



**Oklahoma State Department of Education
FY 20 Budget Request**



Joy Hofmeister
State Superintendent of Public Instruction
Oklahoma's 8-Year Plan for Improving Education
FY 20 Budget Hearing, January 29, 2019



OKLAHOMA
EDGE

**8-Year Strategic Plan
for Education**

6 Goals to:

- **Achieve Academic Excellence**
- **Build Exceptional Educators**
- **Create Engaged Communities**

Responsibility for Common Education

“The *Legislature* shall **establish** and **maintain** a system of free public schools wherein all the children of the State may be educated.”

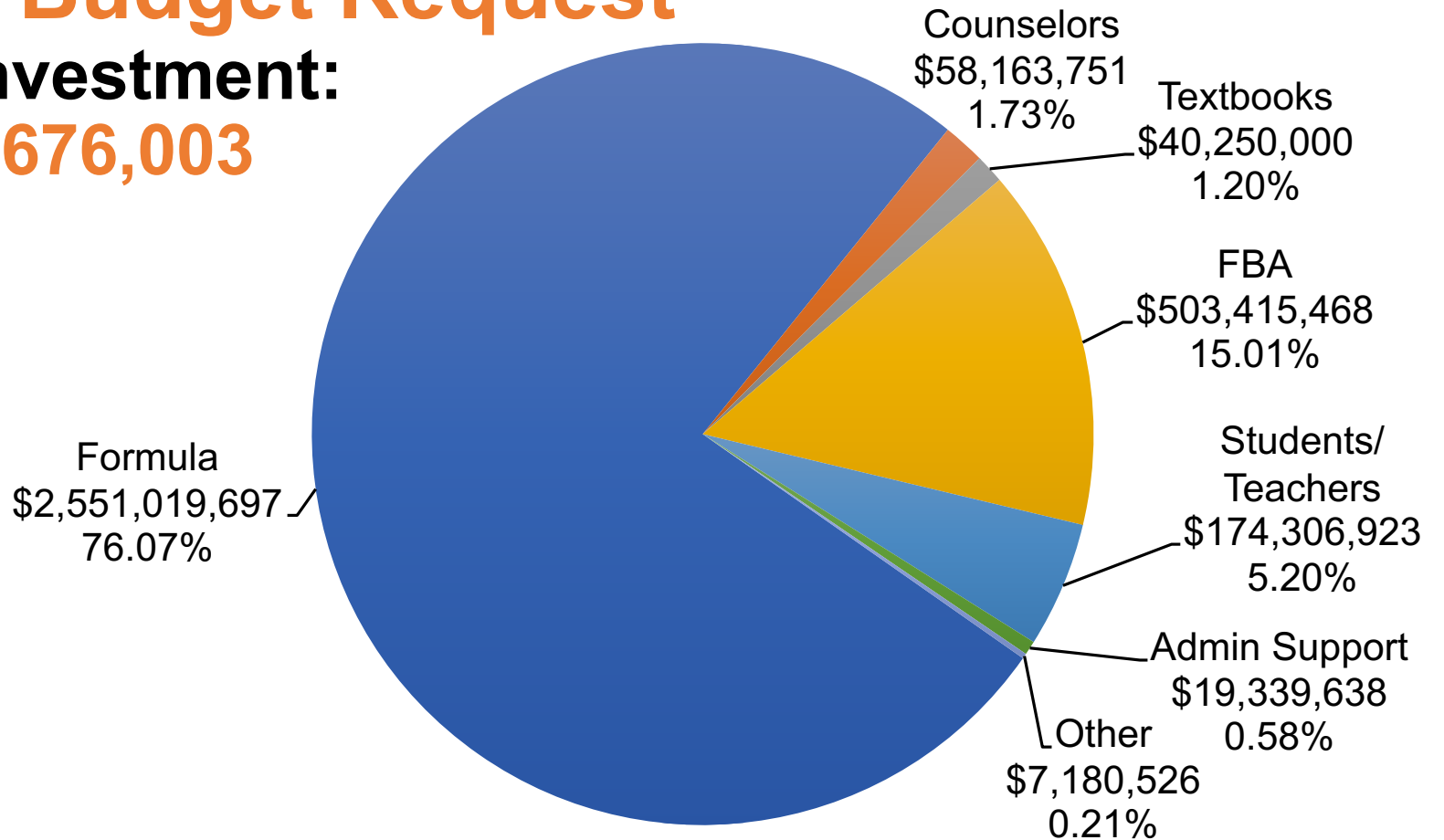
– Article 13 of the Oklahoma Constitution

The *State Board of Education* shall “...submit to the Governor...the budgetary **needs** of local school districts...”

