

Oklahoma State Department of Education

Lead Administrator: Joy Hofmeister, State Superintendent of Public Instruction

FY'17 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
01 Administrative Services	\$1,358,269		\$363,000			\$1,721,269
02 Prof Impr/Teacher Cert	\$5,500,000		\$1,222,838			\$6,722,838
03 Office of Instruction	\$12,687,245		\$362,312			\$13,049,557
05 Financial Services	\$1,370,185		\$32,156			\$1,402,341
06 Federal Programs		\$337,296,878				\$337,296,878
07 Financial Support of Schools	\$1,870,703,624					\$1,870,703,624
09 Textbooks/Inst matl						\$0
11 Charter School Incentive Fund						\$0
16 ACE Remediation						\$0
18 Reading Sufficiency & Staff Dvpt	\$4,507,271					\$4,507,271
22 Alternative Education	\$9,472,400					\$9,472,400
23 Ag in the classroom						\$0
27 School Lunch Matching	\$3,140,137					\$3,140,137
29 Cert. Emp FBA	\$284,030,744					\$284,030,744
31 Sup. Emp FBA	\$157,999,778					\$157,999,778
36 Drivers Ed			\$900,000			\$900,000
37 Sch. Cons Assistance	\$2,599,751					\$2,599,751
Lottery Trust Fund (TRS dedicated revol. Fund)	\$2,599,751					\$2,599,751
40 Office of Accountability						\$0
50 Office of Assessment	\$15,795,442		\$217,145			\$16,012,587
52 Early Childhood Intv	\$14,400,341	\$5,368,246	\$115,000			\$19,883,587
53 Ok Parents as Teachers						\$0
56 Teachers Retirement	\$32,712,137					\$32,712,137
60 Fed School lunch pmt	\$359,863	\$316,659,155				\$317,019,018
70 Department Services	\$3,708,896		\$155,111			\$3,864,007
71 Office of Educator Effectiveness	\$1,178,388		\$816,164			\$1,994,552
73 School Turnaround	\$332,257					\$332,257
74 Education Data Management						\$0
75 Competitive Grant Pool						\$0
76 English Language Learners (ELL)						\$0
88 Information Tech	\$2,264,955	\$5,070,798	\$369,773			\$7,705,526
<b>Total</b>	<b>\$2,426,721,434</b>	<b>\$664,395,077</b>	<b>\$4,553,499</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,095,670,010</b>

\*Source of "Other" and % of "Other" total for each.

FY'16 Carryover and Refund by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'16 Carryover (unobligated funds only - see notes below for detail)	\$1,472,731		\$25			\$1,472,756
FY'16 GR Refund**	\$40,229,479					\$40,229,479

\*Source of "Other" and % of "Other" total for each.

Carryover - Admin & Support - \$1.4 million from unfilled vacancies and staff reorganization that resulted in salary savings and unspent funds in other budget categories such as travel and other operational expenditures.

Other carryover set aside for specific purpose includes approximately \$1million previously obligated for IT projects in progress crossing fiscal years.

Support of Public School Activities (line items) - Approximately \$6.7 million and includes programs such as TLE and National Board for which FY 17 budget was adjusted by the carryover funds.

Financial Support of Schools - \$697k - Includes \$474k for Lindsey Nicole Henry Program that will be used for FY 17 school year scholarships. Remaining amount allocated to districts in FY 17

School Consolidation Assistance Fund - Funds will be used for consolidation/annexation of districts. Excess over \$5 million will be allocated to districts for ACE Technology.

Text Books - \$100,000 - Statutory requirement.

\*\*Indicate how the FY'16 General Revenue refund was budgeted

FY 16 General Revenue refunded for Financial Support of Schools and FBA were budgeted in FY 17 and allocated to school districts. Funds refunded for administration and support functions were budgeted for agency operations including IT projects and equipment. Funds refunded for Support of Public School Activities were reallocated to those programs that were reduced in FY 16 proportionate to the amount that it was reduced.

What Changes did the Agency Make between FY'16 and FY'17?

1.) Are there any services no longer provided because of budget cuts?

Text books/Instructional materials line item was not funded in FY 17 so the districts did not receive any allocation for this purpose. Funding for Support of Public School activities was cut by \$38.2 million. As a result, funding was eliminated for programs including staff development, competitive grants pool, TLE, Teacher Residency and National Board Certified bonus for school psychologists, speech pathologists and audiologists. All other programs, except Standards Implementation were funded at a reduced rate.

