



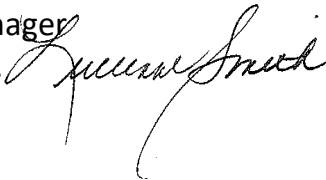
SOUTHEAST ISLAND SCHOOL DISTRICT

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M E M O R A N D U M

TO: SISD BOARD OF EDUCATION

THRU: Rodney Morrison , Superintendent

FROM: Lucienne Smith, Contracted Business Manager
Alaska Education & Business Services, Inc. 

Date: November 14, 2023

SUBJECT: BUSINESS MANAGER'S REPORT NARRATIVE
Goal #3: Increase Communication District and Community Wide

Monthly Activities: Our monthly activities are proceeding as planned, below are some key highlights from the past month:

FY 2024 BUDGET: Our expenditures remain well within budget, and we have been diligently monitoring all financial activities. As of the current month, there are no significant budget overruns or unexpected expenses to report. Our budget revision will occur in January once we have confirmation for our foundation funding from DOEED. This fiscal responsibility reflects our commitment to ensuring the best use of the resources entrusted to us.

FY 2024 Q1 GRANT REIMBURSEMENTS: Our efforts to process Q1 Grant reimbursements are completed.

FY 2024 YE PAYROLL REPORTS: All year end reporting is in the planning stages and deadlines for all will be met. W2's will be completed on or before January 31st as well as 941's and ESC reporting.

FY 2025 BUDGET: The FY 2025 budget timeline is attached.

REVENUES: The main source of revenue for the District is the State of Alaska Foundation Entitlement – the steps to calculate that funding follow.

Mission: *Students are equipped to achieve their dreams and aspirations*

Vision: *Set a foundation by cultivating experiences for students to develop goals and thrive in an every-changing world.*



THIS PRESENTATION PROVIDES AN OVERVIEW OF:

1. SISD REVENUE SOURCES
2. DEFINITIONS OF FORMULA TERMS
3. CALCULATIONS OF STATE AID
4. COMPONENTS OF BASIC NEED

SISD REVENUE SOURCES

1. STATE FOUNDATION

AVERAGE DAILY MEMBERSHIP (ADM)

— ADM Reporting Requirements

- Average Daily Membership - (ADM) is the number of **enrolled** students during the 20-school-day count period ending on the fourth Friday of October. (A.S. Sec. 14.17.600)*
- Reports are due within two weeks after the end of the 20-school-day count period.
- Projected student count reports for the following year are due two weeks after the end of the 20 school day count period. (A.S. Sec. 14.17.500)

WHO QUALIFIES AS A STUDENT?

Eligibility for State Foundation Funding ... currently...

- A child who is 6 years of age before September 1, and under the age of 20, and has not completed the 12th grade. (AS 14.03.070)
- A child who is 5 years of age before September 1, may enter Kindergarten. (AS 14.03.080 (d))
- A child with a disability and an active Individualized Education Program (IEP) may attend school at the age of 3 or if under the age of 22. (AS 14.30.180)1))

CALCULATION OF BASIC NEED

Adjusted Student Formula

District Adjusted ADM * \$5,960 (A.S. 14.17.470)

Adjusted ADM is calculated using the ADM of each school in the district

DISTRICT ADJUSTED ADM

Step 1. Adjust: ADM for School Size (A.S. 14.17.450)

Step 2. Apply: District Cost Factor (A.S. 14.17.460)

Step 3. Apply: Special Needs Factor (A.S. 14.17.420)

Step 4. Apply : CTE Needs Factor

Step 5. Add: Intensive Services Counts

Step 6. Add: Correspondence Student Counts

(A.S. 14.17.430)

= District Adjusted ADM

Step 1. Adjust the ADM for School Size Using the School Size Table

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	$793.60 + (.84 * (ADM - 750))$

- Intensive services and correspondence student counts are not adjusted for size.

STEP 1. ADJUST THE ADM FOR SCHOOL SIZE

ADM under 10:

Added to the smallest school with an ADM greater than 10

A Community with an ADM of 10 through 100:

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

A Community with an ADM of 101 through 425:

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

A Community with an ADM greater than 425:

- The ADM of each facility administered separately as one school is adjusted.
- Alternative schools with an ADM of less than 200 shall be counted as a part of the school in the district with the highest ADM.
- If the ADM is greater than 200 and administered as a separate facility the ADM will be adjusted separately.

