

# **State of Alaska FY2014 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 Boarding School.

### Major Component Accomplishments in 2012

- In FY2012, the Public School Funding Program provided approximately \$1.4 billion in "Basic Need", as determined by AS 14.17.410. Approximately \$1.1 billion was state aid distributed to 53 school districts and Mt. Edgecumbe High School.
- Alaska's 53 school districts and Mt. Edgecumbe High School provided educational services to 128,926 Alaska students enrolled in grades K-12, in FY2012.
- In addition to the foundation basic need, the operating fund provided a one-time \$20 million distribution to school districts based on the Average Daily Membership (ADM) the same calculation as used for basic need distribution.

### Key Component Challenges

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.

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 increases 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 reach them at the appropriate age levels.

### Significant Changes in Results to be Delivered in FY2014

In FY2014, an additional one-time \$25 million will be distributed as state aid to school districts based on the public school funding formula allocations. In FY2013, about \$1.4 billion will be distributed to school districts, according to "Basic Need" as determined by AS 14.17.410, less the required local contributions and deductions for eligible Impact Aid.

The Public Education Fund (AS 14.17.300) has a sufficient balance to fully fund the current FY2014 Foundation Program and Pupil Transportation projections. FY2014 Foundation Program and Pupil Transportation was "forward-funded" in Chapter 15, SLA 2012, HB 284 for a total of \$1,139,716.00. In addition, Chapter 19, SLA 2012, SB 182 provided for additional FY2014 funding for the Foundation Program (\$21,296,400 Foundation Program/local effort and \$5,911,300 for career and technical/vocation education) and Pupil Transportation (\$12,700,200).

### Statutory and Regulatory Authority

AS 14.17  
4 AAC 09

**Contact Information**

**Contact:** Elizabeth Nudelman, School Finance Director

**Phone:** (907) 465-8679

**Fax:** (907) 463-5279

**E-mail:** elizabeth.nudelman@alaska.gov

**Foundation Program  
Component Financial Summary**

*All dollars shown in thousands*

|                                  | <b>FY2012 Actuals</b> | <b>FY2013<br/>Management Plan</b> | <b>FY2014 Governor</b> |
|----------------------------------|-----------------------|-----------------------------------|------------------------|
| <b>Formula Program:</b>          |                       |                                   |                        |
| <b>Component Expenditures:</b>   |                       |                                   |                        |
| 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           | 1,124,505.2           | 1,163,762.0                       | 1,172,039.0            |
| 78000 Miscellaneous              | 0.0                   | 0.0                               | 0.0                    |
| <b>Expenditure Totals</b>        | <b>1,124,505.2</b>    | <b>1,163,762.0</b>                | <b>1,172,039.0</b>     |
| <b>Funding Sources:</b>          |                       |                                   |                        |
| 1004 General Fund Receipts       | 1,091,364.2           | 1,129,721.0                       | 1,140,748.0            |
| 1043 Impact Aid for K-12 Schools | 20,791.0              | 20,791.0                          | 20,791.0               |
| 1066 Public School Fund          | 12,350.0              | 13,250.0                          | 10,500.0               |
| <b>Funding Totals</b>            | <b>1,124,505.2</b>    | <b>1,163,762.0</b>                | <b>1,172,039.0</b>     |

**Estimated Revenue Collections**

| <b>Description</b>              | <b>Master<br/>Revenue<br/>Account</b> | <b>FY2012 Actuals</b> | <b>FY2013<br/>Management Plan</b> | <b>FY2014 Governor</b> |
|---------------------------------|---------------------------------------|-----------------------|-----------------------------------|------------------------|
| <b>Unrestricted Revenues</b>    |                                       |                       |                                   |                        |
| None.                           |                                       | 0.0                   | 0.0                               | 0.0                    |
| <b>Unrestricted Total</b>       |                                       | <b>0.0</b>            | <b>0.0</b>                        | <b>0.0</b>             |
| <b>Restricted Revenues</b>      |                                       |                       |                                   |                        |
| Public Law 81-874               | 51130                                 | 20,791.0              | 20,791.0                          | 20,791.0               |
| Public School Fund              | 51225                                 | 12,350.0              | 13,250.0                          | 10,500.0               |
| <b>Restricted Total</b>         |                                       | <b>33,141.0</b>       | <b>34,041.0</b>                   | <b>31,291.0</b>        |
| <b>Total Estimated Revenues</b> |                                       | <b>33,141.0</b>       | <b>34,041.0</b>                   | <b>31,291.0</b>        |