2.) What services are provided at a higher cost to the user?

None

3.) What services are still provided but with a slower response rate?

No changes were made in delivery of services. However, reduction of FTE in areas such as helpdesk and financial services has weakened the ability to quickly respond to customer inquiries and causing delays in completing projects. In addition, halting IT projects and upgrades has delayed implementation of changes that will improve access to data and efficiency.

4.) Did the agency provide any pay raises that were not legislatively/statutorily required? If so, please provide a detailed description in a separate document.

The agency provided pay raises for promotions that increased job responsibilities. Reorganization occurred following department staffing, functions, & budget consolidation reviews to support the agency's mission and vision to better service school districts and constituents

FY'18 Requested Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Other	Total	% Change
01 Administrative Services	\$1,775,479		\$363,000		\$2,138,479	24%
02 Prof Impr/Teacher Cert	\$9,075,000		\$1,222,838		\$10,297,838	53%
03 Office of Instruction	\$18,404,399		\$362,312		\$18,766,711	44%
05 Financial Services	\$1,964,377		\$32,156		\$1,996,533	42%
06 Federal Programs		\$337,296,878			\$337,296,878	0%
07 Financial Support of Schools	\$1,927,466,754				\$1,927,466,754	3%
09 Textbooks/Inst matl	\$66,240,000				\$66,240,000	100%
11 Charter School Incentive Fund	\$49,940				\$49,940	100%
16 ACE Remediation					\$0	0%
18 Reading Sufficiency & Staff Dvpt	\$10,736,892				\$10,736,892	138%
22 Alternative Education	\$13,860,261				\$13,860,261	46%
23 Ag in the classroom	\$38,628				\$38,628	100%
27 School Lunch Matching	\$3,140,137				\$3,140,137	0%
29 Cert. Emp FBA	\$311,777,570				\$311,777,570	10%
31 Sup. Emp FBA	\$169,546,716				\$169,546,716	7%
36 Drivers Ed			\$900,000		\$900,000	0%
37 Sch. Cons Assistance	\$2,599,751				\$2,599,751	0%
Lottery Trust Fund (TRS dedicated revol. Fund)	\$2,599,751				\$2,599,751	0%
40 Accountability Impl/Dashboards	\$3,345,798				\$3,345,798	100%
50 Office of Assessment	\$17,795,442		\$217,145		\$18,012,587	12%
52 Early Childhood Intv	\$16,260,919	\$5,368,246	\$115,000		\$21,744,165	9%
56 Teachers Retirement	\$32,712,137				\$32,712,137	0%
60 Fed School lunch pmt	\$359,863	\$316,659,155			\$317,019,018	0%
70 Department Services	\$5,832,503		\$155,111		\$5,987,614	55%
71 Office of Educator Effectiveness	\$4,905,358		\$816,164		\$5,721,522	187%
73 School Turnaround	\$575,726				\$575,726	73%
74 Education Data Management	\$288,783				\$288,783	0%
75 Competitive Grant Pool	\$6,062,294				\$6,062,294	100%
76 English Language Learners (ELL)					\$0	0%
88 Information Tech	\$3,893,585	\$5,070,798	\$369,773		\$9,334,156	21%
TBD Empowering Teachers	\$15,000,000				\$15,000,000	100%
TBD Family and Community Eng/Support	\$1,500,000				\$1,500,000	100%
<b>Total</b>	<b>\$2,647,808,063</b>	<b>\$664,395,077</b>	<b>\$4,553,499</b>	<b>\$0</b>	<b>\$3,316,756,639</b>	<b>7%</b>

\*Source of "Other" and % of "Other" total for each.

FY'18 Top Five Appropriation Funding Requests	
	\$ Amount
Teacher Pay Raise (Addendum)	\$282,365,811
Request 1: Financial Support of Schools	\$56,763,130
Request 2: Flexible Benefit Allowance	\$39,293,764
Request 3: Support of Public School Activities	\$38,221,784
Request 4: Administrative and Support Functions	\$6,567,951
Request 5: Textbooks/Instructional Materials	\$66,240,000
<b>Total Increase above FY-18 Request (Requests 1 through 5)</b>	<b>207,086,629</b>

**How would the agency handle a 5% appropriation reduction in FY'18?**  
A 5% cut amounts to \$121.3 million. Across the board cuts will occur. State Aid and critical programs will be underfunded as agency must continue to meet matching requirements. Agency will be forced to reduce staff. Operating costs including travel and general administration will be cut back even further to offset any increase in fixed costs. These measures are likely to impede the agency's ability in providing services effectively. In addition, with the reduction the agency will cut back on professional development and technical assistance which will negatively impact implementation of initiatives and service to school districts.

