

Oklahoma State Department of Education

Lead Administrator: Joy Hofmeister, State Superintendent of Public Instruction

FY'18 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
01 Administrative Services	\$1,362,389		\$106,000			\$1,468,389
02 Prof Impr/Teacher Cert	\$5,400,000		\$1,190,938			\$6,590,938
03 Office of Instruction	\$14,570,529		\$400,000			\$14,970,529
05 Financial Services	\$1,287,218		\$25,421			\$1,312,639
06 Federal Programs		\$388,507,146				\$388,507,146
07 Financial Support of Schools	\$1,870,977,666					\$1,870,977,666
09 Textbooks/Inst matl						\$0
18 Reading Sufficiency & Staff Dvpt	\$6,500,000					\$6,500,000
22 Alternative Education	\$10,060,988					\$10,060,988
23 Ag in the classroom	\$38,000					\$38,000
27 School Lunch Matching	\$2,960,579					\$2,960,579
29 Cert. Emp FBA	\$299,320,340					\$299,320,340
31 Sup. Emp FBA	\$163,375,627					\$163,375,627
36 Drivers Ed			\$900,000			\$900,000
37 Sch. Cons Assistance	\$3,485,529					\$3,485,529
Lottery Trust Fund (TRS dedicated revol. Fund)	\$3,485,529					\$3,485,529
40 Office of Accountability						\$0
50 Office of Assessment & Accountability	\$11,537,316		\$124,408			\$11,661,724
52 Early Childhood Intv	\$14,400,341	\$5,820,918	\$102,976			\$20,324,235
56 Teachers Retirement	\$27,712,137					\$27,712,137
60 Fed School lunch pmt	\$359,863	\$320,625,583				\$320,985,446
70 Department Services	\$3,460,617		\$83,244			\$3,543,861
71 Office of Educator Effectiveness	\$2,693,035		\$555,240			\$3,248,275
73 School Turnaround	\$335,594					\$335,594
88 Information Tech	\$5,076,532	\$5,638,432	\$467,758			\$11,182,722
Total	\$2,448,399,829	\$720,592,079	\$3,955,985	\$0	\$0	\$3,172,947,893

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

FY'17 Carryover and Refund by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY 17 Returned Funds**	\$11,125,889.31					\$11,125,889.31
FY'17 Carryover - see notes below						

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

**FY 17 General Revenue refunded for Financial Support of Schools and FBA were budgeted in FY 18 and allocated to school districts. Funds refunded for administration and support functions were budgeted for agency operations including IT projects and equipment. Funds returned for Support of Public School Activities were reallocated to Alternative Education (\$543k) to restore the funding cut to the program and National board certified teacher bonus (\$100k) based on estimated needs.

Carryover:

Financial Support of Public Schools:

- Formula - \$122,431 will be allocated to the districts through the formula in FY 18
- Lindsey Nicole Henry Scholarships - \$753k

Flexible Benefit Allowance

- \$14.4m will be used to meet FY 18 funding needs. Current year appropriation was less than amount projected due to this carryover.
Public School Activities Line Items: Carryover from the following line items will be used in the current fiscal year for the originally intended purpose. Carryover funds are used to reduce the need for new funds in FY 18.

- Teachers Retirement - Approx. \$6.4m carried over and required to meet FY 18 obligations.
- Testing - Approx. \$500k was carried over due to availability of federal funds.
- Advanced Placement - Approx. \$1m
- Math Partnership - \$560k obligated for contract for FY 18
- National Board Teacher Bonus - \$853k

Admin and support functions:

- Accountability System Implementation - Approximately \$1.2m for accountability system and IT projects/enhancements for which the obligations did not occur until after the end of the fiscal year.
- Approximately \$1.8m in agency's FY 17 admin funds resulted from unfilled vacancies of budgeted positions, less than projected spending in other categories such as travel and operational expenditures and the availability of prior year funds. The agency recognized the need to be fiscally responsible in an uncertain budget environment and therefore continued its efforts to control and reduce administrative and operational costs. This better positions the agency to absorb additional budget cuts and reduce the negative impact on common education.

