

State of Alaska FY2015 Governor's Operating Budget

Department of Education and Early Development Boarding Home Grants Component Budget Summary

Component: Boarding Home Grants

Contribution to Department's Mission

To provide reimbursement to school districts that provide boarding arrangements for secondary students who do not have daily access to the appropriate grade level at their local school. To provide funding to three existing statewide residential programs serving grades nine through twelve for reimbursement of eligible transportation, and room and board costs.

Core Services

- The Boarding Home Program provides grant funds to school districts serving high school pupils who do not have access to a high school program where they reside. Costs for boarding care and transportation to and from the boarding home are paid for by the Boarding Home Program; 4 AAC 09.050. Reimbursement is made in the local provider districts.
- The Residential School Program supports residential schools located in Anchorage, Bethel, Galena, Kotzebue, Nenana, and Nome. This program allows for both statewide and district-wide schools as well as variable-length or 180-day school terms.

Major Component Accomplishments in 2013

- The Boarding Home Program distributed funding to four school districts serving 16 students to provide reimbursement for boarding arrangements to secondary students who do not have daily access to the appropriate grade level at their local school.
- The Residential School Program supported approximately 265 students in three programs located in Bethel, Galena, and Nenana. An additional four schools were approved for funding beginning in FY2015, with two schools in Anchorage, and one in Kotzebue, and another in Nome. The four new schools will support an additional 94 students. Statute and regulations were amended to include both statewide and districtwide schools as well as variable-length or 180-day school terms.

Key Component Challenges

Continuing to provide educational services and room and board to secondary-age children in the boarding homes and residential schools in cost effective ways.

Significant Changes in Results to be Delivered in FY2015

The four new residential schools approved under AS 14.6.200 will begin receiving funding.

1. Dena'ina Academy - Anchorage School District
2. Northwest Alaska Career and Technical Center (NACTEC) - Bering Strait School District
3. Voyage to Excellence Residential School - Chugach School District
4. Star of the West Magnet School - Northwest Arctic Borough School District

Statutory and Regulatory Authority

AS 14.16.200
4 AAC 09.050
4 AAC 33.090

Contact Information

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**Boarding Home Grants
Component Financial Summary**

All dollars shown in thousands

	FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	3,728.8	3,749.5	4,710.8
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	3,728.8	3,749.5	4,710.8
Funding Sources:			
1004 General Fund Receipts	3,728.8	3,749.5	4,710.8
Funding Totals	3,728.8	3,749.5	4,710.8

**Summary of Component Budget Changes
From FY2014 Management Plan to FY2015 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2014 Management Plan	3,749.5	0.0	0.0	0.0	3,749.5
Proposed budget increases:					
-Four New 180-Day Residential Programs	961.3	0.0	0.0	0.0	961.3
FY2015 Governor	4,710.8	0.0	0.0	0.0	4,710.8

Component Detail All Funds
Department of Education and Early Development

Component: Boarding Home Grants (AR17663) (148)
RDU: K-12 Support (53)

	FY2013 Actuals	FY2014 Conference Committee	FY2014 Authorized	FY2014 Management Plan	FY2015 Governor	FY2014 Management Plan vs FY2015 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	3,728.8	2,088.8	3,749.5	3,749.5	4,710.8	961.3	25.6%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	3,728.8	2,088.8	3,749.5	3,749.5	4,710.8	961.3	25.6%
Fund Sources:							
1004Gen Fund (UGF)	3,728.8	2,088.8	3,749.5	3,749.5	4,710.8	961.3	25.6%
Unrestricted General (UGF)	3,728.8	2,088.8	3,749.5	3,749.5	4,710.8	961.3	25.6%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

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

Component: Boarding Home Grants (148)
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 FY2014 Conference Committee To FY2014 Authorized *****												
FY2014 Conference Committee												
ConfCom		2,088.8	0.0	0.0	0.0	0.0	0.0	2,088.8	0.0	0	0	0
1004 Gen Fund		2,088.8										
District Operated Boarding Schools Ch48 SLA2013 (SB47) (Sec2 Ch14 SLA2013 P47 L1 (HB65))												
FisNot		1,660.7	0.0	0.0	0.0	0.0	0.0	1,660.7	0.0	0	0	0
1004 Gen Fund		1,660.7										

This legislation amends AS 14.16.200, state funding for districts operating statewide residential educational programs.

