

State of Alaska FY2002 Governor's Operating Budget

Department of Education and Early Development

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Department Mission

The mission of the Department of Education & Early Development is to support the development of lifelong learners.

Department Goals and Strategies

1. To have culturally and developmentally appropriate high quality early care and education programs that improve the well being of young children statewide in which children, families, and communities are active partners.
 - Strengthen family connections between the program and home.
 - Prepare parents to recognize the opportunities and responsibilities they have for the care and learning of their children.
 - Increase community involvement and promote cooperative services for young children and their families.
 - Provide professional development to improve the knowledge and skills of providers of early care and education programs by requiring that they be held to high standards.
 - Develop rigorous, standards based licensing programs for early care and education providers.
 - Develop incentives for providers to become licensed.
2. To have clear, rigorous, credible standards and assessments.
 - Provide state standards for student performance in reading, writing, and mathematics.
 - Provide assistance to school districts in aligning curriculum to state standards.
 - Provide a developmental profile for each child entering kindergarten or first grade.
 - Provide standards-based assessments in reading, writing, and mathematics at grades 3, 6, and 8.
 - Provide norm-referenced testing in grades 4 and 8.
 - Provide the High School Graduation Qualifying Examination.
3. To have a credible system of academic and fiscal accountability for students, professionals, schools and districts.
 - Award Quality Schools Grants so schools and communities can determine local solutions to improve student learning such as summer school, individual tutoring, lower class size, special classes, and before and after school programs.
 - Develop school designations based on student performance and other measures.
 - Provide support to schools and assistance in developing school improvement plans.
 - Establish criteria for consistent allocation of instructional costs and uniform reporting of school district financial data.
4. To have highly qualified school professionals who have met rigorous and credible standards and assessments.
 - Provide rigorous educator standards by which school districts will evaluate professionals.
 - Develop and administer a standards-based licensure system for educators.
 - Provide professional development opportunities for standards-based instruction.
 - Encourage local school boards to adopt culturally responsive educator standards.
5. To have schools in which students, staff, families and communities are active partners in learning.
 - Promote research-based family involvement models and community orientations.
 - Promote and support school-based Family Involvement Centers.
 - Encourage and support business and school partnerships.
6. To have an adequate and secure source of funding for schools.
 - Secure adequate funding to develop and maintain an accountable system of high quality public schools.
 - Secure adequate funding to meet school district's school construction and major maintenance needs.
 - Analyze differences in the costs of operating schools taking into consideration school size and location.
 - Analyze and recommend better business practices to local school boards of education and superintendents.

Key Department Issues for FY2001 – 2002

QUALITY SCHOOLS INITIATIVE www.eed.state.ak.us/qschools/

The Quality Schools Initiative (QSI) is designed to increase the quality of public education. The QSI is based on high student academic standards and assessment, safe and respectful schools and communities, quality professional standards, and school excellence based on standards.

All Alaskan schools have adopted state-mandated academic standards in reading, writing, and mathematics. Schools will test each child early and often in these subjects throughout their school careers to make sure they are on target to meet the standards. Schools are required to test students at the 3rd, 6th, and 8th grades. If they are falling behind, schools will provide special help to children so they can catch up. The state assessment system also includes norm-referenced tests so we know how our students perform compared to national rankings. The final part of the comprehensive student assessment system is the High School Graduation Qualifying Examination. This assessment system will give the state and communities solid information to hold schools and communities accountable for the academic achievement of children. Each year, all schools will report certain information to their communities and state about their progress.

High School Graduation Qualifying Exam (HSGQE)

Alaska's education reform movement is on the right track. We are raising academic standards, seeking new resources and demanding accountability. The single, largest issue for FY2002 is the timing of the high-stakes consequences of the High School Graduation Qualifying Exam for the students graduating in the spring of 2002.

With two administrations of the HSGQE, it is clear that the state will be denying diplomas to thousands of next year's seniors unless the exam's effective date is adjusted. More than 5,000 of next year's seniors, from every corner of Alaska, are not on track to get a diploma. Three-quarters of them have passed the reading portion of the exam, about half have passed writing but just one-third have passed math. Even with additional opportunities to take the exam, a large percentage of these students still won't pass all three sections by May 2002. Denying diplomas to this group of students is especially unfair because they haven't had the new sequence of benchmark testing and extra assistance to help them meet the new standards. Also, although significant progress has been made in aligning curriculum to state standards, some schools have only recently aligned what they're teaching with the standards being tested.

