

State of Alaska FY2018 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 53 school districts and Mt. Edgecumbe High School.

Major Component Accomplishments in 2016

- In FY2016, the Public School Funding Program provided approximately \$1.5 billion in "Basic Need", as determined by AS 14.17.410. Approximately \$1.2 billion was state aid distributed to 53 school districts and Mt. Edgecumbe High School; and
- Alaska's 53 school districts and Mt. Edgecumbe High School provided educational services to 129,705 Alaska students enrolled in grades K-12, in FY2016.

Key Component Challenges

The foundation program provides resources that schools need to help students meet higher academic standards in reading, writing, and mathematics. Schools and districts are held accountable for their students' performance.

Improvement in student performance requires a continuous commitment to providing the resources to ensure that all students meet high academic standards. A school district's ability to have advanced notice of any potential changes in the foundation program allows for proactive planning of meaningful programs. This ensures that students at risk of not meeting standards will be able to be reached at the appropriate age levels.

Significant Changes in Results to be Delivered in FY2018

The base student allocation will remain at \$5,930 for FY2018.

Statutory and Regulatory Authority

AS 14.17
4 AAC 09

Contact Information

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Component Detail All Funds
Department of Education and Early Development

Component: Foundation Program (141)
RDU: K-12 Aid to School Districts (645)

Formula Component

	FY2016 Actuals	FY2017 Conference Committee	FY2017 Authorized	FY2017 Management Plan	FY2018 Governor	FY2017 Management Plan vs FY2018 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	1,202,408.1	1,214,775.5	1,214,775.5	1,214,775.5	1,217,257.6	2,482.1	0.2%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	1,202,408.1	1,214,775.5	1,214,775.5	1,214,775.5	1,217,257.6	2,482.1	0.2%
Fund Sources:							
1004Gen Fund (UGF)	1,168,617.1	1,163,984.5	1,170,334.5	1,170,334.5	1,176,466.6	6,132.1	0.5%
1043Impact Aid (Fed)	20,791.0	20,791.0	20,791.0	20,791.0	20,791.0	0.0	0.0%
1066Pub School (Other)	13,000.0	30,000.0	23,650.0	23,650.0	20,000.0	-3,650.0	-15.4%
Unrestricted General (UGF)	1,168,617.1	1,163,984.5	1,170,334.5	1,170,334.5	1,176,466.6	6,132.1	0.5%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	13,000.0	30,000.0	23,650.0	23,650.0	20,000.0	-3,650.0	-15.4%
Federal Funds	20,791.0	20,791.0	20,791.0	20,791.0	20,791.0	0.0	0.0%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Education and Early Development

Component: Foundation Program (141)
RDU: K-12 Aid to School Districts (645)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2017 Conference Committee To FY2017 Authorized *****												
FY2017 Conference Committee												
	ConfCom	50,791.0	0.0	0.0	0.0	0.0	0.0	50,791.0	0.0	0	0	0
1043 Impact Aid		20,791.0										
1066 Pub School		30,000.0										
Tracking Estimated FY2017 Foundation Expenditures from Public Education Fund												
	ConfC(L)	1,163,984.5	0.0	0.0	0.0	0.0	0.0	1,163,984.5	0.0	0	0	0
1004 Gen Fund		1,163,984.5										
Reduce Foundation Program Sec1 Ch3 4SSLA2016 P12 L6 (HB256)												
	Veto	-6,350.0	0.0	0.0	0.0	0.0	0.0	-6,350.0	0.0	0	0	0
1066 Pub School		-6,350.0										
Increase UGF Tracking for Foundation Program Expenditures												
	Misadj	6,350.0	0.0	0.0	0.0	0.0	0.0	6,350.0	0.0	0	0	0
1004 Gen Fund		6,350.0										
Subtotal		1,214,775.5	0.0	0.0	0.0	0.0	0.0	1,214,775.5	0.0	0	0	0
***** Changes From FY2017 Management Plan To FY2018 Governor *****												
Reverse Tracking Estimated FY2017 Foundation Expenditures from Public Education Fund												
	OTI	-1,170,334.5	0.0	0.0	0.0	0.0	0.0	-1,170,334.5	0.0	0	0	0
1004 Gen Fund		-1,170,334.5										
Estimated FY2018 Foundation Expenditures from Public Education Fund												
	Misadj	1,176,466.6	0.0	0.0	0.0	0.0	0.0	1,176,466.6	0.0	0	0	0
1004 Gen Fund		1,176,466.6										
Under AS 14.17.300(b) funds may be expended from the Public Education Fund without further appropriation. In order to reflect the anticipated need in the FY2018 Foundation Program, a miscellaneous adjustment is used to track expenditures in the Foundation Program component.												
The FY2018 Foundation Program estimate includes a base student allocation (BSA) of \$5,930.												
The estimate reflects the remaining foundation program need after applying the FY2018 Public School Trust Fund amount of \$20,000.0.												
Reduce Public School Trust Fund Estimate												
	Dec	-3,650.0	0.0	0.0	0.0	0.0	0.0	-3,650.0	0.0	0	0	0
1066 Pub School		-3,650.0										