**How would the agency handle a 7.5% appropriation reduction in FY'18?**  
A 7.5% cut amounts to \$182 million. Across the board cuts will occur. State aid will be underfunded and other critical programs will be underfunded or terminated. Agency must continue to meet matching requirements which will result in bigger cuts to other programs. Agency will be forced to reduce staff. Operating costs including travel and general administration will be cut back even further to offset any increase in fixed costs. These measures will impede the agency's ability in providing services effectively. In addition, with the reduction the agency will cut back on professional development and technical assistance which will negatively impact implementation of initiatives and service to school districts.

**How would the agency handle a 10% appropriation reduction in FY'18?**  
A 10% cut amounts to \$242.6 million. Across the board cuts will occur. State aid will be underfunded and other critical programs will be underfunded or terminated. Agency must continue to meet matching requirements which will result in bigger cuts to other programs. Agency will be forced to reduce staff. Operating costs including travel and general administration will be cut back even further to offset any increase in fixed costs. These measures will impede the agency's ability in providing services effectively. In addition, with the reduction the agency will cut back on professional development and technical assistance which will negatively impact implementation of initiatives and service to school districts.

Is the agency seeking any fee increases for FY'18?	
	\$ Amount
Increase None	\$0
Increase None	\$0
Increase None	\$0

**What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?**

**Federal Government Impact**

**1.) How much federal money received by the agency is tied to a mandate by the Federal Government?**  
Almost all federal money received by the agency is tied to a mandate. A very small portion of the total federal funds is received as agency's discretionary funds.

**2.) Are any of those funds inadequate to pay for the federal mandate?**  
Funds are distributed on a formula basis and may be inadequate if the cost of providing services are increasing. Districts also have maintenance of effort requirements that they have to meet to be able to receive federal funds.

**3.) What would the consequences be of ending all of the federal funded programs for your agency?**  
School districts in Oklahoma heavily rely on federal funds to provide educational services. Grants like Title I and IDEA B are essential to provide targeted assistance to children in poverty and children with disabilities. Child Nutrition Programs reimburse districts for free and reduced price meals. Ending these federal programs will create a huge hole in the school districts' budget and create greater challenges to providing educational opportunities for students and this will have a direct impact on student achievement.

**4.) How will your agency be affected by federal budget cuts in the coming fiscal year?**  
Agency will be forced to cut its administrative costs to manage the programs in order to maintain the allocation to districts. If cuts are excessive, allocation to school districts will be reduced and this will have a major impact on the level of services that districts provide to students.

**5.) Has the agency requested any additional federal earmarks or increases?**  
The current State Personnel Development Grant will end December 2017. The agency will apply for a new 5 year grant in March.

**Division and Program Descriptions**

**01 Administrative Services** - Office of the Superintendent, Governmental Affairs, Policy and Public Affairs

**02 Teac** Office of Teacher Certification and includes Education Leadership Oklahoma  
**Education and Leadership Oklahoma**  
Teachers who attained National Board Certification prior to June 30, 2013 and eligible to receive the bonus will receive \$5000 annually over a 10 year period. Teachers who attained National Board Certification after June 30, 2013 will receive salary increments as set forth in the minimum salary schedule.  
National certified school psychologist, speech language pathologists and audiologists shall receive an annual bonus in the amount of \$5000 or prorated based on the proportionate equivalency to full-time employment

**03 Office of Instruction**- Includes Reading, Literacy, Early Childhood, Standards Implementation, Social Studies, Science, Math and ELA.  
**Major programs for which funding is requested.**  
Advance Allows high school students to undertake college level academic courses and provides students the opportunity to show they have mastered the advanced material by taking end-of-course AP exams. Funds are used to provide test fee assistance and professional development required for AP teachers.  
Early Ch Public Private Partnership that consists of private donations and state funds that serve at-risk children.  
Oklahon This program has 2 components: 1) Oklahoma Summer Arts Institute, a fine arts school for high school students who are selected to attend thru statewide competitive auditions; 2) Oklahoma Fall Arts Institute, a series of weekend workshops for elementary and secondary teachers.  
Standard Implementation of curricular standards for English Language Arts and Mathematics that are college and career ready. Funds will be used to continue development of frameworks and other materials for educators and for training.  
Standards development for other subject areas will begin.

