

Required Local Contributions for Schools – Why the Current System is Unfair

(Prepared by the Ketchikan Gateway Borough Manager - August 2009)

The State of Alaska has a constitutional duty to “establish and maintain a system of public schools.” (Article VII, Section 1, Constitution of the State of Alaska).

In 1963, the Alaska State Legislature passed, and Governor Egan signed into law, the “Mandatory Borough Act” (Chapter 52, SLA 1963), dictating that certain regions of Alaska – those encompassing Ketchikan, Juneau, Sitka, Kodiak Island, Kenai Peninsula, Anchorage, the Matanuska-Susitna valleys, and Fairbanks – form organized boroughs by January 1, 1964. At the time, those regions encompassed about 80 percent of the population of Alaska; today they encompass about 85 percent of all Alaskans.

Section 1 of the Mandatory Borough Act promised:

No area incorporated as an organized borough shall be deprived of state services, revenues, or assistance or be otherwise penalized because of incorporation.

In 1972, the State of Alaska mandated reclassification of a number of city governments. Some in the unorganized borough were compelled to reclassify as first-class cities.

State law mandates that all organized boroughs, home-rule cities in the unorganized borough, and first-class cities in the unorganized borough operate municipal school districts (AS 29.35.160 and AS 29.35.260(b)). That mandate is imposed on all 18 organized boroughs and 16 of the 144 city governments in Alaska. Education in the remainder of Alaska is provided by 19 regional educational attendance areas (REAs). Thus, in total, there are 53 school districts in Alaska (34 municipal districts and 19 REAs).

State law establishes a formula by which a guaranteed level of funding known as “basic need” is determined for each of Alaska’s 53 school districts. The formula takes into consideration the total number of students enrolled in the entire district, the number of students in each school within the district, regional cost differentials (“district cost factors”), special needs funding, intensive services funding, and enrollment in correspondence programs. Details about each of the elements of the formula and how they are applied are provided in *Public School Funding Program Overview*, Alaska Department of Education and Early Development (January 2009), a copy of which is attached.

Once the level of basic need is determined, the amount of State Education Aid to each district is determined by the following formula:

Basic Need as Determined Under AS 14.17.410
minus: 90% of Federal Impact Aid for the District
minus: Required Local Contribution Under AS 14.17.410(b)(2)
equals: State Education Aid

Included as a second attachment is a table showing the basic need, federal impact aid, required local contribution, and State Education Aid for each of Alaska's 53 school districts. The attachment also provides figures for those elements on a per-student basis. As is evident in the second attachment, not all of Alaska's 53 school districts are required by AS 14.17.410(b)(2) to make local contributions. That law states:

[T]he required local contribution of a city or borough school district is the equivalent of a four mill tax levy on the full and true value of the taxable real and personal property in the district as of January 1 of the second preceding fiscal year, as determined by the Department of Commerce, Community, and Economic Development under AS 14.17.510 and AS 29.45.110, not to exceed 45 percent of a district's basic need for the preceding fiscal year as determined under (1) of this subsection.

Thus, only city and borough governments are subject to the requirement to make local contributions. REAAs are not required to make local contributions. If city governments and boroughs were treated in a manner similar to REAAs, city governments and boroughs would receive significantly higher levels of State Education Aid. Because of the disparity between municipal school districts and REAAs, the so-called local "contribution" required by AS 14.17.410(b)(2) amounts to unequal treatment among school districts. Further, the required local contribution amounts to a significant penalty imposed on the 18 organized boroughs and 16 city governments that operate schools.

The magnitude of the disparate treatment and penalty is huge. In FY 2010, State Education Aid for the 34 city and borough governments at issue will be collectively reduced by \$229,470,421 because of the required local contributions.

It is noteworthy that if a city or borough government is unable to appropriate sufficient funds to offset that penalty, State law (AS 14.17.410(d)) provides that all State Education Aid to the district must be denied.

Alaska's Constitution opens with the assurance that all Alaskans are protected from disparate treatment without a rational basis. Specifically, Article I, Section 1 of Alaska's Constitution provides that "all persons are equal and entitled to equal rights, opportunities, and protection under the law; and that all persons have corresponding obligations to the people and to the State."

How then is this disparate education funding allowed? In 1986, the Matanuska-Susitna Borough challenged the State's education funding formula on grounds that included the assertion that the formula violated Article I, Section 1 of Alaska's Constitution.

After a legal battle stretching over 11 years, the Alaska Supreme Court denied the Matanuska-Susitna Borough's challenge. The Court upheld the State laws regarding school contributions

in part because it held that “Boroughs are not entitled to equal protection under the Alaska Constitution.” The Court noted that “The purpose of the Alaska due process and equal protection clauses is to protect people from abuses of government, not to protect political subdivisions of the state from the actions of other units of state government.” *Matanuska-Susitna Borough School Dist. v. State*, 931 P.2d 391, FN2 (Alaska 1997).

The Alaska Supreme Court first held that boroughs lack equal protection rights nine years earlier in *Kenai Peninsula Borough v. State, Dep’t of Community and Regional Affairs*, 751 P.2d 14, 18-19 (Alaska 1988). In *Kenai*, the Alaska Supreme Court relied on a then-55-year-old case involving the City of Baltimore Maryland – *Williams v. Mayor and City Council of Baltimore*, 289 U.S. 36 (1933) – as the foundation for its conclusion that boroughs – as units of local government – lack the constitutional right of equal protection.

Reliance on a more than half-century-old case from Maryland appears to be a gross affront to the principles of local government in Alaska. The Framers of Alaska’s Constitution specifically chose the term “borough” to avoid the application of restrictive case law from other states. Expressly, as noted in *Borough Government in Alaska*, by Thomas A. Morehouse and Victor Fischer, at fn 9:

Much controversy surrounded the selection of the name “borough.” While there were strong proponents of the word “county” (as well as canton, division, province, and others), the majority believed that the term had a very definite connotation and that its use should be avoided in order to preclude rigid thinking as well as restrictive court interpretations and decisions based on the extensive body of county law developed in the older states. It was believed that a different name could more readily be interpreted in the context of the Alaska Constitution; Black’s Law Dictionary defines “borough” as “a place organized for local government purposes.” See *Minutes*, 18th, 29th Meetings; *Commentary*, p. 4; *Proceedings*, pp. 2618-19; 2777-87, 3599-3608, 3621-25, 3627.

The affront is compounded by the fact that the 1963 promise by the Legislature and Governor has not been fulfilled. State agencies have acknowledged that “contrary to the express intent of the 1963 Mandatory Borough Act, organized boroughs are being severely deprived of State services, revenues, or assistance and are being penalized because of incorporation” (See: *School Consolidation – Public Policy Considerations and a Review of Opportunities for Consolidation*, p. 54, February 2004, Department of Education and Early Development, Local Boundary Commission, with assistance by the Department of Commerce, Community, and Economic Development).

Attachments:

- *Public School Funding Program Overview*, Alaska Department of Education and Early Development (January 2009)
- Table showing basic need, federal impact aid, required local contribution, and State Education Aid

Public School Funding Program Overview

Updated January 2009



Table of Contents**Student Based Formula**

Adjusted ADM	3
ADM Reporting Requirements	3
School Size Adjustment	3
School Size Table	3
Hold Harmless Provision	4
District Cost Factors	4
Special Needs Funding	4
Intensive Services Funding	4
Correspondence Programs	5
Basic Need	5

Public School Funding Elements

State Aid	5
Required Local Contribution	5
Title VIII Impact Aid	5

Additional Funds above Basic Need

Maximum Local Contribution	6
Quality Schools	6
<i>Example: Nome School District</i>	7

FY2010 Projected Entitlement 8-9

HB 273 & Formula Changes for FY09-FY13	10
--	----

STUDENT BASED FORMULA**District Adjusted Average Daily Membership (ADM)**

- Step 1. Adjust: ADM for School Size
 Step 2. Apply: District Cost Factor
 Step 3. Apply: Special Needs Factor
 Step 4. Add: Intensive Services Count
 Step 5. Add: Correspondence Student Counts
 = **District Adjusted (ADM)**

ADM Reporting Requirements

ADM – is the average number of enrolled students during the 20-school day count period. The 20-school day count ends the fourth Friday of October. Reports are due within two weeks after the end of the 20-school day count period.

School Size Adjustment [Step 1]

For each school in the district subtract from the ADM **all** correspondence counts. Adjust the remaining ADM of each school using the school size factor table.

1. A community with an ADM under 10:
 Added to the smallest school with an ADM greater than 10.
2. A community with an ADM from 10 - 100:
 Grades K-12 ADM combined and adjusted once, adjusted as one school.
3. A community with an ADM from 101 – 425:
 ADM for grades K-6 and 7-12 are adjusted separately; adjusted as two schools.
4. A community with an ADM greater than 425:
 - Each facility administered as one school, counted as one school, ADM is adjusted as one school.
 - Alternative schools with an ADM of less than 200 combined are adjusted with the school with the greatest ADM in the district.
 - If an alternative school ADM is greater than 200 and administered as a separate facility, the ADM will be adjusted separately.
 - A Charter school with an ADM of 150 or greater will be adjusted as separate facility.

Using the proper formula from the school size factor table, calculate the adjusted ADM for each school.