– 70 O.S. § 3-104

FY 20 Budget Request

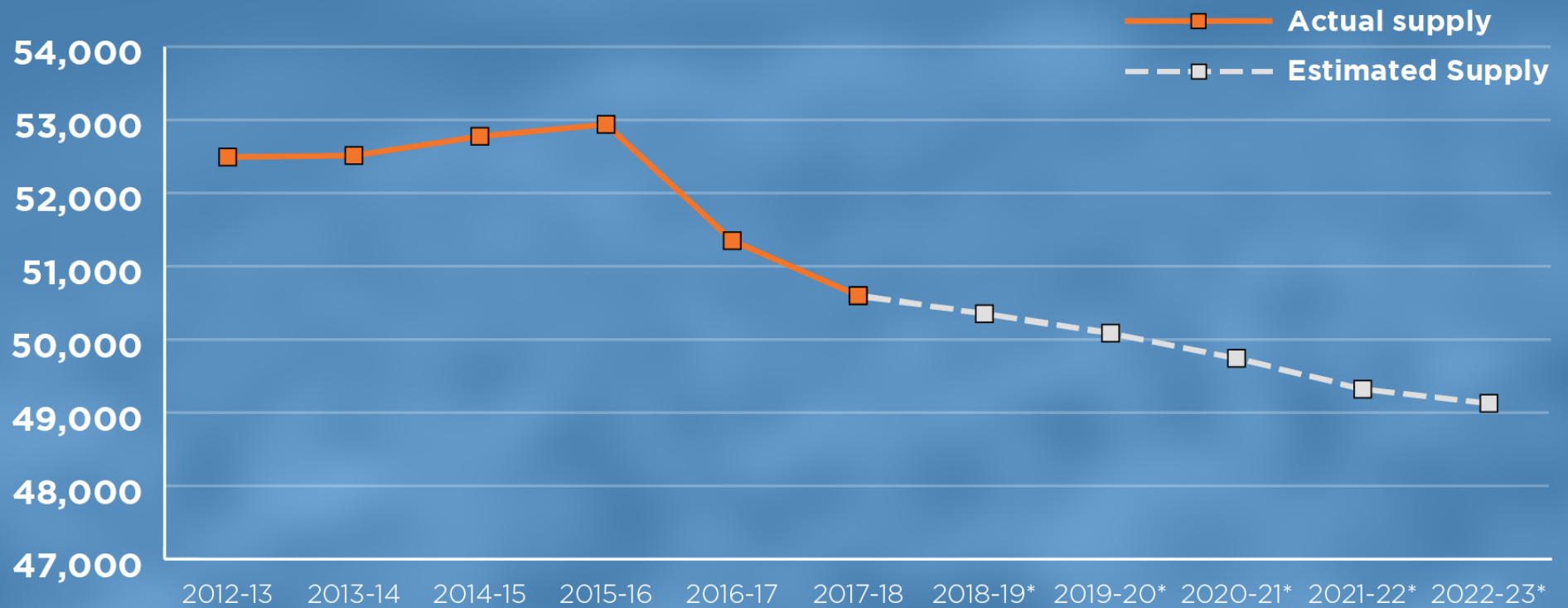
➔ **Total Investment:**
\$3,353,676,003



BY 2025

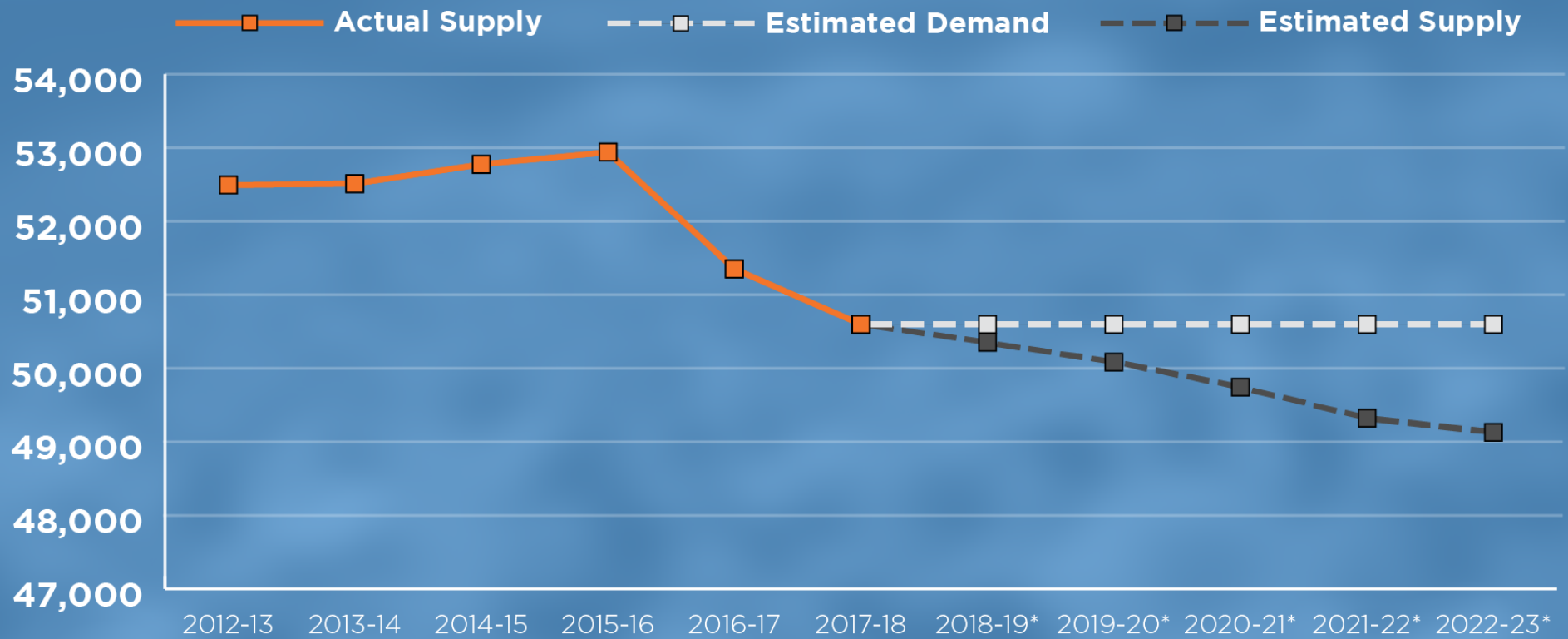
**REDUCE THE NEED
FOR EMERGENCY-
CERTIFIED TEACHERS
BY 95%**

PROJECTED EDUCATOR SUPPLY 2018-19 TO 2022-23



Note: 2017-18 personnel data as of January 24, 2018.

