

State of Alaska FY2004 Governor's Operating Budget

Department of Military and Veterans Affairs Educational Benefits Component Budget Summary

Component: Educational Benefits

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Component Mission

Increase recruitment and retention by offering improved educational benefits to members of the Alaska National Guard and Naval Militia.

Component Services Provided

Each eligible member is provided up to 100% of tuition and fees, if they successfully complete classes. Classes can be taken at Alaska Universities, vocational, or technical schools.

Standards for membership and promotion in today's military are highly dependent on education. These funds assist members of the Alaska National Guard and Naval Militia to obtain post-secondary degrees or training in order to promote careers in the National Guard.

The Alaska Army and Air National Guard's recruiting and retention is tied closely to an individual's education and education benefits offered prospective and on-board members. Once becoming a member, advancement and promotion within the ranks is heavily education dependent. Officers must have 90 college semester hours completed prior to commissioning and have obtained a BA/BS degree within 2 year after commissioning. Failure to complete a degree impacts the officer's promotion opportunities. Enlisted personnel who enlist with less than a 9th grade reading level are very likely not to be promoted to Sergeant/E-5 due to mandatory military schools that require 9th grade level reading skills.

States that have 100% tuition assistance are at or near full strength in the officer and enlisted ranks and experience an exceptionally high retention rate. The Alaska Army National Guard is critically short of junior officers and senior grade enlisted personnel while the Alaska Air National Guard is behind in personnel strength compared to other like units.

The Department of Military and Veterans Affairs lists as one of its major goals and strategies for the Alaska Army and Air National Guard as; improved recruitment, retention, and education levels through a partnership with the University of Alaska. Recently several MOUs have been signed between the University of Alaska and the Alaska National Guard to engage officer and enlisted members in college credit producing courses during unit training time.

Component Goals and Strategies

Improve recruitment, retention, and education levels through a partnership with the University of Alaska and full use of military education tools and distance learning capabilities.

The strategies to reach our goal of increased educational levels within the Guard are to:

- Fully utilize all military education tools and distance learning capabilities.
- Encourage Guard members to pursue their educational goals by providing information on military and civilian education opportunities available to Guard members.
- Facilitate expansion of Junior ROTC programs into rural schools to instill awareness of and a desire for education while encouraging military and community service.
- Extend use of tuition assistance to on line courses leading to higher education levels.
- Provide education services, information and counseling.

Key Component Issues for FY2003 – 2004

Continued support of educational opportunities for Guard and Naval Militia members is critical in order to meet recruitment and retention goals. The Guard has mandatory educational requirements to enter and advance. Furthermore, as the Guard missions become more technical, educational opportunities will allow Guard members to obtain the training they need to compete for jobs that are being considered for Alaska (space and missile defense, space surveillance).

In the first quarter of state fiscal year 2003 \$142,000 was used for students attending the University of Alaska. This amount made it possible for 278 student/guard members to attend and further their civilian education. Due to funding constraints there have been Guard members that enrolled and were not able to receive tuition assistance due to insufficient funds. Funds are redistributed to other applicants whenever possible. Based on the demand during the fall semester at the University of Alaska, it is anticipated that there will be a deficit of approximately \$35,000 for the spring semester and \$25,000 for the summer semester.

Requests made by guard members for tuition assistance outside the University of Alaska system in FY 2001 exceeded \$100,000, in FY 2002 another \$75,000 was requested, and another \$22,500 was requested in FY 2003. The tuition reimbursement funding continues to remain a high priority and high demand for National Guard members seeking certification, licensure and degrees from instate institutions other than the University of Alaska. It is expected that demands will continue to exceed \$28,500 annual funding for this program.

Army Guard federal matching funds have increased from \$17,000 annually to more than \$180,000 beginning with FY 2002. This potential for matching federal funds extends the impact of state funds (both programs) immeasurably. However, demands for state funding have subsequently increased along with the University tuition costs that are increasing at an annual rate of over 10%.

The AKNG also has a basic education program called the Yukon-Kuskokwim Program. This program is in cooperation with the University of Alaska, Bethel campus that provides Alaska guard men and women the opportunity to receive GEDs / High School equivalency diplomas and thus enable these guard members to pursue post secondary education. Approximately \$40,000 of the state funding is earmarked for FY 2003 on this program. This coupled with the increased cost of the university tuition and the popularity of state tuition assistance programs with National Guard members will adversely impact the amount of AKNG users of these programs.

Major Component Accomplishments in 2002

Since its inception in the fall of 2000 the National Guard has had access to the University credit waiver program and more than 900 Guard members have attended the University of Alaska statewide (130 in FY 2001, 510 in FY 2002, 278 FY 2003 first semester). Army and Air National Guard members and most recently members of the Naval Militia are actively pursuing education opportunities. With the availability of tuition waivers, more members in the rural areas are able to take advantage of this benefit. In FY 2002, five students from Bethel, one from Ninilchik, one from Nulato, one from Hooper Bay and one member from Nome enrolled in the program. In addition, 167 Guard and Naval Militia members received state tuition reimbursement funds (70 in FY 2000, 62 in FY 2001 and 35 in FY 2002). This program reimburses members for classes successfully completed at institutions in Alaska other than the University of Alaska system.

The failure rate has dropped dramatically from a 26% failure rate in the first year of funding to less than 5% as of summer 2002 semester. Procedures were implemented to require repayment in full for unsuccessful completion of classes making these funds available for other participants.

Statutory and Regulatory Authority

AS 26.05.295-298 Educational assistance for enlisted personnel

Educational Benefits
Component Financial Summary

All dollars in thousands

	FY2002 Actuals	FY2003 Authorized	FY2004 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	0.0	0.0	0.0
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	16.5	278.5	278.5
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	16.5	278.5	278.5
Funding Sources:			
1004 General Fund Receipts	16.5	278.5	278.5
Funding Totals	16.5	278.5	278.5

Educational Benefits

Proposed Changes in Levels of Service for FY2004

There are no changes in the service level for FY 2004.

Summary of Component Budget Changes

From FY2003 Authorized to FY2004 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2003 Authorized	278.5	0.0	0.0	278.5
FY2004 Governor	278.5	0.0	0.0	278.5