

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 8672

11116 SENATE HEALTH, EDUCATION & SOCIAL SERVICES

Index Calculation and Formulas

Fixed-Market-Basket (FMB) Approach

Briefly, the FMB index approach makes the assumption that the public school district purchases the *same inputs* over time to produce educational services for the students enrolled. It makes use of data about the prices and quantities of these inputs (e.g., teachers and instructional aides). Exhibit I-A illustrates how a fixed-market-basket index may be constructed for a public school district. In this simple example, it is assumed that there are only two inputs utilized by this school district: namely, teachers and instructional aides. Obviously, a real public school district uses many inputs to produce educational services, and the GCEI presented in this report reflects these other inputs. However, for the purposes of illustration, this simple two-input model of a public school district may be used to demonstrate one of the problems that arises in the construction of price indexes. The problem is that the combinations of inputs (i.e., market-baskets) used to produce a given level of services or outputs are not fixed, and the estimated index of cost differences (whether geographic or inflationary) will depend upon which observation is chosen as a base for purposes of calculating the index.

Exhibit I-A shows the budget or expenditures of a two-input school under alternative assumptions for two different districts, A and B, designated in column 1. *[The reader should note that districts A and B can either be the same district at two points in time or different districts at a single point in time. The analysis and interpretation will be the same]* Columns 2 through 5 represent the prices (S, W) and quantities (T, A) of the two inputs -- teachers and aides -- purchased by districts A and B. The first six columns are relatively self-explanatory. In district A, district A paid annual wages amounting to \$31,000 per full-time-equivalent (FTE) teacher and employed 0.0500 FTE teachers per pupil (i.e., 1 teacher for every 20 students). In addition, district A paid an average price of \$15,000 per FTE instructional aide and employed 0.0125 FTE aides per pupil (i.e., 1 FTE aide for every 80 students). In district B, the annual wage of a full-time teacher is \$33,000 (10 percent higher than district A) and the district employed 0.0550 FTE teachers per pupil (i.e., 1 FTE teacher for every 18.2 pupils). FTE salaries for instructional aides are \$15,500 in district B (3.3 percent higher than in district A) and the district employed 0.02 FTE aides per pupil (i.e., 1 for every 50 students).

The total in column 6 is the actual per pupil budget of each district. Based on these figures, district A spends \$1,688 per pupil and district B spends \$2,125 or 25.93 percent more than district A. But how much of this increase in the budget was due to inflation in the prices of school inputs, and how much was due to increases in the quantities of school inputs purchased?

Exhibit I-A. Hypothetical Example of a Fixed-Market-Basket Public School District Price Index

District (1)	Average Annual Teacher Wage (2)	FTE Teachers per Pupil (3)	Average Annual Wage for Aides (4)	FTE Aides per Pupil (5)	Total Budget per Pupil (6)	Simulated Budgets Using Inputs From:		Alternative FMB, CEIs Using Inputs From:	
						District A (7)	District B (8)	District A (9)	District B (10)
						A	\$30,000	0.0500	\$15,000
B	\$33,000	0.0550	\$15,500	0.0200	\$2,125	\$1,844	\$2,125	109.26	100.00
Index: B/A	1.1000	1.1000	1.0333	1.6000	1.2593	1.0926	1.0897	1.0926	1.0897
% Diff.	10.00%	10.00%	3.33%	60.00%	25.93%	9.26%	8.97%	9.26%	8.97%

Columns 7 and 8 simulate the budget for these sample districts under alternative assumptions about the market basket of school inputs purchased. Column 7 simulates what the each district's budget would have been if it had purchased the same quantities of school inputs as district A. Column 8 simulates what the district budget would have been in each year if it had purchased the same quantities of school inputs as did district B.

Comparison of these simulated budgets using the fixed-market-baskets of inputs permits one to develop estimates of price inflation between the two years, since the only differences between the two budgets presented in each column are the differences in prices of the inputs. For example, using district A purchases of inputs as the base, one defines the *CEI* to be 100.00 for district A (the base district), and computes an index of 109.26 (the ratio of \$1,844 to \$1,688) for district B. Since the quantities of inputs are fixed, the only difference between these two simulated budgets are in the prices paid for the inputs. An estimate of inflation between the two years using year 1 as the base is calculated as follows:

$$\begin{aligned} \text{Estimate of price inflation} &= 100 \times (1.844 - 1.688) / 1.688 \\ &= 9.26\% \end{aligned}$$

If districts A and B are simply the same district in two different years and A represents the first year of the series and B represents a subsequent year of the series, this representation of the *CEI* would be referred to as a *Laspeyres index* (which is defined as the index based purchases in the earliest year in the series of data).

The problem that arises becomes apparent when a different base district (or year) is selected to calculate the *FMB* index. If district B purchases of inputs are used as the base (see columns 8 and 10), the *CEI* for district A is 91.76 and the *CEI* for district B is 100.00. Once again, since the quantities of inputs are fixed, the only difference between these two simulated budgets are in the prices paid for the inputs. An estimate of inflation between the two districts using district B as the base is calculated as follows:

$$\begin{aligned} \text{Estimate of price inflation} &= 100 \times (\$2.125 - \$1.950) / \$1.950 \\ &= 8.97\% \end{aligned}$$

In both cases, the ratio is the difference, divided by district A's simulated budget. Again, if this comparison is of the same district at two points in time, the *CEI* calculated based on the later year's purchases of inputs (district B in this case) is commonly referred to by economists as a *Paasche index*.

Both of these indexes represent fixed-market-basket public school district price indexes. Each essentially represents a weighted average of the price inflation for the two school inputs where the weights are the quantities of inputs purchased. These weights simply measure the importance of each input in the overall budget for school services. It is no surprise that the two indexes result in different estimates of inflation because each uses a different set of weights. The *Laspeyre index*, which uses district A (i.e., year 1) budget shares, in this instance provides a higher estimate of inflation (9.26 percent) than the *Paasche index* (8.97 percent), which uses district B (i.e., year 2) budget shares.

It should also be noted that in this simple example the *quality* of school inputs is assumed to be constant between districts A and B. Consequently, salary differences in this simple example are assumed to reflect differences in the prices of comparable teachers and aides.

Because data are simply not available on all of the detailed quantities and prices of the individual items actually purchased by school districts, it is necessary to use an alternative expression to define the *FMB CEI*. That is, data on the quantities and prices of books and computers and even different categories of personnel (administrators, teachers, custodians, and aides) are not available in the simple form expressed in Exhibit I-A. The data that are available are generally expressed in the form of shares of school district budgets allocated to different categories of inputs and different indexes from various sources on the changes in the prices paid for individual inputs.

The *FMB CEI* presented above can be expressed in the following form:

$$\text{Eq. I-1} \quad \text{FMB-CEI} = \text{TCI}_B \times \text{TSHARE}_A + \text{ACI}_B \times \text{ASHARE}_A$$

where

TCI_B = the teacher cost index for district B (the ratio of FTE teacher salaries for district B to FTE teacher salaries in the base district A in this case);

TSHARE_A = the proportion of school district budgets allocated to teachers salaries in the base district A (i.e., the *budget share* for teachers);

- ACI_B = the instructional aide cost index for district B (the ratio of FTE aide salaries for district B to FTE aide salaries in the base district A in this case);
- $ASHARE_A$ = the proportion of school district budgets allocated to instructional aides in the base district A (i.e., the *budget share* for aides).

Using the data from table 1, one can calculate the *Laspeyre index* as follows:

$$\begin{aligned} TCI_B &= 100 \times \$33,000/\$30,000 = 110.00 \\ TSHARE_A &= \$30,000 \times 0.0500/\$1,688 = .89 \\ ACI_B &= 100 \times \$15,500/\$15,000 = 103.33 \\ ASHARE_A &= \$15,000 \times 0.0125/\$1,688 = .11 \end{aligned}$$

$$Eq. 1-2 \text{ Laspeyre Index (comparing B to A)} = 110.00 \times .89 + 103.33 \times .11 = 109.26$$

The *Laspeyre index* is the one most commonly used for the development of price indexes and is currently the methodology used by the Bureau of Labor Statistics (BLS) for the calculation of the consumer price index. However, it should be noted that the BLS does change the budget weights (shares) corresponding to each component about every ten years to account for differences in spending patterns over time.

Using the data from table 1, one can calculate the *Paasche index*, which uses district B as the base district, as follows:

$$\begin{aligned} TCI_A &= 100 \times \$30,000/\$33,000 = 90.91 \\ TSHARE_B &= \$33,000 \times 0.0550/\$2,125 = .85 \\ ACI_A &= 100 \times \$15,000/\$15,500 = 96.77 \\ ASHARE_B &= \$15,500 \times 0.0200/\$2,125 = .15 \end{aligned}$$

$$Eq. 1-3 \text{ Paasche Index (comparing A to B)} = 90.91 \times .85 + 96.77 \times .15 = 91.76.$$

Inverting this *Paasche index* to compare district B to district A, the index of relative cost differences is 108.97 ($=100 \times 100/91.76$).

It can be seen that whichever way the indices are calculated (i.e., using actual quantities or budget shares as weights), the *Laspeyre* and *Paasche* indices are different because each uses a different base measurement. While both indices purport to measure the true cost difference between district A and B, it can be shown that the *Laspeyre* index over-estimates the rate of inflation (using district A and B to represent the same district at two points in time), while the *Paasche* index under-estimates the rate of inflation. The reason for this lies in the fact that neither of these FMB indexes account for the substitution of one input for another that occurs as

relative prices of the inputs change. This is commonly referred to as *commodity substitution* in the literature on the development of price indices.

The notion underlying commodity substitution is easily understood, though more difficult to measure. It is simply the notion that one can produce the same level of educational quality (or consumer satisfaction) with various combinations of the inputs, i.e., teachers and aides. Using the example in table 1, the relative price of teachers is higher in district B. There are two ways to illustrate this. First, district B pays 10 percent higher teachers salaries than district A, while district B pays only 3.3 percent higher salaries for aides. Second, the ratio of teacher salaries to aide salaries is higher in district B (i.e., $2.13 = 33,000/15,500$) than district A (i.e., $2.00 = 30,000/15,000$).

Whichever way one measures it, one might expect that district B could produce the same quality educational services as district A by substituting teachers aides for teachers. But it is precisely this impact on quality of educational services that one cannot measure. In fact, in the simple example in table 1, one can see that there has been a substitution away from teachers to aides in district B relative to district A. That is, the ratio of teachers to teacher aides is higher in district A (i.e., ratio of teachers to aides is $4.0 = 0.0500/0.0125$) than in district B (i.e., ratio of teachers to aides is $2.75 = 0.0550/0.0200$). But district B purchases more of both inputs because it simply has greater revenues to spend on educational services. While the FMB *CEI* controls for the level of usage of teachers and aides in calculating the impact of inflation, it does not account for the possibility of this substitution between inputs that may tend to occur in educational production. Substituting purchases away from the relatively more costly input will tend to reduce the difference in expenditure required to achieve a given level of educational output (or quality).

Superlative Indexes and Commodity Substitution Bias

Recognizing this problem, how does one deal with the commodity or input substitution bias that occurs with the FMB estimates of the *CEI*. Economists for years contended that the only way of resolving this problem required detailed knowledge of the parameters that underlie the input-output relationships in education. As Caves, Christensen, and Diewert (November, 1982) state it:

Comparisons based on econometric estimates of the structure of production have often been viewed as being more desirable than index number comparisons; this view is based on the belief that index numbers are consistent only with restricted structures of production. Our results show that this belief is erroneous; in fact, the structures of production, which we have considered in this paper are so general that they would be difficult to estimate econometrically. (p. 1411)

What Caves, Christensen, and Diewert show is a way to estimate the differences in the costs of living between two individuals at a point in time or for the same individual between two points in time using exclusively observed information on prices and quantities purchased. They show that an index number originally proposed by Tornqvist (1936) can be used to measure the geometric mean of two cost of living indexes based on the utility functions of two different consumers facing different prices, purchasing different quantities, and with differences in taste. This is the equivalent of saying that this Tornqvist index can be used to compare the costs of education between two districts with differing perceived technologies for producing educational services and facing different prices and purchasing different quantities of school inputs. Formally, this index may be written as follows:

$$\text{Eq. 1-4.} \quad \ln TCEI(B,A) = \sum_r (1/2) \cdot (P_r(B) + P_r(A)) \cdot [\ln (CI_r(B,A))]$$

where $TCEI(B,A)$ = the Tornqvist cost-of-education index between districts B and A.

\sum_r = the sum over all school inputs, r

$CI_r(B,A)$ = the cost index for the rth school input (e.g., teachers, school administrators, teachers' aides, books, supplies and materials) comparing districts B relative to A;

$P_r(B), P_r(A)$ = the average proportion of total expenditures allocated to the rth school input in districts B and A, respectively.²⁷

One of the critical features of this formula relative to that of the FMB CEI is that to calculate the superlative index requires information on the budget shares for each input from each observation included in the analysis as well as relative price differences. Again, districts A and B may represent a single district at two points in time or two districts at the same point in time.

Expanding the comparisons of two districts A and B to a multilateral setting necessitates the use of a benchmark district. In Alaska, that benchmark district is Anchorage. In the formula above, district A is Anchorage and district B represents any other district in the state. Each school district in turn is compared to the Anchorage.²⁸

²⁷ The Tornqvist index assumes a translog production technology with identical second-order coefficients on the school input prices. This equality also requires expenditure-minimizing behavior and permits only the identification of the geometric averages of the true indexes rather than each individual index derived from the perspective of each district. Diewert (1976) showed that the Tornqvist index is exact for the homogeneous translog form and is, for this reason, regarded as a *superlative index*. A *superlative index* is defined as one that is exact for a 'flexible' aggregator functional form (Diewert, 1976).

²⁸ The use of the arithmetic mean value of the various statistics in *equation 6* preserves the transitivity of the index in comparisons across more than two districts. For a more complete discussion of the issues involved in multilateral comparisons, the reader is referred to Caves, Christensen, and Diewert (March 1982).

Exhibit I-B illustrates the steps involved in calculation of the Tornqvist's superlative cost-of-education index (SCEI) between district B and the hypothetical district A. New columns 4 and 7 have been added to Exhibit I-A to present the budget shares needed to calculate the SCEI in equation 6. The natural log (\ln) of the cost index for each input component (i.e., teachers and aides) is presented below columns 2 and 5. The average budget share for each input, which is required to calculate the SCEI is presented below columns 4 and 7. The natural log of the SCEI is calculated as follows:

$$0.08727 - 0.09531 \times 0.8715 + 0.03279 \times 0.1285$$

Exhibit I-B. Hypothetical Example Comparing the Tornqvist Index to the Fixed-Market-Basket Index for Public Schools

District	Teachers			Aides			Total Budget per Pupil	Simulated Budgets Using Inputs From:		Alternative FMB, CEIs Using Inputs From:	
	Average Annual Wage	FTE per Pupil	Budget Share	Average Annual Wage	FTE per Pupil	Budget Share		District A	District B	District A	District B
A	\$30,000	0.0500	\$1,500 88.89%	\$15,000	0.0125	\$188 11.11%	\$1,688	\$1,688	\$1,950	100.00	91.76
B	\$33,000	0.0550	\$1,815 85.41%	\$15,500	0.0200	\$310 14.59%	\$2,125	\$1,844	\$2,125	109.26	100.00
Index Calculations											
<i>CII(B,A)</i>											
<i>CII(B,A)</i>	1.1000			1.0333			1.2593	1.0926	1.0897	1.0926	1.0897
Tornqvist Index											
<i>ln CII(B,A)</i>	0.09531		Avg Share 87.15%	0.03279		Avg Share 12.85%	<i>ln TCEI(B,A)</i> 0.097276518	Tornqvist Index		1.0912	

Finally, the SCEI - $\ln(0.08727) = 1.0912$ which falls between the Layspayre or district A-based index of 1.0926 and the Paasche or district B-based index of 1.0897 calculated previously.

Budget Matrix

Below is the budget matrix corresponding to the function and objects of expenditure included in the operating budget reported by Alaska school districts to the ADEED. Each cell contains a symbol corresponding to the school input cost index that will be assigned to that share of the budget. Under an FMB-GCEI, we would use the Anchorage budget data to calculate the appropriate standardized budget shares against which the index would be calculated for every school district. Under the SGCEI approach, we would use the budget share data for each district relative to the budget shares for Anchorage as in Equation I-4 to calculate the overall cost index.