**Summary of Component Budget Changes  
From FY2013 Management Plan to FY2014 Governor**

*All dollars shown in thousands*

|                                                                                                                         | <u>Unrestricted<br/>Gen (UGF)</u> | <u>Designated<br/>Gen (DGF)</u> | <u>Other Funds</u> | <u>Federal<br/>Funds</u> | <u>Total Funds</u> |
|-------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------------------------|--------------------|--------------------------|--------------------|
| <b>FY2013 Management Plan</b>                                                                                           | <b>1,129,721.0</b>                | <b>13,250.0</b>                 | <b>0.0</b>         | <b>20,791.0</b>          | <b>1,163,762.0</b> |
| <b>Adjustments which get you to start of year:</b>                                                                      |                                   |                                 |                    |                          |                    |
| -FY2014 Foundation Program Public Education Fund Tracking                                                               | 1,115,748.0                       | 0.0                             | 0.0                | 0.0                      | 1,115,748.0        |
| <b>Adjustments which will continue current level of service:</b>                                                        |                                   |                                 |                    |                          |                    |
| -Reverse Ch19, SLA 2012 (SB182) FY2013 Payments for 2.65 Mill Rate on Required Local Effort (Foundation Program)        | -21,296.4                         | 0.0                             | 0.0                | 0.0                      | -21,296.4          |
| -Reverse Ch19, SLA2012 (SB182) FY2013 Vocational Education Factor of 1.015 Added to Foundation Formula                  | -5,911.3                          | 0.0                             | 0.0                | 0.0                      | -5,911.3           |
| -Reverse FY2013 Conference Committee Tracking Foundation Expenditures from PEF                                          | -1,077,513.3                      | 0.0                             | 0.0                | 0.0                      | -1,077,513.3       |
| -Reverse Sec20, Ch17, SLA 2012 (SB160) State Aid to Districts According to Adjusted ADM under AS 14.17.410(b)(1)(A)-(D) | -25,000.0                         | 0.0                             | 0.0                | 0.0                      | -25,000.0          |
| <b>Proposed budget decreases:</b>                                                                                       |                                   |                                 |                    |                          |                    |
| -Public School Trust Fund Formula Adjustment                                                                            | 0.0                               | -2,750.0                        | 0.0                | 0.0                      | -2,750.0           |
| <b>Proposed budget increases:</b>                                                                                       |                                   |                                 |                    |                          |                    |
| -Additional State Aid to School Districts for Fixed Cost Increases                                                      | 25,000.0                          | 0.0                             | 0.0                | 0.0                      | 25,000.0           |
| <b>FY2014 Governor</b>                                                                                                  | <b>1,140,748.0</b>                | <b>10,500.0</b>                 | <b>0.0</b>         | <b>20,791.0</b>          | <b>1,172,039.0</b> |

