



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

October 18, 2024

The Honorable Deena M. Bishop
Commissioner of Education
Alaska Department of Education and Early Development
P.O. Box 110500
Juneau, AK 99811

Dear Commissioner Bishop:

The U.S. Department of Education (Department) is in receipt of your letters dated August 15, 2024, and September 16, 2024. As you noted in your August 15 letter, my July 16, 2024, letter indicated how Alaska could demonstrate compliance with the American Rescue Plan (ARP) Act maintenance of equity requirements for fiscal year (FY) 2023. As also noted in my July 16 letter, I communicated that the Department required a plan from the Alaska Department of Education and Early Development (AK DEED) within 30 calendar days, “demonstrating that it is actively working to resolve its FY 2023 maintenance of equity compliance issues.” While the communications you shared described your concerns about the requirements, they did not provide a plan through which your agency is attempting to meet the requirements.

Both the underlying data and calculations used to determine compliance or non-compliance with the maintenance of equity requirements were supplied by AK DEED (*i.e.*, submitted by AK DEED via email on March 8, 2024). In AK DEED’s March 8, 2024, submission of FY 2022 data to the Department, the SEA identified Anchorage School District as a high-need local educational agency (LEA) and Kenai Peninsula Borough School District as a highest-poverty LEA. Based on FY 2023 data provided by AK DEED, the SEA identified Anchorage School District, Fairbanks North Star Borough School District, and Juneau Borough School District as high-need LEAs; Kenai Peninsula Borough School District was again identified as a highest-poverty LEA. These identifications were made by AK DEED and indicated as such in the data submitted by AK DEED on March 8, 2024. As discussed in numerous technical assistance calls with AK DEED and detailed in [FAQs 19 and 20](#), both the Department and AK DEED have calculated the State per-pupil funding using that March 8, 2024, data, following the statutory calculations and definitions in sections 2004(b) and (d) of the ARP Act.

The shortfall calculations for both FY 2022 and FY 2023 are final so long as AK DEED does not provide additional data to the Department. However, should the State modify its data, the shortfall would be recalculated based on any updated data. The process for identifying high-need and highest-poverty LEAs and the calculations used to determine whether the State maintained equity are explained in [FAQs 15, 19, and 20](#). The Department applied the calculations described in [FAQs 19 and 20](#) to the final data provided by AK DEED. On July 30, 2024, I sent a letter that detailed the calculations for

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The Department of Education’s mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

FY 2022 shortfalls and on September 13, 2024, I sent a letter that detailed the calculations for FY 2023 shortfalls. The shortfall information can be found in Table 1 (FY 2022) and Table 2 (FY 2023) below.

Table 1. Disproportionate State funding reductions under FY 2022 maintenance of equity requirements	
LEA	Shortfall
Kenai Peninsula Borough School District	\$5,485,666
Anchorage School District	\$6,407,820
FY 2022-related sub-total	\$11,893,486

Table 2. Disproportionate State funding reductions under FY 2023 maintenance of equity requirements	
LEA	Shortfall
Juneau Borough School District	\$90,148
Anchorage School District	\$215,187
Kenai Peninsula Borough School District	\$2,494,871
Fairbanks North Star Borough School District	\$2,756,426
FY 2023-related sub-total	\$5,556,632
Total including FY 2022 and FY 2023	\$17,450,118

Figures are based on data and information available to the Department through its monitoring. The Department's calculations would only change if AK DEED were to change their data.

We understand you are not in agreement with the Department's assessment of non-compliance. Once again, this assessment is a mathematical formula in section 2004(b)(1) and (2) of the ARP Act and the definitions in section 2004(d) including the definition for overall per-pupil reduction in State funds in section 2004(d)(5). Step-by-step instructions to calculate per-pupil funding are described in FAQs 19 and 20. This mathematical formula relies on AK DEED's March 8, 2024, data of State education funding for FY 2022 and FY 2023. AK DEED has used these same data, calculations, and guidance for the purposes of submitting multiple small LEA tolerance proposals to reduce the number of affected LEAs. As we have consistently communicated, we cannot allow Alaska to employ flexibilities that were not available to other States, nor can we allow the State to submit or calculate data differently for the LEAs that remain out of compliance versus the State's other LEAs. We have no further flexibilities to offer to Alaska, and the statute does not authorize the Department to waive this requirement.

Sincerely,



Adam Schott
Principal Deputy Assistant Secretary
Delegated the Authority to Perform the
Functions and Duties of the Assistant Secretary
Office of Elementary and Secondary Education

Cc: The Honorable Mike Dunleavy, Governor