

State of Alaska
FY2003 Governor's Operating Budget

Department of Education and Early Development
Executive Administration
Budget Request Unit Budget Summary

Executive Administration Budget Request Unit

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BRU Mission

To support the development of lifelong learners.

BRU Services Provided

This BRU provides leadership and support to divisions and programs within the Department of Education & Early Development.

BRU 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, ages 0-4, 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 and require that they be held to high standards.
- Develop rigorous, standards-based licensing programs for early care and education providers.
- Develop incentives for child care providers and facilities to become licensed.

2. To have clear, rigorous, credible student standards and assessments.

- Provide state student performance standards 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, 5, 7 and 9.
- 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/Learning Opportunity 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.
- Encourage efforts towards recruitment and retention of quality teachers.
- Encourage efforts towards quality mentoring systems for new teachers and administrators.

5. To have schools in which students, staff, families, business, 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, stable 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 districts' 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 BRU Issues for FY2002 – 2003

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 in grades 4, 5, 7, and 9, 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.

Closing the Achievement Gap

The Quality Schools Initiative has created tremendous change to the state's public schools; they are becoming increasing performance based. In order for QSI to fulfill its promise to all children, targeted resources need to be aimed at low performing children. If not accomplished, QSI will fall short and the achievement gap will persist. For this to happen, the state needs to fully fund the recommendations of the Governor's Education Funding Task Force. On October 31, 2001, the Task Force forwarded its Year Two recommendation to the Governor. In short, recommendations urge funding all Year Two items from the Task Force's original five-year plan, and items from the Year One plan the legislature did not fund. In addition to increases to the foundation program, two items in particular are key to closing the achievement gap: funding on an ongoing basis for a Center for School Excellence to help low performing schools improve; and direct funding for providing intervention activities for low performing students. The state needs to fund all recommendations in the report to close the achievement gap.

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. Through the combined efforts of the governor and the legislature, the high-stakes consequences of the High School Graduation Qualifying Exam will be implemented for students graduating in the spring of 2004 rather than 2002.

During the last legislative session, there was significant discussion about what our students are being tested on and how well they are being asked to perform in these areas in order to receive a high school diploma. The legislature was very clear in passing SB 133, Chapter 94, SLA 2001, that the competency exam is to measure the "minimum competency in essential skills" for all high school graduates.

The commissioner convened a committee of approximately 45 educators to work with the department and the department's test contractor, CTB McGraw-Hill, in refocusing the High School Graduation Qualifying Exam on essential skills. Subcommittees in each of the content areas, reading, writing, and mathematics, reviewed test items that could potentially be used to measure essential skills. This refocusing will require that new test questions be field-tested in the spring of 2002 and that new cut scores be determined in summer of 2002. Additional resources will be needed in the FY2003 budget to accomplish these tasks.

The delay of the high stakes consequences of the HSGQE until the spring of 2004, while continuing to administer the benchmark exams in grades 3, 6, and 8, will give us the tools and 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.

School Accountability

Parents, community leaders, state legislators and many other Alaskans want to know about the quality of education in their local schools. They also want to be able to improve the schools that need help and to ensure that each and every school is accountable for producing results. Beginning in August of 2002, the Alaska School Designators system will be implemented. Enacted into law in 1998 the system will label every public school in Alaska as distinguished, successful, deficient, or in-crisis.

The designator system is a critically important part of our Quality Schools Initiative, which aims to improve the academic achievement of all our children. QSI establishes new standards for our students, our educators and our schools.

Alaska's school designators system will be based on measurable student achievement and improvements in test scores year to year. While graduation rates, drop-out rates and statistics on the number of students going on to college have traditionally served as indicators of a school's performance, the new designation system will focus on how students measure up against academic standards.

While all Alaskans support school accountability, and making sure that all children are meeting state standards, our ability to collect meaningful data is limited by the assessment data that we have been able to collect over the past two years. With the refocusing of the high school graduation qualifying exam and new cut scores, the data from the 2000 and 2001 assessments will not be comparable to the new test information that will be available in the spring of 2002. The Governor will be introducing legislation to link the school accountability system with the high stakes consequences of the exit exam to begin in 2004.

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 has implemented 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 assumption program.

PUBLIC SCHOOL FUNDING PROGRAM

The governor's budget fully funds the FY2003 public school foundation program. In addition, the Governor is supporting the year two recommendations of the Education Funding Task Force to increase the base student allocation from the current \$4,010 to \$4,118 per adjusted ADM. The Governor will introduce legislation to increase the base student allocation at a cost of approximately \$23 million. Schools need resources to help students meet higher academic standards in reading, writing, and mathematics and to be held accountable for their students performance.

