Board of Education

Monday, October 12, 2026 Regular Session 7pm
Valdez City Council Chambers, 212 Chenega Ave (corner of Chenega & Fairbanks), A-frame building behind City Hall, Valdez, AK 99686

A. **PRELIMINARIES**
1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Review of Minutes from the Regular School Board Meeting on September 28, 2026, and the Special School Board Meeting on October 1, 2026.

B. **PUBLIC COMMENT ON NON-AGENDA ITEMS**
1. Public Comment Guidelines

C. **REPORTS/INTRODUCTIONS**
1. Superintendent Report
2. Director of Curriculum Board Report
3. Director of Business Services Board Report
4. Director of Special Education and Federal Programs Board Report
5. Director of Technology and Communications Board Report
6. Director of Facilities and Operations Board Report

D. **CONSENT AGENDA**
1. Approve Personnel Action Report
2. Approve 2nd Reading Board Review of Policies:
BP 3550 Food Service, BP 3580 District Records, BP 4111/4211/4311 All Personnel - Recruitment and Selection, BP 4112.10 Personnel - Employment of Retired Teachers, BP 5040 Student Nutrition and Physical Activity, BP 5141.21 Administering Medication, BP 6114 Crisis Response Plan, BP 6146.1 High School Graduation Requirements, BP 6146.4 Reciprocity On Graduation Requirements, BP 6172 Special Education
3. Technology Battery Banks - Budget Amendment #3

E. **NEW BUSINESS**
1. Approve FY26 Audit
2. Approve 1st Reading Board Review of Policies:
BP 3311 Bids, BP 6151 Class Size
3. FY28 Budget Request to the City of Valdez

F. **BOARD BUSINESS FROM THE FLOOR**
1. Comments From Board Members

G. **INFORMATION ITEMS**
1. AASB Completed Policies—See Public Content Notes
2. Dolores Gard nominations live on our website under the "School Board" tab!

H. **FUTURE MEETING DATES**
1. October 19, 2026: Policy Review Committee Meeting 6:10pm - Superintendent Office
2. October 26, 2026: (Optional) Work Session 6pm/Regular Session 7pm - Council Chambers
3. November 2, 2026: Policy Review Committee Meeting 6:10pm - Superintendent Office
4. November 5-8, 2026: AASB's 73rd Annual Conference & Youth Leadership Institute
5. November 9, 2026: Work Session 6pm/Regular Session 7pm - Council Chambers

6. November 16, 2026: Policy Review Committee Meeting 6:10pm - Superintendent Office

I. **EXECUTIVE SESSION**

1. Go Into Executive Session
2. Come Out of Executive Session

J. **POSSIBLE ACTION FROM EXECUTIVE SESSION**

K. **ADJOURNMENT**

1. Adjourn the Meeting

Board of Education

Monday, September 28, 2026 Regular Session 7pm
Valdez City Council Chambers, 212 Chenega Ave (corner of Chenega & Fairbanks), A-frame building behind City Hall, Valdez, AK 99686

Sonya Ash-Selanoff:	Present
Kalin King:	Present
Scott McCumby:	Present
Dr Kyra Meyer:	Present
Dr Kathleen Todd:	Present
Bryan Vincent:	Absent
Carey Wade:	Present

Bryan Vincent absent, excused.

Sonya Ash-Selanoff present on Zoom.
Dr. Kyra Meyer present on Zoom.

A. **PRELIMINARIES**

A.1. Call to Order
Discussion: Meeting called to order at 7:00 pm

A.2. Pledge of Allegiance
Discussion: Kalin King led the pledge of allegiance.

A.3. Roll Call

A.4. Review of Minutes from the Regular School Board Meeting on September 14, 2026, and the Special School Board Meeting on September 21, 2026.
Discussion: No meeting minute corrections needed.

B. **PUBLIC COMMENT ON NON-AGENDA ITEMS**

B.1. Public Comment Guidelines
Discussion: No public comments.

C. **REPORTS/INTRODUCTIONS**

C.1. Superintendent Report — **Speaker(s):** Jason Weber
Discussion: Jason Weber presented his report, no questions.

C.2. HHES Principal Report — **Speaker(s):** Krista Howell
Discussion: Krista Howell presented her report, no questions.

C.3. GMS Principal Report — **Speaker(s):** Amanda Tippetts
Discussion: Amanda Tippetts presented her report, no questions.

C.4. VHS Principal Report — **Speaker(s):** David Cronk
Discussion: David Cronk presented his report.

Mr. Cronk discussed considerations following the administration of MAP testing. Dr. Todd asked for clarification regarding whether there were issues with administering the testing or with the

testing results. Mr. Cronk clarified that there were no significant issues with the testing or results, but noted there are opportunities to make the testing process more efficient in the future.

C.5. Student Representative Report — **Speaker(s):** Ava Mitchell

Discussion: Ava Mitchell presented her report, no questions.

D. **CONSENT AGENDA** — **Speaker(s):** Jason Weber

Action(s):

I move that the Board approve the Consent Agenda as presented. This motion, made by Dr Kathleen Todd and seconded by Carey Wade, Carried.

Voting Detail:

Sonya Ash-Selanoff:	Yea
Kalin King:	Yea
Scott McCumby:	Yea
Dr Kyra Meyer:	Yea
Dr Kathleen Todd:	Yea
Bryan Vincent:	Absent
Carey Wade:	Yea

Voting Summary: Yea: 6, Nay: 0, Absent: 1

D.1. Approve Personnel Action Report

D.2. Approve 2nd Reading Board Review of Policies: BP 3300 Expenditures/Expending Authority, BP 6154 Homework/Makeup Work, BP 6161.11 SUPPLEMENTARY INSTRUCTIONAL MATERIALS, BP 6164.5 STUDENT STUDY TEAMS

E. **NEW BUSINESS**

E.1. Approve 1st Reading Board Review of Policies: BP 3550 Food Service, BP 3580 District Records, BP 4111/4211/4311 All Personnel - Recruitment and Selection, BP 4112.10 Personnel - Employment of Retired Teachers, BP 5040 Student Nutrition and Physical Activity, BP 5141.21 Administering Medication, BP 6114 Crisis Response Plan, BP 6146.1 High School Graduation Requirements, BP 6146.4 Reciprocity On Graduation Requirements, BP 6172 Special Education

Action(s):

I move that the Board approve the 1st reading of board policies as presented. This motion, made by Scott McCumby and seconded by Carey Wade, Carried.

Voting Detail:

Sonya Ash-Selanoff:	Yea
Kalin King:	Yea
Scott McCumby:	Yea
Dr Kyra Meyer:	Yea
Dr Kathleen Todd:	Yea
Bryan Vincent:	Absent

Carey Wade:	Yea

Voting Summary: Yea: 6, Nay: 0, Absent: 1
Discussion: Dr. Kathy Todd and Jason Weber explain the presented Board Policies, no questions.

E.2. Approve the Strategic Plan — **Speaker(s):** Jason Weber

Action(s):
I move that the Board approve the Strategic Plan for 2026-2031. This motion, made by Carey Wade and seconded by Scott McCumby, Carried.

Voting Detail:

Sonya Ash-Selanoff:	Yea
Kalin King:	Yea
Scott McCumby:	Yea
Dr Kyra Meyer:	Yea
Dr Kathleen Todd:	Yea
Bryan Vincent:	Absent
Carey Wade:	Yea

Voting Summary: Yea: 6, Nay: 0, Absent: 1
Discussion: Jason Weber presented the report, no questions.

E.3. Approve an additional FTE in Special Education for the FY27 school year — **Speaker(s):** Jason Weber

Action(s):
I move that the Board approve the additional FTE for special education for FY27. This motion, made by Carey Wade and seconded by Scott McCumby, Carried.

Voting Detail:

Sonya Ash-Selanoff:	Yea
Kalin King:	Yea
Scott McCumby:	Yea
Dr Kyra Meyer:	Yea
Dr Kathleen Todd:	Yea
Bryan Vincent:	Absent
Carey Wade:	Yea

Voting Summary: Yea: 6, Nay: 0, Absent: 1
Discussion:
Jason Weber presented the report.
Dr. Kathy Todd asked whether the proposal was intended to allow the District to hire an additional special education teacher if paraprofessional positions could not be filled, or if it was related to the recently hired special education teacher. Mr. Weber clarified that the proposal would allow the District to use savings accrued from open paraprofessional positions to hire an additional special education teacher. The paraprofessional positions would remain open, allowing the District to hire either paraprofessionals or a special education teacher based on available applicants.

Kalin King asked whether the additional special education teacher would address the need for all three vacant paraprofessional positions. Mr. Weber clarified that the position would address the need for only one of the three vacant positions.
Dr. Kyra Meyer asked how the District intended to fill the position given the difficulty of hiring at this point in the school year. Mr. Weber explained that he was bringing the proposal forward because he believed there was already a potential candidate.

E.4. Additional Coaches to Accommodate GMS Teams for FY27

Speaker(s): Amanda Tippetts, Jason Weber

Action(s):
I move that the Board approve Additional Coaches to Accommodate GMS Teams for FY27. This motion, made by Carey Wade and seconded by Dr Kathleen Todd, Carried.

Voting Detail:

Sonya Ash-Selanoff:	Yea
Kalin King:	Yea
Scott McCumby:	Yea
Dr Kyra Meyer:	Yea
Dr Kathleen Todd:	Yea
Bryan Vincent:	Absent
Carey Wade:	Yea

Voting Summary: Yea: 6, Nay: 0, Absent: 1
Discussion: Jason Weber presented the report.

Scott McCumby asked for clarification on the estimated cost and whether the $8,000 estimate was for all three coaches or each coach. Mr. Weber clarified that the $8,000 estimate was for two coaches and that approval was being requested for two coaches at this time, despite the memo referencing three.

Dr. Todd stated that it would be appropriate to approve the third volleyball coach as well, as the recommended action was written for all three coaches. The Board agreed to include the third volleyball coach.

F. **BOARD BUSINESS FROM THE FLOOR**

F.1. Comments From Board Members

Discussion:
Sonya Ash-Selanoff: Welcome to Ava. Good job presenting. I am excited to hear the reports you will bring this year.

Dr. Kyra Meyer: It's so lovely to have you here, Ava. It has also been really great to see how much overlap there has been with activities. I'm really looking forward to Homecoming.

Dr. Kathy Todd: I really liked the presentation we've had on the MAP scores compared to the other scores. We just saw in the KVAK newsletter what the state put out regarding testing. I would love to have that continued in some way so people can see how our District compares to other school districts. Mr. Berkeley had explained to us that proficient is in the 70th percentile and not the 50th percentile, and I think it's misleading to the public what the state puts out. So, I think it would be wonderful if we could follow up on that.

Scott McCumby: No comment.

Carey Wade: I want to encourage people to come out and support our football team this Saturday at the tailgate.

Kalin King: I want to congratulate Jason Weber for winning the "Kalin King Superintendent Award" at the Superintendents meeting. There was a presentation and everything.

G. **INFORMATION ITEMS**

G.1. AASB Completed Policies—See Public Content Notes

H. **FUTURE MEETING DATES**

H.1. October 5, 2026: Policy Review Committee Meeting 6:10pm - Superintendent Office

H.2. October 12, 2026: Work Session 6pm/Regular Session 7pm - Council Chambers

H.3. October 19, 2026: Policy Review Committee Meeting 6:10pm - Superintendent Office

H.4. October 26, 2026: (Optional) Work Session 6pm/Regular Session 7pm - Council Chambers

H.5. November 2, 2026: Policy Review Committee Meeting 6:10pm - Superintendent Office

H.6. November 5-8, 2026: AASB's 73rd Annual Conference & Youth Leadership Institute

H.7. November 9, 2026: Work Session 6pm/Regular Session 7pm - Council Chambers

H.8. November 16, 2026: Policy Review Committee Meeting 6:10pm - Superintendent Office

I. **EXECUTIVE SESSION**

I.1. Go Into Executive Session

I.2. Come Out of Executive Session

J. **POSSIBLE ACTION FROM EXECUTIVE SESSION**

K. **ADJOURNMENT**

K.1. Adjourn the Meeting

Discussion: Meeting adjourned at 7:39 PM

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Board Secretary

Board of Education

Thursday, October 1, 2026 10:00 AM
HHES District Office Conference Room, 1009 W Klutina St, Valdez, AK 99686

Sonya Ash-Selanoff:	Present
Kalin King:	Present
Scott McCumby:	Present
Dr Kyra Meyer:	Absent
Dr Kathleen Todd:	Present
Bryan Vincent:	Absent
Carey Wade:	Absent

Carey Wade absent, excused per Kalin King.
Bryan Vincent absent, excused per Kalin King.
Dr. Kyra Meyer absent, excused per Kalin King.

Sonya Ash-Selanoff present over Zoom.

A. PRELIMINARIES

A.1. Call to Order
Discussion: Meeting called to order at 10:14 am

A.2. Roll Call

B. CONSENT AGENDA

Speaker(s): Jason Weber

Discussion: The Personnel Action Report was pulled from the Consent Agenda at the request of Dr. Kathy Todd and considered separately under New Business.

C. NEW BUSINESS

C.1. Approve Personnel Action Report
Action(s):
I move that the Board approve the hiring of Agnes Krystel Butaslac. This motion, made by Scott McCumby and seconded by Dr Kathleen Todd, Carried.
Voting Detail:

Sonya Ash-Selanoff:	Yea
Kalin King:	Yea
Scott McCumby:	Yea
Dr Kyra Meyer:	Absent
Dr Kathleen Todd:	Yea
Bryan Vincent:	Absent
Carey Wade:	Absent

Voting Summary: Yea: 4, Nay: 0, Absent: 3
Discussion:
Dr. Kathy Todd requested that the Personnel Action Report be pulled from the Consent Agenda to allow the Board to hear more about the hiring process for the candidate. Jason Weber explained the steps taken to vet the candidate and provided

an overview of the process and requirements associated with the proposed hire.

Dr. Kathy Todd asked whether the District would be responsible for the costs associated with changing the applicant's visa status from a J-1 to an H-1 visa. Jason Weber explained that the fee she may have heard about for changing visa status is waived for educational hires. He clarified that the overall process may cost the District an estimated $5,000.

Scott McCumby asked whether the applicant would need to wait until the entire visa process was completed before beginning work. Jason Weber explained that the District would need to wait until the process is complete, but that the District is expediting the process.

Dr. Kathy Todd asked whether the applicant is currently employed by another school district. Jason Weber explained that the applicant is currently working for an educational organization rather than a school district and is not under a teaching contract with her current employer.

Sonya Ash-Selanoff asked whether the District intends to continue pursuing international hiring or whether this recruitment is specific to the District's current circumstances. Jason Weber clarified that international hiring is not intended to be an ongoing direction for the District and that this candidate happened to be a highly reputable international candidate.

Sonya Ash-Selanoff asked for further clarification regarding the applicant's skill set and whether she would be able to teach at levels beyond elementary school if needed. Jason Weber stated that the applicant is qualified to serve as a special education teacher at any of the District's three schools and that he intends to complete the necessary paperwork to allow flexibility in placement based on the District's needs.

D. **ADJOURNMENT**

D.1. Adjourn the Meeting

Discussion: Meeting adjourned at 10:23 AM

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Board Secretary

Office of Superintendent Valdez City Schools

BOARD REPORT

Oct 12, 2026

Goals:

- Applications have been coming in for food service and custodial positions.
- The Wolfe Architects are planning to be back in Valdez on October 26th and 27th, keep an eye out for more information.
- Calendar committee will be meeting on October 21st at 4pm
- We were approved for the state fitness grant, there is more paperwork to finalize it. The grant will help buy equipment and resources over the next five years. We have been doing something very similar to the presidential physical fitness tests, and will be switching to the old presidential fitness tests as part of the grant.
-

Engagement

- Quarter 1 VCS surveys will go out to students, staff, and parents on October 23rd.

SEL

-

Concerns

- Staffing continues to be an issue, we have made some progress as we recently received some applications for food service, we are still actively looking for paraprofessionals.
-

Achievement/celebrations

- Thank you to our great principals for all they do for our kids, October is Principal appreciation month.
- Congratulations to Megan Gunderson for her work with Public Relation Society of America (PRSA) Alaska Chapter. Megan and Valdez City Schools took first in place in the Writing

Portfolio, second in Social Media, and honorable mention in Public Affairs. It's great to see her hard work rewarded.

VCS Legislative Update

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Director of Curriculum, Instruction, and Assessment
Board Report

Monday, October 12, 2026

MAP Window Closed Friday, October 9, 2026 (#1 Academic Cohesion)

- The Fall testing window closed at the end of last week. Each school finished the bulk of testing during the first week of the testing window. The rest of the testing window was spent with make-up testing and testing newly enrolled students.

Teacher mentoring (# 3 Professional Learning and Retention)

- I met with the secondary teacher mentors from the middle school and high school. I received updates from each of the mentors regarding their discussions and strategies with their mentees. Each of the mentors reported they were able to meet with their mentee and also conduct peer observations. We had discussed the possibility of creating a district wide observation template for peer observations. A check in meeting with the elementary mentors will be scheduled in the near future.

Administrator Interns (#3 Professional Learning and Retention)

- I continue to meet with our administrator interns Mr. Cronk and Mr. Runion. They are definitely working very hard and putting in a lot of hours beyond what they are required for their respective programs.

Accreditation (#2 Academic Cohesion and Achievement, #4 Operational Clarity and Communication)

- We received an email from Cognia, the company who conducts the academic review for district-wide accreditation. They will schedule an onsite evaluation of the district sometime

during the 2027-2028 academic year. The exact time or timeframe will be decided by the VCS admin team.

- Now that the VCS Strategic Plan has been formally adopted by the board, we should look forward to a well rounded evaluation. The principals and directors (Rylee and Megan) are currently enrolled in the Cognia Certified Practitioner training for the ELEOT observation system. The ELEOT, which stands for the Educational Learning Environment Observation Tool, is a classroom level data collection tool in which certified observers collect information on teaching strategies and management practices in the classroom. The ELEOT covers four main areas:

    - Active and Engaged Learning Environment
    - Rigorous and Relevant Learning Environment
    - Supportive and Well Managed Learning Environment
    - Progress Monitoring and Feedback Learning Environment.

- This observation system is not a formal evaluation of the teacher's performance and does not count as one of the required formal observations a principal has to do, but is a tool that will collect data at the classroom and student level and is part of the accreditation process.

BUSINESS SERVICES REPORT

Director: Susan Love || October 12, 2026

UPDATES

- **FY26 Audit –** Altman, Rogers & Co will give a presentation of the audited FY26 financial statements attached under New Business
- **Budget YTD** – As of 10/6/2026, we have currently spent 20.17% of our budget. In October FY26, FY25, FY24, FY23, and FY22, we had spent 23.8%, 20.57%, 22.11%, and 17.41% respectively.

Budget FY27 YTD

	2026-27 Original Budget	2026-27 Amended Budget	2026-27 Spent	2026-27 Remaining
REGULAR INSTRUCTION	$ 5,458,511.02	$ 5,468,855.03	$ 870,019.68	$ 4,598,835.35
CURRICULUM	$ 294,348.13	$ 294,348.13	$ 122,656.50	$ 171,691.63
TECHNOLOGY	$ 602,592.07	$ 602,592.07	$ 141,336.56	$ 461,255.51
VOCATIONAL EDUCATION	$ 235,825.10	$ 235,825.10	$ 45,898.05	$ 189,927.05
SPECIAL EDUCATION	$ 2,190,378.23	$ 2,190,378.23	$ 293,053.17	$ 1,897,325.06
SPECIAL ED SUPPORT	$ 352,153.72	$ 352,153.72	$ 105,594.50	$ 246,559.22
SUPPORT SERV-STDNTS	$ 413,525.57	$ 413,525.57	$ 71,987.70	$ 341,537.87
SUPPORT SERV-INSTR	$ 984,673.38	$ 984,673.38	$ 164,317.27	$ 820,356.11
BUILDING ADMIN	$ 548,187.35	$ 548,187.35	$ 135,411.03	$ 412,776.32
BUILDING ADMIN SUPPORT	$ 308,153.31	$ 308,153.31	$ 53,190.77	$ 254,962.54
DIST ADMINISTRATION	$ 393,606.41	$ 393,606.41	$ 97,671.66	$ 295,934.75
SCHOOL BOARD	$ 39,500.00	$ 39,500.00	$ -	$ 39,500.00
DIST ADMIN-SUPPORT	$ 350,633.83	$ 350,633.83	$ 135,288.36	$ 215,345.47
OPER/MAINTENANCE	$ 3,218,466.54	$ 2,242,568.57	$ 659,356.07	$ 1,583,212.50
TOTALS	$ 15,390,554.66	$ 14,354,029.22	$ 2,895,781.32	$ 11,529,219.38
TRANSPORTATION	$ 698,231.41	$ 698,231.41	$ 37,356.07	$ 660,875.34
COMM ED	$ 965,533.96	$ 965,533.96	$ 282,581.17	$ 682,952.79
LUNCH	$ 1,133,949.32	$ 1,133,949.32	$ 154,829.76	$ 979,119.56
PUPIL ACTIVITIES	$ 917,970.89	$ 917,970.89	$ 105,623.60	$ 812,347.29
TECHNOLOGY	$ 268,000.00	$ 268,000.00	$ 15,438.96	$ 252,561.04
FACILITIES CIP	$ 80,000.00	$ 80,000.00	$ 46,182.50	$ 33,817.50
VEHICLE REPLACEMENT	$ 89,853.00	$ 89,856.00	$ -	$ 89,856.00

Nutrition Services

- DEED National School Lunch Program (NSLP) Technical Assistance site visit on 11/12-11/13. This is not an audit; rather an in-person review to help answer questions and receive guidance on areas of compliance.
- Steven Marchant has joined the GMS crew as a full time cook.
- Vacancies: Full Time Cook, Part Time Cook, Temporary Warehouse/Cook/Truck Driver.

Alaska Airlines Balance

- Current Alaska Airlines points balance as of 10/6/2026 is 580,979.

Insurance Report

- The most recent insurance report is attached, with claims paid through 8/31/26. After many months of very high claims, July and August were below expected claims. IMA will be providing some analysis and predictions of potential renewal increases as we begin our budget development.

City of Valdez & Valdez City Schools

Experience Report
for the Period
April 1, 2026 through March 31, 2027
Paid Claims through August 31, 2026

Prepared by:
Account Executive: Shannon Mahan
Account Manager: Amanda Hesser
Account Analyst: Evan Eldred

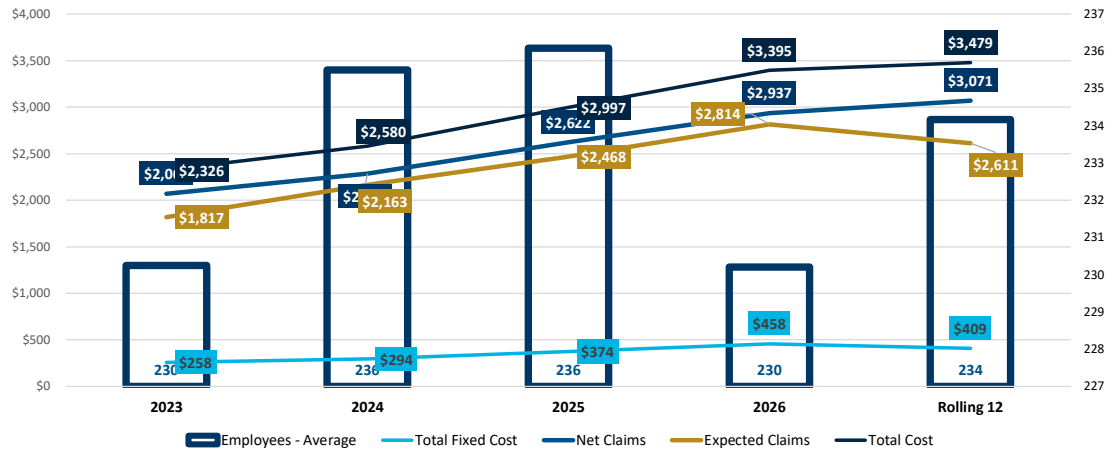
Risk Management, Insurance, and Employee Benefits Solutions
Parker, Smith & Feek, an IMA Company
3800 Centerpoint Drive, Suite 1110, Anchorage AK 99503

IMA, Inc.
Insurance | Risk Management | Surety | Employee Benefits

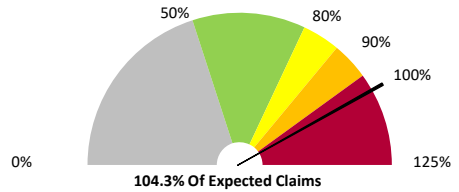
The information contained in this confidential Claims Report was obtained from unaudited information submitted by Insurance Companies and/or Third Party Administrators. It is intended to be used for illustrative purposes only. If there are any discrepancies, the Insurance Company information will prevail.

City of Valdez & Valdez City Schools
Executive Summary - Medical & Rx Plan Cost
Plan Year Start: April 1, 2026
Paid through: August 31, 2026

Total Plan Cost vs. Total Budget History

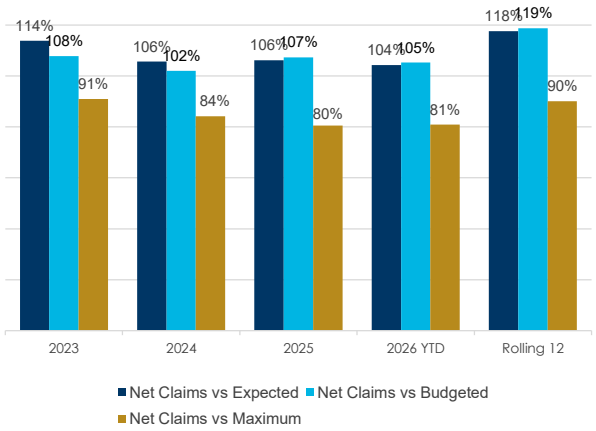


Net Paid Claims vs. Expected Claims

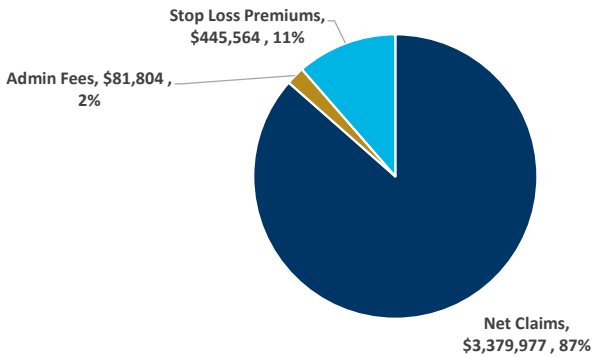


NET Total Paid Claims $140,507 Over Expected Claims

Net Claims Comparison vs Expected and Maximum



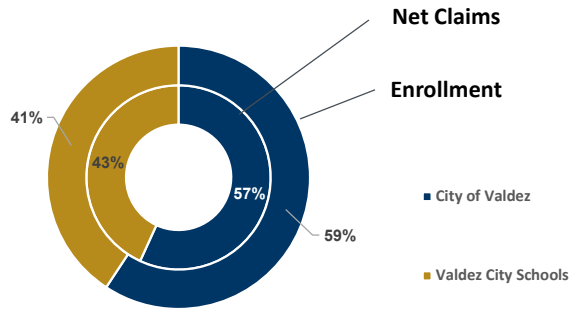
Financial Summary - Totals Through August



Year to Date Cost Split

YTD Totals Through August 2026 and Rolling 12					
	2023 YTD	2024 YTD	2025 YTD	2026 YTD	Rolling 12
Gross Claims	$2,014,717	$2,695,160	$2,237,713	$4,129,884	$9,980,598
Less: Reimb. and Rebates	($152,107)	($139,029)	($57,518)	($749,907)	($1,351,943)
Net Claims	**$1,862,610**	**$2,556,131**	**$2,180,195**	**$3,379,977**	**$8,628,655**
% Change	-	*37.2%*	*-14.7%*	*55.0%*	-
Expected Claims	*$2,082,795*	*$2,528,794*	*$2,897,158*	*$3,239,470*	*$7,335,523*
Actual vs Expected	*89.4%*	*101.1%*	*75.3%*	*104.3%*	*117.6%*
Admin Fees	$47,358	$50,077	$81,507	$81,804	$197,139
Stop Loss Premiums	$248,143	$293,729	$357,847	$445,564	$951,243
Total Fixed Cost	**$295,501**	**$343,805**	**$439,354**	**$527,367**	**$1,148,382**
% Change	-	*16.3%*	*27.8%*	*20.0%*	-
Total Cost	**$2,158,111**	**$2,899,936**	**$2,619,549**	**$3,907,344**	**$9,777,037**
% Change	-	*34.4%*	*-9.7%*	*49.2%*	-
Budget	**$2,492,607**	**$2,964,238**	**$3,309,018**	**$3,738,829**	**$8,411,552**
Gain / (Loss)	*$334,496*	*$64,302*	*$689,469*	*($168,515)*	*($1,365,485)*
Employees	1,146	1,170	1,174	1,151	2,810
% Change	-	*2.1%*	*0.3%*	*-2.0%*	-

Enrollment and Net Claims By Plan



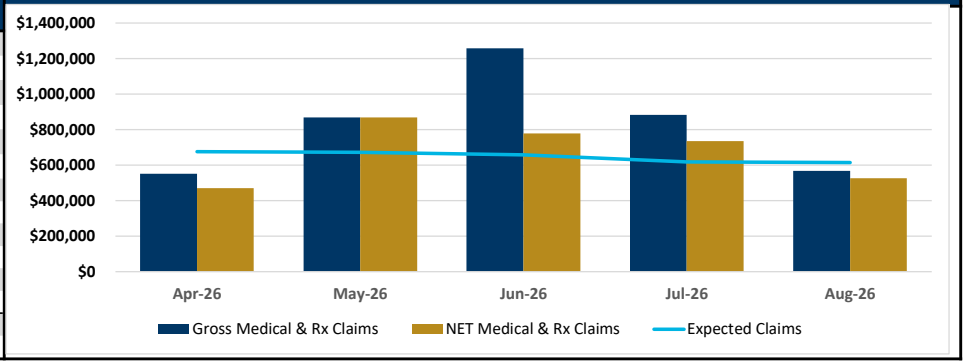
Medical & Rx
Plan Performance Report
All Plans