PROJECTED EDUCATOR JOB MARKET TRENDS 2018-19 TO 2022-23



Note: 2017-18 personnel data as of January 24, 2018

*Projections

What do teachers need beyond pay?

In a 2017 survey of Oklahoma certified teachers no longer teaching, **66%** said they would need **more than higher pay** to go back to the classroom.

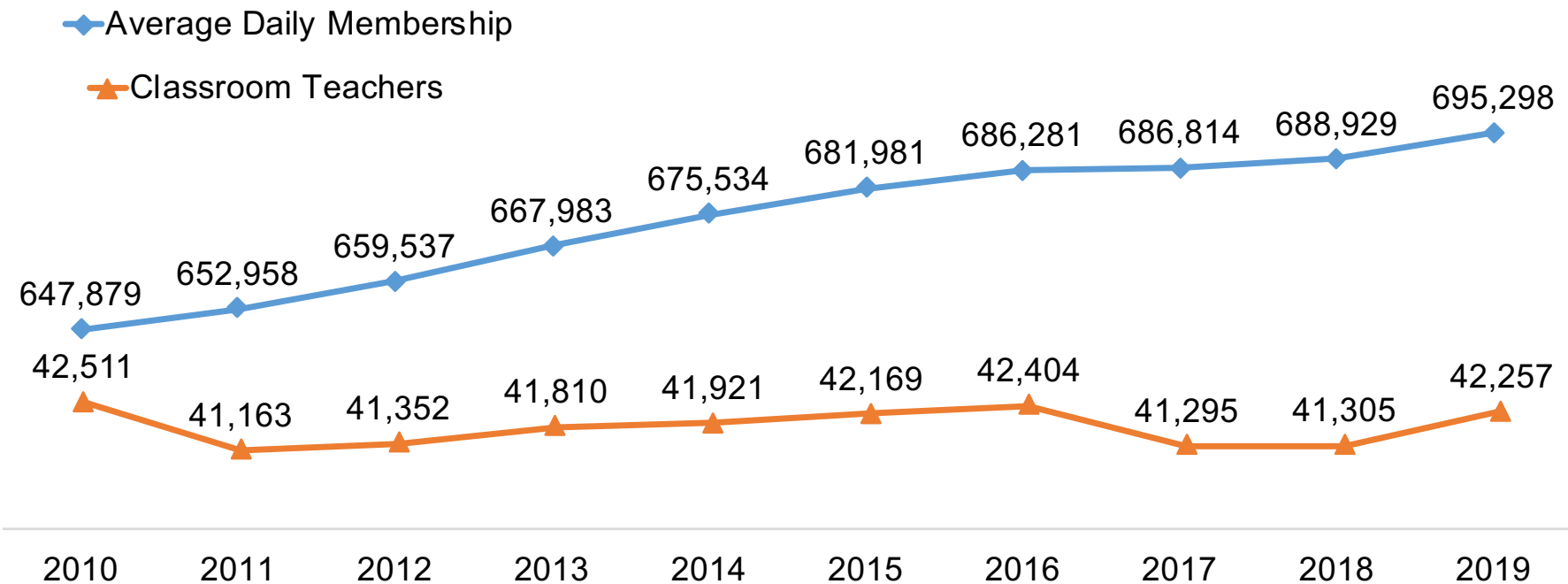
What do teachers need beyond pay?

