



Ketchikan Gateway Borough School District

Board of Education Meeting

October 16, 2024

Alaska Foundation Formula

Relationships – Engagement – Student Centered



Alaska Foundation Formula

The information being shared this evening comes from the Department of Education and Early Development (DEED)'s document entitled "Public School Funding Program Overview".

That document can be found on DEED's website at https://education.alaska.gov/SchoolFinance/pdf/ADA%20Funding%20Program%20Overview%202025_eff1-2024.pdf



Alaska Foundation Formula

STUDENT BASED FORMULA

District Adjusted Average Daily Membership (ADM)

Step 1. Adjust: ADM for School Size

Step 2. Apply: District Cost Factor

Step 3. Apply: Special Needs Factor

Step 4. Apply: Vocational & Technical Funding

Step 5. Add: Intensive Services Count

Step 6. Add: Correspondence Student Counts

= **District Adjusted (ADM)**

ADM Reporting Requirements

ADM – is the average number of enrolled students during the 20-school day count period. The 20-school day count ends the fourth Friday of October. Reports are due within two weeks after the end of the 20-school day count period.



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School Size Adjustment [Step 1]

For each school in the district subtract from the ADM **all** correspondence counts. Adjust the remaining ADM of each school using the school size factor table, on page 4.

1. A community with an ADM under 10:

Added to the smallest school with an ADM greater than 10.

2. A community with an ADM from 10 - 100:

Grades K-12 ADM combined and adjusted once, adjusted as one school.

3. A community with an ADM from 101 – 425:

ADM for grades K-6 and 7-12 are adjusted separately; adjusted as two schools.

4. A community with an ADM greater than 425:

ADM is adjusted once for each facility administered as a separate school; unless it's the only school in the community then it's adjusted as two schools.



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* *Alternative* school with an ADM of 175 or greater *and* administered as a separate facility the ADM will be adjusted separately, unless:

A. It's new and the 1st year of service with ADM between 120 to 175 receives an adjustment of 1.33; OR

B. It had an ADM of 175 or greater in the prior year but drops below 175 in the current fiscal year receives an adjustment of 1.33; OR

C. It has an ADM of less than 175 shall be counted as a part of the school in the district with the *highest* ADM.

* *Charter* school with an ADM of 150 or greater is adjusted as a separate facility unless:

A. It's new and the 1st year of service with ADM between 75 to 150 receives an adjustment of 1.45; OR

B. It had an ADM of at least 75 in the prior year the current fiscal year receives an adjustment of 1.45; OR

C. It continues to stay below 75 ADM then it receives an adjustment of 1.18.



Alaska Foundation Formula

Select the appropriate formula from the school size factor table to calculate the adjusted ADM for each school.

Reference:	School Size:	Formula:
1.	10-19.99	39.60
2.	20-29.99	$39.60 + (1.62 * (ADM - 20))$
3.	30-74.99	$55.80 + (1.49 * (ADM - 30))$
4.	75-149.99	$122.85 + (1.27 * (ADM - 75))$
5.	150-249.99	$218.10 + (1.08 * (ADM - 150))$
6.	250-399.99	$326.10 + (.97 * (ADM - 250))$
7.	400-749.99	$471.60 + (.92 * (ADM - 400))$
8.	Over 750	$793.60 + (.84 * (ADM - 750))$



Alaska Foundation Formula

FY2024-2025 KGBSD Foundation Formula – ADM for School Size

<u>School</u>	Numbers		SPED		Average Daily Membership		School Size	
	KGBSD	DEED	Intensive	FY 25	FY23	FY24	FY 25	ADM
Fast Track	191	258010			78.85	78.85	86.00	
Fawn Mountain Elementary	113	250050	27		226.75	226.75	205.44	277.97
Houghtaling Elementary	111	250010	29		304.10	304.10	272.15	347.58
Ketchikan Charter School	115	259010	14		198.10	198.10	180.82	251.39
Ketchikan High School	130	250020	22		499.58	499.58	528.62	589.93
Point Higgins School	114	250100	17		229.95	229.95	216.38	289.79
Revilla Jr/Sr High School	139	257010	2		100.85	100.85	97.29	89.51
Schoenbar Middle School	120	250040	7		269.00	269.00	263.27	338.97
Tongass School of Arts and Sciences Charter School	116	259020	5		135.90	135.90	123.48	179.05
Totals			123		2,043.08	2,043.08	1,973.46	2,364.19



Alaska Foundation Formula

Hold Harmless Provision [Step 1a]

The Hold Harmless [HH] provision was enacted in 2008 for those districts experiencing a reduction in enrollment affecting their adjustment for school size. Eligibility is determined after the district's adjusted for school size ADM are calculated and totaled up for all schools. The sum-total of the district's adjusted for school size ADM is compared against the prior fiscal year [FY] total adjusted for school size ADM to determine if a decrease of 5% or greater has occurred. If yes, then the prior FY is locked in as the "base year" for three years. The new school size adjustment with HH continues through the rest of the formula adjustments. The HH provision is available to school districts over a three-year step-down provided the adjusted for school size ADM total stays below the established "base year".

- 75% of school size adjusted ADM difference between the current FY to the base FY.
- 50% of school size adjusted ADM difference between the second FY to the base FY.
- 25% of school size adjusted ADM difference between the third FY to the base FY.