Month	Total Employees	Total Members	Total Admin	Total Stop Loss Premium	Gross Medical Claims	Gross Rx Claims	Gross Medical & Rx Claims	Less: Individual Stop Loss Reimb.	Less: Other Rebates and Reimb.	NET Medical & Rx Claims	Expected Claims	Net Claims vs. Expected Claims	Total Actual Cost
1	2	3	4	5	6	7	8 = 6 + 7	9	10	11 = 8 + 9 + 10	12	13 = 11 / 12	14 = 4 + 5 + 11
Apr-26	241	744	$16,935	$93,294	$551,519	$0	$551,519	$0	($81,371)	$470,148	$676,744	69%	$580,376
May-26	239	739	$16,853	$92,519	$567,469	$301,591	$869,060	$0	$0	$869,060	$671,598	129%	$978,432
Jun-26	234	724	$16,496	$90,584	$1,146,680	$112,223	$1,258,903	($480,105)	$0	$778,798	$657,510	118%	$885,877
Jul-26	219	677	$15,781	$84,777	$752,181	$130,648	$882,829	($68,369)	($79,753)	$734,706	$618,096	119%	$835,264
Aug-26	218	676	$15,740	$84,390	$463,854	$103,719	$567,573	($34,356)	($5,953)	$527,265	$615,522	86%	$627,394
Totals	**1,151**	**3,560**	**$81,804**	**$445,564**	**$3,481,703**	**$648,181**	**$4,129,884**	**($582,830)**	**($167,077)**	**$3,379,977**	**$3,239,470**	**104.3%**	**$3,907,344**
Averages	**230**	**712**	**$16,361**	**$89,113**	**$696,341**	**$129,636**	**$825,977**		**($33,415)**	**$675,995**	**$647,894**		**$781,469**
PEPM			**$71**	**$387**	**$3,025**	**$563**	**$3,588**	**($506)**	**($145)**	**$2,937**	**$2,814**		**$3,395**
Annualized	**2,762**	**8,544**	**$196,329**	**$1,069,353**	**$8,356,087**	**$1,555,634**	**$9,911,721**		**($400,985)**	**$8,111,944**	**$7,774,727**		**$9,377,626**
% Change	**-2.5%**	**-2.2%**	**+2.3%**	**+27.0%**	**+27.9%**	**+15.1%**	**+25.7%**		**+135.9%**	**+12.0%**	**+14.0%**		**+13.3%**
Rolling 12: Sep-25 - Aug-26	**2,810**	**8,667**	**$197,139**	**$951,243**	**$8,447,573**	**$1,533,025**	**$9,980,598**	**($1,068,042)**	**($283,901)**	**$8,628,655**	**$7,335,523**	**117.6%**	**$9,777,037**
Averages	**234**	**722**	**$16,428**	**$79,270**	**$703,964**	**$127,752**	**$831,717**		**($23,658)**	**$719,055**	**$611,294**		**$814,753**
PEPM			**$70**	**$339**	**$3,006**	**$546**	**$3,552**	**($380)**	**($101)**	**$3,071**	**$2,611**		**$3,479**
Apr-25 - Mar-26	**2,833**	**8,733**	**$196,842**	**$863,527**	**$6,701,790**	**$1,386,638**	**$8,088,427**	**($485,212)**	**($174,342)**	**$7,428,873**	**$6,993,211**	**106.2%**	**$8,489,241**
Averages	**236**	**728**	**$16,403**	**$71,961**	**$558,482**	**$115,553**	**$674,036**		**($14,529)**	**$619,073**	**$582,768**		**$707,437**
PEPM			**$69**	**$305**	**$2,366**	**$489**	**$2,855**	**($171)**	**($62)**	**$2,622**	**$2,468**		**$2,997**
% Change	**+0.2%**	**-0.0%**	**+62.2%**	**+21.4%**	**-3.5%**	**+68.8%**	**+4.1%**		**-11.2%**	**+14.7%**	**+14.1%**		**+16.1%**
Apr-24 - Mar-25	**2,826**	**8,734**	**$121,065**	**$709,467**	**$6,928,923**	**$819,198**	**$7,748,121**	**($1,091,653)**	**($195,931)**	**$6,460,538**	**$6,112,974**	**105.7%**	**$7,291,070**
Averages	**236**	**728**	**$10,089**	**$59,122**	**$577,410**	**$68,266**	**$645,677**		**($16,328)**	**$538,378**	**$509,415**		**$607,589**
PEPM			**$43**	**$251**	**$2,452**	**$290**	**$2,742**	**($386)**	**($69)**	**$2,286**	**$2,163**		**$2,580**

Tier Enrollment Trends

	Ee	Ee+Sp	Ee+Ch	Fam
Apr-26	46	51	29	115
May-26	45	51	30	113
Jun-26	44	51	29	110
Jul-26	43	44	28	104
Aug-26	43	42	27	106
Sep-26				
Oct-26				
Nov-26				
Dec-26				
Jan-27				
Feb-27				
Mar-27				
Totals	**221**	**239**	**143**	**548**
Average	**44**	**48**	**29**	**110**

Monthly Gross/Net Claims vs Budgeted Totals



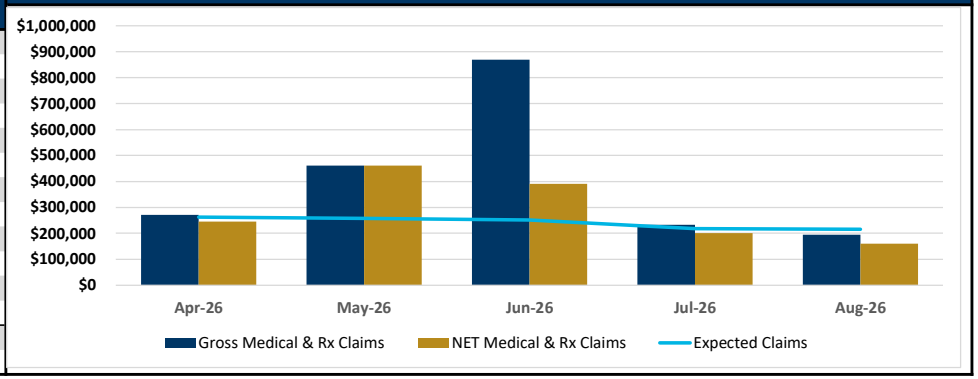
Medical & Rx
Plan Performance Report
Valdez City Schools

Month	Total Employees	Total Members	Total Admin	Total Stop Loss Premium	Gross Medical Claims	Gross Rx Claims	Gross Medical & Rx Claims	Less: Individual Stop Loss Reimb.	Less: Other Rebates and Reimb.	NET Medical & Rx Claims	Expected Claims	Net Claims vs. Expected Claims	Total Actual Cost
1	2	3	4	5	6	7	8 = 6 + 7	9	10	11 = 8 + 9 + 10	12	13 = 11 / 12	14 = 4 + 5 + 11
Apr-26	102	318	$4,167	$39,485	$270,689	$0	$270,689	$0	($25,801)	$244,888	$262,484	93%	$288,540
May-26	100	311	$4,085	$38,711	$385,965	$75,613	$461,577	$0	$0	$461,577	$257,337	179%	$504,373
Jun-26	98	302	$4,003	$37,937	$840,413	$29,695	$870,108	($480,105)	$0	$390,003	$252,191	155%	$431,943
Jul-26	85	258	$3,472	$32,904	$200,406	$31,995	$232,401	($3,391)	($28,018)	$200,992	$218,737	92%	$237,369
Aug-26	84	256	$3,431	$32,517	$176,474	$18,415	$194,889	($33,453)	($1,441)	$159,995	$216,163	74%	$195,943
Totals	**469**	**1,445**	**$19,159**	**$181,555**	**$1,873,948**	**$155,717**	**$2,029,665**	**($516,949)**	**($55,261)**	**$1,457,456**	**$1,206,912**	**120.8%**	**$1,658,169**
Averages	**94**	**289**	**$3,832**	**$36,311**	**$374,790**	**$31,143**	**$405,933**		**($11,052)**	**$291,491**	**$241,382**		**$331,634**
PEPM			**$41**	**$387**	**$3,996**	**$332**	**$4,328**	**($1,102)**	**($118)**	**$3,108**	**$2,573**		**$3,536**
Annualized	**1,126**	**3,468**	**$45,981**	**$435,731**	**$4,497,475**	**$373,721**	**$4,871,196**		**($132,626)**	**$3,497,893**	**$2,896,590**		**$3,979,605**
% Change vs Prior	**-6.3%**	**-7.4%**	**+0.1%**	**+27.0%**	**+63.6%**	**+32.1%**	**+60.7%**		**+135.9%**	**+21.7%**	**+22.7%**		**+21.9%**
Rolling 12: Sep-25 - Aug-26	**1,171**	**3,620**	**$47,800**	**$395,531**	**$4,115,214**	**$357,376**	**$4,472,590**	**($624,406)**	**($94,024)**	**$3,754,160**	**$2,678,869**	**140.1%**	**$4,197,491**
Averages	**98**	**302**	**$3,983**	**$32,961**	**$342,935**	**$29,781**	**$372,716**		**($7,835)**	**$312,847**	**$223,239**		**$349,791**
PEPM			**$41**	**$338**	**$3,514**	**$305**	**$3,819**	**($533)**	**($80)**	**$3,206**	**$2,288**		**$3,585**
Apr-25 - Mar-26	**1,201**	**3,746**	**$49,001**	**$366,077**	**$2,933,308**	**$301,937**	**$3,235,245**	**($107,458)**	**($59,995)**	**$3,067,792**	**$2,518,262**	**121.8%**	**$3,482,870**
Averages	**100**	**312**	**$4,083**	**$30,506**	**$244,442**	**$25,161**	**$269,604**		**($5,000)**	**$255,649**	**$209,855**		**$290,239**
PEPM			**$41**	**$305**	**$2,442**	**$251**	**$2,694**	**($89)**	**($50)**	**$2,554**	**$2,097**		**$2,900**
% Change vs Prior	**-2.1%**	**-3.6%**	**+8.4%**	**+21.4%**	**+29.7%**	**+32.7%**	**+30.0%**		**+26.3%**	**+30.6%**	**+8.6%**		**+29.2%**
Apr-24 - Mar-25	**1,227**	**3,886**	**$46,184**	**$308,038**	**$2,309,982**	**$232,520**	**$2,542,502**	**($94,227)**	**($48,537)**	**$2,399,739**	**$2,369,116**	**101.3%**	**$2,753,961**
Averages	**102**	**324**	**$3,849**	**$25,670**	**$192,498**	**$19,377**	**$211,875**		**($4,045)**	**$199,978**	**$197,426**		**$229,497**
PEPM			**$38**	**$251**	**$1,883**	**$190**	**$2,072**	**($77)**	**($40)**	**$1,956**	**$1,931**		**$2,244**

Tier Enrollment Trends

	Ee	Ee+Sp	Ee+Ch	Fam
Apr-26	15	23	11	53
May-26	15	23	11	51
Jun-26	15	23	10	50
Jul-26	15	17	10	43
Aug-26	15	17	9	43
Sep-26				
Oct-26				
Nov-26				
Dec-26				
Jan-27				
Feb-27				
Mar-27				
Totals	**75**	**103**	**51**	**240**
Average	**15**	**21**	**10**	**48**

Monthly Gross/Net Claims vs Budgeted Totals



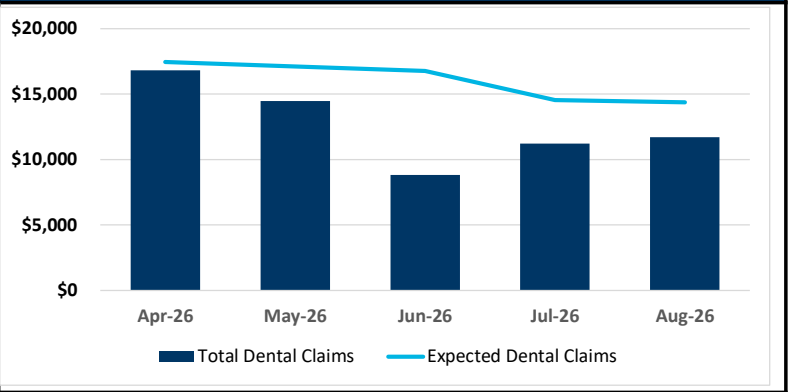
Dental
Plan Performance Report
Valdez City Schools

Month	Total Employees	Total Members	Total Fixed Cost	Gross Claims	Reimb. and Rebates	Total Dental Claims	Expected Dental Claims	Dental Claims vs. Expected	Total Budgeted Costs	Total Actual Cost	Actual Cost Under/(Over) vs. Budget
1	2	3	4	5	6	7 = 5 + 6	8	9 = 7 / 8	10	11 = 4 + 7	12 = 10 - 11
Apr-26	102	318	$240	$16,816	$0	$16,816	$17,454	96%	$17,694	$17,056	$638
May-26	100	311	$235	$14,459	$0	$14,459	$17,112	84%	$17,347	$14,694	$2,653
Jun-26	98	302	$230	$8,804	$0	$8,804	$16,770	52%	$17,000	$9,034	$7,966
Jul-26	85	258	$200	$11,212	$0	$11,212	$14,545	77%	$14,745	$11,411	$3,334
Aug-26	84	256	$197	$11,699	$0	$11,699	$14,374	81%	$14,571	$11,896	$2,675
Totals	**469**	**1,445**	**$1,102**	**$62,989**	**$0**	**$62,989**	**$80,255**	**78.5%**	**$81,357**	**$64,091**	**$17,266**
Averages	**94**	**289**	**$220**	**$12,598**	**$0**	**$12,598**	**$16,051**		**$16,271**	**$12,818**	**$3,453**
PEPM			**$2.35**	**$134.30**	**$0.00**	**$134.30**	**$171.12**		**$173.47**	**$136.65**	**$36.82**
Annualized	**1,126**	**3,468**	**$2,645**	**$151,173**	**$0**	**$151,173**	**$192,613**	**$0**	**$195,258**	**$153,818**	**$41,439**
% Change	**-6.3%**	**-7.4%**	**+0.0%**	**-8.3%**	**N/A**	**-8.3%**	**+6.0%**		**+5.9%**	**-8.2%**	**+145.6%**
Apr-25 - Mar-26 Totals	**1,201**	**3,746**	**$2,822**	**$175,895**	**$0**	**$175,895**	**$193,896**	**90.7%**	**$196,718**	**$178,717**	**$18,001**
Averages	**100**	**312**	**$235**	**$14,658**	**$0**	**$14,658**	**$16,158**		**$16,393**	**$14,893**	**$1,500**
PEPM			**$2.35**	**$146.46**	**$0.00**	**$146.46**	**$161.45**		**$163.80**	**$148.81**	**$14.99**
% Change	**-2.1%**	**-3.6%**	**+0.0%**	**-12.0%**	**N/A**	**-12.0%**	**+6.2%**		**+6.1%**	**-11.9%**	**-203.9%**
Apr-24 - Mar-25 Totals	**1,227**	**3,886**	**$2,883**	**$204,284**	**$0**	**$204,284**	**$186,578**	**109.5%**	**$189,461**	**$207,168**	**($17,706)**
Averages	**102**	**324**	**$240**	**$17,024**	**$0**	**$17,024**	**$15,548**		**$15,788**	**$17,264**	**($1,476)**
PEPM			**$2.35**	**$166.49**	**$0.00**	**$166.49**	**$152.06**		**$154.41**	**$168.84**	**($14.43)**

Tier Enrollment Trends

	Ee	Ee+Sp	Ee+Ch	Fam
Apr-26	15	23	11	53
May-26	15	23	11	51
Jun-26	15	23	10	50
Jul-26	15	17	10	43
Aug-26	15	17	9	43
Sep-26				
Oct-26				
Nov-26				
Dec-26				
Jan-27				
Feb-27				
Mar-27				
Average	**15**	**21**	**10**	**48**

Monthly Claims vs Expected Totals



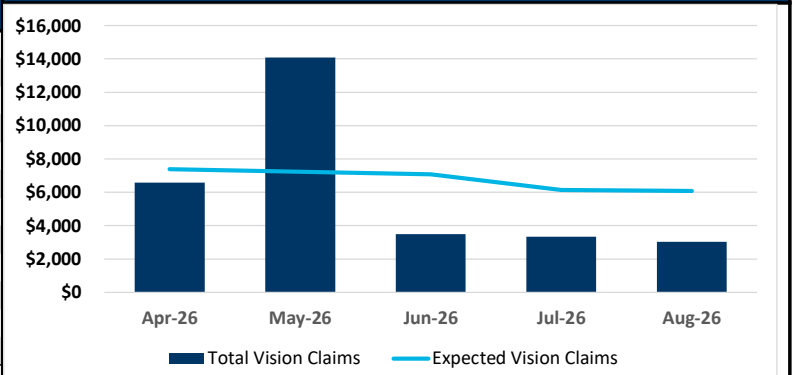
Vision
Plan Performance Report
Valdez City Schools

Month	Total Employees	Total Members	Total Fixed Cost	Gross Claims	Reimb. and Rebates	Total Vision Claims	Expected Vision Claims	Vision Claims vs. Expected	Total Budgeted Costs	Total Actual Cost	Actual Cost Under/(Over) vs. Budget
1	2	3	4	5	6	7 = 5 + 6	8	9 = 7 / 8	10	11 = 4 + 7	12 = 10 - 11
Apr-26	102	318	$107	$6,573	$0	$6,573	$7,379	89%	$7,486	$6,680	$806
May-26	100	311	$105	$14,085	$0	$14,085	$7,234	195%	$7,339	$14,190	($6,851)
Jun-26	98	302	$103	$3,490	$0	$3,490	$7,090	49%	$7,192	$3,593	$3,600
Jul-26	85	258	$89	$3,337	$0	$3,337	$6,149	54%	$6,238	$3,426	$2,812
Aug-26	84	256	$88	$3,026	$0	$3,026	$6,077	50%	$6,165	$3,114	$3,051
Totals	**469**	**1,445**	**$492**	**$30,511**	**$0**	**$30,511**	**$33,929**	**89.9%**	**$34,421**	**$31,003**	**$3,418**
Averages	**94**	**289**	**$98**	**$6,102**	**$0**	**$6,102**	**$6,786**		**$6,884**	**$6,201**	**$684**
PEPM			**$1.05**	**$65.06**	**$0.00**	**$65.06**	**$72.34**		**$73.39**	**$66.11**	**$7.29**
Annualized	**1,126**	**3,468**	**$1,182**	**$73,226**	**$0**	**$73,226**	**$81,429**	**$0**	**$82,611**	**$74,408**	**$8,203**
% Change	**-6.3%**	**-7.4%**	**+0.0%**	**+2.2%**	**N/A**	**+2.2%**	**+1.2%**		**+1.1%**	**+2.2%**	**-7.3%**
Apr-25 - Mar-26 Totals	**1,201**	**3,746**	**$1,261**	**$76,449**	**$0**	**$76,449**	**$85,895**	**89.0%**	**$87,156**	**$77,710**	**$9,446**
Averages	**100**	**312**	**$105**	**$6,371**	**$0**	**$6,371**	**$7,158**		**$7,263**	**$6,476**	**$787**
PEPM			**$1.05**	**$63.65**	**$0.00**	**$63.65**	**$71.52**		**$72.57**	**$64.70**	**$7.87**
% Change	**-2.1%**	**-3.6%**	**+0.0%**	**-13.9%**	**N/A**	**-13.9%**	**+18.0%**		**+17.7%**	**-13.7%**	**-159.2%**
Apr-24 - Mar-25 Totals	**1,227**	**3,886**	**$1,288**	**$90,706**	**$0**	**$90,706**	**$74,393**	**121.9%**	**$75,681**	**$91,994**	**($16,313)**
Averages	**102**	**324**	**$107**	**$7,559**	**$0**	**$7,559**	**$6,199**		**$6,307**	**$7,666**	**($1,359)**
PEPM			**$1.05**	**$73.92**	**$0.00**	**$73.92**	**$60.63**		**$61.68**	**$74.97**	**($13.29)**

Tier Enrollment Trends

	Ee	Ee+Sp	Ee+Ch	Fam
Apr-26	15	23	11	53
May-26	15	23	11	51
Jun-26	15	23	10	50
Jul-26	15	17	10	43
Aug-26	15	17	9	43
Sep-26				
Oct-26				
Nov-26				
Dec-26				
Jan-27				
Feb-27				
Mar-27				
Average	**15**	**21**	**10**	**48**

Monthly Claims vs Expected Totals



Claim Checks

Check #	Type	Vendor #/Name	Check Amount	Date Issued	Period Redeemed	Claim #	Claim Amount
-92665	C	1475 MARK'S REPAIR INC	577.23	09/03/26	9/26		
						CL 48199	577.23
-92664	C	3153 EXPLOREK12 INC	6235.00	09/03/26	9/26		
						CL 48200	6235.00
-92663	C	446 WILSON BROS. DISTRIB. CO., INC	15976.80	09/03/26	9/26		
						CL 48219	15976.80
-92662	C	3130 AUTOMATED LAUNDRY SYSTEMS & SUPPLY	235.84	09/03/26	9/26		
						CL 48220	235.84
-92661	C	920 US FOODS	6870.05	09/03/26	9/26		
						CL 48221	6870.05
-92660	C	239 TOTEM INN	1660.00	09/03/26	9/26		
						CL 48222	1660.00
-92659	C	4332 VALDEZ OT	3750.00	09/03/26	9/26		
						CL 48223	3750.00
-92658	C	1290 BSN SPORTS LLC	84.99	09/03/26	9/26		
						CL 48224	84.99
-92657	C	5108 CENTRAL WELDING SUPPLY CO INC	707.33	09/03/26	9/26		
						CL 48225	707.33
-92656	C	2231 HALTNESS EQUIPMENT LLC	180.00	09/04/26	9/26		
						CL 48226	180.00
-92655	C	759 GRAINGER ELECTRIC	90.30	09/04/26	9/26		
						CL 48227	90.30
-92654	C	446 WILSON BROS. DISTRIB. CO., INC	270.90	09/04/26	9/26		
						CL 48230	270.90
-92653	E	122 COPPER VALLEY TELECOM	7789.28	09/03/26	9/26		
						CL 48228	7789.28
-92652	C	1801 PEARSON EDUCATION, INC.	4604.85	09/10/26	9/26		
						CL 48236	4604.85
-92651	C	239 TOTEM INN	5206.00	09/10/26	9/26		
						CL 48237	5206.00
-92650	C	5322 CLENDANIEL HEYMAN CAMPION, LLC	880.00	09/10/26	9/26		
						CL 48242	880.00
-92649	C	4559 KELLEY CREATE	59.00	09/10/26	9/26		
						CL 48243	59.00
-92648	C	920 US FOODS	8804.31	09/10/26	9/26		
						CL 48254	8804.31
-92647	C	446 WILSON BROS. DISTRIB. CO., INC	9161.05	09/10/26	9/26		
						CL 48255	9161.05
-92646	E	3164 BANK OF AMERICA	3692.79	09/11/26	9/26		
						CL 48239	3692.79
-92645	E	3164 BANK OF AMERICA	14742.26	09/11/26	9/26		
						CL 48240	14742.26
-92644	E	3164 BANK OF AMERICA	1797.21	09/11/26	9/26		
						CL 48241	1797.21
-92643	E	3164 BANK OF AMERICA	8331.00	09/11/26	9/26		
						CL 48256	8331.00
-92642	E	3164 BANK OF AMERICA	2649.91	09/11/26	9/26		
						CL 48257	2649.91

Claim Checks

Check #	Type	Vendor #/Name	Check Amount	Date Issued	Period Redeemed	Claim #	Claim Amount
-92641	E	3164 BANK OF AMERICA	2558.58	09/11/26	9/26	CL 48258	2558.58
-92640	E	3164 BANK OF AMERICA	1997.14	09/11/26	9/26	CL 48259	1997.14
-92639	E	3164 BANK OF AMERICA	4477.77	09/11/26	9/26	CL 48260	4477.77
-92638	E	3164 BANK OF AMERICA	2919.62	09/11/26	9/26	CL 48261	2919.62
-92637	C	245 HARRIS SAND & GRAVEL INC	944.76	09/15/26	9/26	CL 48268	944.76
-92636	C	1139 WATCON OF ALASKA	320.80	09/15/26	9/26	CL 48269	320.80
-92635	C	444 WALSWORTH PUBLISHING COMPANY	3349.69	09/15/26	9/26	CL 48270	3349.69
-92634	C	386 NORTH PACIFIC FUEL	25595.95	09/15/26	9/26	CL 48271	25595.95
-92633	C	215 DELL COMPUTER CORPORATION	4047.66	09/15/26	9/26	CL 48273	4047.66
-92632	C	320 NORTHWEST TEXTBOOK DEPOSITORY CO.	21504.68	09/15/26	9/26	CL 48274	21504.68
-92631	C	239 TOTEM INN	456.00	09/15/26	9/26	CL 48276	456.00
-92630	C	3458 VALDEZ FOOD CACHE, LLC	430.50	09/16/26	9/26	CL 48277	430.50
-92629	C	3000 BRAINPOP LLC	7114.50	09/16/26	9/26	CL 48278	7114.50
-92628	C	3153 EXPLOREK12 INC	2750.00	09/16/26	9/26	CL 48279	2750.00
-92627	C	973 KVAK RADIO	995.00	09/16/26	9/26	CL 48284	995.00
-92626	C	4365 GSD EDUCATIONAL SERVICES	850.00	09/16/26	9/26	CL 48291	850.00
-92625	C	1412 SOUTH CENTRAL HARDWARE,INC.	561.33	09/16/26	9/26	CL 48292	561.33
-92624	C	826 FIRST STUDENT, INC.	37356.07	09/16/26	9/26	CL 48294	37356.07
-92623	E	1316 GCI	4.85	09/16/26	9/26	CL 48293	4.85
-92622	C	3297 HOPE PH. D, CAROLEN A	11154.70	09/18/26	9/26	CL 48298	11154.70
-92621	C	5113 ROCKET ALUMNI SOLUTIONS	3588.00	09/18/26	9/26	CL 48302	3588.00
-92620	C	1290 BSN SPORTS LLC	479.42	09/18/26	9/26	CL 48304	479.42
-92619	C	3612 ARCTICOM LLC	2804.80	09/24/26	9/26	CL 48310	2804.80
-92618	C	239 TOTEM INN	912.00	09/24/26	9/26	CL 48312	912.00

Claim Checks

Check #	Type	Vendor #/Name	Check Amount	Date Issued	Period Redeemed	Claim #	Claim Amount
-92617	C	3705 PREMIER ALASKA TOURS, INC	5625.00	09/24/26	9/26		
						CL 48319	5625.00
-92616	C	1666 PETRO MANAGEMENT SERVICES LLC	399.00	09/24/26	9/26		
						CL 48320	399.00
-92615	C	504 THE HOTEL CAPTAIN COOK	597.00	09/24/26	9/26		
						CL 48323	597.00
-92614	C	121 COPPER VALLEY ELECTRIC ASSOC	42423.65	09/24/26	9/26		
						CL 48327	42423.65
-92613	E	410 FLEET SERVICES	4303.65	09/30/26	9/26		
						CL 48330	4303.65
-92612	C	759 GRAINGER ELECTRIC	1135.05	10/02/26	9/26		
						CL 48328	1135.05
-92611	C	1279 VOYAGER SOPRIS	319.00	10/02/26	9/26		
						CL 48332	319.00
-92610	C	2699 CONVERGINT TECHNOLOGIES LLC	410.00	10/02/26	9/26		
						CL 48333	410.00
-92609	C	4320 SAVVAS LEARNING COMPANY LLC	3219.26	10/02/26	9/26		
						CL 48335	3219.26
-92608	C	4810 COOL AIR MECHANICAL, INC.	1541.97	10/02/26	9/26		
						CL 48336	1541.97
-92607	C	920 US FOODS	7414.93	10/02/26	9/26		
						CL 48337	7414.93
-92606	C	446 WILSON BROS. DISTRIB. CO., INC	18130.85	10/02/26	9/26		
						CL 48338	18130.85
-92605	C	43 C.A.T. TRANSPORTATION	165.25	10/02/26	9/26		
						CL 48343	165.25
49780	S	1612 BRAY, JONATHAN	674.80	09/03/26	_____		
						CL 48232	674.80
49781	S	4928 BROWDER, CONNIE	120.00	09/03/26	_____		
						CL 48233	120.00
49782	S	4927 FITZGERALD, KATHY	120.00	09/03/26	_____		
						CL 48234	120.00
49783	S	3467 MERCIER, CARRIE M	120.00	09/03/26	_____		
						CL 48231	120.00
49784	S	5343 NAUTA, ERIN	250.00	09/03/26	_____		
						CL 48229	250.00
49785	S	5080 SINGKHAN, BEI LING	60.00	09/03/26	_____		
						CL 48235	60.00
49786	S	2983 BACZUK, MINDI J	60.00	09/09/26	_____		
						CL 48253	60.00
49787	S	3348 CARTER, SARAH A	60.00	09/09/26	_____		
						CL 48252	60.00
49788	S	5395 CONNER, ELIZABETH	32.48	09/09/26	_____		
						CL 48251	32.48
49789	S	5383 DAVIS, ETHAN	105.00	09/09/26	_____		
						CL 48247	105.00
49790	S	3828 FULBRIGHT, CHARLES	120.00	09/09/26	_____		
						CL 48248	120.00

Claim Checks

Check #	Type	Vendor #/Name	Check Amount	Date Issued	Period Redeemed	Claim #	Claim Amount
49791	S	3324 KOONTZ, MEL D	105.00	09/09/26		CL 48246	105.00
49792 C	S	5393 MARTIN, CRISTIAN	0.00	09/09/26		CL 48245	
49793 *	S	4991 ODENCRANS, BREANNA	49.58	09/09/26		CL 48250	49.58
49794	S	4335 STRUCTURED	3289.40	09/09/26		CL 48238	3289.40
49795	S	5392 VOWELL, BROCK	60.00	09/09/26		CL 48249	60.00
49796	S	5394 WHITE, DANNY	60.00	09/09/26		CL 48244	60.00
49797	S	1944 HALE & ASSOCIATES, INC.	2134.73	09/11/26		CL 48272	2134.73
49798	S	931 BARANOF HOTEL	957.00	09/14/26		CL 48275	957.00
49799	S	3495 BURNS, KATHERINE L	180.00	09/14/26		CL 48264	180.00
49800	S	3672 CRAIG, MEAGAN	180.00	09/14/26		CL 48265	180.00
49801	S	2608 GIUSTI, GIANNA	180.00	09/14/26		CL 48266	180.00
49802 C	S	5393 MARTIN, CRISTIAN	0.00	09/14/26		CL 48262	
49803 *	S	2891 SHUMATE, SHELBY	100.00	09/14/26		CL 48267	100.00
49804	S	5080 SINGKHAN, BEI LING	120.00	09/14/26		CL 48263	120.00
49805	S	4942 MARTIN, CALEB	604.80	09/15/26		CL 48281	604.80
49806	S	2976 YOUNG, JAMES A	604.80	09/15/26		CL 48280	604.80
49807	S	4117 BERKELEY, JON	159.68	09/15/26		CL 48290	159.68
49808	S	5262 BRALEY, WILLIAM	874.80	09/15/26		CL 48285	874.80
49809	S	3672 CRAIG, MEAGAN	120.00	09/15/26		CL 48296	120.00
49810	S	5096 ERDMAN, ASTRID	320.00	09/15/26		CL 48289	320.00
49811	S	4941 JOHNSON, SCOTT	320.00	09/15/26		CL 48288	320.00
49812	S	5310 KING, TAHNEE	120.00	09/15/26		CL 48297	120.00
49813	S	4942 MARTIN, CALEB	774.80	09/15/26		CL 48283	774.80
49814	S	3727 MCCUMBY, MELISSA	189.81	09/15/26		CL 48295	189.81

Claim Checks

Check #	Type	Vendor	#/Name	Check Amount	Date Issued	Period Redeemed	Claim #	Claim Amount
49815	S	2819	OVERDUYN, LEO J	1085.12	09/15/26			
							CL 48287	1085.12
49816	S	5258	SUNDERLAND, BRIAN	874.80	09/15/26			
							CL 48286	874.80
49817	S	4085	WRIGHT, FLOYD	774.80	09/15/26			
							CL 48282	774.80
49818	S	4539	GUNDERSON, MEGAN	563.70	09/17/26			
							CL 48308	563.70
49819	S	4652	JAMES, ASHLEY	1063.86	09/17/26			
							CL 48299	159.10
							CL 48300	904.76
49820	S	3532	OBREN, ANGELA	10.00	09/17/26			
							CL 48306	10.00
49821	S	1623	RADOTICH, STEVE	10.00	09/17/26			
							CL 48307	10.00
49822	S	5388	SCOTT, LAURA	45.99	09/17/26			
							CL 48301	45.99
49823	S	5326	VDZ ELITE LLC	500.00	09/17/26			
							CL 48303	500.00
49824	S	3627	WINCHESTER, JAMIE	10.00	09/17/26			
							CL 48305	10.00
49825	S	5396	BECK, LANDI	239.89	09/23/26			
							CL 48326	239.89
49826	S	3348	CARTER, SARAH A	60.00	09/23/26			
							CL 48324	60.00
49827	S	3828	FULBRIGHT, CHARLES	554.80	09/23/26			
							CL 48322	554.80
49828	S	4734	HOPKINS, SARAH	225.00	09/23/26			
							CL 48314	225.00
49829	S	4941	JOHNSON, SCOTT	554.80	09/23/26			
							CL 48321	554.80
49830	S	5084	KING, EDWARD	120.00	09/23/26			
							CL 48317	120.00
49831	S	3324	KOONTZ, MEL D	105.00	09/23/26			
							CL 48315	105.00
49832	S	5261	MOTIS, AARON	105.00	09/23/26			
							CL 48316	105.00
49833	S	5380	ROLLER, DAVID	120.00	09/23/26			
							CL 48318	120.00
49834	S	3809	RUNION, KENT RYAN	225.00	09/23/26			
							CL 48313	225.00
49835	S	3209	TOWNE PLACE SUITES	1995.00	09/23/26			
							CL 48309	1995.00
49836	S	5392	VOWELL, BROCK	60.00	09/23/26			
							CL 48325	60.00
49837	S	2983	BACZUK, MINDI J	42.95	09/30/26			
							CL 48358	42.95

Claim Checks

Check #	Type	Vendor #/Name	Check Amount	Date Issued	Period Redeemed	Claim #	Claim Amount
49838	S	1344 BARNES AND NOBLE, INC	1391.44	09/30/26			
						CL 48329	1391.44
49839	S	3821 CRONK, DAVID	2304.42	09/30/26			
						CL 48341	2304.42
49840	S	5383 DAVIS, ETHAN	120.00	09/30/26			
						CL 48354	120.00
49841	S	4951 DISNEY, ZENA	414.78	09/30/26			
						CL 48339	258.80
						CL 48340	155.98
49842	S	4933 EISEN, KATELYN	618.65	09/30/26			
						CL 48356	618.65
49843	S	3828 FULBRIGHT, CHARLES	674.80	09/30/26			
						CL 48349	674.80
49844	S	1549 HART, JOEY	10.00	09/30/26			
						CL 48334	10.00
49845	S	3324 KOONTZ, MEL D	120.00	09/30/26			
						CL 48355	120.00
49846	S	4942 MARTIN, CALEB	674.80	09/30/26			
						CL 48350	674.80
49848	S	3467 MERCIER, CARRIE M	120.00	09/30/26			
						CL 48353	120.00
49849	S	4876 SAUCIER, AMBRIA	103.48	09/30/26			
						CL 48344	103.48
49850	S	5080 SINGKHAN, BEI LING	180.00	09/30/26			
						CL 48347	60.00
						CL 48352	120.00
49851	S	5077 TIPPETTS, AMANDA	47.22	09/30/26			
						CL 48357	47.22
49852	S	3603 UNGER, CINDY	84.98	09/30/26			
						CL 48346	84.98
49853	S	5394 WHITE, DANNY	120.00	09/30/26			
						CL 48348	120.00
49854	S	3187 WILLIAMS, LARISSA E	56.68	09/30/26			
						CL 48359	56.68
49855	S	5393 MARTIN, CRISTIAN	300.00	10/05/26			
						CL 48345	180.00
						CL 48351	120.00

Total for Claim Checks 357,128.17
Count for Claim Checks 136

* denotes missing check number(s)

of Checks: 136 Total: 357,128.17

Fund/Account	Amount
100 OPERATING FUND	
601	176,539.33
205 TRANSPORTATION FUND	
601	37,356.07
255 LUNCH FUND	
601	66,854.18
262 FLOW THROUGH MINI GRANTS	
601	777.00
267 TITLE II PART A	
601	2,304.42
268 TITLE I-A, BASIC	
601	2,508.00
271 TITLE I-C, MIGRANT	
601	1,718.53
300 STUDENT ACTIVITY FUND	
601	10,885.89
301 ACTIVITY FUND	
601	50,847.69
501 TECHNOLOGY	
601	7,337.06
Total:	357,128.17

Special Education and Federal Programs
Rylee Ownbey, Director

BOARD REPORT

October 12, 2026

Goals

To provide equal educational opportunities for all children through access to specialized services for those experiencing a disability.

