions of HB704, the Department would hold the upper hand in negotiating contracts with small, private child care agencies. The Department with its resources would be able to hold out indefinitely for a reimbursement rate which may be substantially less than the agency needs to operate a quality program.

Presently, the Department has the option of contracting with agencies for new services and of discontinuing its placement of children in any agency which it does not care to use. During the past year, its Division of Corrections chose not to use two agencies.

The present statute requires the Department to provide a cost-of-living increase. If it had not been for this requirement in the law during the past year, the Department would not have granted a cost-of-living increase. It took an opinion of the Attorney General to bring the Department into compliance with the existing statute. Without certain protection provided by the current statute, private agencies would be at the mercy of the Department.

4. AS 47:40 protects against inflation. Not only does it provide in Section 040(a) for a reimbursement rate to include a proportionate share of anticipated cost-of-living and staff salary increment increases but it enables agencies to keep up with inflation even though the Department's annual increase has historically been less than the inflation rate reported by the U.S. Department of Labor. The method of determining the rate incorporates the actual allowable expenses for the preceding year divided by the number of days of care. Under HB704, no guarantee of consideration for inflation will be provided unless it is a part of the negotiation process. The private agencies have historically found the Department to offer less than the actual rate of inflation. The current year is a good illustration where the proposed inflation rate is considered to be 18%. The Department has been insisting on limiting the rate increase for FY 1981 to 9%. The agencies feel that a very minimum of 12% must be included and this has met with considerable resistance.

A multi-year contract without an automatic inflation increase would cause undue hardship to most private agencies.

5. AS 47:40 encourages creativity, dedication, and joint public/private financing of child care programs. Historically, the private agencies have had to raise 10 to 20 percent of the cost of care. This has encouraged agencies to find private funds for the improvement of their program in situations when the State has been reluctant to support an innovation that would benefit the program and children in care. Furthermore, most child care salaries paid by private agencies are only one half to three fourths that of the salaries paid to State employees for comparable positions. In fact, the private agency employees personally subsidize the care of State placed children to

the tune of several hundred thousand dollars a year, due to their dedication to the agencies and the children they serve even though they cannot be paid the type of salaries they deserve.

Under HB704, private agencies would have less opportunity to develop programs they know to be in the best interest of children inasmuch as the Department would have a greater capacity to dictate the nature and content of the program.

For these and other reasons, the Alaska Association of Homes for Children, Inc. and Alaska Children's Services, Inc. oppose vigorously HB704. It is true that there are limitations to AS 47:40. Primarily the present statute does not require cost settling and reimbursement for depreciation on property and equipment.

Representative Charles Parr has introduced HB637 which would strengthen AS 47:40 by requiring that the Department cost settle and allow depreciation as a reimbursable expenditure.

In behalf of the private child care agencies of the State of Alaska, I urge you to oppose HB704 and to support HB637.

DEPT. OF HEALTH AND SOCIAL SERVICES

OFFICE OF THE COMMISSIONER

POUCH H 01 - JUNEAU 99811

April 9, 1980

The Honorable Thelma Buchholdt
 Chairman
 House HESS Committee
 Pouch V
 Juneau, Alaska 99811

Document # 65-80

Dear Ms. Buchholdt:

COST OF CARE RATE HEARINGS
REPORT TO THE LEGISLATURE

Alaska Statutes, Chapter 47.05.010(14), mandate a public meeting be held by the Department of Health and Social Services "in February to review, study, and propose the necessary levels of care and the rates it (the department) will pay to anyone for the services required during the succeeding year; before final adoption by the department, the proposed levels of care and the rates of payment shall be reviewed by the Legislature annually while in session."

The meetings to conform to the statutes were held during February, 1980 as required. Testimony was presented on both the rates of payments and the levels of care during the hearing process. Attachment 1 lists the estimated rates which need to be paid during FY 1981 based upon testimony given by the providers. Attachment 2 provides the cost estimate and rates without the provider requested 3% allowance for fringe benefits. Funding for both institutional and foster care for in-state costs appears to be insufficient to meet the estimated expenditures.

All calculations of costs presented in this report are based on provisions of current purchase of service statutes.

The rates reflected on Attachment 1 were developed using a 12% increment for salary, a 12% cost of living allowance for all expenditure categories other than salaries and benefits, and a 3% increment for employee benefits. These increases were requested by providers during the rate hearings.

Costs as Requested by Providers at Hearings

| | <u>Division of Social Services</u> | <u>Division of Corrections</u> | <u>Department Total</u> |
|---------------------------|----------------------------------------|------------------------------------|-----------------------------|
| <u>Institutional Care</u> | (In-State) | (In-State) | |
| Budgeted Amount | \$4,281,300.00 | \$2,001,675.00 | \$6,282,975.00 |
| Estimated Cost | 6,893,119.00 | 2,550,313.00 | 9,443,432.00* |

Balance (Deficit) (2,611,819.00) (548,638.00) (3,160,457.00)

*The difference in \$9,993,958 on Attachment 1 and \$9,443,432 shown represents projected changes in placement patterns.

| <u>Foster Care</u> | <u>Division of Social Services</u> | <u>Division of Corrections</u> | <u>Department Total</u> |
|--------------------|------------------------------------|--------------------------------|-------------------------|
| Budgeted Amount | \$2,682,513.00 | \$ 444,100.00 | \$3,126,613.00 |
| Estimated Cost | 2,943,272.00 | 448,700.00 | 3,391,972.00 |
| Balance (Deficit) | \$ (260,759.00) | \$ (4,600.00) | \$ (265,359.00) |
| Total Deficit | \$(2,872,578.00) | \$(553,238.00) | \$(3,425,816.00) |

Unless the legislature appropriates additional funds required or directs that the rates requested by the providers should be granted, the department does not intend to allow the level of increases as requested. We have developed rates allowing for an across the board increase of 12% (Attachment 2).

