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## **STATEMENT OF POSITION**

The League of Women Voters of Alaska (LWVAK) recognizes, based on the Alaska State Constitution, that the State has the major responsibility for financing schools in Alaska, including grades PreK--12. However, local school districts in organized and unorganized boroughs should be required to contribute a percentage of the financial support and should have the major responsibility for decision making in the expenditure of funds. Public monies for education should NOT support student vouchers or Educational Savings Accounts (ESA's) that are allocated to private or for-profit schools; nor should public education funding be allocated to for-profit Educational Management Organizations (EMO's).

## **AMPLIFICATION**

### Financing

The League of Women Voters of Alaska recognizes that the State has the major responsibility for financing public education, including grades Pre-K through 12, in Alaska because State funding is an equitable method and meets the constitutional requirement that the State provide an educational system for its residents; and because the State has the ability to derive income from wider sources than a local unit of government. Budgeting for public education should be a top priority item in the Alaska State Budget. The League also recognizes that local monetary involvement helps insure local interest and accountability; therefore, local districts in organized boroughs and regional educational attendance areas (REAA) in the unorganized borough should be required to contribute a minimum (5-10%) of the funding for basic need (as defined for the delivery of "basic" education program and related services). Local funding beyond a set minimum should be permitted.

### Method of Financing

The League believes that the allotment and distribution of funds for elementary and secondary schools should be based upon equity, adequacy, and fairness. Inherent in this distribution plan should be a clear and concise definition of "basic need," which should be stated in monetary terms and be clearly understandable. State budgeting for public schools should include forward funding so that school districts can plan a year in advance; such planning allows for stability and programming that can increase the effectiveness of public school education.

### Use of Public Education Funding

Public education funds must be used to fund public education for all children. The use of public education money should be determined by locally elected school boards with input from local administration, staff/faculty, and parents. Local school boards may choose to establish public charter schools, whose student roster reflects the population diversity of the local community, and base their educational approaches on best education practices shown to meet the needs of a diverse population and foster student growth in the basic areas of learning. However, public charter schools must be financed in a way that does not weaken the traditional public school; this familiarity with the local school budget and local educational needs is the reason why the League supports the local school board as the primary authority in the authorization of a public charter school. Assessment measures of student growth should be identical across a given school district, and public charter schools that do not show adequate student academic growth should have public funding discontinued. Public monies for education should not support student vouchers or Education Savings Accounts (ESA's) that are allocated to private or for-profit schools. In addition, school districts should not use public education funding toward for-profit Educational Management Organizations (EMO's), companies that run a number of schools for profit.

### Funding of Construction, Operations and Maintenance

The League believes that the State has the major responsibility for financing the construction, operation, and maintenance of educational facilities, with local districts required to contribute a percentage of the funding. The State would meet its responsibility through a separate formula funding mechanism. Local school districts have the major responsibility for making the decisions in regard to design, location, needs, type of structure,

and equipment. In order to qualify for State construction funds, local school districts should be required to contain the size of their buildings to conform to space guidelines mandated by the Alaska Department of Education and Early Development (DEED).

#### Clarification of Basic Need

Basic need shall include all of the costs associated with the delivery of the educational program required by statute, regulation, or other standard requirements. Assumed under this is a fair and equitable determination of real cost indices by community for facilities, staff, texts and materials, library, music, art, physical education facilities, etc. It is also assumed that the basic costs will be modified by geographical area differentials across the State. It is understood that districts qualifying for federal funding would be allocated **their** full entitlement - separate from the basic need definition.

**SUPPORTING DEFINITIONS:** Some of these definitions have a fluid nature in that they may be used to mean different things depending upon what entity is using them; educational and charter management organizations are two examples.

1. Public Schools: These schools represent the majority of educational offerings for pre-college youth. They are supported by public taxes and other sources of public funding and are accountable to local school boards and state education departments. They are non-profit and fall under three basic categories: traditional, charter, and alternative.

- a. Traditional public schools serve the majority of public school students and are non-charter by nature.
- b. Charter schools are public schools of choice that are supported by public funds. Charters were originally meant to allow for innovation in educational methods; those successful innovations could be applied to the broader public school system. Charter schools in Alaska must present a proposal to the local school board, receive school board approval, and meet all requirements set by the school board and the state department of education.
- c. Alternative schools are also publicly funded; these schools are frequently established by the school board rather than a group of parents to meet particular needs of school-aged children. Students may select an alternative school or may be counseled into such an option. (There also exist many private alternative schools which may charge tuition; some of these schools may focus on certain types of learning disabilities such as ADHD or autism. Public school districts may assist students needing this specialized approach with tuition aid. Such expenditures are under the control of local school boards and school administrations or may be provided by state departments of education.)

2. Private Schools may be either religious or non-religious in nature, may charge tuition to cover costs, and may be nonprofit or for-profit schools. They do not have to meet public educational criteria for teaching materials, class, size, inclusion and diversity, or teacher certification. Some may be referred to as charter schools, but they are not held accountable by local school districts and in most states are not supported by public money. However, some states have instituted a variety of ways to shift public funding to private schools; vouchers and educational savings accounts are two of those methods.

- a. Educational Savings Accounts (ESAs) are voucher-like accounts accessed via debit card that allot public education funding to parents so that they may select their own educational plan and materials. They are gaining popularity, with several states already implementing them. Do not confuse these state-level ESA's with the Coverdell education accounts which are federally-regulated, tax-free savings accounts that can be set up for children primarily to help with college costs.
- b. School Vouchers: Vouchers, representing a certain amount of public funding, are given to parents to buy whatever type of educational product they deem suitable for their child.

3. Management Organizations may be hired to manage a school or a group of schools or an entire school district. Both of these organizations may be lumped under the title Educational Management Organizations (EMO's) and differentiated by for-profit or non-profit labels. There are currently large management organizations that operate schools across several states.

- a. Charter Management Organizations (CMO's) are non-profit organizations that contract to run a system of charter schools; **CMO'S** may serve any number of charter schools **and extend their management authority** across state lines.

b. Educational Management Organizations (EMO's) are for-profit organizations that contract to run public schools with the promise of improved education, but do so based on a profit-motive and may have the right to set their own teacher and administration salary schedules. Some may have stockholders and be part of larger corporations.

4. For-profit versus nonprofit in education

a. For-profit schools are schools that earn profits for shareholders or owners. They often use the same or similar testing materials or evaluation methods as non-profits in order to make comparisons concerning student achievement.

b. Non-profit schools do not pay dividends to shareholders or provide profits for owners. Examples of nonprofit schools would be public schools, both traditional and charter, and many religious schools. All money earmarked for teaching students is used for that purpose.



Adopted 1977; Revised 1985; 1986; Reaffirmed each year since at LWVAK Convention.

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