Legend to the budget matrix on the following page:

- *teachers* is the budget share allocated to teachers only, which are those cells associated with direct instruction within the operating codes ranging from 100 to less than 400
- *classified* is for all classified staff at the school or district level
- *teach/class* refers to the benefits section of the budget share being divided among teachers and classified staff, with the weighting determined by the proportion of salaries given to each group within an operating fund
- *admin* is for administrators from schools and the district office, as well as certified staff not coded as teachers (e.g., specialists, guidance counselors)
- *admin/class* refers to the benefits section of the budget share being divided among administrators and classified staff, with the weighting determined by the proportion of salaries given to each group within an operating fund
- *energy* is the amount spent on energy and utility services
- *paper* is the amount spent on instructional materials and office supplies (the cost of purchasing and transporting a case of paper is used as a proxy of this cost, and that is why the budget share is named as such)
- *food* is the amount spent on food supplies (the cost of purchasing and transporting a case of milk cartons is used as a proxy of this cost, and that is why the budget share is named as such)
- *window* is the amount spent on maintenance (the cost of purchasing and transporting a window is used as a proxy of this cost, and that is why the budget share is named as such)
- *travel_1* is for teacher professional development to the district office and to Anchorage (with 50 percent of the total going to each budget share)
- *travel_2* is between schools and the district office (which may include specialists, other itinerant staff, district administrator support, or travel for personnel)
- *travel_3* is for school administrators
- *travel_4* is for district administrators
- *travel_5* is for maintenance and operation, what is referred to as purchased services in Chapter 5

Exhibit I-1. Budget Matrix

ALASKA DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT
 FY00 AUDITS *these codes correspond with the 1996 COA*
 4. School District

Date 11/6/2000

Operating Fund	100	200	220	300	350	400	510	550	600	700	Total Including Instruction
	Instruction	Spec Ed Instruction	Spec Ed Support	Support Students	Support Instruction	School Admin	District Admin	Dist Admin Support	Operations & Maint	Student Activities	
Certified Salaries	teacher	teacher	teacher	teacher	teacher	admin	admin	admin	admin	admin	0
Non Certified Salaries	classified	classified	classified	classified	classified	classified	classified	classified	classified	classified	0
Employee Benefits	teacher/class	teacher/class	teacher/class	teacher/class	teacher/class	admin/class	admin/class	admin/class	admin/class	admin/class	0
Professional/Tech Services	admin	admin	admin	admin	admin	admin	admin	admin	admin	admin	0
Staff Travel	travel_1	travel_2	travel_2	travel_2	travel_2	travel_3	travel_4	travel_2	travel_5	travel_2	0
Student Travel	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Utilities Services	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	0
Other Purch. Svcs/Insurance	travel_1	travel_2	travel_2	travel_2	travel_2	travel_3	travel_4	travel_2	travel_5	travel_2	0
Supplies, Materials, Media	paper	paper	paper	paper	paper	paper	paper	paper	energy	paper	0
Tuition and Stipends	teacher	teacher	teacher	teacher	teacher	admin	admin	admin	admin	admin	0
Other/Indirect	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Capital Outlay/EO/Property											0
TOTALS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Special Rev Funds	Transportation	Food Service	Teacher Housing	Community Service	Special Ed							
					Title I		Title VI		Other Special Revenue Funds		Title I Migrant Ed	
					Instruction	Support	Instruction	Support	Instruction	Support	Instruction	Support
Expenditures					teacher	teacher	teacher	teacher	teacher	teacher	teacher	teacher
Certified Salaries	admin	admin	admin	admin	teacher	teacher	teacher	teacher	teacher	teacher	teacher	teacher
Non Certified Salaries	classified	classified	classified	classified	classified	classified	classified	classified	classified	classified	classified	classified
Employee Benefits	admin/class	admin/class	admin/class	admin/class	teacher/class	teacher/class	teacher/class	teacher/class	teacher/class	teacher/class	teacher/class	teacher/class
Professional/Tech Services	admin	admin	admin	admin	admin	admin	admin	admin	admin	admin	admin	admin
Staff Travel	travel_2	travel_2	travel_2	travel_2	travel_2	travel_2	travel_2	travel_2	travel_2	travel_2	travel_2	travel_2
Student Travel	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Utilities Services	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy	energy
Other Purch. Svcs/Insurance	travel_2	food	travel_2	travel_2	travel_2	travel_2	travel_2	travel_2	travel_2	travel_2	travel_2	travel_2
Supplies, Materials, Media	paper	food	paper	paper	paper	paper	paper	paper	paper	paper	paper	paper
Tuition and Stipends	admin	admin	admin	admin	teacher	teacher	teacher	teacher	teacher	teacher	teacher	teacher
Other/Indirect	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Capital Outlay/EO/Property												
TOTALS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Exhibit I-2. Listing of the Budget Shares and Their Corresponding Indexes for use in the SGCEI and FMB-GCEI

<i>Budget Share</i>	<i>Index</i>
Budget Share: ADMINS	Index: Administrators (Tobit)
Budget Share: CLASSIFIED	Index: Classified Staff (Regression)
Budget Share: ENERGY	Index: Energy
Budget Share: SUPPLIES: Food	Index: Food
Budget Share: Amount with NO CODE	"Index value of 1"
Budget Share: SUPPLIES: Instructional and Office	Index: Office and Teaching Supplies
Budget Share: TEACHERS	Index: Teachers (Salary & Benefits Regression)
Budget Share: TRAVEL: District Admins	Index: Superintendent P.D. in ANC Travel
Budget Share: TRAVEL: Maintenance	Index: Maintenance Travel
Budget Share: TRAVEL: School Admins	Index: School Oversight Travel
Budget Share: TRAVEL: Schools to D.O.	Index: Schools to D.O. Travel
(0.5) * Budget Share: TRAVEL: Teachers	Index: Teachers P.D. to D.O. Travel
(0.5) * Budget Share: TRAVEL: Teachers	Index: Teachers P.D. to ANC Travel
Budget Share: SUPPLIES: Maintenance	Index: Maintenance Supplies

Exhibit I-3. Budget Shares

District Name	Budget Share: ADMINS	Budget Share: CLASSIFIED	Budget Share: ENERGY	Budget Share: Amount with NO CODE	Budget Share: SUPPLIES Instructional and Office	Budget Share: TEACHERS	Budget Share: TRAVEL: District Admins	Budget Share: TRAVEL: Maintenance	Budget Share: TRAVEL: School Admins	Budget Share: TRAVEL: Schools to D.C	Budget Share: TRAVEL: Teachers	Budget Share: TRAVEL: Teachers Mail	Budget Share: SUPPLIES Maintenance
Asaska Gateway	10.54%	17.57%	17.11%	-0.53%	4.02%	46.15%	0.35%	2.44%	0.03%	0.90%	0.39%	0.19%	2.88%
Averuan Region	33.95%	9.94%	5.16%	3.30%	7.82%	27.93%	6.29%	1.45%	0.03%	0.81%	0.40%	3.33%	
Aleutians East Borough	8.50%	12.95%	8.83%	1.03%	3.80%	49.33%	1.52%	3.09%	0.10%	2.52%	5.13%	2.56%	1.20%
Anchorage	5.69%	23.51%	4.20%	-0.01%	3.14%	57.79%	0.02%	3.58%	0.02%	0.49%	0.15%	0.08%	1.41%
Annette Island	10.24%	19.86%	7.16%	2.19%	2.71%	52.04%	0.96%	1.12%	0.18%	2.83%	0.64%	0.32%	0.04%
Bering Strait	6.39%	22.73%	11.32%	1.73%	3.55%	44.63%	0.96%	1.02%		1.84%	4.60%	2.30%	1.22%
Bristol Bay Borough	8.07%	17.45%	9.93%	2.40%	2.02%	51.19%	0.15%	3.91%	0.16%	0.66%	3.57%	1.78%	0.46%
Chatham Region	13.83%	15.14%	10.81%	2.23%	2.74%	49.61%	1.73%	1.40%	0.35%	0.62%	0.59%	0.30%	0.94%
Chugach	9.89%	15.90%	9.54%	-0.70%	6.23%	40.60%	2.30%	1.99%		4.75%	1.74%	0.87%	7.77%
Cooper River	8.55%	20.82%	7.86%	-0.03%	6.77%	45.90%	0.79%	1.51%	0.09%	2.30%	0.61%	0.31%	4.82%
Corcoran City	7.15%	19.41%	7.65%	0.16%	4.14%	54.56%	0.39%	2.10%	0.05%	1.84%	1.12%	0.56%	1.45%
Craig City	9.53%	17.08%	4.66%	2.64%	4.46%	50.97%	0.55%	1.89%	0.02%	2.47%	4.71%	2.36%	1.04%
Delta Greely	8.31%	18.58%	8.10%	0.72%	2.74%	54.59%	0.35%	2.51%	0.13%	0.91%	1.16%	0.58%	1.89%
Denali Borough	8.65%	20.91%	10.66%	1.17%	7.24%	47.40%	0.85%	1.44%	0.04%	0.62%	0.40%	0.20%	0.43%
Dillingham City	7.10%	17.92%	5.94%	3.95%	3.82%	55.18%	0.58%	1.04%	0.06%	3.12%	0.36%	0.18%	0.92%
Fairbanks North Star Borough	5.79%	21.97%	4.63%	0.28%	3.56%	60.83%	0.09%	0.77%	0.01%	1.14%	0.74%	0.37%	0.21%
Galena City	6.50%	14.23%	9.64%	1.80%	30.96%	24.29%	0.97%	1.87%	2.13%	1.52%	1.33%	0.67%	4.76%
Haines Borough	10.27%	19.05%	7.46%	1.55%	2.06%	57.62%	0.82%	0.65%	0.07%	0.02%	0.15%	0.08%	0.27%
Hoonah City	10.31%	19.98%	10.36%	0.50%	3.83%	44.21%	0.24%	5.98%	0.08%	2.36%	1.41%	0.71%	0.74%
Hydaburg City	14.21%	12.08%	8.29%	3.57%	15.67%	36.85%	0.89%	4.42%	0.17%	0.66%	0.26%	0.13%	2.94%
Iditarod Area	5.07%	22.01%	17.61%	-0.27%	6.58%	42.72%	0.98%	0.83%	0.22%	0.95%	2.00%	1.00%	1.31%
Juneau Borough	5.55%	25.31%	3.69%	-0.48%	3.20%	59.29%	0.08%	0.82%	0.08%	1.35%	0.76%	0.38%	0.35%
Kake City	10.16%	17.98%	9.74%	2.74%	3.53%	47.97%	0.78%	3.60%	0.02%	2.81%	0.07%	0.04%	0.59%
Kashunamiut	13.99%	19.58%	7.52%	2.34%	7.56%	40.73%	1.37%	0.75%	0.16%	1.08%	1.28%	0.64%	3.65%
Kenai Peninsula Borough	5.87%	16.31%	5.72%	0.45%	2.28%	58.16%	0.08%	8.15%	0.08%	0.56%	0.51%	0.25%	1.82%
Ketchikan Gateway Borough	7.56%	19.49%	6.88%	0.99%	3.30%	57.85%	0.13%	1.13%	0.07%	0.88%	0.23%	0.12%	1.48%
Kiawook City	10.54%	16.25%	8.87%	2.70%	3.62%	53.88%	1.83%	0.66%	0.30%	0.22%	0.68%	0.34%	0.45%
Kodiak Island Borough	8.01%	19.68%	7.89%	1.14%	2.85%	56.78%	0.18%	0.76%	0.20%	0.37%	0.39%	0.19%	1.76%
Kusko	7.44%	24.97%	11.26%	1.26%	2.87%	47.39%	0.76%	1.38%	0.16%	1.54%	0.04%	0.02%	0.93%
Lake and Peninsula	4.63%	14.64%	16.46%	3.03%	4.79%	47.04%	1.30%	2.15%	0.17%	3.59%	0.08%	0.04%	2.13%
Lower Kuskokwim	7.88%	30.58%	9.45%	-0.46%	3.58%	41.87%	0.21%	1.36%	0.26%	2.49%	1.59%	0.79%	1.18%
Lower Yukon	8.73%	18.53%	10.97%	0.91%	2.64%	52.27%	1.39%	1.17%	0.21%	1.73%	0.13%	0.06%	1.34%
Matanuska-Susitna Borough	5.19%	20.76%	4.95%	-0.05%	3.00%	63.36%	0.05%	1.35%	0.03%	0.34%	0.24%	0.12%	0.79%
Nenana City	8.48%	12.10%	7.24%	2.23%	26.64%	31.97%	0.64%	1.88%	0.09%	0.97%	1.00%	0.50%	6.75%
Nome City	4.74%	20.75%	9.70%	0.66%	2.34%	56.86%	0.31%	1.34%	0.25%	1.21%	0.48%	0.24%	1.56%
North Slope Borough	4.09%	35.19%	8.67%	1.75%	3.84%	40.93%	0.45%	0.64%	0.05%	1.27%	0.47%	0.23%	2.62%
Northwest Arctic	7.50%	22.15%	14.30%	-0.31%	4.80%	41.33%	0.60%	4.80%	0.18%	2.78%	0.35%	0.17%	1.52%
Peigan City	12.61%	28.29%	7.78%	5.19%	6.50%	29.19%	0.23%	2.18%		0.64%	0.51%	0.25%	8.90%
Petersburg City	6.63%	17.40%	10.42%	1.06%	3.11%	58.83%	0.22%	1.20%	0.11%	0.42%	0.05%	0.03%	0.55%
Pribof Island	9.30%	22.41%	10.62%	2.02%	3.91%	43.47%	1.42%	1.37%	0.10%	1.54%	0.96%	0.48%	2.89%
Saint Marys City	12.31%	15.82%	10.20%	2.97%	4.23%	42.23%	2.87%	1.83%	0.28%	0.55%	0.66%	0.33%	6.05%
Sida Borough	9.63%	12.73%	4.67%	0.41%	2.89%	64.72%	0.45%	3.25%	0.08%	0.28%	0.38%	0.19%	0.51%
Sitka Borough	8.51%	20.02%	7.52%	3.33%	5.13%	47.87%	0.33%	2.05%	0.08%	0.33%	0.16%	0.08%	4.47%
Southeast Island	8.57%	20.44%	7.52%	0.51%	4.15%	49.48%	0.84%	4.80%	0.01%	1.60%	1.18%	0.59%	0.70%
Southwest Region	8.41%	17.48%	9.01%	0.46%	7.0	49.66%	0.88%	2.16%	0.13%	1.13%	1.33%	0.67%	2.33%
Tanana City	21.56%	17.76%	19.98%	3.00%	4.41%	30.45%	0.69%	1.40%		0.32%	0.02%	0.01%	0.40%
Unalaska City	13.25%	14.94%	8.98%	4.58%	3.38%	49.89%	1.04%	1.63%	0.07%	0.35%	0.38%	0.19%	1.50%
Valdez City	8.24%	20.16%	6.27%	1.48%	2.39%	53.17%	0.21%	0.82%	0.18%	3.37%	0.04%	0.02%	0.68%
Wrangell City	7.42%	20.78%	6.07%	1.57%	4.16%	55.77%	1.03%	0.80%	0.09%	0.38%	0.51%	0.26%	1.42%
Yakutat City	11.84%	18.62%	9.61%	0.39%	4.1	48.46%	1.74%	0.95%	0.49%	0.92%	0.70%	0.35%	2.00%
Yukon Flats	11.05%	17.39%	22.95%	1.66%	4.71%	35.19%	1.85%	2.41%	0.08%	0.80%	0.17%	0.06%	1.81%
Yukon Koyukuk	11.77%	14.84%	16.79%	-0.59%	4.69%	43.38%	2.07%	2.00%	0.46%	2.07%	1.02%	0.51%	1.51%
Yupik	10.37%	27.66%	6.69%	1.59%	7.59%	35.75%	2.20%	1.52%	0.04%	2.44%	1.59%	0.79%	2.48%