In the institutional care and foster care components, no increase beyond the 9% guideline was utilized during budget preparations.

There has not been a separate allowance made in the full cost formula for fringe benefits paid by providers to their employees. The department has historically considered any fringe benefit allowance as part of the salary costs. The providers have requested an increase of 3% over the current salary expenses to enable agencies to improve benefits such as medical/dental insurance, retirement plans, and/or other benefits currently not provided or provided at inadequate levels.

While the providers have requested a separate 3% increase for fringe benefits, the department is not recommending a departure from its established position of including fringe benefits in the salary increase allowance.

Costs as Recommended by Department

| | <u>Division of Social Services</u> | <u>Division of Corrections</u> | <u>Department Total</u> |
|---------------------------|------------------------------------|--------------------------------|-------------------------|
| <u>Institutional Care</u> | (In-State) | (In-State) | |
| Budgeted Amount | \$4,281,300.00 | \$2,001,675.00 | \$6,282,975.00 |
| Estimated Cost | 6,763,305.00 | 2,506,991.00 | 9,374,398.00 |
| Balance (Deficit) | (2,482,005.00) | (505,316.00) | (2,987,321.00) |

Foster Care

| | | | |
|-------------------|------------------|-----------------|------------------|
| Budgeted Amount | \$2,682,513.00 | \$ 444,100.00 | \$3,126,613.00 |
| Estimated Cost | 2,943,272.00 | 448,700.00 | 3,391,972.00 |
| Balance (Deficit) | \$ (260,759.00) | \$ (4,600.00) | \$ (265,359.00) |
| Total Deficit | \$(2,742,764.00) | \$ (509,916.00) | \$(3,252,680.00) |

Foster Care rates were developed according to 7 AAC50.720(C) assuming a 9.874% change in the Consumer Price Index during FY 1980. Attachment 3 displays the rates for FY 1981.

Consistent with the information presented as a recommendation from the providers, the department projects additional funds would be required in the amount of \$3,425,816 for both institutions, group homes and foster homes as shown below:

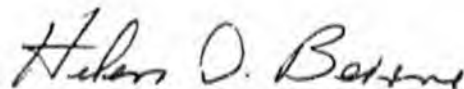
The department has recommended the 12% general increase, not allowing for an additional fringe benefit component. Additional funding required to comply with this recommendation is projected at \$2,987,321 in the institutional care component.

The foster care component as recommended would require an additional \$265,359.

Based upon data developed as the result of recent 1980 hearings, under 47.05.010 (14), the legislature is advised that sufficient provisions have not been made in the current budget request. Additional funds will be required in order to meet anticipated purchase of services at levels proposed either by the providers or the department as set forth in this report.

If such additional funds are not appropriated, the Department of Health and Social Services will not be in position to purchase services from any facility not licensed in FY 1980 and may have to refrain from purchasing services from some existing facilities.