School Size Table

Reference:	School Size:	Formula:
1.	10-19.99	39.60
2.	20-29.99	$39.60 + (1.62 * (ADM - 20))$
3.	30-74.99	$55.80 + (1.49 * (ADM - 30))$
4.	75-149.99	$122.85 + (1.27 * (ADM - 75))$
5.	150-249.99	$218.10 + (1.08 * (ADM - 150))$
6.	250-399.99	$326.10 + (.97 * (ADM - 250))$
7.	400-749.99	$471.60 + (.92 * (ADM - 400))$
8.	Over 750	$793.60 + (.84 * (ADM - 750))$

Correspondence student counts are not adjusted for size.

Hold Harmless [Step 1a]

House Bill 273 established a Hold Harmless [HH] provision for those districts experiencing a reduction in enrollment. To determine eligibility for this provision the district's sum total of the adjustment for school size is compared against the prior fiscal year [FY] to see if a decrease of five percent or greater has occurred. The HH provision is available to eligible districts for up to three years provided the total school size adjustment continues to stay below the base year. The district uses the fiscal year before the decrease as a base fiscal year to offset the decrease, according to the following method:

- ◆ 75% of the school size adjustment difference between the current FY and the base FY.
- ◆ 50% of the school size adjustment difference between the second FY and the base FY.
- ◆ 25% of the school size adjustment difference between the third FY and the base FY.

District Cost Factors [Step 2]

- Cost factors are specific to each school district.
- With the implementation of ISER in HB273, District cost factors will range from 1.000 to 1.948. [FY09 = 50% ISER with 12.5% added each subsequent year for next four years.]
- The department monitors the district cost factors and submits a report to the legislature on January 15 every other fiscal year, beginning in FY01.

The districts school size adjusted ADM is multiplied by the district cost factor.

Special Needs Funding [Step 3]

Vocational education, special education (except intensive special education), gifted/talented education, and bilingual/bicultural education are block funded. A district must file a plan with the department indicating the special needs services that will be provided, Section 14.17.420(2)(b), to qualify for special needs funding.

The districts' previously adjusted ADM is now multiplied by the Special Needs factor of 1.20.

Intensive Services Funding [Step 4]

A school district receives funding for intensive special education students that:

- Are receiving intensive services, and;
- Are enrolled on the last day of the 20 school day count period, and;
- Have an established Individual Education Plan (IEP).
- The districts intensive student count is multiplied by 11. [FY09 is multiplied by nine]

The district's Intensive count is added to previously adjusted ADM.

Correspondence Programs [Step 5]

Funding for correspondence programs is calculated by multiplying the correspondence ADM by 80%.

The district's correspondence count is now added to the previously adjusted ADM to arrive at the Final Adjusted ADM.

Basic Need

Multiply the district Final Adjusted ADM by the Base Student Allocation [BSA] to determine Basic Need. The BSA is \$5,580 for FY10. [FY09 BSA is \$5,480]

PUBLIC SCHOOL FUNDING ELEMENTS

The components of Public School Funding are *State Aid*, *Required Local Contribution*, and *Title VIII Impact Aid*.

State Aid Entitlement

Basic Need minus a required local contribution minus 90% eligible Federal Impact Aid plus the amount of funding 'Floor' plus Quality School Grants equal State Aid Entitlement.

Required Local Contribution

The equivalent of a 4-mill tax levy on the Full and True Value of the taxable real and personal property in the district not to exceed 45% of the district's Basic Need for the preceding fiscal year. *However*, beginning in FY02, only 50% of the *increase* in real and personal property over the 1999 Full and True Value is used for the 4 mill equivalent calculation. If the latest Full and True Value doesn't exceed the 1999 Full and True Value, then the latest value is utilized.

Title VIII Impact Aid

Federal Impact Aid provides funds to school districts for children of parents living and/or working on federal property "in-lieu of local tax revenues." 90% of the eligible funds are used in the calculation of state aid.

ADDITIONAL FUNDS ABOVE BASIC NEED

Maximum Local Contribution

If the City or Borough would like to contribute more than Required then the Maximum Local Contribution applies. To calculate this use the Required Local Contribution plus 23% of Basic Need **or** a 2-mill equivalent of the Full and True Value of the taxable and real property within the district, whichever is *greater*. The additional amount is added to the Required Local Effort to reach the Maximum Local Contribution.

For Example:

Nome's: *23% of Basic Need = \$2,096,229* OR
.002 of Full & True Value = \$571,848

RESULT:

Required Local Effort:	\$ 955,700
<u>Additional Local Contribution:</u>	<u>+\$2,096,229</u> [<i>23% of Basic Need</i>]
<i>Maximum Local Contribution:</i>	\$3,051,929

Quality School Grants

The districts adjusted ADM multiplied by \$16 generates the amount the school district is eligible to receive.

Example: Nome School District

Column

I. Basic Need Calculation

Projected ADM 676.50 L

Determining School Size Adjustment

[Utilizing Table from page 4] ADM

Nome Elementary School 355

Anvil City Science Academy + 44 [Anvil (Alt.) School is adjusted with Greatest ADM see pg. 3]

399

Nome/Beltz Jr. & Senior High = **255**

Nome Youth Facility = **14**

$326.10 + (.97 \times (399 - 250)) = 470.63$
$326.10 + (.97 \times (255 - 250)) = 330.95$
14 = 39.60

FY10 School Size adjusted ADM **841.18**

Less FY09 School Size adjusted ADM 965.08

loss in School Size adjustment over PY (123.90)

Hold Harmless Provision:

Determine 5% eligibility

Divide difference by the base FY09 $123.90 / 965.08 = 12.84\%$ [eligible]

75% of difference added back to FY10 School Size

841.18

$123.90 \times 75\% = 92.93$

+ 92.93

New Adjusted ADM-School Size

934.11

O

Apply District Cost Factor

x 1.402

1,309.62

Q

Apply Special Needs Factor

x 1.20

1,571.54

R

Add Intensive Service Counts

(5 x 11) = 55.00

+ 55.00

T

Add Correspondence Counts

(8.5 * .80) = 6.80

1,626.54

U

+ 6.80

V

District Adjusted ADM

1,633.34

W

Multiply by \$5,580 base allocation

x \$5,580.00

Basic Need:

\$ 9,114,037

B

II. Nome's State Aid

Basic Need

\$9,114,037

B

Required Local Contribution

(955,700)

C

Impact Aid

+ (36,967)

F

State Aid

\$8,121,370

G

III. Quality Schools Grant

District adjusted ADM x \$16

1,633.34

x \$16.00

\$26,133

I

IV. Components of State Aid

State Aid

\$8,121,370

G

Quality Schools Grant

+ 26,133

I

Total State Aid Entitlement

\$8,147,503

J

Alaska Department of Education & Early Development

January 2009 Updated
 FY2010 Projections
 Department of Education & Early Development
 Foundation

