



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

July 16, 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 American Rescue Plan Act of 2021 (ARP Act) includes requirements to safeguard the highest need local educational agencies (LEAs) from experiencing a disproportionate reduction in State funding in fiscal years (FYs) 2022 and 2023 (i.e., school years 2021-2022 and 2022-2023) and to ensure that LEAs serving the greatest numbers of students from low-income backgrounds do not experience a decrease in State funding below their FY 2019 levels. The Secretary does not have authority to waive these requirements.

To support implementation of these maintenance of equity requirements, the U.S. Department of Education (Department) has conducted technical assistance calls with States since summer 2022, including multiple calls with the Alaska Department of Education and Early Development (DEED). In these discussions, we worked with DEED officials to assist the State in categorizing various funds provided to LEAs in the maintenance of equity data submission and in evaluating multiple small LEA tolerance proposals¹ as developed by DEED and consistent with the Department's guidance.²

Based on FY 2023 data provided by the State,³ Alaska has not yet demonstrated compliance with the FY 2023 maintenance of equity requirement for three high-need LEAs and one highest-poverty LEA; please see Table 1, next page. Alaska may resolve the identified compliance issues for FY 2023 by making supplemental payments to these LEAs equal to the amount of the State funding reductions considered "disproportionate" under the maintenance of equity requirement.

¹ https://oese.ed.gov/files/2023/10/Alaska-small-LEA-tolerance-proposal-response_Final.pdf

² https://oese.ed.gov/files/2023/01/2023-01-23-Update_22-0471-moequity-FAQs_Final-Version.pdf

³ <https://oese.ed.gov/files/2024/03/Alaska-FY2022-and-FY2023-Final-MOEquity-March2024.xlsx>

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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.

Table 1. Amount of State funding reductions considered disproportionate under FY 2023 maintenance of equity requirement	
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

These figures are based on data and information available to the Department through its monitoring and may not reflect the full scope of Alaska's FY 2023 maintenance of equity compliance issues.

Within 30 calendar days of this correspondence, DEED must submit a plan to the Department, demonstrating that it is actively working to resolve its FY 2023 maintenance of equity compliance issues. This plan should clarify the extent to which the State is planning to make supplemental payments to the LEAs listed above; please include information regarding how and when any supplemental payments will be made and provide any additional data, as applicable. If DEED does not provide a timely response, the Department may take appropriate enforcement actions, such as adding specific conditions to a State's ARP ESSER award,⁴ designating a State as a high-risk grantee,⁵ and potential recovery of ARP ESSER funds.⁶ These enforcement actions would be in addition to enforcement actions following the State's failure to meet the FY 2022 maintenance of equity requirement.

If you have any questions or require assistance, please contact the Department via Alaska's State mailbox, Alaska.OESE@ed.gov.

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 of Alaska
Office of the Governor
P.O. Box 110001
Juneau, AK 99811-0001

⁴ See 2 C.F.R. § 200.206(c) and 200.208.

⁵ See 2 C.F.R. § 3474.10 and 2 C.F.R. 200.208.

⁶ Section 452 of the General Education Provisions Act, 20 U.S.C.