What Changes did the Agency Make between FY'17 and FY'18?

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

Text books/Instructional materials line item was not funded in FY 18 so the districts did not receive any allocation for this purpose. The cut of \$38 million to the Support of Public School activities was not restored. Therefore, critical programs including staff development, competitive grants pool, National Board Certified bonus for school psychologists, speech pathologists and audiologists remained unfunded. Due to carryover in the Teachers Retirement System and other line items and slight savings after the initial repeal of the EOI exams, OSDE was able to restore funding to a few key programs such as TLE, Teacher Residency and provide a modest increase to programs that support districts like Teach for America and Great Expectations.

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, limited capacity in certain divisions 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'19 Requested Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Other	Total	% Change
01 Administrative Services	\$1,362,389		\$106,000		\$1,468,389	0%
02 Prof Impr/Teacher Cert	\$8,900,000		\$1,190,938		\$10,090,938	53%
03 Office of Instruction	\$18,889,932		\$400,000		\$19,289,932	29%
05 Financial Services	\$1,387,218		\$25,421		\$1,412,639	8%
06 Federal Programs		\$384,507,146			\$384,507,146	-1%
09 Textbooks/Inst matl	\$58,650,000				\$58,650,000	100%
11 Charter School Incentive Fund	\$100,000				\$100,000	100%
16 ACE Remediation					\$0	0%
18 Reading Sufficiency & Staff Dvpt	\$17,345,600				\$17,345,600	167%
22 Alternative Education	\$16,952,412				\$16,952,412	68%
23 Ag in the classroom	\$38,628				\$38,628	2%
27 School Lunch Matching	\$3,140,137				\$3,140,137	6%
29 Cert. Emp FBA	\$315,478,030				\$315,478,030	5%
31 Sup. Emp FBA	\$171,905,086				\$171,905,086	5%
37 Sch. Cons Assistance	\$3,485,529				\$3,485,529	0%
Lottery Trust Fund (TRS dedicated revol. Fund)	\$3,485,529				\$3,485,529	0%
40 Accountability Impl/Dashboards					\$0	100%
50 Office of Assessment & Accountability	\$13,692,316		\$124,408		\$13,816,724	18%
52 Early Childhood Intv	\$16,323,919	\$5,820,918	\$102,976		\$22,247,813	9%
56 Teachers Retirement	\$32,712,137				\$32,712,137	18%
60 Fed School lunch pmt	\$359,863	\$320,625,583			\$320,985,446	0%
71 Office of Educator Effectiveness	\$6,053,535		\$555,240		\$6,608,775	103%
74 Education Data Management					\$0	0%
75 Competitive Grant Pool	\$6,062,294				\$6,062,294	100%
76 English Language Learners (ELL)					\$0	0%
88 Information Tech	\$8,675,513	\$5,638,432	\$467,758		\$14,781,703	32%
TBD - Parent Tools	\$500,000.00				\$500,000	100%
TBD - Teacher pay increase	\$287,849,265				\$287,849,265	100%
Total	\$2,922,060,907	\$716,592,079	\$3,955,985	\$0	\$3,642,608,971	15%

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

FY'19 Top Five Appropriation Funding Requests		\$ Amount
Request 1: Financial Support of Schools		\$1,924,815,364
Request 2: Teacher Pay Increase		\$287,849,265
Request 3: Flexible Benefit Allowance		\$487,383,116
Request 4: Instructional Materials		\$58,650,000
Request 5: Support of Public School Activities		\$137,351,551
Total Increase above FY-19 Request (Requests 1 through 5)		2,896,049,296

How would the agency handle a 2% appropriation reduction in FY'19?
A 2% cut amounts to \$50 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 4% appropriation reduction in FY'19?
A 4% cut amounts to \$100 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 6% appropriation reduction in FY'19?
A 6% cut amounts to \$147 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'19?		\$ Amount
Increase 1	None	\$0
Increase 2	None	\$0
Increase 3	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 agency has received 3 new federal grants this year and continues to explore new federal grant opportunities as they become available

Division and Program Descriptions

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

02 Teacher - 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.

Advanced PI 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 Childh Public Private Partnership that consists of private donations and state funds that serve at-risk children.