A projection from the Department of Revenue estimates a reduction of \$3,650.0 from the Public School Trust Fund (PSTF), for a FY2018 Public School Trust Fund available balance of \$20.0 million for the Foundation Program. This reduction will necessitate an increase to the general fund amount to offset the PSTF

Change Record Detail - Multiple Scenarios with Descriptions
Department of Education and Early Development

Component: Foundation Program (141)
RDU: K-12 Aid to School Districts (645)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
decrease, and will be required to fully support distributions to school districts through the foundation formula with a Base Student Allocation of \$5,930.												
	Totals	1,217,257.6	0.0	0.0	0.0	0.0	0.0	1,217,257.6	0.0	0	0	0

Line Item Detail (1676)
Department of Education and Early Development
Grants, Benefits

Component: Foundation Program (141)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
7000	Grants, Benefits		1,202,408.1	1,214,775.5	1,217,257.6
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
7000 Grants, Benefits Detail Totals			1,202,408.1	1,214,775.5	1,217,257.6
7003	Sub-Recipient Pass-Through Grants	Estimated foundation formula entitlement for Mt. Edgecumbe High School (includes impact aid and state aid)	4,991.9	4,415.0	4,415.0
7003	Sub-Recipient Pass-Through Grants	Foundation formula grants to school districts	1,197,416.2	1,210,360.5	1,212,842.6

Revenue Detail (1681)
Department of Education and Early Development

Component: Foundation Program (141)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
5043 Impact Aid (1043 Impact Aid)			20,791.0	20,791.0	20,791.0
5085 Impact Aid for K-12 Schools - Federal Grants		This authorization of Federal Impact Aid revenue is shown in the Alaska Department of Education and Early Development (EED) budget only as a place holder- Impact Aid is not received by EED. The funds are sent directly from the US Department of Education to Anchorage, Fairbanks, and Kodiak school districts for Impact Aid. EED deducts the amount granted in calculating the allocation of the Foundation Program.	20,791.0	20,791.0	20,791.0
6066 Pub School (1066 Pub School)			13,000.0	23,650.0	21,000.0
6580 Public School Fund - Miscellaneous Fines Forfeitures		AS 37.14.110 establishes the Public School Trust Fund and each year the sum of one-half of 1 percent of the total receipts from the management of state land, including amounts paid to the state as proceeds of sale or annual rent of surface rights, mineral lease rentals, royalties, royalty sale proceeds, and federal mineral revenue-sharing payments or bonuses are transferred to the fund. The interest earnings are available for appropriation to support the state public school program. This also includes available funds from tobacco tax revenue.	13,000.0	23,650.0	21,000.0