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.

The Governor will request an increase in the statutory amount of the Quality Schools Grant from \$16 to \$74 per adjusted Average Daily Membership. This recommendation comes from the Education Funding Task Force A+ Amended report and is based on the one-time funding approved by the legislature in FY2002 for learning opportunity grants. Improvement in student performance requires a continuous commitment to providing the resources to ensure that all students meet high academic standards. Including this funding in the annual foundation program will allow school districts to plan for and provide meaningful programs to ensure that students at risk of not meeting standards will be able to reach them at the appropriate age levels.

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.

Early Literacy – Ages 0-8

The department is launching an initiative to enhance the literacy of children ages 0-8. This is being done primarily for two reasons: Alaska now requires children to learn to higher standards and students are tested in these areas with the benchmark exams and the high school graduation qualifying exam. In addition, it's time to apply new research about the brain development of young children and its relationship to learning. The department is seeking funding for one position to coordinate this initiative. The department will pool resources from existing programs to train parents, caregivers, educators, and paraprofessionals in age appropriate early literacy instruction. Family literacy and community engagement will be major components. Programs targeted for participation include Head Start, Even Start, Right Start, Title I School Improvement, Special Education, Safe and Drug Free Schools, Bilingual, Migrant, Reading Excellence Act, Vocational Education, and other programs. Each of these programs focuses on improving learning for disadvantaged children.

Improving Child Care Programs

To better support children and families, the department is moving forward with its early learning initiatives including:

creating benchmarks for measuring the success of programs and services for children from birth through 8 years old;

Working with schools to implement a developmental profile for kindergarten and first grade students. This profile reveals the skill levels for each child and helps determine the appropriate instructional program.

Creating a comprehensive system of education and training for early childhood educators in collaboration with the University of Alaska;

Improving child care programs through grants and higher standards for child care providers. It is collaborating with Alaska tribes to benefit from best practices, building on the rich cultural diversity reflected by our children.

The governor will introduce legislation to improve early care for children enrolled in child care programs. One measure proposes to create a Child Care Rating System that parents can use to select a care facility for their children.

Preschool Pilot

The State Board of Education & Early Development adopted a resolution to support funding for voluntary preschool for all three and four year old children in Alaska. The department is evaluating how this concept could be addressed in a pilot preschool program in four to seven communities with low achievement scores, high poverty, and lack of access to Head Start or other early development programs.

Major BRU Accomplishments in 2001

Conducted second administration of the High School Graduation Qualifying Exam and Benchmark Assessments in March and October of 2001.

Reported the results of the HSGQE and Benchmark Assessments to students, parents, schools, school districts, the legislature and the public. The state presented disaggregated data for the state and school districts in the fall of 2001.

Successfully refocused the HSGQE to assess student achievement of essential skills to align with legislation passed in 2001 that delays implementing the high states consequences of the HSGQE until the Spring of 2004.

Worked with the governor's Education Funding Task Force in developing a five-year financing plan for providing school districts with the resources to ensure that all our students are meeting high academic standards. This plan was utilized extensively during the 2001 legislative session.

Completed statutorily required reports to the legislature on implementing the public school funding program passed in 1998. The new formula substantially changed how funding is allocated among school districts in Alaska. The reports include a comparison on 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.

Directed school districts to use Learning Opportunity Grant funds to provide direct student intervention programs to improve student achievement and require measures of student academic gain to assess impact and effect of these funds.

Secured a \$2.5 million federal Teacher Recruitment and Retention Grant to assist school districts in efforts to recruit and retain high quality teachers. This grant is renewable for up to 5 years.

Secured a 3 year \$8.5 million federal Reading Excellence Act grant to fund early literacy efforts in targeted communities and schools.

Refined the Developmental Profile and provided guidelines and materials to school districts to better ensure consistent application and understanding.

Completed the transition of childcare licensing from the Department of Health and Social Services. A statewide licensing staff has been assembled and trained, new childcare regulations have been adopted that enhance quality, support school readiness, and provide safer environments for children.

Provided childcare subsidy in over 30 Alaskan communities through local non-profit or municipal program administrators and subsidized childcare costs for approximately 5,400 children per month.

Supported child care providers in enhancing their staff training programs or facility through the child care grant program.