The State Board of Education and Early Development has recommended that the HSGQE be given and reported on transcripts but the effective date of the high stakes consequences of the exam be targeted for 2006. This will give us the time needed to be sure the standards reflect what Alaskans think is important, the test is a good measure and students are adequately prepared. The additional time will assure that all students, including those with learning disabilities and those in highly mobile families who move in and out of our schools, will have had a reasonable opportunity to learn what's tested.

Postponing the high stakes consequences of the exit exam while continuing to administer the test along with the benchmarks exams given in grades 3, 6 and 8 will give us the tools to determine if our students are learning the standards, if they need extra help, or, if they've already mastered the basics, to provide them additional challenges. The Governor will be introducing legislation this session to move the high stakes consequences of the exit exam until 2006 while still reporting the test results in the intervening years.

Quality Schools Grants

The Quality Schools Grant is part of the state's public school funding program to help students meet higher academic standards in reading, writing, and mathematics. Student achievement needs to be measured against rigorous standards in these areas at appropriate age levels. The Quality Schools Grants provide resources to schools and school districts to develop intervention plans and programs for students at risk of not meeting these standards. If a student is not making adequate progress, swift and intensive intervention is needed to get the student back on track.

Although the Governor requested a statutory increase of the Quality Schools Grant from \$16 to \$52 per adjusted Average Daily Membership in FY2001, the legislature only included one-time funding for what it called learning opportunity grants. Improvement in student performance requires a continuous commitment to providing the resources to ensure that all students meet high academic standards. The governor believes that this funding should be continued as a minimum in the FY2002 budget.

Increase Instructional Time

Another critical component of ensuring that all students meet high academic standards is to ensure that direct instruction is delivered by highly qualified, well trained education professionals and that students have more time on task. School districts must have the capacity to ensure that all students meet these standards. Participants at the Alaska Education Summit 2000 unanimously recommended that changes be made to the school year to provide more time for direct instruction and professional development and that schools should be given the resources to accomplish this.

Teacher Recruitment and Retention

There is a nationwide shortage of education professionals that is making it increasingly difficult for Alaska school districts to attract and retain highly qualified teachers. Even with the most optimistic projections, Alaska's university system will only be able to supply a quarter of our teachers over the next five to ten years. Given that three-quarters of our teaching work force will need to come from outside of Alaska, we must be able to compete with other states who are offering a number of incentives to new teachers including signing bonuses and housing allowances.

The State Board of Education and Early Development is considering an incentive package that includes lowering fees for teacher certification and renewal, paying for national board certification, reciprocity with other states, assisting with mentorship programs for new educators, and teaching certificates suitable for framing and display in classrooms. In addition, the board is considering financial incentives including a loan forgiveness or a loan assumption program.

PUBLIC SCHOOL FUNDING PROGRAM

The governor's budget fully funds the FY2002 public school foundation program. Although the state aid required under the current school funding formula would decrease by \$10.5 million in FY2002 due to increases in required local effort and federal impact aid, this is not the time to reduce the state support of education. Schools need resources to help students meet higher academic standards in reading, writing, and mathematics and to be held accountable for their students performance. The governor's budget maintains the FY2001 level of funding that includes \$6.2 million in one-time grants approved by the legislature.

The governor has appointed an Education Funding Task Force that will make specific recommendations to him and the State Board of Education and Early Development by February 1, 2001. The task force will consider ideas stemming from the recent Education Summit and other forums that include allowing districts to increase student instruction time by extending the number of days in the school year and increasing the amount of the Quality Schools Grants. The task force recommendations will help develop a five-year financing plan for providing school districts with the resources to ensure that all our students are meeting high academic standards. The February time frame will allow the task force recommendations to be incorporated into legislation or budget proposals to be considered by the upcoming legislature.

The public school funding program passed by the legislature in 1998, substantially changed how funding is allocated among school districts in Alaska. As part of the new funding mechanism, the legislature included a requirement that the department provide the legislature with a series of reports by January 15, 2001 including:

- A comparison of the per school funding in the new formula to the use of funding communities in the old funding formula including a thorough review of educational adequacy in the schools of Alaska; and
- Proposed adjustments to the district cost factors.

