

UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

December 20, 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:

I write regarding the Alaska Department of Education and Early Development's (AK DEED) compliance with the American Rescue Plan (ARP) Act fiscal year (FY) 2022 and FY 2023 maintenance of equity (MOEquity) requirements under the Elementary and Secondary School Emergency Relief (ESSER) program.

After the U.S. Department of Education (Department) inquired about the State's final budget, AK DEED provided the Department with data on December 5, 2024, demonstrating that Alaska's FY 2024 and FY 2025 approved budgets included one-time funding increases to the Base Student Allocation (BSA) used in the State's education funding formula. Based on this updated information and AK DEED's analysis in this December 5, 2024, submission, it appears that the approved BSA increase across both fiscal years exceeds the combined FY 2022 and FY 2023 MOEquity shortfall for all four impacted LEAs. We have reviewed this funding increase and determined it resolves the FY 2022 and FY 2023 withholding matters.

Based on the verified data and analysis described above, and to reflect the Department's continued interest in ensuring that as much funding as possible reaches Alaska's neediest students and LEAs, the Department is lifting the July 30, 2024, withholding actions for FY 2022 and FY 2023 and releasing the associated \$17,450,118 of Alaska's ARP ESSER award that was previously withheld due to AK DEED's non-compliance with the MOEquity requirements.

We now consider these matters regarding Alaska's compliance with the MOEquity provision in FY 2022 and FY 2023 closed. Should AK DEED require additional time to liquidate ARP ESSER funds that were timely and properly obligated, please contact the Department at Alaska.oese@ed.gov, or refer to the "Liquidation Extension" resources available on the Department's ESSER website.

Sincerely,

Adam Salutt

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

¹ AK DEED previously submitted four requests to the Department to tolerate certain per-pupil spending reductions in the State's smallest LEAs, which reduced the total amount owed to affected districts. The tolerance proposals remain in place for both affected fiscal years.

CC: The Honorable Mike Dunleavy Governor of Alaska Office of the Governor P.O. Box 110001 Juneau, AK 99811-0001