1	School District	L+M				OxP		Ox1.20		Sx5		R+T		Mx.80		U+V
		K	L	M	N	O	P	Q	R	S	T	U	V	W		
		PROJECTED FY10 ADM	PROJECTED FY10 Corresp. ADM	PROJECTED FY10 Total ADM	Adj for School Size ADM; HH included where elig.	District Cost Factor	Adjusted for Cost Factor	Special Needs Factor 1.20	Special Ed Intsv.	Adjust for SPED Intsv. *11.00	Students + Intensive Special Education	District Corresp. 80%	District Adjusted ADM			
2	Alaska Gateway	343.00	58.00	401.00	599.58	1.481	887.98	1065.58	5	55	1120.58	46.40	1166.98			
3	Aleutian Region	37.00	0.00	37.00	118.80	1.864	221.44	265.73	0	0	265.73	0.00	265.73			
4	Aleutians East	256.00	0.00	256.00	515.70	1.778	916.91	1100.29	1	11	1111.29	0.00	1111.29			
5	Anchorage	47464.25	896.00	48360.25	52164.21	1.000	52164.21	62597.05	809	8899	71496.05	716.80	72212.85			
6	Annette Island	268.00	0.00	268.00	395.56	1.216	481.00	577.20	1	11	588.20	0.00	588.20			
7	Bering Strait	1653.00	0.00	1653.00	2672.56	1.821	4866.73	5840.08	19	209	6049.08	0.00	6049.08			
8	Bristol Bay	140.00	2.00	142.00	261.98	1.397	365.99	439.19	2	22	461.19	1.60	462.79			
9	Chatham	154.00	3.00	157.00	289.53	1.405	406.79	488.15	3	33	521.15	2.40	523.55			
10	Chugach	70.00	170.00	240.00	144.85	1.420	205.69	246.83	0	0	246.83	136.00	382.83			
11	Copper River	454.25	50.25	504.50	788.28	1.264	996.39	1195.67	4	44	1239.67	40.20	1279.87			
12	Cordova	365.00	0.00	365.00	529.08	1.182	625.37	750.44	8	88	838.44	0.00	838.44			
13	Craig	332.00	394.67	726.67	469.62	1.133	532.08	638.50	7	77	715.50	315.74	1031.24			
14	Delta/Greely	785.00	300.00	1085.00	1080.75	1.191	1287.17	1544.60	11	121	1665.60	240.00	1905.60			
15	Denali	234.00	175.00	409.00	409.32	1.326	542.76	651.31	1	11	662.31	140.00	802.31			
16	Dillingham	508.00	6.00	514.00	659.74	1.312	865.58	1038.70	7	77	1115.70	4.80	1120.50			
17	Fairbanks	14075.00	293.00	14368.00	15938.04	1.059	16878.38	20254.06	303	3333	23587.06	234.40	23821.46			
18	Galena	234.00	3400.00	3634.00	345.34	1.376	475.19	570.23	0	0	570.23	2720.00	3290.23			
19	Haines	261.00	15.00	276.00	437.70	1.128	493.73	592.48	6	66	658.48	12.00	670.48			
20	Hoonah	115.00	0.00	115.00	205.77	1.270	261.33	313.60	4	44	357.60	0.00	357.60			
21	Hydaburg	60.00	0.00	60.00	118.22	1.348	159.36	191.23	0	0	191.23	0.00	191.23			
22	Iditarod Area	193.00	100.00	293.00	394.34	1.705	672.35	806.82	0	0	806.82	80.00	886.82			
23	Juneau	4840.00	81.00	4921.00	5476.37	1.093	5985.67	7182.80	130	1430	8612.80	64.80	8677.60			
24	Kake	95.00	0.00	95.00	160.81	1.296	208.41	250.09	3	33	283.09	0.00	283.09			
25	Kashunamiut	318.00	0.00	318.00	454.69	1.533	697.04	836.45	4	44	880.45	0.00	880.45			
26	Kenai Peninsula	8112.00	935.00	9047.00	10389.02	1.109	11521.42	13825.70	77	847	14672.70	748.00	15420.70			
27	Ketchikan Gateway	2060.00	35.00	2095.00	2706.32	1.106	2993.19	3591.83	20	220	3811.83	28.00	3839.83			
28	Klawock	119.10	0.00	119.10	216.31	1.196	258.71	310.45	3	33	343.45	0.00	343.45			
29	Kodiak Island	2535.00	80.00	2615.00	3120.29	1.216	3794.27	4553.12	23	253	4806.12	64.00	4870.12			
30	Kuspuk	326.00	0.00	326.00	679.97	1.622	1102.91	1323.49	3	33	1356.49	0.00	1356.49			
31	Lake & Peninsula	364.00	0.00	364.00	750.30	1.831	1373.80	1648.56	2	22	1670.56	0.00	1670.56			
32	Lower Kuskokwim	3948.00	0.00	3948.00	5852.79	1.599	9358.61	11230.33	62	682	11912.33	0.00	11912.33			
33	Lower Yukon	2038.80	0.00	2038.80	3093.87	1.703	5268.86	6322.63	13	143	6465.63	0.00	6465.63			
34	Mat-Su	15079.00	1485.00	16564.00	17229.33	1.048	18056.34	21667.61	270	2970	24637.61	1188.00	25825.61			
35	Nenana	187.00	800.00	987.00	317.88	1.313	417.38	500.86	2	22	522.86	640.00	1162.86			
36	Nome	668.00	8.50	676.50	934.11	1.402	1309.62	1571.54	5	55	1626.54	6.80	1633.34			
37	North Slope	1571.00	0.00	1571.00	2191.14	1.684	3689.88	4427.86	10	110	4537.86	0.00	4537.86			
38	Northwest Arctic	1854.00	0.00	1854.00	2705.43	1.720	4653.34	5584.01	21	231	5815.01	0.00	5815.01			
39	Pelican	16.00	0.00	16.00	39.60	1.408	55.76	66.91	0	0	66.91	0.00	66.91			
40	Petersburg	510.00	0.00	510.00	745.61	1.153	859.69	1031.63	10	110	1141.63	0.00	1141.63			
41	Pribilof	106.00	0.00	106.00	176.77	1.589	280.89	337.07	0	0	337.07	0.00	337.07			
42	Saint Mary's	180.00	0.00	180.00	283.80	1.522	431.94	518.33	1	11	529.33	0.00	529.33			
43	Sitka	1268.00	35.00	1303.00	1556.19	1.123	1747.60	2097.12	32	352	2449.12	28.00	2477.12			
44	Skagway	95.00	0.00	95.00	164.12	1.163	190.87	229.04	3	33	262.04	0.00	262.04			
45	Southeast Island	167.00	1.00	168.00	479.25	1.299	622.55	747.06	3	33	780.06	0.80	780.86			
46	Southwest Region	633.50	0.00	633.50	1064.45	1.587	1689.28	2027.14	6	66	2093.14	0.00	2093.14			
47	Tanana	40.00	0.00	40.00	89.70	1.677	150.43	180.52	1	11	191.52	0.00	191.52			
48	Unalaska	410.00	0.00	410.00	555.00	1.368	759.24	911.09	2	22	933.09	0.00	933.09			
49	Valdez	682.00	0.00	682.00	886.29	1.143	1013.03	1215.64	8	88	1303.64	0.00	1303.64			
50	Wrangell	305.00	4.00	309.00	469.43	1.100	516.37	619.64	5	55	674.64	3.20	677.84			
51	Yakutat	101.00	0.00	101.00	188.23	1.275	239.99	287.99	0	0	287.99	0.00	287.99			
52	Yukon Flats	270.80	0.00	270.80	535.63	1.948	1043.41	1252.09	3	33	1285.09	0.00	1285.09			
53	Yukon/Koyukuk	274.00	975.00	1249.00	578.97	1.711	990.62	1188.74	8	88	1276.74	780.00	2056.74			
54	Yup'it	450.00	0.00	450.00	766.34	1.628	1247.60	1497.12	2	22	1519.12	0.00	1519.12			
55	Mt. Edgecumbe	430.00	0.00	430.00	499.20	1.123	560.60	672.72	0	0	672.72	0.00	672.72			
56	TOTALS:	118,054.70	10,302.42	128,357.12	143,896.18	0.000	167,395.75	200,874.92	1,923	21,153	222,027.92	8,241.94	230,269.86			

Alaska Department of Education & Early Development

January 2009 Updated
 FY2010 Projections
 Department of Education & Early Development
 Foundation