**Component Detail All Funds**  
**Department of Education and Early Development**

**Component:** Foundation Program (AR17660) (141)  
**RDU:** K-12 Support (53)

|                                   | FY2012 Actuals     | FY2013 Conference Committee | FY2013 Authorized  | FY2013 Management Plan | FY2014 Governor    | FY2013 Management Plan vs FY2014 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            | 1,124,505.2        | 1,111,554.3                 | 1,163,762.0        | 1,163,762.0            | 1,172,039.0        | 8,277.0                                   | 0.7%          |
| 78000 Miscellaneous               | 0.0                | 0.0                         | 0.0                | 0.0                    | 0.0                | 0.0                                       | 0.0%          |
| <b>Totals</b>                     | <b>1,124,505.2</b> | <b>1,111,554.3</b>          | <b>1,163,762.0</b> | <b>1,163,762.0</b>     | <b>1,172,039.0</b> | <b>8,277.0</b>                            | <b>0.7%</b>   |
| <b>Fund Sources:</b>              |                    |                             |                    |                        |                    |                                           |               |
| 1004 Gen Fund (UGF)               | 1,091,364.2        | 1,077,513.3                 | 1,129,721.0        | 1,129,721.0            | 1,140,748.0        | 11,027.0                                  | 1.0%          |
| 1043 Impact Aid (Other)           | 20,791.0           | 20,791.0                    | 20,791.0           | 20,791.0               | 20,791.0           | 0.0                                       | 0.0%          |
| 1066 Pub School (DGF)             | 12,350.0           | 13,250.0                    | 13,250.0           | 13,250.0               | 10,500.0           | -2,750.0                                  | -20.8%        |
| <b>Unrestricted General (UGF)</b> | <b>1,091,364.2</b> | <b>1,077,513.3</b>          | <b>1,129,721.0</b> | <b>1,129,721.0</b>     | <b>1,140,748.0</b> | <b>11,027.0</b>                           | <b>1.0%</b>   |
| <b>Designated General (DGF)</b>   | <b>12,350.0</b>    | <b>13,250.0</b>             | <b>13,250.0</b>    | <b>13,250.0</b>        | <b>10,500.0</b>    | <b>-2,750.0</b>                           | <b>-20.8%</b> |
| <b>Other Funds</b>                | <b>0.0</b>         | <b>0.0</b>                  | <b>0.0</b>         | <b>0.0</b>             | <b>0.0</b>         | <b>0.0</b>                                | <b>0.0%</b>   |
| <b>Federal Funds</b>              | <b>20,791.0</b>    | <b>20,791.0</b>             | <b>20,791.0</b>    | <b>20,791.0</b>        | <b>20,791.0</b>    | <b>0.0</b>                                | <b>0.0%</b>   |
| <b>Positions:</b>                 |                    |                             |                    |                        |                    |                                           |               |
| 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 Support (53)