To strengthen and improve educational quality and practices across all school settings.

Engagement

- Migrant families continue to complete their Certification of Eligibility with Migrant Recruiter, Brandy Smelcer. The enrollment period closes November 15th.

Successes

- The team is excited to welcome our recent certified special education hire to HHES.
- Our new K/1 special education teacher has started his contract and is already having a positive impact on the team and with the students.
- Our new paraprofessional has started working with the K/1 team at HHES.

Upcoming

- The district is partnering with Behavior Matters, an outside agency previously used by the district pre-COVID, that will provide on-site support for students whose behavior requires direct consultation from a licensed BCBA (Board Certified Behavior Analyst). The first trip is scheduled for the week of October 19.

Challenges

- Staff shortages at HHES and VHS

TECHNOLOGY & COMMUNICATION REPORT

Director: Megan Gunderson || October 2026

Pillar 3: Professional Learning and Staff Retention

- **Professional Learning**
  - **ASA Conference:** Superintendent Weber, Principal Tippetts, and Director Gunderson attended several sessions on district communication best practices for school leaders, established professional connections with conference speakers, and strengthened working relationships with superintendents across Alaska. A highlight was seeing VHS student musicians perform under the direction of music teacher Ann Norris; it's no small feat to prepare a thirty-minute concert that early in the school year! Thank you to teachers Brock Vowell, Isaac Deaton, and Anthony Gerasch for welcoming an unannounced site visit with several superintendents interested in learning more about Flex Friday scheduling. The visiting superintendents were impressed by our teachers' and students' openness, eloquence, and thoughtful insights into their school experience.

Pillar 4: Operational Clarity and Communication

- **Communication**
  - **Statewide Public Relations Awards:** Valdez City Schools earned recognition in every category entered in the Public Relations Society of America (PRSA), Alaska Chapter's 2026 awards: **first place for Executive Writing Portfolio, second place for Social Media Campaigns, and honorable mention for Public Affairs** for the district's 2025 local school funding advocacy campaign. In its first year of intentional district communication strategy development, VCS placed ahead of entries from billion-dollar companies GCI, NANA, and Chugach Electric in these categories. The statewide competition also included established communications teams from major corporations, public agencies, universities, and public relations firms. These honors reflect progress toward the strategic plan's Operational Clarity and Communication pillar and its emphasis on understanding, trust, and engagement. Thank you to the staff who contribute photos, stories, and updates that keep our community informed and connected to our schools.
  - **Webmaster Team:** Employees responsible for school website updates met to establish a consistent process for posting weekly school newsletters. Maintaining these public archives will give families another way to find current information and revisit previous updates.

Pillar 5: Stewardship of Facilities and Resources

- **Infrastructure and Network Management** - **SERRC TechOps (in consultation & collaboration with VCS):**
  - **Intercom System Update:** Following several planning meetings to define the scope of work, Convergint (the original installer) is scheduled to visit within the week to assess the environment in person. Any repairs that cannot be accomplished during that visit and will require additional parts/labor will be scheduled and brought to the board for budget amendment (if necessary).
  - **UPS Battery Backup Purchase:** Procurement is underway for uninterruptible power supply (UPS) battery backups to refresh across all schools. These units will help protect expensive network equipment from power fluctuations and maintain service during brief power interruptions.
- **Cybersecurity**
  - **Email Phishing**: In response to the recent increase in phishing attempts, the Technology Department is implementing an additional security tool in the backend of Gmail to help identify and reduce suspicious messages before they reach our users
  - **National Cybersecurity Awareness Month; Training Required for ALL users with VCS Email Accounts:** Staff and Board Members will receive an email with instructions for mandatory cybersecurity awareness training,

due October 31. We are also exploring online cybersecurity training for students and will visit VHS faculty for feedback on available options..

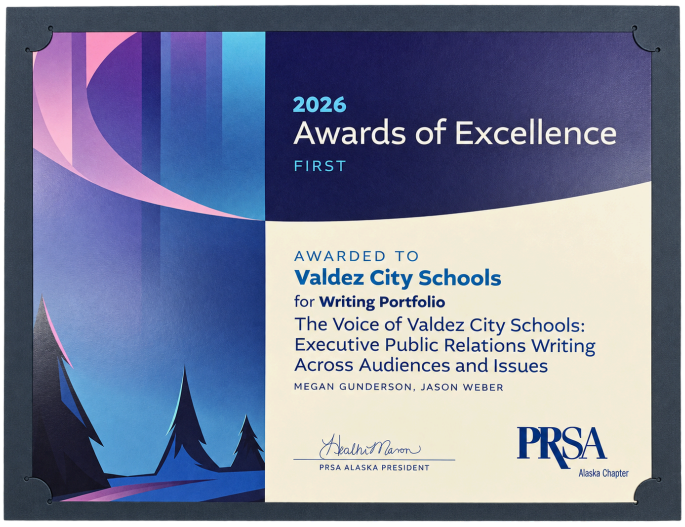
- **Frontline Data Breach Incident:** On October 1, Frontline Education notified VCS of a cybersecurity incident within its systems that exposed personal information, including Social Security numbers, for 245 current or former employees. The district promptly arranged for direct notification and two years of complimentary credit monitoring for affected individuals, consulted SERRC, and requested an identified list of affected personnel. As of October 8, Frontline had not provided that list, and the district continues to follow up.

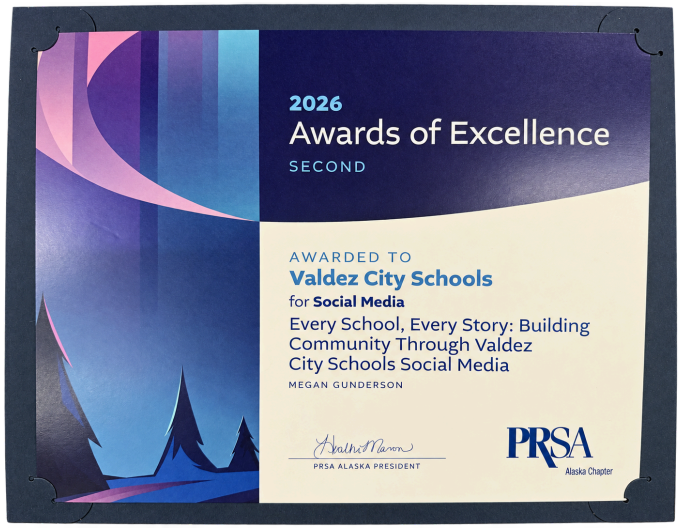
November/December Tasks:

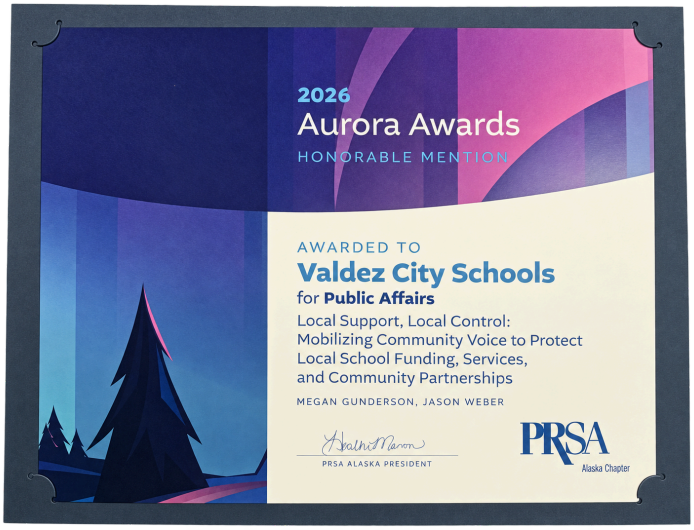
- Prep outgoing devices for surplus
- Continue MyPowerHub upgrade and student content filter upgrade configuration
- Install network hardware necessary to bring bus barn/warehouse online

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Public Relations Society of America, Alaska Chapter
2026 Aurora Awards Issued to Valdez City Schools







VALDEZ CITY SCHOOLS
PO Box 398 • 1112 West Klutina Street • Valdez, AK 99686
Telephone (907) 834-4701 • Fax (907) 835-4964
www.valdezcityschools.org

Facilities & Operations Report

October 2026

Hermon Hutchens Elementary School (HHES)

- **Wrestling mat lift:** We will be installing it the week of October 12- 16.
- **Basketball Goals**: The wiring will be finished next week. We relocated all controls out of the teacher's office. This will give greater access for after-hours activities.

Gilson Middle School (GMS)-

- **Parking lot lights:** We installed four new lights in the back parking area. We are getting quotes for more lights. The existing lights are at the end of their life, and parts are no longer made.

Valdez High School (VHS)

- **Roof leaks:** With the heavy rains we are dealing with, existing leaks and a few new ones. Some problems involve water dripping onto the structural beams and running down until it finds a new path to drip onto the ceiling.

Vehicle & Equipment Status

- **2023 12-passenger transit:** is back in service; we are preparing it for winter travel.
- **2025 Volvo loader:** had a leaky radiator hose; we replaced it.
- **Winter tire swap-out:** The CTE program students in the auto shop class helped swap out summer tires for studded winter tires on our vehicles. Some bad tires were identified.

General District Updates

- **Biannual State Fire Marshal inspection:** On September 23, a deputy fire marshal inspected our schools for safety. Things went very well. No deficiencies were noted at GMS. He noted a couple of discrepancies at HHES and VHS:
    a. Emergency exit not working correctly: eight at HHES, five at VHS.

b. Daisy-chained power strips: one at HHES.
c. Uncovered electrical junction box, non-energized: one at HHES.
d. Fire panel faults: one at VHS; a contractor is tentatively scheduled for the 14th of October.

   Everything but the fire panel has already been replaced, repaired, or fixed. I will hold a training session with my department to help identify these issues in the future.

- **AASB Maintenance Employees Conference:** Jomar Espritu and I attended the annual conference. We received valuable information and learned new techniques to make some cleaning and sanitizing tasks easier. We also shared some of our techniques to help other districts.

Celebrations

- Thank you, Mr. Cronk, Mr. Deaton & Mr. Gerasch, for VHS's willingness to help out with seasonal vehicle transition. This is a great help to the Facilities department.

Please feel free to reach out with any questions regarding these updates, or let me know if you would like a behind-the-scenes tour of any of our facilities.

Dan Bryant, *Director of Facilities and Operations*






TRUE
VALDEZ
Stray Dog

PERSONNEL ACTION REPORT FOR 2026-2027

October 12, 2026

EMPLOYMENT OF ADMINISTRATION

RESIGNATION OF ADMINISTRATION

EMPLOYMENT OF CERTIFIED PERSONNEL

RESIGNATION/RETIREMENT CERTIFIED PERSONNEL

Amanda Wiese
HHES 5th Grade Teacher
Effective 10/09/26

EMPLOYMENT OF CLASSIFIED PERSONNEL

Thuy Le
VHS Night Custodian
Effective TBA

Zadie Carman
HHES Night Custodian
Effective TBA

RESIGNATION/RETIREMENT OF CLASSIFIED PERSONNEL

OTHER CONTRACTS

Taylor Roller
GMS Asst Cheer Coach
Effective September

Molly Dibb
HHES ATB Art Club
Effective 11/2/26

Jessica Bugni
HHES ATB Art Club
Effective 11/2/26

Gianna Giusti
HHES ATB Bucket Filler Club
Effective 11/2/26

Chey Olson
HHES ATB D&D Club
Effective 11/2/26

Jennifer Tate-Lee
HHES ATB Run/Ski
Effective 11/2/26

Mel Koontz
HHES ATB Run/Ski
Effective 11/2/26

2025-2026 School Year

Teachers	**51**
Classified*	**56**
Principals	**3**
District Administration	**6**
Total Employees	**116**

(*This is the number of classified personnel working for the district. Several of the employees have part-time hours)

BP 3550 FOOD SERVICE (model) Change

Note: The following optional policy may be revised to reflect district philosophy and needs.

The School Board recognizes that students need adequate, nourishing food in order to grow, learn, and to give a good foundation for their future physical well-being. The Board may provide for a food service program based on regular lunch service and include other snack and breakfast programs as the needs of the students and the financial capacity of the district permit. The Board recognizes that breakfast, lunch and other nutrition programs are an important complement to the nutritional responsibilities of parents/guardians.

The Board believes that:

1. Foods and beverages available on school premises should contribute to the nutritional well-being of students and meet the nutritional criteria of the applicable child nutrition program operating in the District. Nutrition programs must comply with applicable state and federal law.
2. Foods can help students and families feel comfortable in the school. The District may include cultural and subsistence foods if available and can be served in compliance with school safety and nutritional programs.
3. Foods and beverages available should be considered as carefully as other educational support materials as they can serve to build cultural connectedness for students.
4. Foods and beverages should be prepared in ways which will appeal to students while retaining nutritive quality.
5. To further Alaskan values, food and beverages should be prepared and served in ways that reduce waste.
6. Food should be served in quantities appropriate to the needs of students at their age level and served in as pleasant and relaxed an atmosphere as possible, with adequate time for students to eat and travel to and from the cafeteria.
7. Schools are encouraged to assess common eating habits and eating times to establish appropriate meal and snack times.
8. Foods grown in the state provide nutritional, environmental, and economic benefits and should be utilized in the district's food service program to the extent feasible.

9. The District and its schools will have food safety plans and written guidance for procuring, receiving, and preparing subsistence foods harvested and donated to the school.

10. The District will include subsistence foods as a part of the nutritional and dietary guidelines for Americans.

Note: Effective January 14, 2010, the U.S. Department of Agriculture requires schools participating in the National School Lunch and Breakfast Programs to develop a written food safety program for the preparation and serving of school meals. The goal is to prevent and reduce the risk of food-borne illness among students. Schools are required to utilize the "hazard analysis and critical control point (HACCP) system" when developing their food safety programs. A written safety program must be in place for each food preparation and service facility that prepares and serves meals under the federal breakfast or lunch programs.

The Superintendent or designee will oversee the development of a written food safety program for each food preparation and serving facility in the district, as required by law. Foods and beverages will be stored, prepared and served in accordance with food safety regulations in order to prevent or reduce the risk of food-borne illness among students.

Note: Effective July 1, 2015, federal regulations of the Department of Agriculture, Food and Nutrition Service, require that certain food service personnel meet minimum professional standards. More specifically, school nutrition program directors who are responsible for management of the day-to-day food service operations for all schools in the district must meet minimum educational qualifications as a condition of hire. The qualifications vary depending upon the student enrollment (size) of the district. The qualification requirements are applicable to the hire of new directors only; current directors employed prior to the July 1, 2015 effective date are grandfathered. In addition, the new regulations require minimum continuing education and training requirements for all student nutrition staff, including school nutrition program directors, school nutrition program managers who are responsible for day-to-day operations of food service for a particular school, and other personnel who work an average of at least 20 hours per week. The hours of continuing education/training varies depending upon the position held by the individual.

Qualified and trained food service personnel are critical to a healthy and safe food service program. The Superintendent or designee shall hire qualified personnel and/or an independent contractor, taking into consideration professional standards required by

law, and will ensure that continuing education and training is provided to food service personnel in compliance with applicable state and federal standards.

(cf. 4131 – *Staff Development)*

The School Board intends that, insofar as possible, the school food services program shall be self-supporting and may include foods from school gardens, greenhouses and farms. The Board shall review and approve of menu prices. Program financial reports shall be presented regularly for inspection by the Board.

(cf. 3554 – *Other Food Sales)*

(cf. 5040 – *Student Nutrition and Physical Activity)*

(cf. 6163.4 – *School Gardens, Greenhouses and Farms)*

Effective January 1, 2028, as part of its breakfast and lunch program, the District may not serve a food or beverage that contains any of the following color additives certified by the United States Food and Drug Administration under 21 U.S.C. 379e:

1. red dye 3 (U.S. Chemical Abstracts Service no. 16423-68-0);
2. red dye 40 (U.S. Chemical Abstracts Service no. 25956-17-6);
3. yellow dye 5 (U.S. Chemical Abstracts Service no. 1934-21-0);
4. yellow dye 6 (U.S. Chemical Abstracts Service no. 2783-94-0);
5. blue dye 1 (U.S. Chemical Abstracts Service no. 3844-45-9);
6. blue dye 2 (U.S. Chemical Abstracts Service no. 860-22-0); or
7. green dye 3 (U.S. Chemical Abstracts Service no. 2353-45-9).

Legal Reference:

ALASKA STATUTES

AS 14.30.360 Health education curriculum; physical activity guidelines

AS 14.03.087 Prohibited food additives

UNITED STATES CODE

Richard B. Russell National School Lunch Act, 42 U.S.C. 1751-1769j

Child Nutrition Act of 1996, 42 U.S.C. 1771-1793

CODE OF FEDERAL REGULATIONS

7 C.F.R. Parts 210, 220, and 235 National School Lunch Program and Breakfast Program

FEDERAL REGISTER

Professional Standards for State and Local School Nutrition Programs Personnel as Required by the Healthy, Hunger-Free Kids Act of 2010, Vol. 80, No. 40 and No. 88 (2015)

Revised 9/2026

9/92

AASB Policy Reference Manual

BP 3580 DISTRICT RECORDS (Model) Option 2

Note: Alaska Statute 40.21.070 requires districts to follow the state records management and retention program to the extent practical. In 2007, the Department of Education and Early Development updated its 1992 publication relating to records retention practices for school districts. The newly updated *Model Records Retention Schedule for Alaska School Districts* lists and describes most records that school districts administer and recommends minimum retention guidelines, irrespective of the media utilized. The schedule is only a guide and districts may establish their own varying schedules to meet specific school or community needs or practices.

School district records shall be developed, maintained and disposed of according to the requirements of federal and state laws and regulations. Records, regardless of format, should remain accessible and durable for their prescribed retention period. Electronic records, including email, should be administered under operating policies and procedures, ideally in an unaltered format, to ensure that the records remain authentic and trustworthy for their full retention period.

Note: In 2007, the Federal Rules of Civil Procedure underwent a major revision to include electronic discovery rules. The Federal Rules mandate that entities, including school districts, retain documents that are relevant to a claim or defense to a claim. Thus, electronically stored information that is relevant to a claim must be saved for an extended period of time. Even inadvertent destruction of electronic data, for example pursuant to your email purging procedures, can result in sanctions for your district if you are involved in litigation. A “litigation hold” is a directive to parties not to destroy any documents, including electronically stored information in all of its various forms, that might be relevant to a legal proceeding, or that might lead to the discovery of relevant information. In the event the district becomes aware of actual or threatened litigation, audit, or investigation that may concern a group of records, those records should not be disposed of until authorized to do so upon advice of your attorney.

The Superintendent or designee shall undertake the preservation and retention of records and data, including electronically stored information, when there becomes a likelihood that potential litigation will occur.

Irreplaceable, vital school district records must be protected against destruction in the event of a fire, flood, earthquake, terrorist act or other disaster. Vital records are those containing critical information essential to the continuity of operations, or the protection of the rights and interests of the school district, its students, and staff. The Superintendent or designee shall identify vital records and implement measures to ensure that these documents are preserved.

The School Board authorizes the destruction of records having no legal or administrative value or historical interest, following retention for those periods described in the records retention schedule.

Note: Alaska Statute 40.21.080 provides that public records may not be destroyed except on the authority of the local governing body. The Board may authorize by policies or regulations, the disposal of "routine records." The District should establish regulations defining its routine records, and time limits for retention of all records.

~~OPTION 1:~~

~~The Superintendent or designee shall establish administrative regulations in accordance with AS 40.21.070 so that district personnel will know how district records are to be maintained or destroyed. The regulations shall include retention periods for district records, as appropriate to the record involved.~~

~~OPTION 2:~~

The School Board adopts as its Records Management System the Model Records Retention Schedule for Alaska School Districts. The Superintendent or designee will implement a records management program consistent with this Schedule.

The Superintendent or designee shall ensure the confidentiality of district records as permitted or required by law. All district employees must guard against improper disclosure of confidential and personally identifiable information.

(cf. 1340 - *Access to District Records)*

(cf. 4112.6/4212.6/4312.6 - *Personnel Records)*

(cf. 5125 - *Student Records)*

Note: Participants in the E-rate program have specific document retention requirements which go into effect for funding year 2004. Under FCC rules, program beneficiaries must “retain all records related to the application for, receipt and delivery of discounted services for a period of ten years after the last day of service delivered” in any particular funding year. FCC Rule § 54.516. Specifically, eight categories of documents must be retained, at a minimum: prebidding process, bidding process, contracts, application process, purchase and delivery of services, invoicing, inventory, and forms and rule compliance. A retention summary document may be accessed here:
https://www.usac.org/wp-content/uploads/e-rate/documents/resources/e-rate-program-applicant-document-retention-list-UPDATED-1.pdf

Legal Reference:

ALASKA STATUTES

40.25.120-40.25.220 Public Records Act

14.03.115 Parental Access

14.17.910 Restrictions governing receipt and expenditure of money from public school foundation account

40.21.010-40.21.140 Public records

ALASKA CONSTITUTION

art. 1, sec. 22, Right to Privacy

UNITED STATES CODE

5 U.S.C. § 552a – Privacy Act

20 U.S.C. § 1232 g & 34 CFR Part 99 – Family Educational Rights & Privacy Act

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9/92

BP 4111/4211/4311 - ALL PERSONNEL - RECRUITMENT AND SELECTION (Model Policy plus)

Note: Effective for the 2016-2017 school year, the federal Every Student Succeeds Act has eliminated the requirement that teachers be "highly qualified." Rather, teachers should be fully licensed and endorsed in each subject they are teaching.

The district shall employ the most qualified person available for each open position. The Superintendent or designee shall develop recruitment and selection procedures to ensure that every effort is made to find and hire fully qualified staff, which include:

1. Assessment of the district's needs to determine those areas where specific skills, knowledge and abilities are lacking.
2. Development of job descriptions which accurately portray the position, including requirements that a employee be qualified in accordance with federal and state law.
3. Dissemination of vacancy announcements to ensure a wide range of candidates, when necessary.
4. Screening procedures which will identify the best possible candidates for interviews.
5. Interview procedures which will determine the best qualified candidate for recommendation to the School Board.

Staff members involved in the selection process shall recommend only those candidates who meet all qualifications established by law and the School Board for a particular position. Nominations for employment shall be based upon appropriate screening devices, interviews, observations, recommendations from previous employers and any requirements of applicable collective bargaining agreements.

No inquiry shall be made with regard to age, race, color, religion, sex or national origin of persons proposed for or seeking employment. Questions regarding disability shall be asked only when directly related to the job and as permitted by law.

Note: The Alaska Professional Teaching Practices Commission recommends that districts develop a policy regarding the procedures to be followed when desiring to hire an educator currently under contract with another school district. The following policy language is based on procedures developed by the Fairbanks North Star Borough School District.

Before considering the hire of an applicant who is currently under contract in another district, the Superintendent or designee will require the certificated staff to provide written documentation that he/she: (1) has made an effort to secure a release from the

employing district thirty calendar days prior to the employing district's first contract day; or, (2) has secured a written release from the employing district.

Note: A subject-matter expert teacher, holding a limited certificate issued by the Department, may be employed to teach subjects in which the person has satisfied the education or experience requirements set out in state statute AS 14.20.022. Before a school district determines whether to hire a person as a subject-matter expert teacher, the school district must administer a competency examination. Additionally, once a subject-matter expert teacher is hired, the district must provide a mentor who is an experienced teacher for the subject-matter expert teacher for at least the first year of the subject-matter expert teacher's employment in the school district. A person employed as a subject-matter expert teacher under this section is considered a certificated employee for purposes of the teachers' retirement system. Finally, employment as a subject-matter expert teacher counts as employment for purposes of acquiring tenure; however, a person holding a subject-matter expert limited teacher certificate is not entitled to tenure until the person receives a teacher certificate under AS 14.20.022.

(cf. 4112.8/4212.8/4312.8 - *Employment of Relatives)*

Note: AS 14.20.020 requires coursework in Alaska studies and multicultural education or cross-cultural communications in order to be eligible for a teacher certificate. Effective June 30, 2017, AS 14.20.020 also requires training on alcohol and drug related disabilities, sexual abuse and sexual assault awareness and prevention, dating violence and abuse awareness and prevention and suicide prevention in order to be eligible for a teacher certification. AS 14.20.035 requires districts to give preference to applicants who demonstrate training or experience that indicates sensitivity to the traditions and cultures represented in the student population.

In evaluating applicants, preference shall be given to those applicants who can demonstrate training and experience related to the traditions and cultures represented in the student population.

(cf. 4030 - *Nondiscrimination in Employment)*

(cf. 4111.2/4211.2/4311.2 - *Legal Status Requirement)*

No person shall be employed by the School Board without the recommendation or endorsement of the Superintendent or designee. The School Board shall be presented with the Superintendent or designee's recommended candidate who may be approved or rejected by the School Board. If the candidate is rejected, the Superintendent or designee shall recommend subsequent candidates until the School Board approves

someone to fill the position. The School Board has the authority over the employment of all employees, however, in specific circumstances, the Board may delegate the Superintendent or designee the prior authority to make staff hires without prior Board approval. If such authority is delegated, the Superintendent or designee shall notify the Board of all hires at a regularly scheduled Board meeting.

(cf. 10000 - *Concepts and Roles)*

Note: AS 14.08.111 and AS 14.14.090 require districts to provide prospective employees with information regarding the availability and cost of housing in rural areas to which they may be assigned and when possible assist them in locating housing. The following may be revised or deleted as appropriate.

The School Board recognizes that the district encompasses rural areas and will assist teachers in obtaining information regarding the cost and availability of housing as required by law.

Legal Reference:

ALASKA STATUTES

14.08.111 Duties (regional school boards)

14.14.090 Additional duties

14.20.010 Teacher Certificate Required

14.20.022 Subject-matter expert limited teacher certificate

14.20.035 Evaluation of training and experience

14.20.100 Unlawful to require statement of religious or political affiliation

14.20.110 Penalty for violation of AS 14.20.100

ALASKA ADMINISTRATIVE CODE

4 AAC 04.210, 04.212 and 06.899(6) Highly Qualified Teachers and Objective Uniform Standards

6 AAC 30.810 Employer records

6 AAC 30.840 Retention of records

UNITED STATES CODE

Every Child Succeeds Act, 20 U.S.C. 6301, et. Seq. (P.L. 114-95 December 10, 2015)

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9/92

AASB Policy Reference Manual

BP 4112.10 - PERSONNEL - EMPLOYMENT OF RETIRED TEACHERS (Model)

Note: AS 14.20.136 authorizes schools districts and regional resource centers established under AS 14.12.150 to hire retired teachers in cases of teacher shortages. Retired teachers hired under this statutory provision may elect to continue receiving TRS benefit payments during the period of reemployment. A contract for reemployment of a retired teacher hired under AS 14.20.136 may not be for more than 12 consecutive months. Under AS 14.20.020(g), a retired teacher may teach as a long-term substitute for not more than 165 consecutive days of a school term.

If the teacher retired under the defined benefit retirement system, the teacher must be retired for at least 60 days if 62 years of age or older, or at least six months if under 62 years of age, before reemployment. In addition, if the teacher is reemployed by the same district that employed the teacher upon retirement, the teacher must certify that there was no prearranged agreement with the school district to hire the teacher after retirement.

Prior to the hire of retired teachers under this statute, the school board or regional resource center board must adopt a policy that permits the employment of retired teachers who are qualified to teach in those disciplines or specialties in which a shortage of teachers exists. The policy must describe the circumstances that constitute the shortage.

This optional policy may be utilized by districts desiring to hire retired teachers in cases of teacher shortages, as authorized by AS 14.20.136.

It is the policy of the Board that teacher vacancies be filled in a timely manner by qualified personnel. The District administration is authorized to employ retired teachers in accordance with AS 14.20.136 in cases of teacher shortages, and to notify the Administrator of the Teachers' Retirement System that it is hiring retired teachers pursuant to that statutory provision. This includes the employment of retired teachers at regional resource centers established under AS 14.12.150.