Sincerely,



Helen D. Beirne
Commissioner

Attachments

Fiscal 1981

FULL COST OF CARE FACILITIES
CALCULATION OF RATES AND COST TO STATE
FY 81

| | Rates Per Child Care Day | | FY 80 Annualized From 12/31/79 Report | | FY 80 Projected Total (State Census/Total Expenses/Census Part-2 | Salaries Fy80 x 12% | Fringe COLA x 3% | Other Exp. Fy80 x 12% | Total Expenses |
|---------------------------------------|--------------------------|--------------------------|------------------------------------------|-----------------------------|------------------------------------------------------------------------|------------------------|---------------------|--------------------------|-------------------|
| | Fy-81 Projected Rate | Current Reimbursement | Salaries Reported x 2.5 | Other Exp Reported x 2.5 | | | | | |
| | | | | | | | | | |
| Alaska Childrens Services | | | | | | | | | |
| Agustinus House | 23.85 | 85.72 | 76,917 | 51,347 | 128,264/11,516/11,545 | 86,147 | 2,574 | 57,509 | 146,240 |
| Colletti House | 37.95 | 56.12 | 78,632 | 52,193 | 130,825/11,646/11,655 | 88,353 | 2,642 | 48,456 | 149,456 |
| Jesse Lee Home | 145.29 | 100.43 | 1,036,150 | 537,437 | 11,573,637/111,994/12,262 | 11,160,530 | 34,318 | 601,929 | 11,797,317 |
| Mary Johnson House | 194.25 | 122.33 | 277,720 | 96,923 | 374,503/12,208/12,208 | 311,046 | 9,331 | 108,531 | 428,908 |
| North Star Group Home | 36.71 | 57.69 | 24,622 | 47,245 | 131,489/11,510/11,735 | 94,778 | 2,843 | 52,514 | 150,595 |
| Emergency Shelters | 138.25 | 99.51 | 427,190 | 219,470 | 645,819/12,342/12,342 | 478,453 | 14,354 | 245,750 | 738,557 |
| Total ACS | | | 11,607,122 | 11,000,345 | 12,865,577/124,440/124,440 | 2,219,532 | 66,572 | 1,125,054 | 3,411,158 |
| Alaska Baptist Fam Svc Ctr | 50.33 | 61.51 | 87,130 | 74,390 | 161,570/12,562/12,654 | 97,553 | 2,930 | 83,306 | 183,849 |
| Alaska Youth Home | 92.55 | 69.30 | 404,010 | 300,725 | 714,735/17,082/17,722 | 452,491 | 13,575 | 335,912 | 802,978 |
| Booth Memorial Home | 141.93 | 109.08 | 326,392 | 148,410 | 414,202/13,624/13,824 | 365,559 | 10,967 | 146,219 | 542,745 |
| Covenant High School | 39.95 | 19.52 | 130,157 | 159,158 | 299,315/151/18,510 | 135,976 | 4,709 | 173,257 | 319,942 |
| Hilltop Home | 80.33 | 59.70 | 227,150 | 237,895 | 465,045/15,918/15,919 | 218,898 | 7,464 | 266,442 | 522,714 |
| Juneau Receiving Home | 28.53 | 71.64 | 154,550 | 72,845 | 227,435/12,678/12,533 | 173,141 | 5,191 | 81,586 | 259,918 |
| Kahal Penn. Comm. Care Ctr | 80.69 | 64.79 | 135,380 | 104,940 | 240,320/13,332/13,392 | 151,626 | 4,549 | 117,533 | 273,708 |
| Ketchikan Childrens Home | 64.93 | 52.09 | 115,177 | 105,025 | 311,782/15,438/15,438 | 170,998 | 3,870 | 210,198 | 385,066 |
| Kotlik Baptist Mission | 36.21 | 24.02 | 84,815 | 154,948 | 239,763/16,620/17,494 | 94,593 | 2,850 | 172,523 | 271,381 |
| Nome Receiving Home | 145.93 | 83.55 | 95,022 | 63,248 | 153,270/11,158/11,158 | 106,425 | 3,193 | 70,836 | 180,455 |
| N. Slopeboro Child. Receiving Home | 175.38 | 106.05 | 183,555 | 97,483 | 276,031/11,796/11,798 | 201,562 | 6,137 | 163,581 | 315,330 |
| North Star Childrens Home | 43.92 | 51.07 | 96,862 | 74,530 | 171,392/13,054/13,054 | 108,435 | 3,255 | 83,474 | 195,114 |
| Presbyterian Hosp. Home | 122.33 | 85.75 | 527,200 | 163,875 | 696,075/14,518/14,518 | 590,461 | 17,714 | 129,140 | 797,315 |
| Sitka Receiving Home | 56.07 | 45.31 | 76,677 | 71,295 | 47,962/1974/1974 | 23,873 | 896 | 23,829 | 54,613 |
| Turning Point Boys Home | 123.20 | 73.07 | 842,177 | 452,118 | 1,105,065/12,028/12,094 | 934,134 | 28,324 | 517,572 | 1,480,030 |
| Totals | | | 8,428,456 | 3,356,740 | 8,785,876/87,019/100,176 | 6,074,505 | 182,229 | 3,737,424 | 9,994,958 |

Attachment 1

Calculations on this chart are based upon information submitted by providers reflecting costs and number of placements for period July 1, 1979 through December 31, 1979, providing 12% salary increase, 12% other than salary expenses increase and 3% of salaries provided for improved fringe benefits (Medical insurance, retirement, etc).