**05 Office of Financial Services** - State Aid, Office of the Comptroller, Financial Accounting/OCAS and Procurement

**06 Federal Programs** - Includes all federal grants received by SDE

**07 Finar** State funds appropriated for local school districts are distributed through the state aid formula.

**09 Textbooks and Instructional Materials** Funds allocated to school districts for textbooks and instructional expenses.

**11 Char** Funds appropriated to SDE to provide financial support to new charter schools.

**18 Staff** Funds allocated to districts on ADA basis for professional development activities

**18 Read** Funds allocated to school districts on a per student basis for those students k-3 reading below grade level.

**22 Alternative and High Challenge Education** - Serves students in Grades 6-12 who are most at risk of not completing a high school education.

**23 AG ii** To increase agricultural literacy among students and educators.

**27 School Lunch matching and Maintenance of Effort** - State match and MOE required by USDE to receive federal funds for National school lunch program

**29 Flexible Benefit Allowance for Certified Personnel** - Benefit amount to school district certified personnel to offset health insurance costs.

**31 Flexible Benefit Allowance for Support Personnel** - Benefit amount to school district support personnel to offset health insurance costs.

**36 Drive** This program provides reimbursement to schools for a portion of the costs associated with driver education programs.

**37 Schot** Funds appropriated to SDE to assist distict consolidation, annexation, shared superintendent, severance payments and ACE technology

**40 Acco** Implementation of a new accountability system that meets ESSA requirements and to develop a dashboard for public reporting.

**50 Office** Administration of state and federally required assessments and providing technical assistance to school administrators, educators and parents

**52 Early** Soonerstart is Oklahoma's early intervention program serving infants and toddlers with developmental delays from birth to 36 months. Soonerstart is a collaborative interagency project coordinated with the Departments of Health, Human Services, Mental Health and Substance Abuse Services, Health Care Authority and the Commission on Children and Youth.

**56 Teac** Funds appropriated to SDE as a pass through to TRS to offset a portion of teachers' contribution to retirement system.

**60 Child Nutrition** - Administration of Food and Nutrition Programs

**70 Department Services** Agency operations including HR, Communication, Accreditation, and Legal Services.

**71 Office of Educator Effectiveness** - Includes Teacher and Leader Effectiveness, Teach for America and Teacher Residency Program  
Funds will be used fo improve the effectiveness of teachers and leaders in the public school system including implementation of new individualized program of professional development required by HB 2957, 2016.

**73 Office of School Support** - Provides support, financial assistance and/or resources to schools that received priority, focus or targeted intervention designation.

**74 Education Data Management Office (EDMO)** - Provides support and resources to meet agency's data reporting requirements.

**75 Competitive Grants Pool** - Grants awarded for professional development and other activities based on a statewide competitive application basis

**88 Information Technology - Agency IT services and Oklahoma Student Information System**  
To support data system development and integration; to provide support to districts for data reporting and data use.



FY'17 Budgeted FTE						
	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
01 Administrative Services	5		9	1	3	5
02 Prof Impr/Teacher Cert	2		18	13.5	4.5	
03 Office of Instruction	2		20	5	11.5	3.5
05 Financial Services	4		13	6	6	1
06 Federal Programs (All)	7		89	22.5	64.5	2
07 Lindsey Nicole Henry Scholarship Admin			1		1	
50 Office of Assessment & Accountability	3		10	3.5	4.5	2
52 Early Childhood Intv	9		62	61	1	
70 Department Services	4		41	7	28	6
71 Office of Educator Effectiveness	4		9	1	6	2
60 Child Nutrition	2		31	3	27	1
73 School Turnaround	1		4	3	1	
74 Policy Implementation						
74 Education Data Management						
76 English Language Learners (ELL)						
<b>Total</b>	<b>43</b>	<b>0</b>	<b>307</b>	<b>126.5</b>	<b>158</b>	<b>22.5</b>