The hiring of retired teachers is authorized in those disciplines or specialties in which a shortage of teachers exists despite active recruitment efforts. A shortage is deemed to exist for those open positions that the administration has been unable to fill with qualified candidates, despite recruitment, public advertising for at least 10 business days, interviews, and the offering of positions to qualified candidates, if any.

(cf. 4111 *Recruitment and Selection)*

Legal Reference

ALASKA STATUTES

14.20.136 Employment of member of teachers' retirement system

14.25.043 Reemployment of retired members

14.20.165 Restoration of tenure rights

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9/92

AASB Policy Reference Manual

BP 5040 Student Nutrition and Physical Activity (update for New food law)

Note: This policy is intended to provide a framework for developing a legally compliant wellness policy. The policy adopted by your school board must be developed with the involvement of the identified advisory group discussed in Section A.

The School Board recognizes that schools are in a position to promote healthy lifestyle choices by students that can affect their lifelong wellness. Therefore the School District will provide environments that promote and protect children's health, well-being, and ability to learn by supporting healthy eating and physical activity.

Schools will provide nutrition promotion and education, physical education, and other school-based activities to foster lifelong habits of healthy eating and physical activity, and will establish linkages between nutrition education and school meal programs.

(cf. 1020 - Youth Services)

A. Planning and Periodic Review by Stakeholders

The school district and/or individual schools within the district will create or work with an appropriate existing advisory group that will assist in developing, implementing, monitoring, reviewing and, as necessary, revising school nutrition and physical activity goals. The advisory group should be composed of students, parents, food service personnel, school board, school administration, school health professionals, physical education teachers, and other interested community members. The advisory group should be provided with appropriate information and clear guidelines to assist in the development and/or revision of relevant policies.

(cf. 1000 - Concepts and Roles)

B. Nutrition

All foods available in district schools during the school day shall be offered to students with consideration for promoting student health and reducing childhood obesity. All foods and beverages provided through the National School Lunch or School Breakfast Programs shall meet nutritional requirements of the National School Lunch Act. (7 C.F.R. Parts 210 and 220). To the extent practicable, all schools in the district will participate in available federal school meal programs. Effective January 1, 2028, as part of its breakfast and lunch program, the District may not serve a food or beverage that contains any of the following color

additives certified by the United States Food and Drug Administration under 21 U.S.C. 379e:

1. red dye 3 (U.S. Chemical Abstracts Service no. 16423-68-0);
2. red dye 40 (U.S. Chemical Abstracts Service no. 25956-17-6);
3. yellow dye 5 (U.S. Chemical Abstracts Service no. 1934-21-0);
4. yellow dye 6 (U.S. Chemical Abstracts Service no. 2783-94-0);
5. blue dye 1 (U.S. Chemical Abstracts Service no. 3844-45-9);
6. blue dye 2 (U.S. Chemical Abstracts Service no. 860-22-0); or
7. green dye 3 (U.S. Chemical Abstracts Service no. 2353-45-9).

The Superintendent or designee shall develop and implement nutrition guidelines for all foods available on campus.

Foods and beverages provided through the National School Lunch or School Breakfast Programs shall comply with federal nutrition standards. To the maximum extent practicable, all schools in the district will participate in available federal school meal programs.

All other foods and beverages made available on campus (including, but not limited to vending, concessions, a la carte, student stores, classroom parties and fundraising) during the school day will be consistent with nutrition standards developed by the superintendent or designees in administrative regulations based on U.S. Dietary Guidelines for Americans. To the extent feasible, foods grown in the state will be utilized in the meals and snacks provided to students.

Health curricula will include instruction on the benefits of good nutrition and the role nutrition plays in preventing chronic diseases and maintaining a healthy weight.

(cf. 0210 - Goals for Student Learning)

(cf. 3550 - Food Service)

(cf. 3551 - Food Service Operations)

(cf. 3552 - Regular Lunch Program)

(cf. 3553 - Free and Reduced Price Meals)

(cf. 3554 - Other Food Sales)

(cf. 6163.4 - School Gardens, Greenhouses, and Farms)

C. Physical Activity

All students in grades K-12 will have opportunities, support and encouragement to be physically active before, during and after school, each school day.

Health curricula will include instruction on the benefits of regular physical activity and the role physical activity plays in preventing chronic diseases and maintaining a healthy weight.

Physical education will be closely coordinated with the overall school health program, especially health education, so that students thoroughly understand the benefits of being physically active and master the self-management skills needed to stay active for a lifetime.

D. Communication with Parents

The district/school will inform and update the public, including students, parents, and the community, about the content and implementation of its policies that promote student wellness.

The district/school will support parents' efforts to provide a healthy diet and daily physical activity for their children. The district/school will send home nutrition information and/or will post nutrition tips on school websites. Schools should encourage parents to pack healthy lunches and snacks and to refrain from including beverages and foods that do not meet nutrition standards established by the district. The district will provide parents with information on healthy foods that meet the district's snack standards and ideas for healthy celebrations/parties, rewards and fundraising activities.

The district/school will provide information about physical education and other school-based physical activity opportunities before, during and after the school day; and support parents' efforts to provide their children with opportunities to be physically active outside of school. Such supports will include sharing information through a website, newsletter, or other take-home materials, special events, or physical education homework.

(cf. 6020 - Parent Involvement)

E. Monitoring, Compliance and Evaluation

The superintendent or designee will ensure compliance with established district-wide nutrition and physical activity wellness policies and administrative regulations. Administrative regulations will be developed to ensure that information will be gathered to assist the Board and district in evaluating implementation of these policies.

The Superintendent or designee will designate one or more persons to be responsible for ensuring that each school within the district complies with this policy, and that school activities, including fundraisers and celebrations, are consistent with district health and nutrition goals.

The school board will receive a summary report *(annually/biannually/triannually)* on district-wide compliance with the established nutrition and physical activity policies, and the progress made in attaining the wellness goals, based on input from the schools within the district. The report will also be distributed to advisory councils, parent/teacher organizations, school principals, and school health services personnel, and will be made available to the public.

Legal References:

ALASKA STATUTES

03.20.100 Farm-to-school program

UNITED STATES CODE

Richard B. Russell National School Lunch Act, 42 U.S.C. 1751-1769j

Child Nutrition Act of 1996, 42 U.S.C. 1771-1793

CODE OF FEDERAL REGULATIONS

7 C.F.R. Parts 210 and 220, National School Lunch Program and Breakfast Program

Revised and Board Approved 4-9-12

ADOPTED: JUNE 2005

BP 5141.21 ADMINISTERING MEDICATION (Model)

Note: In 2005, AS 14.30.141 was passed requiring districts to permit the self-administration of medication by students for asthma or anaphylaxis. Self-administration may only be permitted upon a school's annual receipt of written certification by the student's parent/guardian and the student's health care provider. The statute also requires parents to release the school district from liability from any injury that may result from the storage and self-administration of asthma and anaphylaxis medication. Finally, the statute provides that students who use the medication in a manner other than prescribed are subject to disciplinary action.

The School Board recognizes that students sometimes may need to take prescribed medication during the school day in order to be able to attend school without jeopardizing their health. In such cases, when the district has received written statements from the student's health care provider and parent/guardian as required by law, designated personnel shall assist the student in taking the medication.

The written statements provided by the health care provider and parent/guardians must include the information described in AS 14.30.141. The term "health care provider" means a licensed physician, advanced practice registered nurse, respiratory care practitioner, physician assistant, village health aide, or pharmacist operating within the scope of the health care provider's authority.

The Board recognizes that some students have allergies of such severity that they may require an emergency anaphylactic injection during the course of the school day. Parents/guardians who are aware of this foreseeable need may ask the district to store and provide such injections. School staff who may be required to administer anaphylactic injections shall receive appropriate training and will be authorized to administer the injections within the legal provisions of law.

(cf. 5141 - *Health Care and Emergencies)*

Self-Administration of Medication for Asthma or Anaphylaxis

A student may be permitted to carry medication that has been prescribed or ordered by a health care provider to stay on or with the student due to a pressing medical need. Students who have received instruction in the self-administration of asthma or anaphylaxis medication shall be permitted to carry and self-administer the medication upon written authorization of the parent/guardian and health care provider, consistent with law and procedures developed by the [Superintendent/Chief Administrator]. Written authorization must be submitted annually.

By law, neither the District nor its schools are liable for injuries that may result from the storage or self-administration of medication. No student will be permitted to carry or self-administer a prescribed medication without a release of liability for the school, its employees, and agents. The release of liability shall include an agreement to indemnify and hold harmless the school and its employees or agents from claims arising out of the storage or self-administration of medication.

A student who uses the medication in a manner other than prescribed is subject to disciplinary action.

Legal Reference:

ALASKA STATUTES

09.65.090 Civil liability for emergency aid

14.30.141 Self-administration and documentation of medication

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9/92

AASB Policy Reference Manual

BP 6114 CRISIS RESPONSE PLAN (Model)

Note: AS 14.33.100 requires that all school districts develop a model school crisis response plan for use by each school in the district, and each school shall develop a school specific crisis response plan.

All district staff and students must be prepared to respond quickly and responsibly to emergencies, disasters, or other crisis which create distress, hardship, fear or grief. The Superintendent or designee shall develop and maintain a crisis response plan for handling all foreseeable emergencies and disasters. This plan shall be reviewed and updated at least annually.

A crisis response team for each school shall augment the district plan with working plans and procedures specific to each school building. The crisis response team must include the principal, one certificated and one classified member of the school staff, and one parent whose child attends the school. Additionally, the team may include a school board or advisory school board member, a school counselor, a member of local law enforcement, and a student in grade 10 or higher.

All students and employees shall receive instruction regarding these plans. Employees shall be trained in crisis response, including evacuation and lock down drills. New employees shall complete the training within their first two years of employment. Disaster simulation exercises may be held annually at each school site and shall demonstrate how safety procedures may be applied to various types of emergencies.

The Superintendent or designee shall consult with local social service agencies and law enforcement authorities so that district and site plans may provide the best possible way of handling each situation and also provide for emergency communications systems between these agencies and each district school.

Note: Effective July 1, 2027, DEED shall adopt curricula to instruct public school students on hands-only Cardiopulmonary resuscitation. This curricula shall determine what grade levels are required to receive instruction and what is appropriate for each grade level. Upon DEED's issuance of the curricula, the district shall implement it as required.

The crisis response plan must include the following information. Districts should add to this list as appropriate.

The crisis response plan for each school must:

a. identify the person in charge and a designated substitute;

b. identify the crisis response team members and their specific job functions relating to a crisis;

c. include a communication plan;

d. implement a Cardiopulmonary resuscitation education plan under AS 14.30.363, with appropriate training, as required;

e. include protocols for responding to immediate physical harm of students, faculty, or staff and to traumatic events, including the period after the events have concluded;

f. include disaster and emergency procedures to respond to earthquakes, fire, flood, explosions, or other events or conditions in which death or serious injury is likely;

g. include crisis procedures for safe entrance to and exit from the school by students, parents, and employees, including an evacuation and lock down plan; and

h. include policies for enforcing school discipline and maintaining a safe and orderly environment during the crisis.

(cf. 3514 - *Safety)*

(cf. 3515 – *School Safety & Security)*

(cf. 5142 - *Student Safety)*

The crisis response plans shall be reviewed annually and updated as appropriate. A copy of each school's crisis response plan shall be retained by the district and a copy provided to each local agency that has a role in the plan. Notice of completion of the annual review and update and the location of a school's crisis response plan shall be posted at each school in the district. Each school's crisis response plan shall be printed and available for inspection by the public.

Note: The following language may be revised to reflect district philosophy and needs

The School Board shall grant the use of school buildings, grounds and equipment to public agencies, including the American Red Cross, for mass care and welfare shelters during disasters or other emergencies affecting the public health and welfare. The School Board shall cooperate with such agencies in furnishing and maintaining whatever services it deems necessary to meet the community's needs.

The School Board encourages all employees to become proficient in first aid and cardiopulmonary resuscitation. Each principal shall ascertain that at least one staff

member at each school holds a valid certificate in these areas. The Superintendent or designee shall provide for CPR inservice training to be offered to district staff annually.

Legal Reference:

ALASKA STATUTES

14.03.030 School term

14.03.140 Emergency drills

14.30.363 Cardiopulmonary resuscitation education

14.33.100 Required school crisis response planning

18.70.080-18.70.300 Fire protection

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9/92

AASB Policy Reference Manual

BP 6146.1 High School Graduation Requirements (Current added Note from Model)

Note: *Transfer students who have earned 13 unit credits in another district may, at the district's discretion, be excused from the district's subject area units-of-credits requirements. 4 AAC 06.075.*

Failure to take a college and career readiness assessment shall not be grounds for withholding a diploma from an otherwise qualified student. At the request of a student, the district shall retroactively issue a high school diploma to a student who did not receive on because of failure to pass all or a portion of the previously required High School Graduation Qualifying Exam and instead received a certificate of achievement, provided the person takes a college and career readiness assessment. AS 14.03.075. A person may satisfy the assessment pursuant to the regulations in 4 AAC 06.718. The district is to mail a notice of this option to each such student who qualifies for a diploma to the student's last known address.

Note: For students who enter grade nine on or after July 1, 2027, they must complete the comparative government and civics education assessment(s) set forth in AS 14.03.076. The District shall utilize the curricula provided by DEED to provide these assessments. To receive a diploma, a student must meet the requirements of AS 14.03.076(c) unless: 1) they transferred into the District after completing grade 10 at a school in another state, 2) received alternative instruction as set forth in AS 14.03.076(d)(2), or 3) is a student with a disability who receives a waiver from the School Board. The District shall affix a seal of civic readiness, as developed by DEED, to the transcript and diploma of a student who has attained a high proficiency in the above.

Graduation with a Valdez High School Diploma will be predicated on successful completion of 24 credits. The specific minimum requirements are:

Note: College credits can be substituted for high school credits with approval from the building administrator.

Four (4) credits of English from any combination of the following list are required.

- English 9
- English 10
- English 11
- English 12

- Applied Communications

Three (3) credits of Math are required while enrolled in High School (one of which must be Algebra I or above) (To take affect at the initiation of the 2023-2024 school year for the graduating class of 2025 and all classes following).

Three (3) credits of Science are required. Physical Science and Biology are required.

Three and a half (3.5) credits of Social Science are required

- Government/Economics
- U.S. History
- Alaska History
- World History

All students are required to take 1.5 credits (three semesters) of Physical Education and .5 credit (one semester) of Health while attending high school. Two semesters (one credit) of Physical Education requirements can be earned by fully participating in sanctioned Valdez High School athletics. Students may obtain .5 credits of Physical Education for two (2) full seasons of Valdez School District sports participation. They will receive this credit as determined by their coach. A maximum of 1.0 credit of the Physical Education requirement is available upon successful completion of 4 seasons of sanctioned Valdez City Schools Athletics.

8.5 credits of Electives are required.

Students are required to enroll in and complete at least six credits during each of their four years of high school. (To take effect at the initiation of the 2023-2024 school year for the graduating class of 2025 and all classes following)

Students who have successfully completed the course of study required by the Valdez Board of Education will be eligible to receive a VHS diploma and participate in graduation exercises. Any student wishing to graduate less than 8 semesters must petition the Superintendent for early graduation at least one full semester before they wish to graduate.

The Superintendent will establish administrative regulations for exemptions to graduation requirements.

***Note:** Beginning January 1, 2009, the three units of credit in social studies must include one-half unit in Alaska History or demonstration that the student meets the

Alaska History performance standards. This requirement will not apply to a student who (1) transfers into your school after the student's second year of high school; or (2) has already successfully completed a high school state history course in another state. 4 AAC 06.075.

Reference:

(BB 1110.10)

(cf. 5127 - Graduation Ceremonies and Activities)

(cf. 6164.2 - Guidance and Counseling Services)

(cf. 6146.3 - Competency Testing)

(cf. 6184 - Virtual/Online Courses)

LEGAL REFERENCE:

ALASKA STATUTES

14.03.075 Secondary pupil competency testing

ALASKA ADMINISTRATIVE CODE

4 AAC 06.075 High school graduation requirements

4 AAC 06.717 College and career readiness assessments

4 AAC 06.718 College and career readiness assessment after student received a certificate of achievement

4 AAC 06.721 College and career readiness assessment waivers

4 AAC 06.755-790 State wide assessment program for students with disabilities

Board Revised and Approved: 04/08/2019

Board Revised and Approved: 12/09/2019

Board Revised and Approved: 02/24/2020

AASB Revised: 3/2017

Adopted: June 2005

Revised: 10/2024

BP 6146.4 Reciprocity On Graduation Requirements (add Language)

Note: *4 AAC 06.075 authorizes the district to exempt transfer students with at least 13 units of credit from graduation credit requirements.*

Credit Requirements

The Superintendent or designee may exempt students transferring into the district from meeting district credit requirements for graduation upon verification of equivalent credits received elsewhere, in accordance with law.

(cf. 5118 - Transfers; Withdrawals)

Legal Reference:

ALASKA ADMINISTRATIVE CODE

4 AAC 06.075 High school graduation requirements

4 AAC 06.777 Students that have passed another state's competency examination

Revised 11/2015

ADOPTED: JUNE 2005

Valdez City Schools

BP 6172 SPECIAL EDUCATION (Model)

Note: The following sample policy addresses education provided under the Individuals with Disabilities Education Act.

The School Board desires children with and without disabilities to share an interactive educational environment which nurtures understanding, cooperation and mutual respect.

A student's IEP team shall determine the content of the student's individualized educational program (IEP) and make placement decisions for the least restrictive environment that is educationally appropriate.

All students, without regard to race, ethnicity, national origin or gender, shall have equitable access to general education interventions, to timely referral for an evaluation for disability, and to equitable treatment in the evaluation process, in the quality of special education and related services provided, and in the degree of restrictiveness of their educational environment.

Note: 4 AAC 52.590 requires districts to establish written procedures for the identification of children in need of a surrogate parent and for the appointment and removal of surrogate parents. AS 14.30.272 requires the district to inform parents/guardians of children with disabilities of the procedural safeguards provided by law. 4 AAC 52.190 requires written notice before initiating or changing a child's identification, evaluation or placement and when refusing a parent's request to initiate or change a child's identification, evaluation or placement.

The Superintendent or designee shall establish written procedures required by law and shall ensure district compliance with procedural safeguards, including appropriate notices to parents/guardians established by state and federal laws and regulations.

Note: 4 AAC 52.115 requires evaluation and placement within 90 calendar days of obtaining parental consent for evaluation. However, completion of an individualized education plan must occur within 30 days after determining a child's eligibility.

Services will be provided in accordance with a student's IEP once parental consent or administrative or judicial proceedings authorize the provision of special education and related services.

The District shall, in collaboration with the Department of Education and Early Development, ensure to the maximum extent possible that the parents of children who are deaf or hard of hearing (or the District suspects of being deaf or hard of hearing) are

provided with comprehensive, neutral, and unbiased information in accordance with AS 14.30.272(c)(1) and other applicable law. The District shall also allow the parent of the child to choose the method of communication the parent determines is most appropriate for the child and provide services using the parent's chosen method of communication, as required by law.

If the District operates residential services as part of its deaf and hard of hearing program as described in AS 14.30.276, the District shall annually submit a plan of operations to DEED as required by the statute.

(cf. 3541.2 - *Transportation for Special Education Students)*

(cf. 5144.2 - *Suspension and Expulsion (Individuals with Exceptional Needs)*

(cf. 6146.4 - *Differential Graduation and Competency Standards for Individuals with Exceptional Needs)*

(cf. 6164.4 – *Child Find)*

Legal Reference:

ALASKA STATUTES

14.30.180-14.30.350 Education for children with disabilities

ALASKA ADMINISTRATIVE CODE

4 AAC 52.010-4 AAC 52.990 Education for children with disabilities

UNITED STATES CODE, TITLE 20

1232g Family Educational Rights and Privacy Act of 1974

1400 et seq. Individuals with Disabilities Education Act

CODE OF FEDERAL REGULATIONS, TITLE 34

99.10-99.22 Inspection, review and procedures for amending education records

300.340-349 Individualized education programs

300.500-300.514 Due process procedures for parents and children

300.550-300.553 Least restrictive environment; alternative placements; placement; nonacademic settings

Revised 9/2026

9/92

BUDGET AMENDMENT REQUEST
27-3

Justification for Amendment

This amendment transfers funds from designated technology reserves for the purchase of necessary battery backups and replacement batteries required to protect district infrastructure. The requested amount includes a buffer for estimated shipping costs for heavy and hazardous materials. This cost is scheduled on the district's long range replacement cycle, originally planned for FY25 but was postponed until the transition to a new managed service provider was complete and well-settled.

SUBMITTED ON: October 7, 2026

REQUESTED BY: Megan Gunderson

Actions to be taken:

ACCOUNT NUMBER	LINE ITEM DESCRIPTION	CURRENT BUDGET	INCREASE	DECREASE	AMENDED BUDGET	NARRATIVE JUSTIFICATION FOR EACH CHANGE
501.099.110.510	Technology equipment	$268,000.00	$24,000.00	$0.00	$292,000.00	Funded by tech reserve
501.000.601	Technology reserve	$0.00	$0.00	$24,000.00	$0.00	Transfer from tech reserve
		$0.00			$0.00	
		$0.00			$0.00	
		$0.00			$0.00	
		$0.00			$0.00	

VALDEZ CITY SCHOOLS

(A Component Unit of the City of Valdez, Alaska)

Letter to the Governing Board

Year Ended June 30, 2026

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

VALDEZ CITY SCHOOLS

(A Component Unit of the City of Valdez, Alaska)

Letter to the Governing Board

Year Ended June 30, 2026

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

September 11, 2026

Members of the School Board
Valdez City Schools
Valdez, Alaska

We have audited the governmental activities, each major fund, and the aggregate remaining fund information of Valdez City Schools, (the District), a component unit of the City of Valdez, Alaska, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the financial statements of the District. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards and the State of Alaska Audit Guide and Compliance Supplement for State Single Audit*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 14, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Significant Accounting Policies and Transactions

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Valdez City School District are described in Note I to the Financial Statements. The District implemented GASB 103 and 104 during 2026. Financial reporting accounting policies related to the implementation of these standards has changed, but the standards had no effect on net position. We noted no transactions entered into by the School District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Significant Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were:

Governmental activities opinion unit:

Management's estimate of the useful lives and depreciation is based on the expected life of an asset. We evaluated the key factors and assumptions used to develop the useful lives and depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimates of the District's proportionate share of the collective net pension and OPEB liabilities, assets and related deferred outflows and inflows of resources are based on information furnished by the State of Alaska and actuarial reports generated during the audit of the Public Employees' Retirement System and Teachers' Retirement System. The amortization of these deferrals is based on guidance provided by the Governmental Accounting Standards Board. We evaluated the key factors and assumptions used to develop the estimates of the District's proportionate share of the collective net pension and OPEB liabilities and assets, and deferred outflows and inflows of resources and relate.

Management's estimate of the compensated absences balance, which includes accrued leave, sick leave, and related benefits, is based upon historical payroll data. We evaluated the methods, assumptions, and data used to develop the estimate in determining that it is reasonable in relation to financial statements taken as a whole.

All opinion units:

Management's estimate of health and medical insurance liability is based on claims paid for the year and a two month estimate of insurance liability. We evaluated the key factors and assumptions used to develop the health and medical liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of contingencies in Note IV-C. to the financial statements. Grant awarded money is subject to compliance in accordance with the grant agreement. Expenditures may be disallowed by the granting agencies at any time which would have an impact on the financial statements.

The remaining financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We did not identify any misstatements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 11, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Internal Control Matters

See the June 30, 2026 audited financial statements compliance reports for definition and descriptions of deficiencies, significant deficiencies, material weaknesses and any reported findings.

Accounting Assistance

As part of our engagement, we assisted management in the drafting of the basic financial statements of the District from the District's accounting records; however, management of the District was involved in the drafting process and retains responsibility for the basic financial statements.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Budgetary Comparison Information, and the schedules of district's proportionate share of net pension and OPEB liabilities and assets, and contributions for the Public Employees' Retirement System and the Teachers' Retirement System, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (where applicable): School Operating Fund, Technology Capital Project Fund; Other Governmental Funds: Combining Balance Sheet; Combining Statement of Revenues, Expenditures and Changes in Fund Balances; Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Nonmajor Special Revenue Funds Reports; Schedule of Compliance – AS 14.17.505; and the Schedule of State Financial Assistance and related notes, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the School Board and management of Valdez City Schools and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Altman, Rogers & Co.

Anchorage, Alaska

VALDEZ CITY SCHOOLS

(A Component Unit of the City of Valdez, Alaska)

Basic Financial Statements, Required Supplementary Information, Supplementary Information, and Compliance Section

Year Ended June 30, 2026

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

VALDEZ CITY SCHOOLS

(A Component Unit of the City of Valdez, Alaska)

Basic Financial Statements, Required Supplementary Information, Supplementary Information, and Compliance Section

Year Ended June 30, 2026

VALDEZ CITY SCHOOLS

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VALDEZ CITY SCHOOLS

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VALDEZ CITY SCHOOLS

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Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Members of the School Board
Valdez City Schools
Valdez, Alaska

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Valdez City Schools (the District), a component unit of the City of Valdez, Alaska, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Valdez City Schools, as of June 30, 2026, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (Government Auditing Standards). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Valdez City Schools, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

3000 C Street N. Suite 201 Anchorage, Alaska 99503 Phone 907-274-2992 Fax 907-274-2993
Offices in Juneau and Soldotna A Professional Corporation

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Valdez City Schools' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Valdez City Schools' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Valdez City Schools' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Information on page 38, and the Schedules of the District's Proportionate Share of Net Pension and OPEB Liabilities and Assets and Contributions for the Public Employees' Retirement System and Teachers' Retirement System and Notes to the Required Supplementary Information on pages 39-51, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements is not affect by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Valdez City Schools' basic financial statements. The information listed in the Table of Contents as "Supplementary Information" which includes; Major Governmental Funds: Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (where applicable); Other Governmental Funds: Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances; Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Nonmajor Special Revenue Funds; Schedule of Compliance- AS 14.17.505 and Schedule of State Financial Assistance and related notes as required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits,* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Members of the School Board
Valdez City Schools

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated September 11, 2026 on our consideration of Valdez City Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Valdez City Schools' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Valdez City Schools' internal control over financial reporting and compliance.

Altman, Rogers & Co.

Anchorage, Alaska
September 11, 2026

BASIC FINANCIAL STATEMENTS

Exhibit A-1

VALDEZ CITY SCHOOLS

Statement of Net Position

June 30, 2026

	Governmental Activities
Assets and Deferred Outflows of Resources	
Current assets:	
Cash and cash equivalents	$ 4,526,529
Accounts receivable	151,994
Inventory	51,557
Total current assets	4,730,080
Non-current assets:	
Capital assets	3,946,801
Accumulated depreciation	(2,495,677)
Net OPEB asset	5,507,024
Total non-current assets	6,958,148
Deferred outflows of resources:	
Pension and OPEB deferrals	714,234
Total assets and deferred outflows of resources	12,402,462
Liabilities, Deferred Inflows of Resources and Net Position	
Current liabilities:	
Accounts payable	72,213
Accrued health insurance	1,033,596
Accrued payroll liabilities	15,280
Compensated absences	207,551
Workers' compensation payable	77,135
Unearned revenues	3,749
Total current liabilities	1,409,524
Long-term liabilities:	
Net pension and OPEB liability	7,491,292
Deferred inflows of resources:	
Pension and OPEB deferrals	600,485
Total liabilities and deferred inflows of resources	9,501,301
Net Position	
Net investment in capital assets	1,451,124
Unrestricted	1,450,037
Total net position	$ 2,901,161

The notes to the financial statements are an integral part of this statement.

Exhibit B-1

VALDEZ CITY SCHOOLS

Statement of Activities

Year Ended June 30, 2026

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental Activities:					
Instruction	$ 5,743,311	-	(379,017)	-	(6,122,328)
Special education instruction	1,775,504	-	142,690	-	(1,632,814)
Special education support services - students	347,778	-	(9,385)	-	(357,163)
Support services - students	290,497	-	(31,108)	-	(321,605)
Support services - instruction	2,286,114	-	239,391	125,000	(1,921,723)
School administration	437,759	-	(45,768)	-	(483,527)
School administration support services	261,565	-	(140)	-	(261,705)
District administration	390,525	-	(20,791)	-	(411,316)
District administration support services	456,036	-	16,962	-	(439,074)
Operations and maintenance of plant	2,961,808	-	(1,133)	-	(2,962,941)
Student activities	1,180,744	-	513,662	-	(667,082)
Student transportation - to and from school	716,542	-	574,659	-	(141,883)
Community services	1,046,033	-	827,805	-	(218,228)
Food services	986,215	131,794	621,118	-	(233,303)
Total governmental activities	$ 18,880,431	131,794	2,448,945	125,000	(16,174,692)

General revenues:	
City appropriations	$ 9,447,784
E-rate	79,560
Earnings on investments	232,336
Other	81,275
Grants not restricted to specific programs	5,028,258
Total general revenues	14,869,213
Change in net position	(1,305,479)
Net position - beginning of year	4,206,640
Net position - ending	$ 2,901,161

The notes to the financial statements are an integral part of this statement.

Exhibit C-1

VALDEZ CITY SCHOOLS

Balance Sheet - Governmental Funds

June 30, 2026

	School Operating Fund	Technology Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 4,526,529	-	-	4,526,529
Accounts receivable	69,347	-	82,647	151,994
Due from other funds	133,797	1,292,347	1,297,905	2,724,049
Inventory	-	-	51,557	51,557
Total assets	$ 4,729,673	1,292,347	1,432,109	7,454,129
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	272	-	71,941	72,213
Accrued health insurance	1,033,596	-	-	1,033,596
Accrued payroll liabilities	15,280	-	-	15,280
Workmans' compensation payable	77,135	-	-	77,135
Due to other funds	2,590,252	-	133,797	2,724,049
Unearned revenues	-	-	3,749	3,749
Total liabilities	3,716,535	-	209,487	3,926,022
Fund balances:				
Non-spendable:				
Inventory	-	-	51,557	51,557
Committed for:				
Minigrants	-	-	9,108	9,108
Transportation	-	-	90,470	90,470
Vehicle replacement	-	-	416,014	416,014
Technology	-	1,292,347	-	1,292,347
Title I-A	-	-	25	25
Maintenance	-	-	402,363	402,363
Migrant education	-	-	382	382
Student activities	-	-	307,892	307,892
Impact aid	26,399	-	-	26,399
Unassigned	986,739	-	(55,189)	931,550
Total fund balances	1,013,138	1,292,347	1,222,622	3,528,107
Total liabilities and fund balances	$ 4,729,673	1,292,347	1,432,109	7,454,129

The notes to the financial statements are an integral part of this statement.

VALDEZ CITY SCHOOLS

Reconciliation of Net Position Between the Government-Wide
Financial Statements and the Fund Financial Statements

June 30, 2026

Amounts reported as fund balances on the governmental funds balance sheet		$ 3,528,107
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and are not reported in the funds		1,451,124
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Compensated absences		(207,551)
Proportionate share of the collective net pension and OPEB liability:		
PERS	$ (3,738,739)	
TRS	(3,752,553)	
		(7,491,292)
Proportionate share of the collective OPEB asset:		
PERS	2,196,112	
TRS	3,310,912	
		5,507,024
Deferred inflows and outflows of resources are the results of timing differences in the actuarial report:		
Pension and OPEB related assets in the current fiscal year are presented as deferred outflows of resources:		
PERS	384,781	
TRS	329,453	714,234
Pension and OPEB related liabilities in the current fiscal year are presented as deferred inflows of resources:		
PERS	(245,907)	
TRS	(354,578)	(600,485)
Net position of governmental activities		$ 2,901,161

The notes to the financial statements are an integral part of this statement.