Fiscal 1981

FULL COST OF CARE FACILITIES
CALCULATION OF RATES AND COST TO STATE
FY 81

| | Rates Per Child Care Day | | FY 80 Annualized From 12/31/79 Report FY 80 Projected | | | | Salaries FY80 + 12% | Other Exp. FY80 x 12% | Total Expenses |
|-----------------------------------------|--------------------------|---------------|----------------------------------------------------------|----------------|-----------|-------------------|------------------------|--------------------------|-------------------|
| | FY-81 | Current | Salaries | Other Exp | Total | State Census/Tot. | | | |
| | Projected Rate | Reimbursement | Reported x 2.5 | Reported x 2.5 | Expense | Census Rpt x 2 | | | |
| Alaska Childrens Services | | | | | | | | | |
| Aquarius House | 87.27 | 85.72 | 76,917 | 51,367 | 128,284 | 1,645/1,645 | 86,147 | 57,509 | 143,656 |
| Colletti House | 86.39 | 56.12 | 78,632 | 52,193 | 130,825 | 1,695/1,695 | 88,068 | 58,456 | 146,524 |
| Jesse Lee Home | 142.57 | 100.43 | 1,036,250 | 537,437 | 1,573,687 | 11,984/12,362 | 1,160,600 | 601,929 | 1,762,529 |
| Mary Johnson House | 190.02 | 122.33 | 277,720 | 96,903 | 374,623 | 2,203/2,203 | 311,046 | 108,531 | 419,577 |
| North Star Group Home | 85.07 | 57.69 | 84,623 | 47,245 | 131,868 | 1,500/1,736 | 94,778 | 52,914 | 147,692 |
| Emergency Shelters | 135.56 | 99.51 | 427,190 | 219,420 | 646,610 | 5,342/5,342 | 478,453 | 245,750 | 724,203 |
| Total ACS | | | 1,981,332 | 1,004,545 | 2,985,877 | 24,406/24,990 | 2,219,092 | 1,125,089 | 3,344,181 |
| Alaska Baptist Fam Svc Ctr | 49.52 | 51.51 | 87,190 | 74,380 | 161,570 | 2,562/3,654 | 97,653 | 83,306 | 180,959 |
| Alaska Youth Home | 90.49 | 69.30 | 404,010 | 300,725 | 704,735 | 7,082/8,722 | 452,491 | 336,812 | 789,303 |
| Booth Memorial Home | 139.06 | 109.08 | 326,392 | 148,410 | 474,802 | 3,824/3,824 | 365,559 | 166,219 | 531,778 |
| Covenant High School | 39.39 | 19.52 | 140,157 | 159,158 | 299,315 | 151/8,510 | 156,976 | 178,257 | 335,233 |
| Hilltop Home | 87.06 | 59.70 | 227,150 | 237,895 | 465,045 | 5,918/5,918 | 248,703 | 266,442 | 515,250 |
| Juneau Receiving Home | 95.56 | 71.64 | 154,590 | 72,845 | 227,435 | 2,638/2,638 | 173,141 | 81,586 | 254,727 |
| Kenai Penn. Comm. Care Ctr | 79.35 | 64.79 | 135,380 | 104,940 | 240,320 | 3,392/3,392 | 151,626 | 117,533 | 269,159 |
| Ketchikan Childrens Home | 64.21 | 52.09 | 115,177 | 196,605 | 311,782 | 5,438/5,438 | 128,998 | 220,198 | 349,196 |
| Kodiak Baptist Mission | 25.83 | 24.02 | 84,815 | 154,948 | 239,763 | 6,680/7,494 | 94,993 | 173,538 | 268,531 |
| Nome Receiving Home | 153.07 | 83.56 | 95,022 | 63,248 | 158,270 | 1,158/1,158 | 106,425 | 70,838 | 177,263 |
| N. Slope Boro. Child. Receiving Home | 171.94 | 106.05 | 183,555 | 92,483 | 276,038 | 1,796/1,798 | 205,582 | 103,581 | 309,163 |
| North Star Childrens Home | 62.85 | 51.07 | 96,862 | 74,530 | 171,392 | 3,054/3,054 | 108,485 | 83,474 | 191,959 |
| Presbyterian Hosp. Home | 119.60 | 85.75 | 527,200 | 168,875 | 696,075 | 6,518/6,518 | 590,464 | 189,140 | 779,604 |
| Sitka Receiving Home | 55.15 | 45.31 | 26,677 | 21,265 | 47,942 | 974/974 | 29,878 | 23,839 | 53,717 |
| Turning Point Boys Home | 120.86 | 73.09 | 842,977 | 462,118 | 1,305,095 | 12,028/12,024 | 944,134 | 517,572 | 1,461,706 |
| Totals | | | 5,428,486 | 3,336,990 | 8,765,476 | 87,620/100,176 | 6,074,305 | 3,737,424 | 9,811,729 |

The foster care rates for FY 81 have been calculated in the following manner.

The Anchorage Consumer Price Index (CPI) as of January 1980 was 218.2. Annualizing the rate for the period of March 1979 through March of 1980, the Anchorage CPI is expected to be 221.6 in March. Placing the March CPI over the 1970 base year CPI results in a ratio of 1.9874:1.0. Multiplying the 1970 base year rates by this increase for each of the three age categories we arrive at the annual foster care rate for fiscal year 1981 for the Southeastern, Southern and the Southcentral Regions.

| Age Group | | Annual Rate | Month Rate | Daily Rate |
|------------|-------------------------------------|----------------|---------------|---------------|
| 4 & under | $\frac{221.6}{111.5} \times 1935 =$ | \$3,846 | \$321 | \$10.54 |
| 5. thru 11 | $\frac{221.6}{111.5} \times 2140 =$ | \$4,253 | \$355 | \$11.66 |
| 12 & over | $\frac{221.6}{111.5} \times 2557 =$ | \$5,082 | \$424 | \$13.93 |

In order to calculate the rate for the Northern, Northwestern and Western Regions a cost of living differential was calculated based on GGU range 14A salary as negotiated under the 1980 contract.

| | <u>Pay Schedule</u> | <u>Percentage</u> | | |
|--------------------------|---------------------|-------------------|----------------|--------------|
| Anchorage | \$1,850 | | | |
| Fairbanks | 2,132 | 1.1524 | | |
| Bethel | 2,465 | 1.3324 | | |
| Kotzebue | 2,556 | 1.3816 | | |
| <u>Fairbanks</u> | | | | |
| <u>Age Group</u> | | | <u>Monthly</u> | <u>Daily</u> |
| 4 & under | \$3,846 x 1.1524 = | \$4,432 = | \$ 369.00 | \$12.14 |
| 5 thru 11 | 4,253 x 1.1524 = | 4,901 = | 408.00 | 13.42 |
| 12 & over | 5,082 x 1.1524 = | 5,856 = | 488.00 | 16.04 |
| <u>Bethel</u> | | | | |
| 4 & under | \$3,846 x 1.3324 = | \$5,124 = | \$ 427.00 | \$14.03 |
| 5 thru 11 | 4,253 x 1.3324 = | 5,665 = | 472.00 | 15.52 |
| 12 & over | 5,082 x 1.3324 = | 6,771 = | 564.00 | 18.55 |
| <u>Kotzebue - Barrow</u> | | | | |
| 4 & under | \$3,846 x 1.3816 = | \$5,313 = | \$ 442.00 | \$14.56 |
| 5 thru 11 | 4,253 x 1.3816 = | 5,875 = | 489.00 | 16.10 |
| 12 & over | 5,082 x 1.3816 = | 7,021 = | 585.00 | 19.23 |

POSITION PAPER
ON
HOUSE BILL NO. 704

"An Act relating to the method of purchase of social services by the state; and providing for an effective date."

