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**Department of Education & Early Development**  
*Office of the Commissioner*

**MEMORANDUM NUMBER 2012 -014**

**To:** Superintendents  
Business Managers

**From:** Mike Hanley, Commissioner *mh*

**Date:** May 7, 2012

**Subject:** 2012 Regular Legislative Session

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The purpose of this memorandum is to provide a summary of education related legislation passed during the regular and special sessions. This information is preliminary because not all bills have been transmitted or signed by the governor.

**FY2013 Operating Budget ~ Transmitted to Governor**

Conference CS for House Bill 284 contains the department's operating budget for FY2013. Attached is a schedule titled "FY2013 Projected State Program Allocations based on Legislative Appropriations." This schedule totaling \$1.3 billion includes FY2013 estimated funding levels, by district, for the following programs: Foundation (includes Vocational and Technical Adjustment), \$25 million one-time grant funding (funded in the Capital Budget), Boarding Home Stipends, Residential Boarding Program, Youth in Detention, Special Schools, Alaska Challenge Youth Academy, Pupil Transportation, and School Debt Reimbursement. The funding levels listed by district are projected allocations and are subject to change based on actual FY2013 average daily membership and/or individual program requirements.

Included in the foundation projection is the final year of the Education Task Force Recommendations for FY2013 that provides the Area Cost Differential increase from 87.5% to 100% of the ISER study. CCS HB 284 also provides \$3.1 million to the Alaska Performance Scholarship and \$4 million to the Pre-kindergarten grants program which districts apply for through a competitive bid process. In addition, the unexpended and unobligated balance of \$20 million appropriated in FY2011 and FY2012 for EduJobs is reappropriated to the Department of Education & Early Development (DEED) for the EduJobs program in FY2013.

**FY2013 Capital Budget ~ Transmitted to Governor**

House CS for Senate Bill 160 plus one project funded through the FY2012 Supplemental (CS for HB 307) contains over \$23.9 million in appropriations for the first 14 major maintenance projects and an additional \$1.7 million for deferred maintenance at Mt. Edgecumbe High School. The one page attachment titled, "FY2013 Capital Grants for Schools Districts - Summary," provides details by school district for the major maintenance grants awarded under DEED.

HCS CSSB 160 also includes over \$60 million in appropriations for the renovation and/or replacement of schools in Emmonak and Koliganek.

HCS CSSB 160 also provides \$3 million for Nutritional Alaskan Foods for Schools. One half of the appropriation will be distributed based on the School District Cost Factor and the other half is to be distributed based on a school district's ADM. This program will be administered by the Department of Commerce, Community, and Economic Development. School Districts may be reimbursed for purchases of nutritional Alaskan foods which include:

- Finfish or shellfish caught or harvested in Alaskan waters
- Livestock raised in Alaska
- Milk produced from livestock in Alaska
- Fruits or vegetables grown in Alaska
- Native produce and berries commercially harvested in Alaska
- Costs of transporting/shipping those goods

Other school related grants have been identified in the capital budget through the Department of Commerce, Community, and Economic Development. If you have specific questions, please contact Janet Davis with the Division of Community & Regional Affairs at (907) 451-2746.

#### **FY2012 Supplemental Funding ~ Signed into Law on March 23, 2012**

CS for House Bill 307 contains two supplemental appropriations to amend the FY2012 budget. First, funding is provided to the Bethel Campus in the amount of \$5,994,455 to repair water and sewer line in addition to the utilidor. Lastly, the bill provides the DEED with \$18 million to implement, with the Moore collaborative committee, a legal settlement in Moore v. State.

#### **Additional Information:**

##### **Conference CS for House Bill 104 Alaska Performance Scholarship ~ Awaiting transmittal to Governor**

Conference CS for House Bill 104 changes the program name in statute to Alaska Performance Scholarship. Additionally, CCS HB 104 amends AS 14.43.820(a)(3) to allow a scholarship applicant who has completed core academic courses *of high school level* to apply for the scholarship. Programmatic high school level coursework is also outlined within the same statute. The State Board of Education & Early Development, through the regulatory process, will determine how to implement the provision concerning courses of high school level.