	A	B	C	D	E	F	G	H	I	J
1	School District	\$5,580 Basic Need	Required Local Effort	Eligible Federal Impact AID	Impact AID Percent	Deductible Impact AID 90.0%	State AID	FY2010 PROJECTED Adjusted Floor	Quality Schools	FY10 PROJECTED Total State Entitlement
2	Alaska Gateway	6,511,748	0	312,928	100.00%	281,635	6,230,113	0	18,672	6,248,785
3	Aleutian Region	1,482,773	0	94,083	100.00%	84,675	1,398,098	0	4,252	1,402,350
4	Aleutians East	6,200,998	450,128	718,486	35.72%	230,979	5,519,891	0	17,781	5,537,672
5	Anchorage	402,947,703	101,145,807	12,567,783	54.69%	6,185,988	295,615,908	0	1,155,406	296,771,314
6	Annette Island	3,282,156	0	1,488,698	100.00%	1,339,828	1,942,328	0	9,411	1,951,739
7	Bering Strait	33,753,866	0	8,818,685	100.00%	7,936,817	25,817,049	0	96,785	25,913,834
8	Bristol Bay	2,582,368	806,424	174,176	75.05%	117,647	1,658,297	0	7,405	1,665,702
9	Chatham	2,921,409	0	336,084	100.00%	302,476	2,618,933	0	8,377	2,627,310
10	Chugach	2,136,191	0	129,604	100.00%	116,644	2,019,547	179,084	6,125	2,204,756
11	Copper River	7,141,675	0	167,392	100.00%	150,653	6,991,022	0	20,478	7,011,500
12	Cordova	4,678,495	755,869	35,117	45.40%	14,349	3,908,277	0	13,415	3,921,692
13	Craig	5,754,319	397,755	577,296	48.64%	252,717	5,103,847	0	16,500	5,120,347
14	Delta/Greely	10,633,248	0	301,560	100.00%	271,404	10,361,844	0	30,490	10,392,334
15	Denali	4,476,890	702,934	11,428	40.20%	4,135	3,769,821	0	12,837	3,782,658
16	Dillingham	6,252,390	631,792	1,156,677	50.34%	524,044	5,096,554	0	17,928	5,114,482
17	Fairbanks	132,923,747	27,131,178	10,162,549	60.59%	5,541,740	100,250,829	0	381,143	100,631,972
18	Galena	18,359,483	95,616	84,142	9.84%	7,452	18,256,415	0	52,644	18,309,059
19	Haines	3,741,278	1,081,719	0	77.30%	0	2,659,559	0	10,728	2,670,287
20	Hoonah	1,995,408	139,041	308,360	50.56%	140,316	1,716,051	0	5,722	1,721,773
21	Hydaburg	1,067,063	34,396	321,616	28.69%	83,044	949,623	0	3,060	952,683
22	Iditarod Area	4,948,456	0	476,654	100.00%	428,989	4,519,467	0	14,189	4,533,656
23	Juneau	48,421,008	13,816,916	0	57.07%	0	34,604,092	0	138,842	34,742,934
24	Kake	1,579,642	77,607	253,479	26.52%	60,500	1,441,535	0	4,529	1,446,064
25	Kashunamiut	4,912,911	0	1,753,215	100.00%	1,577,894	3,335,017	0	14,087	3,349,104
26	Kenai Peninsula	86,047,506	23,192,450	0	56.04%	0	62,855,056	0	246,731	63,101,787
27	Ketchikan Gateway	21,426,251	5,259,305	0	57.82%	0	16,166,946	0	61,437	16,228,383
28	Klawock	1,916,451	137,801	554,479	41.66%	207,896	1,570,754	0	5,495	1,576,249
29	Kodiak Island	27,175,270	4,353,652	1,577,158	41.84%	593,895	22,227,723	0	77,922	22,305,645
30	Kuspuk	7,569,214	0	1,552,475	100.00%	1,397,228	6,171,986	0	21,704	6,193,690
31	Lake & Peninsula	9,321,725	279,808	1,398,727	18.09%	227,727	8,814,190	0	26,729	8,840,919
32	Lower Kuskokwim	66,470,801	0	13,802,820	100.00%	12,422,538	54,048,263	0	190,597	54,238,860
33	Lower Yukon	36,078,215	0	8,631,293	100.00%	7,768,164	28,310,051	0	103,450	28,413,501
34	Mat-Su	144,106,904	23,355,306	0	52.18%	0	120,751,598	0	413,210	121,164,808
35	Nenana	6,488,759	95,907	1,152	73.77%	765	6,392,087	0	18,606	6,410,693
36	Nome	9,114,037	955,700	81,920	50.14%	36,967	8,121,370	0	26,133	8,147,503
37	North Slope	25,321,259	11,158,305	4,406,637	41.87%	1,660,553	12,502,401	0	72,606	12,575,007
38	Northwest Arctic	32,447,756	2,105,556	4,542,792	32.79%	1,340,623	29,001,577	0	93,040	29,094,617
39	Pelican	373,358	46,270	0	93.12%	0	327,088	97,647	1,071	425,806
40	Petersburg	6,370,295	1,147,665	0	60.54%	0	5,222,630	0	18,266	5,240,896
41	Pribilof	1,880,851	0	596,489	100.00%	536,840	1,344,011	0	5,393	1,349,404
42	Saint Mary's	2,953,661	34,565	0	48.68%	0	2,919,096	0	8,469	2,927,565
43	Sitka	13,822,330	3,604,320	24,451	64.96%	14,295	10,203,715	0	39,634	10,243,349
44	Skagway	1,462,183	662,121	0	53.32%	0	800,062	0	4,193	804,255
45	Southeast Island	4,357,199	0	15,145	100.00%	13,631	4,343,568	0	12,494	4,356,062
46	Southwest Region	11,679,721	0	3,060,391	100.00%	2,754,352	8,925,369	0	33,490	8,958,859
47	Tanana	1,068,682	27,918	24,342	100.00%	21,908	1,018,856	0	3,064	1,021,920
48	Unalaska	5,206,642	1,674,958	13,160	58.70%	6,952	3,524,732	0	14,929	3,539,661
49	Valdez	7,274,311	3,254,652	8,881	51.05%	4,080	4,015,579	0	20,858	4,036,437
50	Wrangell	3,782,347	624,990	2,081	77.46%	1,451	3,155,906	0	10,845	3,166,751
51	Yakutat	1,606,984	231,990	200,311	45.71%	82,406	1,292,588	0	4,608	1,297,196
52	Yukon Flats	7,170,802	0	705,762	100.00%	635,186	6,535,616	0	20,561	6,556,177
53	Yukon/Kovukuk	11,476,609	0	1,196,353	100.00%	1,076,718	10,399,891	0	32,908	10,432,799
54	Yupit	8,476,690	0	2,417,205	100.00%	2,175,485	6,301,205	0	24,306	6,325,511
55	Mt. Edgecumbe	3,753,778	0	881,853	100.00%	793,668	2,960,110	0	10,764	2,970,874
56									Military/Other	26,027,300
57	TOTALS:	1,284,905,816	229,470,421	85,945,889		59,427,254	996,008,141	276,731	3,684,319	1,025,996,491

HB273 & Formula Changes

In addition to the hold harmless provision that was implemented, HB273, enacted in 2008, changed three other components of the formula over a period of five years.

Fiscal Year	District Cost Factor	Intensive Multiplier	Base Student Allocation
FY2009	50% of ISER	x 9	\$5,480
FY2010	62.5% of ISER	x 11	\$5,580
FY2011	75% of ISER	x 13	\$5,680
FY2012	87.5% of ISER		
FY2013	100% ISER		

Area Cost Differential Table FY09 FY10 FY11 FY12 FY13

District	Education Task Force District Cost Factors				
	50% ISER	62.50% ISER	75.0% ISER	87.50% ISER	100% ISER
Alaska Gateway	1.443	1.481	1.519	1.557	1.594
Aleutian Region	1.838	1.864	1.890	1.916	1.939
Aleutians East Borough	1.707	1.778	1.849	1.920	1.991
Anchorage	1.000	1.000	1.000	1.000	1.000
Annette Island	1.175	1.216	1.257	1.298	1.338
Bering Strait	1.762	1.821	1.880	1.939	1.998
Bristol Bay Borough	1.370	1.397	1.424	1.451	1.478
Chatham	1.348	1.405	1.462	1.519	1.576
Chugach	1.395	1.420	1.445	1.470	1.496
Copper River	1.246	1.264	1.282	1.300	1.316
Cordova	1.165	1.182	1.199	1.216	1.234
Craig	1.108	1.133	1.158	1.183	1.206
Delta/Greely	1.174	1.191	1.208	1.225	1.241
Denali Borough	1.323	1.326	1.329	1.332	1.332
Dillingham	1.300	1.312	1.324	1.336	1.346
Fairbanks North Star Borough	1.055	1.059	1.063	1.067	1.070
Galena	1.370	1.376	1.382	1.388	1.391
Haines Borough	1.104	1.128	1.152	1.176	1.200
Hoonah	1.227	1.270	1.313	1.356	1.399
Hydaburg	1.295	1.348	1.401	1.454	1.504
Iditarod Area	1.658	1.705	1.752	1.799	1.846
Juneau Borough	1.075	1.093	1.111	1.129	1.145
Kake	1.242	1.296	1.350	1.404	1.459
Kashunamiut	1.504	1.533	1.562	1.591	1.619
Kenai Peninsula Borough	1.088	1.109	1.130	1.151	1.171
Ketchikan Gateway Borough	1.085	1.106	1.127	1.148	1.170
Klawock	1.160	1.196	1.232	1.268	1.302
Kodiak Island Borough	1.191	1.216	1.241	1.266	1.289
Kuspuk	1.584	1.622	1.660	1.698	1.734
Lake & Peninsula Borough	1.776	1.831	1.886	1.941	1.994
Lower Kuskokwim	1.577	1.599	1.621	1.643	1.663
Lower Yukon	1.650	1.703	1.756	1.809	1.861
Mat-Su Borough	1.040	1.048	1.056	1.064	1.070
Nenana	1.304	1.313	1.322	1.331	1.338
Nome	1.385	1.402	1.419	1.436	1.450
North Slope Borough	1.648	1.684	1.720	1.756	1.791
Northwest Arctic Borough	1.686	1.720	1.754	1.788	1.823
Pelican	1.384	1.408	1.432	1.456	1.477
Petersburg	1.122	1.153	1.184	1.215	1.244
Pribilof	1.555	1.589	1.623	1.657	1.691
Saint Mary's	1.488	1.522	1.556	1.590	1.624
Sitka Borough	1.098	1.123	1.148	1.173	1.195
Skagway	1.159	1.163	1.167	1.171	1.174
Southeast Island	1.264	1.299	1.334	1.369	1.403
Southwest Region	1.554	1.587	1.620	1.653	1.685
Tanana	1.641	1.677	1.713	1.749	1.786
Unalaska	1.343	1.368	1.393	1.418	1.441
Valdez	1.133	1.143	1.153	1.163	1.170
Wrangell	1.080	1.100	1.120	1.140	1.159
Yakutat	1.229	1.275	1.321	1.367	1.412
Yukon Flats	1.892	1.948	2.004	2.060	2.116
Yukon/Koyukuk	1.669	1.711	1.753	1.795	1.835
Yupit	1.596	1.628	1.660	1.692	1.723
Mt. Edgecumbe High School	1.098	1.123	1.148	1.173	1.195

Table of Contents**Student Based Formula**

Adjusted ADM	3
ADM Reporting Requirements	3
School Size Adjustment	3
School Size Table	3
Hold Harmless Provision	4
District Cost Factors	4
Special Needs Funding	4
Intensive Services Funding	4
Correspondence Programs	5
Basic Need	5

Public School Funding Elements

State Aid	5
Required Local Contribution	5
Title VIII Impact Aid	5

Additional Funds above Basic Need

Maximum Local Contribution	6
Quality Schools	6
<i>Example: Nome School District</i>	7

FY2010 Projected Entitlement 8-9

HB 273 & Formula Changes for FY09-FY13	10
--	----

STUDENT BASED FORMULA**District Adjusted Average Daily Membership (ADM)**

- Step 1. Adjust: ADM for School Size
 Step 2. Apply: District Cost Factor
 Step 3. Apply: Special Needs Factor
 Step 4. Add: Intensive Services Count
 Step 5. Add: Correspondence Student Counts
 = **District Adjusted (ADM)**

ADM Reporting Requirements

ADM – is the average number of enrolled students during the 20-school day count period. The 20-school day count ends the fourth Friday of October. Reports are due within two weeks after the end of the 20-school day count period.