House Bill 704 substantially amends 47.40 Purchase of Services to enable the Department to contract for the delivery of institutional, foster home or residential care services. The present statutes (47.40.010) require the Department to "determine the rates of payment for the full cost of services required" and to "pay all expenses related directly to the full cost of services at the levels of care required." In addition, this bill would amend current statute to allow salary costs to be provided to qualified foster parents participating in the specialized foster care program. This additional level of foster care expands the options for placement of children in custody and serves as a cost-effective alternative to placement in institutional care. Specialized foster care will provide for care for a child in his/her own region, and if possible, close to his/her biological parents. We have attached a report marked Attachment A on the foster care program which explains this program in more detail.

On the surface the present statutory language seems to provide for a fair and equitable way to determine rates and to pay for the full cost of services rendered by the provider. However, the problem with Chapter 40, Purchase of Services is not in the enactment section (47.40.010) but in section (47.40.040) which outlines the method of determining the full cost of services. This section indicates that full cost of services shall be determined by the per person, per day cost in the preceding fiscal year plus a proportionate share of anticipated cost of living and staff salary increment increases for the fiscal year for which the full cost of services, determined to be necessary by the Department, is being determined. This formula for determination of rates does not consider the occupancy factor for the various facilities. For example, if a group home opens in a given community and asks for a license for a 10 bed facility the Department must by law license them if they meet the requirements even if the Department cannot fully utilize the 10 beds. However, under the formula if the Department utilizes 5 beds in the first fiscal year the next year's rates must include the costs for all 10 beds. Therefore the per person, per day cost is significantly higher due to the vacancy factor.

If House Bill 704 were enacted, it would enable the Department to negotiate contracts for a specific number of beds for the types of services needed by the Department. This process would not only make an impact on the rate of care but would enable the Department to control the number of beds available at each level of care. Presently, the Department's only alternatives are to pay for the empty beds or to stop utilizing a facility completely. Contracting for services would result in a more reasonable and cost effective method of handling the problem of vacancy rates.

The Department would adopt regulations describing the contracting procedures. As part of the process of promulgating regulations, the Department plans to have public hearings in at least Anchorage, Fairbanks, and Juneau to explain the proposed regulations and solicit comments for improvements. Providers in other areas of the state would be able to receive copies of the proposed regulations and comment by mail. The Department would take these comments under advisement in finalizing the regulations.

The Department anticipates going to a request for proposals procedure for the purchase of these services if House Bill 704 is passed. To accomplish this the Department plans to describe the type of services they wish to purchase in a fiscal year and the approximate number of placements anticipated at each level of care. These requirements would be made known to existing child-care agencies and any other individual or group who may want to develop one or more services the Department wishes to purchase. Proposals would come to the Department for review with contracts subsequently being negotiated for the required services. We hope to create a truly competitive atmosphere in which to negotiate for the purchase of services. Contracting should serve to provide adequate incentives to contain expenditures at reasonable levels.

The Department supports the modification of the full cost of care statutes to permit purchase of care through contracting and through a specialized foster care program. The Bill would give the Department maximum flexibility in purchasing adequate services for children under the state's care at the lowest possible cost.

APPROVED BY: Helen D. Beirne DATE: 4-8-80
Helen D. Beirne, Commissioner
Department of Health and Social Services

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 704

Title Purchase of Social Services by the State

Requested by House HESS

Date April 3, 1980

II. FISCAL DETAIL

Agency Affected Department of Health and Social Seviles

Program Category Affected Administration of Justice & Social Services

BRU, Program, or Subprogram(s) Affected Youth Services (Div. of Corr.) & Program Services

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.) (Division of Social Services)

EXPENDITURES (Thousands of Dollars)

| | FY 80 | FY 81 | FY 82 | FY 83 | FY 84 | FY 85 |
|--------------------------|-------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES | | | | | | |
| 200 TRAVEL | | | | | | |
| 300 CONTRACTUAL | | | | | | |
| 400 COMMODITIES | | | | | | |
| 500 EQUIPMENT | | | | | | |
| 600 LAND & STRUCTURES | | | | | | |
| 700 GRANTS, CLAIMS, ETC. | | | | | | |
| TOTAL | | -0- | -0- | -0- | -0- | |

FUNDING (Thousands of Dollars)

| | FY 80 | FY 81 | FY 82 | FY 83 | FY 84 | FY 85 |
|-----------------------------|-------|-------|-------|-------|-------|-------|
| GENERAL FUND | | -0- | -0- | -0- | -0- | |
| FEDERAL FUNDS | | | | | | |
| OTHER (Specify Fund Source) | | | | | | |