Exhibit D-1

VALDEZ CITY SCHOOLS

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

Year Ended June 30, 2026

	School Operating Fund	Technology Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Local sources:				
Charges for services	$ -	-	131,794	131,794
E-rate	79,560	-	-	79,560
Earnings on investments	232,336	-	-	232,336
Other	79,787	-	158,662	238,449
Intergovernmental:				
State of Alaska	6,012,542	-	480,659	6,493,201
Federal sources	27,649	-	737,311	764,960
City appropriation	9,447,784	125,000	1,676,805	11,249,589
Total revenues	15,879,658	125,000	3,185,231	19,189,889
Expenditures:				
Current:				
Instruction	7,420,135	-	56,652	7,476,787
Special education instruction	1,860,516	-	202,601	2,063,117
Special education support services - students	390,782	-	-	390,782
Support services - students	448,843	-	-	448,843
Support services - instruction	1,047,267	1,011,242	239,679	2,298,188
School administration	605,648	-	-	605,648
School administration support services	281,395	-	-	281,395
District administration	477,347	-	-	477,347
District administration support services	468,598	-	17,261	485,859
Operations and maintenance of plant	2,639,493	-	373,612	3,013,105
Student activities	-	-	1,135,935	1,135,935
Student transportation - to and from school	-	-	716,542	716,542
Community services	-	-	1,046,033	1,046,033
Food services	-	-	983,815	983,815
Total expenditures	15,640,024	1,011,242	4,772,130	21,423,396
Excess (deficiency) of revenues over expenditures	239,634	(886,242)	(1,586,899)	(2,233,507)
Other financing sources (uses):				
Transfers in	-	-	932,885	932,885
Transfers out	(932,885)	-	-	(932,885)
Net other financing sources (uses)	(932,885)	-	932,885	-
Net change in fund balances	(693,251)	(886,242)	(654,014)	(2,233,507)
Fund balance, beginning of year	1,706,389	2,178,589	1,876,636	5,761,614
Fund balances, end of year	$ 1,013,138	1,292,347	1,222,622	3,528,107

The notes to the financial statements are an integral part of this statement.

VALDEZ CITY SCHOOLS

Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities

Year Ended June 30, 2026

Net change in fund balances - total government funds		$ (2,233,507)
Amounts reported for *governmental activities* in the Statement of Activities are different because:		
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Change in compensated absences		(4,000)
Net change in the pension/OPEB unfunded (liability) asset:		
PERS	$ 696,878	
TRS	1,157,171	1,854,049
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives:		
This is the amount by which depreciation exceeded capital outlay in the current period:		
Capital outlay	254,131	
Depreciation expense	(264,293)	(10,162)
Changes in deferred inflows and outflows of resources are the results of timing differences in the actuarial report:		
Contributions to the pension and OPEB plan in the current fiscal year are included in the fund financial statements and are presented as deferred outflows of resources in the government-wide financial statements:		
PERS	(446,154)	
TRS	(465,705)	(911,859)
Change in net position of governmental activities		$ (1,305,479)

The notes to the financial statements are an integral part of this statement.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The financial statements of the Valdez City Schools (hereafter referred to as the District) have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Pursuant to Alaska Statutes, Title 29.43.030, the City of Valdez, Alaska (City) has the responsibility of establishing, maintaining and operating a system of public schools. The City's charter delegates the administrative responsibility for these functions to the elected School Board of the District.

The accompanying financial statements include all the activities of the District. The District is a component unit and integral part of the reporting entity, which is the City of Valdez, Alaska. The City Council, as the oversight authority, approves the total annual budget of the District and may, during the year, increase or decrease the total City appropriation at the request of the School Board. The School Board has the authority to establish its own budgets, hire all personnel, and manage its financial operations subject to the limitations established by State Law and City Charter.

The District constitutes a component unit of the City of Valdez, Alaska. There were no entities, which are a component unit of the District, which have been included or excluded in the accompanying financial statements at June 30, 2026.

The more significant of the District's accounting policies are described below.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by intergovernmental revenues, would be reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The District does not presently have any business-type activities or fiduciary activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operations or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*.

Deferred inflows of resources are the acquisition of Fund Balance/Net Position by the District that are applicable to a future reporting period. Deferred outflows of resources are the consumption of Fund Balance/Net Position by the District that are applicable to a future reporting period.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting.* Revenues are recorded when transactions occur and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected with 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when the obligations are expected to be liquidated with expendable available financial resources.

Summarized below are the major sources of revenue, which are susceptible to accrual and the applicable recognition policies:

Intergovernmental Revenues:

State of Alaska Foundation and Pupil Transportation revenue are recorded in the year to which it relates.

Federal Impact Aid receipts and federal aid for school lunch are recorded as revenues in the year monies are received.

State of Alaska and federal government cost reimbursable grants and contracts revenues are recorded to the extent of allowable expenditures in the period incurred.

On-behalf payments are recognized in the year to which it relates.

Revenues from the City of Valdez, Alaska are recorded as intergovernmental as prescribed by the Uniform Chart of Accounts for School Districts. Revenues are susceptible to accrual and are recorded in the year of the City appropriation.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, and then unrestricted resources as they are needed.

Local Revenue:

Interest earnings on investments in the School Operating Fund are recognized as earned. City appropriations are recorded in the year to which they relate. Rentals, tuition and proceeds from the sale of lunches are recognized in the year received.

The District follows the Uniform Chart of Accounts for Public School Districts as required by the State of Alaska, Department of Education and Early Development. This manual sets guidelines for financial reporting and requirements for basic accounting systems, which are uniform throughout Alaska.

The District reports the following major governmental funds:

The *School Operating Fund* is the primary operating fund of the District. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The *Technology Capital Project Fund* accounts for technological support infrastructure revolved around instruction support services.

Use of Estimates

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures and expenses during the reporting period. Actual results could differ from those estimates.

Indirect Costs

The State of Alaska, Department of Education and Early Development annually establishes an approved indirect rate for each District based on audited financial statements. The rate is based on expenditures recorded per requirements in the Uniform Chart of Accounts for School Districts and as such there is no indirect cost pool. Indirect costs and indirect cost recovery is recorded in the District Administration Support Services function.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position / Fund Balance

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The District is responsible for maximum security and interest possible for the depository and investment of funds.

The Superintendent and Business Manager are responsible for treasury management, including investment and reinvestment of all revenues of the District. The Superintendent and Business Manager have the authority to establish new accounts for investment purposes in the name of the District.

Depositories of District funds are required to have total capital of not less than five million dollars and chartered for not less than five years. Funds may be invested in any of the following:

1. Obligations of or obligations insured or guaranteed by the United States or agencies or instruments of the United States.
2. Obligations secured by reserves paid in by the United States or agencies or instruments of the United States or obligations of corporations in which the United States is a shareholder or member.
3. Certificates of deposit by United States domestic banks which are members of the Federal Deposit Insurance Corporation for which a generally recognized secondary market exists or which are fully insured at all times as to the payment of principle and interest as set forth in #11 below.
4. Corporate debt securities with a minimum rating of AAA or the equivalent by a nationally recognized rating organization.
5. Commercial paper bearing the highest rating of a nationally recognized rating organization.
6. Bankers' acceptances drawn on and accepted by banks with a combined capital and surplus aggregating at least 200 million dollars.
7. Shares of federally chartered savings and loan associations in Alaska which are fully secured at all times as to the payment of principle and interest as set forth in #11 below.
8. Savings certificates issued by state-chartered savings and loan associations in Alaska which are fully secured at all times as to the payment of principle and interest as set forth in #11 below.
9. Deposits with mutual savings banks in Alaska which are fully secured at all times as to the payment of principle and interest as set forth in #11 below.
10. Fixed-term certificates of indebtedness of federally insured credit unions in Alaska which are fully secured at all times as to the payment of principle and interest as set forth in #11 below.
11. Repurchase agreements, the securities underlying the agreements being any of the items listed below. For those investments requiring collateralization pursuant to subsections above, the investments shall be collateralized 100% by any of the following:
    - Obligations of the United States or instruments of the United States;
    - Corporate debt securities with a minimum rating of AAA, or the equivalent by a nationally recognized rating organization;
    - Municipal or state debt securities with a minimum of AA, or equivalent by a nationally recognized rating organization;
    - Debt securities of the State of Alaska;
    - Debt securities of the Municipality of Anchorage, Fairbanks, or Valdez.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds”.

Advances between funds, as reported in the fund financial statements, are offset by committed or nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Management has determined that all of their receivables are collectable; therefore, no allowance for doubtful accounts has been established.

3. Inventories and Prepaid Items

Teaching and maintenance supplies are recorded as expenditures when purchased rather than as consumed. Accounting for inventory of food supplies is on the consumption method. The consumption method records the expenditure when consumed rather than when purchased. Inventories are valued at cost using the first-in, first-out (FIFO) method. Reported inventories are equally offset by a portion of fund balance classified as nonspendable in the Fund Financial Statements, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

Payments made to vendors for services that are applicable to future accounting periods are recorded as prepaid items. The prepaid items do not reflect current available resources and, thus, an equivalent portion of fund balance is classified as nonspendable in the fund financial statements.

4. Capital Assets

Capital assets, which include vehicles and equipment, are recorded in the government-wide financial statements at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value at the date of donation. Assets greater than $5,000 in the government-wide financial statements are capitalized and depreciated on straight-line method.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets’ lives are considered operations and maintenance and are not capitalized in the government-wide financial statements.

Vehicles and equipment owned by the District is depreciated under the straight-line method with estimated useful lives as follows:

	Life in Years
Vehicles	5
Equipment	5-10

5. Unearned Revenues

Unearned revenues in the Food Service Special Revenue Fund represents the unused portion of the USDA commodities received by the District. Unearned revenue in all other Special Revenue Funds represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met.

6. Assets to be Contributed

Assets to be contributed represent construction in progress that, when completed, will be transferred to the City of Valdez, Alaska.

7. Compensated Absences

All permanent employees earn and accrue vacation and sick leave. A liability is recognized when it is attributable to services already rendered, it accumulates, and it is more likely than not that the government will compensate an employee (either as paid time off or cash payment). Unused leave is accrued utilizing current salary costs as earned by employees, and recorded as a liability in the government-wide statement of net position.

8. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. In the fund financial statements the face amount of the debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Pensions and Other Post-Employment Benefits (OPEB)

Pensions and OPEB. For purposes of measuring the net pension and OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) and additions to/from PERS and TRS's fiduciary net position have been determined on the same basis as they are reported by PERS and TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, investments are reported at fair value.

10. Net Position

Government-wide net position is divided into three components:

- Net investment in capital assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.
- Restricted net position – consists of assets that are restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted – all other net position is reported in this category.

11. Fund Balance

In the fund financial statements fund balance includes five classifications for fund balance as follows:

Nonspendable fund balance – amounts that cannot be spent because they are in a non-spendable form (such as inventory, long-term note receivables and prepaid items) or legally or contractually required to be maintained intact (such as the corpus of an endowment fund).

Restricted fund balance – amounts constrained by external parties, or legislation (such as grantors or higher levels of government).

Committed fund balance – amounts constrained to specific purposes by the District's Board, using the District's highest level of decision-making authority (resolution or ordinance); to be reported as committed, amounts cannot be used for any other purpose unless the School Board takes the same highest-level action to remove or change the constraint.

Assigned fund balance – amounts that are intended for a particular purpose. Intent can be expressed by the School Board or by the Superintendent or designee.

Unassigned – amounts available for any purpose; these amounts are reported only in the School Operating Fund, unless non-spendable resources creates a negative unassigned fund balance in the Special Revenue Funds.

The five categories of fund balance place varying strengths of spending constraints on available resources in a descending order as listed. Non-spendable fund balance is the most restrictive classification and unassigned fund balance is the least restrictive.

When an expenditure has been duly authorized and funding to pay for the expenditure is available within multiple fund balance classifications, the District's policy is to utilize funding available in the most restrictive classification first.

The District Special Revenue Funds are used to account for educational, food service, operations and maintenance programs that are restricted or committed.

12. Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following financial instruments are recorded at fair value or at amounts that approximate fair value: (1) cash and cash equivalents, (2) receivables, net, (3) certain other current assets, (4) accounts payable, and (5) other current liabilities. The carrying amounts reported in the balance sheet and Statement of Net Position for the above financial instruments closely approximates their fair value due to the short-term nature of these assets and liabilities.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental fund types except capital project funds, which adopt project-length budgets. All annual appropriations lapse at fiscal yearend. Unexpended balances of grants from the state and federal governments for the Special Revenue Funds lapse at June 30 with the exception of certain federal funding.

The following Special Revenue Funds had expenditures in excess of appropriations:

Student Transportation	$	28,800
Food Service	$	3,435
Student Activities	$	147,522
Activities	$	1,172

Excess of expenditures over appropriations were funded through available revenues, fund balance, or operating transfers.

Annual budgets of the various Special Revenue Funds are prepared in connection with the application for the special programs' funding and are reviewed and approved by the School Board. Expenditure authority for Special Revenue Fund programs is limited to the actual combined revenues and transfers from other funds.

Project budgets are adopted for the various construction funds based on the lives of the construction projects. Expenditure authority is limited to the actual combined revenue and transfers from other funds.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the Special Revenue Funds. Encumbrances outstanding at year end are reported as unassigned fund balances since they do not constitute expenditures or liabilities. The amount of encumbrances, if significant, are disclosed as commitments.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

All deposits are carried at cost plus accrued interest. The District has a deposit and investment policy. The district has the following deposits and investments:

The District bank balances are insured by federal depository insurance (FDIC) to a maximum of $250,000 with the following exceptions:

> Any amount in excess of FDIC limits is collateralized with securities held by the District's agent in the District's name.

Custodial Credit Risk – Custodial Credit Risk is the risk that in the event of a bank failure, the District's deposits will not be returned to the District. At June 30, 2026, the District's deposits were fully insured and collateralized. The District has a specific policy limiting custodial credit risk by insuring and collateralizing all deposits.

B. Receivables

Receivables as of June 30, 2026 for the District's major and other governmental funds are as follows:

Receivables	School Operating Fund	Other Governmental Funds	Total
Grants	$ -	82,647	82,647
Other	69,347	-	69,347
Total	69,347	82,647	151,994

Management has determined that all their receivables are collectible; therefore, no allowance for doubtful accounts has been established.

C. Capital Assets

Capital asset activity for the year ended June 30, 2026 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets, being depreciated:				
Vehicles and equipment	$ 3,692,670	254,131	-	3,946,801
Less accumulated depreciation	(2,231,384)	(264,293)	-	(2,495,677)
Net governmental activities	$ 1,461,286	10,162	-	1,451,124

Depreciation expense was charged to the following functions of the District as follows:

Instruction	$ 65,500
Support services – instruction	41,142
Special education – instruction	4,000
Student activities	2,953
Food services	2,400
Operations and maintenance of plant	148,298
	$ 264,293

D. Interfund Receivables and Payables and Transfers

Interfund receivables and payables are shown as "Due to other funds" and "Due from other funds" in each of the individual funds. These balances at June 30, 2026 were as follows:

Receivable Fund	Payable Fund	Amount
School Operating Fund	Other Governmental Funds	$ 133,797
Technology Capital Project Fund	School Operating Fund	1,292,347
Other Governmental Funds	School Operating Fund	1,297,905
Total		$ 2,724,049

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers:

Transfer in	Transfer out	Amount
Other Governmental Funds	School Operating Fund	$ 932,885

Transfers are used to move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provide as subsidies or matching funds for various grant programs.

IV. OTHER INFORMATION

A. Risk Management

The District faces a considerable number of risks of loss, including (a) damage to and loss of property and contents, (b) employee torts, (c) professional liability, i.e., errors and omissions, (d) environmental damage, (e) workers compensation, and (f) medical/dental/vision costs for employees.

Commercial policies, transferring the risk of loss, except for relatively small deductible amounts, are purchased for damage to and loss of property and contents, general liability, errors and omissions and student accidents. Coverage limits and the deductibles on commercial policies have stayed relatively constant for the last several years. No settlement in excess of insurance coverage has been realized over the past three years.

The District retains a portion of the risk of medical/dental/vision costs for employees. The health and medical benefit program maintained by the District and the City of Valdez covers all full time employees. The District has retained a major portion of the risk for this plan and, accordingly, is liable for any employee health claims that are approved for payment. Stop-loss coverage limits were $150,000 for individual claims and approximately $1,000,000 for aggregate claims.

Accruals were made based upon estimates of the health claims at year end including claims incurred but not reported. Such accruals were accounted for in the School Operating Fund as accrued health insurance liabilities.

A schedule of the changes in the claims liability for the two years ended June 30, 2026 and 2025 is as follows:

	Health Insurance Program	
	2026	2025
Payable beginning of fiscal year	$ 749,572	725,834
Claims expense and administrative fees	4,523,524	2,969,150
Claims deposits	(4,239,500)	(2,945,412)
Payable end of fiscal year	$ 1,033,596	749,572

The $1,033,596 claims liability at June 30, 2026 consists of claims submitted and an estimate of claims incurred but not yet reported.

The District has elected the reimbursable method of payment for Employment Security Compensation (ESC). Under this arrangement, the actual costs of ESC are reimbursed to the State of Alaska.

B. Related Party

Valdez City Schools received contributions from the City of Valdez, Alaska in the amount of $11,249,589.

C. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the School Operating Fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

D. Employee Retirement Systems and Plans

The District follows *Governmental Accounting Standards Board (GASB) Codification P20*, Accounting for Pensions by State and Local Governmental Employees and *GASB Codification P50*, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions. *GASB Codification P20* and *GASB Codification P50* establish uniform standards for the measurement, recognition, and display of pension and other post-employment benefits other than pensions (healthcare) expenditures/expense and related liabilities, assets, note disclosure and applicable required supplementary information in the financial reports of state and local governmental employers.

All full-time employees and certain permanent part-time employees of the District participate in either the State of Alaska Public Employees' Retirement System (PERS) or the State of Alaska Teacher's Retirement System (TRS). In addition to the pension plan, both systems also administer other post-employment benefit (OPEB) plans.

The system is governed by the Alaska Retirement Management Board (ARMB). The benefit and contribution provisions are established by State law and may be amended only by the State legislature. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee.

Summary of Significant Accounting Policies. The financial statements for PERS and TRS are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The District's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value.

PERS and TRS act as the common investment and administrative agencies for the following multiple-employer plans:

Plan Name	Type of Plan
Defined Benefit Pension Plan (DB)	Cost-sharing, Defined Benefit Pension
Defined Contribution Pension Plan (DC)	Defined Contribution Pension
Defined Benefit Other Postemployment Benefits (OPEB):	
Occupational Death and Disability Plan	Cost-sharing, Defined Benefit OPEB
Alaska Retiree Healthcare Trust Plan	Cost-sharing, Defined Benefit OPEB
Retiree Medical Plan	Cost-sharing, Defined Benefit OPEB
Defined Contribution Other Postemployment Benefits (DC):	
Healthcare Reimbursement Arrangement Plan	Defined Contribution OPEB

Plan Memberships

The table below includes the plan membership counts from the separately issued financial statements for the various plans:

	PERS	TRS
Retired plan members or beneficiaries currently receiving benefits	37,449	13,716
Inactive plan members entitled to but not yet receiving benefits	4,154	573
Inactive plan members not entitled to benefits	9,562	1,426
Active plan members	7,179	2,173
Total plan memberships	58,344	17,888

Other Postemployment Benefit Plans (OPEB)

Alaska Retiree Healthcare Trust Plan (ARHCT)

Beginning July 1, 2007, the Alaska Retiree Healthcare Trust Plan (ARHCT), a Healthcare Trust Fund of the State, was established. The ARHCT is self-funded and provides major medical coverage to retirees of the System. The System retains the risk of loss of allowable claims for eligible members. The ARHCT began paying member healthcare claims on March 1, 2008. Prior to that, healthcare claims were paid for by the Retiree Health Fund (RHF). For the year ended June 30, 2026, employer contributions were 0.00% for PERS and 0.00% for TRS.

Occupational Death and Disability Plan (ODD)

The Occupational Death and Disability Plan provides death benefits for beneficiaries of plan participants and long-term disability benefits to all active members within the System. For the year ended June 30, 2026, the employer contribution rates were 0.24% for PERS and 0.08% for TRS.

Retiree Medical Plan (RMP)

The retiree medical plan provides major medical coverage to retirees of the DC plan. The plan is self-insured Members are not eligible to use this plan until they have at least 10 years of service and are Medicare age eligible. For the year ended, June 30, 2026, employer contributions were 0.86% for PERS and 0.74% for TRS.

Health Reimbursement Arrangement Plan (HRA)

The Health Reimbursement Arrangement Plan was established to allow medical expenses to be reimbursed from individual savings accounts established for eligible participants. Employer contributions are 3.00% of the average annual compensation of all employees in the PERS and TRS plans.

Investments

The Board is the investment oversight authority of the system's investments. As the fiduciary, the Board has the statutory authority to invest the assets under the Prudent Investor Rule. Fiduciary responsibility for the Board's invested assets is pursuant to AS 37.10.210.390.

State of Alaska Department of Treasury provides staff for the Board. Treasury has created a pooled environment by which it manages investments of the Board. Additionally, Treasury manages a mix of Pooled Investment Funds and Collective Investment Funds for the DC Participant-directed Pension plans under the Board's fiduciary responsibility.

Rate of Return

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return, net of investment expense, for the year ended June 30, 2025 for PERS and TRS for the DB Pension Plan were 10.80% and 10.78%, the ARHCT Plan were 10.86% and 10.86%, the ODD Plan were 10.86% and 10.78%, and the RMP were 10.87% and 10.81%, respectively.

For additional information on securities lending, interest rates, credit risks, foreign exchange, derivatives, fair value, and counterparty credit risks, see the separately issued report on the Invested Assets of the State of Alaska Retirement and Benefits Plans at:

http://treasury.dor.alaska.gov/armb/Reports-and-Policies/Annual-Audited-Financial-Schedules.aspx.

The long-term expected rate of return on pension and OPEB plan investments was determined using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The best estimates of arithmetic real rates of return for each major asset class are summarized below for the PERS and TRS plans (rates shown below exclude an annual inflation component of 2.51%):

Asset Class	Long-Term Expected Real Rate of Return
Domestic Equity	5.74%
Global Equity (ex-U.S.)	6.37%
Global Equity	5.88%
Aggregate Bonds	2.30%
Real Assets	4.54%
Private Equity	9.28%
Cash Equivalents	0.60%

Discount Rate: The discount rate used to measure the total pension and OPEB liabilities and assets is 7.25%. The projection of the cash flows used to determine the discount rate assumes that Employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the net pension and OPEB plans fiduciary net pension and OPEB liabilities and assets were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension and OPEB plan investments were applied to all periods of projected benefit payments to determine the total pension and OPEB liabilities and assets. In the event benefit payments are not covered by the plan's fiduciary net position, a municipal bond rate would be used to discount the benefits not covered by the plan's fiduciary net position. The S&P Municipal Bond 20-Year High Grade Index rate was 5.20% as of June 30, 2025.

Employer and Other Contribution Rates. There are several contribution rates associated with the pension and healthcare contributions and related liabilities. These amounts are calculated on an annual basis.

Employer Effective Rate: This is the actual employer pay-in rate. Under current legislation, these rates are statutorily capped at 22.00% for PERS and 12.56% for TRS of eligible wages, subject to the salary floor, and other termination costs as described below. This rate is calculated on all PERS or TRS participating wages, including those wages attributable to employees in the defined benefit plan.

ARM Board Adopted Rate: This is the rate formally adopted by the Alaska Retirement Management Board. This rate is actuarially determined and used to calculate annual Plan funding requirements, without regard to the statutory rate cap or the GASB accounting rate. Prior to July 1, 2015, there were no constraints or restrictions on the actuarial cost method or other assumptions used in the ARM Board valuation. Starting on June 30, 2014, the State of Alaska requires the ARM Board to adopt employer contribution rates for past service liabilities using a level percent of pay method over a closed 25 year term. Effective June 30, 2018, each future year's unfunded service liability is separately amortized on a level percent of pay basis over 25 years.

On-behalf Contribution Rate: This is the rate paid in by the State as an on-behalf payment as mandated under current statute. Under state law, subject to annual appropriation, the state will contribute an on-behalf payment into the plan in an amount equal to the difference between the ARM Board Rate and the Employer Effective Rate. On-behalf contribution amounts have been recognized in these financial statements as both revenue and expenditures.

GASB Rate: This is the rate used to determine the long-term pension and healthcare liability for plan accounting purposes. Certain actuarial methods and assumptions for this rate calculation are mandated by the *Governmental Accounting Standards Board* (GASB). Medicare Part D subsidies are not reflected in this rate. The rate uses a 7.25% discount rate.

Employer Contribution rates for the fiscal year 2026 are as follows:

	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
PERS:			
Pension	22.00%	28.33%	6.33%
OPEB	0.00%	0.00%	0.00%
Total PERS contribution rates	22.00%	28.33%	6.33%
TRS:			
Pension	12.56%	31.33%	18.77%
OPEB	0.00%	0.00%	0.00%
Total TRS contribution rates	12.56%	31.33%	18.77%

Termination Costs: If the District decides to terminate coverage for a department, group, or other classification of members, even if that termination results from the decision to divest of a particular District function, all affected employees in that department, group, or other classification of members become immediately vested in the plan. The District must pay to have a termination study completed. The purpose of the study is to calculate the District's one-time termination costs. The costs represent the amount necessary to fully fund the costs of plan members who become vested through this process and for other changes in actuarial assumptions, such as, earlier than expected retirement, that arise from the act of termination of coverage. The District must pay a lump sum within 60 days of termination or arrange a payment plan that is acceptable to the PERS and TRS Administrator. For the fiscal year 2026, the past service rate for PERS and TRS is 19.29%.

Actuarial Assumptions: The total pension and OPEB liabilities on June 30, 2025 (latest available) were determined by an actuarial valuation as of June 30, 2024 which was rolled forward to the measurement date June 30, 2025. These actuarial assumptions were based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021.

Inflation	2.50% per year.
Salary Increases	Increases range from 2.85% to 8.50% based on service.
Investment return / discount rate	7.25%, net of expenses based on average inflation of 2.50% and a real return of 4.75%.
Mortality	Based upon 2017-2021 actual experience study and applicable tables contained in Pub-2010, projected with MP-2021 generational improvement.
Healthcare cost trend rates	Pre-65 medical: 6.2% grading down to 4.5% Post-65 medical: 5.4% grading down to 4.5% Rx/EGWP: 8.5% grading down to 4.5%. Initial trend rates are for FY2026. Ultimate trend rates reached in FY2050.

The actuarial assumptions used in the June 30, 2024 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021. For the ARHCT and RMP, the per capita claims costs were updated to reflect recent experience for the June 30, 2024 actuarial valuation. Employer Group Waiver Program (EGWP) subsidies were updated to reflect higher expected subsidies due to the Inflation Reduction Act. Because of the significant increase in the EGWP subsidy for FY25 and beyond due to the Inflation Reduction Act, and uncertainty regarding future subsidy levels, the ARMB has adopted a smoothing of EGWP subsidy estimates over five years. In addition, the prescription drug and EGWP trend assumption was updated to reflect recent survey information indicating higher than initial trend rates in part due to the recent higher-than-expected inflationary environment.

The changes of assumptions from the latest experience study significantly reduced deferred inflows of resources attributable to the District, as well as a net OPEB benefit recognized by the District for the State's proportionate share of OPEB plan expense attributable to the District. In some instances, the reduction of revenues and expenses reported for the State's proportionate share of OPEB plan expense attributable to the District creates a net negative Pension/OPEB expense (net pension/OPEB benefit) which results in negative operating grants and contributions for certain functions reported on the Statement of Activities.

Alaska Public Employees' Retirement System (PERS) – Defined Benefit Plan (DB)

Plan Description. The District participates in the Alaska Public Employees' Retirement System (PERS), a cost sharing multiple employer defined benefit pension plan. Currently, there are 148 participating local government employers and public organizations, including the State of Alaska. This includes a total of 51 school districts participating in the plan. PERS provides retirement benefits, disability and death benefits, and post-employment healthcare to plan members and beneficiaries. The Plan was established and is administered by the State of Alaska, Department of Administration. The Public Employee's Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PERS. This report may be obtained from the system at Pouch C, Juneau, Alaska 99811 or online at: http://doa.alaska.gov/drb/pers.

Pension Benefits. All tier employee benefits vest with five years of credited service. There are three tiers of employees based on entry date. Tier I employees enrolled prior to July 1, 1986, with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 55 or early retirement age 50. For Tier II and III employees enrolled after June 30, 1986, but before July 1, 2006, the normal and early retirement ages are 60 and 55, respectively. All tier employees with 30 or more years of credited service may retire at any age and receive a normal benefit.

The PERS defined benefit plan is closed to new hires enrolled on or after July 1, 2006. New hires after this date participate in the PERS defined contribution plan (DC) described later in these notes.

Retirement benefits are calculated by multiplying the average monthly compensation (AMC) times credited PERS service times the percentage multiplier. The AMC is determined by averaging the salaries earned during the five highest (three highest for peace officers/firefighters members or members hired prior to July 1, 1996) consecutive payroll years. Members must earn at least 115 days of credit in the last year worked to include it in the AMC calculation. The PERS pays a minimum benefit of $25 per month for each year of service when the calculated benefit is less.

The percentage multipliers for peace officers/firefighters are 2% for the first ten years of service and 2.5% for all service over 10 years. The percentage multipliers for all other participants are 2% for the first ten years, 2.25% for the next ten years, and 2.5% for all remaining service earned on or after July 1, 1986. All service before that date is calculated at 2%.

Post-employment healthcare benefits are provided without cost to all members first enrolled before July 1, 1986. Members first enrolled after June 30, 1986, but before July 1, 2006, and who have not reached age 60 may elect to pay for major medical benefits.

Post Retirement Pension Adjustments. The plan has two types of postretirement pension adjustments (PRPA). The automatic PRPA is issued annually to all eligible benefit recipients, when the cost of living increases in the previous calendar year. The discretionary PRPA may be granted to eligible recipients by the DB Plan's administrator if the funding ratio of the DB Plan meets or exceeds 105%. If both an automatic and discretionary PRPA are granted, the retiree is eligible for both adjustments, the one that provides the retiree with the greatest benefit will be paid.

Funding Policy. In April 2008 the Alaska Legislature passed legislation which statutorily capped the employer contribution, established a state funded "on-behalf" contribution, and required that employer contributions be calculated against all PERS eligible wages, including wages paid to participants of the PERS Tier IV defined contribution plan (DC) described later in these footnotes. The state legislature capped the rate at 22%, with the State contributing an on-behalf payment for the difference between the actuarial contribution and the cap.

Salary Floor. During the 25th legislation session, Senate Bill 125 passed, which established a June 30, 2008 salary floor under AS 39.35.255(a)(2). The salary floor is the total base salaries paid by an employer to active employees of the system as of the fiscal year ending June 30, 2008. The statute requires the Division of Retirement and Benefits (Division) to collect employer contributions at a minimum based on FY 2008 base salaries.

Employee Contribution Rate. PERS active members are required to contribute 6.75%, 7.50% for peace officers and firefighters, and 9.76% for certain school district employees, of their base salaries.

