



KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Office of Superintendent

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M E M O R A N D U M

DATE: September 23, 2008
TO: Members, Board of Education
FROM: Donna Peterson, Ed.D. *Donna Peterson*
Superintendent of Schools
RE: 2009 Federal and State Legislative Priorities

A worksession has been scheduled for the October 6 School Board meeting to discuss the 2009 legislative priorities. In preparation for this discussion I have attached the last two years of District priorities.

As the Borough Administration requires this list by October 17, action on the 2009 state and federal priorities is also scheduled for the October 6 meeting.

Federal priorities could stay the same except for minor changes to the housing priority and the deletion of the East End Road extension (some work has been completed and earmark funding for this project is unlikely). See proposed language attached.

Suggested state priorities for the 2008-2009 school year include the following:

- Forward funding with increases necessary to sustain current programs.
- Fully implementing the Area Cost Differential (ISER District Cost Factor) in foundation funding for FY10.
- Funding early learning programs in Alaska for four- and five-year olds.
- Through increased or supplemental funding, addressing huge energy costs to school districts.
- Provide support for additional workforce development courses and vocational needs.
- Addressing health care costs in Alaska.
- Providing accountability for all school-aged children of the state.

The background rationale and wording for the final priorities would be developed by administration to be submitted to the Borough's legislative priority publication.

**Kenai Peninsula Borough School District
2009 Federal Legislative Priorities**

Fund adequate housing for teachers in Nanwalek and Tyonek

The remote Native Villages of Tyonek and Nanwalek suffer from high teacher turnover. A new duplex in Tyonek was completed in 2006 and has enhanced the District's ability to recruit and retain quality teaching staff. A second duplex is needed in Tyonek as well as a similar complex in Nanwalek. With this change from substandard housing and the expected continuity of staff, student achievement will likely be positively impacted. Work with the Denali Commission and Alaska Housing Finance Corporation on this project has been positive.

Address health care costs in the United States

In Alaska more than 110,000 residents have no medical insurance and the price of treatment is increasing. In the U.S. 47 million people have no health insurance. The uninsured drive costs up for everyone. For school districts in Alaska these health care costs for current and retired employees is a growing problem. In many districts these costs add up to more than 10% of the budget. In the Kenai Peninsula Borough School District health care costs comprise approximately 10% of the budget. This growing budget category mitigates districts' ability to directly impact student achievement through classroom focused expenditures.

Fully fund Federal No Child Left Behind (NCLB) mandates

In order to ensure a quality education for all Alaskan students and meet the requirements of the No Child Left Behind Act federal funding must be sustainable, reliable, and adequate. NCLB requirements for assessment, targeted student services, teacher and paraprofessional qualifications and services for children in transition require funding support far above current funding levels. Restrictions on transferability of funds for districts in improvement hinder the ability of these districts to effectively address identified needs therefore need to be relaxed. Less restrictive transferability regulations would allow for increased learning opportunities for struggling learners in high poverty areas and low performing student groups.

Fully fund the Individuals with Disabilities Education Act (IDEA)

IDEA was reauthorized in 2004. Congress originally promised to fund up to 40% of the excess costs of educating students with disabilities under IDEA. Currently congress has authorized expenditures to cover just less than 18% of the excess costs nationally. The Kenai Peninsula Borough School District believes that congress should fund the full amount they originally promised. To do otherwise requires local districts to reduce funding for general instructional needs to meet the needs of special student populations. This results in another under-funded mandate passed down to state and local governments.

Kenai Peninsula Borough School District 2008 Federal Legislative Priorities

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Develop East End Road from Homer to top of hill above Kachemak Selo

The East End Road provides access to three Russian Villages: Razdolna, Voznesenka and Kachemak Selo. State road maintenance ends at the end of the pavement at mile 20.5. The remaining portion of the road is a two mile long, very steep, gravel road, ending at the Kachemak Bay bluffs. This road has a very poor sub-base with a silty gravel cap. There are several annual frost heaves and significant hills and curves with very little platted right-of-way. Borough Road Service Area maintenance extends two miles, from the end of the pavement to the bluff.

This project is intended to plat the road in a more favorable location, reduce the hills, improve drainage, and add an appropriate gravel surface. Repairs to the road will allow school buses to use the road, improve emergency vehicle access, and protect the safety and well being of the KPBSD staff members and community members who travel this road on a daily basis.

**Kenai Peninsula Borough School District
2008 State Legislative Priorities**

The Kenai Peninsula Borough School District calls on the Alaska State Legislature to recognize **that children are the first priority**, by:

Implementing, at a minimum, the Recommendations Included in the Joint Legislative Education Funding Task Force Report

The Joint Legislative Education Funding Task Force was created by the legislature to debate the merits of various changes to the education funding formula. As a result of their work the Task Force prepared a report to the state legislature and the governor which will improve public education in Alaska and provide school districts with a more equitable and stable funding scheme. Compromises were made during the creation of the report to reach a generally acceptable consensus. The Kenai Peninsula Borough School District Board of Education supports the recommendations of the Task Force; but recognizes the costs of delivering education exceed the recommendations. Therefore the following solution is proposed:

- The passing by the Legislature of SB 125 (PERS/TRS cost sharing) in substantially the same form as it currently exists;
- The creation of standing Education Committees in the House and Senate to oversee and review all education issues in the state;
- The referral to the Education Committees of the various long-term issues discussed in the Task Force report;
- The implementation of the ISER district cost factors, phased in to statute over three years
- The three-year phased increases in the intensive need funding with those increases set into statute;
- The recalibration of the transportation reimbursement rate based on the most recent actual audited costs; and
- An increasing Base Student Allocation amount set in statute for fiscal years 2009, 2010, and 2011, at an amount that will keep pace with projected cost increases over those years.