EARLY DEVELOPMENT www.eed.state.ak.us/EarlyDev/

The combination of early development and education programs in the 1999 departmental merger legislation recognized the importance of assuring every child the best possible start in life by creating a comprehensive system of early care and learning in Alaska.

Research has clearly shown that early development and learning creates the foundation for later achievement. Approximately 60% of Alaska's preschool-age children have working parents. The great majority of children receive some or most of their care outside of their homes by the time they are three years old. Access to quality child care and preschool programs that provide safe, healthy developmental and learning experiences is essential for a child's readiness for school and capacity for further learning. The department is working to ensure that quality childcare and preschool programs are available for Alaska's children.

The governor's FY2002 budget proposes increases in state and federal funding for expansion of early childhood programs, improving quality of childcare services and preschool programs through professional development and training, increasing parent involvement, and improving and increasing access to licensed child care facilities.

Major Department Accomplishments in 2000

- Conducted first administration of the High School Graduation Qualifying Exam and Benchmark Assessments in March 2000.
- Implemented procedures for test security and administration.
- Finalized regulations for implementation of the comprehensive system of student assessments.
- Determined the qualifying proficient score in each of the core subject areas for the High School Graduation Qualifying Exam and Benchmark Assessments.
- Reported the results of the first administration of the HSGQE and Benchmark Assessments to students, parents, schools, school districts and the public.
- Hosted a second statewide Education Summit in September 2000 for school districts and the public to consider the results from the first administration of the Benchmark Assessments and determine what additional efforts will be necessary to ensure that students have the opportunity to learn and meet the standards prior to graduation.
- Developed and disseminated informational materials for the High School Graduation Qualifying Exam and the Benchmark Assessments.
- Provided childcare assistance in over 30 Alaskan communities through local non-profit or municipal program administrators.
- Supported employment of eligible low-income families by subsidizing childcare costs for approximately 5,400 children per month on a sliding ability-to-pay scale.

Key Performance Measures for FY2002

Measure: Percentage of students who meet the proficiency level in benchmark assessments in grades 3, 6, and 8

(Developed jointly with Legislature in FY2001.)

Current Status:

Percent Proficient in Reading, Writing and Mathematics on Benchmark Examinations, Spring 2000

Grade	Reading	Writing	Mathematics
3rd	73	49	65
6th	70	72	62
8th	83	68	39

Benchmark:

Benchmark examinations were administered for the first time in March of 2000. The State Board of Education and Early Development set the proficiency level for each grade. These proficiency levels are Advanced; Proficient; Below Proficient; and, Not Proficient. These data from the first administration in March 2000 will establish a baseline for measuring student performance. Proficiency is defined as the sum of students who scored at the Advanced and Proficient levels on the Benchmark exams.

Background and Strategies:

State law requires a comprehensive system of student assessments including a developmental profile for students entering kindergarten or first grade, benchmark assessments in reading, writing, and mathematics at grades 3, 6, and

8, and passage of the High School Graduation Qualifying Exam in order to receive a high school diploma beginning in 2002. The department has:

1. Provided school districts with state performance standards in reading, writing, and mathematics at the appropriate grade levels.
2. Developed the benchmark examinations in reading, writing, and mathematics for grades 3, 6, and 8.
3. Provided professional development opportunities for standards based instruction.
4. Provided technical assistance to school districts in aligning curriculum to state standards.

The department is in the process of:

1. Working with school districts to develop programs that provide students with opportunities to learn in order to reach the state standards at the appropriate age/grade levels.
2. Developing intervention strategies to assist students that fail to meet standards or are at risk of failing to meet standards at the appropriate age/grade levels.
3. Working with school districts to target staff development and teacher in-service opportunities to support standards-based instruction and assessments.
4. Targeting federal grant dollars to support increased student performance in reading, writing, and mathematics.
5. Identifying a new norm-reference assessment, linked to Alaska performance standards that will be potentially administered at grades 4, 5, 7, and 9.

Measure: Percentage of students performing above the national average on state adopted norm-referenced tests

(Developed jointly with Legislature in FY2001.)

Current Status:

In school year 1999-00, 31.9% of Alaska's 4th graders scored in the top quartile in reading, 30.7% in the top quartile in language arts and 37.3% in the top quartile in mathematics.

