

Fairbanks North Star Borough School District FY26 Reduction in Force Plan

The Fairbanks North Star Borough School District (FNSBSD) is committed to providing students with a high-quality, well-rounded education that prepares them for future success. Due to ongoing financial pressures, declining enrollment, and uncertainty around future funding, the district anticipates that a Reduction in Force (RIF) Plan for Fiscal Year 2026 may become necessary. While this outcome is not yet certain, it is a probable course of action being considered alongside other strategies to address these challenges.

The RIF Plan is being developed with careful analysis of enrollment trends, funding projections, and extensive stakeholder input, ensuring that any decisions prioritize the district's core academic programs, equitable access to educational opportunities, and the overall well-being of students, including their social-emotional support. This document outlines the rationale for the RIF Plan, the procedures for its implementation if enacted, and the district's ongoing commitment to equitable and effective education for all students.

District Priorities & Strategic Alignment

The Fairbanks North Star Borough School District remains committed to its strategic priorities, even in the face of budget challenges. As outlined in our Strategic Plan 2020-2025, our primary focus is on student-centered learning to ensure equitable access to high-quality education, effective communication and collaboration with stakeholders, and fostering a culture of innovation and responsiveness to community needs.

In evaluating staffing and program reductions, our decisions will prioritize maintaining instructional quality and minimizing disruptions to students. We aim to protect programs and positions that directly support our students' academic success, emotional well-being, and future readiness. Additionally, we will continue to strengthen relationships with families, staff, and community partners to make informed, transparent decisions that align with our mission: *“To provide an excellent and equitable education in a safe, supportive environment so all students succeed and contribute to a diverse and changing society.”*

Through these efforts, we strive to uphold the goals of our Strategic Plan while adapting to the current financial realities, ensuring that every decision reflects our shared commitment to students and the community.

Financial Background & Outlook

The Fairbanks North Star Borough School District has experienced a steady decline in enrollment over recent years. In FY25, the district saw a decrease of approximately 650 students compared to FY24. Since 2020, enrollment has dropped by over 1,400 students, and this downward trend is expected to continue into FY26, with a projected enrollment of 11,626—a reduction of 179 students from the current count.

State revenue projections for FY26 assume a fully funded Base Student Allocation (BSA) and a continuation of one-time funding equivalent to a \$680 BSA increase. However, the anticipated drop in enrollment will result in a reduction of approximately \$7.4 million in state foundation funding. Additionally, federal revenue for FY25 is projected to decrease by \$625,000 compared to the prior year, primarily due to a decline in military-connected student enrollment.

Local revenue, which is largely determined by the Borough Assembly's appropriation of the Local Contribution in mid-May, remains uncertain at this time. The district will request at least \$58 million in local contribution for FY 26.

Local Revenue:	\$58,952,000
State of Alaska:	\$118,683,226
Federal Government:	\$12,255,000
Other Revenue:	\$0

Total General Fund Revenue \$189,890,226

Based on the current projected revenue, the overall revenue drop for FY 26 would be approximately \$8.1 million.

Reduction in Force (RIF) Eligibility

Under Alaska Statute AS 14.20.177, a school board may adopt a Reduction In Force (RIF) plan if it becomes necessary to reduce the number of tenured teachers. A district qualifies for a RIF plan under the following conditions:

1. A decrease in school attendance; or
2. A reduction of 3% or more in the district's Basic Need, as determined under AS 14.17.410(b)(1).

The District qualifies for a RIF under the attendance criteria due to consistent declines in enrollment:

- **FY20 ADM:** 13,233
- **FY21 ADM:** 11,271
- **FY22 ADM:** 12,267
- **FY23 ADM:** 12,647
- **FY24 ADM:** 12,452
- **FY25 ADM:** 11,805
- **Projected FY26 ADM:** 11,626

Potential Staffing Impacts

The significant reductions in funding and enrollment may necessitate layoffs for currently employed tenured teachers. For example:

- **Program Reductions:** Cuts to secondary-level electives may result in some tenured teachers being unqualified for available positions requiring different certifications.
- **Regular Education Reductions:** A substantial reduction in regular education positions could leave insufficient openings for some tenured teachers, leading to layoffs.

Staffing and program decisions will ultimately be determined by the Board of Education following final funding allocations from the Alaska State Legislature and the Borough Assembly.

The Alaska State Legislature’s tendency to extend sessions beyond the regular timeframe complicates planning for school funding and staffing. Changes to legislative funding—such as adjustments to the BSA, reductions in transportation subsidies, or cost-shifting measures—may further impact the Borough’s ability to provide the requested local contribution.

Given these uncertainties, the Board of Education and District administration will evaluate a range of districtwide and school program options to best meet the needs of students. The Board will actively seek public testimony throughout the budget process and carefully consider input from stakeholders alongside recommendations from District administration. If necessary, a reduction in tenured teaching positions may be implemented to approve a final balanced budget.

Teacher Layoff & Recall Process

If the School Board determines that a reduction in force (RIF) is necessary, including reductions that involve tenured teachers, the process will comply with Alaska Statute 14.20.177 and the terms of the collective bargaining agreement.