**Kenai Peninsula Borough School District
2007 Federal Legislative Priorities**

Fund adequate housing for teachers in Nanwalek and Tyonek

The remote Native Villages of Tyonek and Nanwalek suffer from high teacher turnover. A new duplex in Tyonek was built last year and has enhanced the District's ability to recruit and retain quality teaching staff. A second duplex is needed in Tyonek as well as a similar complex in Nanwalek. With this change from substandard housing and the expected continuity of staff, student achievement will likely be positively impacted.

Address health care costs in the United States

In Alaska more than 110,000 residents have no medical insurance and the price of treatment is increasing. In the U.S. 45.8 million people have no health insurance. The uninsured drive costs up for everyone. For school districts in Alaska these health care costs for current and retired employees is a growing problem. In many districts these costs add up to more than 10% of the budget. This growing budget category mitigates districts' ability to directly impact student achievement through classroom focused expenditures.

Fully fund Federal No Child Left Behind (NCLB) mandates

In order to assure a quality educational experience for all Alaskan children, the Federal government is responsible for providing sustainable, reliable, and adequate funding for meeting the new accountability requirements and expectations for NCLB. These mandates include the need for additional personnel to monitor and complete documentation for NCLB requirements, provide annual assessments at all grade levels, and provide comprehensive training for effective implementation of NCLB requirements. Restrictions on transferability of funds for districts in improvement status should be eased. Such restrictions severely limit the ability for these districts to provide supplemental learning opportunities for struggling learners in high poverty areas and identified subgroups. Additionally, a growth model for student accountability should be accepted for progress toward goals and Adequate Yearly Progress.

Fully fund the Individuals with Disabilities Education Act (IDEA)

IDEA was reauthorized last year. Congress originally promised to fund up to 40% of the excess costs of educating students with disabilities under IDEA. Currently congress has authorized expenditures to cover about 20% of the excess costs nationally. The Kenai Peninsula Borough School District believes that Congress should fund the full amount they originally promised. To do otherwise requires local districts to reduce funding for general instructional needs to meet the needs of special student populations and results in another under-funded mandate passed down to state and local governments.

Develop East End Road from Homer to top of hill above Kachemak Selo

Four Russian Old-Believer Villages are connected to Homer, Alaska via East End Road (McNeil Canyon - 11 miles, Razdolna -23 miles; Voznesenka - 25 miles, and Kachemak Selo - 28 miles). The current road is in major need of repair and current conditions preclude school bus transportation to all but McNeil Canyon. KPBSD requests federal transportation funding to improve conditions on East End Road so that school bus travel is an option. Repairs to the road are also critical to the safety and well being of the District staff members and community members who travel this road on a daily basis.

Kenai Peninsula Borough School District 2007 State Legislative Priorities

The Kenai Peninsula Borough School District calls on the Alaska State Legislature to recognize **that children are the first priority**, by:

Eliminating equity issues by implementing an appropriate Area Cost Differential (ACD)

For FY07, one-quarter of a 1.046 ACD was funded. The last ISER recommendation suggests 1.171 ACD for the District. Twenty years of study shows the inadequacy of the current 1.004 differential. Immediate implementation of a more appropriate ACD is needed to acknowledge the higher cost of doing business in a District with remote and rural sites.

Addressing the Alaska unfunded TRS and PERS liability

The state retirement systems are both seriously under funded. With the FY08 employer rates at 54% for the Teacher Retirement System and 40.08% for the Public Employee Retirement System, and no Legislative relief by March 15, 2007, KPBSD will be forced to lay off a significant number of teachers. In addition, without legislative remedy, the economy of Alaska as a whole will suffer drastically

Assuring students are prepared for the 21st century by increasing funding

Addressing costs associated with federal and state mandates, providing for increased energy and insurance costs out of the control of school district, and inflation proofing the school funding formula would allow continued emphasis on high academic achievement and increased accountability through appropriate class sizes, sufficient materials, and high quality staff. Should this issue not be addressed, money will have to be diverted from the classroom to address fixed costs.

Ensuring adequate transportation for all students by revising funding mechanism

The grant-type award for transportation funding penalizes those districts who have been most efficient in their operations. Current state transportation funding to school districts does not consider the escalating cost of doing business including fuel, minimum wage level increases, and additional mandated demands from special education and homeless populations.

Funding education on a forward basis to prevent unnecessary non-retentions

Funding for education should be established early in the legislative session so that adequate planning can occur. School district issuance of teaching contracts is governed by state statute. Without knowledge of state funding, districts are required to balance their resources in the spring by reducing their workforce.

Addressing health care costs in Alaska

In Alaska, more than 110,000 residents have no medical insurance and the price of treatment is increasing. The uninsured drive costs up for everyone, the health care costs for KPBSD are approximately 10% of the budget; all indications are that this is a growing cost of doing business. The recommendation is that legislation should be enacted that would provide for a statewide plan in which public entities may participate.

Providing accountability for all school age children of the state

Having a choice of an educational delivery system is important to Alaskans. However, all children have a right to be safe and receive an education. A registration and educational accountability system for all school age children will help protect the rights of those least able to care for themselves.