Benchmark:

The chart on the following page illustrates where Alaska's 4th grade students scored on the norm-referenced test in school years 1996-1997 through 1999-2000.

Background and Strategies:

The department has used the CAT/5 norm-referenced test for the past 5 years. The current contract will expire in June of 2001 and the department will seek competitive proposals for a new norm-referenced test to be used for school year 2000-2001 and beyond. The new contract will solicit proposals for norm-referenced tests at grade 4, 5, 7 and 9. The addition of two new norm-referenced tests at grades 5 and 9 will provide a transition to an assessment system with capabilities not now available. Under the new system, students will be assessed each year from grades 4 to 10 using a combination of Benchmark, HSGQE and norm-referenced tests, which will allow for a measure of student academic growth from year-to-year. The ability to track student growth will allow the department to implement in 2002, a school rating system that will assign a designation of distinguished, successful, deficient or in-crisis to each public school in the state as required by AS 14.03.123.

Measure: Percentage of students who pass the state high school graduation-qualifying exam

(Developed jointly with Legislature in FY2001.)

Current Status:

Reading - 75%
Writing - 48%
Mathematics - 32%

Benchmark:

The High School Graduation Qualifying Examination is completed and was administered in March of 2000. The State Board of Education & Early Development set the proficiency level for the exam. This data from the first administration of the graduation-qualifying exam will establish the baseline for measuring student performance. The exam will be offered in October and March of each school year to provide additional opportunities for high school sophomores, juniors, and seniors to take the exam. A second opportunity was provided in October 2000. Data from the second administration will be available in December 2000.

Background and Strategies:

State law requires a comprehensive system of student assessments including a developmental profile for students entering kindergarten or first grade, benchmark assessments in reading, writing, and mathematics at grades 3, 6, and 8, and passage of the High School Graduation Qualifying Exam in order to receive a high school diploma beginning in 2002. The department has:

1. Provided school districts with state performance standards in reading, writing, and mathematics.
2. Developed the graduation qualifying examination in reading, writing, and mathematics.
3. Provided professional development opportunities for standards based instruction.
4. Provided technical assistance to school districts in aligning curriculum to state standards.

Measure: The number of children served in licensed childcare facilities

(Developed jointly with Legislature in FY2001.)

Current Status:

In October 2000, there were 609 licensed child care facilities in Alaska with a capacity to serve 16,505 children.

Benchmark:

Fiscal Year	Number of Licensed Facilities	Capacity
1999	582	15,528
2000	609	16,505

Background and Strategies:

Child care licensing provides consumer protection through quality assurance. The high percentage of children in licensed facilities indicates that parents, as consumers of child care at all income levels, are seeking quality child care. Incentives must be developed to encourage more providers to pursue licensing and minimum licensing standards should be the floor and not the ceiling.

Twenty-five states now have tiered reimbursement rates, paying more for higher quality care. Licensing is usually used to identify the lowest level of quality acceptable for funding, with some states ruling out programs with poor licensing records. There are different ways to distinguish between levels of quality. So far, most states have two levels: licensing and accreditation.

To achieve Alaska's goal of high quality, safe child care, the department will:

1. Revise standards to reflect the higher expectations of the system.
2. Provide technical assistance to unlicensed facilities to meet minimum licensing standards by July 2002.
3. Re-structure the payment system to provide incentives for achieving and maintaining high quality care.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
• Percentage of students who meet the proficiency level in benchmark assessments in grades 3, 6, and 8		X			
• Percentage of students performing above the national average on state adopted norm-referenced tests		X			
• Percentage of students who pass the state high school graduation-qualifying exam		X			
• The number of children served in licensed childcare facilities		X			