School Size Adjustment [Step 1]

For each school in the district subtract from the ADM **all** correspondence counts. Adjust the remaining ADM of each school using the school size factor table.

1. A community with an ADM under 10:
 Added to the smallest school with an ADM greater than 10.
2. A community with an ADM from 10 - 100:
 Grades K-12 ADM combined and adjusted once, adjusted as one school.
3. A community with an ADM from 101 – 425:
 ADM for grades K-6 and 7-12 are adjusted separately; adjusted as two schools.
4. A community with an ADM greater than 425:
 - Each facility administered as one school, counted as one school, ADM is adjusted as one school.
 - Alternative schools with an ADM of less than 200 combined are adjusted with the school with the greatest ADM in the district.
 - If an alternative school ADM is greater than 200 and administered as a separate facility, the ADM will be adjusted separately.
 - A Charter school with an ADM of 150 or greater will be adjusted as separate facility.

Using the proper formula from the school size factor table, calculate the adjusted ADM for each school.

School Size Table

Reference:	School Size:	Formula:
1.	10-19.99	39.60
2.	20-29.99	$39.60 + (1.62 * (ADM - 20))$
3.	30-74.99	$55.80 + (1.49 * (ADM - 30))$
4.	75-149.99	$122.85 + (1.27 * (ADM - 75))$
5.	150-249.99	$218.10 + (1.08 * (ADM - 150))$
6.	250-399.99	$326.10 + (.97 * (ADM - 250))$
7.	400-749.99	$471.60 + (.92 * (ADM - 400))$
8.	Over 750	$793.60 + (.84 * (ADM - 750))$

Correspondence student counts are not adjusted for size.

Hold Harmless [Step 1a]

House Bill 273 established a Hold Harmless [HH] provision for those districts experiencing a reduction in enrollment. To determine eligibility for this provision the district's sum total of the adjustment for school size is compared against the prior fiscal year [FY] to see if a decrease of five percent or greater has occurred. The HH provision is available to eligible districts for up to three years provided the total school size adjustment continues to stay below the base year. The district uses the fiscal year before the decrease as a base fiscal year to offset the decrease, according to the following method:

- ◆ 75% of the school size adjustment difference between the current FY and the base FY.
- ◆ 50% of the school size adjustment difference between the second FY and the base FY.
- ◆ 25% of the school size adjustment difference between the third FY and the base FY.

District Cost Factors [Step 2]

- Cost factors are specific to each school district.
- With the implementation of ISER in HB273, District cost factors will range from 1.000 to 1.948. [FY09 = 50% ISER with 12.5% added each subsequent year for next four years.]
- The department monitors the district cost factors and submits a report to the legislature on January 15 every other fiscal year, beginning in FY01.

The districts school size adjusted ADM is multiplied by the district cost factor.

Special Needs Funding [Step 3]

Vocational education, special education (except intensive special education), gifted/talented education, and bilingual/bicultural education are block funded. A district must file a plan with the department indicating the special needs services that will be provided, Section 14.17.420(2)(b), to qualify for special needs funding.

The districts' previously adjusted ADM is now multiplied by the Special Needs factor of 1.20.

Intensive Services Funding [Step 4]

A school district receives funding for intensive special education students that:

- Are receiving intensive services, and;
- Are enrolled on the last day of the 20 school day count period, and;
- Have an established Individual Education Plan (IEP).
- The districts intensive student count is multiplied by 11. [FY09 is multiplied by nine]

The district's Intensive count is added to previously adjusted ADM.

Correspondence Programs [Step 5]

Funding for correspondence programs is calculated by multiplying the correspondence ADM by 80%.

The district's correspondence count is now added to the previously adjusted ADM to arrive at the Final Adjusted ADM.

Basic Need

Multiply the district Final Adjusted ADM by the Base Student Allocation [BSA] to determine Basic Need. The BSA is \$5,580 for FY10. [FY09 BSA is \$5,480]

PUBLIC SCHOOL FUNDING ELEMENTS

The components of Public School Funding are *State Aid*, *Required Local Contribution*, and *Title VIII Impact Aid*.

State Aid Entitlement

Basic Need minus a required local contribution minus 90% eligible Federal Impact Aid plus the amount of funding 'Floor' plus Quality School Grants equal State Aid Entitlement.

Required Local Contribution

The equivalent of a 4-mill tax levy on the Full and True Value of the taxable real and personal property in the district not to exceed 45% of the district's Basic Need for the preceding fiscal year. *However*, beginning in FY02, only 50% of the *increase* in real and personal property over the 1999 Full and True Value is used for the 4 mill equivalent calculation. If the latest Full and True Value doesn't exceed the 1999 Full and True Value, then the latest value is utilized.

Title VIII Impact Aid

Federal Impact Aid provides funds to school districts for children of parents living and/or working on federal property "in-lieu of local tax revenues." 90% of the eligible funds are used in the calculation of state aid.

ADDITIONAL FUNDS ABOVE BASIC NEED

Maximum Local Contribution

If the City or Borough would like to contribute more than Required then the Maximum Local Contribution applies. To calculate this use the Required Local Contribution plus 23% of Basic Need **or** a 2-mill equivalent of the Full and True Value of the taxable and real property within the district, whichever is *greater*. The additional amount is added to the Required Local Effort to reach the Maximum Local Contribution.

For Example:

Nome's: *23% of Basic Need = \$2,096,229* OR
.002 of Full & True Value = \$571,848

RESULT:

Required Local Effort:	\$ 955,700
<u>Additional Local Contribution:</u>	<u>+\$2,096,229</u> [<i>23% of Basic Need</i>]
<i>Maximum Local Contribution:</i>	\$3,051,929

Quality School Grants

The districts adjusted ADM multiplied by \$16 generates the amount the school district is eligible to receive.

Example: Nome School District

Column

I. Basic Need Calculation

Projected ADM 676.50 L

Determining School Size Adjustment

[Utilizing Table from page 4] ADM

Nome Elementary School 355

Anvil City Science Academy + 44 [Anvil (Alt.) School is adjusted with Greatest ADM see pg. 3]

399

Nome/Beltz Jr. & Senior High = **255**

Nome Youth Facility = **14**

$326.10 + (.97 \times (399 - 250)) = 470.63$
$326.10 + (.97 \times (255 - 250)) = 330.95$
14 = 39.60

FY10 School Size adjusted ADM **841.18**

Less FY09 School Size adjusted ADM 965.08

loss in School Size adjustment over PY (123.90)

Hold Harmless Provision:

Determine 5% eligibility

Divide difference by the base FY09 $123.90 / 965.08 = 12.84\%$ [eligible]

75% of difference added back to FY10 School Size

841.18

$123.90 \times 75\% = 92.93$

+ 92.93

New Adjusted ADM-School Size

934.11

O

Apply District Cost Factor

x 1.402

1,309.62

Q

Apply Special Needs Factor

x 1.20

1,571.54

R

Add Intensive Service Counts

(5 x 11) = 55.00

+ 55.00

T

Add Correspondence Counts

(8.5 * .80) = 6.80

1,626.54

U

+ 6.80

V

District Adjusted ADM

1,633.34

W

Multiply by \$5,580 base allocation

x \$5,580.00

Basic Need:

\$ 9,114,037

B

II. Nome's State Aid

Basic Need

\$9,114,037

B

Required Local Contribution

(955,700)

C

Impact Aid

+ (36,967)

F

State Aid

\$8,121,370

G

III. Quality Schools Grant

District adjusted ADM x \$16

1,633.34

x \$16.00

\$26,133

I

IV. Components of State Aid

State Aid

\$8,121,370

G

Quality Schools Grant

+ 26,133

I

Total State Aid Entitlement

\$8,147,503

J

Alaska Department of Education & Early Development

January 2009 Updated
 FY2010 Projections
 Department of Education & Early Development
 Foundation