Exhibit I-4. Index Values

District Name	Supernative Index Value	FMB Index Value	Index: Administrators	Index: Classified Staff	Index: Energy	Index: Maintenance Travel	Index: Office and Teaching Supplies	Index: P.D. to D.O. Travel	Index: Teachers P.D. to ANC Travel	Index: Schools to D.O. Travel	Index: Superintendent P.D. in ANC Travel	Index: School Oversight Travel	Index: Teachers	Index: Maintenance Supplies
Alaska Gateway	1.28	1.29	0.97	1.09	3.79	1.87	1.54	2.21	10.60	2.27	1.89	2.27	1.05	4.3
Aleutian Region	1.46	2.90	1.25	1.23	4.97	5.20	1.87	276.38	30.02	222.62	3.22	166.27	1.17	2.4
Aleutians East Borough	1.49	1.67	1.10	1.12	3.23	3.62	1.45	77.08	14.10	52.08	2.27	25.89	1.14	2.7
Anchorage	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.0
Annette Islands	1.03	1.05	0.95	0.93	0.75	1.05	1.50	1.00	12.71	1.00	2.30	1.00	1.06	1.7
Bering Strait	1.55	2.77	1.05	1.19	4.09	4.96	1.57	186.23	19.68	150.48	2.06	113.05	1.11	4.40
Bristol Bay Borough	1.19	1.20	1.01	1.03	2.96	2.12	1.82	1.00	9.14	1.00	1.64	1.00	1.03	2.51
Chatham Region	1.20	1.58	1.05	0.92	3.72	2.27	5.24	74.36	9.92	49.55	1.54	21.57	0.95	2.50
Chugach	1.29	1.40	1.11	0.98	1.43	1.94	2.82	74.34	6.08	44.89	1.00	1.00	0.96	2.89
Copper River	1.15	1.15	0.99	1.05	2.37	1.39	1.43	1.67	7.03	1.67	1.25	1.00	0.99	4.08
Cordova City	1.07	1.07	0.99	0.96	1.64	0.99	1.40	1.00	8.82	1.00	1.60	1.00	1.04	2.27
Craig City	1.09	1.08	0.95	0.90	1.87	1.15	1.31	1.00	22.46	1.00	4.07	1.00	1.02	2.60
Delta Greely	1.09	1.11	0.94	0.98	2.33	1.09	2.01	1.00	6.07	1.00	1.10	1.00	1.00	2.30
Denali Borough	1.09	1.08	0.97	1.01	1.66	1.36	1.58	1.89	7.91	1.89	1.41	1.89	1.00	1.79
Dillingham City	1.13	1.16	1.02	1.05	2.16	1.10	1.24	1.00	9.20	1.00	1.67	1.00	1.06	3.39
Fairbanks North Star Borough	1.08	1.09	0.97	1.04	1.61	1.05	1.22	1.00	8.34	1.00	1.50	1.00	1.06	1.56
Gaena City	1.26	1.21	0.97	1.14	2.87	1.33	1.40	1.00	10.74	1.00	1.94	1.00	1.04	4.11
Haines Borough	1.03	1.06	0.94	0.90	1.80	1.52	1.58	1.00	9.82	1.00	1.78	1.00	0.99	2.16
Hoonah City	1.12	1.16	1.06	0.93	4.62	1.28	1.35	1.00	12.09	1.00	2.19	1.00	0.95	2.13
Hydaburg City	1.10	1.07	1.00	0.91	1.23	1.35	1.63	1.00	11.41	1.00	2.07	1.00	1.02	3.32
Iditarod Area	1.40	2.47	0.93	0.98	5.12	5.13	1.73	236.19	18.62	182.40	1.74	126.07	1.01	1.65
Juneau Borough	1.02	1.03	0.99	1.02	0.74	1.02	1.45	1.00	9.82	1.00	1.77	1.00	1.01	1.89
Kaka City	1.09	1.11	1.09	0.93	2.38	2.35	1.16	1.00	12.27	1.00	2.22	1.00	0.97	2.41
Kashunamiut	1.25	1.29	1.02	1.14	2.76	2.72	1.49	1.00	12.95	1.00	2.34	1.00	1.08	4.41
Kenai Peninsula Borough	1.03	1.04	0.97	1.03	1.34	1.15	1.05	3.63	6.92	3.63	1.20	3.63	0.96	2.50
Ketchikan Gateway Borough	1.01	1.03	0.99	0.92	0.75	0.91	1.12	1.00	10.72	1.00	1.85	1.00	1.04	2.65
Kiawook City	1.04	1.05	1.05	0.91	1.87	1.02	1.35	1.00	11.66	1.00	2.11	1.00	0.97	2.65
Kodiak Island Borough	1.12	1.21	0.97	1.03	1.95	1.31	1.10	19.98	10.07	12.65	1.78	4.97	1.03	4.55
Kusokuk	1.21	1.44	0.99	1.07	1.67	1.87	2.54	40.21	13.33	40.21	1.83	40.21	1.06	4.22
Lake and Peninsula	1.46	2.08	0.96	0.99	4.62	4.14	1.71	165.38	13.55	111.59	1.84	55.26	1.04	6.35
Lower Kuskokwim	1.39	1.61	1.04	1.23	3.43	2.52	1.62	67.95	10.62	46.04	1.67	23.10	1.07	4.47
Lower Yukon	1.40	2.36	1.02	1.13	3.17	5.34	4.08	169.94	21.54	146.50	2.22	121.96	1.09	4.09
Matanuska-Susitna Borough	0.99	1.01	0.96	0.96	1.06	1.07	0.98	1.49	6.09	1.49	1.08	1.49	0.98	2.61
Nenana City	1.17	1.09	0.93	0.98	1.81	1.21	1.61	1.00	8.14	1.00	1.47	1.00	0.99	4.15
Nome City	1.16	1.17	1.03	1.12	2.40	1.31	1.28	1.00	12.80	1.00	2.31	1.00	1.05	2.63
North Slope Borough	1.58	2.16	1.17	1.48	9.31	4.25	1.57	95.64	17.02	70.35	2.56	42.82	1.18	1.45
Northwest Arctic	1.48	1.56	1.07	1.24	4.93	2.99	1.23	33.45	12.76	26.58	2.06	19.39	1.14	1.18
Pelican City	1.14	1.38	1.03	0.90	1.28	0.91	13.57	1.00	13.96	1.00	2.53	1.00	0.95	2.55
Petersburg City	1.01	1.02	0.94	0.91	1.24	0.92	1.10	1.00	12.86	1.00	2.33	1.00	1.01	2.14
Pribilof Islands	1.29	1.34	1.25	1.22	1.31	3.89	1.96	3.18	16.09	3.18	2.97	3.18	1.13	2.96
Saint Marys City	1.28	1.29	1.12	1.09	3.94	2.55	1.96	1.00	12.27	1.00	2.22	1.00	1.01	3.79
Sitka Borough	1.03	1.09	1.00	0.93	0.91	0.95	1.51	1.00	9.82	1.00	1.78	1.00	1.02	5.97
Skagway City	1.00	1.00	1.04	0.90	1.65	1.46	1.07	1.00	10.43	1.00	1.85	1.00	0.95	1.09
Southeast Isiana	1.07	1.15	1.01	0.87	1.12	1.52	4.11	16.77	14.76	14.33	2.51	11.77	0.94	1.14
Southwest Region	1.26	1.37	0.97	1.03	3.41	1.51	1.54	20.45	10.83	20.45	1.67	20.45	1.06	5.64
Tanana City	1.29	1.27	1.04	1.03	4.67	1.53	2.17	1.00	11.04	1.00	2.00	1.00	1.00	4.24
Unalaska City	1.19	1.21	1.05	1.08	1.85	1.42	1.59	1.00	14.76	1.00	2.67	1.00	1.14	2.82
Valdez City	1.05	1.07	1.01	0.99	1.61	1.02	1.35	1.00	8.29	1.00	1.50	1.00	1.02	2.65
Wrangell City	1.00	1.02	0.94	0.89	1.05	1.52	0.99	1.00	10.23	1.00	1.85	1.00	1.01	1.75
Yakutat City	1.17	1.24	1.09	0.97	3.39	2.10	1.33	15.09	11.18	11.62	1.92	7.98	0.97	3.09
Yukon Flats	1.46	1.94	0.93	1.06	5.43	2.81	2.57	146.14	14.75	92.35	2.34	36.02	1.03	2.95
Yukon-Koyukuk	1.44	1.66	0.94	1.06	4.73	2.20	1.73	65.49	11.71	53.82	1.56	41.60	1.10	3.77
Yudof	1.31	1.34	0.98	1.09	3.58	2.25	2.47	6.42	10.48	6.43	1.81	6.43	1.06	4.54

Exhibit I-5. Categorical Information

District Name	Total District Operating Fund: FY00	District Enrollment	Geographic Region			Distance from D.O. to nearest center of commerce	Classroom Teachers (Full-Time Equiv)
			MSA Code	Name	Size		
Alaska Gateway	\$5,373,281.00	490	75	South Central	2 250-999	4 At least 100 miles	9.30
Aleutian Region	\$1,228,458.00	61	56	Southwest	1 0 to <250	5 At least 500 miles	2.00
Aleutians East Borough	\$5,454,362.00	301	57	Southwest	2 250-999	5 At least 500 miles	11.45
Anchorage	\$311,273,670.00	49526	62	South Central	5 10,000+	1 Less than 10 miles	44.74
Annette Island	\$3,677,542.00	331	93	Southeast	2 250-999	2 At least 10 miles	9.20
Bering Strait	\$23,419,588.00	1735	34	Far North	3 1000-2499	5 At least 500 miles	11.96
Bristol Bay Borough	\$2,904,805.00	277	55	Southwest	2 250-999	4 At least 100 miles	10.95
Chatham Region	\$2,704,458.00	248	80	Southeast	1 0 to <250	3 At least 50 miles	8.25
Chugach	\$1,713,906.00	177	75	South Central	1 0 to <250	3 At least 50 miles	3.04
Cooper River	\$5,765,693.00	700	75	South Central	2 250-999	4 At least 100 miles	9.32
Corodva City	\$3,797,526.00	478	75	South Central	2 250-999	4 At least 100 miles	16.64
Craig City	\$3,193,801.00	543	93	Southeast	2 250-999	3 At least 50 miles	16.25
Delta Greely	\$6,420,459.00	850	46	Interior	2 250-999	3 At least 50 miles	13.98
Denali Borough	\$3,875,143.00	312	47	Interior	2 250-999	3 At least 50 miles	10.47
Deringham City	\$5,426,491.00	578	50	Southwest	2 250-999	4 At least 100 miles	20.61
Farbanks North Star Borough	\$108,243,790.00	15659	44	Interior	5 10,000+	1 Less than 10 miles	37.76
Gazieno City	\$15,147,510.00	3340	41	Far North	4 2500-9999	4 At least 100 miles	16.73
Hamlet Borough	\$3,552,705.00	402	85	Southeast	2 250-999	3 At least 50 miles	10.96
Hoonah City	\$3,041,735.00	226	80	Southeast	1 0 to <250	2 At least 10 miles	9.45
Hydaburg City	\$1,505,246.00	91	93	Southeast	1 0 to <250	2 At least 10 miles	4.25
Iktarod Area	\$6,252,546.00	656	41	Far North	2 250-999	4 At least 100 miles	5.20
Juneau Borough	\$35,362,688.00	5494	86	Southeast	4 2500-9999	1 Less than 10 miles	41.05
Kake City	\$1,909,779.00	166	91	Southeast	1 0 to <250	3 At least 50 miles	6.15
Kashunamiut	\$3,210,513.00	313	51	Southwest	2 250-999	4 At least 100 miles	21.30
Kenai Peninsula Borough	\$73,233,548.00	9925	71	South Central	4 2500-9999	1 Less than 10 miles	22.68
Ketchikan Gateway Borough	\$17,489,593.00	2517	95	Southeast	4 2500-9999	1 Less than 10 miles	21.12
Kiawook City	\$2,118,136.00	191	93	Southeast	1 0 to <250	3 At least 50 miles	7.14
Kodiak Island Borough	\$22,517,580.00	2743	73	South Central	4 2500-9999	4 At least 100 miles	23.53
Kusruk	\$6,627,779.00	474	52	Southwest	2 250-999	4 At least 100 miles	4.58
Lake and Peninsula	\$8,895,930.00	528	59	Southwest	2 250-999	4 At least 100 miles	4.86
Lower Kuskokwim	\$44,153,971.00	3595	52	Southwest	4 2500-9999	4 At least 100 miles	14.73
Lower Yukon	\$18,551,676.00	1895	51	Southwest	3 1000-2499	4 At least 100 miles	15.71
Matanuska-Susitna Borough	\$79,543,329.00	13009	61	South Central	5 10,000+	2 At least 10 miles	32.85
Nenana City	\$4,027,766.00	1885	41	Far North	3 1000-2499	4 At least 100 miles	14.84
Nome City	\$6,455,807.00	761	34	Far North	2 250-999	5 At least 500 miles	22.87
North Slope Borough	\$40,696,630.00	2187	31	Far North	3 1000-2499	5 At least 500 miles	25.45
Northwest Arctic	\$25,815,962.00	2188	33	Far North	3 1000-2499	5 At least 500 miles	19.41
Peigan City	\$597,493.00	23	80	Southeast	1 0 to <250	3 At least 50 miles	3.40
Petersburg City	\$4,994,592.00	576	91	Southeast	2 250-999	4 At least 100 miles	15.70
Prudhoe Island	\$1,914,471.00	144	58	Southwest	1 0 to <250	5 At least 500 miles	7.84
Saint Marys City	\$1,658,111.00	143	51	Southwest	1 0 to <250	4 At least 100 miles	12.50
Sitka Borough	\$11,760,802.00	1640	87	Southeast	3 1000-2499	3 At least 50 miles	27.42
Skagway City	\$1,647,449.00	130	80	Southeast	1 0 to <250	3 At least 50 miles	11.90
Southeast Island	\$3,212,107.00	285	93	Southeast	2 250-999	1 Less than 10 miles	4.91
Southwest Region	\$9,916,963.00	771	50	Southwest	2 250-999	4 At least 100 miles	12.55
Tanana City	\$1,176,712.00	80	41	Far North	1 0 to <250	4 At least 100 miles	6.00
Unalaska City	\$3,952,718.00	355	58	Southwest	2 250-999	5 At least 500 miles	14.07
Valdez City	\$8,040,397.00	863	75	South Central	2 250-999	4 At least 100 miles	19.41
Wainwright City	\$4,043,265.00	497	91	Southeast	2 250-999	3 At least 50 miles	10.94
Yakutat City	\$2,022,629.00	165	79	Southeast	1 0 to <250	4 At least 100 miles	13.63
Yukon Flats	\$6,229,257.00	349	41	Far North	2 250-999	4 At least 100 miles	8.36
Yukon-Koyukuk	\$8,179,716.00	495	41	Far North	2 250-999	4 At least 100 miles	6.25
Yukon-Charley	\$5,242,263.00	404	52	Southwest	2 250-999	4 At least 100 miles	11.34

Exhibit I-6. Comparison of the AIR GCEI and the Current Alaska Cost Index
(data are sorted alphabetically by district name)

District Name	Superlative GCEI	Current Alaska Cost Index	Difference between the Superlative GCEI and the Current Index	Districts with an absolute difference ≥ 0.15 (=1)	Districts with an absolute difference ≥ 0.10 (=1)	Districts with an absolute difference < 0.05 (=1)
Alaska Gateway	1.28	1.29	(0.01)	0	0	1
Aleutian Region	1.46	1.74	(0.28)	1	1	0
Aleutians East Borough	1.49	1.42	0.07	0	0	0
Alyeska	1.00	1.00	-	0	0	1
Anchorage	1.00	1.00	(0.00)	0	0	1
Annette Island	1.03	1.01	0.02	0	0	1
Bering Strait	1.55	1.53	0.03	0	0	1
Bristol Bay Borough	1.19	1.26	(0.08)	0	0	0
Chatnam Region	1.20	1.12	0.08	0	0	0
Chugach	1.29	1.29	(0.00)	0	0	1
Copper River	1.15	1.18	(0.02)	0	0	1
Cordova City	1.07	1.10	(0.02)	0	0	1
Craig City	1.09	1.01	0.08	0	0	0
Delta Greely	1.09	1.11	(0.01)	0	0	1
Denali Borough	1.09	1.31	(0.22)	1	1	0
Dillingham City	1.13	1.25	(0.13)	0	1	0
Fairbanks North Star Borough	1.08	1.04	0.04	0	0	1
Galena City	1.26	1.35	(0.09)	0	0	0
Haines Borough	1.03	1.01	0.02	0	0	1
Hoonah City	1.12	1.06	0.07	0	0	0
Hydaburg City	1.10	1.09	0.02	0	0	1
Icitarod Area	1.40	1.47	(0.07)	0	0	0
Juneau Borough	1.02	1.01	0.02	0	0	1
Kake City	1.09	1.03	0.07	0	0	0
Kasnunamut	1.25	1.39	(0.14)	0	1	0
Kenai Peninsula Borough	1.03	1.00	0.03	0	0	1
Ketchikan Gateway Borough	1.01	1.00	0.01	0	0	1
Kiawock City	1.04	1.02	0.03	0	0	1
Kodiak Island Borough	1.12	1.09	0.03	0	0	1
Kuspuk	1.21	1.43	(0.22)	1	1	0
Lake And Peninsula	1.46	1.56	(0.10)	0	1	0
Lower Kuskokwim	1.39	1.49	(0.10)	0	1	0
Lower Yukon	1.40	1.44	(0.04)	0	0	1
Matanuska-Susitna Borough	0.99	1.01	(0.02)	0	0	1
Mt. Edgecumbe	1.03	1.00	0.03	0	0	1
Nenana City	1.17	1.27	(0.10)	0	1	0
Nome City	1.16	1.32	(0.16)	1	1	0
North Slope Borough	1.58	1.50	0.07	0	0	0
Northwest Arctic	1.48	1.55	(0.07)	0	0	0
Pelican City	1.14	1.29	(0.15)	1	1	0
Petersburg City	1.01	1.00	0.01	0	0	1
Pribilof Island	1.29	1.42	(0.13)	0	1	0
Saint Marys City	1.28	1.35	(0.07)	0	0	0
Sitka Borough	1.03	1.00	0.03	0	0	1
Skagway City	1.00	1.14	(0.14)	0	1	0
Southeast Island	1.07	1.12	(0.05)	0	0	0
Southwest Region	1.26	1.42	(0.16)	1	1	0
Tanana City	1.29	1.50	(0.21)	1	1	0
Unalaska City	1.19	1.25	(0.05)	0	0	0
Valdez City	1.05	1.10	(0.04)	0	0	1
Wrangell City	1.00	1.00	0.00	0	0	1

District Name	Superlative GCEI	Current Alaska Cost Index	Difference between the Superlative GCEI and the Current Index	Districts with an absolute difference ≥ 0.15 (=1)	Districts with an absolute difference ≥ 0.10 (=1)	Districts with an absolute difference < 0.05 (=1)
Yakutat City	1.17	1.05	0.13	0	1	0
Yukon Flats	1.46	1.67	(0.21)	1	1	0
Yukon Koyukuk	1.44	1.50	(0.06)	0	0	0
Yupik	1.31	1.47	(0.16)	1	1	0
Mean value	1.19	1.24	-0.04			
Standard deviation	0.17	0.21	0.09			
Minimum value	0.99	1.00	-0.28			
Maximum value	1.58	1.74	0.13			
Number of districts with significant differences in index values				9	17	24

The personnel index reported in *Alaska School District Cost Study: Volume I – Summary of Results* reflects a district-level aggregation of all three personnel indices. To arrive at this index value, one must consider only the budget share spent by the district on personnel. Each of the three personnel budget shares (i.e., teachers, administrators and other certified, and classified) is then divided by the sum of the personnel budget for that district. This provides us with the new budget shares to calculate this aggregate personnel index, which will give us the overall cost of personnel considering the usage of each of the three groups of employees comprising this category. Each of the three personnel indices is weighted by its appropriate budget shares, as derived by taking the average recalculated budget shares of the district and the base district Anchorage. This creates a Tornqvist cost-of-personnel index, similar to the Tornqvist cost-of-education index described in greater mathematical detail earlier in this appendix.