Furthermore, CCS HB 104 adds new subsections to AS 14.43.820 by allowing the commissioner to waive a portion of the core academic requirements for not more than 24 additional months after a student graduates from a high school in the state. This provides an applicant the opportunity to complete the academic requirements at a qualified postsecondary institute when circumstances beyond an applicant's control resulted in the inability to meet the requirements within their district.

Finally, CCS HB 104 establishes the Alaska Performance Scholarship award account, as well as the Alaska Advantage education grant fund in order to provide sustainable funding for the scholarship and grant programs.

**House CS for CS for Senate Bill 119 Athletic Trainers ~ Awaiting transmittal to Governor**  
House CS for CS for Senate Bill 119 amends AS 14.30.142 to include athletic trainers in evaluating and managing concussions or traumatic brain injuries in student athletes.

Additionally, the legislation requires participation in interscholastic activities be available to a larger number of students who are otherwise not eligible by adding a new section to AS 14.30.365. The eligibility criteria will now include full-time students who are enrolled in grades nine through 12 in an alternative education program that is located entirely in the state. The bill goes on to define alternative education program and provides additional participation criteria.

**House CS for Senate Bill 137 Suicide Awareness and Prevention Training – Awaiting transmittal to Governor**

House CS for Senate Bill 137 requires public school districts, regional educational attendance areas, and the department to annually provide youth suicide awareness and prevention training, approved by the commissioner, to each teacher, administrator, counselor, and specialist who is employed by the school district or regional educational attendance area. These services are to be provided at no cost to the teacher, administrator, counselor, or specialist. HCS SB 137 specifies standards for training approval by the Commissioner of the DEED. This act will be repealed on July 1, 2016.

**House CS for CS for Senate Bill 182 Pupil Transportation / Vocational & Technical Education / Local Contribution / Voluntary Parent & Early Childhood Program ~ Awaiting transmittal to Governor**

House CS for CS for Senate Bill 182 addresses four aspects of funding for education: pupil transportation, the vocational and technical education funding factor, local contribution, and Parents as Teachers (PaT).

First, the pupil transportation program will see an increase of approximately \$11.6 million in FY2013. The pupil transportation program will see additional increases of 1.5% in FY2014 and FY2015. Furthermore, there is a FY2012 pupil transportation supplement of approximately \$8.1 million.

Second, the vocational and technical education funding factor will increase from 1.01 in FY2012 to 1.015 beginning FY2013. This additional funding equates to approximately \$5.9 million annually.

Third, HCS CSSB 182 includes a change in the mill rate calculation for the local contribution component of the foundation formula. This section of the legislation shifts a portion of the responsibility for contributions from local municipalities to the state. The shift equates to an additional \$21 million per year from the state. In current law, the 4.0 mills is applied to a discounted Education Value which means only 50% of assessed growth since 1999 is included in the mill rate calculation; this has created different effective mill rates across the state for those

school districts where local effort is based on the mill rate calculation. This legislation sets the mill rate to 2.65 mills of the True and Full Value.

Finally, HCS CSSB 182 also includes PaT, which is a 3-year pilot Pre-kindergarten (Pre-k) program that includes pre and post student measurements to be reported to the legislature beginning in January 2015. PaT will provide \$3 million per year through a competitive grant process. There is no direct impact on school districts, but rather strengthens the Pre-k component. This program will sunset on July 1, 2015.

Attachments:

1. FY2013 Projected State Program Allocations based on Legislative Appropriations
2. FY2013 Capital Grants for School Districts - Summary

cc: Elizabeth Nudelman, Director  
Division of School Finance & Facilities

**Alaska Department of Education & Early Development**  
**FY2013 Projected State Program Allocations based on Legislative Appropriations.**