1	School District	L+M				OxP		Ox1.20		Sx5		R+T		Mx.80		U+V
		K	L	M	N	O	P	Q	R	S	T	U	V	W		
		PROJECTED FY10 ADM	PROJECTED FY10 Corresp. ADM	PROJECTED FY10 Total ADM	Adj for School Size ADM; HH included where elig.	District Cost Factor	Adjusted for Cost Factor	Special Needs Factor 1.20	Special Ed Intsv.	Adjust for SPED Intsv. *11.00	Students + Intensive Special Education	District Corresp. 80%	District Adjusted ADM			
2	Alaska Gateway	343.00	58.00	401.00	599.58	1.481	887.98	1065.58	5	55	1120.58	46.40	1166.98			
3	Aleutian Region	37.00	0.00	37.00	118.80	1.864	221.44	265.73	0	0	265.73	0.00	265.73			
4	Aleutians East	256.00	0.00	256.00	515.70	1.778	916.91	1100.29	1	11	1111.29	0.00	1111.29			
5	Anchorage	47464.25	896.00	48360.25	52164.21	1.000	52164.21	62597.05	809	8899	71496.05	716.80	72212.85			
6	Annette Island	268.00	0.00	268.00	395.56	1.216	481.00	577.20	1	11	588.20	0.00	588.20			
7	Bering Strait	1653.00	0.00	1653.00	2672.56	1.821	4866.73	5840.08	19	209	6049.08	0.00	6049.08			
8	Bristol Bay	140.00	2.00	142.00	261.98	1.397	365.99	439.19	2	22	461.19	1.60	462.79			
9	Chatham	154.00	3.00	157.00	289.53	1.405	406.79	488.15	3	33	521.15	2.40	523.55			
10	Chugach	70.00	170.00	240.00	144.85	1.420	205.69	246.83	0	0	246.83	136.00	382.83			
11	Copper River	454.25	50.25	504.50	788.28	1.264	996.39	1195.67	4	44	1239.67	40.20	1279.87			
12	Cordova	365.00	0.00	365.00	529.08	1.182	625.37	750.44	8	88	838.44	0.00	838.44			
13	Craig	332.00	394.67	726.67	469.62	1.133	532.08	638.50	7	77	715.50	315.74	1031.24			
14	Delta/Greely	785.00	300.00	1085.00	1080.75	1.191	1287.17	1544.60	11	121	1665.60	240.00	1905.60			
15	Denali	234.00	175.00	409.00	409.32	1.326	542.76	651.31	1	11	662.31	140.00	802.31			
16	Dillingham	508.00	6.00	514.00	659.74	1.312	865.58	1038.70	7	77	1115.70	4.80	1120.50			
17	Fairbanks	14075.00	293.00	14368.00	15938.04	1.059	16878.38	20254.06	303	3333	23587.06	234.40	23821.46			
18	Galena	234.00	3400.00	3634.00	345.34	1.376	475.19	570.23	0	0	570.23	2720.00	3290.23			
19	Haines	261.00	15.00	276.00	437.70	1.128	493.73	592.48	6	66	658.48	12.00	670.48			
20	Hoonah	115.00	0.00	115.00	205.77	1.270	261.33	313.60	4	44	357.60	0.00	357.60			
21	Hydaburg	60.00	0.00	60.00	118.22	1.348	159.36	191.23	0	0	191.23	0.00	191.23			
22	Iditarod Area	193.00	100.00	293.00	394.34	1.705	672.35	806.82	0	0	806.82	80.00	886.82			
23	Juneau	4840.00	81.00	4921.00	5476.37	1.093	5985.67	7182.80	130	1430	8612.80	64.80	8677.60			
24	Kake	95.00	0.00	95.00	160.81	1.296	208.41	250.09	3	33	283.09	0.00	283.09			
25	Kashunamiut	318.00	0.00	318.00	454.69	1.533	697.04	836.45	4	44	880.45	0.00	880.45			
26	Kenai Peninsula	8112.00	935.00	9047.00	10389.02	1.109	11521.42	13825.70	77	847	14672.70	748.00	15420.70			
27	Ketchikan Gateway	2060.00	35.00	2095.00	2706.32	1.106	2993.19	3591.83	20	220	3811.83	28.00	3839.83			
28	Klawock	119.10	0.00	119.10	216.31	1.196	258.71	310.45	3	33	343.45	0.00	343.45			
29	Kodiak Island	2535.00	80.00	2615.00	3120.29	1.216	3794.27	4553.12	23	253	4806.12	64.00	4870.12			
30	Kuspuk	326.00	0.00	326.00	679.97	1.622	1102.91	1323.49	3	33	1356.49	0.00	1356.49			
31	Lake & Peninsula	364.00	0.00	364.00	750.30	1.831	1373.80	1648.56	2	22	1670.56	0.00	1670.56			
32	Lower Kuskokwim	3948.00	0.00	3948.00	5852.79	1.599	9358.61	11230.33	62	682	11912.33	0.00	11912.33			
33	Lower Yukon	2038.80	0.00	2038.80	3093.87	1.703	5268.86	6322.63	13	143	6465.63	0.00	6465.63			
34	Mat-Su	15079.00	1485.00	16564.00	17229.33	1.048	18056.34	21667.61	270	2970	24637.61	1188.00	25825.61			
35	Nenana	187.00	800.00	987.00	317.88	1.313	417.38	500.86	2	22	522.86	640.00	1162.86			
36	Nome	668.00	8.50	676.50	934.11	1.402	1309.62	1571.54	5	55	1626.54	6.80	1633.34			
37	North Slope	1571.00	0.00	1571.00	2191.14	1.684	3689.88	4427.86	10	110	4537.86	0.00	4537.86			
38	Northwest Arctic	1854.00	0.00	1854.00	2705.43	1.720	4653.34	5584.01	21	231	5815.01	0.00	5815.01			
39	Pelican	16.00	0.00	16.00	39.60	1.408	55.76	66.91	0	0	66.91	0.00	66.91			
40	Petersburg	510.00	0.00	510.00	745.61	1.153	859.69	1031.63	10	110	1141.63	0.00	1141.63			
41	Pribilof	106.00	0.00	106.00	176.77	1.589	280.89	337.07	0	0	337.07	0.00	337.07			
42	Saint Mary's	180.00	0.00	180.00	283.80	1.522	431.94	518.33	1	11	529.33	0.00	529.33			
43	Sitka	1268.00	35.00	1303.00	1556.19	1.123	1747.60	2097.12	32	352	2449.12	28.00	2477.12			
44	Skagway	95.00	0.00	95.00	164.12	1.163	190.87	229.04	3	33	262.04	0.00	262.04			
45	Southeast Island	167.00	1.00	168.00	479.25	1.299	622.55	747.06	3	33	780.06	0.80	780.86			
46	Southwest Region	633.50	0.00	633.50	1064.45	1.587	1689.28	2027.14	6	66	2093.14	0.00	2093.14			
47	Tanana	40.00	0.00	40.00	89.70	1.677	150.43	180.52	1	11	191.52	0.00	191.52			
48	Unalaska	410.00	0.00	410.00	555.00	1.368	759.24	911.09	2	22	933.09	0.00	933.09			
49	Valdez	682.00	0.00	682.00	886.29	1.143	1013.03	1215.64	8	88	1303.64	0.00	1303.64			
50	Wrangell	305.00	4.00	309.00	469.43	1.100	516.37	619.64	5	55	674.64	3.20	677.84			
51	Yakutat	101.00	0.00	101.00	188.23	1.275	239.99	287.99	0	0	287.99	0.00	287.99			
52	Yukon Flats	270.80	0.00	270.80	535.63	1.948	1043.41	1252.09	3	33	1285.09	0.00	1285.09			
53	Yukon/Koyukuk	274.00	975.00	1249.00	578.97	1.711	990.62	1188.74	8	88	1276.74	780.00	2056.74			
54	Yup'it	450.00	0.00	450.00	766.34	1.628	1247.60	1497.12	2	22	1519.12	0.00	1519.12			
55	Mt. Edgecumbe	430.00	0.00	430.00	499.20	1.123	560.60	672.72	0	0	672.72	0.00	672.72			
56	TOTALS:	118,054.70	10,302.42	128,357.12	143,896.18	0.000	167,395.75	200,874.92	1,923	21,153	222,027.92	8,241.94	230,269.86			

Alaska Department of Education & Early Development

January 2009 Updated
 FY2010 Projections
 Department of Education & Early Development
 Foundation