The other indices presented in *Alaska School District Cost Study: Volume I – Summary of Results* – that is, the energy index, the cost-of-goods index, and the travel index – were all created similarly, using the methods described above. The energy index considers only the index value for energy, so its aggregate is the same as the energy index presented in this volume of the study. The cost-of-goods index uses the appropriately-rescaled budget share weights of the index values for instructional supplies and small capital items in its aggregate construction. The rescaling of the budget weights for the aggregate goods index uses the sum of the instructional supplies budget share and small capital items budget share as the denominator. The aggregate travel index uses the appropriately-rescaled budget share weights of the index values for any and all travel indices considered in this volume of the study, using the sum of the travel budget shares as the denominator when rescaling.

The tables on the following pages present the four aggregate indices, along with a breakdown of their individual index components. The columns next to the individual index components show the appropriately-rescaled budget weight for the corresponding index component. To calculate the overall index for that category, one would sum the logarithm of each component index, each weighted by the respective budget weight. Then, take the exponential of the logarithmic form. This will generate the overall index value for that particular aggregate – the value presented in the column after the district name.

Travel Index

	Overall Travel Index	Index Teachers P.D. to D.O Travel	Budget Weight: Teachers P.D. to D.O Travel	Index Teachers P.D. to ANC Travel	Budget Weight: Teachers P.D. to ANC Travel	Index Schools to D.C Travel	Budget Weight: Schools to D.C Travel	Index Super. P.D. in ANC Travel	Budget Weight: Super. P.D. in ANC Travel	Index School Oversight	Budget Weight: School Oversight	Index Man: Travel	Budget Weight: Man: Travel
Denali Borough	1.56	1.89	3.89%	7.9	3.89%	1.85	15.05%	1.41	12.84%	1.89	0.88%	1.36	63.44%
Alaska Gateway	2.05	2.2	3.25%	10.6	3.25%	2.2	16.69%	1.89	4.77%	2.2	0.67%	1.8	71.36%
Aleutian Region	4.85	276.38	3.26%	30.02	3.26%	222.60		3.22	36.84%	166.2	0.44%	5.20	50.41%
Anchorage	1.00	1.00	1.80%	1.00	1.80%	1.00	11.57%	1.00	0.37%	1.00	0.56%	1.00	83.89%
Annette Island	1.22	1.00	3.70%	12.71	3.70%	1.00	30.38%	2.30	8.71%	1.00	1.84%	1.06	51.67%
Berndt Strait	17.18	186.23	14.55%	19.68	14.55%	150.48	16.72%	2.06	5.91%	113.05		4.96	48.00%
Bristol Bay Borough	2.11	1.00	11.46%	9.14	11.46%	1.00	9.71%	1.64	1.07%	1.00	1.22%	2.12	65.09%
Chatham Region	4.15	74.36	4.05%	9.92	4.05%	49.55	12.35%	1.54	18.67%	23.57	4.04%	2.27	56.85%
Chuathocuk	5.48	74.34	4.94%	6.08	4.94%	44.89	27.83%	1.00	10.85%	14.04		1.94	51.16%
Copper River	1.55	1.67	3.79%	7.03	3.79%	1.67	27.41%	1.25	7.66%	1.67	1.17%	1.39	56.18%
Cordova City	1.15	1.00	5.98%	8.82	5.98%	1.00	22.51%	1.60	3.77%	1.00	0.70%	0.99	61.06%
Craig City	1.69	1.00	13.12%	22.46	13.12%	1.00	18.59%	4.07	3.04%	1.00	0.38%	1.15	51.74%
Delta Greely	1.20	1.00	6.64%	6.07	6.64%	1.00	14.75%	1.10	3.68%	1.00	1.53%	1.09	66.76%
Dillingham City	1.15	1.00	2.66%	9.20	2.66%	1.00	35.96%	1.67	5.79%	1.00	0.90%	1.10	52.04%
Fairbanks North Star Borough	1.22	1.00	7.63%	8.34	7.63%	1.00	26.61%	1.50	1.78%	1.00	0.44%	1.05	55.92%
Galena City	1.38	1.00	5.16%	10.74	5.16%	1.00	15.51%	1.94	6.40%	1.00	13.88%	1.33	53.89%
Haines Borough	1.59	1.00	3.13%	9.82	3.13%	1.00	5.31%	1.78	24.21%	1.00	2.33%	1.52	60.88%
Hoonah City	1.35	1.00	4.41%	12.09	4.41%	1.00	17.49%	2.19	1.37%	1.00	0.68%	1.28	71.63%
Hudon City	1.39	1.00	1.90%	11.41	1.90%	1.00	10.98%	2.07	7.12%	1.00	1.64%	1.35	76.45%
Iditarod Area	15.10	236.19	10.97%	18.62	10.97%	182.40	15.33%	1.74	9.99%	126.0	2.45%	5.13	50.28%
Juneau Borough	1.20	1.00	7.05%	9.82	7.05%	1.00	27.56%	1.77	1.54%	1.00	1.63%	1.02	55.17%
Kenai City	1.90	1.00	1.15%	12.27	1.15%	1.00	25.08%	2.22	5.56%	1.00	0.40%	2.35	66.66%
Kenai Peninsula Borough	1.37	3.63	2.25%	6.92	2.25%	3.63	8.79%	1.20	0.64%	3.63	0.69%	1.15	85.38%
Ketchikan Gateway Borough	1.04	1.00	3.25%	10.22	3.25%	1.00	23.79%	1.85	2.92%	1.00	1.70%	0.91	65.10%
Kiawook City	1.39	1.00	5.50%	11.66	5.50%	1.00	8.73%	2.11	25.04%	1.00	4.30%	1.02	50.93%
Kodiak Island Borough	2.72	19.95	5.99%	10.07	5.99%	12.65	15.59%	1.78	4.85%	4.97	5.53%	1.31	62.04%
Kusokuk	4.66	40.21	1.14%	13.33	1.14%	40.21	25.66%	1.83	10.01%	40.21	2.33%	1.87	59.72%
Lake and Peninsula	11.52	165.38	1.16%	13.55	1.16%	111.59	30.43%	1.84	9.08%	55.26	1.45%	4.14	56.72%
Lower Kuskokwim	8.26	67.95	7.62%	10.62	7.62%	46.04	26.82%	1.67	1.99%	23.10	2.48%	2.52	53.47%
Lower Yukon	12.2	169.94	1.58%	21.54	1.58%	146.50	24.47%	2.22	15.26%	121.96	2.53%	5.34	54.59%
Matanuska-Susitna Borough	1.22	1.49	3.87%	6.09	3.87%	1.49	14.32%	1.08	1.38%	1.49	0.96%	1.07	75.60%
Nenana City	1.33	1.00	6.37%	8.14	6.37%	1.00	16.40%	1.47	7.16%	1.00	1.30%	1.21	62.39%
Nome City	1.36	1.00	4.26%	12.80	4.26%	1.00	22.57%	2.31	4.48%	1.00	3.82%	1.31	60.62%
North Slope Borough	11.51	96.64	4.92%	17.02	4.92%	70.35	27.69%	2.56	7.91%	42.82	1.65%	4.25	52.92%
Northwest Arctic	5.23	33.45	1.90%	12.76	1.90%	25.56	21.76%	2.06	3.62%	19.39	1.29%	2.99	69.53%
Pelican City	1.08	1.00	4.46%	13.96	4.46%	1.00	14.74%	2.53	3.45%	1.00		0.91	72.60%
Petersburg City	1.03	1.00	1.53%	12.86	1.53%	1.00	16.35%	2.33	5.66%	1.00	3.12%	0.92	71.81%
Pribilof Island	3.82	3.18	5.36%	16.08	5.36%	3.18	20.07%	2.87	13.36%	3.18	1.19%	3.89	54.65%
Sitka Borough	1.06	1.00	3.06%	9.82	3.06%	1.00	3.99%	1.78	5.27%	1.00	1.18%	0.95	78.44%
Skaoway City	1.46	1.00	2.22%	10.43	2.22%	1.00	11.36%	1.89	5.84%	1.00	1.72%	1.46	76.65%
Southeast Island	2.72	16.77	4.41%	14.76	4.41%	14.33	15.27%	2.5	5.15%	11.77	0.33%	1.52	70.43%
Southwest Region	3.25	20.45	6.80%	10.83	6.80%	20.45	15.82%	1.67	8.03%	20.45	1.42%	1.51	61.12%
Saint Marys City	2.24	1.00	3.58%	12.2	3.58%	1.00	10.25%	2.22	23.33%	1.00	2.51%	2.55	56.75%
Unalaska City	1.61	1.00	3.61%	14.76	3.61%	1.00	10.80%	2.67	15.16%	1.00	1.28%	1.42	65.54%
Valdez City	1.08	1.00	1.54%	9.29	1.54%	1.00	17.21%	1.50	6.73%	1.00	5.77%	1.02	67.21%
Wrangell City	1.61	1.00	5.47%	10.23	5.47%	1.00	12.53%	1.85	18.43%	1.00	1.88%	1.52	56.23%
Yakutat City	3.41	15.09	4.54%	11.16	4.54%	11.62	15.35%	1.92	18.28%	7.96	5.39%	2.10	51.88%
Yukon Flats	4.83	146.14	1.47%	14.76	1.47%	92.35	13.38%	2.34	17.78%	36.07	1.02%	2.81	64.88%
Yukon Koyukuk	5.32	65.49	4.24%	11.7	4.24%	53.82	19.39%	1.56	13.78%	41.6	2.31%	2.20	55.05%
Tanana City	1.53	1.00	1.10%	11.04	1.10%	1.00	12.36%	2.00	14.34%	1.00		1.53	70.81%
Yucor	3.2	6.43	6.01%	10.48	6.01%	6.43	21.44%	1.8	14.32%	6.43	0.54%	2.25	51.69%
Kashunamiut	2.29	1.00	7.81%	12.95	7.81%	1.00	17.41%	2.34	14.93%	1.00	2.03%	2.72	50.01%
Aleutians East Borough	8.96	77.08	11.27%	14.10	11.27%	52.08	15.99%	2.27	6.33%	25.89	0.69%	3.62	54.43%

Energy Index

	Overall Energy Index	Budget Weight: Energy
Denali Borough	1.66	100.00%
Alaska Gateway	3.79	100.00%
Aleutian Region	4.97	100.00%
Anchorage	1.00	100.00%
Annette Island	0.75	100.00%
Bering Strait	4.09	100.00%
Bristol Bay Borough	2.96	100.00%
Chatham Region	3.72	100.00%
Chugach	1.43	100.00%
Copper River	2.37	100.00%
Cordova City	1.64	100.00%
Craig City	1.87	100.00%
Delta Greely	2.33	100.00%
Dillingham City	2.16	100.00%
Fairbanks North Star Borough	1.61	100.00%
Galena City	2.87	100.00%
Haines Borough	1.80	100.00%
Hoonah City	4.62	100.00%
Hydaburg City	1.23	100.00%
Iditarod Area	5.12	100.00%
Juneau Borough	0.74	100.00%
Kake City	2.38	100.00%
Kenai Peninsula Borough	1.34	100.00%
Ketchikan Gateway Borough	0.75	100.00%
Klawock City	1.87	100.00%
Kodiak Island Borough	1.95	100.00%
Kuspuk	1.67	100.00%
Lake And Peninsula	4.62	100.00%
Lower Kuskokwim	3.43	100.00%
Lower Yukon	3.17	100.00%
Matanuska-Susitna Borough	1.06	100.00%
Nenana City	1.81	100.00%
Nome City	2.40	100.00%
North Slope Borough	9.31	100.00%
Northwest Arctic	4.93	100.00%
Pelican City	1.28	100.00%
Petersburg City	1.24	100.00%
Pribilof Island	1.31	100.00%
Sitka Borough	0.91	100.00%
Skaagway City	1.65	100.00%
Southeast Island	1.12	100.00%
Southwest Region	3.41	100.00%
Saint Marys City	3.94	100.00%
Unalaska City	1.89	100.00%
Valdez City	1.61	100.00%
Wrangell City	1.05	100.00%
Yakutat City	3.39	100.00%
Yukon Flats	5.43	100.00%
Yukon Koyukuk	4.73	100.00%
Tanana City	4.67	100.00%
Yupik	3.58	100.00%
Kashunamiut	2.76	100.00%
Aleutians East Borough	3.23	100.00%

Personnel Index

	Overall Personnel Index	Index: Admin	Budget Weight: Admin	Index: Classified	Budget Weight: Classified	Index: Teacher	Budget Weight: Teacher
Denali Borough	1.00	0.97	8.89%	1.01	27.10%	1.00	64.01%
Alaska Gateway	1.05	0.97	10.37%	1.05	25.34%	1.05	64.29%
Aleutian Region	1.20	1.25	26.91%	1.23	20.43%	1.17	52.66%
Anchorage	1.00	1.00	6.55%	1.00	27.02%	1.00	66.43%
Annette Island	1.02	0.95	9.50%	0.93	25.60%	1.08	64.90%
Bennet Strait	1.13	1.05	7.61%	1.19	28.92%	1.11	63.47%
Bristol Bay Borough	1.03	1.01	8.53%	1.03	24.91%	1.03	66.56%
Chatham Region	0.95	1.05	12.07%	0.92	23.15%	0.95	64.78%
Chugach	0.98	1.11	10.72%	0.98	25.48%	0.96	63.79%
Copper River	1.01	0.99	8.95%	1.05	27.34%	0.99	63.71%
Coroova City	1.01	0.99	7.68%	0.96	25.48%	1.04	66.85%
Craig City	0.99	0.95	9.41%	0.90	24.52%	1.02	66.07%
Delta Greely	0.99	0.94	8.37%	0.98	24.91%	1.00	66.71%
Dillingham City	1.07	1.02	7.70%	1.05	24.68%	1.08	67.62%
Fairbanks North Star Borough	1.05	0.97	5.54%	1.04	25.91%	1.06	67.55%
Galena City	1.06	0.97	10.49%	1.14	29.32%	1.04	60.19%
Haines Borough	0.96	0.94	9.18%	0.90	24.47%	0.99	66.35%
Hoonah City	0.96	1.06	10.19%	0.93	26.92%	0.95	62.89%
Hydaburg City	0.99	1.00	14.52%	0.91	23.08%	1.02	62.40%
Iditarod Area	0.99	0.93	6.91%	0.98	29.28%	1.01	63.82%
Juneau Borough	1.01	0.99	6.35%	1.02	27.55%	1.01	66.10%
Kake City	0.97	1.09	9.95%	0.93	25.32%	0.97	64.73%
Kenai Peninsula Borough	0.98	0.97	6.92%	1.03	23.66%	0.96	69.41%
Ketchikan Gateway Borough	1.01	0.99	7.73%	0.92	24.99%	1.04	67.28%
Klawock City	0.97	1.05	9.81%	0.91	23.58%	0.97	66.61%
Kodiak Island Borough	1.03	0.97	8.01%	1.03	25.16%	1.03	66.83%
Kusuk	1.05	0.99	7.94%	1.07	29.16%	1.06	62.91%
Lake And Peninsula	1.02	0.96	6.77%	0.99	24.55%	1.04	68.69%
Lower Kuskokwim	1.12	1.04	8.18%	1.23	32.54%	1.07	59.28%
Lower Yukon	1.09	1.02	8.76%	1.13	25.16%	1.09	66.08%
Matanuska-Susitna Borough	0.97	0.96	6.18%	0.96	25.13%	0.98	68.69%
Nenana City	0.98	0.93	11.34%	0.98	25.03%	0.99	63.63%
Nome City	1.06	1.03	6.16%	1.12	26.14%	1.05	67.70%
North Slope Borough	1.28	1.17	5.83%	1.48	35.45%	1.16	58.73%
Northwest Arctic	1.17	1.07	8.56%	1.24	29.11%	1.14	62.33%
Pelican City	0.94	1.03	12.27%	0.90	33.69%	0.95	54.04%
Petersburg City	0.98	0.94	7.27%	0.91	24.01%	1.01	68.72%
Pribilof Island	1.17	1.25	9.46%	1.22	28.41%	1.13	62.13%
Sitka Borough	1.00	1.00	8.80%	0.93	20.82%	1.02	70.38%
Skaaway City	0.94	1.04	8.85%	0.90	26.61%	0.95	64.54%
Southeast Island	0.93	1.01	8.73%	0.87	26.53%	0.94	64.74%
Southwest Region	1.05	0.97	8.84%	1.03	25.08%	1.06	66.08%
Saint Marys City	1.04	1.12	12.02%	1.09	24.76%	1.01	63.23%
Unalaska City	1.11	1.05	11.76%	1.08	23.08%	1.14	65.16%
Valdez City	1.01	1.01	7.98%	0.98	25.02%	1.02	67.00%
Wrangell City	0.97	0.94	7.69%	0.89	25.88%	1.01	66.43%
Yakutat City	0.99	1.09	10.78%	0.97	25.30%	0.97	63.92%
Yukon Flats	1.03	0.93	11.96%	1.06	27.18%	1.03	60.87%
Yukon Koyukuk	1.07	0.94	11.68%	1.06	24.11%	1.10	64.21%
Tanana City	1.01	1.04	18.72%	1.03	26.24%	1.00	55.04%
Yupik	1.06	0.98	10.30%	1.08	32.26%	1.06	57.44%
Kasneriamuit	1.09	1.02	12.69%	1.14	26.69%	1.08	60.63%
Aleutians East Borough	1.13	1.10	9.28%	1.12	22.66%	1.14	68.06%

OVERVIEW:

DEPT. OF

H & SS

REORGAN-

IZATION,

3/12/03

State of Alaska
Department of Health & Social Services

Frank H. Murkowski
Governor
P.O. Box 110001
Juneau, Alaska 99811-0001
NEWS RELEASE



Joel Gilbertson
Commissioner
907-465-3030
FAX: 907-465-3068
www.hss.state.ak.us

FOR IMMEDIATE RELEASE: March 4, 2003

*

Health & Social Services reorganized for efficiency, better customer service

Reorganization includes internal changes, programs moving to DHSS from Depts. Of Administration and Education & Early Development

(Juneau) – DHSS Commissioner Joel Gilbertson announced today a major reorganization of the Alaska Dept. of Health & Social Services. “We are integrating the health and social services provided to Alaskans, and combining programs in ways that make sense to the people DHSS serves,” he said. “Alaskans will get better customer service, and DHSS will be in a stronger position to deliver quality services in very tough financial times for the State.”