The calculations and fiscal note cost estimates relate to the three currently approved programs. Future schools that may be approved under the amended law are not included in the fiscal note cost estimate and adding schools, including district-wide and variable-term schools, would result in additional annual costs.

The residential program per pupil monthly stipend is paid for nine months, times the rate, times the actual count. Calculating the rate from 1x in law to 2x for the three currently approved statewide residential programs increases the cost by \$1,660.7 annually.

The program also provides for one round-trip ticket per student, at the least expensive means, between the student's community of residence if the district expends money for the trip.

Subtotal	3,749.5	0.0	0.0	0.0	0.0	0.0	0.0	3,749.5	0.0	0	0	0
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***** Changes From FY2014 Authorized To FY2014 Management Plan *****

Subtotal	3,749.5	0.0	0.0	0.0	0.0	0.0	0.0	3,749.5	0.0	0	0	0
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***** Changes From FY2014 Management Plan To FY2015 Governor *****

Four New 180-Day Residential Programs

Inc		961.3	0.0	0.0	0.0	0.0	0.0	961.3	0.0	0	0	0
1004 Gen Fund		961.3										

The statewide residential educational program was enacted through AS 14.16.200, State funding for districts operating statewide residential educational programs. The initial legislation, which was effective beginning in fiscal year 2007, allowed for up to three programs that had been established prior to January 1, 2005, to apply to the department for approval. The Galena City School District, Nenana City School District, and Lower Kuskokwim School District applied and were approved.

Under this program, school districts are reimbursed a per pupil monthly stipend for a nine-month year; the stipend rate is set in statute. The program also provides for one round-trip ticket per student, at the least expensive means, between the student's community of residence and the school.

Each program has a maximum capacity for reimbursement based on the district's approved application; actual reimbursement is based on an October student count. The current capacity under this program is: Galena 210, Lower Kuskokwim 35, and Nenana 88. The FY2014 appropriation of \$3,749.5 funds these three

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

Component: Boarding Home Grants (148)
RDU: K-12 Support (53)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
<p>programs (\$3,563.6) and the Boarding Home Program (\$185.9).</p> <p>AS 14.16.200 was amended to: allow for residential schools rather than residential programs; remove the limit on the number of residential schools that may be approved by the department; and allow for district-wide residential schools as well as schools that are variable-length or 180-day school terms, but still operate for a full school year, to qualify.</p> <p>Prior to AS 14.16.200 being amended, the statutes allowed the department to approve up to three district-operated statewide residential education programs that began operating after January 1, 2005. From January 30, 2013, through March 25, 2013, the department held a period of open applications for approval to operate a statewide residential educational program.</p> <p>As a result of that period of open applications, the department received and approved four additional statewide residential educational program applications. The school districts that were approved and their capacity are as follows: Anchorage 4, Bering Strait 26, Chugach 24, and Northwest Arctic 40.</p> <p>The additional \$961.3 will fund these four new programs and provide them with the per pupil monthly stipend and one round-trip ticket per student, at the least expensive means, beginning in FY2015. Without this funding, these school districts may not have sufficient funding to run these residential schools.</p>												
		4,710.8	0.0	0.0	0.0	0.0	0.0	4,710.8	0.0	0	0	0

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

Component: Boarding Home Grants (148)
RDU: K-12 Support (53)

Line Number	Line Name		FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
77000	Grants, Benefits		3,728.8	3,749.5	4,710.8
Expenditure Account	Servicing Agency	Explanation	FY2013 Actuals	FY2014 Management Plan	FY2015 Governor
77000 Grants, Benefits Detail Totals			3,728.8	3,749.5	4,710.8
77431	Education	Program funds are paid to school districts serving high school students who do not have a high school where they reside. Program reimbursements consist of monthly stipends to boarding home, one round trip per student from residence to boarding home, placement supervision (limited to 30% of stipend payment) and indirect costs based on the department approved indirect cost rate.	3,728.8	3,749.5	4,710.8