	A	B	C	D	E	F	G	H	I	J
1	School District	\$5,580 Basic Need	Required Local Effort	Eligible Federal Impact AID	Impact AID Percent	Deductible Impact AID 90.0%	State AID	FY2010 PROJECTED Adjusted Floor	Quality Schools	FY10 PROJECTED Total State Entitlement
2	Alaska Gateway	6,511,748	0	312,928	100.00%	281,635	6,230,113	0	18,672	6,248,785
3	Aleutian Region	1,482,773	0	94,083	100.00%	84,675	1,398,098	0	4,252	1,402,350
4	Aleutians East	6,200,998	450,128	718,486	35.72%	230,979	5,519,891	0	17,781	5,537,672
5	Anchorage	402,947,703	101,145,807	12,567,783	54.69%	6,185,988	295,615,908	0	1,155,406	296,771,314
6	Annette Island	3,282,156	0	1,488,698	100.00%	1,339,828	1,942,328	0	9,411	1,951,739
7	Bering Strait	33,753,866	0	8,818,685	100.00%	7,936,817	25,817,049	0	96,785	25,913,834
8	Bristol Bay	2,582,368	806,424	174,176	75.05%	117,647	1,658,297	0	7,405	1,665,702
9	Chatham	2,921,409	0	336,084	100.00%	302,476	2,618,933	0	8,377	2,627,310
10	Chugach	2,136,191	0	129,604	100.00%	116,644	2,019,547	179,084	6,125	2,204,756
11	Copper River	7,141,675	0	167,392	100.00%	150,653	6,991,022	0	20,478	7,011,500
12	Cordova	4,678,495	755,869	35,117	45.40%	14,349	3,908,277	0	13,415	3,921,692
13	Craig	5,754,319	397,755	577,296	48.64%	252,717	5,103,847	0	16,500	5,120,347
14	Delta/Greely	10,633,248	0	301,560	100.00%	271,404	10,361,844	0	30,490	10,392,334
15	Denali	4,476,890	702,934	11,428	40.20%	4,135	3,769,821	0	12,837	3,782,658
16	Dillingham	6,252,390	631,792	1,156,677	50.34%	524,044	5,096,554	0	17,928	5,114,482
17	Fairbanks	132,923,747	27,131,178	10,162,549	60.59%	5,541,740	100,250,829	0	381,143	100,631,972
18	Galena	18,359,483	95,616	84,142	9.84%	7,452	18,256,415	0	52,644	18,309,059
19	Haines	3,741,278	1,081,719	0	77.30%	0	2,659,559	0	10,728	2,670,287
20	Hoonah	1,995,408	139,041	308,360	50.56%	140,316	1,716,051	0	5,722	1,721,773
21	Hydaburg	1,067,063	34,396	321,616	28.69%	83,044	949,623	0	3,060	952,683
22	Iditarod Area	4,948,456	0	476,654	100.00%	428,989	4,519,467	0	14,189	4,533,656
23	Juneau	48,421,008	13,816,916	0	57.07%	0	34,604,092	0	138,842	34,742,934
24	Kake	1,579,642	77,607	253,479	26.52%	60,500	1,441,535	0	4,529	1,446,064
25	Kashunamiut	4,912,911	0	1,753,215	100.00%	1,577,894	3,335,017	0	14,087	3,349,104
26	Kenai Peninsula	86,047,506	23,192,450	0	56.04%	0	62,855,056	0	246,731	63,101,787
27	Ketchikan Gateway	21,426,251	5,259,305	0	57.82%	0	16,166,946	0	61,437	16,228,383
28	Klawock	1,916,451	137,801	554,479	41.66%	207,896	1,570,754	0	5,495	1,576,249
29	Kodiak Island	27,175,270	4,353,652	1,577,158	41.84%	593,895	22,227,723	0	77,922	22,305,645
30	Kuspuk	7,569,214	0	1,552,475	100.00%	1,397,228	6,171,986	0	21,704	6,193,690
31	Lake & Peninsula	9,321,725	279,808	1,398,727	18.09%	227,727	8,814,190	0	26,729	8,840,919
32	Lower Kuskokwim	66,470,801	0	13,802,820	100.00%	12,422,538	54,048,263	0	190,597	54,238,860
33	Lower Yukon	36,078,215	0	8,631,293	100.00%	7,768,164	28,310,051	0	103,450	28,413,501
34	Mat-Su	144,106,904	23,355,306	0	52.18%	0	120,751,598	0	413,210	121,164,808
35	Nenana	6,488,759	95,907	1,152	73.77%	765	6,392,087	0	18,606	6,410,693
36	Nome	9,114,037	955,700	81,920	50.14%	36,967	8,121,370	0	26,133	8,147,503
37	North Slope	25,321,259	11,158,305	4,406,637	41.87%	1,660,553	12,502,401	0	72,606	12,575,007
38	Northwest Arctic	32,447,756	2,105,556	4,542,792	32.79%	1,340,623	29,001,577	0	93,040	29,094,617
39	Pelican	373,358	46,270	0	93.12%	0	327,088	97,647	1,071	425,806
40	Petersburg	6,370,295	1,147,665	0	60.54%	0	5,222,630	0	18,266	5,240,896
41	Pribilof	1,880,851	0	596,489	100.00%	536,840	1,344,011	0	5,393	1,349,404
42	Saint Mary's	2,953,661	34,565	0	48.68%	0	2,919,096	0	8,469	2,927,565
43	Sitka	13,822,330	3,604,320	24,451	64.96%	14,295	10,203,715	0	39,634	10,243,349
44	Skagway	1,462,183	662,121	0	53.32%	0	800,062	0	4,193	804,255
45	Southeast Island	4,357,199	0	15,145	100.00%	13,631	4,343,568	0	12,494	4,356,062
46	Southwest Region	11,679,721	0	3,060,391	100.00%	2,754,352	8,925,369	0	33,490	8,958,859
47	Tanana	1,068,682	27,918	24,342	100.00%	21,908	1,018,856	0	3,064	1,021,920
48	Unalaska	5,206,642	1,674,958	13,160	58.70%	6,952	3,524,732	0	14,929	3,539,661
49	Valdez	7,274,311	3,254,652	8,881	51.05%	4,080	4,015,579	0	20,858	4,036,437
50	Wrangell	3,782,347	624,990	2,081	77.46%	1,451	3,155,906	0	10,845	3,166,751
51	Yakutat	1,606,984	231,990	200,311	45.71%	82,406	1,292,588	0	4,608	1,297,196
52	Yukon Flats	7,170,802	0	705,762	100.00%	635,186	6,535,616	0	20,561	6,556,177
53	Yukon/Kovukuk	11,476,609	0	1,196,353	100.00%	1,076,718	10,399,891	0	32,908	10,432,799
54	Yupit	8,476,690	0	2,417,205	100.00%	2,175,485	6,301,205	0	24,306	6,325,511
55	Mt. Edgecumbe	3,753,778	0	881,853	100.00%	793,668	2,960,110	0	10,764	2,970,874
56									Military/Other	26,027,300
57	TOTALS:	1,284,905,816	229,470,421	85,945,889		59,427,254	996,008,141	276,731	3,684,319	1,025,996,491

HB273 & Formula Changes

In addition to the hold harmless provision that was implemented, HB273, enacted in 2008, changed three other components of the formula over a period of five years.

Fiscal Year	District Cost Factor	Intensive Multiplier	Base Student Allocation
FY2009	50% of ISER	x 9	\$5,480
FY2010	62.5% of ISER	x 11	\$5,580
FY2011	75% of ISER	x 13	\$5,680
FY2012	87.5% of ISER		
FY2013	100% ISER		

Area Cost Differential Table FY09 FY10 FY11 FY12 FY13

District	Education Task Force District Cost Factors				
	50% ISER	62.50% ISER	75.0% ISER	87.50% ISER	100% ISER
Alaska Gateway	1.443	1.481	1.519	1.557	1.594
Aleutian Region	1.838	1.864	1.890	1.916	1.939
Aleutians East Borough	1.707	1.778	1.849	1.920	1.991
Anchorage	1.000	1.000	1.000	1.000	1.000
Annette Island	1.175	1.216	1.257	1.298	1.338
Bering Strait	1.762	1.821	1.880	1.939	1.998
Bristol Bay Borough	1.370	1.397	1.424	1.451	1.478
Chatham	1.348	1.405	1.462	1.519	1.576
Chugach	1.395	1.420	1.445	1.470	1.496
Copper River	1.246	1.264	1.282	1.300	1.316
Cordova	1.165	1.182	1.199	1.216	1.234
Craig	1.108	1.133	1.158	1.183	1.206
Delta/Greely	1.174	1.191	1.208	1.225	1.241
Denali Borough	1.323	1.326	1.329	1.332	1.332
Dillingham	1.300	1.312	1.324	1.336	1.346
Fairbanks North Star Borough	1.055	1.059	1.063	1.067	1.070
Galena	1.370	1.376	1.382	1.388	1.391
Haines Borough	1.104	1.128	1.152	1.176	1.200
Hoonah	1.227	1.270	1.313	1.356	1.399
Hydaburg	1.295	1.348	1.401	1.454	1.504
Iditarod Area	1.658	1.705	1.752	1.799	1.846
Juneau Borough	1.075	1.093	1.111	1.129	1.145
Kake	1.242	1.296	1.350	1.404	1.459
Kashunamiut	1.504	1.533	1.562	1.591	1.619
Kenai Peninsula Borough	1.088	1.109	1.130	1.151	1.171
Ketchikan Gateway Borough	1.085	1.106	1.127	1.148	1.170
Klawock	1.160	1.196	1.232	1.268	1.302
Kodiak Island Borough	1.191	1.216	1.241	1.266	1.289
Kuspuk	1.584	1.622	1.660	1.698	1.734
Lake & Peninsula Borough	1.776	1.831	1.886	1.941	1.994
Lower Kuskokwim	1.577	1.599	1.621	1.643	1.663
Lower Yukon	1.650	1.703	1.756	1.809	1.861
Mat-Su Borough	1.040	1.048	1.056	1.064	1.070
Nenana	1.304	1.313	1.322	1.331	1.338
Nome	1.385	1.402	1.419	1.436	1.450
North Slope Borough	1.648	1.684	1.720	1.756	1.791
Northwest Arctic Borough	1.686	1.720	1.754	1.788	1.823
Pelican	1.384	1.408	1.432	1.456	1.477
Petersburg	1.122	1.153	1.184	1.215	1.244
Pribilof	1.555	1.589	1.623	1.657	1.691
Saint Mary's	1.488	1.522	1.556	1.590	1.624
Sitka Borough	1.098	1.123	1.148	1.173	1.195
Skagway	1.159	1.163	1.167	1.171	1.174
Southeast Island	1.264	1.299	1.334	1.369	1.403
Southwest Region	1.554	1.587	1.620	1.653	1.685
Tanana	1.641	1.677	1.713	1.749	1.786
Unalaska	1.343	1.368	1.393	1.418	1.441
Valdez	1.133	1.143	1.153	1.163	1.170
Wrangell	1.080	1.100	1.120	1.140	1.159
Yakutat	1.229	1.275	1.321	1.367	1.412
Yukon Flats	1.892	1.948	2.004	2.060	2.116
Yukon/Koyukuk	1.669	1.711	1.753	1.795	1.835
Yupit	1.596	1.628	1.660	1.692	1.723
Mt. Edgecumbe High School	1.098	1.123	1.148	1.173	1.195