The Department reorganization includes internal consolidations that result in name and function changes for 4 Divisions, creation of a new department-wide program review function, and movement of a total of five programs from the Departments of Administration and Education & Early Development to the Dept. of Health & Social Services.

Gilbertson said that planning for the reorganization considered a wealth of valuable input and creative ideas from the DHSS performance review audit, employee surveys and the thoughts of thousands of Alaskans during regional transition field hearings last fall. He said reorganizations are always difficult, but that DHSS is focused on solid outcomes for Alaskans:

- Enhanced quality of life for the people DHSS serves
- Efficient coordination and management of multiple health and human services
- Maximum benefit from existing resources and reduced unnecessary and burdensome regulations
- Innovation, flexibility and accountability at all levels of state government

“We are reorganizing in part to restructure the way we use Medicaid funding for our programs, to maximize federal funding for our services,” he said. “Alaskans also want to be sure that any use of public funds results in the best health and social services. Part of our restructuring includes a program review function to ensure program integrity and maximization of any General Fund investment.”

[more]

Reorganization Highlights

Commissioner's Office

Two new units will be established by the Commissioner's Office using existing positions, whose functions will be to reduce General Fund expenditures across the Department and establish efficiency in rate-setting functions throughout the Department.

The Office of Program Review will ensure that DHSS programs accomplish their goals, and will help Divisions find ways to refinance programs to ensure that, to the maximum extent possible, services continue during difficult financial times.

Health Care Services (HCS)

This Division focuses on the individual health needs of Alaskans. The Division of Health Care Services ensures that individuals receive quality personal health care services from health care providers who are paid by DHSS. HCS consists of a number of functions formerly in the Div. of Public Health, with the addition of some functions formerly in the Div. of Medical Assistance.

Public Health

This Division protects and promotes public health. The Division of Public Health focuses on disease prevention and control, homeland security related to public health, and systems development and planning for a quality health care system. A number of the functions in the former Div. of Public Health remain, with the inclusion of systems development and planning functions from several divisions.

Children Services

At the Deputy Commissioner level, this new Office provides a more well-rounded system to help families keep their children safe and healthy. Children Services also includes several child health programs formerly in the Div. of Public Health, and Behavioral Rehabilitation Services formerly in the Div. of Medical Assistance.

Behavioral Health

This Division provides a comprehensive array of mental health & substance abuse services. The people DHSS serve get better customer service because service delivery is more efficient and treatment is integrated. The Div. of Behavioral Health includes functions formerly in the Div. of Alcoholism and Drug Abuse and the Div. of Mental Health & Developmental Disabilities.

Public Assistance

This Division continues its main mission of supporting families and individuals to become self-sufficient. It will serve families better by consolidating programs and funding sources that assist families enter or remain in the workforce, and by reducing the number of applications a person has to fill out and offices they need to visit to get assistance. The Div. of Public Assistance will include outreach for Denali KidCare, formerly in the Div. of Public Health, and Childcare Assistance, formerly in the Dept. of Education & Early Development.

Senior & Disabilities Services

This Division provides a full range of care for Alaska seniors and disabled Alaskans in one agency. The people we serve get improved access to a continuum of care – all the services seniors and disabled people need. The Div. of Senior & Disabilities Services includes the Div. of Senior Services formerly in the Dept. of Administration, Adult Public Assistance formerly in the

Div. of Public Assistance, and several other functions from the former Div. of Medical Assistance.

Div. of Alaska Longevity Programs

The Longevity Bonus Program and Pioneer Homes programs will be transferred from the Dept. of Administration.

Juvenile Justice

This Division is a specialized and discrete unit focused on better outcomes for youth in trouble.

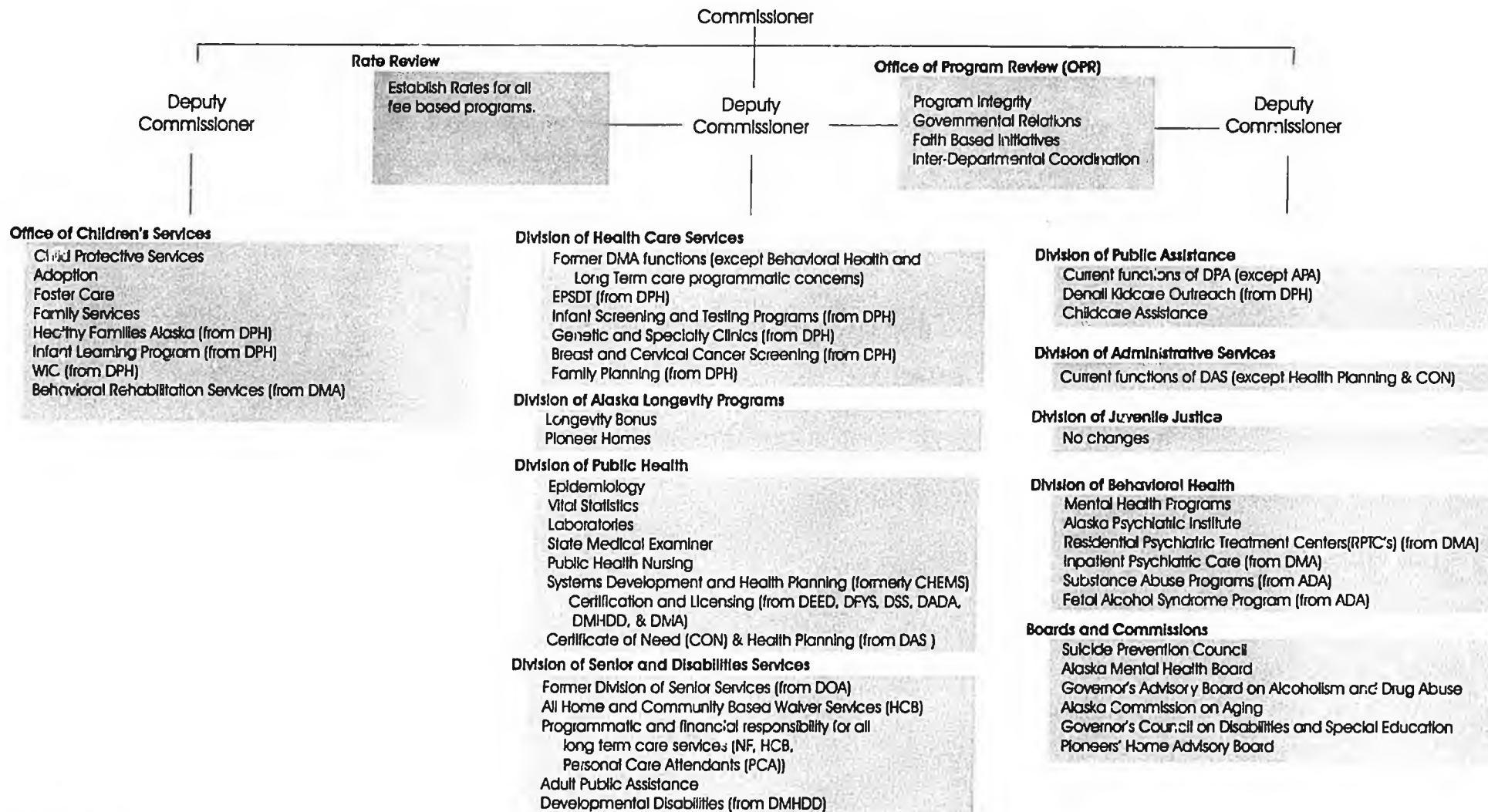
Admin Services

This Division will focus on core functions – services to DHSS agencies.

-30-

For more information, please contact

Ross Soboleff
Public Information Officer III
Department of Health and Social Services
(907) 465-1611





Alaska State Legislature

Please enter into the record my testimony to the Senate Health Education and Social Services Committee

_____ committee name

Committee on Re Organization of DHSS

, dated 03-11-03

_____ bill # / subject

To Senator Dyson, Green, Wilken, Davis, and Guess:

I am concerned about the Department of Health and Social Services. The DHSS needs some serious improvements in the way their department performs. The citizen's of Alaska are not getting their moneys worth regarding the huge amount of tax money being spent with DHSS when compared with their DHSS's public services. The DHSS has too much power over the families that reside in Alaska. The DHSS Social Worker's have extremely high caseloads. Its directly related to the currant policy of allowing anonymous reports of harm, which are called into the DHSS 800 phone number. Until this anonymous reporting is changed, we will continue to have high caseloads! These caseworkers are required to investigate all reports of harm. The general public knows there is no accountability for making false reports of harm against people they may dislike or want to exact revenge upon. I have been the victim of anonymous reports of harm. Many different calls alleging that I was neglecting my three children. My oldest child is sixteen, my middle son is fifteen, and my youngest child is eleven. There have never been any reports of harm made concerning my children or myself until I separated from my daughter's father. The anonymous reports began when we separated. We had an active child custody case within the Court System. The Court had access to the reports of harm but I could not learn who made the reports of harm, what the allegations were, or why they were made against me. Now DFYS has a permanent file containing personal information about me, my children, all my mental health records, and who knows what else. The Court has complete access to everything inside these confidential DFYS files, and they are being used against me to determine custody of my kids! DFYS went to my children's schools and interviewed them three separate times. I looked up their guidelines. The caseworker was supposed to inform me of the interviews. But, nobody had told me from DFYS, I found out when my daughter asked me if they were taking her away from me. My daughter wanted to know if she would be living in a foster home! I did not know what to tell my daughter because nobody from DFYS would give me any information. DFYS should not be allowed to interview any children without one of the children's parents who is present during their interview. This interview occurred at school, my daughter was completely embarrassed when her friends asked her why DFYS wanted to talk to her. DFYS

THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES

should not be interviewing these children at school, the other students notice and ask questions! This is a private family situation; it should be only conducted in DFYS's office. These parents should have adequate notice so they can obtain legal counsel to protect their legal rights during this interview. These parents should have an Attorney present during the interview! If the parent being investigated by DFYS can't afford an attorney, one should be appointed for them, to be present during all their interviews. Please do away with DFYS's 800-phone number that allows people to make anonymous reports of harm. Enact new statues, which require reporters of harm to sign formal statements and give proof of their identity! When people want to make reports of harm, allow them do it in person at the DFYS office. Make these reporters file a formal written statement, signed with these reporters' names. Attach a photocopy of this reporter's picture ID to the formal complaint. Enact a statute giving parents complete access to all DFYS reports and also reports in their child's school files. Enact a statute for providing legal aide for parents, to a Public Defender attorney to be present during all DFYS interviews. There needs to be statutes enacted for stiff legal penalties concerning these people who making the false reports of harm. These changes would protect children who are really in need of assistance. It would reduce the currant caseloads that will free caseworkers from these false reports of harm, allowing them to devote their resources and attention to cases real cases. Please implement some real changes!!!

Signed: Laurie Churchill
 Testifier

Representing (optional)

PO Box 7043 Nikiski, Ak 99635
 Address

907-776-3499
 Phone number

PLEASE ASK:

In considering my questions on reorganization of HESS, try to remember that many of the people on this service are without income and in poor health beyond their control. And... If able, would readily depart the system in favor of good old-fashioned work! (Background on page 2)

Regarding reorganization:

Please elaborate on reasoning behind minimizing medication coverages by shifting costs directly to recipients. Will this continue or worsen in the new structure?

Because doctors will take installment arrangements and Pharmacists will not, can you and are you considering a co-pay option for doctor visits that would allow for program savings to be applied to prescription benefits? And/Or allow greater voluntary doctor access?

Will the funding to "C.A.M.A." be increased or decreased under the new structure?

Will the programs in the new structure allow for the related illnesses that are usually present but not covered, to be addressed; or, definitions be broadened within existing programs for the same purpose?

(related) Will the doctors be given any new latitudes to address illnesses that exacerbate the qualified illnesses?

Thank you for clarifying these issues. I am a reluctant participant in a system that is difficult to understand and seems to have gaps. Thanks again

Sincerely,
Jeri A. Denison

Subject:

Date: Tue, 11 Mar 2003 02:06:54 -0900

From: "Jeri Denison" <caggem2@hotmail.com>

To: todd.larkin@legis.state.ak.us

152 - Palace Circle - #1
Fairbanks, Alaska 99701
March 10, 2003
907-456-4902

Health and Social Services
c/o Todd Larkin
Assistant to Rep. Jim Holm
Alaska State Capitol
Juneau, Alaska

Re: Health and Social Services Reorganization, ie. CAMA

Dear Sirs and Madams;

I am a CAMA recipient and have endured the limited benefits of this program! While I understand there is, allegedly, no money for all the needs of the State of Alaska I will never understand why the money always seems to be cut from Social Service Programs and the people in such desperate need for them! CAMA has been hit twice since November 1, 2002! I never really understood this until I became so ill five years ago! (May 1998) I would love to return to work and make \$2500 a month instead of living on \$280 per month on interim assistance! But that's not possible! I have two of the conditions required that make me eligible for the CAMA Program! As well as sixteen other medical problems! I am unemployable!

I'd like to ask you to consider the predicament that I , and people like me, are in regarding our poor health and having virtually no income! And secondly, I would like you to consider what you would do if I were your daughter, sister, mom, niece, or some other relative or friend? Would you want to see them suffer medically as well as financially? I don't believe you would! Please consider my questions in reorganizing the HESS and CAMA in particular!

I would like to know why our medication coverage has been minimized and how you propose we are to pay for these medications? I have to take a particular medication in order to help and try to heal a stomach condition that can easily turn to cancer and if I can't get that, you may as well sign my death warrant! It is \$280.00 per month for 60 pills! That's all I get from the state per month! Would you want this to happen to you or someone in your family?

In reorganizing HESS, do you plan to make medical coverage for the doctors we need to see, available [unlimited] perhaps with a co-pay? Please don't punish us for being ill! I know I never wanted to be like this at 46 years old! I had my life planned much differently!

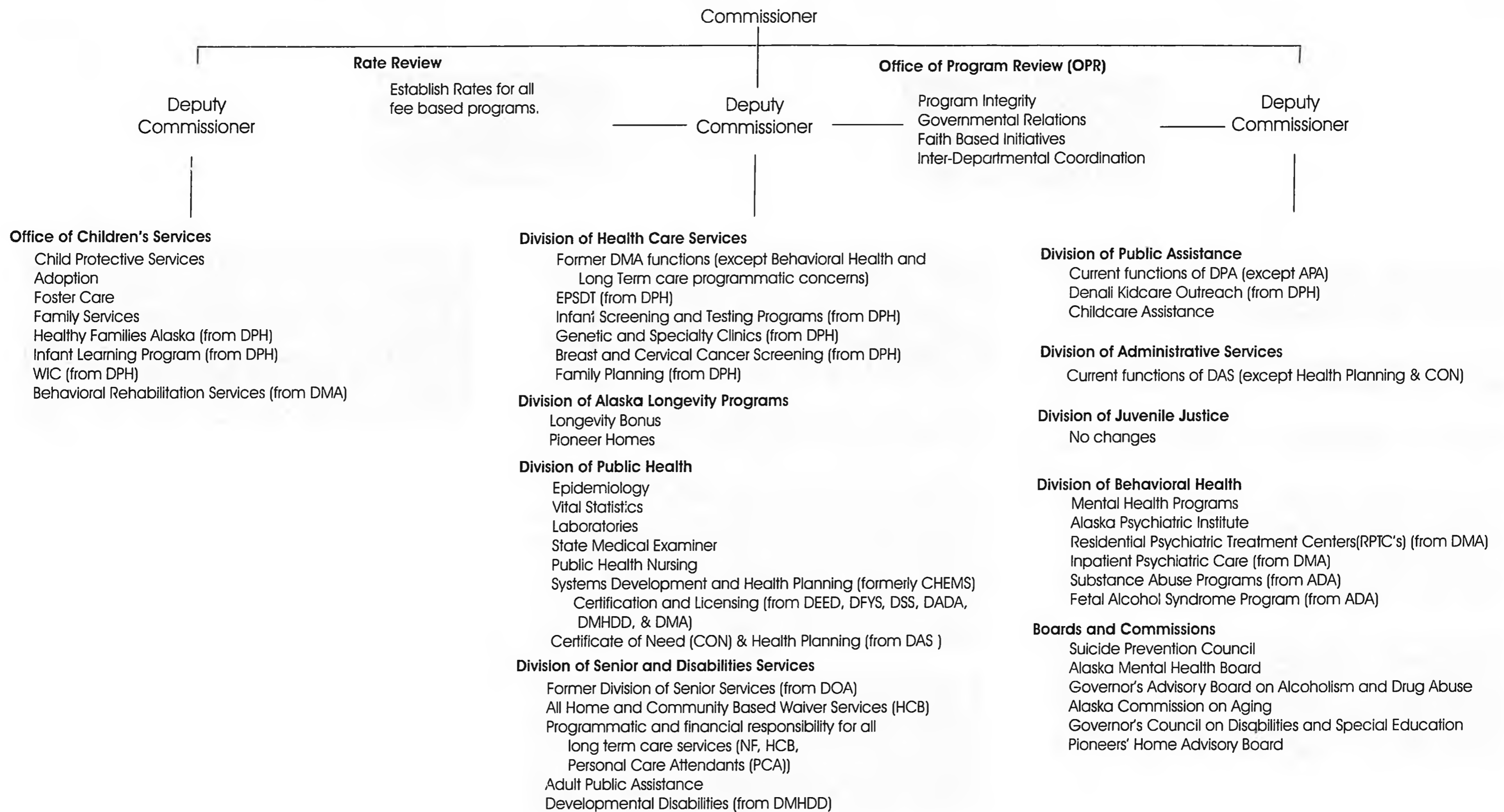
In reorganizing HESS, are you going to requisition more funding back into the CAMA Program? And when are you going to change the rule that we can only go to the doctor that cares for the condition that makes us eligible for the CAMA Program? I have chronic depression and anxiety as well as a sleep disorder and Borderline Personality Disorder! Also, chronic hypertension! And 13 medical problems on top of that and they are serious! Two are life threatening! I know for a fact that these illnesses correlate with one another and they feed off each another! It is simply a vicious cycle! I worry all the time about my health, the money and dying! I owe over \$200,000.00 for medical bills that CAMA hasn't covered! Which in turn stresses me out and I have anxiety attacks, get severely depressed, can't sleep which makes me sicker, and then my stomach acts up and I get tense, my blood pressure shoots up and so on, and so on! Please take a serious look at this coverage and do as much as you can to help us! I know I'm not looking for a free ride, simply some help while I wait to be approved for Social Security Disability! I've been fighting for five years and I'm not giving up!