POSITIONS

| | FY 80 | FY 81 | FY 82 | FY 83 | FY 84 | FY 85 |
|-----------|-------|-------|-------|-------|-------|-------|
| FULL TIME | | 1 | 1 | 1 | 1 | |
| PART TIME | | | | | | |
| TEMPORARY | | | | | | |

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

A. Assumptions:

Program costs will continue to rise due to inflationary pressures. The existing statute covering the purchase of institutional juvenile care is significantly vague as to what is "full cost," and contains no incentive for efficient management practices by the providers of service. Through a statutory change, it is assumed that the individual contracts negotiated will be very specific regarding budget line items for which the Department will pay. Through this mechanism, it is envisioned that, through contracting for institutional juvenile care, the Department will be able to slow the exponential growth of program costs.

A highly qualified contract negotiator position is necessary to take on this activity. The incumbent will be responsible for negotiating all of the necessary contracts with child care provider agencies, develop annual departmental budget projections for private institutional child care services, develop and recommend

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

Prepared by: Roger C. Lango Date: April 3, 1980
Division/Office: Corrections PH: 465-3376
Department of Health & Social Services

33-001 (Rev. 12/79)
Modify by DHSS (11-28-79)

Approval DHS Mgt. & Bdgt: _____ Date: _____

regulations to implement the statutory changes, act as liaison between the provider agencies and the department, etc. A Senior Negotiator is recommended (range 21) at an estimated annual cost of \$47,000:

| | |
|--------------------|----------|
| Personnel Services | \$39,600 |
| Travel | 3,000 |
| Contractual | 3,000 |
| Commodities | 400 |
| Equipment | 1,000 |

It is assumed there will be a cost savings achieved through the proposed legislative action. The Department of Health & Social Services would be able to contract for the specific number of private institutional beds considered necessary to meet the Departmental needs for these services. Over the past several years the private child care agencies have, collectively, been operating at 70% to 75% of licensed capacity. The methodology given in AS 47.40.040 for rate computation allows for reimbursement of the vacant beds by dividing actual costs for a fiscal year by the bed utilization during the same period. The contracting option will permit the Department to limit the number of beds to a more satisfactory ratio of full to empty beds resulting in a cost savings. The magnitude of the savings is impossible to estimate at this time although it should exceed the costs related to the contract negotiator position requested (\$47,000).

Another advantage for the Department will be the ability to request the type of program(s) needed rather than having to take the program(s) offered by the provider. Through the contract procedures, the Request for Proposal can clearly delineate what services the Department wishes to purchase in the various geographical areas of the state.

Both the Division of Corrections and the Division of Social Services have instituted revised procedures to assure that juveniles are placed in appropriate programs at the lowest level of care necessary to meet the needs of the child. This has resulted in a reduced need for private institutional care for juveniles placed by the Department. This program change, however, makes it extremely hard to forecast the savings potential with the enactment of this legislation.

B. Estimated Savings:

Since the economy of the nation is in a period of spiralling inflation, the major savings resultant from this bill will be to curb the quantum jumps in the department's annual budget request for institutional child care services. There are a number of inter-relating variables (case load size, individuals specific program need, geographical area of placement, etc.). Without experience in contracting or knowing the value of the variables, the Department cannot estimate an estimated savings. However, by contracting for a number of beds more reasonable to the actual caseload enactment of this legislation would have the effect of slowing down the exponential growth of the expenditures for institutional child care services.

REPORT
ON
SPECIALIZED FOSTER CARE

The original plan for FY80 was to recruit, train, and use for placement, 20 specialized foster homes, by September 1, 1979. Since a statutory amendment is necessary in order to include salary costs for specialized foster homes, the placement phase of this program has not been implemented.

The initial recruitment phase was completed, and between September 1, 1979 and March 1, 1980, a specific training program was developed for specialized foster care and twenty-two parents have completed the training program. Another training session scheduled for June, 1980 will prepare 20 additional parents for specialized foster care providing enough homes to allow for the "best possible placement" for every child.

Specialized foster parents (one parent in a home will be identified as the specialized parent) will receive a salary of \$700/month, which will be in addition to the foster home maintenance rate. The average FY 1980 average institutional group home cost rate is \$60/day. The daily cost of specialized foster care would be \$35/day, (including both salary and foster home maintenance).

Requirements of Specialized Foster Parents

- 1) One parent must not work outside of the home in order to be available to provide appropriate intensive specialized care to the child.
- 2) The parent who will not work outside of the home must have five years experience in working with children. This experience can include:
 - a) experience as a foster parent
 - b) experience as a social worker
 - c) experience in a child oriented work setting.

(Experience as a biological parent of an adolescent may be counted for one year of experience. A Bachelor's degree with specific course work in counseling, clinical psychology, or child development, or a graduate degree in social work or a related field may be counted for two years of required experience).

- 3) Specialized foster parents must also have:
 - a) the ability to work with children in a therapeutic way.
 - b) the ability to work with the biological parent of a child in a therapeutic way.
 - c) the ability to accept and work with a child with emotional and behavioral problems.

- d) the ability to work with an older child
- e) the ability to accept a child who has been raised in a different philosophical environment.
- f) a stable family life.
- g) must meet all of requirements for regular foster home licensing
- h) may have to provide additional references beyond the number required for regular foster home licensing.