| Scenario/Change Record Title                                                                                                                                                                                                                                                                                          | Trans Type | Totals      | Personal Services | Travel | Services | Commodities | Capital Outlay | Grants, Benefits | Miscellaneous | Positions |     | NP |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-------------|-------------------|--------|----------|-------------|----------------|------------------|---------------|-----------|-----|----|
|                                                                                                                                                                                                                                                                                                                       |            |             |                   |        |          |             |                |                  |               | PFT       | PPT |    |
| ***** Changes From FY2013 Conference Committee To FY2013 Authorized *****                                                                                                                                                                                                                                             |            |             |                   |        |          |             |                |                  |               |           |     |    |
| <b>FY2013 Conference Committee</b>                                                                                                                                                                                                                                                                                    |            |             |                   |        |          |             |                |                  |               |           |     |    |
| 1004 Gen Fund                                                                                                                                                                                                                                                                                                         | ConfCom    | 1,077,513.3 | 0.0               | 0.0    | 0.0      | 0.0         | 0.0            | 1,077,513.3      | 0.0           | 0         | 0   | 0  |
|                                                                                                                                                                                                                                                                                                                       |            | 1,077,513.3 |                   |        |          |             |                |                  |               |           |     |    |
| <b>FY2013 Conference Committee</b>                                                                                                                                                                                                                                                                                    |            |             |                   |        |          |             |                |                  |               |           |     |    |
| 1043 Impact Aid                                                                                                                                                                                                                                                                                                       | ConfCom    | 34,041.0    | 0.0               | 0.0    | 0.0      | 0.0         | 0.0            | 34,041.0         | 0.0           | 0         | 0   | 0  |
| 1066 Pub School                                                                                                                                                                                                                                                                                                       |            | 20,791.0    |                   |        |          |             |                |                  |               |           |     |    |
|                                                                                                                                                                                                                                                                                                                       |            | 13,250.0    |                   |        |          |             |                |                  |               |           |     |    |
| <b>FY2013 Vocational Education Factor of 1.015 Added to Foundation Formula Ch19 SLA2012 (SB182)</b>                                                                                                                                                                                                                   |            |             |                   |        |          |             |                |                  |               |           |     |    |
| 1004 Gen Fund                                                                                                                                                                                                                                                                                                         | Misadj     | 5,911.3     | 0.0               | 0.0    | 0.0      | 0.0         | 0.0            | 5,911.3          | 0.0           | 0         | 0   | 0  |
|                                                                                                                                                                                                                                                                                                                       |            | 5,911.3     |                   |        |          |             |                |                  |               |           |     |    |
| Ch19 SLA2012 (SB182, fiscal note #8)                                                                                                                                                                                                                                                                                  |            |             |                   |        |          |             |                |                  |               |           |     |    |
| Chapter 19 makes changes to both the Pupil Transportation and the Public School Funding (Foundation) program. Fiscal note #8 capitalizes the Public Education Fund (PEF), as set out in CSSB182, in order to provide sufficient funding to implement the changes in the Pupil Transportation and Foundation programs. |            |             |                   |        |          |             |                |                  |               |           |     |    |
| An adjustment to the Foundation Program component is necessary to track the additional \$5,911.3 expenditures from the Public Education Fund that are due to the new FY2013 Career and Technical/Vocational Education factor of 1.015 in the Public School Funding formula.                                           |            |             |                   |        |          |             |                |                  |               |           |     |    |
| <b>FY2013 Payments for 2.65 Mill Rate on Required Local Effort (Foundation Program) Ch19 SLA 2012 (SB182)</b>                                                                                                                                                                                                         |            |             |                   |        |          |             |                |                  |               |           |     |    |
| 1004 Gen Fund                                                                                                                                                                                                                                                                                                         | Misadj     | 21,296.4    | 0.0               | 0.0    | 0.0      | 0.0         | 0.0            | 21,296.4         | 0.0           | 0         | 0   | 0  |
|                                                                                                                                                                                                                                                                                                                       |            | 21,296.4    |                   |        |          |             |                |                  |               |           |     |    |
| Ch19 SLA2012 (SB182, fiscal note #8)                                                                                                                                                                                                                                                                                  |            |             |                   |        |          |             |                |                  |               |           |     |    |
| Chapter 19 makes changes to both the Pupil Transportation and the Public School Funding (Foundation) program. Fiscal note #8 capitalizes the Public Education Fund (PEF), as set out in CSSB182, in order to provide sufficient funding to implement the changes in the Pupil Transportation and Foundation programs. |            |             |                   |        |          |             |                |                  |               |           |     |    |
| An adjustment to the Foundation Program component is necessary to track the additional \$21,296.4 from the Public Education Fund for increased state aid in FY2013, based on a 2.65 mill rate on required local effort.                                                                                               |            |             |                   |        |          |             |                |                  |               |           |     |    |
| <b>State Aid to Districts According to Adjusted ADM under AS 14.17.410(b)(1)(A)-(D)Sec20 Ch17 SLA 2012 (SB160)</b>                                                                                                                                                                                                    |            |             |                   |        |          |             |                |                  |               |           |     |    |
| 1004 Gen Fund                                                                                                                                                                                                                                                                                                         | Special    | 25,000.0    | 0.0               | 0.0    | 0.0      | 0.0         | 0.0            | 25,000.0         | 0.0           | 0         | 0   | 0  |
|                                                                                                                                                                                                                                                                                                                       |            | 25,000.0    |                   |        |          |             |                |                  |               |           |     |    |
| Ch17 SLA2012 (SB 160) (Sec21, P177, L17-21)                                                                                                                                                                                                                                                                           |            |             |                   |        |          |             |                |                  |               |           |     |    |
| The sum of \$25,000.0 is appropriated from the general fund to the Department of Education and Early Development to be distributed as state aid to districts according to the average daily membership (ADM) for each district adjusted under AS14.17.410(b)(1)(A)-(D) for the fiscal year ending June 30, 2013.      |            |             |                   |        |          |             |                |                  |               |           |     |    |