Thank you for taking the time to review my questions put before you and may God Bless You in your decision making!

Very sincerely,

Jeri A. Dension
<capgem2@hotmail.com>

The new MSN 8: smart spam protection and 2 months FREE*
<http://join.msn.com/?page=features/junkmail>





Alaska State Legislature

Please enter into the record my testimony to the Senate Health Education and Social Services Committee

committee name

Committee on Re Organization of DHSS , dated 03-12-03
bill # / subject

To Senator Dyson, Green, Wilken, Davis, and Guess:

I am concerned about the Department of Health and Social Services. The DHSS needs some serious improvements in the way their department performs. The citizen's of Alaska are not getting their moneys worth regarding the huge amount of tax money being spent with DHSS when compared with their DHSS's public services. The DHSS has too much power over the families that reside in Alaska. The DHSS Social Worker's have extremely high caseloads. Its directly related to the currant policy of allowing anonymous reports of harm, which are called into the DHSS 800 phone number. Until this anonymous reporting is changed, we will continue to have high caseloads! These caseworkers are required to investigate all reports of harm. The general public knows there is no accountability for making false reports of harm against people they may dislike or want to exact revenge upon. I have been the victim of anonymous reports of harm. Many different calls alleging that I was neglecting my three children. My oldest child is sixteen, my middle son is fifteen, and my youngest child is eleven. There have never been any reports of harm made concerning my children or myself until I separated from my daughter's father. The anonymous reports began when we separated. We had an active child custody case within the Court System. The Court had access to the reports of harm but I could not learn who made the reports of harm, what the allegations were, or why they were made against me. Now DFYS has a permanent file containing personal information about me, my children, all my mental health records, and who knows what else. The Court has complete access to everything inside these confidential DFYS files, and they are being used against me to determine custody of my kids! DFYS went to my children's schools and interviewed them three separate times. I looked up their guidelines. The caseworker was supposed to inform me of the interviews. But, nobody had told me from DFYS, I found out when my daughter asked me if they were taking her away from me. My daughter wanted to know if she would be living in a foster home! I did not know what to tell my daughter because nobody from DFYS would give me any information. DFYS should not be allowed to interview any children without one of the children's parents who is present during their interview. This interview occurred at school, my daughter was completely embarrassed when her friends asked her why DFYS wanted to talk to her. DFYS

should not be interviewing these children at school, the other students notice and ask questions! This is a private family situation; it should be only conducted in DFYS's office. These parents should have adequate notice so they can obtain legal counsel to protect their legal rights during this interview. These parents should have an Attorney present during the interview! If the parent being investigated by DFYS can't afford an attorney, one should be appointed for them, to be present during all their interviews. Please do away with DFYS's 800-phone number that allows people to make anonymous reports of harm. Enact new statues, which require reporters of harm to sign formal statements and give proof of their identity! When people want to make reports of harm, allow them do it in person at the DFYS office. Make these reporters file a formal written statement, signed with these reporters' names. Attach a photocopy of this reporter's picture ID to the formal complaint. Enact a statute giving parents complete access to all DFYS reports and also reports in their child's school files. Enact a statute for providing legal aide for parents, to a Public Defender attorney to be present during all DFYS interviews. There needs to be statutes enacted for stiff legal penalties concerning these people who making the false reports of harm. These changes would protect children who are really in need of assistance. It would reduce the currant caseloads that will free caseworkers from these false reports of harm, allowing them to devote their resources and attention to cases real cases. Please implement some real changes!!!

Signed: Laurie Churchill
Testifier

Representing (optional)

PO Box 7043 Nikiski, Ak 99635
Address

907-776-3499
Phone number

Reorganizing Alaska's Dept. of Health & Social Services for Better Customer Service



3/11/2003

"We are integrating the health & social services provided to Alaskans, and combining programs in ways that make sense to the people DHSS serves."

-- Joel Gilbertson,
Commissioner



3/11/2003

DHSS reorganization

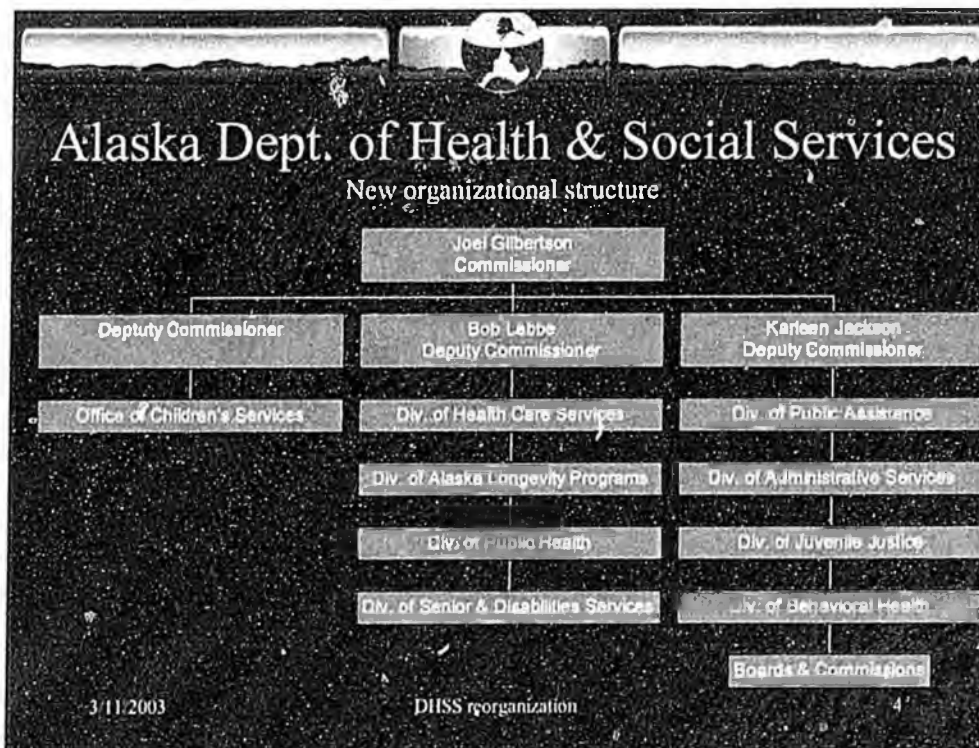
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Goals

- ❖ Enhanced quality of life for the people DHSS serves
- ❖ Efficient coordination & management of multiple health & human services programs
- ❖ Maximum benefit from existing resources & reduce burdensome regulations
- ❖ Innovation, flexibility & accountability at all levels

3/11/2003
DHSS reorganization
3



Highlights

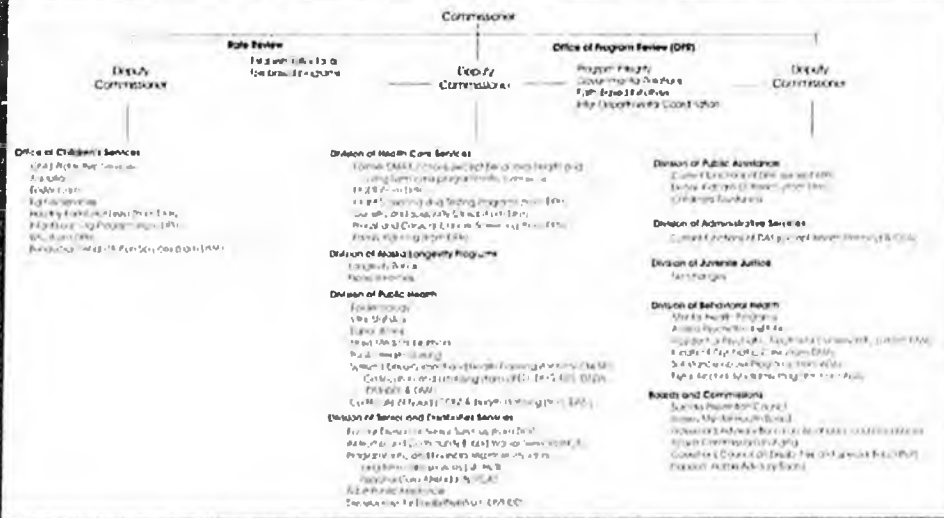
- ❖ Internal consolidations – name, function changes for 4 Divisions
- ❖ Create department-wide program review function
- ❖ 5 programs move from Depts. of Administration, Education & Early Development to Dept. of Health & Social Services
- ❖ Administration of Medicaid Program decentralized – functions moved to other appropriate Divisions

3/11/2003

DHSS reorganization

5


Overview



3/11/2003

DHSS reorganization

6




Office of Program Review

key functions

- ❖ Reduce General Fund expenditures
- ❖ Maximize federal funding for programs
- ❖ Enhance program integrity
- ❖ Promote government relations
- ❖ Integrate Faith-Based & community initiatives
- ❖ Facilitate interdepartmental coordination
- ❖ Improve customer service

3/11/2003
DHSS reorganization



Office of Children's Services

Commissioner

Deputy Commissioner

Special Services
 All responsibilities for special programs

Deputy Commissioner

Office of Program Review (OPR)
 Accountability
 Compliance
 Risk Management
 Policy Development

Deputy Commissioner

Deputy Commissioner

Office of Children's Services
 Child Protective Services
 Adoption
 Foster Care
 Family Care, at
 Home
 Early Head Start
 Early Learning Program - Public (ELP)
 At-Home Care
 Substance Abuse Services (SAS)

Division of Health Care Services
 Family DMV, Family Support, Family Support
 Child Support, Child Support, Child Support
 Child Support, Child Support, Child Support
 Child Support, Child Support, Child Support
 Child Support, Child Support, Child Support

Division of Alcohol Longevity Programs
 Alcohol Longevity Programs

Division of Public Health
 Public Health, Public Health, Public Health
 Public Health, Public Health, Public Health
 Public Health, Public Health, Public Health
 Public Health, Public Health, Public Health
 Public Health, Public Health, Public Health

Division of Senior and Disability Services
 Senior and Disability Services

Division of Public Assistance
 Public Assistance, Public Assistance, Public Assistance
 Public Assistance, Public Assistance, Public Assistance

Division of Administrative Services
 Administrative Services

Division of Juvenile Justice
 Juvenile Justice

Division of Behavioral Health
 Behavioral Health

Board and Commission
 Board and Commission

3/11/2003
DHSS reorganization
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Office of Children's Services

- ❖ This Division focuses provides a more well-rounded system to help families keep their children safe and healthy
- ❖ Responsibility moved to Deputy Commissioner level
- ❖ Child health programs moved from Div. of Public Health
- ❖ Will implement Performance Improvement Plan of the 2002 Federal Review

3/11/2003

DHSS reorganization

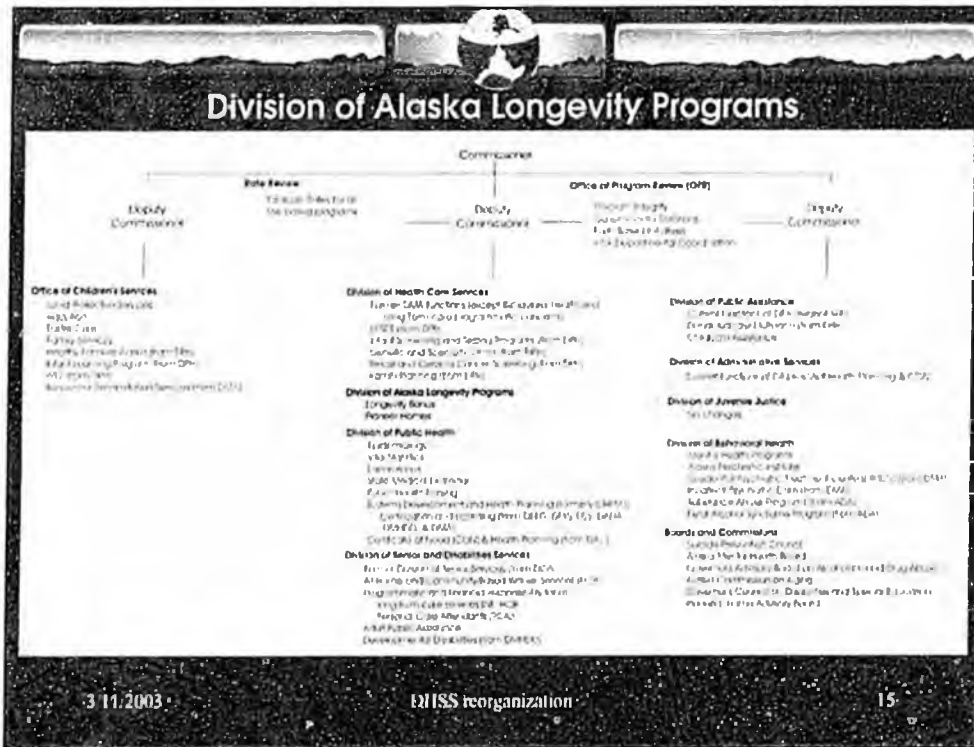


Office of Children Services

- ❖ Behavioral Rehab Services [residential childcare] funds & program responsibility moved from Div. of Medical Assistance, to better serve children needing community-based residential services
- ❖ Key functions formerly in DFYS
 - ❖ Child protection services
 - ❖ Adoption
 - ❖ Foster Care
 - ❖ Family services

3/11/2003

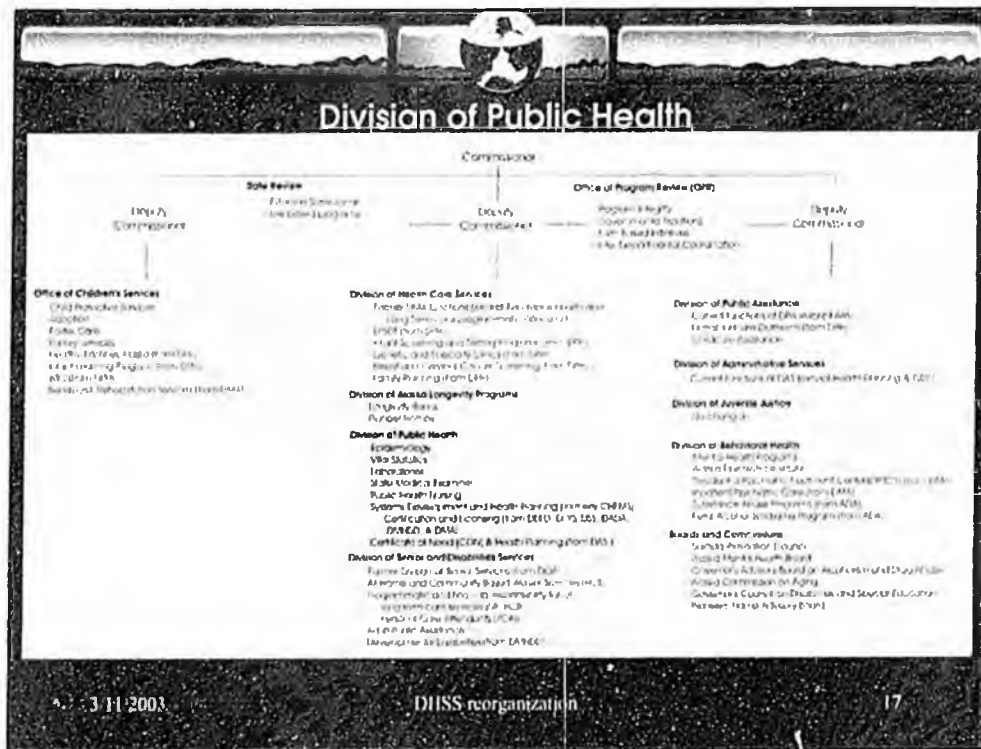
DHSS reorganization



Div. of Alaska Longevity Programs

- ❖ Consolidates programs for Alaska seniors in one area
- ❖ Transferred by Executive Order to DHSS from the Dept. of Administration
 - ❖ Longevity Bonus
 - ❖ Pioneers Homes