Employer contributions for the year ended June 30, 2026, were:

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
$	330,770	25,904	356,674

Public Employees' Retirement Plans

For the year ended June 30, 2026 the State of Alaska contributed $148,440 (100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2025 to a total of $(2,840) to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

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Pension and OPEB Liabilities and Assets, Pension and OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and OPEB: At June 30, 2026, the District reported liabilities and assets that reflected a reduction for State pension and OPEB support provided to the District. The amount recognized by the District as its proportionate share of net pension and OPEB liabilities (assets), the related State support, and the total portion of the net pension and OPEB liabilities (assets) that were associated with the District were as follows:

Defined Benefit:	Pension
District's proportionate share of the net pension liability	$ 3,738,739
State's proportionate share of the net pension liability	1,145,675
Total	$ 4,884,414

	OPEB
District's proportionate share of the ARHCT OPEB liability (asset)	$ (2,046,294)
State's proportionate share of the ARHCT OPEB liability (asset)	(576,483)
Total	$ (2,622,777)
District's proportionate share of the ODD OPEB liability (asset)	$ (69,500)
District's proportionate share of the RMP OPEB liability (asset)	$ (80,318)
Total District's share of net pension and OPEB liabilities and assets	$ 1,542,627

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2024, rolled forward to the measurement date of June 30, 2025 and adjusted to reflect updated assumptions. The District's proportion of the net pension and OPEB liabilities and assets were based on the present value of contributions for the fiscal years ending FY2026 to FY2039, as determined by projections based on the June 30, 2024 valuation.

The District's proportionate share and changes in the pension and OPEB liabilities and assets were as follows:

	June 30, 2025 Measurement	June 30, 2024 Measurement	Change
Pension	0.0753%	0.0717%	0.0036%
OPEB:			
ARHCT	0.0769%	0.0718%	0.0051%
ODD	0.0980%	0.0972%	0.0008%
RMP	0.1269%	0.1167%	0.0102%

Based on the measurement date of June 30, 2025, the District recognized pension and OPEB expense of $433,254 and ($329,861), respectively, for the year ended June 30, 2026. At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
Defined Benefit:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(92,939)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	330,770	-
Total	$ 330,770	(92,939)

	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on OPEB plan investments	-	(80,829)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	-	-
Total	$ -	(80,829)

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	(13,428)
Changes of assumptions	-	(81)
Net difference between projected and actual earnings on OPEB plan investments	-	(1,701)
Changes in proportion and differences between District contributions and proportionate share of contributions	4,413	(2,408)
District contributions subsequent to the measurement date	5,652	-
Total	$ 10,065	(17,618)

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 6,247	(5,347)
Changes of assumptions	15,635	(38,839)
Net difference between projected and actual earnings on OPEB plan investments	-	(7,342)
Changes in proportion and differences between District contributions and proportionate share of contributions	1,812	(2,993)
District contributions subsequent to the measurement date	20,252	-
Total	$ 43,946	(54,521)

$330,770 and $25,904 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2027, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended June 30,	Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2026	$ 145,312	120,332	(2,501)	(3,042)
2027	(91,301)	(77,821)	(3,929)	(11,966)
2028	(86,083)	(72,891)	(3,197)	(9,271)
2028	(60,867)	(50,449)	(2,033)	(6,677)
2030	-	-	(612)	359
Thereafter	-	-	(933)	(230)
Total	$ (92,939)	(80,829)	(13,205)	(30,827)

For the year ended June 30, 2026, the District recognized $205,807 and ($77,816) of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

Sensitivity of the Net Pension and OPEB Liabilities and Assets to Changes in the Discount Rate: The following presents the net pension and OPEB liabilities and assets of the plan calculated using the discount rate of 7.25%, as well as what the Plans' net pension and OPEB liabilities and assets would be if they were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability	$ 5,111,270	3,738,739	2,575,694
Net OPEB ARHCT liability (asset)	$ (1,429,939)	(2,046,294)	(2,565,927)
Net OPEB ODD liability (asset)	$ (65,364)	(69,500)	(72,740)
Net OPEB RMP liability (asset)	$ (1,911)	(80,318)	(140,297)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability and Assets to Changes in the Healthcare Cost Trend Rates. The following present the District's proportionate share of the net OPEB liability (asset), as well as what the District's proportionate share of the net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

		1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	$	(2,625,056)	(2,046,294)	(1,360,628)
Net OPEB ODD liability (asset)	$	N/A	(69,500)	N/A
Net OPEB RMP liability (asset)	$	(148,082)	(80,318)	10,463

Alaska Public Employees' Retirement System (PERS) – Defined Contribution Plan (DC)

Plan Description and Funding Requirements. Districts and Public Employers in the State of Alaska have a defined contribution retirement plan (PERS Tier IV) for new hires first enrolled on or after July 1, 2006. This Plan is administered by the State of Alaska, Department of Administration in conjunction with the defined benefit plan noted above. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. Plan members make mandatory contributions of 8.00% of gross eligible compensation. This amount goes directly to the individual's account. State statutes require the employer to contribute 5.00% of employees' eligible compensation. Additionally, employers are required to contribute to OPEB (DB): 0.86% for the retiree medical plan (DB), 0.24% for occupational and death and disability benefits (DB) and 3.00% of employers' average annual employee compensation to the health reimbursement arrangement (HRA DC). The effective employer contribution is capped at 22.00% with anything in excess of the previously listed rates being contributed to the Defined Benefit Unfunded Liability (DBUL).

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

2 years of service – 25%
3 years of service – 50%
4 years of service – 75%
5 years of service – 100%

The District contributed $229,986 for the year ended June 30, 2026, which included forfeitures of $32,030 which have been applied as employer contributions.

Alaska Teachers' Retirement System (TRS) – Defined Benefit Plan (DB)

Plan Description. The District participates in the Alaska Teachers' Retirement System (TRS), a cost sharing multiple-employer defined benefit plan. Currently, there are 56 participating local government employers and public organizations, including the State of Alaska. This includes a total of 52 school districts participating in the plan. TRS provides retirement benefits, disability and death benefits, and post-employment healthcare to plan members and beneficiaries. The system is governed by the Alaska Retirement Management Board (ARMB). The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. The benefit and contribution provisions are established by State law and may be amended only by the State legislature. The Teachers' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for TRS. This report may be obtained from the system at Pouch C, Juneau, Alaska 99811 or online at http://doa.alaska.gov/drb/trs.

Pension Benefits. Employees hired prior to July 1, 1990, are entitled to annual pension benefits beginning at normal retirement age 55, or early retirement age 50. For employees hired after June 30, 1990 but before July 1, 2006, the normal and early retirement ages are 60 and 55, respectively. Employees may also retire at any age and receive a normal benefit when they accumulate the required credited service. The benefit related to all years of credited service prior to July 1, 1990 and for years of service through a total of 20 years is equal to 2% of their highest three-year average annual compensation for each year of service. The benefit for each year over 20 years of service subsequent to June 30, 1990, is equal to 2.5% of their highest three-year average annual compensation for each year of service. Employees may elect to receive their pension benefits in the form of a joint or survivor annuity. Effective January 1, 1987, a married member who retires must receive his or her benefit in the form of a joint and survivor annuity unless the member's spouse consents to another form of benefit.

Minimum benefits for employees eligible for retirement are $25 per month for each year of credited service.

Post Retirement Pension Adjustments. Effective in fiscal year 1991, automatic post retirement pension adjustment (PRPA) was granted to all current and future retirees. The PRPA amount may not exceed the lesser of (a) the actual cost of living increase (percentage) from the date of retirement until the effective date of the PRPA; or (b) 4.00% of the base benefits for each full year that the member has been retired and a prorated percentage for each partial year. However, the PRPA percentage is offset by the percentage of all prior PRPAs that have been granted. TRS members receiving a retirement, disability or survivor benefit, who remain in Alaska, are eligible for an additional allowance equal to 10.00% of the base benefit.

Employee Contribution Rate. The District's active TRS members are required to contribute 8.65% of their base salaries.

Employer contributions for the year ended June 30, 2026, were:

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
$	244,733	30,996	275,729

Teachers' Retirement Plans

For the year ended June 30, 2026 the State of Alaska contributed $862,005 (100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2025 to a total of ($601,653) to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

Pension and OPEB Liabilities and Assets, Pension and OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and OPEB: At June 30, 2026, the District reported liabilities and assets that reflected a reduction for State pension and OPEB support provided to the District. The amount recognized by the District as its proportionate share of net pension and OPEB liabilities (assets), the related State support, and the total portion of the net pension and OPEB liabilities (assets) that were associated with the District were as follows:

Defined Benefit:	Pension
District's proportionate share of the net pension liability	$ 3,752,553
State's proportionate share of the net pension liability	5,763,746
Total	$ 9,516,299

	OPEB
District's proportionate share of the ARHCT OPEB liability (asset)	$ (3,081,752)
State's proportionate share of the ARHCT OPEB liability (asset)	(4,236,529)
Total	$ (7,318,281)
District's proportionate share of the ODD OPEB liability (asset)	$ (59,130)
District's proportionate share of the RMP OPEB liability (asset)	$ (170,030)
Total District's share of net pension and OPEB liabilities and assets	$ 441,641

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2024, rolled forward to the measurement date of June 30, 2025 and adjusted to reflect updated assumptions. The District's proportion of the net pension and OPEB liabilities and assets were based on the present value of contributions for the fiscal years ending FY2026 to FY2039, as determined by projections based on the June 30, 2024 valuation.

The District's proportionate share and changes in the pension and OPEB liabilities and assets were as follows:

	June 30, 2025 Measurement	June 30, 2024 Measurement	Change
Pension	0.2414 %	0.2187%	0.0227%
OPEB:			
ARHCT	0.2578%	0.2266%	0.0312%
ODD	0.6332%	0.6082%	0.0250%
RMP	0.6317%	0.6078%	0.0239%

Based on the measurement date of June 30, 2025, the District recognized pension and OPEB expense of $87,199 and ($1,103,779), respectively, for the year ended June 30, 2026. At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
Defined Benefit:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(134,876)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	244,733	-
Total	$ 244,733	(134,876)

	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on OPEB plan investments	-	(112,772)
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	-	-
Total	$ -	(112,772)

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	(8,817)
Changes of assumptions	-	(57)
Net difference between projected and actual earnings on OPEB plan investments	-	(935)
Changes in proportion and differences between District contributions and proportionate share of contributions	1,300	(7,859)
District contributions subsequent to the measurement date	3,024	-
Total	$ 4,324	(17,668)

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 28,545	(7,972)
Changes of assumptions	22,104	(54,225)
Net difference between projected and actual earnings on OPEB plan investments	-	(9,924)
Changes in proportion and differences between District contributions and proportionate share of contributions	1,775	(17,141)
District contributions subsequent to the measurement date	27,972	-
Total	$ 80,396	(89,262)

$244,733 and $30,996 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2027, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended June 30,	Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2026	$ 270,598	151,420	(2,743)	(2,125)
2027	(154,746)	(102,167)	(3,757)	(13,896)
2028	(147,073)	(95,716)	(2,912)	(12,529)
2029	(103,655)	(66,309)	(2,781)	(7,398)
2030	-	-	(1,881)	(1,595)
Thereafter	-	-	(2,294)	705
Total	$ (134,876)	(112,772)	(16,368)	(36,838)

For the year ended June 30, 2026, the District recognized $321,683 and ($308,766) of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

Sensitivity of the Net Pension and OPEB Liabilities and Assets to Changes in the Discount Rate: The following presents the net pension and OPEB liabilities and assets of the plan calculated using the discount rate of 7.25%, as well as what the Plans' net pension and OPEB liabilities and assets would be if they were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability	$ 5,731,049	3,752,553	2,075,804
Net OPEB ARHCT liability (asset)	$ (2,286,015)	(3,081,752)	(3,748,747)
Net OPEB ODD liability (asset)	$ (59,332)	(59,130)	(58,997)
Net OPEB RMP liability (asset)	$ (52,036)	(170,030)	(259,344)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability and Assets to Changes in the Healthcare Cost Trend Rates. The following present the District's proportionate share of the net OPEB liability (asset), as well as what the District's proportionate share of the net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

		1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	$	(3,820,921)	(3,081,752)	(2,201,092)
Net OPEB ODD liability (asset)	$	N/A	(59,130)	N/A
Net OPEB RMP liability (asset)	$	(270,008)	(170,030)	(35,118)

Alaska Teachers' Retirement System (TRS) – Defined Contribution Plan (DC)

Plan Description and Funding Requirements. Districts and Public Employers in the State of Alaska have a defined contribution retirement plan for new hires first enrolled on or after July 1, 2006. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. Plan members make mandatory contributions of 8.00% of their base salaries. State statutes require the employer to contribute 7.00% of employees' eligible compensation. Additionally, employers are required to contribute to other post-employment benefits (DB): 0.74% for the retiree medical plan, 0.08% for occupational death and disability, and 3.00% of employers' average annual employee compensation to the health reimbursement arrangement (HRA DC). The employer effective contribution rate is 12.56%. Additionally, there is a defined benefit unfunded liability (DBUL) amount levied against the DC plan and allocated to the DB Plan's pension and OPEB contribution.

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

2 years of service – 25%
3 years of service – 50%
4 years of service – 75%
5 years of service – 100%

The District contributed $361,012 for the year ended June 30, 2026, which included forfeitures of $6,605 which have been applied as employer contributions.

E. Subsequent Accounting Pronouncements

The Governmental Accounting Standards Board has passed several new accounting standards with upcoming implementation dates covering several topics as follows:

- GASB 105 *Subsequent Events:* Effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter.

GASB Statement No. 105 defines subsequent events, including the subsequent events time frame, and establishes accounting and financial reporting requirements related to subsequent events.

REQUIRED SUPPLEMENTARY INFORMATION

VALDEZ CITY SCHOOLS

Exhibit E-1

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Original and Final - Budget and Actual - School Operating Fund

Year Ended June 30, 2026

	School Operating Fund				
	Budgeted Amounts		Variance with Original Budget-	Actual	Variance with Final Budget-
	Original	Final	Positive (Negative)	Amounts	Positive (Negative)
Revenues:					
Local sources:					
E-rate	$ 92,820	79,560	(13,260)	79,560	-
Earnings (loss) on investments	60,000	60,000	-	232,336	172,336
Other	-	20,000	20,000	79,787	59,787
Intergovernmental:					
State of Alaska	5,615,931	5,664,046	48,115	6,012,542	348,496
Federal sources	40,000	40,000	-	27,649	(12,351)
City appropriation	9,455,589	9,455,589	-	9,447,784	(7,805)
Total revenues	15,264,340	15,319,195	54,855	15,879,658	560,463
Expenditures:					
Current:					
Instruction	6,262,120	6,675,357	(413,237)	7,420,135	(744,778)
Special education instruction	2,065,917	1,704,342	361,575	1,860,516	(156,174)
Special education support services - students	344,538	374,029	(29,491)	390,782	(16,753)
Support services - students	398,728	388,372	10,356	448,843	(60,471)
Support services - instruction	939,618	948,534	(8,916)	1,047,267	(98,733)
School administration	540,636	540,076	560	605,648	(65,572)
School administration support services	275,678	274,251	1,427	281,395	(7,144)
District administration	380,781	456,331	(75,550)	477,347	(21,016)
District administration support services	375,514	457,115	(81,601)	468,598	(11,483)
Operations and maintenance of plant	3,040,516	2,440,745	599,771	2,639,493	(198,748)
Student activities	329,145	-	329,145	-	-
Total expenditures	14,953,191	14,259,152	694,039	15,640,024	(1,380,872)
Excess (deficiency) of revenues over expenditures	311,149	1,060,043	(639,184)	239,634	(820,409)
Other financing (uses) -					
Transfers out	(731,827)	(737,827)	(6,000)	(932,885)	(195,058)
Net change in fund balance	$ (420,678)	322,216	(645,184)	(693,251)	(1,015,467)
Fund balance, beginning of year				1,706,389	
Fund balance, end of year				$ 1,013,138	

See accompanying notes to required supplementary information

VALDEZ CITY SCHOOLS

Schedule of District's Proportionate Share of the Net Pension Liability

Public Employees' Retirement System (PERS)

June 30, 2026

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2017	0.0957%	$ 5,350,511	$ 671,334	$ 6,021,845	$ 2,847,636	187.89%	59.55%
2018	0.0761%	$ 3,935,733	$ 1,467,430	$ 5,403,163	$ 3,032,644	129.78%	63.37%
2019	0.0792%	$ 3,933,461	$ 1,139,268	$ 5,072,729	$ 2,216,402	177.47%	65.19%
2020	0.0643%	$ 3,522,113	$ 1,394,873	$ 4,916,986	$ 2,101,824	167.57%	63.42%
2021	0.0750%	$ 4,428,309	$ 1,830,668	$ 6,258,977	$ 2,342,853	189.01%	61.61%
2022	0.0838%	$ 3,072,759	$ 418,395	$ 3,491,154	$ 2,324,382	132.20%	76.46%
2023	0.0791%	$ 4,031,014	$ 1,113,371	$ 5,144,385	$ 2,565,245	157.14%	67.97%
2024	0.0820%	$ 4,247,711	$ 1,415,537	$ 5,663,248	$ 2,693,205	157.72%	68.23%
2025	0.0717%	$ 3,933,054	$ 1,469,667	$ 5,402,721	$ 2,639,345	149.02%	67.81%
2026	0.0753%	$ 3,738,739	$ 1,145,675	$ 4,884,414	$ 3,241,073	115.35%	71.23%

See accompanying notes to Required Supplementary Information.

VALDEZ CITY SCHOOLS

Schedule of District's Proportionate Share of the Net OPEB Liability (Asset)

Public Employees' Retirement System (PERS)

June 30, 2026

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
Alaska Retiree Healthcare Trust Plan (ARHCT):							
2018	0.0760%	$ 642,394	$ 239,732	$ 882,126	$ 3,032,644	21.18%	89.68%
2019	0.0791%	$ 812,222	$ 235,988	$ 1,048,210	$ 2,216,402	36.65%	88.12%
2020	0.0643%	$ 95,347	$ 38,031	$ 133,378	$ 2,101,824	4.54%	98.13%
2021	0.0751%	$ (339,875)	$ (140,795)	$ (480,670)	$ 2,342,853	-14.51%	106.15%
2022	0.0843%	$ (2,161,548)	$ (283,712)	$ (2,445,260)	$ 2,324,382	-92.99%	135.54%
2023	0.0785%	$ (1,544,052)	$ (441,158)	$ (1,985,210)	$ 2,565,245	-60.19%	128.51%
2024	0.0817%	$ (1,879,376)	$ (635,142)	$ (2,514,518)	$ 2,693,205	-69.78%	133.96%
2025	0.0718%	$ (1,581,166)	$ (587,943)	$ (2,169,109)	$ 2,639,345	-59.91%	130.59%
2026	0.0769%	$ (2,046,294)	$ (576,483)	$ (2,622,777)	$ 3,241,073	-63.14%	136.81%
Occupational Death and Disability (ODD):							
2018	0.1303%	$ (18,489)	$ -	$ (18,489)	$ 3,032,644	-0.61%	212.97%
2019	0.1154%	$ (22,414)	$ -	$ (22,414)	$ 2,216,402	-1.01%	270.62%
2020	0.0745%	$ (18,073)	$ -	$ (18,073)	$ 2,101,824	-0.86%	297.43%
2021	0.0988%	$ (26,933)	$ -	$ (26,933)	$ 2,342,853	-1.15%	283.80%
2022	0.1111%	$ (48,971)	$ -	$ (48,971)	$ 2,324,382	-2.11%	374.22%
2023	0.1120%	$ (49,104)	$ -	$ (49,104)	$ 2,565,245	-1.91%	348.80%
2024	0.1014%	$ (53,633)	$ -	$ (53,633)	$ 2,693,205	-1.99%	349.24%
2025	0.0972%	$ (58,009)	$ -	$ (58,009)	$ 2,639,345	-2.20%	346.81%
2026	0.0980%	$ (69,500)	$ -	$ (69,500)	$ 3,241,073	-2.14%	353.09%
Retiree Medical Plan (RMP):							
2018	0.1303%	$ 6,795	$ -	$ 6,795	$ 616,628	1.10%	93.98%
2019	0.1154%	$ 14,685	$ -	$ 14,685	$ 603,295	2.43%	88.71%
2020	0.1333%	$ 31,900	$ -	$ 31,900	$ 798,300	4.00%	83.17%
2021	0.1234%	$ 8,749	$ -	$ 8,749	$ 736,349	1.19%	92.23%
2022	0.1311%	$ (35,191)	$ -	$ (35,191)	$ 888,077	-3.96%	115.10%
2023	0.1318%	$ (45,785)	$ -	$ (45,785)	$ 942,550	-4.86%	120.08%
2024	0.1252%	$ (59,457)	$ -	$ (59,457)	$ 921,700	-6.45%	124.29%
2025	0.1167%	$ (54,374)	$ -	$ (54,374)	$ 939,809	-5.79%	119.87%
2026	0.1269%	$ (80,318)	$ -	$ (80,318)	$ 1,096,332	-7.33%	123.73%

See accompanying notes to Required Supplementary Information.

VALDEZ CITY SCHOOLS

Schedule of District's Contributions (Pensions)

Public Employees' Retirement System (PERS)

June 30, 2026

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2017	$ 212,804	$ (212,804)	$ -	$ 3,032,644	7.02%
2018	$ 248,669	$ (248,669)	$ -	$ 2,216,402	11.22%
2019	$ 264,070	$ (264,070)	$ -	$ 2,101,824	12.56%
2020	$ 234,343	$ (216,727)	$ 17,616	$ 2,342,853	10.00%
2021	$ 215,676	$ (254,644)	$ (38,968)	$ 2,324,382	9.28%
2022	$ 257,282	$ (298,741)	$ (41,459)	$ 2,565,245	10.03%
2023	$ 294,934	$ (359,845)	$ (64,911)	$ 2,693,205	10.95%
2024	$ 356,668	$ (344,782)	$ 11,886	$ 2,639,345	13.51%
2025	$ 354,252	$ (443,220)	$ (88,968)	$ 3,241,073	10.93%
2026	$ 343,922	$ (330,770)	$ 13,152	$ 2,666,636	12.90%

See accompanying notes to Required Supplementary Information.

VALDEZ CITY SCHOOLS

Schedule of District's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2026

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	$ 75,271	$ (75,271)	$ -	$ 2,216,402	3.40%
2019	$ 85,179	$ (85,179)	$ -	$ 2,101,824	4.05%
2020	$ 86,148	$ (86,148)	$ -	$ 2,342,853	3.68%
2021	$ 31,084	$ (31,084)	$ -	$ 2,324,382	1.34%
2022	$ 29,485	$ (29,485)	$ -	$ 2,565,245	1.15%
2023	$ -	$ -	$ -	$ 2,693,205	0.00%
2024	$ -	$ -	$ -	$ 2,639,345	0.00%
2025	$ -	$ -	$ -	$ 3,241,073	0.00%
2026	$ -	$ -	$ -	$ 2,666,636	0.00%
Occupational Death and Disability (ODD):					
2018	$ 2,090	$ (2,090)	$ -	$ 2,216,402	0.09%
2019	$ 3,044	$ (3,044)	$ -	$ 2,101,824	0.14%
2020	$ 4,333	$ (4,333)	$ -	$ 2,342,853	0.18%
2021	$ 5,927	$ (5,927)	$ -	$ 2,324,382	0.25%
2022	$ 6,462	$ (6,462)	$ -	$ 2,565,245	0.25%
2023	$ 6,404	$ (6,404)	$ -	$ 2,693,205	0.24%
2024	$ 6,668	$ (6,668)	$ -	$ 2,639,345	0.25%
2025	$ 6,420	$ (6,420)	$ -	$ 3,241,073	0.20%
2026	$ 5,652	$ (5,652)	$ -	$ 2,666,636	0.21%
Retiree Medical Plan (RMP):					
2018	$ 13,453	$ (13,453)	$ -	$ 603,295	2.23%
2019	$ 15,648	$ (15,648)	$ -	$ 798,300	1.96%
2020	$ 22,003	$ (22,003)	$ -	$ 736,349	2.99%
2021	$ 24,332	$ (24,332)	$ -	$ 888,077	2.74%
2022	$ 22,305	$ (22,305)	$ -	$ 942,550	2.37%
2023	$ 23,482	$ (23,482)	$ -	$ 921,700	2.55%
2024	$ 22,448	$ (22,448)	$ -	$ 939,809	2.39%
2025	$ 22,203	$ (22,203)	$ -	$ 1,096,332	2.03%
2026	$ 20,252	$ (20,252)	$ -	$ 1,045,391	1.94%

See accompanying notes to Required Supplementary Information.

VALDEZ CITY SCHOOLS

Schedule of District's Proportionate Share of the Net Pension Liability

Teachers' Retirement System (TRS)

June 30, 2026

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2017	0.2702%	$ 6,168,702	$ 7,329,227	$ 13,497,929	$ 4,540,371	135.86%	68.40%
2018	0.2301%	$ 4,662,447	$ 8,133,475	$ 12,795,922	$ 4,600,632	101.34%	72.39%
2019	0.2734%	$ 5,232,873	$ 7,783,428	$ 13,016,301	$ 3,615,917	144.72%	74.09%
2020	0.2096%	$ 3,916,309	$ 5,803,596	$ 9,719,905	$ 3,008,821	130.16%	74.68%
2021	0.2342%	$ 4,757,830	$ 8,256,718	$ 13,014,548	$ 2,910,724	163.46%	72.81%
2022	0.3542%	$ 2,819,219	$ 2,390,592	$ 5,209,811	$ 5,341,115	52.78%	89.43%
2023	0.2748%	$ 4,581,390	$ 6,105,660	$ 10,687,050	$ 5,193,169	88.22%	78.33%
2024	0.2354%	$ 4,140,038	$ 6,543,998	$ 10,684,036	$ 5,318,710	77.84%	77.62%
2025	0.2187%	$ 4,044,745	$ 6,954,351	$ 10,999,096	$ 5,144,817	78.62%	77.07%
2026	0.2414%	$ 3,752,553	$ 5,763,746	$ 9,516,299	$ 5,564,100	67.44%	80.65%

See accompanying notes to Required Supplementary Information.

VALDEZ CITY SCHOOLS

Schedule of District's Proportionate Share of the Net OPEB Liability (Asset)

Teachers' Retirement System (TRS)

June 30, 2026

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
Alaska Retiree Healthcare Trust Plan (ARHCT):							
2018	0.2294%	$ 421,933	$ 740,002	$ 1,161,935	$ 4,600,632	9.17%	93.75%
2019	0.2728%	$ 848,197	$ 1,266,367	$ 2,114,564	$ 3,615,917	23.46%	90.23%
2020	0.2092%	$ (319,624)	$ (475,308)	$ (794,932)	$ 3,008,821	-10.62%	105.50%
2021	0.2334%	$ (834,812)	$ (1,455,216)	$ (2,290,028)	$ 2,910,724	-28.68%	113.78%
2022	0.3678%	$ (4,275,822)	$ (3,333,081)	$ (7,608,903)	$ 5,341,115	-80.05%	145.41%
2023	0.2807%	$ (2,459,872)	$ (3,158,096)	$ (5,617,968)	$ 5,193,169	-47.37%	134.84%
2024	0.2422%	$ (2,446,518)	$ (3,697,123)	$ (6,143,641)	$ 5,318,710	-46.00%	140.49%
2025	0.2266%	$ (2,260,800)	$ (3,668,765)	$ (5,929,565)	$ 5,144,817	-43.94%	137.40%
2026	0.2578%	$ (3,081,752)	$ (4,236,529)	$ (7,318,281)	$ 5,564,100	-55.39%	144.35%
Occupational Death and Disability (ODD):							
2018	0.4387%	$ (14,336)	$ -	$ (14,336)	$ 4,600,632	-0.31%	1342.59%
2019	0.3890%	$ (13,638)	$ -	$ (13,638)	$ 3,615,917	-0.38%	1304.81%
2020	0.5165%	$ (20,767)	$ -	$ (20,767)	$ 3,008,821	-0.69%	1409.77%
2021	0.4739%	$ (20,400)	$ -	$ (20,400)	$ 2,910,724	-0.70%	931.08%
2022	0.5242%	$ (31,953)	$ -	$ (31,953)	$ 5,341,115	-0.60%	1254.36%
2023	0.5055%	$ (30,529)	$ -	$ (30,529)	$ 5,193,169	-0.59%	1268.28%
2024	0.5640%	$ (39,080)	$ -	$ (39,080)	$ 5,318,710	-0.73%	1410.42%
2025	0.6082%	$ (48,463)	$ -	$ (48,463)	$ 5,144,817	-0.94%	1600.56%
2026	0.6332%	$ (59,130)	$ -	$ (59,130)	$ 5,564,100	-1.06%	1826.06%
Retiree Medical Plan (RMP):							
2018	0.4387%	$ (20,794)	$ -	$ (20,794)	$ 654,851	-3.18%	118.16%
2019	0.3890%	$ (12,440)	$ -	$ (12,440)	$ 655,666	-1.90%	109.56%
2020	0.5142%	$ (19,724)	$ -	$ (19,724)	$ 1,585,496	-1.24%	110.03%
2021	0.4754%	$ (46,897)	$ -	$ (46,897)	$ 965,497	-4.86%	125.59%
2022	0.5232%	$ (105,048)	$ -	$ (105,048)	$ 1,829,053	-5.74%	142.54%
2023	0.5047%	$ (97,733)	$ -	$ (97,733)	$ 1,896,561	-5.15%	140.73%
2024	0.5652%	$ (125,195)	$ -	$ (125,195)	$ 2,270,350	-5.51%	140.71%
2025	0.0061%	$ (136,670)	$ -	$ (136,670)	$ 2,624,658	-5.21%	134.72%
2026	0.6317%	$ (170,030)	$ -	$ (170,030)	$ 2,801,019	-6.07%	136.41%

See accompanying notes to Required Supplementary Information.

VALDEZ CITY SCHOOLS

Schedule of District's Contributions (Pensions)

Teachers' Retirement System (TRS)

June 30, 2026

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2017	$ 299,121	$ (299,121)	$ -	$ 4,600,632	6.50%
2018	$ 303,737	$ (303,737)	$ -	$ 3,615,917	8.40%
2019	$ 247,892	$ (247,892)	$ -	$ 3,008,821	8.24%
2020	$ 259,303	$ (258,900)	$ 403	$ 2,910,724	8.91%
2021	$ 212,197	$ (212,197)	$ -	$ 5,341,115	3.97%
2022	$ 215,349	$ (215,500)	$ (151)	$ 5,193,169	4.15%
2023	$ 354,925	$ (355,306)	$ (381)	$ 5,318,710	6.67%
2024	$ 286,106	$ (286,106)	$ -	$ 5,144,817	5.56%
2025	$ 295,619	$ (318,350)	$ (22,731)	$ 5,564,100	5.31%
2026	$ 267,845	$ (244,733)	$ 23,112	$ 5,069,594	5.28%

See accompanying notes to Required Supplementary Information.