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

**Component:** Foundation Program (141)  
**RDU:** K-12 Support (53)

| Scenario/Change Record Title                                                                                                                                                                                                                                                                                          | Trans Type | Totals             | Personal Services | Travel     | Services   | Commodities | Capital Outlay | Grants, Benefits   | Miscellaneous | Positions |          | NP       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--------------------|-------------------|------------|------------|-------------|----------------|--------------------|---------------|-----------|----------|----------|
|                                                                                                                                                                                                                                                                                                                       |            |                    |                   |            |            |             |                |                    |               | PFT       | PPT      |          |
| <b>Subtotal</b>                                                                                                                                                                                                                                                                                                       |            | <b>1,163,762.0</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>  | <b>0.0</b>     | <b>1,163,762.0</b> | <b>0.0</b>    | <b>0</b>  | <b>0</b> | <b>0</b> |
| ***** Changes From FY2013 Authorized To FY2013 Management Plan *****                                                                                                                                                                                                                                                  |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| <b>Subtotal</b>                                                                                                                                                                                                                                                                                                       |            | <b>1,163,762.0</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>  | <b>0.0</b>     | <b>1,163,762.0</b> | <b>0.0</b>    | <b>0</b>  | <b>0</b> | <b>0</b> |
| ***** Changes From FY2013 Management Plan To FY2014 Governor *****                                                                                                                                                                                                                                                    |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| <b>Reverse Ch19, SLA 2012 (SB182) FY2013 Payments for 2.65 Mill Rate on Required Local Effort (Foundation Program)</b>                                                                                                                                                                                                |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| OTI                                                                                                                                                                                                                                                                                                                   |            | -21,296.4          | 0.0               | 0.0        | 0.0        | 0.0         | 0.0            | -21,296.4          | 0.0           | 0         | 0        | 0        |
| 1004 Gen Fund                                                                                                                                                                                                                                                                                                         |            | -21,296.4          |                   |            |            |             |                |                    |               |           |          |          |
| Ch19 SLA2012 (SB182, fiscal note #8)                                                                                                                                                                                                                                                                                  |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| Chapter 19 makes changes to both the Pupil Transportation and the Public School Funding (Foundation) program. Fiscal note #8 capitalizes the Public Education Fund (PEF), as set out in CSSB182, in order to provide sufficient funding to implement the changes in the Pupil Transportation and Foundation programs. |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| A miscellaneous adjustment to the Foundation Program component is necessary to track the additional \$21,296.4 from the Public Education Fund for increased state aid in FY2013, based on a 2.65 mill rate on required local effort.                                                                                  |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| <b>Reverse Ch19, SLA2012 (SB182) FY2013 Vocational Education Factor of 1.015 Added to Foundation Formula</b>                                                                                                                                                                                                          |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| OTI                                                                                                                                                                                                                                                                                                                   |            | -5,911.3           | 0.0               | 0.0        | 0.0        | 0.0         | 0.0            | -5,911.3           | 0.0           | 0         | 0        | 0        |
| 1004 Gen Fund                                                                                                                                                                                                                                                                                                         |            | -5,911.3           |                   |            |            |             |                |                    |               |           |          |          |
| Ch19 SLA2012 (SB182, fiscal note #8)                                                                                                                                                                                                                                                                                  |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| Chapter 19 makes changes to both the Pupil Transportation and the Public School Funding (Foundation) program. Fiscal note #8 capitalizes the Public Education Fund (PEF), as set out in CSSB182, in order to provide sufficient funding to implement the changes in the Pupil Transportation and Foundation programs. |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| A miscellaneous adjustment to the Foundation Program component is necessary to track the additional \$5,911.3 expenditures from the Public Education Fund that are due to the new FY2013 Career and Technical/Vocational Education factor of 1.015 in the Public School Funding formula.                              |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| <b>Reverse FY2013 Conference Committee Tracking Foundation Expenditures from PEF</b>                                                                                                                                                                                                                                  |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| OTI                                                                                                                                                                                                                                                                                                                   |            | -1,077,513.3       | 0.0               | 0.0        | 0.0        | 0.0         | 0.0            | -1,077,513.3       | 0.0           | 0         | 0        | 0        |
| 1004 Gen Fund                                                                                                                                                                                                                                                                                                         |            | -1,077,513.3       |                   |            |            |             |                |                    |               |           |          |          |
| <b>Reverse Sec20, Ch17, SLA 2012 (SB160) State Aid to Districts According to Adjusted ADM under AS 14.17.410(b)(1)(A)-(D)</b>                                                                                                                                                                                         |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| OTI                                                                                                                                                                                                                                                                                                                   |            | -25,000.0          | 0.0               | 0.0        | 0.0        | 0.0         | 0.0            | -25,000.0          | 0.0           | 0         | 0        | 0        |
| 1004 Gen Fund                                                                                                                                                                                                                                                                                                         |            | -25,000.0          |                   |            |            |             |                |                    |               |           |          |          |
| Ch17 SLA2012 (SB 160 - Capital) (Sec21, P177, L17-21)                                                                                                                                                                                                                                                                 |            |                    |                   |            |            |             |                |                    |               |           |          |          |