3/11/2003 DHSS reorganization 16



Div. of Public Health

- ❖ This Division protects & promotes public health
- ❖ Focus on
 - ❖ Disease prevention & control
 - ❖ Homeland security related to public health
 - ❖ Systems planning & development for a quality health care system

3/11/2003 DHSS reorganization 18



Div. of Senior & Disabilities Services

- ❖ This Division provides a full range of care for Alaska seniors and disabled Alaskans in one agency
- ❖ Improved access for people DHSS serves to a continuum of services – all the services seniors and disabled people need
- ❖ All Developmental Disabilities programs formerly in Div. of Mental Health & Developmental Disabilities

3/11/2003

DHSS reorganization

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Div. of Senior & Disabilities Services

- ❖ Program & financial responsibility for Medicaid funded programs [Home & Community-Based Waivers] for seniors & disabled persons moved from Div. of Medical Assistance to improve services for both groups
- ❖ Div. of Senior Services moved by Executive Order to DHSS from Dept. of Administration
- ❖ Adult Public Assistance moved to this Division from Div. of Public Assistance – next fiscal year

3/11/2003

DHSS reorganization

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Minimally affected by Reorganization

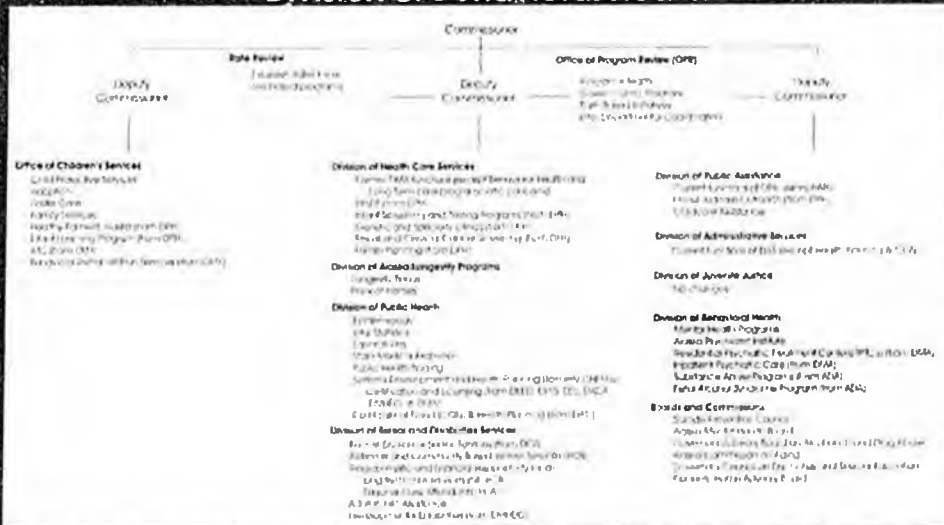
- ❖ Div. of Juvenile Justice is specialized and discrete unit focused on better outcomes for youth in trouble
- ❖ Div. of Administrative Services continue to focus on providing services to DHSS agencies
 - ❖ Health Planning & Certificate of Need transferred to Div. of Public Health

3/11/2003

DHSS reorganization

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Division of Behavioral Health



3/11/2003

DHSS reorganization

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Div. of Behavioral Health

- ❖ This Division provides a comprehensive array of mental health and substance abuse services
- ❖ Better customer service for clients – service delivery is more efficient, treatment is integrated
- ❖ Functions formerly in Div. of Alcoholism & Drug Abuse and Div. of Mental Health & Developmental Disabilities

3/11/2003

DHSS reorganization

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Div. of Behavioral Health

- ❖ Program, financial responsibility for Medicaid-funded programs [residential psychiatric treatment, inpatient treatment, mental health, substance abuse rehab services] moved from Div. of Medical Assistance for better service to clients

3/11/2003

DHSS reorganization

30




Div. Of Behavioral Health

Key functions

- ❖ Mental Health programs
- ❖ Alaska Psychiatric Institute
- ❖ Residential Psychiatric Treatment Centers
- ❖ Inpatient Psychiatric Care
- ❖ Substance Abuse Programs
- ❖ Fetal Alcohol Syndrome Program

3/11/2003
DHSS reorganization
31



Boards and Commissions

Role Titles

Deputy Commissioner

Office of Program Review (OPR)

Deputy Commissioner

Deputy Commissioner

Office of Children's Services

- Child Abuse and Neglect
- Child Welfare
- Child Support
- Child Welfare Services
- Child Welfare Services (CWS)
- Child Welfare Services (CWS)
- Child Welfare Services (CWS)

Division of Health Care Services

- Alaska Health Care Services
- Alaska Health Care Services
- Alaska Health Care Services
- Alaska Health Care Services
- Alaska Health Care Services
- Alaska Health Care Services
- Alaska Health Care Services

Division of Public Assistance

- Alaska Public Assistance
- Alaska Public Assistance
- Alaska Public Assistance
- Alaska Public Assistance
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- Alaska Public Assistance
- Alaska Public Assistance

3/11/2003
DHSS reorganization
32



Boards & Commissions

- ❖ Suicide Prevention Council
- ❖ Alaska Mental Health Board
- ❖ Governor's Advisory Council on Alcoholism & Drug Abuse
- ❖ Governor's Council on Disabilities & Special Education
- ❖ Moving to DHSS from Dept. of Administration
 - ❖ Alaska Commission on Aging
 - ❖ Pioneer's Home Advisory Board

3-11-2003

DHSS reorganization

33



Current Status

- ❖ Reorganization plan announced March 4, 2003
- ❖ Governor Murkowski introduced FY 04 Budget March 6, 2003
- ❖ Executive Order #108 before Alaska Legislature affects certain elements of Reorganization Plan
- ❖ Executive Order takes effect July 1, 2003
- ❖ Most of reorganization elements begin implementation on July 1, 2003
- ❖ Several elements not scheduled until following year

3-11-2003

DHSS reorganization

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**OVERVIEW:
HIGH SCHOOL
GRADUATION
& QUALIFYING
EXAM, 2/11/03
& 1/28/04**

Optional Assessment Results for 12th Grade Students
February 11, 2003

IEP students in Grade 12 as of Fall 2003 OASIS Count	809
IEP students that have yet to pass all three parts of HSGQE	608

Students applied for Optional in Fall2003/Spring2004	207
Students who applied 03/04 who passed all three parts of HSGQE Fall'03	16

Students eligible who have applied for Optional Assessment in Feb. '04	191
# of IEP students who have not applied for the Optional Assessment	*417

*Disability Codes of the 417	
Learning Disabled	170
Mental Retardation	111
Multiple Disabilities	78
All Other Disabilities Combined	58

GRADE 12 STUDENTS THAT HAVE APPLIED FOR OPTIONAL EXAM

2/11/2004

	Grade 12 Students That Applied For Optional Assessment Fall 2003 or Spring 2004	Grade 12 Students Optional Assessment Participated in HSGQE Passed All Three Tests	Grade 12 Students Optional Assessment Participated in HSGQE Passed Only Two Tests	Grade 12 Students Optional Assessment Participated in HSGQE Passed Only One Test	Grade 12 Students Optional Assessment Participated in HSGQE Not Passed Any Test
STATEWIDE TOTALS	207	16	48	64	79
		7.7%	23.2%	30.9%	38.2%
Eligible For Optional	191		48	64	79
			25.1%	33.5%	41.4%

Exit Exam (HSGQE)

“(a) A student may not be issued a secondary school diploma unless the student passes a competency examination in the areas of reading, English, and mathematics or receives a waiver from the governing body. . . . The department shall determine the form and contents of the examination and shall score completed examinations.”

THE
FOLLOWING
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Alternative Assessment Program

“(c) Notwithstanding (a) of this section,
(1) a student who is a child with a disability and who does not achieve a passing score on the examination required under (a) of this section, with or without accommodation, is eligible to receive a diploma if the student successfully completes an alternative assessment program required by the student's individualized education program or required in the education plan developed for the student under 29 U.S.C. 794; . . .”

Conform to State Standards

“(c)(1) . . . an alternative assessment program must, to the maximum extent possible, conform to state performance standards established for the competency examination required under (a) of this section; . . .”

Take and Fail Requirement

“(c)(1) . . . this paragraph does not apply to a student unless the department determines that the student has taken and failed to pass the competency examination with or without accommodations”

Department must approve

“(c)(1) . . . this paragraph does not apply to a student unless . . . the department approves the student's alternative assessment program described under this paragraph;”

Board may establish standards

“(f) The department shall by regulation establish uniform standards for an alternative assessment program required under (c)(1) of this section. . . .”

No change after Junior Year

“(f) The alternative assessment program required under (c)(1) of this section applicable to an individual student may not be changed after February 1 of the student's junior year of study.”

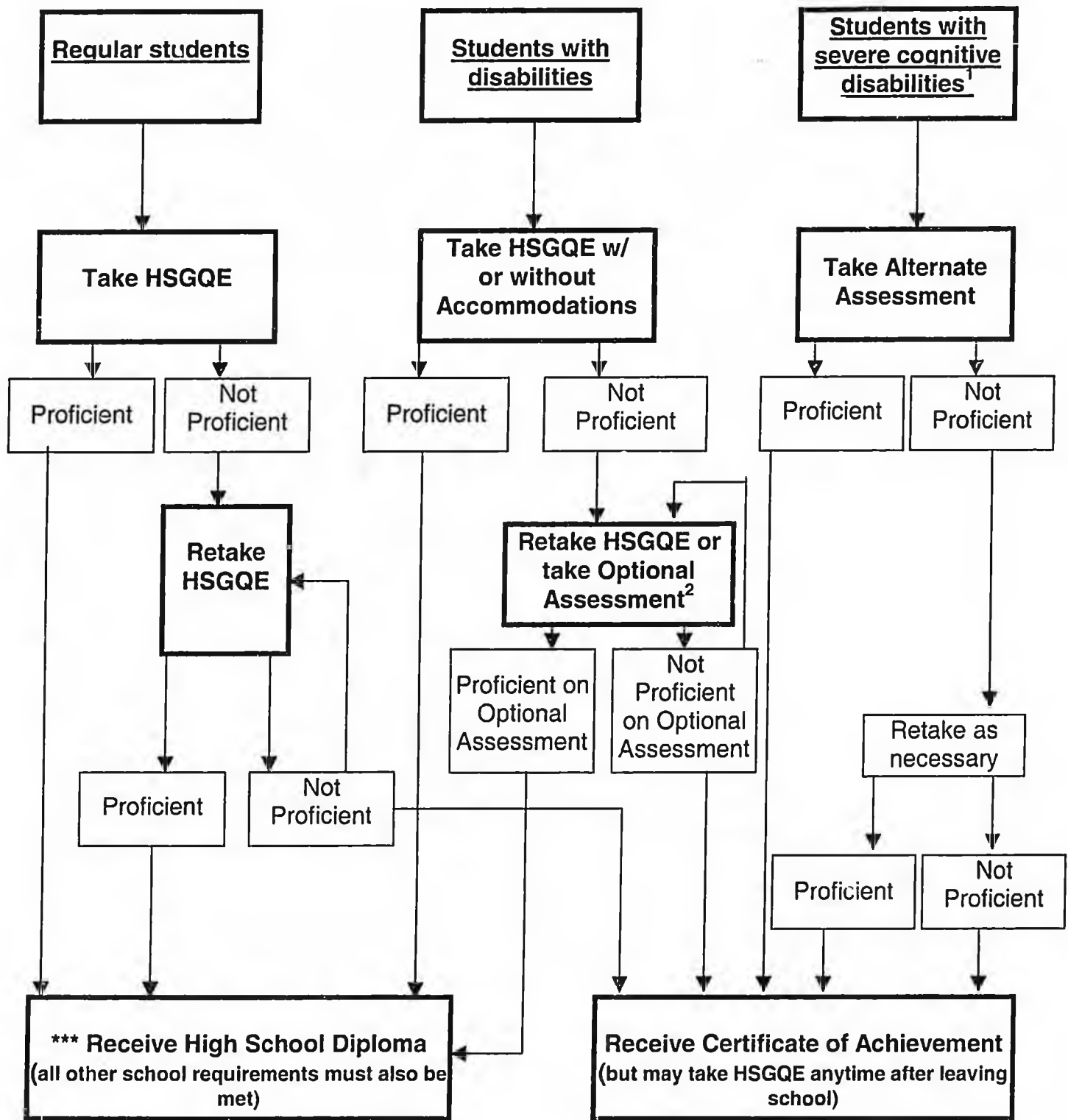
High School Exams	In effect	Future	
No Alternative/Certificate of Attendance or Achievement	AK, SC, LO, MA, MI, NJ, IN, TN	NM & AZ in '06	2
Differentiated Diploma	AL, FL, GA, NY, NC, VA, UT		
Modified + Lower Cut	MN		
Can be exempt from exam	NV, OH		
Local Assessed/Decision	TX	WA in '08	1
Override based on IEP team and principal	CA		

WAIVERS

- California
- Georgia
- Indiana
- New Mexico
- Ohio

ASSESSMENT PATHWAYS FOR HIGH SCHOOL STUDENTS*

Department of Education & Early Development



¹Under rare or unusual circumstances, a local school board may waive a student's obligation to pass the HSGQE. Also, a student who passes an equivalent exam in another state does not have to take the HSGQE. Additionally, a senior who arrives too late in the school year to take the HSGQE may be exempted from the exam as well as a student with a disability in the 9th grade or higher in the 2002-2003 school year whose IEP team acted on advice from the department that completing the IEP requirements would lead to a diploma.

²An Optional Assessment is a regular HSGQE that allows for changes to standard test administration procedures.

FAIRBANKS NORTH STAR BOROUGH BOARD OF EDUCATION**RESOLUTION 2004-01****Student Testing**

JAN 21 2004

WHEREAS legislation passed in 1997, 1998, and 2001 called for the development of a high school competency examination, student benchmark exams, reporting of norm-referenced achievement test data on students, and the development of a school accountability system; and

WHEREAS the Department of Education and Early Development (DEED) has invested over \$20 million developing and refining a statewide system of student tests that meet the requirements of both state legislation and the No Child Left Behind (NCLB) Act, and has created a school accountability system based on these student tests that has received approval by the U.S. Department of Education for purposes of NCLB; and

WHEREAS consistent student testing and school accountability are essential for monitoring the quality of the education system (both district and school performance) in Alaska and for determining whether schools are improving from year to year; and

WHEREAS changes in the student testing system or in the rules for determining school performance make it impossible to know if increases or decreases in performance are due to improvements or due to the change in testing or accountability systems; and

WHEREAS the DEED released on December 2, 2003, a \$5 million request for proposals to replace the entire student testing system (grades 3 to 9 and the High School Graduation Qualifying Exam) by the spring of 2005 without an opportunity for public review and input; and

WHEREAS, the proposal would require resetting the cut-scores for proficiency (passing scores) and revising the entire accountability plan for NCLB; and

WHEREAS resetting High School Graduation Qualifying Exam passing score may well cause legal problems for school districts and the state when students are held to different levels of performance in qualifying for a high school diploma; and

WHEREAS the new RFP makes no mention of including nationally norm-referenced achievement tests (NRTs) for students, instead leaving the state solely dependent on standards-based tests which do not compare to test results for students across the nation; and

WHEREAS the new testing system emphasizes the importance of a teacher-based testing system that provides information for teachers rather than one which maintains a testing system for accountability purposes; and

Distributed By G. WICKEN

WHEREAS hundreds of Alaskans have participated in developing and refining the current system over the past five years; and

WHEREAS educators all over the state have been developing curricula and programs these past years to ensure students are proficient on standards as measured by the state tests; and

WHEREAS, given the conservative fiscal climate in the state right now, spending \$5 million this year and an unknown amount next year to replace the student testing system seems unnecessary and unwarranted; and

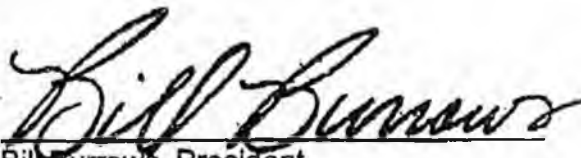
WHEREAS we are grateful to the many members of the education community and general public who participated in developing the current system and who work diligently to make the program succeed;

NOW, THEREFORE, BE IT RESOLVED the Fairbanks North Star Borough Board of Education requests the Governor cancel efforts by the Department of Education and Early Development to develop a replacement test system, and the Alaska State Legislature not authorize or appropriate funds to develop or implement such examination systems.


BE IT FURTHER RESOLVED THAT the Fairbanks North Star Borough Board of Education opposes any changes to the state testing system that would compromise its use for school accountability, increase the district's legal liability in granting or denying diplomas, or limit its usefulness in monitoring and improving school performance.

BE IT FURTHER RESOLVED THAT the Fairbanks North Star Borough Board of Education recommends that decisions regarding changes to the state testing system involve thorough discussions with school districts, a consensus that changes and improvements are necessary, and adequate time for making changes including a transition year to ensure comparability and utility of the testing system.

PASSED AND APPROVED JANUARY 20, 2004.