VALDEZ CITY SCHOOLS

Schedule of District's Contributions (OPEB)

Teachers' Retirement System (TRS)

June 30, 2026

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	$ 150,425	$ (150,425)	$ -	$ 3,615,917	4.16%
2019	$ 122,131	$ (122,131)	$ -	$ 3,008,821	4.06%
2020	$ 146,284	$ (146,284)	$ -	$ 2,910,724	5.03%
2021	$ 204,961	$ (204,961)	$ -	$ 5,341,115	3.84%
2022	$ 175,945	$ (175,945)	$ -	$ 5,193,169	3.39%
2023	$ -	$ -	$ -	$ 5,318,710	0.00%
2024	$ -	$ -	$ -	$ 5,144,817	0.00%
2025	$ -	$ -	$ -	$ 5,564,100	0.00%
2026	$ -	$ -	$ -	$ 5,069,594	0.00%
Occupational Death and Disability (ODD):					
2018	$ -	$ -	$ -	$ 3,615,917	0.00%
2019	$ 1,612	$ (1,612)	$ -	$ 3,008,821	0.05%
2020	$ 1,557	$ (1,557)	$ -	$ 2,910,724	0.05%
2021	$ 1,898	$ (1,898)	$ -	$ 5,341,115	0.04%
2022	$ 1,987	$ (1,987)	$ -	$ 5,193,169	0.04%
2023	$ 2,322	$ (2,322)	$ -	$ 5,318,710	0.04%
2024	$ 2,705	$ (2,705)	$ -	$ 5,144,817	0.05%
2025	$ 3,020	$ (3,020)	$ -	$ 5,564,100	0.05%
2026	$ 3,024	$ (3,024)	$ -	$ 5,069,594	0.06%
Retiree Medical Plan (RMP):					
2018	$ 12,723	$ (12,723)	$ -	$ 655,666	1.94%
2019	$ 15,863	$ (15,863)	$ -	$ 1,585,496	1.00%
2020	$ 21,209	$ (21,209)	$ -	$ 965,497	2.20%
2021	$ 22,059	$ (22,059)	$ -	$ 1,829,053	1.21%
2022	$ 20,622	$ (20,622)	$ -	$ 1,896,561	1.09%
2023	$ 25,246	$ (25,246)	$ -	$ 2,270,350	1.11%
2024	$ 27,721	$ (27,721)	$ -	$ 2,624,658	1.06%
2025	$ 25,673	$ (25,673)	$ -	$ 2,801,019	0.92%
2026	$ 27,972	$ (27,972)	$ -	$ 2,874,299	0.97%

See accompanying notes to Required Supplementary Information.

1. General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with generally accepted accounting principles. The District follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to November 15, the District Manager submits to the District Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to December 20, the budget is legally enacted through passage of a resolution. If no Council action is taken, the District Manager's budget becomes the actual budget. Annual budgets are legally adopted for the General, most Special Revenue, and Capital Project Funds. A budget was not adopted for the Self Insurance Internal Service Fund.
4. The District Business Manager is authorized to transfer budgeted amounts within departments; however, any revisions that alter the total expenditures of any fund or department within a fund must be approved by the District Council. Expenditures may not legally exceed appropriations on the department level (Administration, Finance, etc.).
5. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds.
6. Appropriations lapse at the end of the year except for capital expenditures, certain contractual appropriations and reserves.

2. Actual Budget Results

Differences – Original Budget to Final Budget		General Fund Positive (Negative)
Expenditures:		
Final budgeted Instruction expenditures were higher than original budgeted due to Board-approved purchases of welding booths ($145,000), weight room equipment ($147,000), and VHS chairs and desks ($166,000).	$	(413,237)
Final budgeted Special Education Instruction Expenditures were below original budget because several of the 20 budgeted non-certificated positions remained vacant, student needs and staffing levels changed, one position was grant funded, and long-term employee absences reduced salary and benefit costs. In addition, salary and benefit costs for one HHES regular instruction teacher reassigned to special education in August were not recorded in this function.		361,575

Differences – Original Budget to Final Budget (Continued)	General Fund Positive (Negative)
Final budgeted Operations and Maintenance of Plant expenditures were below original budget due to less than anticipated costs associated with repairs and maintenance.	$ 599,771
Final budgeted Student Activities expenditures is 100% lower than the original budgeted amounts because the payroll costs were moved to the Activities Special Revenue Fund.	329,145
Differences – Final Budget to Actual	
Revenues:	
Actual amounts of State of Alaska funding exceeded budgeted amounts as the District received a onetime funding increase by the State of Alaska in August 2025.	348,496
Expenditures:	
Expenditures for the Instruction function exceeded the final budget primarily due to a 20% increase in insurance benefit costs during the final four months of the fiscal year and higher than budgeted PERS and TRS on-behalf contributions.	(744,778)

3. Public Employees' Retirement System

Schedule of District's Proportionate Share of Net Pension and OPEB Liability (Asset)

The table is presented based on the Plan measurement date which is one year prior to fiscal year end for all years presented.

Changes in Actuarial Assumptions, Methods, and Benefits Since the Prior Valuation

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

a) Changes in Methods Since the Prior Valuation – June 30, 2023 to June 30, 2024

The actuarially determined contribution rates were updated to include a half-year interest adjustment that was adopted by the Board effective beginning with the June 30, 2024 valuation to account for the monthly timing of employer contributions.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2023 to June 30, 2024

The healthcare per capita claims cost assumption is updated annually as described in Section 5.2. As a result of changes to the Standard Medicare Part D plan under the Inflation Reduction Act, EGWP subsidies are expected to be higher than originally anticipated for 2025 and beyond. EGWP subsidies were updated based on estimates provided by Segal Consulting. Because of the significant increase in the EGWP subsidy for FY25 and beyond due to the Inflation Reduction Act, and uncertainty regarding future subsidy levels, the ARMB has adopted a smoothing of EGWP subsidy estimates over five years. In addition, the prescription drug and EGWP trend assumption was updated to reflect recent survey information indicating higher than initial trend rates in part due to the recent higher-than expected inflationary environment.

The future increase in the IRS 401(a)(17) maximum compensation limit was updated to align with the inflation assumption. This caused a $21,000 decrease in the pension Normal Cost and a $2,126,000 decrease in the pension Actuarial Accrued Liability.

The amounts included in the Normal Cost for administrative expenses were changed from $8,440,000 to $8,201,000 for pension, and from $3,866,000 to $4,759,000 for healthcare (based on the most recent two years of actual administrative expenses paid from plan assets).

There were no other changes in actuarial assumptions since the prior valuation.

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2023 to June 30, 2024

There have been no changes in benefit provisions valued since the prior valuation.

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plan

a) Changes in Methods Since the Prior Valuation – June 30, 2023 to June 30, 2024

There were no changes in asset and valuation methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2023 to June 30, 2024

The healthcare per capita claims cost assumption is updated annually as described in Section 4.2. As a result of changes to the Standard Medicare Part D plan under the Inflation Reduction Act, EGWP subsidies are expected to be higher than originally anticipated for 2025 and beyond. EGWP subsidies were updated based on estimates provided by Segal Consulting. Because of the significant increase in the EGWP subsidy for FY25 and beyond due to the Inflation Reduction Act, and uncertainty regarding future subsidy levels, the ARMB has adopted a smoothing of EGWP subsidy estimates over five years. In addition, the prescription drug and EGWP trend assumption was updated to reflect recent survey information indicating higher than initial trend rates in part due to the recent higher-than expected inflationary environment. There were no other changes in actuarial assumptions since the prior valuation.

The future increase in the IRS 401(a)(17) maximum compensation limit was updated to align with the inflation assumption. This caused a $2,000 decrease in the Occupational Death & Disability Normal Cost and a $25,000 decrease in the Occupational Death & Disability Actuarial Accrued Liability.

The amounts included in the Normal Cost for administrative expenses were changed from $34,000 to $33,000 for occupational death & disability, and from $51,000 to $41,000 for retiree medical (based on the most recent two years of actual administrative expenses paid from plan assets).

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2023 to June 30, 2024

There have been no changes in benefit provisions valued since the prior valuation.

The GASB requires ten years of information be presented. However, until a full ten years of information is available, the District will present only those years for which information is available.

Schedule of District Contributions (Pension) and (OPEB)

The table valuation date is June 30, 2024 which was rolled forward to June 30, 2025. Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

4. Teachers' Retirement System

Schedule of District's Proportionate Share of Net Pension and OPEB Liability (Asset)

The table is presented based on the Plan measurement date which is one year to fiscal year end for all years presented.

Changes in Actuarial Assumptions, Methods, and Benefits Since the Prior Valuation

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

a) Changes in Methods Since the Prior Valuation – June 30, 2023 to June 30, 2024

The actuarially determined contribution rates were updated to include a half-year interest adjustment that was adopted by the Board effective beginning with the June 30, 2024 valuation to account for the monthly timing of employer contributions. There were no changes in the asset or valuation methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2023 to June 30, 2024

Healthcare claim costs are updated for each valuation. The amounts included in the Normal Cost for the administrative expenses were updated based on the last two years of actual administrative expenses paid from plan assets. There were no other changes in actuarial assumptions since the prior valuation.

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2023 to June 30, 2024

There have been no changes in benefit provisions valued since the prior valuation.

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plan

a) Changes in Methods Since the Prior Valuation – June 30, 2023 to June 30, 2024

There were no changes in asset and valuation methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2023 to June 30, 2024

Healthcare claim costs are updated annually. As a result of changes to the Standard Medicare Part D plan under the Inflation Reduction Act, EGWP subsidies are expected to be higher than originally anticipated for 2025 and beyond. EGWP subsidies were updated based on estimates provided by Segal Consulting. Because of the significant increase in the EGWP subsidy for FY25 and beyond due to the Inflation Reduction Act, and uncertainty regarding future subsidy levels, the ARMB has adopted a smoothing of EGWP subsidy estimates over five years. In addition, the prescription drug and EGWP trend assumption was updated to reflect recent survey information indicating higher initial trend rates in part due to the recent higher-than-expected inflationary environment. The effects of these assumption changes are reflected in the actuarial valuation.

The amounts included in the Normal Cost for administrative expenses were updated based on the last two years of actual administrative expenses paid from plan assets.

There were no other changes in actuarial assumptions since the prior valuation.

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2023 to June 30, 2024

There have been no changes in benefit provisions valued since the prior valuation.

The GASB requires ten years of information be presented. However, until a full ten years of information is available, the District will present only those years for which information is available.

Schedule of District Contributions (Pension) and (OPEB)

The table valuation date is June 30, 2024 which was rolled forward to June 30, 2025. Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

SUPPLEMENTARY INFORMATION

VALDEZ CITY SCHOOLS

School Operating Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Revenues:			
Local sources:			
E-rate	$ 79,560	79,560	-
Earnings (loss) on investments	60,000	232,336	172,336
Other	20,000	79,787	59,787
Intergovernmental:			
State of Alaska:			
Foundation program	4,483,839	4,977,933	494,094
Quality schools	21,277	21,277	-
On-behalf TRS	1,000,917	862,005	(138,912)
On-behalf PERS	158,013	148,440	(9,573)
Other state sources	-	2,887	2,887
Federal sources:			
Impact aid	40,000	26,399	(13,601)
Other federal sources	-	1,250	1,250
City appropriation	9,455,589	9,447,784	(7,805)
Total revenues	15,319,195	15,879,658	560,463
Expenditures:			
Current:			
Instruction:			
Certificated salaries	3,628,860	3,628,860	-
Non-certificated salaries	136,147	131,818	4,329
Employee benefits	1,787,524	2,539,426	(751,902)
Professional and technical services	94,542	94,542	-
Staff travel	3,273	3,273	-
Other purchased services	23,640	23,640	-
Supplies, materials and media	477,003	474,208	2,795
Equipment	524,368	524,368	-
Total instruction	6,675,357	7,420,135	(744,778)
Special education instruction:			
Certificated salaries	494,699	494,699	-
Non-certificated salaries	467,166	467,166	-
Employee benefits	729,658	885,831	(156,173)
Professional and technical services	8,125	8,125	-
Supplies, materials and media	4,694	4,695	(1)
Total special education instruction	1,704,342	1,860,516	(156,174)
Special education support services - students:			
Certificated salaries	77,646	77,646	-
Non-certificated salaries	53,448	53,467	(19)
Employee benefits	81,574	98,309	(16,735)
Professional and technical services	156,501	156,501	-
Student travel	3,053	3,053	-
Supplies, materials and media	1,807	1,806	1
Total special education support services - students	374,029	390,782	(16,753)

(continued)

VALDEZ CITY SCHOOLS

School Operating Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual, Continued

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Expenditures, continued:			
Current:			
Support services - students:			
Certificated salaries	$ 256,446	256,446	-
Employee benefits	128,141	188,611	(60,470)
Staff travel	83	83	-
Supplies, materials and media	3,702	3,703	(1)
Total support services - students	388,372	448,843	(60,471)
Support services - instruction:			
Non-certificated salaries	328,953	328,953	-
Employee benefits	334,179	353,352	(19,173)
Professional and technical services	155,021	155,021	-
Utility services	114,059	193,619	(79,560)
Other purchased services	1,000	1,000	-
Supplies, materials and media	15,322	15,322	-
Total support services - instruction	948,534	1,047,267	(98,733)
School administration:			
Certificated salaries	381,216	381,216	-
Employee benefits	153,418	218,990	(65,572)
Staff travel	3,963	3,963	-
Other	1,479	1,479	-
Total school administration	540,076	605,648	(65,572)
School administration support services:			
Non-certificated salaries	122,319	122,319	-
Employee benefits	134,617	141,761	(7,144)
Other purchased services	2,176	2,177	(1)
Supplies, materials and media	14,139	14,138	1
Equipment	1,000	1,000	-
Total school administration support services	274,251	281,395	(7,144)
District administration:			
Certificated salaries	172,538	172,538	-
Non-certificated salaries	67,773	67,773	-
Employee benefits	102,665	136,248	(33,583)
Professional and technical services	62,728	61,804	924
Staff travel	25,767	26,884	(1,117)
Supplies, materials and media	15,350	12,090	3,260
Other	9,510	10	9,500
Total district administration	456,331	477,347	(21,016)

(continued)

VALDEZ CITY SCHOOLS

School Operating Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual, Continued

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Expenditures, continued:			
Current:			
District administration support services:			
Non-certificated salaries	$ 248,020	248,020	-
Employee benefits	134,146	144,891	(10,745)
Professional and technical services	61,019	61,019	-
Staff travel	3,057	3,057	-
Other purchased services	168	168	-
Insurance and bond premiums	21,000	21,000	-
Supplies, materials and media	6,410	6,410	-
Other	1,295	1,295	-
Indirect cost recovery	(18,000)	(17,262)	(738)
Total district administration support services	457,115	468,598	(11,483)
Operations and maintenance of plant:			
Non-certificated salaries	760,300	760,300	-
Employee benefits	449,868	648,616	(198,748)
Staff travel	2,443	2,443	-
Energy	741,955	741,955	-
Other purchased services	156,323	156,323	-
Insurance and bond premiums	135,100	135,100	-
Supplies, materials and media	194,700	194,700	-
Other	56	56	-
Total operations and maintenance of plant	2,440,745	2,639,493	(198,748)
Total expenditures	14,259,152	15,640,024	(1,380,872)
Excess (deficiency) of revenues over expenditures	1,060,043	239,634	(820,409)
Other financing (uses):			
Transfers out:			
Community Education Special Revenue Fund	-	(103,428)	(103,428)
Food Service Special Revenue Fund	(255,000)	(198,324)	56,676
Activities Special Revenue Fund	(482,827)	(631,133)	(148,306)
Total other financing (uses)	(737,827)	(932,885)	(195,058)
Net change in fund balance	$ 322,216	(693,251)	(1,015,467)
Fund balance, beginning of year		1,706,389	
Fund balance, end of year		$ 1,013,138	

Exhibit G-2

VALDEZ CITY SCHOOLS

Technology Capital Project Fund

Schedule of Revenues, Expenditures, and Changes
In Fund Balance

Year Ended June 30, 2026

Revenues:		
Intergovernmental:		
City appropriation	$	125,000
Expenditures:		
Current:		
Instruction:		
Equipment		1,011,242
Excess (deficiency) of revenues over expenditures		(886,242)
Fund balance, beginning of year		2,178,589
Fund balance, end of year	$	1,292,347

VALDEZ CITY SCHOOLS

Other Governmental Funds

Combining Balance Sheet

June 30, 2026

Assets	Special Revenue Funds						
	Student Transportation	Food Service	Minigrants	Title VI-B	Title I-A Basic	Carl Perkins	Migrant Education
Accounts receivable	$ -	16,876	-	-	10,307	1,006	48,030
Due from School Operating Fund	162,411	-	9,108	117	-	-	-
Inventory	-	51,557	-	-	-	-	-
Total assets	$ 162,411	68,433	9,108	117	10,307	1,006	48,030
Liabilities and Fund Balances (Deficit)							
Liabilities:							
Accounts payable	71,941	-	-	-	-	-	-
Due to School Operating Fund	-	68,433	-	-	10,282	1,006	47,648
Unearned revenues	-	3,632	-	117	-	-	-
Total liabilities	71,941	72,065	-	117	10,282	1,006	47,648
Fund balances (deficit):							
Nonspendable:							
Inventory	-	51,557	-	-	-	-	-
Committed:							
Minigrants	-	-	9,108	-	-	-	-
Transportation	90,470	-	-	-	-	-	-
Vehicle replacement	-	-	-	-	-	-	-
Title I-A	-	-	-	-	25	-	-
Maintenance	-	-	-	-	-	-	-
Migrant education	-	-	-	-	-	-	382
Student activities	-	-	-	-	-	-	-
Unassigned	-	(55,189)	-	-	-	-	-
Total fund balances (deficit)	90,470	(3,632)	9,108	-	25	-	382
Total fund balances (deficit) and liabilities	$ 162,411	68,433	9,108	117	10,307	1,006	48,030

(continued)

VALDEZ CITY SCHOOLS

Other Governmental Funds

Combining Balance Sheet, Continued

Assets	Special Revenue Funds: Title IV-A School Improvement	Special Revenue Funds: Student Activities	Special Revenue Funds: Total Special Revenue Funds	Capital Project Funds: Maintenance CIP	Capital Project Funds: Vehicle Replacement	Capital Project Funds: Total Capital Project Funds	Total Other Governmental Funds
Accounts receivable	$ 6,428	-	82,647	-	-	-	82,647
Due from School Operating Fund	-	307,892	479,528	402,363	416,014	818,377	1,297,905
Inventory	-	-	51,557	-	-	-	51,557
Total assets	$ 6,428	307,892	613,732	402,363	416,014	818,377	1,432,109
Liabilities and Fund Balances (Deficit)							
Liabilities:							
Accounts payable	-	-	71,941	-	-	-	71,941
Due to School Operating Fund	6,428	-	133,797	-	-	-	133,797
Unearned revenues	-	-	3,749	-	-	-	3,749
Total liabilities	6,428	-	209,487	-	-	-	209,487
Fund balances (deficit):							
Nonspendable:							
Inventory	-	-	51,557	-	-	-	51,557
Committed:							
Minigrants	-	-	9,108	-	-	-	9,108
Transportation	-	-	90,470	-	-	-	90,470
Vehicle replacement	-	-	-	-	416,014	416,014	416,014
Title I-A	-	-	25	-	-	-	25
Maintenance	-	-	-	402,363	-	402,363	402,363
Migrant education	-	-	382	-	-	-	382
Student activities	-	307,892	307,892	-	-	-	307,892
Unassigned	-	-	(55,189)	-	-	-	(55,189)
Total fund balances (deficit)	-	307,892	404,245	402,363	416,014	818,377	1,222,622
Total fund balances (deficit) and liabilities	$ 6,428	307,892	613,732	402,363	416,014	818,377	1,432,109

VALDEZ CITY SCHOOLS

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)

Year Ended June 30, 2026

	Special Revenue Funds						
	Student Transportation	Community Education	Food Service	Minigrants	Preschool Disabled	Title VI-B	Indian Education
Revenues:							
Local sources:							
Charges for services	$ -	-	131,794	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental:							
State of Alaska	480,659	-	-	-	-	-	-
Federal sources	-	-	221,118	2,425	6,492	203,727	39,846
City appropriation	94,000	827,805	400,000	-	-	-	-
Total revenues	574,659	827,805	752,912	2,425	6,492	203,727	39,846
Expenditures:							
Current:							
Instruction	-	-	-	-	-	-	-
Special education instruction	-	-	-	-	6,257	196,344	-
Support services - instruction	-	-	-	2,337	-	-	39,846
District administration support services	-	-	-	88	235	7,383	-
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	716,542	-	-	-	-	-	-
Community services	-	1,046,033	-	-	-	-	-
Food services	-	-	983,815	-	-	-	-
Total expenditures	716,542	1,046,033	983,815	2,425	6,492	203,727	39,846
Excess (deficiency) of revenues over expenditures	(141,883)	(218,228)	(230,903)	-	-	-	-
Other financing sources:							
Transfers in	-	103,428	198,324	-	-	-	-
Net change in fund balances	(141,883)	(114,800)	(32,579)	-	-	-	-
Fund balances, beginning of year	232,353	114,800	28,947	9,108	-	-	-
Fund balances (deficit), end of year	$ 90,470	-	(3,632)	9,108	-	-	-

(continued)

VALDEZ CITY SCHOOLS

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit), Continued

	Special Revenue Funds						
	Title II-A	Title I-A Basic	Carl Perkins	Migrant Education	Migrant Education Book	Title IV-A School Improvement	Student Activities
Revenues:							
Local sources:							
Charges for services	$ -	-	-	-	-	-	-
Other	-	-	-	-	-	-	158,382
Intergovernmental:							
State of Alaska	-	-	-	-	-	-	-
Federal sources	35,964	32,795	24,322	154,810	1,664	14,148	-
City appropriation	-	-	-	-	-	-	-
Total revenues	35,964	32,795	24,322	154,810	1,664	14,148	158,382
Expenditures:							
Current:							
Instruction	-	31,607	23,441	-	1,604	-	-
Special education instruction	-	-	-	-	-	-	-
Support services - instruction	34,661	-	-	149,200	-	13,635	-
District administration support services	1,303	1,188	881	5,610	60	513	-
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	149,522
Student transportation - to and from school	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Total expenditures	35,964	32,795	24,322	154,810	1,664	14,148	149,522
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	8,860
Other financing sources:							
Transfers in	-	-	-	-	-	-	-
Net change in fund balances	-	-	-	-	-	-	8,860
Fund balances, beginning of year	-	25	-	382	-	-	299,032
Fund balances (deficit), end of year	$ -	25	-	382	-	-	307,892

(continued)

VALDEZ CITY SCHOOLS

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit), Continued

	Special Revenue Funds		Capital Project Funds				
	Activities	Total Special Revenue Funds	ADA Renovations	Maintenance CIP	Vehicle Replacement	Total Capital Project Funds	Total Other Governmental Funds
Revenues:							
Local sources:							
Charges for services	$ -	131,794	-	-	-	-	131,794
Other	280	158,662	-	-	-	-	158,662
Intergovernmental:							
State of Alaska	-	480,659	-	-	-	-	480,659
Federal sources	-	737,311	-	-	-	-	737,311
City appropriation	355,000	1,676,805	-	-	-	-	1,676,805
Total revenues	355,280	3,185,231	-	-	-	-	3,185,231
Expenditures:							
Current:							
Instruction	-	56,652	-	-	-	-	56,652
Special education instruction	-	202,601	-	-	-	-	202,601
Support services - instruction	-	239,679	-	-	-	-	239,679
District administration support services	-	17,261	-	-	-	-	17,261
Operations and maintenance of plant	-	-	61,426	312,186	-	373,612	373,612
Student activities	986,413	1,135,935	-	-	-	-	1,135,935
Student transportation - to and from school	-	716,542	-	-	-	-	716,542
Community services	-	1,046,033	-	-	-	-	1,046,033
Food services	-	983,815	-	-	-	-	983,815
Total expenditures	986,413	4,398,518	61,426	312,186	-	373,612	4,772,130
Excess (deficiency) of revenues over expenditures	(631,133)	(1,213,287)	(61,426)	(312,186)	-	(373,612)	(1,586,899)
Other financing sources - Transfers in	631,133	932,885	-	-	-	-	932,885
Net change in fund balances	-	(280,402)	(61,426)	(312,186)	-	(373,612)	(654,014)
Fund balances, beginning of year	-	684,647	61,426	714,549	416,014	1,191,989	1,876,636
Fund balances (deficit), end of year	$ -	404,245	-	402,363	416,014	818,377	1,222,622

VALDEZ CITY SCHOOLS

Student Transportation Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
State of Alaska	$ 467,475	480,659	13,184
City appropriation	94,000	94,000	-
Total revenues	561,475	574,659	13,184
Expenditures:			
Current:			
Student transportation - to and from school:			
Student travel	687,742	716,542	(28,800)
Excess (deficiency) of revenues over expenditures	$ (126,267)	(141,883)	(15,616)
Fund balance, beginning of year		232,353	
Fund balance, end of year		$ 90,470	

VALDEZ CITY SCHOOLS

Community Education Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Revenues:			
Intergovernmental:			
City appropriation	$ 820,000	827,805	7,805
Expenditures:			
Current:			
Community services:			
Non-certificated salaries	325,843	325,843	-
Employee benefits	192,801	192,801	-
Staff travel	1,047	1,047	-
Energy	317,981	317,981	-
Other purchased services	66,995	66,995	-
Insurance and bond premiums	57,900	57,900	-
Supplies, materials and media	83,442	83,442	-
Other	24	24	-
Total expenditures	1,046,033	1,046,033	-
Excess (deficiency) of revenues over expenditures	(226,033)	(218,228)	7,805
Other financing sources:			
Transfers in:			
School Operating Fund	-	103,428	103,428
Net change in fund balance	$ (226,033)	(114,800)	111,233
Fund balance, beginning of year		114,800	
Fund balance, end of year		$ -	

VALDEZ CITY SCHOOLS

Food Service Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance (Deficit) - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Revenues:			
Local sources:			
Charges for services	$ 143,500	131,794	(11,706)
Intergovernmental:			
Federal sources - U.S. Department of Agriculture passed through the State of Alaska	287,415	221,118	(66,297)
City appropriation	400,000	400,000	-
Total revenues	830,915	752,912	(78,003)
Expenditures:			
Current:			
Food services:			
Non-certificated salaries	289,575	289,575	-
Employee benefits	236,511	236,511	-
Staff travel	1,854	1,854	-
Supplies, materials and media	449,423	452,858	(3,435)
Other	3,017	3,017	-
Total expenditures	980,380	983,815	(3,435)
Excess (deficiency) of revenues over expenditures	(149,465)	(230,903)	(81,438)
Other financing sources:			
Transfer in:			
School Operating Fund	255,232	198,324	(56,908)
Net change in fund balance	$ 105,767	(32,579)	(138,346)
Fund balance, beginning of year		28,947	
Fund balance (deficit), end of year		$ (3,632)	

VALDEZ CITY SCHOOLS

Minigrants Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - intergovernmental - federal education sources passed through the State of Alaska	$ 9,000	2,425	(6,575)
Expenditures:			
Current:			
Support services - instruction:			
Staff travel	8,655	2,337	6,318
District administration support services:			
Indirect cost	345	88	257
Total expenditures	9,000	2,425	6,575
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		9,108	
Fund balance, end of year		$ 9,108	

Exhibit H-7

VALDEZ CITY SCHOOLS

Preschool Disabled Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - intergovernmental - federal education sources passed through the State of Alaska	$ 6,492	6,492	-
Expenditures:			
Current:			
Special education instruction:			
Professional and technical services	4,909	4,909	-
Supplies, materials and media	1,348	1,348	-
Total special education instruction	6,257	6,257	-
District administration support services:			
Indirect cost	235	235	-
Total expenditures	6,492	6,492	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

VALDEZ CITY SCHOOLS

Title VI-B Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - intergovernmental - federal education sources passed through the State of Alaska	$ 203,960	203,727	(233)
Expenditures:			
Current:			
Special education instruction:			
Certificated salaries	22,000	22,000	-
Non-certificated salaries	56,505	56,486	19
Employee benefits	67,999	67,794	205
Professional and technical services	37,937	37,937	-
Staff travel	9,580	9,580	-
Supplies, materials and media	2,547	2,547	-
Total special education instruction	196,568	196,344	224
District administration support services:			
Indirect cost	7,392	7,383	9
Total expenditures	203,960	203,727	233
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

VALDEZ CITY SCHOOLS

Indian Education Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental - direct federal education sources	$ 39,846	39,846	-
Expenditures:			
Current:			
Support services - instruction:			
Certificated salaries	19,191	19,191	-
Employee benefits	9,178	9,178	-
Professional and technical services	1,255	1,255	-
Staff travel	1,238	1,238	-
Supplies, materials and media	8,584	8,584	-
Other	400	400	-
Total expenditures	39,846	39,846	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit H-10

VALDEZ CITY SCHOOLS

Title II-A Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - intergovernmental - federal education sources passed through the State of Alaska	$ 39,708	35,964	(3,744)
Expenditures:			
Current:			
Support services - instruction:			
Employee benefits	30,139	29,721	418
Professional and technical services	5,550	2,349	3,201
Staff travel	2,595	2,591	4
Total support services - instruction	38,284	34,661	3,623
District administration support services:			
Indirect cost	1,424	1,303	121
Total expenditures	39,708	35,964	3,744
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

VALDEZ CITY SCHOOLS

Title I-A Basic Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Revenues - intergovernmental - federal education sources passed through the State of Alaska	$ 38,987	32,795	(6,192)
Expenditures:			
Current:			
Instruction:			
Certificated salaries	21,377	21,376	1
Employee benefits	13,352	9,385	3,967
Supplies, materials and media	2,845	846	1,999
Total instruction	37,574	31,607	5,967
District administration support services:			
Indirect cost	1,413	1,188	225
Total expenditures	38,987	32,795	6,192
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		25	
Fund balance, end of year		$ 25	

Exhibit H-12

VALDEZ CITY SCHOOLS

Carl Perkins Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - intergovernmental - federal education sources passed through the State of Alaska	$ 27,000	24,322	(2,678)
Expenditures:			
Current:			
Instruction:			
Staff travel	1,327	1,327	-
Student travel	2,673	1,390	1,283
Supplies, materials and media	22,022	20,724	1,298
Total instruction	26,022	23,441	2,581
District administration support services:			
Indirect cost	978	881	97
Total expenditures	27,000	24,322	2,678
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

VALDEZ CITY SCHOOLS

Migrant Education Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Revenues - intergovernmental - federal education sources passed through the State of Alaska	$ 163,707	154,810	(8,897)
Expenditures:			
Current:			
Support services - instruction:			
Certificated salaries	30,680	30,506	174
Non-certificated salaries	42,792	42,651	141
Employee benefits	67,378	60,034	7,344
Supplies, materials and media	9,125	8,289	836
Other	7,800	7,720	80
Total support services - instruction	157,775	149,200	8,575
District administration support services:			
Indirect cost	5,932	5,610	322
Total expenditures	163,707	154,810	8,897
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		382	
Fund balance, end of year		$ 382	

VALDEZ CITY SCHOOLS

Migrant Education Book Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget-Positive (Negative)
Revenues - intergovernmental - federal education sources passed through the State of Alaska	$ 4,062	1,664	(2,398)
Expenditures:			
Current:			
Instruction:			
Supplies, materials and media	3,915	1,604	2,311
District administration support services:			
Indirect cost	147	60	87
Total expenditures	4,062	1,664	2,398
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

VALDEZ CITY SCHOOLS

Title IV-A School Improvement Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues - intergovernmental - federal education sources passed through the State of Alaska	$ 14,148	14,148	-
Expenditures:			
Current:			
Support services - instruction:			
Non-certificated salaries	7,303	7,303	-
Employee benefits	3,000	3,000	-
Supplies, materials and media	3,332	3,332	-
Total support services - instruction	13,635	13,635	-
District administration support services:			
Indirect cost	513	513	-
Total expenditures	14,148	14,148	-
Excess of revenues over expenditures	$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit H-16

VALDEZ CITY SCHOOLS

Student Activities Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources - other	$ -	158,382	158,382
Expenditures:			
Current:			
Student activities:			
Student travel	-	13,448	(13,448)
Equipment	-	179	(179)
Other	2,000	135,895	(133,895)
Total expenditures	2,000	149,522	(147,522)
Excess of revenues over expenditures	$ (2,000)	8,860	10,860
Fund balance, beginning of year		299,032	
Fund balance, end of year		$ 307,892	

VALDEZ CITY SCHOOLS

Activities Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget and Actual

Year Ended June 30, 2026

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
City appropriation	$ 355,000	355,000	-
Other local revenues	-	280	280
Total revenues	355,000	355,280	280
Expenditures:			
Current:			
Student activities:			
Certificated salaries	321,129	321,129	-
Non-certificated salaries	10,902	10,902	-
Employee benefits	49,292	49,292	-
Student travel	275,934	275,934	-
Equipment	18,314	19,486	(1,172)
Other	309,670	309,670	-
Total expenditures	985,241	986,413	(1,172)
Excess (deficiency) of revenues over expenditures	(630,241)	(631,133)	(892)
Other financing sources:			
Transfer in:			
School Operating Fund	542,971	631,133	88,162
Net change in fund balance	$ (87,270)	-	87,270
Fund balance, beginning of year		-	
Fund balance, end of year		$ -	

Exhibit I-1

VALDEZ CITY SCHOOLS

Schedule of Compliance - AS 14.17.505

June 30, 2026

Total fund balance - School Operating Fund	$	1,013,138		
less exemptions per 4 AAC 09.160(a)				
Federal impact aid received		26,399		
Fund Balance Subject to 10% Limitation	$	986,739		
Nonexempt fund balance as a percentage of current year expenditures:				
Fund balance subject to limitation	$	986,739	=	6.31%
Current year expenditures	$	15,640,024		

Exhibit J-1

VALDEZ CITY SCHOOLS

Schedule of State Financial Assistance

Year Ended June 30, 2026

Grant Title	Grant Number	Grant Award	Eligible Expenditures
Department of Education and Early Development:			
Public School Funding Program			
# Foundation	None	$ 4,977,933	4,977,933
# Quality Schools	None	21,277	21,277
# Disparity funding	None	238	238
Total Public School Funding Program		4,999,448	4,999,448
Student Transportation	None	480,659	480,659
Education Raffle Funds	None	2,649	2,649
Total state financial assistance		$ 5,482,756	5,482,756

See accompanying notes to Schedule.