Department Budget Summary by BRU

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures												
K-12 Support	693,677.7	20,791.0	7,612.8	722,081.5	654,642.5	20,791.0	8,415.6	683,849.1	654,642.5	20,791.0	8,415.6	683,849.1
School Debt Reimbursement	0.0	0.0	64,905.0	64,905.0	0.0	0.0	52,818.9	52,818.9	0.0	0.0	57,020.5	57,020.5
Pupil Transportation	0.0	0.0	0.0	0.0	40,302.1	0.0	4,400.0	44,702.1	44,702.1	0.0	0.0	44,702.1
Non-Formula Expenditures												
K-12 Support Executive Administration	0.0	24,630.5	0.0	24,630.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Teaching and Learning Support	2,168.6	238.5	1,536.7	3,943.8	128.3	0.1	496.2	624.6	127.6	0.0	477.8	605.4
Early Development Children's Trust Programs	5,427.6	72,786.4	2,330.1	80,544.1	4,780.7	73,738.0	1,357.5	79,876.2	4,947.5	76,921.7	1,360.5	83,229.7
Education Support Services	3,923.4	376.7	27,241.3	31,541.4	8,603.4	38,424.8	19,024.1	66,052.3	10,706.0	49,855.8	18,132.1	78,693.9
Alyeska Central School Commissions and Boards	0.0	0.0	0.0	0.0	0.0	0.0	405.7	405.7	0.0	100.0	473.0	573.0
Kotzebue Technical Center	0.0	0.0	0.0	0.0	2,146.6	0.0	1,447.6	3,594.2	2,139.2	0.0	1,421.3	3,560.5
AK Vocational Technical Center	66.7	0.0	4,316.9	4,383.6	91.2	0.0	4,943.4	5,034.6	91.2	0.0	4,933.8	5,025.0
Mt. Edgecumbe Boarding School	641.2	431.7	27.0	1,099.9	463.8	596.7	311.5	1,372.0	462.7	594.4	312.9	1,370.0
State Facilities Maintenance	609.0	0.0	0.0	609.0	609.0	0.0	548.0	1,157.0	609.0	0.0	0.0	609.0
Alaska Library and Museums	3,320.7	138.2	2,017.6	5,476.5	3,351.5	275.0	2,956.0	6,582.5	3,380.4	275.0	2,448.1	6,103.5
	2,396.3	0.0	2,322.6	4,718.9	2,442.9	0.0	1,989.3	4,432.2	2,640.1	0.0	1,995.7	4,635.8
	0.0	0.0	1,489.6	1,489.6	325.9	0.0	1,516.4	1,842.3	260.7	0.0	1,653.9	1,914.6
	5,597.6	606.8	121.8	6,326.2	5,753.6	775.5	303.0	6,832.1	5,856.6	775.5	315.1	6,947.2

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Alaska Postsecondary Education	1,516.5	59.1	7,177.1	8,752.7	1,444.5	76.6	7,954.2	9,475.3	1,507.3	76.1	7,717.6	9,301.0
Totals	719,345.3	120,058.9	121,098.5	960,502.7	725,086.0	134,677.7	108,887.4	968,651.1	732,072.9	149,389.5	106,677.9	988,140.3

Funding Source Summary

All dollars in thousands

Funding Sources	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
1002 Federal Receipts	99,069.6	113,659.1	128,370.8
1003 General Fund Match	825.1	3,857.8	3,938.1
1004 General Fund Receipts	717,177.4	720,496.3	727,491.8
1005 General Fund/Program Receipts	1,232.7	532.3	532.1
1007 Inter-Agency Receipts	40,099.9	30,380.8	29,570.4
1014 Donated Commodity/Handling Fee Account	198.3	227.6	227.7
1030 School Fund (Cigarette Tax)	43,836.1	29,337.3	29,049.1
1037 General Fund / Mental Health	110.1	111.3	110.9
1043 Public Law 81-874	20,791.0	20,791.0	20,791.0
1044 Debt Retirement	21,068.9	23,481.6	27,971.4
1053 Investment Loss Trust Fund		88.3	
1061 Capital Improvement Project Receipts	5.6	130.0	129.2
1066 Public School Fund	7,612.8	8,415.6	8,415.6
1098 Children's Trust Fund Earnings		405.7	473.0
1102 Alaska Industrial Development & Export Authority Receipts		4,400.0	
1106 Alaska Post-Secondary Education Commission Receipts	7,177.1	7,754.2	7,717.6
1108 Statutory Designated Program Receipts	1,298.1	602.4	566.1
1145 Art in Public Places Fund		75.6	75.6
1150 ACPE Dividend		200.0	
1151 Technical Vocational Education Program Account		1,644.0	
1156 Receipt Supported Services		2,060.2	2,709.9
Totals	960,502.7	968,651.1	988,140.3

