



29<sup>th</sup> Alaska State Legislature  
Senate Finance Budget Subcommittee  
Department of Education and Early Development  
FY17 Operating Budget

**Chairman:**

Sen. Mike Dunleavy  
Capitol Room 11  
465-6600

**Members:**

Sen. Mia Costello  
Capitol Room 510  
465-4968

Sen. Berta Gardner  
Capitol Room 9  
465-4930

**Committee Aide:**

Sheila Peterson  
465-5078

**DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT  
FY2017 SENATE FINANCE BUDGET SUBCOMMITTEE NARRATIVE REPORT  
March 4, 2016**

**RECOMMENDATIONS:**

The following recommendations are driven by the unprecedented downturn of revenues resulting from the precipitous drop in oil prices. This Subcommittee recognizes and acknowledges that some very worthwhile programs may go unfunded or underfunded but its choices are very limited given the financial circumstances the State of Alaska finds itself in.

The Senate Finance Budget Subcommittee for the Department of Education and Early Development submits a recommended operating budget (numbers only) for FY2017 to the Senate Finance Committee as follows:

Unrestricted General Funds (UGF)	\$ 45,016.6
Designated General Funds (DGF)	54,691.9
Other Funds	37,921.2
Federal Funds	241,939.7
<b>TOTAL</b>	<b>379,569.4</b>

**Positions:**

Permanent Full-Time	312
Permanent Part-Time	15
Temporary	7
<b>Total</b>	<b>334</b>

The Unrestricted General Fund difference from the FY16 Management Plan to the Senate Subcommittee budget recommendation is a reduction of \$9,150.7, a 16.9% reduction.

## **BUDGET ACTION:**

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The Senate Finance Budget Subcommittee for the Department of Education and Early Development held four meetings with the Department. The Subcommittee reviewed and accepted the FY17 Governor's amended budget request with two exceptions.

- Deny the Governor's amendment to restore \$820.0 for Parents as Teachers and Best Beginnings.
- Deny the Governor's amendment to restore \$2,000.0 for Pre-Kindergarten Grants.

In addition to the acceptance of the Governor's amended budget with the noted exceptions, following are highlights of the Subcommittee recommendations:

- Reduce Unrestricted General Fund in the amount of \$1,000.0 for the Alaska Native Science and Engineering Program, eliminating state support for this program.
- Reduce Unrestricted General Fund in the amount of \$1,000.0 and reduce the Higher Education Investment Fund in the amount of \$500.0 for the Statewide Mentoring Program, eliminating this state program.
- Reduce Unrestricted General Fund in the amount of \$500.0 for Library Operations.
- Reduce Unrestricted General Fund in the amount of \$500.0 for Museum Operations.
- Reduce Unrestricted General Fund in the amount of \$20.0 for Archives.
- Reduce Higher Education Investment Fund in the amount \$761.8 for Online with Libraries, eliminating the program.
- Reduce Interagency Receipt Authority in the amount of \$450.0 in the Alaska Postsecondary Education Commission and eliminate five positions, targeting Outreach Efforts first.

The Subcommittee recommends the following wordage language be adopted:

- At the discretion of the Commissioner of the Department of Education and Early Development, up to \$500,000 may be transferred between appropriations with the Department of Education and Early Development. A written report documenting all transfers of funds between appropriations shall be provided to the Legislature by January 31, 2017.
- A school district may not receive state education aid for K-12 support appropriated under Section 1 of the Act and distributed by the Department of Education and Early Development under AS 14.17 if the school district (1) has a policy refusing to allow recruiters for any branch of the United States Military, Reserve Officers' Training Corps, Central Intelligence Agency or Federal Bureau of Investigation to contact students on a school campus if the school district allows college, vocational school, or other job recruiters on campus to contact students; (2) refuses to allow the Boy

Scouts of America to use school facilities for meetings or contact with students if the school makes the facility available to other non-school groups in the community; or (3) has a policy of refusing to have an in-school Reserve Officers' Training program or a Junior Reserve Officers' Training Corps program.

- It is the intent of the legislature that the Department of Education and Early Development, in collaboration with Alaska's 53 school districts, review the current method by which the State delivers public education in order to determine its efficacy and to identify additional approaches to delivering education in a more cost effective manner without sacrificing quality outcomes.
- It is the intent of the legislature that the department identify a source of funding other than general funds for the operating cost of the Mount Edgecumbe High School Aquatics Facility.
- It is the intent of the legislature that the Alaska Commission on Postsecondary Education will develop a plan to privately service the Alaska Student Loan Corporation's remaining loan portfolio and deliver a report to the Finance committees no later than January 17, 2017.
- It is the intent of the Legislature that the Alaska Commission on Postsecondary Education review all services offered in relation to its mission and core services, and report back to the Legislature no later than January 21, 2017 with recommendations on statute changes that would reduce the number of services offered by the Commission.

#### **ATTACHED REPORTS:**

The Senate Finance Budget Subcommittee for the Department of Education and Early Development adopts the attached reports:

#### **Subcommittee generated reports**

Budget Action Worksheet

#### **Legislative Finance Division Reports – Senate Structure (Numbers Only)**

1. Multi-year Agency Totals – Senate Structure
2. Multi-year Appropriation/Allocation Summary (All Funds)
3. Multi-year/Allocation Summary (GF)
4. Transaction Comparison between ADJ Base and S Subcomm
5. Transaction Comparison between Gov Amd and S Subcomm
6. Transaction Comparison between H Subcomm and S Subcomm
7. Wordage

  
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Senator Mike Dunleavy, Chair  
Senate Finance Budget Subcommittee  
for the Department of Education and Early Development  
March 4, 2016