Key Performance Measures for FY2003

Measure:

the percentage of divisions that meet assigned performance measures;
Sec 49(b)(1) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Of the department's 7 divisions, all report progress in meeting assigned performance measures. Of 45 measures, 88% either meet the assigned measure or are on track.

Benchmark Comparisons:

This information will continue to be refined as the data collected for each measure becomes more consistent and comparable.

Background and Strategies:

The Commissioner has met with every division director to review the measures, progress to date and data to be used in reporting the measure. The three agencies within the department's budget that report to their own board/commission are not included; the Alaska State Council on the Arts, the Professional Teaching Practices Commission, and the Alaska Commission on Postsecondary Education.

Measure:

the change in the percentage of students meeting proficiency levels in uniformly administered benchmark tests in grades 3, 6, and 8 per student expenditure for K-12 support (public school funding) and per the amount reported on the district audited financial statements;
Sec 49(b)(2) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The following chart illustrates the progress with current data.

Benchmark Examinations:

	Spring 2000	Spring 2001	% Change
Grade 3 Reading	72.5	71.2	-1.8%
Grade 3 Writing	48.8	53.5	9.6%
Grade 3 Mathematics	65.0	66.3	2.0%
Grade 6 Reading	69.9	69.4	-0.7%
Grade 6 Writing	72.2	73.0	1.1%
Grade 6 Mathematics	62.2	62.9	1.1%
Grade 8 Reading	83.2	82.5	-0.8%
Grade 8 Writing	67.5	67.9	0.6%
Grade 8 Mathematics	39.0	39.5	1.3%
	FY2000	FY2001	% Change
ADM	131,696.48	132,256.25	0.4%
State Aid - Foundation Program	672,198.2	672,386.0	0.0%
Per Student Expenditure	5.1	5.1	0.0%
Audited Expenditures	992,050.3	*	
* FY2001 Audit Information not yet compiled			

Measure:

the change in the percentage of students passing the high school graduation qualifying exam per change in per-student expenditure for K-12 support (public school funding) and per the amount reported on the district audited financial statements; and

Sec 49(b)(3) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Please see chart on the following page.

High School Graduation Qualifying Examination:

	Spring 2000	Spring 2001	% Change
Reading	74.6	65.9	-11.7%
Writing	47.6	46.6	-2.1%
Mathematics	33.3	44.0	32.1%
	FY2000	FY2001	% Change
ADM	131,696.48	132,256.25	0.4%
State Aid - Foundation Program	672,198.2	672,386.0	0.0%
Per Student Expenditure	5.1	5.1	0.0%
Audited Expenditures	992,050.3	*	
* FY2001 Audit Information not yet compiled			

Benchmark Comparisons:

This is the first year that comparative data is available. The timing of receipt of audited data does not allow it to be included at this time.

Measure:

the average time taken to respond to complaints and questions that have been elevated to the commissioner's office. Sec 49(b)(4) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The average time to respond to correspondence tracked in the commissioner's office was 27 days for FY2001.

Benchmark Comparisons:

The correspondence tracking system has not been adequately maintained in prior years to provide a benchmark comparison this reporting cycle. This will be the benchmark for next year's report.

Background and Strategies:

Although the correspondence tracking system has been in place for sometime, the department had not implemented an electronic log until this reporting requirement was instituted. Additional effort will be necessary to maintain the log and provide accurate information.

Executive Administration
BRU Financial Summary by Component

All dollars in thousands

	FY2001 Actuals				FY2002 Authorized				FY2003 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												
None.												
Non-Formula Expenditures												
State Board of Education	0.0	0.0	153.4	153.4	0.0	0.0	144.6	144.6	0.0	0.0	146.3	146.3
Commissioner's Office	123.5	0.0	397.7	521.2	94.1	0.0	301.8	395.9	96.5	0.0	458.6	555.1
Totals	123.5	0.0	551.1	674.6	94.1	0.0	446.4	540.5	96.5	0.0	604.9	701.4

Executive Administration

Proposed Changes in Levels of Service for FY2003

Increase budgeted I/A Receipts to fully fund the operating costs of the Commissioner's Office. \$150.0

Executive Administration

Summary of BRU Budget Changes by Component

From FY2002 Authorized to FY2003 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	94.1	0.0	446.4	540.5
Adjustments which will continue current level of service:				
-State Board of Education	0.0	0.0	1.7	1.7
-Commissioner's Office	2.4	0.0	6.8	9.2
Proposed budget increases:				
-Commissioner's Office	0.0	0.0	150.0	150.0
FY2003 Governor	96.5	0.0	604.9	701.4