

Submitted by: Chairman of the Assembly  
at the request of the  
School Board

Prepared by: Anchorage School District  
For Reading: July 21, 2009

*See AR 2009-62(s)*

ANCHORAGE, ALASKA

AR 2009-162

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE PROVIDING FOR  
AN INCREASE FROM THE AMERICAN RECOVERY AND REINVESTMENT  
ACT (ARRA) IN THE AMOUNT OF \$85,084,160 TO THE ANCHORAGE  
SCHOOL DISTRICT BUDGET FOR FY 2009-2010

WHEREAS, increased funding for K-12 education is a high priority for both  
the Anchorage School Board and the Anchorage Assembly; and

WHEREAS, there was unified support for increased funding through the  
many efforts of the School Board Members, Anchorage School District's staff, and  
many partners in the community—parent groups, Assembly, Mayor, Legislature,  
and Governor; and

WHEREAS, the Anchorage School District received federal education funds  
provided through the American Recovery and Reinvestment Act (ARRA) signed  
into law in February 2009; and

WHEREAS, the ARRA funds provides the District with an unique  
opportunity to jump start school reform and improvement efforts while also  
saving and creating jobs and stimulating the economy; and,

WHEREAS, the one-time resources should be spent in ways most likely to  
lead to improved results for students, long-term gains in school and school system  
capacity, and increased productivity and effectiveness; and

WHEREAS, the Anchorage School District's Local/State/Federal Grants  
Fund is being increased by \$84,515,160 ARRA funds; and

WHEREAS, the Anchorage School District's Food Service Fund is being  
increased by \$569,000 as a result of increased participation in the free and reduced  
breakfast and lunch categories and the associated increased cost for labor, supplies  
and related expenses; and

WHEREAS, the Anchorage School Board approved on June 22, 2009 the  
revision to the Anchorage School District's FY 2009-2010 Financial Plan; and

NOW THEREFORE, The Anchorage Assembly resolves:

Section 1: That the following revisions in total are approved:

**Revenues**

<u>Fund Description</u>	<u>FY 2009-2010 Adopted Budget As of 3/30/09 AO 2009-17</u>	<u>Requested Revision</u>	<u>FY 2009-2010 Revised Budget As of 7/21/09 AR 2009-162</u>
General	\$598,467,232	\$ -0-	\$598,467,232
Food Service	16,259,000	569,000	16,828,000
Debt Service	85,907,658	-0-	85,907,658
Local/State/ Federal Grants	<u>62,200,000</u>	<u>84,515,160</u>	<u>146,715,160</u>
TOTAL ANCHORAGE SCHOOL DISTRICT APPROPRIATION	<u>\$762,833,890</u>	<u>\$85,084,160</u>	<u>\$847,918,050</u>

**Local Taxes**

<u>Fund Description</u>	<u>Approved Taxes As of 3/30/09 AO 2009-17</u>	<u>Requested Revision</u>	<u>Approved Taxes As of 7/21/09 AR 2009-162</u>
General Fund	\$191,913,748	\$ -0-	\$191,913,748
Debt Service Fund	<u>41,033,834</u>	<u>-0-</u>	<u>41,033,834</u>
TOTAL LOCAL TAX CONTRIBUTION	<u>\$232,947,582</u>	<u>\$ -0-</u>	<u>\$232,947,582</u>

Section 2: That this resolution is effective upon passage and approval.

PASSED AND APPROVED by the Anchorage Assembly, this \_\_\_\_ day of  
\_\_\_\_ 2009.

\_\_\_\_\_  
Chair of the Assembly

ATTEST

\_\_\_\_\_  
Municipal Clerk

# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

AM 375-2009

Meeting Date: July 21, 2009

FROM: ANCHORAGE SCHOOL DISTRICT

SUBJECT: ANCHORAGE SCHOOL DISTRICT REVISED FINANCIAL PLAN –  
FY 2009-2010

The Anchorage School District's FY 2009-2010 Financial Plan, as adopted by the Anchorage Assembly on March 30, 2009, per Assembly Ordinance 2009-17, provided a spending authority level of \$762,833,890. This included \$598,467,232 for the General Fund, \$16,259,000 for the Food Service Fund, \$85,907,658 for the Debt Service Fund, and \$62,200,000 for the Local, State, and Federal Grants Fund.