FTE History						
	2017 Budgeted	2016	2013	2010	2006	
01 Administrative Services	9	8	11	44		40
02 Prof Impr/Teacher Cert	18	15	16	30		30
03 Office of Instruction	20	18	17	24		18
05 Financial Services	13	20	17	36		36
06 Federal Programs (All)	89	59	69	102		86
07 Lindsey Nicole Henry Scholarship Admin	1	1	1			
11 Statewide Virtual Charter School Board Admin		1				
40 Office of Accountability						
45 Student Tracking and Identification				11		7
50 Office of Assessment & Accountability	10	9	25			
52 Early Childhood Intv	62	54	66	97		81
70 Department Services	41	40	28			
71 Office of Educator Effectiveness	9	7	12			
60 Child Nutrition	31	29	30	38		34
73 School Turnaround	4	7				
74 Policy Implementation						
74 Education Data Management		0				
76 English Language Learners (ELL)		2				
Accreditation and Standards (now office of accountability/assessment)				25		22
<b>Total</b>	<b>307</b>	<b>270</b>	<b>290</b>	<b>407</b>		<b>354</b>

Performance Measure Review					
	FY'16	FY'15	FY'14	FY'13	FY'12
<b>Measure I</b>					
See attached					
<b>Measure II</b>					
<b>Measure III</b>					

Revolving Funds (200 Series Funds)				
Fund #	Fund Name	2014-2016 Avg. Revenue	2014-2016 Avg. Exp	June 2016 cash balance
200	Special Transportation Revolving Fund	\$ -	\$ -	\$ 6,034.94
205	School Lunch Workshop Revolving Fund	\$ -	\$ 3,057.32	\$ -
210	National Board Certification Revolving Fund	\$ 10,430,406.33	\$ 8,925,000.00	\$ 2,601,219.83
220	Statistical Services Revolving Fund	\$ 7,537.26	\$ 36,104.65	\$ 22,518.15
225	Grants and Donations Fund	\$ 574,516.19	\$ 649,829.25	\$ 717,339.09
230	School Investigative Audit revolving fund	\$ 2,632.53	\$ -	\$ 2,632.53
235	Drug Abuse Education Revolving Fund	\$ 86,885.06	\$ 67,850.37	\$ 272,946.73
240	Teachers' Certification Fund	\$ 1,269,473.93	\$ 1,075,554.94	\$ 1,572,867.44
245	Adult Education Revolving Fund (moved to Career Tech in FY 15)	\$ 113,880.50	\$ 81,000.91	\$ -
250	Early Intervention Revolving Fund	\$ 14,022,134.55	\$ 12,572,132.66	\$ 9,065,906.89
255	Motor Vehicle Driver Education	\$ 900,000.00	\$ 900,000.00	\$ -
260	School Consolidation Assistance Fund	\$ 3,411,441.74	\$ 2,580,535.66	\$ 4,594,707.25
270	Education Reform Revolving Fund	\$ 740,031,227.33	\$ 752,601,040.01	\$ -
271	Common Education Technology Fund	\$ 41,934,956.02	\$ 41,938,289.35	\$ -
275	Charter Schools Incentive Fund	\$ 49,960.00	\$ 65,379.33	\$ 2.00
276	Statewide Virtual Charter School Board	\$ 860,339.83	\$ 154,659.94	\$ 111,359.78
277	State Board charter school revolving fund	\$ 38,820.10	\$ 4,603.06	\$ 34,217.04
280	Public School Classroom Support Revolving Fund	\$ 27,964.90	\$ -	\$ 94,153.71
285	Income Tax Checkoff Revolving Fund for the support of common schools	\$ -	\$ -	\$ 20,515.00
286	Oklahoma Youth and Government Revolving Fund	\$ 1,018.67	\$ 2,493.00	\$ 506.00
287	Deer Creek Foundation License plate revolving fund	\$ 3,926.67	\$ 2,906.67	\$ 3,060.00
290	Oklahoma School psychologist, Speech Language Pathologist, Audiologist National Certification Revolving Fund	\$ 3,443,567.33	\$ 3,489,998.25	\$ 48,220.25

Source: Summary of Receipts and Disbursement report  
Education Reform Revolving Fund and Common Education Technology Fund are funding for Financial Support of Public Schools.  
Statewide virtual charter school board fund balance was transferred to the new agency in FY 17.