PROJECTED FISCAL YEAR 2010 FUNDING FOR SCHOOL DISTRICTS IN ALASKA

DISTRICT	FY10 PROJECTED ADM (INCLUDING CORRESPONDENCE)	BASIC NEED	BASIC NEED PER ADM	REQUIRED LOCAL CONTRIBUTION	REQUIRED LOCAL CONTRIBUTION PER ADM	90% OF DEDUCTIBLE FEDERAL IMPACT AID	90% OF DEDUCTIBLE FEDERAL IMPACT AID PER ADM	STATE AID FOR EDUCATION	STATE AID FOR EDUCATION PER ADM
Alaska Gateway REAA	401	\$6,511,748	\$16,239	\$0	\$0	\$281,635	\$702	\$6,230,113	\$15,536
Aleutian Region REAA	37	\$1,482,773	\$40,075	\$0	\$0	\$84,675	\$2,289	\$1,398,098	\$37,786
Annette Island REAA	268	\$3,282,156	\$12,247	\$0	\$0	\$1,339,828	\$4,999	\$1,942,328	\$7,247
Bering Strait REAA	1,653	\$33,753,866	\$20,420	\$0	\$0	\$7,936,817	\$4,801	\$25,817,049	\$15,618
Chatham REAA	157	\$2,921,409	\$18,608	\$0	\$0	\$302,476	\$1,927	\$2,618,933	\$16,681
Chugach REAA	240	\$2,136,191	\$8,901	\$0	\$0	\$116,644	\$486	\$2,019,547	\$8,415
Copper River REAA	505	\$7,141,675	\$14,156	\$0	\$0	\$150,653	\$299	\$6,991,022	\$13,857
Delta/Greely REAA	1,085	\$10,633,248	\$9,800	\$0	\$0	\$271,404	\$250	\$10,361,844	\$9,550
Iditarod Area REAA	293	\$4,948,456	\$16,889	\$0	\$0	\$428,989	\$1,464	\$4,519,467	\$15,425
Kashunamiut REAA	318	\$4,912,911	\$15,449	\$0	\$0	\$1,577,894	\$4,962	\$3,335,017	\$10,487
Kuspuk REAA	326	\$7,569,214	\$23,218	\$0	\$0	\$1,397,228	\$4,286	\$6,171,986	\$18,932
Lower Kuskokwim REAA	3,948	\$66,470,801	\$16,837	\$0	\$0	\$12,422,538	\$3,147	\$54,048,263	\$13,690
Lower Yukon REAA	2,039	\$36,078,215	\$17,696	\$0	\$0	\$7,768,164	\$3,810	\$28,310,051	\$13,886
Pribilof Islands REAA	106	\$1,880,851	\$17,744	\$0	\$0	\$536,840	\$5,065	\$1,344,011	\$12,679
Southeast Island REAA	168	\$4,357,199	\$25,936	\$0	\$0	\$13,631	\$81	\$4,343,568	\$25,855
Southwest Region REAA	634	\$11,679,721	\$18,437	\$0	\$0	\$2,754,352	\$4,348	\$8,925,369	\$14,089
Yukon Flats REAA	271	\$7,170,802	\$26,480	\$0	\$0	\$635,186	\$2,346	\$6,535,616	\$24,134
Yukon/Koyukuk REAA	1,249	\$11,476,609	\$9,189	\$0	\$0	\$1,076,718	\$862	\$10,399,891	\$8,327
Yupiit REAA	450	\$8,476,690	\$18,837	\$0	\$0	\$2,175,485	\$4,834	\$6,301,205	\$14,003
City of Galena	3,634	\$18,359,483	\$5,052	\$95,616	\$26	\$7,452	\$2	\$18,256,415	\$5,024
City of Nenana	987	\$6,488,759	\$6,574	\$95,907	\$97	\$765	\$1	\$6,392,087	\$6,476
City of Saint Mary's	180	\$2,953,661	\$16,409	\$34,565	\$192	\$0	\$0	\$2,919,096	\$16,217
City of Craig	727	\$5,754,319	\$7,919	\$397,755	\$547	\$252,717	\$348	\$5,103,847	\$7,024
City of Hyدابurg	60	\$1,067,063	\$17,784	\$34,396	\$573	\$83,044	\$1,384	\$949,623	\$15,827
City of Tanana	40	\$1,068,682	\$26,717	\$27,918	\$698	\$21,908	\$548	\$1,018,856	\$25,471
Lake & Peninsula Borough	364	\$9,321,725	\$25,609	\$279,808	\$769	\$227,727	\$626	\$8,814,190	\$24,215
City of Kake	95	\$1,579,642	\$16,628	\$77,607	\$817	\$60,500	\$637	\$1,441,535	\$15,174
Northwest Arctic Borough	1,854	\$32,447,756	\$17,501	\$2,105,556	\$1,136	\$1,340,623	\$723	\$29,001,577	\$15,643
City of Klawock	119	\$1,916,451	\$16,091	\$137,801	\$1,157	\$207,896	\$1,746	\$1,570,754	\$13,189
City of Hoonah	115	\$1,995,408	\$17,351	\$139,041	\$1,209	\$140,316	\$1,220	\$1,716,051	\$14,922
City of Dillingham	514	\$6,252,390	\$12,164	\$631,792	\$1,229	\$524,044	\$1,020	\$5,096,554	\$9,915
Matanuska-Susitna Borough	16,564	\$144,106,904	\$8,700	\$23,355,306	\$1,410	\$0	\$0	\$120,751,598	\$7,290
City of Nome	677	\$9,114,037	\$13,472	\$955,700	\$1,413	\$36,967	\$55	\$8,121,370	\$12,005
Kodiak Island Borough	2,615	\$27,175,270	\$10,392	\$4,353,652	\$1,665	\$593,895	\$227	\$22,227,723	\$8,500
Denali Borough	409	\$4,476,890	\$10,946	\$702,934	\$1,719	\$4,135	\$10	\$3,769,821	\$9,217
Aleutians East Borough	256	\$6,200,998	\$24,223	\$450,128	\$1,758	\$230,979	\$902	\$5,519,891	\$21,562
Fairbanks North Star Borough	14,368	\$132,923,747	\$9,251	\$27,131,178	\$1,888	\$5,541,740	\$386	\$100,250,829	\$6,977
City of Wrangell	309	\$3,782,347	\$12,241	\$624,990	\$2,023	\$1,451	\$5	\$3,155,906	\$10,213
City of Cordova	365	\$4,678,495	\$12,818	\$755,869	\$2,071	\$14,349	\$39	\$3,908,277	\$10,708
Municipality of Anchorage	48,360	\$402,947,703	\$8,332	\$101,145,807	\$2,092	\$6,185,988	\$128	\$295,615,908	\$6,113
City of Petersburg	510	\$6,370,295	\$12,491	\$1,147,665	\$2,250	\$0	\$0	\$5,222,630	\$10,240
City and Borough of Yakutat	101	\$1,606,984	\$15,911	\$231,990	\$2,297	\$82,406	\$816	\$1,292,588	\$12,798
Ketchikan Gateway Borough	2,095	\$21,426,251	\$10,227	\$5,259,305	\$2,510	\$0	\$0	\$16,166,946	\$7,717
Kenai Peninsula Borough	9,047	\$86,047,506	\$9,511	\$23,192,450	\$2,564	\$0	\$0	\$62,855,056	\$6,948
City and Borough of Sitka	1,303	\$13,822,330	\$10,608	\$3,604,320	\$2,766	\$14,295	\$11	\$10,203,715	\$7,831
City and Borough of Juneau	4,921	\$48,421,008	\$9,840	\$13,816,916	\$2,808	\$0	\$0	\$34,604,092	\$7,032
City of Pelican	16	\$373,358	\$23,335	\$46,270	\$2,892	\$0	\$0	\$327,088	\$20,443
Haines Borough	276	\$3,741,278	\$13,555	\$1,081,719	\$3,919	\$0	\$0	\$2,659,559	\$9,636
City of Unalaska	410	\$5,206,642	\$12,699	\$1,674,958	\$4,085	\$6,952	\$17	\$3,524,732	\$8,597
City of Valdez	682	\$7,274,311	\$10,666	\$3,254,652	\$4,772	\$4,080	\$6	\$4,015,579	\$5,888
Bristol Bay Borough	142	\$2,582,368	\$18,186	\$806,424	\$5,679	\$117,647	\$829	\$1,658,297	\$11,678
Municipality of Skagway	95	\$1,462,183	\$15,391	\$662,121	\$6,970	\$0	\$0	\$800,062	\$8,422
North Slope Borough	1,571	\$25,321,259	\$16,118	\$11,158,305	\$7,103	\$1,660,553	\$1,057	\$12,502,401	\$7,958