VALDEZ CITY SCHOOLS

Notes to Schedule of State Financial Assistance

Year Ended June 30, 2026

Note 1. Basis of Presentation

The accompanying schedule of state financial assistance (the "Schedule") includes the state award activity of Valdez City Schools under programs of the State of Alaska for the year ended June 30, 2026. The information in this Schedule is presented in accordance with the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Because the Schedule presents only a selected portion of the operations of Valdez City Schools, it is not intended to and does not present the basic financial statements of Valdez City Schools.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the District's basic financial statements.

Note 3. Subrecipients

No state funds were passed through to subrecipients.

Note 4. Major Programs

denotes a major program for compliance audit purposes.

Note 5. Reconciliation to State Revenues, Exhibit D-1

Total state financial assistance	$	5,482,756
Plus state revenue excluded from schedule:		
On-behalf PERS		148,440
On-behalf TRS		862,005
Total state revenues, Exhibit D-1	$	6,493,201

COMPLIANCE SECTION

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

Members of the School Board
Valdez City Schools
Valdez, Alaska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Valdez City Schools, a component unit of the City of Valdez, Alaska, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise Valdez City Schools' basic financial statements, and have issued our report thereon dated September 11, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Valdez City Schools' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Valdez City Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of Valdez City Schools' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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Members of the School Board
Valdez City Schools

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Valdez City Schools' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Altman, Rogers & Co.

Anchorage, Alaska
September 11, 2026

Altman, Rogers & Co. CERTIFIED PUBLIC ACCOUNTANTS

Report on Compliance For Each Major State Program and Report on Internal Control Over Compliance Required by the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*

Independent Auditor's Report

Members of the School Board
Valdez City Schools
Valdez, Alaska

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Valdez City Schools' compliance with the types of compliance requirements identified as subject to audit in the State of Alaska Audit Guide and Compliance Supplements that could have a direct and material effect on each of Valdez City Schools' major state programs for the year ended June 30, 2026. Valdez City Schools' major state programs are identified on the Schedule of State Financial Assistance.

In our opinion, Valdez City Schools complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2026.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS);` the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements in the State of Alaska Audit Guide. Our responsibilities under those standards and the State of Alaska Audit Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Valdez City Schools and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of Valdez City Schools' compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Valdez City Schools' state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Valdez City Schools' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and State of Alaska Audit Guide requirements will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Valdez City Schools' compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the State of Alaska Audit Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Valdez City Schools' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Valdez City Schools' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State of Alaska requirements, but not for the purpose of expressing an opinion on the effectiveness of Valdez City Schools' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State of Alaska. Accordingly, this report is not suitable for any other purpose.



Anchorage, Alaska
September 11, 2026

VALDEZ CITY SCHOOLS

State Schedule of Findings and Questioned Costs

Year Ended June 30, 2026

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	*Unmodified*	
Internal control over financial reporting:		
Material weakness identified?	____ Yes	X No
Significant deficiency identified?	____ Yes	X None reported
Noncompliance material to the financial statements noted?	____ Yes	X No

State Financial Assistance

Internal control over major programs:		
Material weakness identified?	____ Yes	X No
Significant deficiency identified?	____ Yes	X None reported
Type of auditor's report issued on compliance for major programs:	*Unmodified*	
Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000	
Auditee qualified as low-risk auditee?	X Yes	____ No

Section II – Financial Statement Findings

Valdez City Schools did not have any findings related to the financial statements.

Section III – State Award Findings and Questioned Costs

Valdez City Schools did not have any findings related to State awards.

BP 3311 Bids

The District shall purchase equipment, supplies and services on a competitive bidding basis when required by law and whenever it appears to be in the best interest of the District. The district will follow the more conservative of the OMB Funding Guidelines or the following bullet points.

- ~~The OMB Funding guidelines below apply to all District purchases, regardless of funding source.~~verbal or informal written quotes are obtained for purchases from $15,000 to $200,000
- formal advertised requests for proposal/bids are solicited for purchases of $200,001 and above. (RFP)

~~The Superintendent or designee shall establish procedures to insure that~~

~~verbal or informal written quotes are obtained for purchases from $10,000 to $25,000~~

- ~~formal advertised requests for proposal/bids are solicited for purchases of $25,001 and above. (RFP)~~

To ensure that good value is received for funds expended, quotes and RFP's shall contain specifications are carefully designed and shall describe in detail the quality, delivery and service required. The Superintendent or designee shall establish procedures to implement these requirements. Prior to any purchase, the District should review the federal funding award or grant to determine if it requires compliance with OMB's procurement procedures.

Purchases Made Under Federal OMB Funding Awards

All bids under Federal awards must be made in accordance with the standards set forth in 2 CFR 200.320.

One of the following five methods of procurement shall be used for each purchase under a federal award:

1. Micro-purchases: Less than $15,000 ($2,000 for purchases subject to the Davis-Bacon Act)
    a. No competitive quotes required
    b. Purchases should be spread among qualified suppliers

2. Small Purchases: Between $15,000 and $350,000
    a. Rate quotes must be obtained from an adequate number of qualified sources
    b. Quotes can be obtained from suppliers or from public websites
3. Sealed bids: Purchases more than $350,000
    a. Two or more qualified bidders are required
    b. Bids must be publicly advertised and solicited from adequate suppliers.
    c. Lowest bidder for the fixed price contract with specific requirements shall be awarded the contract.
4. Competitive Proposals: Purchases more than $350,000
    a. A written policy must be adopted for conducting technical evaluations of reviewing proposals and selecting the recipient.
5. Sole Source: Purchases of any amount that meet one of the four requirements
    a. Good/Service is only available from a single source
    b. Only one source can provide the good/service in the time frame required
    c. Written pre-approval from the Federal awarding agency
    d. Competition is deemed inadequate, after solicitation attempts through one of the other methods.

Minority Bidding

When procuring contracts under federal awards set forth in 2 CFR 200.320, the District must take affirmative steps to utilize minority businesses, women's business enterprises, and labor surplus area firms when possible. Affirmative steps must include:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

~~EXEMPTION FROM FORMAL BID REQUIREMENTS~~

~~Even when the estimated amount of property or services exceeds $15,000, formal bid requirements need not be followed in conjunction with the acquisition of the following property or services:~~

- ~~Propriety (sole source) items for which no competition exists: including books, films, periodicals and other educational materials.~~

Exemptions

The following items are exempted from formal purchasing procedures:

A. Instructional materials for board-approved curriculum; or
B. Professional or consultant services such as medical, legal, negotiation, technical, or educational, not including architectural/engineering design services; or
C. Professional or consultant services (such as property and casualty insurance) purchased jointly with Local, State, or Federal agencies; or
D. Public services, utilities or energy-related expenses, site licenses, upgrades, maintenance contracts, and specialized services, software, or equipment where no competition exists (single source) or the District has established a need for standardization of equipment, supplies, or services; or
E. Emergency supplies or supplies and equipment that augment previously purchased items of a similar nature whereby the District would incur substantial costs to switch products or product lines; or
F. Purchases involving replacement of equipment where similar equipment is being traded in; or
G. Purchases involving items regulated by Fair Trade Statutes; or
H. Purchases made through cooperative purchasing agreements, existing Federal/State or inter-district contracts including GSA pricing; or when cooperatively bidding with other public agencies; or
I. Contracts or purchases when time is of the essence for reasons of health or safety, or to comply with legal requirements in a timely manner.
J. Proprietary (sole-source) items or services or items that are only available from a single source.

(cf. 3110 - *Transfer of Funds)*

(cf. 3300 - *Expenditures/Expending Authority)*

(cf. 3310 - *Purchasing Procedures)*

(cf. 3312 - *Contracts)*

(cf. 9270 - *Conflict of Interest)*

(cf. 4030 - *Nondiscrimination in Employment)*

(e. 3310 - *Purchasing Procedures, Procurement)*

Legal References:

ALASKA STATUTES

14.14.060 Relationship between borough school district and borough

14.14.060(h) Procurement of supplies and equipment

14.14.065 Relationship between city school district and city

14.03.085 Procurement preference for recycled Alaska products

29.71.050 Procurement preferences for recycled Alaska products

35.15 Construction Procedures

36.15.020 Use of local agricultural and fisheries products required in purchases with state money

ALASKA ADMINISTRATIVE CODE

4 AAC 27.085 Competitive pupil transportation proposals

4 AAC 31.080 Construction and acquisition of public school facilities

CODE OF FEDERAL REGULATIONS

2 C.F.R. 200.317-326, Procurement Standards

COURT DECISIONS

Fairbanks North Star Borough School District V .Bowers, 851 P.2d 56 (Alaska1992)

AASB Revised 3/2018

Board Revised and Approved 5/2018

Adopted: June 2005

Amended: 8/2024

Revised: 4/2026, 10/2026

Valdez City Schools

BP 6151 Class Size

The Superintendent or designee shall establish and make available to the public a target average class size for each grade level. The target average class size may not exceed the following:

- **Pre-Kindergarten through Grade 6:** 23 students
- **Grade 7 through Grade 12:** 30 students

Implementation of these targets is contingent upon the availability of sufficient funding and resources. The District will make reasonable efforts to meet the class size targets outlined above; however, actual class sizes may vary based on budgetary constraints, staffing availability, and facility capacity. When budgets are constrained, the District will report to the Board the cost of needed staffing to achieve the class size outlined in this policy to communicate with the public and decision makers. The Superintendent shall ensure that key stakeholders receive this information within one week following the Board's annual passage of the District's budget. The class size targets may exclude mixed grade classes and courses in art, library, music, computer science, vocational-technical, and physical education.

The Superintendent or designee shall also establish a procedure to reduce class sizes when possible and appropriate.

Legal Reference:

ALASKA STATUTES

14.03.065 Maximum classroom size

Created 10/2025

Valdez City Schools

Memorandum

Date: 10-8-2026

From: Jason Weber
Superintendent

To: VCS Board of Education

Thru: Jason Weber
Superintendent

Subj: FY28 Budget Request to the City of Valdez

The FY28 funding request of $15,078,864, to the city of Valdez, includes funding the Operating Fund to the statutory cap, and also funding the Lunch Fund (no increase), the Community Education Fund (no increase), the Transportation Fund (no increase) and the Activities and Technology Funds (no increase). There is a significant increase in the request for the Operating Fund due to an increase in the 2027 Assessed Full Value Determination by the Dept of Commerce, Community and Economic Development, Attached is a city funding history.

There continues to be a conversation at the Alaska State School Board and the Alaska Department of Education level to include all funding from local under the statutory cap funding. This is something we will continue to monitor. For now it appears they will be sending it back to DEED for more work.

Recommendation: Approve FY28 Budget Request to the City of Valdez in the amount of $15,078,864.

Valdez City Schools

PO Box 398 · 1112 West Klutina Street · Valdez, AK 99686

Telephone (907) 834-4701 · Fax (907) 835-4964

www.valdezcityschools.org

October 8th, 2026

Dear Mayor Fleming,

The Valdez City School District would respectfully like to submit our request of $15,078,864 for our FY28 budget to the City Council for your consideration. This request will fund to the 'cap' and the requested amount for Community Education, Transportation, Lunch and Activities/Computers funds remains unchanged. Combined, the request is a 28.69% increase from the prior funding request, which is due to an increase in the cap. We are proud that the City of Valdez and Valdez City Schools work so closely together to ensure we are leading the state in education.

Currently the district student count is 568 which includes our 4 year old preschool program. The state is allowing us to count those students as 0.5 students in the ADM (Average Daily Membership). The addition of the preschool students in the student count, is the culmination of the hard work we have done with early childhood education at Valdez City Schools to become accredited by the state.

The district is working hard to address reading, math scores, and science. Recently our students in grades 3-9 scored 4th in the state on the AK Stars assessment and 2nd in science. The district is also planning increased staff development and continued RTI services for students across the district.

During the FY27 school year the district was hit with a 20% increase to insurance, rapidly increasing energy costs as well as high overall inflation. We are currently forecasting another substantial increase to health insurance in FY28 and it's not likely that energy or insurance costs will subside soon. In addition to the financial headwinds facing the district we would like to continue to pursue projects within the district that bolster the long term facility and operational needs of the district.

The funds from the city have allowed Valdez City Schools to push forward with goals to bolster early childhood education, career and technical education, reading, social emotional learning, etc. At the same time we are moving forward with our goals, we are balancing the financial headwinds of, rising costs associated with staffing, operations, and supplies, as well as unfunded/underfunded mandates from the state of Alaska. As a district we are committed to be efficient and responsible with public funds.

The FY28 budget request of $15,078,864 will allow the district to adequately serve the students and families of Valdez. If you have any questions about our FY28 budget request, please reach

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out to Jason Weber, our superintendent (jweber@valdezcityschools.org). Thank you again for your continued support of Valdez students and families.

Respectfully submitted,

Kalin King President, VCS School Board

City Funding History

	Statutory Cap	Operating	Comm Ed	Lunch	Transp	Act/Comp	Total Funding	Funding Change	Per student city funding	BSA	Count	State funding	Assessed Value	Assessed Value Year	Assessed Value Change
FY09	$6,366,933	$6,335,387	$550,000	$79,500	$83,863	$430,000	$7,478,750		$10,813.69	5,480	692	4,022,924	1,585,970,860	2007	
FY10	$7,400,333	$7,400,333	$590,800	$100,000	$83,863	$480,000	$8,654,996	**15.73%**	$12,890.97	5,580	671	4,116,492	2,111,125,540	2008	**33.11%**
FY11	$7,918,329	$7,918,329	$602,505	$100,000	$94,062	$480,000	$9,194,896	**6.24%**	$13,603.93	5,680	676	4,327,702	2,321,728,750	2009	**9.98%**
FY12	$8,377,314	$8,168,329	$602,505	$100,000	$94,062	$480,000	$9,444,896	**2.72%**	$13,982.08	5,680	676	4,521,522	2,481,938,760	2010	**6.90%**
FY13	$8,164,716	$8,164,716	$602,505	$100,000	$94,062	$480,000	$9,441,283	**-0.04%**	$14,852.96	5,680	636	3,972,355	2,301,299,020	2011	**-7.28%**
FY14	$7,922,672	$7,922,672	$602,505	$342,044	$94,062	$480,000	$9,441,283	**0.00%**	$15,493.26	5,680	609	*4,494,281*	2,269,392,060	2012	**-1.39%**
FY15	$9,525,838	$8,863,856	$602,505	$100,000	$94,062	$480,000	$10,140,423	**7.41%**	$17,347.40	5,830	585	*4,475,205*	3,050,015,630	2013	**34.40%**
FY16	$9,009,689	$9,008,950	$842,505	$400,000	$94,062	$480,000	$10,825,517	**6.76%**	$17,545.41	5,880	617	4,633,089	2,677,904,580	2014	**-12.20%**
FY17	$8,827,907	$8,827,907	$842,505	$400,000	$94,000	$480,000	$10,644,412	**-1.67%**	$17,652.42	5,930	603	4,666,195	2,562,256,440	2015	**-4.32%**
FY18	$8,511,998	$8,511,998	$842,505	$400,000	$94,000	$480,000	$10,328,503	**-2.97%**	$16,702.52	5,930	618.38	5,026,885	2,360,883,660	2016	**-7.86%**
FY19	$8,628,129	$8,628,129	$842,505	$400,000	$94,000	$480,000	$10,444,634	**1.12%**	$16,572.21	5,930	630.25	4,926,606	2,378,267,670	2017	**0.74%**
FY20	$8,774,515	$8,694,861	$842,505	$400,000	$94,000	$480,000	$10,511,366	**0.64%**	$15,958.96	5,930	658.65	5,064,124	2,394,715,690	2018	**0.69%**
FY21	$8,848,234	$8,848,234	$892,086	$400,000	$94,000	$480,000	$10,714,320	**1.93%**	$19,786.37	5,930	541.5	5,420,549	2,427,238,746	2019	**1.36%**
FY22	$9,143,879	$9,047,171	$842,505	$400,000	$94,000	$480,000	$10,863,676	**1.39%**	$17,669.97	5,930	614.81	4,902,862	2,458,727,463	2020	**1.30%**
FY23	$9,068,233	$9,046,244	$842,505	$400,000	$94,000	$480,000	$10,862,749	**-0.01%**	$18,958.01	5,930	572.99	4,943,743	2,484,814,809	2021	**1.06%**
FY24	$9,475,608	$9,352,964	$820,000	$400,000	$94,000	$480,000	$11,146,964	**2.62%**	$19,909.20	5,960	559.89	4,753,307	2,707,942,765	2022	**8.98%**
FY25	$9,346,895	$9,344,393	$870,000	$400,000	$94,000	$480,000	$11,188,393	**0.37%**	$19,332.66	5,960	578.73	4,581,233	2,711,403,544	2023	**0.13%**
FY26	$9,447,784	$9,447,784	$827,805	$400,000	$94,000	$480,000	$11,249,589	**0.55%**	$20,846.47	6,660	539.64	5,121,619	2,813,409,533	2024	**3.76%**
FY27	*$9,693,040*	$9,693,040	$888,452	$400,000	$256,000	$480,000	$11,717,492	**4.16%**	$20,961.52	6,660	559	*4,987,391*	2,853,515,233	2025	**1.43%**
FY28	*$13,122,864*	$13,054,412	$888,452	$400,000	$256,000	$480,000	$15,078,864	**28.69%**	$27,616.97	6,660	*546*	*4,552,901*	4,459,066,554	2026	**56.27%**

** Numbers in red are projected

BP 3300 Expenditures/Expending Authority

Note: *The following sample policy should be revised as appropriate to reflect district philosophy and needs. A.S. 14.14.060 and 14.14.065 provide that the borough assembly/city council, with the consent of the borough/city school district, may by ordinance delegate to the school district responsibility for a centralized treasury and/or accounting system. A.S. 14.08.101 empowers regional school boards to establish their own fiscal procedures and exempts them from A.S. 36.30 (State Procurement Code) and A.S. 37.05 (Fiscal Procedures Act). A.S. 14.08.111 requires the regional school board to designate employees authorized to direct disbursements from school funds of the board. All contracts made under federal awards must comply with the Office of Management and Budgets procurement procedures found in 2 CFR 200.317-326. Prior to any purchase, the District should review the federal funding award or grant to determine if it requires compliance with OMB's procurement procedures.*

The Superintendent or designee may purchase supplies, materials and equipment in accordance with law. Prior Board approval is required for purchases of $25,001 and above. Routine district operating expenditures i.e. utilities, food etc. of $25,001 and above will not be brought to the Board for approval.

(cf. 3310 - Purchasing Procedures)
(cf. 3311 - Bids)
(cf. 3312 - Contracts)
(cf. 3460 - Financial Reports and Accountability)

Note: *A.S. 14.17.225 requires districts to operate under a balanced budget and provides that the state is not responsible for the debts of school districts.*

The Superintendent or designee shall not authorize any proposed expenditure, which exceeds the major budget classification allowance against which the expenditure is the proper charge unless an amount sufficient to cover the purchase is available in the budget for transfer.

(cf. 3100 - Budget)
(cf. 3110 - Transfer of Funds)

The Board shall not recognize obligations incurred contrary to Board policy and administrative regulations.

Legal References:

ALASKA STATUTES

14.08.101 Powers (Regional school boards)
14.08.111 Duties (Regional school boards)
14.14.060 Relationship between borough school district and borough
14.14.065 Relationship between city school district and city
14.17.190 Restrictions governing receipt and expenditure of money from public school foundation account
36.30. State Procurement Code
37.05 Fiscal Procedures Act

CODE OF FEDERAL REGULATIONS

2 C.F.R. 200.317-326, Procurement Standards

Revised: 3/2018
Board Approved: 5/2018
Adopted: June 2005

Revised: 8/2026
REVISED: 9/2026

Valdez City Schools

BP 6154 Homework/Makeup Work

Homework

The School Board believes that homework serves many important purposes. The building principals and certificated staff shall design homework plans and assignments so that through their homework, students can reinforce academic skills taught in school and learn how to conduct research effectively, develop ideas creatively and become life-long learners.

The Board believes that homework is the responsibility of the student. It is the student's job to develop regular study habits and to do most assignments independently. The Board encourages teachers at all grade levels to use the parent/guardian as a contributing resource and to structure homework assignments so as to involve the parent/guardian without diminishing the student's sense of responsibility. When assigning homework, which involves interaction with parents/guardians, teachers should include instructions which show how parents/guardians can best help their children.

To be effective, homework assignments should not place an undue burden on students and families. Homework should reinforce classroom learning objectives and be related to student needs and abilities.

Makeup Work

Students shall be given the opportunity to make up school work missed as defined in the attendance policies.

(cf. 5113 - Absences and Excuses)

(cf. 5144 - Discipline)

LOSS OF CREDIT/COURSE FAILURE

When a high school or middle school student's absences exceed the absence limit he/she will lose credit/fail the class for each affected course. He/she may be given the option of either staying in the class, or be withdrawn from the class, assigned to a study area for the remainder of the semester during the period he/she was scheduled for that class. The determination of placement shall be made by the principal based upon input from the student, parent/guardian and teacher(s).

Students who are habitually truant may be dropped from school enrollment or denied admission if a remedial plan of action is not successful. Credits lost due to poor attendance may be made up in the regular school program, or through correspondence school. A notation shall be made on the student's report card/interim report, transcript, when a grade has been lowered due to a violation of the attendance policy. Students withdrawn from a course for non-attendance will have a "WF" (Withdrawn - Failing) recorded on his/her report card and transcript. That grade will be included in the calculation of his/her grade point average and will affect extra-curricular eligibility. The loss of credit and/or course failure does not preclude disciplinary action initiated by the school where otherwise warranted.

When an Elementary student's absences exceed the 10 day limit, the principal will consider the student for retention in the same grade.

HIGH SCHOOL CREDIT LOSS MAKEUP

Students who have lost credit due to excessive absences, may attend a scheduled Saturday School to make up the needed days. Credit may be reinstated at the completion of the appropriate makeup time. Students must gain makeup approval from the principal.

TARDINESS

Students are considered tardy through the 10th minute of the class period. After the 10th minute, the student is considered absent from that period. If the student is tardy for a class, he/she should report directly to the office to secure an admit slip. The office will assign a 30-minute detention on the third tardy and a 48-minute detention each for the fourth and fifth tardies during a quarter. Detention shall be completed within two school days and must be served before school, at lunch, or after school. On the sixth tardy in any quarter, the student will be assigned Saturday School (8:15-3PM) after parent notification has occurred. If a student accrues more than six tardies in any quarter, a parent conference is required to develop a special plan to remedy this issue.

PARENT NOTIFICATION

Each instance that a student is absent from school, the school Attendance Secretary shall initiate telephone contact with the parent/guardian if the school has not already been contacted by the parent. The school shall place a student on attendance probation when the student reaches six (6) absences **in any course in a semester**. A probation notice including an attendance summary for all classes shall be sent to the parent/guardian/student at this time. After six (6) absences in a course, a parent/guardian/student/teacher/administrator conference shall be scheduled to determine remedial steps to be undertaken to avoid loss of credit. A student, parent or guardian may request an attendance summary through the principal at any time during the school year. Valdez High School shall withhold credit for any course in which a student's absences exceed eight (8) in a semester. The student/parent/guardian shall be contacted on a class by class basis. A letter with notification of withdrawal of credit shall be mailed to parents/guardian/students in each instance.

APPEALS PROCEDURES

If a parent or student wishes to appeal a decision made pursuant to this policy, such an appeal must be initiated in writing within fifteen (15) school days of the date of the decision or the date of the letter of notification to the Superintendent of schools. The letter requesting an appeal must include specific reasons that the request should be considered. If an appeal is not filed within the timeline provided, the student/parent/guardian shall be deemed to have waived the right to an appeal and a hearing. The Superintendent shall render a written decision within five (5) school days of the close of the hearing.

A parent/guardian may appeal the Superintendent's decision by requesting in writing that the school board review the decision within five (5) days of the Superintendent's decision. The board will hear the appeal in executive session at the next scheduled board meeting.

ADOPTED: JUNE 2005
Revised/Board Approved 12/10/2012
Revised 10/2025
REVISED: 9/2026

BP 6161.11 SUPPLEMENTARY INSTRUCTIONAL MATERIALS

Note: The following optional policy may be revised or deleted to reflect district philosophy and needs.

Teachers may use supplementary materials which are relevant to curriculum objectives and appropriate for students' ages and abilities. By using such materials, teachers can introduce content and instructional strategies that enrich the curriculum, enhance learning, help students make critical judgments, and stimulate their intellectual growth. When selecting supplementary materials for classroom use, teachers should carefully review them and provide appropriate introductory and follow-up activities. Supplementary materials should not supplant the use of basic texts or teaching activities. Films must be used within legal copyright limits.
(cf. 6162.6 - Use of Copyrighted Materials)

Note: To avoid the use of films that offend community morals, the following optional paragraph requires a pre-screening or parental permission.

The Superintendent or designee shall establish a prescreening process to be used when a teacher desires to show a film not previously approved by the district or state for educational purposes. The film may be used if found educationally suitable when so previewed. Before showing any film not previously approved, the teacher shall notify parents/guardians that the film will be shown. Students who do not receive parental permission to view the film shall be excused to an alternative supervised activity.
(cf. 6142.1 - Family Life/Sex Education)
(cf. 6144 - Controversial Issues)
Legal Reference:
ALASKA ADMINISTRATIVE CODE
4 AAC 57.910 Fees (State Farm Library)

9/92
ADOPTED: 9/2026

BP 6164.5 STUDENT STUDY TEAMS

Note: The following optional policy may be revised to reflect district philosophy and needs. Districts are cautioned that student study teams may not fulfill the role of the Individualized Education Program Team in assessing and developing an appropriate educational program and placement for students with disabilities.

The School Board encourages the cooperation of the parent/guardian, classroom teacher, resource personnel and administrators in studying the needs of students having academic, attendance or behavioral difficulties and in identifying strategies and programs that may resolve or alleviate these difficulties.

The Superintendent or designee may establish student study teams that address the needs of individual students by investigating the problems of disruptive students and developing plans to modify their behavior. The School Board expects that student study teams will improve communications within the school and support teachers in working with the student.

Student study teams may recommend transferring the student to another school only when the study team's investigation indicates that a different placement would result in more cooperative behavior without endangering employees or other students.

(cf. 5144 - Discipline)

Revised 9/97

9/92

ADOPTED: 9/2026

Valdez City Schools

AR 5141.21 ADMINISTERING MEDICATION

Before a designated employee administers any prescription or over-the-counter medication to any student during school hours, the district shall have received:

1. A written statement from the student's health care provider or pharmacy label detailing the prescribed method, amount and time schedules by which the medication is to be taken, and
2. A written statement from the student's parent/guardian requesting the district to assist the student in taking the medication as prescribed by the health care provider.

Medication shall be in a properly labeled pharmacy bottle containing the name and telephone number of the pharmacy, the student's identification, name of the health care provider, and dosage of the medication to be given. The designated employee shall be responsible for the medication at school and shall administer it in accordance with the health care provider's indicated dosage schedule.

Note: The following optional paragraph may be used to prevent the possibility of a student switching the medication with a controlled substance.

All medications must be delivered to the school by the parent/guardian or his/her adult representative.

The designated employee shall maintain a list of students needing medication during school hours, including the type of medication, times, and dosage. This list will be kept in the principal's and/or school nurse's office and shall be reviewed and updated periodically.

The designated employee shall maintain a log recording the student's name and the time and date when medications were given.

All medication shall be kept in a locked drawer or cabinet.

Anaphylactic Injections

1. Parents/guardians of students who may require emergency anaphylactic injections shall provide explicit written permission for authorized staff to administer such injections.

2. Each year, school employees designated by the principal shall receive training in administering anaphylactic injections. Qualified medical personnel shall provide this training.
3. The principal or designee shall schedule inservice meetings to:
    a. Familiarize authorized staff with the prescribed medications and their location.
    b. Ensure that authorized staff are competent to administer anaphylactic injections.
    c. Train all school personnel to recognize the symptoms of anaphylactic reactions.

    Health care provider and parents/guardians of students who may require anaphylactic injections may be invited to attend these meetings.

4. The principal or designee shall prepare a list naming the students who may need emergency anaphylactic injections. This list shall be posted in the school health office, given to all concerned staff, and updated annually.
5. All medication for injections shall be labeled with the student's name, medicine name, and expiration date. It shall be stored in a locked cabinet with easy access by authorized staff.
6. The principal or designee shall post in the school health office a list of symptoms usually associated with anaphylactic reactions and a clear, specific procedure for administering injections in case of emergency. If authorized staff are not available at the time of an emergency, this written procedure will be followed by anyone who must administer the injection in order to save a life.

Self-Administration of Anaphylactic Injections (EpiPen) and Asthma Inhalers

1. Students will be permitted to carry and self-administer asthma and anaphylaxis medication if the parents/guardians provide the school with the following:
    a. written authorization from a parent or legal guardian for the self-administration of the medication.
    b. written certification from a student’s health care provider that the student: (1) has asthma or a condition that may lead to anaphylaxis; and (2) has received instruction in the proper method of self-administration of the medication; and (3) has demonstrated to the health care provider the skill level necessary to use the medication and any device that is necessary to administer the medication as prescribed.
    c. an Asthma and/or Allergy/Anaphylaxis Action Plan (written treatment plan) signed by the student’s health care provider.

    d. a release of liability for the school and its employees or agents for injury arising from self-administration.
    e. an agreement to indemnify and hold harmless the school and its employees for claims arising from self-administration.
2. All of the information identified in number 1 above must be updated annually.
3. Schools shall provide a written notice to the student's parents or guardians of the school's absence of liability related to the self-administration of medication according to the law.
4. The principal or designee shall prepare a list of students authorized to carry and self-administer medication. The list shall be posted in the school health office, given to all concerned staff, and updated annually.
5. All inhalers and injection kits shall be clearly labeled with the student's name, medicine name, and expiration date.
6. The student shall report each use of the asthma inhaler or anaphylactic injection to [his or her teacher/principal/school health office] so that a record of administration may be kept.
7. Students are not permitted to misuse an inhaler or EpiPen in any way, including sharing the medication with another student, or sticking or spraying it at anyone. Doing so will result in disciplinary action, up to and including, suspension or expulsion. Disciplinary action will not limit the student's immediate access to the prescribed medication.

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Valdez City Schools