Position Summary

Funding Sources	FY2001 Authorized	FY2002 Governor
Permanent Full Time	362	371
Permanent Part Time	108	114
Non Permanent	2	3
Totals	472	488

FY2002 Capital Budget Request

Project Title	General Funds	Federal Funds	Other Funds	Total Funds
Mt. Edgecumbe High School Classroom and Fieldhouse Repair and Renovation	150,000	0	0	150,000
Mt. Edgecumbe High School Roof Repair and Replacement	600,000	0	0	600,000
Museum Facility Upgrade	550,000	0	0	550,000
Head Start Health and Safety Repairs	500,000	0	0	500,000
AVTEC Roof Repair and Replacement	650,000	0	0	650,000
Design for Museum and Archives Building Expansion	500,000	0	0	500,000
Department Total	2,950,000	0	0	2,950,000

This is an appropriation level summary only. For allocations and the full project details see the capital budget.

Overview of Departmental Budget Changes

Public School Funding Program

The governor's budget fully funds the FY2002 public school foundation program. Although the state aid required under the current school funding formula would decrease by \$10.5 million in FY2002 due to increases in required local effort and federal impact aid, this is not the time to reduce the state support of education. Schools need resources to help students meet higher academic standards in reading, writing, and mathematics and to be held accountable for their students performance. The governor's budget maintains the FY2001 level of funding that includes \$6.2 million in one-time grants approved by the legislature.

The governor has appointed an Education Funding Task Force that will make specific recommendations to the governor and the State Board of Education and Early Development by February 1, 2001. The task force will consider ideas stemming from the recent Education Summit and other forums that include allowing districts to increase student instruction time by extending the number of days in the school year and increasing the amount of the Quality Schools Grants. The task force recommendations will chart a course for education over the next two to five years to provide school districts with the resources necessary to ensure that all our students are meeting high academic standards. The February time frame will allow the task force recommendations to be incorporated into legislation or budget proposals to be considered by the upcoming legislature.

School Debt Reimbursement

State debt obligation includes reimbursement of municipal bonds for approved school construction and major maintenance projects. The governor's FY2002 budget includes an increase of \$4.2 million for a total request of \$57 million based on the estimated 70% reimbursement of debt service related to the issuance and payment of bonds.

Right Start/Title I Programs

Federal funds of \$1.2 million will support a multi-year project aimed at providing extended day kindergarten programs for students identified as in need of additional support to reach the developmental and academic levels expected for success in future grades. Funding will also be used to place academic intervention coordinators in schools with high percentages of students in need of extended services in kindergarten and other grade levels. An additional \$2.0 million in federal authorization is included to accommodate federal Title I and Special Education program funds.

Statewide Correspondence and Gifted/Talented Programs

The FY2002 budget includes a general fund increase of \$177,700 to provide quality assurance for parents and families served through the gifted and talented programs and statewide correspondence study programs.

Mt. Edgecumbe High School

The FY2002 budget includes \$200,000 in general fund to cover the increase in the dormitory services contract at Mt. Edgecumbe High School.

Vocational/Technical Training

The Alaska Vocational Technical Center in Seward is expanding training opportunities in the areas of Certified Nurses Assistants and Construction and Maintenance Training Programs. An increase of \$534,200 in receipts supported services will cover the costs of providing these training programs.

Head Start

To access the estimated \$3.3 million in federal funds available directly to Head Start grantees in Alaska, the governor's budget includes \$662,400 in state general funds that will provide the necessary 20% matching funds. These funds will expand Head Start services to over 325 children in 6 - 8 communities, and increase Alaska's capability to meet federal Head Start program performance requirements.

An additional \$3.7 million in federal funding is included, \$438,000 for family wellness/health screenings in all Head Start communities, and \$3.3 million to expand distance delivery coursework for early childhood education endorsement programs to meet new federal requirements for Head Start workers. Federal Head Start performance standards require that staff hold a child development associate (CDA) credential and early childhood teachers hold an AA degree.