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

**Component:** Foundation Program (141)

**RDU:** K-12 Support (53)

| Scenario/Change Record Title                                                                                                                                                                                                                                                                                                                                                                                                                                       | Trans Type | Totals             | Personal Services | Travel     | Services   | Commodities | Capital Outlay | Grants, Benefits   | Miscellaneous | Positions |          | NP       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--------------------|-------------------|------------|------------|-------------|----------------|--------------------|---------------|-----------|----------|----------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |            |                    |                   |            |            |             |                |                    |               | PFT       | PPT      |          |
| <p>The sum of \$25,000.0 is appropriated from the general fund to the Department of Education and Early Development to be distributed as state aid to districts according to the average daily membership (ADM) for each district adjusted under AS14.17.410(b)(1)(A)-(D) for the fiscal year ending June 30, 2013.</p>                                                                                                                                            |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| <b>FY2014 Foundation Program Public Education Fund Tracking</b>                                                                                                                                                                                                                                                                                                                                                                                                    |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| 1004 Gen Fund                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Misadj     | 1,115,748.0        | 0.0               | 0.0        | 0.0        | 0.0         | 0.0            | 1,115,748.0        | 0.0           | 0         | 0        | 0        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |            | 1,115,748.0        |                   |            |            |             |                |                    |               |           |          |          |
| <p>This change record is only for tracking the FY2014 Foundation Program anticipated need. Funds will be expended from the Public Education Fund.</p> <p>The current estimated draw from the Public Education Fund for FY2014 Foundation Program expenditures is based on an adjusted daily member (ADM) of 129,322, as of November 15, 2012; regular ADM of 118,673; \$5,680 per ADM.</p>                                                                         |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| <b>Public School Trust Fund Formula Adjustment</b>                                                                                                                                                                                                                                                                                                                                                                                                                 |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| 1066 Pub School                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Dec        | -2,750.0           | 0.0               | 0.0        | 0.0        | 0.0         | 0.0            | -2,750.0           | 0.0           | 0         | 0        | 0        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |            | -2,750.0           |                   |            |            |             |                |                    |               |           |          |          |
| <p>The formula adjustment to the Public School Trust Fund is a decrease of \$2,750 and reflects the FY2014 total anticipated expenditure of \$10,500.0.</p> <p>AS 37.14.110(a)</p>                                                                                                                                                                                                                                                                                 |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| <b>Additional State Aid to School Districts for Fixed Cost Increases</b>                                                                                                                                                                                                                                                                                                                                                                                           |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| 1004 Gen Fund                                                                                                                                                                                                                                                                                                                                                                                                                                                      | IncOTI     | 25,000.0           | 0.0               | 0.0        | 0.0        | 0.0         | 0.0            | 25,000.0           | 0.0           | 0         | 0        | 0        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |            | 25,000.0           |                   |            |            |             |                |                    |               |           |          |          |
| <p>In FY2014, a third year of funding outside the Foundation formula will continue to provide additional resources for school districts to manage high energy costs and rising expenditures related to fixed costs such as shipping, transportation and other expenses. Costs have remained high since the inception of this revenue stream and the additional authority is still needed so assist school districts in maintaining services at current levels.</p> |            |                    |                   |            |            |             |                |                    |               |           |          |          |
| <b>Totals</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                      |            | <b>1,172,039.0</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>  | <b>0.0</b>     | <b>1,172,039.0</b> | <b>0.0</b>    | <b>0</b>  | <b>0</b> | <b>0</b> |

**Line Item Detail**  
**Department of Education and Early Development**  
**Grants, Benefits**

**Component:** Foundation Program (141)  
**RDU:** K-12 Support (53)

| Line Number                                 | Line Name           |                                                                                                                | FY2012 Actuals     | FY2013 Management Plan | FY2014 Governor    |
|---------------------------------------------|---------------------|----------------------------------------------------------------------------------------------------------------|--------------------|------------------------|--------------------|
| 77000                                       | Grants, Benefits    |                                                                                                                | 1,124,505.2        | 1,163,762.0            | 1,172,039.0        |
| Expenditure Account                         | Servicing Agency    | Explanation                                                                                                    | FY2012 Actuals     | FY2013 Management Plan | FY2014 Governor    |
| <b>77000 Grants, Benefits Detail Totals</b> |                     |                                                                                                                | <b>1,124,505.2</b> | <b>1,163,762.0</b>     | <b>1,172,039.0</b> |
| 77431                                       | Education           | Foundation Formula grants to school districts.                                                                 | 1,120,337.8        | 1,161,659.9            | 1,168,906.5        |
| 77438                                       | State Agency Grants | EED MEHS<br>Estimated foundation formula entitlement for Mt. Edgecumbe High School (Impact Aid and State Aid). | 4,167.4            | 2,102.1                | 3,132.5            |

