



THE STATE  
of **ALASKA**  
GOVERNOR MICHAEL J. DUNLEAVY

**Department of Education &  
Early Development**

OFFICE OF THE COMMISSIONER

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June 24, 2019

Dear Superintendents:

Under normal circumstances, the first Fiscal Year (FY) 2020 State Aid Foundation payment would be scheduled for July 15, 2019. Due to the Legislature's unusual funding of education for FY 2020, this year's payment will be delayed for 7-10 days, depending on the Legislature's timeline for filing a lawsuit related to funding FY 2020 without an appropriation.

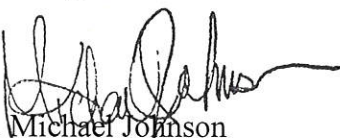
The delay is due to a constitutional question regarding the annual budgeting process mandated by the Alaska Constitution. Specifically, the question seeks to establish the difference between an actual appropriation of funds versus the future dedication of funds.

The Administration repeatedly urged the Legislature to include funding in the budget this year to avoid any uncertainty or delays. They chose not to do so. The Department of Law is trying to convince the Legislature to file its lawsuit prior to July 15 so that an agreed upon Court order can be put in place prior to that date, enabling the timely release of funds. However, if the Legislature will not agree to file its lawsuit until after July 15 the July payment will be delayed.

While this issue moves towards judicial review, it is my intention to disburse all FY 2020 monthly payments on or before the 15th of each month (AS 14.17.610), except the initial July 2019 disbursement. The Department of Education and Early Development staff will work to transfer funds as quickly as possible after the Legislature files a lawsuit. If you have any questions, please contact Elwin Blackwell, School Finance Manager, at (907) 465-8665.

Thank you for all you do toward an excellent education for every student every day.

Sincerely,

  
Dr. Michael Johnson  
Commissioner