

State of Alaska FY2009 Governor's Operating Budget

Department of Education and Early Development Foundation Program Component Budget Summary

Component: Foundation Program

Contribution to Department's Mission

To provide financial support to Alaska's public schools.

Core Services

The Public School Funding Program provides the primary state financial support for the 53 school districts and Mt. Edgecumbe Boarding School. In FY2008, about \$1.1 billion will be distributed to school districts, according to "Basic Need", as determined by AS 14.17.410, less required local contributions and deductions for eligible Impact Aid. AS 14.17.610 requires that payments be distributed to school districts for the first nine months of the fiscal year based on 1/12th of the total funding received during the preceding fiscal year. The last three monthly payments are adjusted to provide each district with its revised entitlement based on current year student count data. The amount requested is based on student count projections, submitted by each school district. The actual funds needed for this program may vary depending on the actual student counts, local contributions and federal impact aid receipts.

FY2009 Resources Allocated to Achieve Results

FY2009 Component Budget: \$867,171,300	Personnel:	
	Full time	0
	Part time	0
	Total	0

Key Component Challenges

PUBLIC SCHOOL FUNDING PROGRAM

The department's budget requests full funding of the FY2009 public school foundation program. The foundation program provides resources schools need to help students meet higher academic standards in reading, writing, and mathematics. Schools and districts are held accountable for their students' performance.

The base student allocation of \$5,380 did not change for FY2008. The Legislature appropriated and the Governor approved approximately \$70 million in one time grants to public school districts for FY08. Improvement in student performance requires a continuous commitment to providing the resources to ensure that all students meet high academic standards. Annual increases in the foundation program 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.

The employer contributions required for TRS and PERS continue to be an issue for all school districts in FY2009.

Significant Changes in Results to be Delivered in FY2009

The Governor is considering the recommendation provided by the Education Funding Task Force.

Major Component Accomplishments in 2007

Distributed approximately \$953 million to 53 school districts and Mt. Edgecumbe to provide educational services to 129,660 Alaska students.

Statutory and Regulatory Authority

AS 14.17
4 AAC 09

Contact Information
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**Foundation Program
Component Financial Summary**

All dollars shown in thousands

	FY2007 Actuals	FY2008 Management Plan	FY2009 Governor
Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	933,399.0	953,250.0	867,171.3
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	933,399.0	953,250.0	867,171.3
Funding Sources:			
1004 General Fund Receipts	900,650.0	920,363.9	832,080.3
1043 Impact Aid for K-12 Schools	20,791.0	20,791.0	20,791.0
1066 Public School Fund	11,958.0	12,095.1	14,300.0
Funding Totals	933,399.0	953,250.0	867,171.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2007 Actuals	FY2008 Management Plan	FY2009 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Public Law 81-874	51130	20,791.0	20,791.0	20,791.0
Public School Fund	51225	11,958.0	12,095.1	14,300.0
Restricted Total		32,749.0	32,886.1	35,091.0
Total Estimated Revenues		32,749.0	32,886.1	35,091.0

**Summary of Component Budget Changes
From FY2008 Management Plan to FY2009 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2008 Management Plan	920,363.9	20,791.0	12,095.1	953,250.0
Adjustments which will continue current level of service:				
-Remove District Cost Factor Adjustment OTI	-24,007.2	0.0	0.0	-24,007.2
-Remove School Improvement Grants OTI	-10,543.2	0.0	0.0	-10,543.2
Proposed budget decreases:				
-Remove Foundation Program CC Appropriation_PEF Tracking	-887,047.9	0.0	0.0	-887,047.9
Proposed budget increases:				
-Public School Trust Fund Increase	0.0	0.0	2,204.9	2,204.9
-Remove Foundation Program Need Adjustment	1,234.4	0.0	0.0	1,234.4
-Foundation Program_PEF Tracking	832,080.3	0.0	0.0	832,080.3
FY2009 Governor	832,080.3	20,791.0	14,300.0	867,171.3