Alaska Foundation Formula

District Cost Factors [Step 2]

- Cost factors are specific to each school district and will range from 1.000 to 2.116.
- The department monitors the district cost factors and submits a report to the legislature on January 15 every other fiscal year, beginning in FY01.

The district's school size adjusted ADM is multiplied by the district cost factor.

Special Needs Funding [Step 3]

Vocational education, special education (except intensive special education), gifted/talented education, and bilingual/bicultural education are block funded. A district must file a plan with the department indicating the special needs services that will be provided, per AS 14.17.420 (b), to qualify for special needs funding.

The districts' previously adjusted ADM is now multiplied by the Special Needs factor of 1.20.



Alaska Foundation Formula

Vocational & Technical Funding [Step 4]

(Now referred to as Career & Technical Education or CTE)

These funds are intended to assist districts in providing vocational and technical instruction for students enrolled in grades 7 through 12. This excludes costs associated with administrative expenses; and instruction in general literacy, math, and job readiness skills, AS 14.17.420(a)(3). *(Enacted in 2011)*

The districts' previously adjusted ADM is now multiplied by the Career & Technical Education factor of 1.015.

Intensive Services Funding [Step 5]

A school district receives funding for intensive special education students that:

- Are receiving intensive services;
- Are enrolled on the last day of the 20-school day count period, and;
- Have an established Individual Education Plan (IEP).

The districts intensive student count is multiplied by 13.

The district's intensive calculation is added to the previously adjusted ADM.



Alaska Foundation Formula

Correspondence Programs [Step 6]

Funding for correspondence programs is calculated by multiplying the correspondence ADM by 90%.

The district's correspondence count calculation is now added to the previously adjusted ADM to arrive at the Final Adjusted ADM.

Basic Need

Multiply the district Final Adjusted ADM by the Base Student Allocation [BSA] to determine Basic Need. The BSA is \$5,960 for FY2025.



Alaska Foundation Formula

FY2024-2025 KGBSD Foundation Formula – Hold Harmless & District Cost Factors Arriving at District Adjusted ADM

	Factors	Adjusted ADM
Adjusted ADM based on school size factors		2,364.19
Hold Harmless		0.00
<i>Adjusted ADM and Hold Harmless</i>		<u>2,364.19</u>
<u>Adjustments to District ADM - Multipliers:</u>		
District Cost Factor	1.170	2,766.10
Voc Ed, Special Ed, and ESL	1.200	3,319.32
Career Technology	1.015	3,369.11
Other Adjustments to District ADM:		
Plus Students Qualifying for Intensive Needs	123	13.000 1,599.00
Plus Correspondence (Fast Track)	86.00	0.900 77.40
Pre-School	0.00	0.500 0.00
<i>District Adjusted ADM</i>		<u><u>5,045.51</u></u>



Alaska Foundation Formula

PUBLIC SCHOOL FUNDING ELEMENTS

The components of Public School Funding are *State Aid*, *Required Local Contribution*, and *Title VII Impact Aid*.

Required Local Contribution

The local requirement is the equivalent of 2.65 mill tax levy on the full and true value of the taxable real and personal property in the district; and not to exceed 45% of the district's basic need for the preceding fiscal year.

Title VII Impact Aid

Federal Impact Aid provides funds to school districts for children of parents living and/or working on federal property "in-lieu of local tax revenues." After deductions, 90% of the eligible funds are used in the calculation of state aid.

State Aid Entitlement

Basic Need minus a Required Local Contribution minus 90% eligible Federal Impact Aid plus the amount of funding 'Floor' plus Quality School Grants equals State Aid Entitlement.



Alaska Foundation Formula

FY2024-2025 KGBSD Foundation Formula – Required Local Contribution and State Aid Entitlement

Basic Need (District Adjusted ADM times Base Student Allocation)	5,045.51	5,960	30,071,240
Less Required Local Effort (2.65 mills of assessed valuation [2,166,605,376] as of 1/1/23 per state assessor)			<u>5,741,504</u>
State Foundation Funding			<u><u>24,329,736</u></u>



Alaska Foundation Formula

Quality School Grants

The district's adjusted ADM multiplied by \$16 generates the amount the school district is eligible to receive.

Maximum Local Contribution

The City or Borough can contribute more than is required but may not exceed the maximum local contribution. To calculate this, use the required local contribution plus 23% of basic need and those state funds calculated on adjusted ADM **or** a 2-mill equivalent of the full and true value of the taxable and real property within the district; whichever is *greater*. The additional amount is added to the required local effort to reach the maximum local contribution.



Alaska Foundation Formula

KGBSD Foundation Formula – Quality Schools and Maximum Local Contribution Calculations

Quality Schools' Funding	16	<u>80,728</u>
<u>Maximum Local Funding</u>		
Required Local Effort		<u>5,741,504</u>
Plus 23% of		
Basic Need	23%	6,916,385
Quality Schools'	23%	18,567
Legislative Opportunity Grant	23%	789,118
<i>Total Discretionary Local Funding</i>		<u>7,724,070</u>
Maximum Local Funding		<u>13,465,574</u>
<u>In-Kind Contribution</u>		
Health Insurance Liability		0
Estimated Liability and Property Insurance (A District expenditure)		355,000
Estimate for Fire Protection and Pool Use (Not a District expenditure)		<u>186,000</u>
<i>Total In-Kind</i>		541,000
Maximum Local Direct Borough Appropriation		<u>12,924,574</u>

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