The following steps outline the layoff and recall procedures:

- **Layoff Notification**
The District will notify affected teachers as required by AS 14.20.177 and AS 14.20.140. Notifications will be delivered in person or sent via registered mail postmarked no later than May 15th.
 - Tenured teachers whose positions are eliminated and who are not qualified for any available roles will be laid off.
 - Layoffs will proceed in reverse order of seniority among tenured teachers, except when a non-tenured teacher is retained because no tenured teacher is qualified and available to replace them.
 - The District will provide the Fairbanks Education Association (FEA) with two lists: one ranking all teachers by seniority with their certifications and endorsements, and another identifying the teachers subject to layoff.
- **Seniority Definition**
Seniority is calculated based on continuous service in a certificated position, including part-time and full-time roles, from the initial hire date.
 - Periods of paid or unpaid leave or previous layoffs will not interrupt seniority.

- In the event of a tie, seniority ranking is determined through a pre-determined lottery conducted collaboratively by the FEA and the District. This lottery process has already been completed.
- **Teacher Qualifications**
Under state law, a tenured teacher is deemed qualified for a position if:
 - **Grades K-8:** The teacher holds an elementary endorsement.
 - **Middle School:** The teacher holds an elementary, middle school, or secondary certificate with a subject area endorsement covering at least 40% of their teaching time, or has a satisfactory evaluation in the subject area from within the last five years.
 - **Grades 9-12:** The teacher holds endorsements for all subjects covering at least 40% of their teaching time or has a satisfactory evaluation in the subject area from within the last five years.
- **Recall Procedures**
The District will recall tenured teachers affected by the RIF within three years if financial conditions allow for reinstatement of positions.
 - Recall will follow seniority order, and qualified teachers on layoff status will be offered positions first.
 - Initial contact will be made via certified mail and email, with a copy sent to the FEA.
 - Teachers must respond within 30 days of receiving the certified mail, or they will be removed from the recall list.
 - Declining a part-time or short-term position will not affect recall rights for full-time positions.
- **Unpaid Leave Option**
A tenured teacher who receives a layoff notice may elect to take unpaid leave for up to one year.
 - Teachers on unpaid leave will maintain their recall rights and seniority if they provide written notice to the District before the leave ends.
 - This leave is not subject to the provisions of Articles 200 or 300 of the Negotiated Agreement.
- **Benefits Access**
Laid-off teachers may continue health benefits as allowed under COBRA.
- **Tenure and Sick Leave**
Layoff status does not interrupt tenure rights or accrued sick leave.
- **Program Maintenance**
The District will maintain academic programs not impacted by the RIF plan.
- **Deadline Compliance**
All layoff notifications will be issued by the statutory deadline of May 15th, as required by AS 14.20.140.

Academic Program

The Fairbanks North Star Borough School District (FNSBSD) is committed to providing a robust educational program that ensures students receive a comprehensive educational experience.

The District recognizes the importance of offering a well-rounded curriculum that includes core academics, extracurricular activities, and a diverse array of elective courses to prepare students for future success.

Class size targets will be determined by the Board of Education and are subject to change based on enrollment trends and budgetary constraints. While the District strives to preserve the integrity of its academic offerings, certain classes or programs may be discontinued due to enrollment or resource limitations. Any such changes could impact the variety of courses, both core and elective, that have traditionally been available to students.

The reduction in force (RIF) plan, which may include the elimination of certificated positions, including tenured positions, is designed to prioritize the sustainability of the District's core academic programs. Through this process, the District aims to make adjustments that minimize disruptions to students' educational experiences while aligning staffing levels with enrollment and financial realities.

The District remains committed to ensuring equity in educational opportunities for all students. Particular attention will be given to maintaining overall student well-being, including social-emotional support, as well as equitable access to programs and resources. Transparent communication with staff, students, and families will be prioritized throughout the RIF process, and the District will closely monitor the impact of staffing changes to address any unintended consequences on student outcomes.

School Board Budget Process

The Board of Education establishes the academic and programmatic priorities for the District, outlining the educational and extracurricular opportunities it aims to provide. Based on these priorities, the District Administration develops and presents a proposed budget to the Board of Education in early February.

From February through May/June, the Board conducts budget deliberations with extensive input from various stakeholders, including community members, parents, support staff, certified staff, program managers, school principals, and the Budget Committee. Opportunities for public testimony are made available during public hearings, work sessions, and regular Board meetings. Stakeholders may also submit feedback to the Board via email and the District's website throughout the budget process, ensuring broad community engagement.

A Recommended Budget will be submitted to the Borough Assembly by April 1. After budgetary actions by both the Alaska Legislature and the Borough Assembly, the Board will adopt a final budget by the end of June. This approved budget will determine overall staffing levels, guide program priorities and initiative implementation, and inform decisions regarding potential staff reductions or a reduction in force (RIF).

Throughout the process, the District remains committed to transparency and ensuring that budgetary decisions align with its strategic goals and priorities, including maintaining equitable access to programs and promoting the overall well-being and success of students.