Bill Burrows, President
Board of Education

ATTEST:


Susan Bessette
Secretary to the Board



Improving Alaska's Assessment System

Report To Senate HESS
January 28, 2004



History and Background

- Commissioner appointed June, 2003 and faced immediate issues surrounding NCLB and the state's assessment system
- Talked with educators at all levels including administrators, teachers, parents, and EED staff to identify concerns
 - Testing occurs too early in the school year
 - Results take months to get back
 - Make-up dates are limited and inflexible
 - State is **not** in compliance with NCLB
 - Contract costs are high and escalating

Improving Alaska's Assessment System
Senate HESS January 28, 2004

GOALS

- 2) Continue to refine state assessment and accountability system
 - a. Develop assessments that have instructional value
 - b. Align assessments with Alaska Standards
 - c. Ensure Assessments provide a growth scale
 - d. Ensure assessment results are timely

Improving Alaska's Assessment System
Senate HESS January 28, 2004

Department Works with Contractor on Concerns

- Ability to test later in the school year
 - Cannot be done and meet AYP/NCLB timelines.
- Flexibility in test make-up dates
 - Test make-up dates are set, minimal change of 10 days.

Improving Alaska's Assessment System
Senate HESS January 28, 2004

Department works with Contractor on Concerns

- More timely return of test results
 - Results are returned as quickly as possible due to the extensive client load.
- Compliance with NCLB
 - NCLB compliance is being addressed through augmentation of assessments.
- High costs of assessments
 - No adjustment in cost can be given without a decrease or elimination of assessment components.

Improving Alaska's Assessment System
Senate HESS January 28, 2004

Working with Contractor

- Attempts to address the concerns and issues with our current assessment system included direct negotiations with the CEO of CTB/McGraw-Hill

Improving Alaska's Assessment System
Senate HESS January 28, 2004

Next Steps

- Do we continue to sole source with our current contractor, or go to a competitive bid?
- Contacted other states to identify
 - Contractor used for assessments
 - Strengths and weaknesses
 - Flexibility with test dates
 - Timely return of results



Improving Alaska's Assessment System
Senate HESS January 28, 2004

What We Learned

- NCLB has created a more competitive market with additional test vendors for assessment development
- Competition has yielded benefits in the area of scheduling, scoring turnaround time, data collection, reporting and reduced costs



Improving Alaska's Assessment System
Senate HESS January 28, 2004

NCLB Requirements

- Must test all students in grades 3-8 annually in reading and math
- Must test at high school level once at grade 10, 11 or 12 annually in reading and math
- Assessments must be aligned to **state** standards (not National)
- Primary purpose of testing is to hold schools and districts accountable

Improving Alaska's Assessment System
Senate HESS January 28, 2004

Current Assessments System NCLB Compliance

Current System

NCLB Compliant?

- | | |
|-------------------------|---|
| • Benchmarks 3, 6, 8 | • Need additional questions |
| • Terra Nova 4, 5, 7, 9 | • Need 2 nd test on Alaska standards |
| • HSGQE 10 | • Needs to include advanced level |

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Senate HESS January 28, 2004

What Competitive Bid Does Not Do

- Does not change the Alaska Standards
- Does not change district curriculum or instructional materials
- Does not lower or raise proficiency levels
- Does not throw away past work or money spent to date

Improving Alaska's Assessment System
Senate HESS January 28, 2004

Addressing Misinformation

- We are currently in compliance with NCLB
 - Not without additional work on all assessments.
- National norm referenced testing is being abandoned
 - Including norm referenced tests in this RFP would have limited bidders and not followed past practice. NRTs are not being abandoned and will be addressed in a separate RFP, anticipated not to exceed \$150,000 annually.

Improving Alaska's Assessment System
Senate HESS January 28, 2004

Addressing Misinformation

- New tests will have no constructed responses
 - Competitive bid process asked contractors to give testing options with variable constructed response components (0%, 12.5%, 25%, 50%)
- The RFP will cost the state an additional \$5 million
 - The RFP limits the annual costs to \$5 million or less per year over the next six years. Without the RFP the current assessment system cost begins at \$7.9 for FY05, and escalates to \$9.3 million by FY08

Improving Alaska's Assessment System
Senate HESS January 28, 2004

What Competitive Bid Does Accomplish

- Greater instructional value and ability to monitor student progress from year to year
- Increased alignment with Alaska Standards
- Timely return of results
- Complies with NCLB
- Cost effective

Improving Alaska's Assessment System
Senate HESS January 28, 2004

Summary

- Identified concerns about assessment system
- Tried to negotiate with current contractor
- Explored competitive testing market

Improving Alaska's Assessment System
Senate HESS January 28, 2004

Summary

- | | |
|---------------------------------------|--------------------------------------|
| • Current Costs are escalating | • Costs under competitive bid |
| – \$7.9 million FY05 | – \$5.0 million FY05 |
| – \$8.3 million FY06 | – \$5.0 million FY06 |
| – \$8.9 million FY07 | – \$5.0 million FY07 |
| – \$9.3 million FY08 | – \$5.0 million FY08 |

Total = \$34.4 million

Total = \$20.0 million

Improving Alaska's Assessment System
Senate HESS January 28, 2004

**OVERVIEW:
SUICIDE
PREVENTION
COUNCIL,
2/26/03**

Alaska Suicide Prevention Council

FY 2002 ANNUAL REPORT

THE PROBLEM

"If my problems are so small, why do I feel so bad?"

— Anonymous, Sitka

"Would anybody care or miss me if I died? Does my life matter?"

— Anonymous, Sitka

"I want to make a difference. How can I make a difference if I am dead?"

— Anonymous, Sitka

"Over the past few years, a large number of people took their lives and caused a lot of pain to our friends and family. We try to move on in our lives but the pain never leaves."

— Kyle M., Galena



Tony Knowles Governor

Jay Livey

Commissioner,
Department of
Health & Social
Services

SITKA YOUTH SHARE IDEAS ABOUT SUICIDE PREVENTION

The Suicide Prevention Council met at Mt. Edgecumbe High School on February 21, 2001 in order to hear from students and staff. The Council also reviewed videotaped interviews with students who had been suicidal.

The students openly shared their feelings and opinions about suicide prevention. Their comments, along with those of other students, are highlighted throughout this report.

Common themes included the need to reduce stigma attached to seeking help and the difficulty in getting parents or other adults to understand their problems or seek adequate help.

Sitka-based agencies noted that prevention programs are needed in younger grades to address suicidal thinking in younger children.

Agencies also focused on the need for training and support for those in contact with youth: teachers, VPSOs, village-based providers, and those who work with survivors. ☺

COUNCIL RESPONSIBILITIES

SENATE BILL 198

In 2001, the passage of SB 198 established the Alaska Suicide Prevention Council, determined Council membership, and established Council responsibilities as outlined in the Alaska Statutes (AS 44.29.350).

The 15-member council — four members of the Legislature and 11 appointed by governor — is charged with "advising the legislature and the governor with respect to what actions can and should be taken to.

- (1) improve health and wellness throughout the state by reducing suicide and its effect on individuals, families and communities;
- (2) broaden the public's awareness of suicide and the risk factors related to suicide;
- (3) enhance suicide prevention services and programs throughout the state;
- (4) develop healthy communities through comprehensive collaborative community-based and faith-based approaches;
- (5) develop and implement a state suicide prevention plan; and
- (6) strengthen existing and build new partnerships between public and private entities that will advance suicide prevention efforts in the state. ☺

COUNCIL PRIORITIES FOR FISCAL YEAR 2003

Since its members were appointed in the fall of 2001, the Council has held four meetings to organize its work plan. During the next fiscal year, the Council's central work priorities are:

- Establish a more clear, comprehensive and detailed picture of the problem of suicide in Alaska, including the part of the iceberg below the surface that will describe specific causal factors;
- Conduct listening sessions in which the general public, survivors, and professionals have an opportunity to provide information to the Council about suicide issues, prevention and treatment in local communities;
- Create a detailed Council work plan with the goal of implementing a comprehensive, coordinated Alaska Suicide Prevention plan;
- To develop that statewide suicide prevention plan, using input from Alaskans, best practice data, and other state plans;
- Inform the public about suicide, suicide prevention, and the Council's activities. Emphasize that suicide is a preventable public health problem and decrease the stigma associated with seeking help; and
- Establish an easily accessible Council office and website as a statewide resource for all Alaskans. ☪

Suicide Prevention Council activities accomplished or in process as of March, 2002:

- ✓ Coordinator hired
- ✓ Review of National Suicide Prevention Strategy and Alaska suicide data
- ✓ Preliminary inventory of Alaska suicide prevention activities
- ✓ Statewide solicitation of ideas and initiatives to address suicide prevention
- ✓ Initial listening session conducted in Sitka, February, 2002 ☪

FACTORS AFFECTING SUICIDE

Suicide is a complex behavior. It is more likely in individuals who have a high number of *risk factors* and an absence of *protective factors*. Researchers have identified a number of risk factors associated with a higher risk for suicide, along with protective factors that may reduce the likelihood of suicidal behavior. The importance of risk and protective factors vary by age, gender, and ethnicity.

Some risk factors can be reduced by interventions (such as treatment for depression). Risk factors that cannot be changed (such as a previous suicide attempt) can alert others to the heightened risk of suicide under stress.

RISK FACTORS for suicide completion include:

- Previous suicide attempts
- Mental disorders or co-occurring mental and alcohol or substance abuse disorders
- Family history of suicide
- Stressful life event or loss
- Easy access to lethal methods, especially guns
- Exposure to the suicidal behavior of others
- Incarceration (suicide in juvenile detention and correctional facilities runs four times greater than youth suicide overall)

PROTECTIVE FACTORS for suicide prevention include:

- Learned skills in:
 - ✓ problem solving;
 - ✓ impulse control;
 - ✓ conflict resolution; and
 - ✓ nonviolent handling of disputes
- Family and community support;
- Access to effective and appropriate mental health care
- Support for help-seeking
- Restricted access to highly lethal methods of suicide
- Cultural and religious beliefs that discourage suicide and support self-preservation instincts. ☪

OUT OF THE DARKNESS: AN ALASKAN PARTICIPATES IN A NATIONAL SUICIDE AWARENESS WALK

Over 1,900 walkers, including at least one Alaskan, have registered for "Out of the Darkness," the 26-mile overnight walk to bring greater awareness to the problem of suicide. The positive response reflects the increased concern about suicide in this country. It has also given a voice to the many family members and friends affected by suicide and depression every year.

The suicide awareness walk will take place August 17-18, 2002 in the Washington, D.C. area, culminating on the National Mall in front of the U.S. Capitol building. The event will begin with an opening ceremony at dusk, with participants walking through the night and ending with a closing ceremony at sunrise.

When former park ranger Brenda Bussard of Denali Park learned of *Out of the Darkness*, she knew she had to walk 'because I'm an Alaskan who's dedicated to eliminating the 'option' of suicide. Alaska thrives by the hands of rugged individualists who value triumph over hardship, self-reliance, and making-do. Not only can great distances separate our tiny communities, but our diverse cultures can further isolate us."

Her personal experience parallels that of many Alaskans. "Just deciding to seek mental health services can seem impossible, but once we have, the services we need are often not even available in our communities. Since untreated depression is the biggest cause of suicide, it's no wonder Alaska frequently has the highest suicide rate in the United States." ❧

"I'm lucky that even from the depths of the recurrent depressions I've faced, I've always known that I'd feel well again. For me, this knowledge steadily outweighs the likelihood that I'll also feel that badly again. For too many Alaskans the scale tips the other way; I'm walking Out of the Darkness for them and all those who love them.

As I train for the walk and raise money for AFSP, I'll be talking to people in my community and throughout the state. I hope I can inspire Alaskan communities to become stronger in their ability to prevent suicide, through the promotion of mental health services and the nurturing of social ties that leave no one behind."

— Brenda Bussard
Denali Park

SUICIDE PREVENTION COUNCIL COORDINATOR HIRED

Suicide Prevention Council Coordinator Merry Carlson began work March 21, 2002 after selection by the Hiring Committee and approval of the Council. She shares her background below.

My interest in suicide prevention began in college as a psychology major and as a residential advisor, working with other students who were considering or had attempted suicide. After college, I was a crisis line worker in Vancouver, Washington.

Most recently, as the Deputy Director of Behavioral Health for the North Slope Borough, three of my programs served suicidal clients: Mental Health, Substance Abuse, and Children and Youth Services. Despite local success of reducing suicide by 30% in 10 years, our communities are still very much affected by

suicides, with Point Hope experiencing two suicides in the past six months. One week before I was hired as the coordinator, we had two suicidal adolescents with no psychiatric beds available in the state. On a personal level, a family member battles with suicidal ideation and has spent a year in a treatment facility.

I will work diligently to decrease the suicide rate across the state through policy development, alliance building and integration and implementation of suicide prevention strategies, and other means as directed by the Council. ❧

For information on potential strategies and interventions on suicide prevention suggested by agencies across the state, please see the article on page 7.

SCOPE OF THE PROBLEM: SUICIDE IN ALASKA

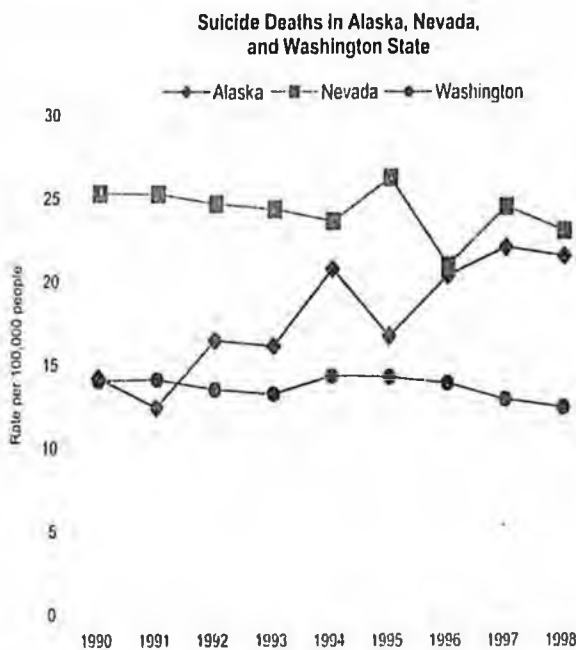
The rate of suicide in Alaska is consistently twice that of the United States. Few, if any, Alaskans have not been touched by the grief, anger, pain, confusion, and loss of suicide. According to *In-Step*, Alaska's comprehensive integrated mental health plan for FY 2001-2006, more than 180 Alaskan communities were affected by suicide between 1990 and 1998, with at least one suicide in 50-60 communities.

Alaska averages 130 suicides per year, with a rate of 21.5 suicide deaths per 100,000 population in 1998, exceeded only by Nevada. While suicide was the ninth leading cause of death in the nation, it was the fifth leading cause of death in the state.

In 2000-2001, clusters of suicide in two quite different regions of the state caught the attention of the Governor and the Legislature. In 13 months the communities in the Matanuska Valley experienced the suicides of 11

Surviving friends and loved ones suffer from the traumatic emotional effect of suicide. The impact is even greater in small villages because of the face-to-face nature of social relations and strong traditional values of interdependence. Everyone in the community is affected emotionally, physically, socially, politically, economically, and spiritually. Suicide attempts, like completed suicides, reflect the poor mental health of individuals and communities.

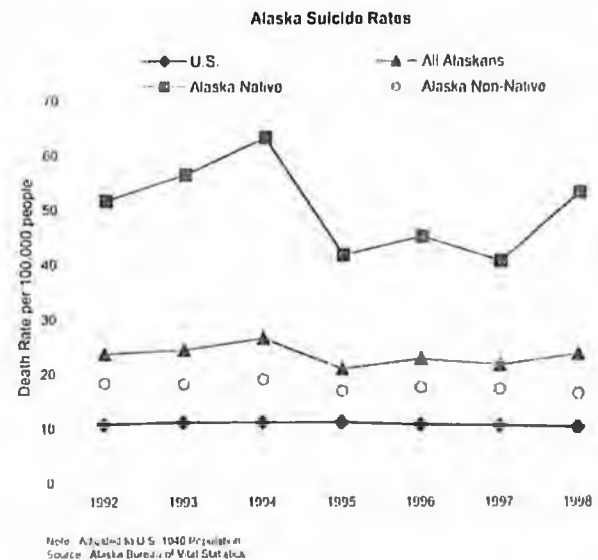
- *In-Step*, 2001



Suicides sometimes occur in clusters, the occurrence close together in time and location of multiple suicides, which is greater than the number of suicides than one would predict statistically. Suicide clusters tend to occur predominantly among adolescents and young adults, under the age of 25 years. They are thought to occur by imitation or contagion, the process by which one suicide facilitates the occurrence of a subsequent suicide.

Because of the smallness of even our largest cities, each suicide powerfully affects communities, particularly when a region experiences an apparently inexplicable cluster of suicides and suicide attempts.

young people and an additional 28 people were hospitalized for suicide attempts. In a comparable timeframe, roughly 400 miles to the northwest in the Yukon-Koyukuk region, a similar phenomenon was taking place. There were 14 deaths among the 1,700 people living in the six villages of the region. Half of those deaths were by



suicide, all but two by persons under 25. At 37.8 deaths per 100,000 population, the suicide rate for Alaskan youth age 15-19 exceeds the national rate by almost four times. More than one-fourth of all suicides in Alaska were committed by youth between the ages of 15 and 24. Among Alaska Natives, where the rate of suicide is more than four times that of the United States, and among young Alaskans aged 15-24 where the rate escalates to five times that of their national peers, the pain of suicide is not just individual, but collective.