On June 22, 2009 the School Board approved a revision to the School District's FY 2009-2010 Financial Plan of \$85,084,160 as set forth in the Assembly Resolution 2009-162. The Anchorage School District is very fortunate to receive one-time federal education funds provided through the American Recovery and Reinvestment Act (ARRA) to be spent over the next two years. The ARRA provides dollars to strengthen education through State Fiscal Stabilization Funds (SFSF), Title 1A, Title IID, Title VIB and Individuals with Disabilities Education ACT (IDEA). The purpose of these funds is to provide a unique opportunity to jump start school reform and improvement efforts while also saving and creating jobs and stimulating the economy. The district has worked over the past several months to develop projects for stimulus funding that are most in line with School Board Goals and interests and that are most likely to increase student achievement, build teacher capacity, and increase the graduation rate. This process to develop stimulus-funded projects occurred simultaneously with the instructional division's work to create a K-12 Graduation Support/Dropout Reduction Plan. The process also occurred alongside the district's work to develop the annual School Board Goals through a data-informed needs assessment process.

In addition, the School Board increased the Food Service Fund as a result of increased participation in the free and reduced breakfast and lunch categories and the associated costs. Each project is briefly described below.

1 LOCAL/STATE/FEDERAL GRANTS FUND

2  
3 The ARRA funds are being distributed to the district through five ARRA grants.  
4 **The district fully understands that the ARRA funds are two-year funds and that**  
5 **the Alaska State Legislature makes no commitment that it will replace the**  
6 **federal stimulus money when it expires.**  
7

8 **Federal Grants**  
9

10 **State Fiscal Stabilization Funds \$51,751,655** - The State Fiscal Stabilization Fund  
11 (SFSF) of the American Recovery and Reinvestment Act provides significant funds  
12 for school districts that are intended both to save and create jobs as well as to  
13 increase the pace of school reform so as to increase student achievement and  
14 improve graduation rates. Projects funded with SFSF must be authorized by the  
15 Elementary and Secondary Education Act (NCLB), Individuals with Disabilities  
16 Education Act (IDEA), the Adult and Family Literacy Act, Carl Perkins Career and  
17 Technical Education Act, or Impact Aid which allows for modernization,  
18 renovation, repair or construction of public school facilities. The state of Alaska's  
19 application asks that projects fit within one of five major ARRA goals: 1) adopt  
20 rigorous college and career-ready standards and high-quality assessments; 2)  
21 establish data systems and use data for improvement; 3) increase teacher  
22 effectiveness and equitable distribution of effective teachers; 4) turn around the  
23 lowest performing schools; and 5) improve results for all students, including early  
24 learning, extended learning time, use of technology, preparation for college, and  
25 school modernization.  
26

27 Projects the Anchorage School District will be funding with SFSF are as follows:

28  
29 • **Anchorage School District College and Career Ready Project**

30 This comprehensive project will prepare students in the Anchorage School  
31 District for postsecondary education, training, and careers to help meet  
32 Alaska's workforce needs. Through the use of college/career ready  
33 assessments, curriculum, and professional guidance and planning, students  
34 and families will have extensive information on student interests, aptitudes,  
35 and needs related to education and career pathways.  
36

37 • **Response to Intervention Comprehensive Readiness Project (RTI)**  
38 **(Co-funded by SFSF, IDEA, and Title I stimulus dollars)**

39 The district is heavily engaged in its efforts to systematize RTI. Our efforts  
40 toward systematization are focused on the elementary division as the  
41 critical starting point for maximum effect. However, RTI is occurring at the  
42 site level in secondary schools as well as required by IDEA. In order for RTI  
43 efforts to be successful, we must first ensure that our Tier I core curriculum  
44 is sound. This project brings up to date the curriculum renewal cycle that  
45 has been lagging. It also provides for professional development for

1 teachers working with struggling students, using data, and on using the  
2 various curricula. It provides for a comprehensive assessment system to  
3 provide teachers with specific data on individual student achievement and  
4 progress. Through the various funding sources, this project also provides  
5 for additional time for student learning whether that be through after-  
6 school programs, transition programs, or through summer school. This  
7 project also provides funds for parent outreach and education.  
8

9 • **Online Learning Project**

10 Flexibility for different learning styles and providing students with various  
11 ways to access curriculum is essential in meeting student needs.  
12 Additionally, the availability of excellent online learning applications  
13 provides classroom teachers with the means of differentiating instruction  
14 for students in their classrooms while responding to students' needs for  
15 independent and engaging learning opportunities. This project provides  
16 funding to expand efforts in the area of online learning.  
17