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

<b>PREPARED 5/7/2012</b>	<b>FY2013 Projected ADM</b>	<b>Total Foundation @ \$5,680</b>	<b>SB160 One-time grant \$25M on AADM</b>	<b>Boarding Home</b>	<b>Residential Boarding Program</b>	<b>Youth in Detention</b>	<b>Special Schools</b>	<b>AK Challenge Youth Academy</b>	<b>Pupil Transportation</b>	<b>Debt Retirement</b>	<b>PROJECTED FY2013 TOTALS</b>
ALASKA GATEWAY	391	7,551,995	139,636						736,764		8,428,395
ALEUTIAN REGION	30	1,378,037	25,355						0		1,403,392
ALEUTIANS EAST	228	5,131,067	108,449						73,188	641,928	5,954,632
ANCHORAGE	48,545	319,730,873	7,543,981			365,627	1,281,400		21,409,218	47,916,572	398,247,671
ANNETTE ISLANDS	252	2,244,566	68,772						47,451		2,360,789
BERING STRAIT	1,620	28,726,920	672,164						81,000		29,480,084
BRISTOL BAY	145	1,920,482	48,304						399,910		2,368,696
CHATHAM	156	3,282,770	61,813						45,084		3,389,667
CHUGACH	258	2,393,853	42,015						0		2,435,868
COPPER RIVER	489	6,980,817	129,116						705,138		7,815,071
CORDOVA	323	3,621,699	77,922						111,758	970,893	4,782,272
CRAIG	649	5,187,943	102,286						142,462		5,432,691
DELTA/GREELY	917	10,257,437	188,795						1,351,819		11,798,051
DENALI	725	5,628,190	112,232						419,850		6,160,272
DILLINGHAM	458	6,205,536	121,800	34,310					565,650	822,009	7,749,305
FAIRBANKS	14,364	118,849,829	2,694,193			110,419			11,878,713	10,090,400	143,623,554
GALENA	3,704	19,430,744	349,356		2,372,800				79,952		22,232,852
HAINES	288	3,338,115	74,681						182,818	911,249	4,506,863
HOONAH	114	2,004,279	39,878						35,112	69,898	2,149,167
HYDABURG	47	1,058,749	20,326						0		1,079,075
IDITAROD	333	5,770,252	107,450	21,300					44,254		5,943,256
JUNEAU	4,978	40,087,283	927,947			87,839			3,057,684	14,333,513	58,494,266
KAKE	97	1,487,903	28,454						27,048		1,543,405
KASHUNAMIUT	316	3,764,366	97,037						1,578		3,862,981
KENAI	8,926	76,136,669	1,752,986	26,960		226,715			7,639,792	2,055,727	87,838,849
KETCHIKAN	2,126	18,967,205	413,722			67,632			1,532,250	2,135,246	23,116,055
KLAWOCK	126	1,913,179	40,453						75,978		2,029,610
KODIAK	2,512	25,107,995	523,962						1,980,825	3,677,661	31,290,443
KUSPUK	339	6,503,499	137,477	7,540					228,825		6,877,341
LAKE AND PENINSULA	325	8,946,500	174,957						122,859	900,360	10,144,676
LOWER KUSKOKWIM	3,972	58,208,209	1,301,916		325,444	96,112			1,135,992		61,067,673
LOWER YUKON	2,022	29,659,379	726,529						2,022		30,387,930
MAT-SU	17,225	137,922,172	2,890,468	4,920		61,851			14,613,657	21,397,602	176,890,670
NENANA	931	6,239,405	112,899		844,656				121,806		7,318,766
NOME	727	8,628,480	169,681			83,805			458,315	233,272	9,573,553
NORTH SLOPE	1,577	14,380,260	499,719						1,823,012	6,059,568	22,762,559
NORTHWEST ARCTIC	1,921	34,520,990	668,438	17,120					49,946	3,168,611	38,425,105
PELICAN	11	453,051	7,236						814		461,101
PETERSBURG	435	5,922,168	122,242						167,910	499,417	6,711,737
PRIBILOF	81	1,259,492	32,514						0		1,292,006
SAINT MARY'S	175	3,183,963	57,392						34,825		3,276,180
SITKA	1,310	12,622,867	279,967						565,760	2,563,509	16,032,103
SKAGWAY	63	509,269	16,914						2,331		528,514
SOUTHEAST	165	4,750,151	84,784						195,309		5,030,244
SOUTHWEST	635	9,655,222	233,841	68,630					391,517		10,349,210
TANANA	35	950,383	18,358						17,255		985,996

**Alaska Department of Education & Early Development**  
**FY2013 Projected State Program Allocations based on Legislative Appropriations.**