STEP 1. EXAMPLE: SOUTHEAST ISLAND SCHOOL DISTRICT

FY 2023 ADM BY SCHOOL

Whale Pass	16
Hollis School	18
Howard Valentine	14
Hyder	0
Kasaan	11.73
Naukati	16
Port Alexander	12
Thorne Bay	<u>50.5</u>
Total	138.23

Step 1. Example: Southeast Island School District

Using the table adjust for school size

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	$793.60 + (.84 * (ADM - 750))$

Step 1. Example: Southeast Island School District

	<u>Enrollment⁴</u>	<u>x</u>	<u>School Size Factor</u>
Whale Pass	16		39.6
Hollis School	18		39.6
Howard Valentine	14		39.6
Hyder	0		0
Kasaan	11.73		39.6
Naukati	16		39.6
Port Alexander	12		39.6
Thorne Bay	<u>50.5</u>		86.35
			<u>0</u>
Total	138.23		323.95

STEP 1. EXAMPLE: SOUTHEAST ISLAND SCHOOL DISTRICT

Total enrollment K-12

Schools: 138.23

Adjusted for school size: 323.95

School Size Hold Harmless(HH) **337.23**

STEP 2. DISTRICT COST FACTORS

The Department of Education monitors district cost factors and submits a report to the legislature on January 15 every other fiscal year, beginning January 2001. (A.S. 14.17.460)

Cost factors are specific to each school district.

Lowest district cost factor is 1.000 and the highest is 2.116. Southeast Island School District cost factor is 1.403

Total the adjusted ADMs for each school in the district and multiply the district adjusted ADM by the district cost factor.

STEP 2. EXAMPLE: SOUTHEAST ISLAND SCHOOL DISTRICT

**Multiply the district adjusted ADM
by the district cost factor**

$$337.23 \times \underline{1.403} = 473.13$$

STEP 3. SPECIAL NEEDS FUNDING

- All categorical programs; special education (except intensive), vocational education, gifted/talented and bilingual/bicultural are block funded at 20%.
- To qualify for funding under this section school districts must file a plan with the department indicating special needs services that will be provided.

Section 14.17.420 (2)(b)

Step 3. Example: Southeast Island School District

**Multiply the district adjusted ADM by the
Special Needs Factor**

$$473.13 \times \underline{1.20} = 567.76$$

STEP 4. EXAMPLE: SOUTHEAST ISLAND SCHOOL DISTRICT

**Multiply the district adjusted ADM by the
CTE Needs Factor**

$$567.76 \times \underline{1.015} = 576.28$$

STEP 5. INTENSIVE SERVICES FUNDING

A school district will receive funding for intensive services students that:

1. Are receiving intensive services and are
2. Enrolled on the **last day of the 20** school-day count period and who have an
3. Established Individual Education Plan (IEP) for each intensive services student.

An intensive services student generates \$77,090
(\$5,930 X 13).

STEP 5. EXAMPLE: SOUTHEAST ISLAND SCHOOL DISTRICT

**Multiply the Intensive Student Count by 13
and add to the district adjusted ADM**

$$10 \times 13 = 130 \quad 576.28 + \underline{130} = 706.28$$

STEP 6. CORRESPONDENCE PROGRAMS

Districts offering correspondence programs receive funding based on 90% of correspondence ADM.

Each correspondence student generates \$5,364.

$(\text{Correspondence ADM}) * .90 = \text{Level of correspondence funding}$

Step 6. Example: Southeast Island School District

Multiply the Correspondence Student ADM by 90% and add to the district adjusted ADM

$$13.65 \times .90 = 12.29$$

$$706.28 + \underline{12.29} = 718.57$$

Basic Need

Multiply the district adjusted ADM by the base student allocation = Basic Need

$$718.57 \times \underline{\$5,930} = \underline{\$4,261,120}$$

DISTRICT ADJUSTED ADM & BASIC NEED

FY 2023 ADM:	138.23
Step 1. Adjusted ADM for School Size HH:	337.23
Step 2. Apply the District Cost Factor:	<u>x 1.403</u>
	473.13
Step 3. Apply the Special Needs Factor	<u>x 1.20</u>
	567.76
Step 4. Apply the CTE Factor	<u>x 1.015</u>
	576.28
Step 5. Add Intensive Service Counts: +130 (10 x 13 = 130)	
Step 6. Add Correspondence Student Counts:	<u>+ 130</u>
(13.65 x .90 = 12.29)	706.28
	<u>+ 12.29</u>
= District Adjusted ADM	718.57
Multiply by \$5,960 the base student allocation	<u>x \$5,960</u>
Basic Need:	<u>\$4,261,120</u>

QUALITY SCHOOLS GRANT

Quality School Grants

District adjusted ADM multiplied by \$16

Example: Southeast Island School District

$$718.57 \times \$16 = \$11,497$$

PRORATING THE PUBLIC SCHOOL FUNDING FORMULA

- If insufficient funds are appropriated by the legislature to meet the total entitlement, then all components of the Public School Funding Formula Program will be reduced by the same percentage.