Reduced Class Sizes

To enforce class size limits, an additional **\$272,897,408** must be invested in the formula.

➔ **Investment:** additional **\$259.40** per student

Increasing Gap between Teacher and Student Count



What do teachers need beyond pay?

Professional Development

➔ **Investment:** \$5,300,000

Mentoring for New Teachers

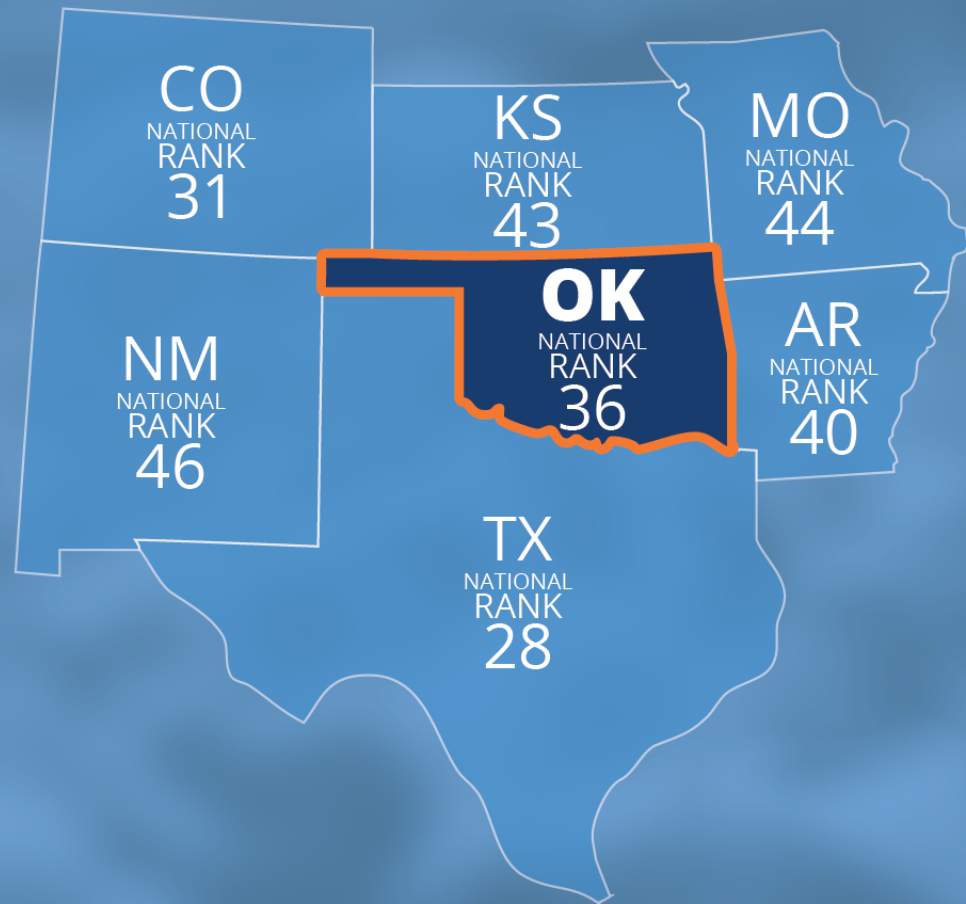
➔ **Investment:** \$1,740,000

Growth and Leadership Opportunities

➔ **Investment:** \$550,000

AVERAGE TEACHER SALARY ACROSS THE REGION*

- National Average, \$62,329
- 28. Texas, \$56,571
- 31. Colorado, \$54,820
- 36. Oklahoma, \$53,918**
- 40. Arkansas, \$52,524
- 43. Kansas, \$51,559
- 44. Missouri, \$51,541
- 46. New Mexico, \$50,604