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

<b>PREPARED 5/7/2012</b>	<b>FY2013 Projected ADM</b>	<b>Total Foundation @ \$5,680</b>	<b>SB160 One-time grant \$25M on AADM</b>	<b>Boarding Home</b>	<b>Residential Boarding Program</b>	<b>Youth in Detention</b>	<b>Special Schools</b>	<b>AK Challenge Youth Academy</b>	<b>Pupil Transportation</b>	<b>Debt Retirement</b>	<b>PROJECTED FY2013 TOTALS</b>
UNALASKA	420	4,470,928	106,180						280,980	834,585	5,692,673
VALDEZ	665	4,538,969	142,226						504,735	99,165	5,285,095
WRANGELL	412	4,222,841	84,517						225,576	207,480	4,740,414
YAKUTAT	94	1,478,322	30,413						72,192		1,580,927
YUKON FLATS	266	7,246,025	142,539						71,536		7,460,100
YUKON/KOYUKUK	1,247	10,999,133	212,510	5,120					82,503		11,299,266
YUPIIT	452	6,547,298	163,474						904		6,711,676
Mt. EDGE CUMBE	400	3,003,066	69,724								3,072,790
OTHER	\1	26,027,300					2,033,300	4,958,400		797,600	33,816,600
Sub Totals	129,021	1,141,008,095	25,000,000	185,900	3,542,900	1,100,000	3,314,700	4,958,400	73,795,877	120,386,265	1,373,292,137
TOTALS	129,021	\$1,141,008,095	\$25,000,000	\$185,900	\$3,542,900	\$1,100,000	\$3,314,700	\$4,958,400	\$73,795,877	\$120,386,265	\$1,373,292,137

\1 OTHER INCLUDES OTHER ADJUSTMENTS.

\2 OTHER INCLUDES ALLOCATION TO SPECIAL EDUCATION SERVICE AGENCY (SESA).

\3 OTHER INCLUDES ESTIMATED ALASKA CHALLENGE YOUTH ACADEMY.

\4 OTHER INCLUDES ESTIMATED DEBT REIMBURSEMENT PROGRAM OVERHEAD.

\5 PORTION OF GRANT AMOUNT TO SHIFT FROM KENAI TO ANCHORAGE.

**Alaska Department of Education & Early Development  
FY2013 Capital Grants for School Districts - Summary**

District	Project Description	Amount
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**HCS CSSB 160 - Capital Budget**

***Department of Education & Early Development***

**Major Maintenance Grant Fund (AS 14.11.007)**

Chugach	Whittier K-12 School Heating System Upgrade	815,725
Yukon Koyukuk	Kaltag K-12 School Mechanical and Electrical Upgrades	853,165
Kake	Kake High School Kitchen Renovation	25,121
Annette Island	Metlakatla High School Annex Roof Replacement	41,345
Chatham	Angoon High School Mechanical Upgrades	47,818
Yukon Koyukuk	Merrelaine A Kangas K-12 School Renovation, Ruby	5,078,282
Aleutians East	Akutan K-12 School Siding Replacement	66,625
Bering Strait	Shaktolik K-12 School Renovation	9,176,358
Kake	Kake High School Shower Repairs	43,205
Kake	Kake Elementary School Mechanical Ventilation Completion	59,200
Bristol Bay	Bristol Bay School Voc Ed Wing Renovation	1,538,395
Craig	Craig Elementary and Middle School Alternative Wood Heat Installation	161,172
Aleutians East	Sand Point K-12 School Pool Major Maintenance	72,774
Lower Kuskokwim	** Bethel Campus Water and Sewer Line and Utilidor Repairs	5,994,455
<b>Total</b>		<b>23,973,640</b>

**School Construction Grant Fund (AS 14.11.005)**

Lower Yukon	Emmonak K-12 School Addition/Renovation	36,056,700
Southwest Region	Koliganek K-12 School Replacement	24,916,815
<b>Total</b>		<b>60,973,515</b>

***Department of Education & Early Development***

Alaska Pilot Pre-Kindergarten Project Expansion	973,000
Alaska State Library, Archives and Museum Facility	49,000,000
Bethel Regional High School Cafeteria Addition Design and Planning	1,257,000
Mount Edgecumbe High School Aquatic Center	5,000,000
Deferred Maintenance, Renewal, Repair and Equipment - Mt. Edgecumbe High School	1,700,000
<b>57,930,000</b>	

**Grand Total Capital Grants for Schools**

**142,877,155**

\*\* This project is funded through the FY2012 Supplemental Funding, House Bill 307.