**Restricted Revenue Detail**  
**Department of Education and Early Development**

**Component:** Foundation Program (141)  
**RDU:** K-12 Support (53)

| <b>Master Account</b> | <b>Revenue Description</b> | <b>FY2012 Actuals</b> | <b>FY2013 Management Plan</b> | <b>FY2014 Governor</b> |
|-----------------------|----------------------------|-----------------------|-------------------------------|------------------------|
| 51130                 | Public Law 81-874          | 20,791.0              | 20,791.0                      | 20,791.0               |

| <b>Detail Information</b> |                            |                  |                         |                   | <b>FY2012 Actuals</b> | <b>FY2013 Management Plan</b> | <b>FY2014 Governor</b> |
|---------------------------|----------------------------|------------------|-------------------------|-------------------|-----------------------|-------------------------------|------------------------|
| <b>Revenue Amount</b>     | <b>Revenue Description</b> | <b>Component</b> | <b>Collocation Code</b> | <b>AKSAS Fund</b> |                       |                               |                        |
| 51130                     | Pub Law 81-874/GF          |                  | 05111049                | 11100             | 20,791.0              | 20,791.0                      | 20,791.0               |

This authorization of Federal Impact Aid revenue is shown in the Alaska Department of Education & 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.

**Restricted Revenue Detail**  
**Department of Education and Early Development**

**Component:** Foundation Program (141)  
**RDU:** K-12 Support (53)

| <b>Master Account</b>     | <b>Revenue Description</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                  |                         |                   | <b>FY2012 Actuals</b> | <b>FY2013 Management Plan</b> | <b>FY2014 Governor</b> |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------------|-------------------|-----------------------|-------------------------------|------------------------|
| 51225                     | Public School Fund                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                  |                         |                   | 12,350.0              | 13,250.0                      | 10,500.0               |
| <b>Detail Information</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                  |                         |                   |                       |                               |                        |
| <b>Revenue Amount</b>     | <b>Revenue Description</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>Component</b> | <b>Collocation Code</b> | <b>AKSAS Fund</b> | <b>FY2012 Actuals</b> | <b>FY2013 Management Plan</b> | <b>FY2014 Governor</b> |
| 51225                     | Public School Fund                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                  | 05111047                | 11100             | 12,350.0              | 13,250.0                      | 10,500.0               |
|                           | 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. |                  |                         |                   |                       |                               |                        |

**Inter-Agency Services**  
**Department of Education and Early Development**

**Component:** Foundation Program (141)  
**RDU:** K-12 Support (53)

| Expenditure Account                        | Service Description | Service Type                                                                                       | Servicing Agency | FY2012 Actuals | FY2013          |                 |                |
|--------------------------------------------|---------------------|----------------------------------------------------------------------------------------------------|------------------|----------------|-----------------|-----------------|----------------|
|                                            |                     |                                                                                                    |                  |                | Management Plan | FY2014 Governor |                |
| 77438                                      | State Agency Grants | Estimated foundation formula entitlement for Mt. Edgecumbe High School (Impact Aid and State Aid). | Intra-dept       | EED MEHS       | 4,167.4         | 2,102.1         | 3,132.5        |
| <b>77438 State Agency Grants subtotal:</b> |                     |                                                                                                    |                  |                | <b>4,167.4</b>  | <b>2,102.1</b>  | <b>3,132.5</b> |
| <b>Foundation Program total:</b>           |                     |                                                                                                    |                  |                | <b>4,167.4</b>  | <b>2,102.1</b>  | <b>3,132.5</b> |
| <b>Grand Total:</b>                        |                     |                                                                                                    |                  |                | <b>4,167.4</b>  | <b>2,102.1</b>  | <b>3,132.5</b> |