Staff Development & Parent Involvement

The FY2002 budget includes a \$1.0 million general fund increase for professional development, parent education, and training opportunities to support parent involvement with their children's literacy development, education, and over all health and development. The Department of Education & Early Development and the University of Alaska will coordinate the development of a comprehensive system for the education and training of early childhood professionals in Alaska. \$100,000 in federal funds is included in EED's budget for the System for Early Education Development (SEED) to create a system for setting standards for these professionals and for establishing a credentialing process. The University of Alaska is planning a bachelor degree program in Early Childhood Development. These education and training programs will support Head Start workers and all of Alaska's early care providers in meeting education and training standards to promote professional development among those who care for and educate young children.

Child Care Assistance

Child care assistance is provided to income eligible families on a sliding fee scale. Many of these families are transitioning from welfare to work in entry-level jobs and need help paying for child care so they can stay in the work force. Other low-income working families need access to child care assistance to retain their current employment and keep from going on welfare in the first place. To fully fund the program and eliminate the current wait lists, the FY2002 budget invests \$3 million from welfare reform savings and \$428,00 in state funds.

With success in the welfare to work program the number of families receiving child care assistance and the number of children served has increased dramatically. In FY2000, an average of 5,392 children were served each month. In FY2001, an estimated 6,250 children will be served monthly, and in FY2002, a projected 7,500 children will be served monthly.

Child Care Access and Licensing

An increase of \$1.7 million in federal Child Care Development Funds (CCDF) will provide resources to ensure the quality of child care through licensing and to take appropriate action when necessary through monitoring and enforcement. Funds will also expand child care capacity through training and resource and referral services. They will improve child care programs and services by addressing services for infants, toddlers, and children with special needs, increasing health and safety standards in child care facilities, and expanding access to child care in communities where capacity is currently limited.

Child Care Quality Initiative

Additional federal funds are anticipated that will improve the quality of child care by providing incentives for registered providers to become licensed and for providers already licensed to become accredited. Child care grants will be available to all licensed providers and the grants will increase to approximately \$40 per child/per month once the licensed facilities achieve accreditation. To help ensure children's safety, background checks will be funded for all workers in child care centers and homes.

Alaska Children's Trust

As part of the governor's commitment to work with and promote the Alaska Children's Trust so communities have access to additional resources for the prevention of child abuse, neglect, and family violence, the FY2002 budget includes a projected increase of \$100,000 in federal funds for mini-grants to increase public awareness of child abuse and neglect. An increase in trust earnings will support the operational costs of the trust and its fund raising efforts.

Summary of Department Budget Changes by BRU

From FY2001 Authorized to FY2002 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	725,086.0	134,677.7	108,887.4	968,651.1
Adjustments which will continue current level of service:				
-Pupil Transportation	4,400.0	0.0	-4,400.0	0.0
-Executive Administration	-0.7	-0.1	-18.4	-19.2
-Teaching and Learning Support	-10.9	-16.3	3.0	-24.2
-Early Development	12.6	3,876.0	-3,892.0	-3.4
-Children's Trust Programs	0.0	0.0	0.8	0.8
-Education Support Services	-7.4	0.0	-26.3	-33.7
-Alyeska Central School	0.0	0.0	-9.6	-9.6
-Commissions and Boards	-1.1	-2.3	1.4	-2.0
-Kotzebue Technical Center	0.0	0.0	-548.0	-548.0
-AK Vocational Technical Center	28.9	0.0	-1,142.1	-1,113.2
-Mt. Edgecumbe Boarding School	-2.8	0.0	6.4	3.6
-State Facilities Maintenance	-65.2	0.0	37.5	-27.7
-Alaska Library and Museums	4.3	0.0	-26.5	-22.2
-Alaska Postsecondary Education	-0.3	-0.5	-247.6	-248.4
Proposed budget increases:				
-School Debt Reimbursement	0.0	0.0	4,201.6	4,201.6
-Teaching and Learning Support	177.7	3,200.0	0.0	3,377.7
-Early Development	2,090.0	7,555.0	3,000.0	12,645.0
-Children's Trust Programs	0.0	100.0	66.5	166.5
-AK Vocational Technical Center	0.0	0.0	634.2	634.2
-Mt. Edgecumbe Boarding School	200.0	0.0	0.0	200.0
-State Facilities Maintenance	0.0	0.0	100.0	100.0
-Alaska Library and Museums	98.7	0.0	38.6	137.3
-Alaska Postsecondary Education	63.1	0.0	11.0	74.1
FY2002 Governor	732,072.9	149,389.5	106,677.9	988,140.3