Criteria for Selection of Children:

- 1) The child should be one, who without this program, would require institutional or group home placement due to emotional or behavioral problems.
- 2) The child should be within the age range of 8-18 years.
- 3) The child, with intensive supervision, should be able to function and have his/her needs met in a community setting.

| | | | | | <u>CONT \$</u> | <u>ADDITION</u> | <u>FOR BGM USE</u> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------|-------------------|--------------|----------------|-----------------|--------------------|
| <u>FY 80 Est.</u> | | | | | | | |
| In-State | 162,060 | 444 | 1,993,338.00 | 12.30 | | | |
| Out-of-State | <u>6,935</u> | <u>19</u> | <u>48,055.55</u> | <u>6.93</u> | | | |
| Subtotal | 168,995 | 463 | 2,041,393.55 | 12.09 | | | |
| Specialized Foster Care *for 6 mos. | <u>3,650*</u> | <u>20</u> | <u>120,000.00</u> | <u>32.87</u> | | | |
| Total | 172,645 | 483 | \$2,161,393.55 | 12.52 | | | |
| <p>Estimates for FY 81 include a 14% COLA increase and an additional 10 children in specialized foster care from institutional care:</p> | | | | | | | |
| <u>FY 81</u> | | | | | | | |
| In-State | 162,060 | 444 | \$2,272,081.20 | 14.02 | | | |
| Out-of-State | <u>6,935</u> | <u>19</u> | <u>54,786.50</u> | <u>7.90</u> | | | |
| Subtotal | 168,995 | 463 | \$2,326,867.70 | 13.77 | | | |
| Specialized Foster Care | <u>10,950</u> | <u>30</u> | <u>410,400.00</u> | <u>37.48</u> | | | |
| Total | 159,945 | 493 | \$2,737,273.70 | 17.11 | 2,737.3 | | |
| <p>The request for FY 81 will, of course, be revised in the Department's report to the legislature following the full-cost-of-care rate hearings.</p> | | | | | | | |

AGENCY Department of Health & Social Services PROGRAM AREA General Population

BRU Program Services

COMPONENT Foster Care

Page 4 of 6

REVISED DATE _____

23 18 **CONTINUED**

FY 81
000477

| | | | | | <u>CONT S</u> | <u>ADDITION</u> | <u>FOR SGM USE</u> |
|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------|---------------------|----------------|---------------|-----------------|--------------------|
| <u>FY 81</u> | | | | | | | |
| In-State | 53,290 | 146 | 4,281,318.60 | 80.34 | | | |
| Out-of-State | <u>11,515</u> | <u>31*</u> | <u>673,695.10</u> | <u>59.54</u> | | | |
| Subtotal | 64,605 | 177 | \$4,955,013.70 | 76.70 | | | |
| *To Specialized Foster Care | <u>(5,650)</u> | <u>(10)*</u> | <u>(217,321.00)</u> | <u>(59.54)</u> | | | |
| Total | 60,955 | 167 | \$4,737,692.70 | \$77.72 | 4,737.7 | | |
| <p>The FY 81 request will, of course, be revised in the Department's report to the legislature following the full-cost-of-care rate hearings.</p> | | | | | | | |

AGENCY Department of Health & Social Services PROGRAM AREA General Population
 BRU Program Services
 COMPONENT Institutional Care
 Page 4 of 6

FY 81

23 18 **CONTINUED**

000495

REVISED DATE _____

HB

720

northern alaska health resources association, inc.

April 11, 1980

The Honorable Thelma Buchholdt, Chairman
House HESS Committee
Pouch V
Juneau, AK 99811

Dear Representative Buchholdt:

On behalf of the Northern Alaska Health Resources Association (NAHRA), I am writing to urge you to oppose HB 720, which would establish a single advisory board for DHSS.

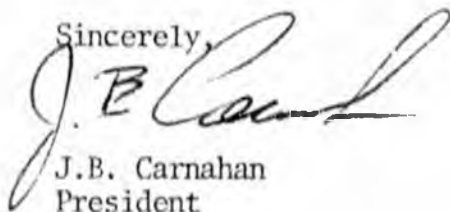
NAHRA, the Division of State Health Planning and Development, and the Statewide Health Coordinating Council exist in accordance with P.L. 93-641, as amended by P.L. 96-79. That law mandates the establishment of the Statewide Health Coordinating Council (SHCC) which serves as an advisory body to the Division of State Health Planning and Development of DHSS. Any state which does not have a SHCC is subject to the revocation of all federal health care dollars, including grants, contracts, Medicare, and Medicaid.

Federal requirements for many other health-related grants also mandate the existence of categorial advisory bodies. Mental health and alcoholism programs are examples.

In light of the tremendous financial sanctions associated with abolition of existing advisory boards and creation of a single board, not to mention the harm to the general welfare of the people which could result from the closure of health services and facilities, I feel it is incumbent upon the elected representatives of the state to prevent enactment of HB 720.

Please let us know your position on HB 720.

Sincerely,



J.B. Carnahan
President

JBC/SEM/rlw

Southern Region
EMERGENCY
Medical Services Council, Inc.