Oklahoma A 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.

Standards In 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 Financial 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 Charter Funds appropriated to SDE to provide financial support to new charter schools.

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

18 Reading 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 in th 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 Driver E This program provides reimbursement to schools for a portion of the costs associated with driver education programs.

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

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

52 Early Int 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 Teacher 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 to 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.

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'18 Budgeted FTE						
	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
01 Administrative Services	4		10		2	5
02 Prof Impr/Teacher Cert	2		18	14.5	3.5	
03 Office of Instruction	2		21.5	3.5	14	4
05 Financial Services	4		14.5	5	8.5	1
06 Federal Programs (All)	6		84	18	64	2
07 Lindsey Nicole Henry Scholarship Admin			1		1	
50 Office of Assessment & Accountability	3		12.5	3	7.5	2
52 Early Childhood Intv	9		62	61	1	
70 Department Services	7		36	3	26	7
71 Office of Educator Effectiveness	3		9.5	2	4.5	3
60 Child Nutrition	1		31	2	28	1
73 School Turnaround	1		3.5	2.5	1	
Total	42	0	303.5	116.5	162	25

FTE History						
	2018 Budgeted	2017	2014	2011	2007	
01 Administrative Services	10	9	41	3		41
02 Prof Impr/Teacher Cert	18	15	19	23		29
03 Office of Instruction	22	19	20	26		20
07 Lindsey Nicole Henry Scholarship Admin	1	1	1			
11 Statewide Virtual Charter School Board Admin						
40 Office of Accountability						
45 Student Tracking and Identification						9
50 Office of Assessment & Accountability	13	10	28			
52 Early Childhood Intv	62	55	68	70		87
70 Department Services	36	36	35	44		
71 Office of Educator Effectiveness	10	9	12			
74 Policy Implementation			3			
74 Education Data Management						
76 English Language Learners (ELL)						
Accreditation and Standards (now office of accountability/assessment)				19		24
Total	304	272	353	286		370

Performance Measure Review					
	FY 17	FY 16	FY 15	FY 14	FY 13
Measure I	Will be provided later				
Measure II					
Measure III					

Revolving Funds				
Fund #	Fund Name	2015-2017 Avg. R	2015-2017 Avg. Exp	June 2017 cash balance
200	Special Transportation Revolving Fund			See Tab 2 for descriptions and balances
205	School Lunch Workshop Revolving Fund		3,057.32	
210	National Board Certification Revolving Fund	8,167,507.97	7,911,638.33	
220	Statistical Services Revolving Fund	6,422.00	25,574.14	
225	Grants and Donations Fund	585,785.15	635,125.47	
230	School Investigative Audit revolving fund	2,632.53		
235	Drug Abuse Education Revolving Fund	89,821.18	76,679.54	
240	Teachers' Certification Fund	1,264,783.68	1,117,804.10	
245	Adult Education Revolving Fund (moved)	21,752.00	16,629.16	
250	Early Intervention Revolving Fund	14,232,575.38	13,541,621.08	
255	Motor Vehicle Driver Education	900,000.00	900,000.00	
260	School Consolidation Assistance Fund	3,148,899.07	3,306,608.87	
270	Education Reform Revolving Fund	734,571,173.27	734,571,173.26	
271	Common Education Technology Fund	38,825,369.32	38,825,369.32	
275	Charter Schools Incentive Fund	49,940.00	49,939.00	
276	Statewide Virtual Charter School Board	860,339.83	140,226.55	
277	State Board charter school revolving fund	36,888.38	25,370.08	
280	Public School Classroom Support Revolving Fund	26,270.90		
285	Income Tax Checkoff Revolving Fund for the support of common schools			
286	Oklahoma Youth and Government Revolving Fund	4,223.73	7,282.60	
287	Deer Creek Foundation License plate revenue	4,226.67	5,240.00	
290	Oklahoma School psychologist, Speech	3,541,676.00	2,382,121.67	

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.