18 • **Enhancing Leadership Capacity Project**

19 This project supports a comprehensive professional development program  
20 for our administrative leadership team. The program is designed to assist  
21 our leadership team in supporting and guiding staff in our collective efforts  
22 to meet individual student needs and School Board Goals.  
23

24 • **Curriculum Refresh Project Education**

25 Stimulus funds will allow us to bring our curriculum renewal cycle up-to-  
26 date as well as for those curricular areas not directly under our RTI project  
27 umbrella. Funds will allow for the purchase of texts and technology-based  
28 curriculum as well as professional development for instructional staff on  
29 those curricula. These include K-6 social studies, K-6 music, 8th grade  
30 Health, and Integrated Science 9 as well as training related to world  
31 languages assessments, elementary science kits, and art.  
32

33 • **IT/ED Tech Restructure Completion Project**

34 Stimulus funding gives the district an opportunity to continue the  
35 reorganization effort which began three years ago and use appropriate  
36 positions to support client machines as well as teachers. The district has  
37 created a staffing plan for truly transitioning the tech teachers back into  
38 instructional roles and moving IT tech support into the schools.  
39

40 • **IT Network Refurbishment Project**

41 This project allows the district to complete efforts to install robust wireless  
42 throughout the schools. Stimulus dollars also provide a dynamic  
43 opportunity to strengthen the district's network to meet the ever-increasing  
44 demand for connectivity. Educational tools based on new technologies  
45 continue to grow within the school district at an ever-increasing rate. These

tools range from hardware such as netbooks, interactive white boards, projectors and digital cameras, classroom applications to network applications and tools for notifying parents and increasing home communication. These applications and supporting tools use the local area network, the wide area network and the internet, increasing the need to ensure the infrastructure required to support these applications is robust and in place. The network upgrade will allow added cost savings by increasing wide area network capability and reaping the benefits of centralized servers, low cost backup solutions, increased internet bandwidth capability, unified communication, reduced support staff requirements and substantially lowered hardware refresh costs.

- **Server Replacement Project**

The server replacement project is wide-ranging and essential. The servers requested through this project are necessary to keep the district functioning while the network upgrade is put in place. Once the network is upgraded, many of these servers will not need to be refreshed in the future.

- **Library Patron System Project**

This project is based on the need for a library system that supports ASD students in gaining 21st Century Skills and district Grade Level Expectations, meeting State and district library and information literacy standards, and supporting teachers in a meaningful way to deliver curriculum to ASD students. Rigor and relevance are keys to engaging students in a meaningful way in their education.

- **Building System Renewals**

The district has prioritized a list of building system renewals that would be allowable projects under the State Fiscal Stabilization Funds. These projects include the upgrade of the Fire Alarm system at Eagle River Elementary; Security System upgrades for King Career Center, Trailside, Golden View, Mears, Wendler, Mirror Lake, Ptarmigan, Bayshore, Scenic Park, Campbell, Nunaka Valley, Airports Heights, Lake Otis, Spring Hill, Birchwood, and Girdwood; Intercom/PA Upgrades for Wonder Park, Gladys Wood, and Kasuun; Lighting Upgrades to Campbell and Mears multi-purpose room; Hanshew VAV Boxes; Steller Glycol/Heat Exchangers; East High Gym HVAC Repair; College Gate VAT Tile, and Emergency Communication Systems (bi-directional antennas) for Gruening, Mears, Wendler, Hanshew, and Goldenvue.

#### **Title I-A ARRA - \$10,895,034**

ASD projects being funded by Title I ARRA include: expanded pre-school program offerings, systemic implementation of the district's Response to Instruction framework, the acquisition and application of a web-based student

progress monitoring tool, and professional development initiatives to support the effective actualization of these projects.

#### **Title II-D ARRA - \$598,005**

The focus of Title II, Part D ARRA funds will be on a Technology Grade Level Expectations (GLE) Project, which will increase the number of teachers who incorporate technology GLE into curricular activities.

#### **Title VI-B ARRA - \$12,213,236**

These funds are available to supplement the district's efforts to implement IDEA. These funds are intended to ensure that services for children ages 6 through 22 who are eligible for special education and related services are provided in compliance with the federal law and regulations. The Act requires that funds be used exclusively for excess costs to provide for: 1) under-served children with disabilities; 2) services to the most severely disabled and under-served; and 3) for other requirements of the program.