February 27, 1980

Thelma Buckholdt
Chairperson
House HESS Committee
Pouch V
Juneau, Alaska
99811

Dear Representative Buckholdt:

The Southern Region Emergency Medical Services Council (SREMSC) is a nonprofit corporation dedicated to improving emergency medical care in Southcentral and Western Alaska. The SREMSC represents almost two-thirds of the State's population and has been very active in obtaining improved services for these people.

During the past years we have had numerous opportunities to work with the Advisory Council on Emergency Medical Services (ACEMS). The ACEMS consists of eleven professional medical providers and consumers of emergency medical care who were selected for their knowledge of medical services or their desire to perfect outstanding emergency care system in Alaska. These volunteers serve without pay and provide a state-wide forum for the discussion of critical EMS problems. An emergency medical system is an extremely complex endeavor which requires understanding of such diverse fields as; communications, transportation, medical facilities, public safety, disaster coordination, etc. The members of the ACEMS have spent years evaluating these various technical fields and are now recognized as experts.

The public's desire to participate in emergency medical development was obvious when over sixty people were nominated to fill the initial eleven vacancies on the ACEMS. There has been a continuous waiting list of people desiring to participate as ACEMS members. This is the one opportunity that the general citizen has to help make a better emergency care system and assist in the saving of human life.

HB 720 "An Act establishing a single advisory board for the Department of Health and Social Services and abolishing existing advisory boards to the department; and providing for an effective date." envisions a single board to advise the Commissioner of Health and Social Services on all health and social matters. We believe that it is impossible for a solitary board to become competent in all phases of health and social affairs. A single specialty, such as emergency medicine, requires a significant dedication of time and effort to achieve reasonable results. The Bill provides for a subcommittee of three people to advise on all matters relating to the Division of Public Health. Since EMS is only one segment of public health, it is

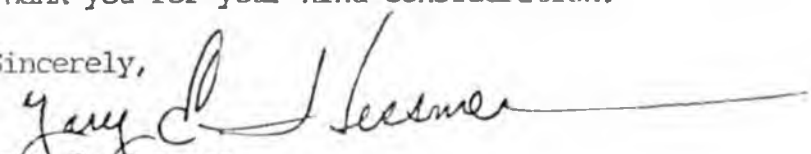
obvious that this subcommittee would not be able to devote sufficient time or effort to the improvement of emergency medicine. We feel this would rob the public of their desire to influence the EMS program and would seriously detract from the development of the system.

The members of the Southern Region EMS Council believe that HB 720 is not a good piece of legislation and should not be passed by the House HESS Committee. The ACMES is serving a very useful purpose and should continue to act in its present role and be given even more authority, if that is possible.

Mr. Richard Pauley, our Executive Administrator, will be in Juneau on March 3rd and 4th, and I would like very much for you to meet with him concerning this critical problem.

Thank you for your kind consideration.

Sincerely,


Gary E. Hessmer,
President
SREMSC Board of Directors

GH/inkh

Aleutian Sub Area
Nancy Greenman
Royal Nelsen
Scotty Cumberlidge

Matanuska-Susitna Sub Area
Myron Stevens
Tom Fielding
Gary Hessmer

Anchorage Sub Area
Gerald Travis
William Montgomery
Mary Luttig

Norton Sound Sub Area
Darryl Trigg
Penny Chmielewski
Pam McMillan

Bristol Bay Sub Area
Steve Levinson
Gordon Isaacs
Stuart Bowdoin

Prince William Sound Sub Area
Lydia Robart
Barbara Sherman
Gary Mowry

Copper River Sub Area
Edna Charley
Billie Peters
Clif Palmer

Yukon-Kuskokwim Sub Area
Sue Martin
Don Porter
Dr. Steve Garrish

Kenai Peninsula Sub Area
Donna Limbean
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Greg Barclay

Directors-at-large
Roy Davie - Communications
Susan Callan - HSA
Lt. John McConnaughey - Public Safety

Kodiak Borough Sub Area
Jerome Selby

MATANUSKA-SUSITNA BOROUGH
EMERGENCY MEDICAL SERVICES BOARD

RESOLUTION SERIAL NO. 80-1

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH EMERGENCY MEDICAL SERVICES BOARD OPPOSING HOUSE BILL 720.


WHEREAS, House Bill 720 proposes to combine the nine different advisory councils within the Department of Health, Education and Social Services into one 25-member advisory council and provide for sub-committees of the central council; and

WHEREAS, passage of House Bill 720 would result in the ADVISORY COUNCIL ON EMERGENCY MEDICAL SERVICES being eliminated and a sub-committee under the heading of "Public Health" would deal with the planning and implementation of a statewide emergency medical service system along with the other aspects of public health; and

WHEREAS, the Matanuska-Susitna Borough Emergency Medical Services Board feels that this would limit regional emergency medical services' in-put into State government and that the importance of the service, the specialized training required and liability issues involved warrant a special council to deal specifically with emergency medical services.

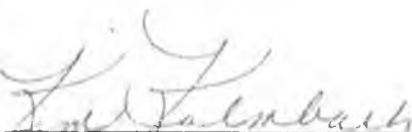
NOW THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Emergency Medical Services Board urges the State Legislature to consider the specialized field of emergency medical services in reviewing and voting upon House Bill 720.

PASSED AND APPROVED by the Matanuska-Susitna Borough Emergency Medical Services Board this 27th day of February, 1980.



Gary E. Hessmer, Chairman

ATTEST:



Kim Kalmbach, Clerk