#### **Preschool ARRA - \$495,359**

These funds are available to supplement the district's efforts to implement IDEA. These funds are intended to ensure that services for children ages 3 through 5 who are eligible for special education and related services are provided in compliance with the federal law and regulations. The Act requires that funds be used exclusively for excess costs to provide for: 1) under-served children with disabilities; 2) services to the most severely disabled and under-served; and 3) for other requirements of the program.

#### **State Funds**

Included in the various ARRA grants described above are salaries related to addenda and new positions. The district has confirmed with the Alaska Department of Education and Early Development that the State will fund on behalf of districts the portion of the retirement costs for the Teachers' Retirement System (TRS) and Public Employees' Retirement System (PERS) on salaries paid from ARRA grant funds as it does for all other retirement eligible salaries. The amount paid by the State on behalf of districts is the difference between the rate adopted by Alaska Retirement Management Board (39.53 percent for TRS and 27.65 percent for PERS) and the rate specified in statute to be paid by districts (12.56 percent for TRS and 22 percent for PERS). The amount of retirement costs to be funded by the State on behalf of the district related to the above ARRA grants is projected to be approximately \$3,561,871.

#### **Contingency**

The district increased the contingency amount by \$5,000,000 based on the expectation of receiving additional school improvement federal funds, a share of

1 the Title II-D competitive grants when those come open for application and other  
2 competitive grants such as the federal Race to the Top grants. Since June 22, the  
3 district has been notified of additional grant awards. In addition, the district's  
4 grant writing department has been successful in the prior years of obtaining grant  
5 awards.

### 6 7 **Indirect Cost**

8  
9 Districts are allowed to apply their current approved indirect cost rate to  
10 expenditures incurred under the ARRA grants. As suggested by the Alaska  
11 Department of Education and Early Development and the U.S. Department of  
12 Education, the district has reviewed the potential impact on future years' indirect  
13 cost rates by assessing the ARRA grants the State approved indirect cost rate.  
14 Future indirect cost rates are based on actual expenditures from prior years. It is  
15 estimated that by using the current approved indirect cost rate, the district would  
16 over-recover the amount of actual indirect costs incurred; therefore, the district  
17 will be assessing a lower indirect cost rate to ARRA grants rather than the State  
18 approved indirect cost rate. The district will continue to charge the approved  
19 indirect cost rate to other local, State and federal grants as previously budgeted.  
20 The additional amount of indirect cost that will be recorded in the General Fund  
21 (there will be no increase to the upper limit of the General Fund) will be used to  
22 purchase an estimated five buses since vehicles are not an eligible expenditure  
23 under ARRA. The district currently has 22 buses that are older than 1994.

### 24 25 **FOOD SERVICE FUND**

26  
27 The School Board authorized an increase of \$569,000 to the Food Service Fund.  
28 The reason and justification for this approval was that it is anticipated that costs  
29 will increase by approximately \$569,000 above the approved FY 2009-2010 Food  
30 Service Fund budget. This is a result of increased participation in the free and  
31 reduced categories and the projected associated increased cost for labor, supplies,  
32 and related expenses. The Federal reimbursement funding for free and reduced  
33 meals and the current cash sales price structure does not sufficiently support the  
34 costs associated with providing meals. Therefore, the School Board approved  
35 implementing a \$.25 per paid meal increase in meal charges. In addition, the  
36 School Board approved that the elementary, middle and high school adult lunches  
37 all be comparable at \$4.25. Projected participation in the paid meal category sales  
38 and the increase in participation based upon FY 2008-2009 meal counts for free and  
39 reduced meals, will result in an increase in total revenue of approximately  
40 \$569,000. Student Nutrition staff will continue to improve efficiencies of  
41 operations to reduce costs.



SUMMARY

The Anchorage School District fully understands that these ARRA funds are two-year funds. Where the district is creating new positions or projects, the district fully understands that after two years, the district will either have to discontinue those projects and eliminate that staff or prioritize them over existing projects through the budget development process. This is a tremendous opportunity for the district to move forward on initiatives it has been eager to advance and to evaluate those initiatives thoroughly. Eagerness is tempered by a healthy respect for the tremendous task at hand to spend these funds thoughtfully and to achieve maximum effect for the students of Anchorage.

The following schedule summarizes the district's FY 2009-2010 Revised Financial Plan by fund.

**Revenues**

	FY 2009-2010 Adopted Budget As of 3/30/2009	Requested Revision	FY 2009-2010 Revised Budget As of 7/21/2009
<u>Fund Description</u>	<u>AO 2009-17</u>	<u>Revision</u>	<u>AR 2009-162</u>
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Local/State/Federal			
Federal Grants	<u>62,200,000</u>	<u>84,515,160</u>	<u>146,715,160</u>
TOTAL ANCHORAGE SCHOOL DISTRICT APPROPRIATION	<u>\$762,833,890</u>	<u>\$85,084,160</u>	<u>\$847,918,050</u>

**Local Taxes**

	Approved Taxes As of 3/30/09	Requested Revision	Approved Taxes As of 7/21/09
<u>Fund Description</u>	<u>AO 2009-17</u>	<u>Revision</u>	<u>AR 2009-162</u>
General	\$191,913,748	\$ -0-	\$191,913,748
Debt Service	<u>41,033,834</u>	<u>-0-</u>	<u>41,033,834</u>
TOTAL LOCAL TAX CONTRIBUTION	<u>\$232,947,582</u>	<u>\$ -0-</u>	<u>\$232,947,582</u>

The total Anchorage School District's FY 2009-2010 Financial Plan request represents an increase to the current budget by \$85,084,160 that will result in an overall budget total of \$847,918,050. The majority of the revisions are supported by federal stimulus money through approval of the American Recovery and Reinvestment Act passed into law in February, 2009 which appropriated the

1 educational funding. Let us show leadership excellence by approving this request  
2 to increase the Anchorage School District budget. **No additional local property**  
3 **taxes are being requested to support this budget increase.**

4  
5 Respectfully submitted,

6 *Carol Comeau*  
7

8 Carol Comeau  
9 Superintendent  
10

11 CC/JS/MSL

Municipality of Anchorage  
MUNICIPAL CLERK'S OFFICE  
**Agenda Document Control Sheet**

AR 2009-162

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

<b>1</b>	SUBJECT OF AGENDA DOCUMENT	DATE PREPARED	
	A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE		
	PROVIDING FOR AN INCREASE FROM THE AMERICAN		
	RECOVERY AND REINVESTMENT ACT (ARRA) IN THE		
	AMOUNT OF \$85,084,160 TO THE ANCHORAGE	Indicate Documents Attached <input type="checkbox"/> AO <input checked="" type="checkbox"/> AR <input checked="" type="checkbox"/> M <input type="checkbox"/> IM	
	SCHOOL DISTRICT BUDGET FOR 2009-2010		
<b>2</b>	DEPARTMENT NAME	DIRECTOR'S NAME	
	Chief Financial Officer	Janet Stokesbary, Chief Financial Officer	
<b>3</b>	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY	HIS/HER PHONE NUMBER	
	Janet Stokesbary, Chief Financial Officer	907-742-4369	
<b>4</b>	<b>COORDINATED WITH AND REVIEWED BY</b>	<b>INITIALS</b>	<b>DATE</b>
	<b>Mayor</b>		
	Heritage Land Bank		
	Merrill Field Airport		
	Municipal Light & Power		
	Port of Anchorage		
	Solid Waste Services		
	Water & Wastewater Utility		
	<b>Municipal Manager</b>		
	Cultural & Recreational Services		
	Employee Relations		
	Finance, Chief Fiscal Officer		
	Fire		
	Health & Human Services		
	Office of Management and Budget		
	Management Information Services		
	Police		
	Planning, Development & Public Works		
	Development Services		
	Facility Management		
	Planning		
	Project Management & Engineering		
	Street Maintenance		
	Traffic		
	Public Transportation Department		
	Purchasing		
	<b>Municipal Attorney</b>		
	<b>Municipal Clerk</b>		
	<b>Other:</b> Anchorage School District		
	Carol Comeau, Superintendent	<i>C. Comeau</i>	7/8/09
	Janet Stokesbary, Chief Financial Officer	<i>Janet Stokesbary</i>	7/8/09
<b>5</b>	<b>Special Instructions/Comments</b>		
	Consent Agenda - Introduction		
<b>6</b>	ASSEMBLY HEARING DATE REQUESTED	<b>7</b>	PUBLIC HEARING DATE REQUESTED
	7/21/09		8/11/09

2009 JUL -9 AM 9:30  
 ULENS OFFICE