*Based on NEA estimated average pay for instructional (certified) staff for 2018. bit.ly/2laVLCH

COST TO BE FIRST IN THE REGION FOR TEACHER PAY*

- Cost to be First in the Region:**
- **\$3,000 pay increase for 50,242 Certified Staff†**
 - **\$176,575,509**

National Average, \$62,329

Oklahoma, \$56,918

Texas, \$56,571

Colorado, \$54,820

Arkansas, \$52,524

Kansas, \$51,559

Missouri, \$51,541

New Mexico, \$50,604

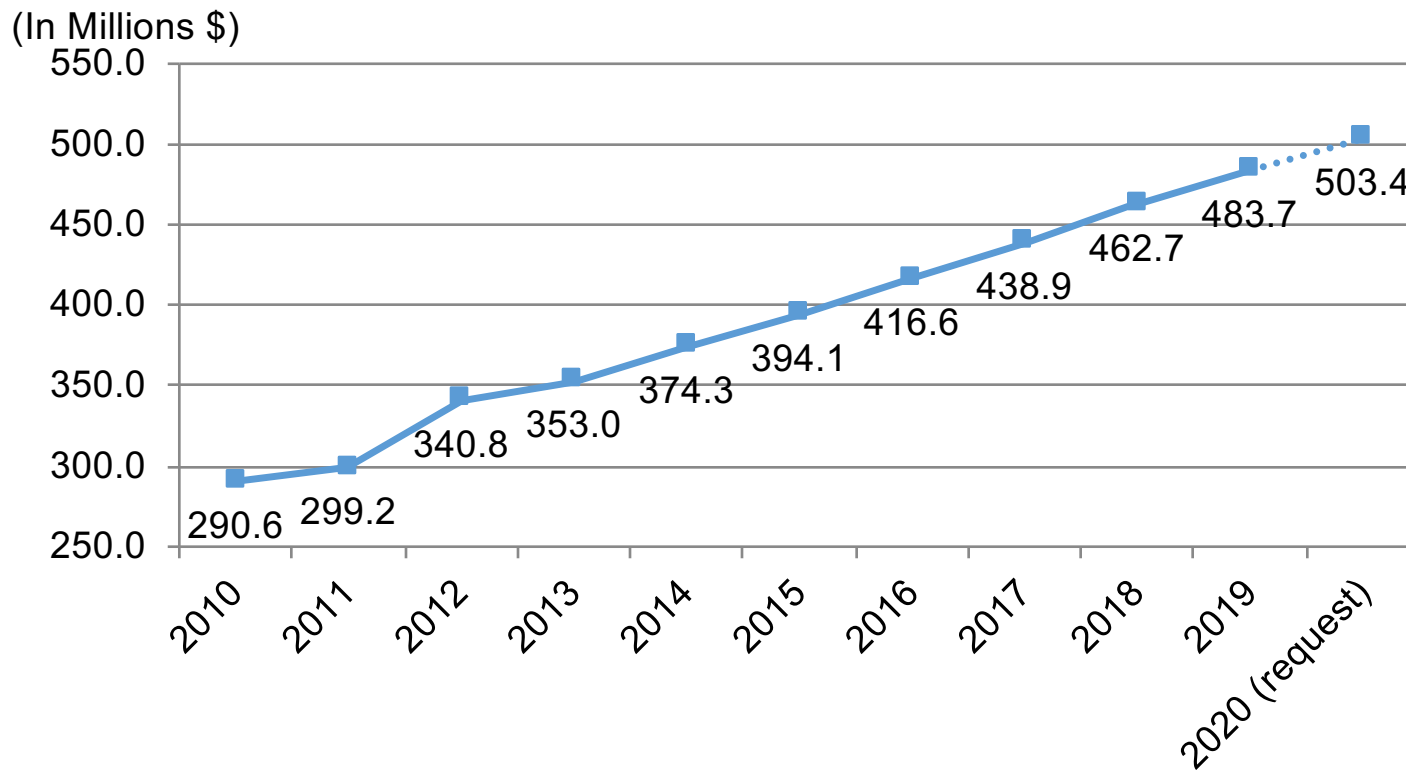


*Based on NEA estimated average pay for instructional (certified) staff for 2018. bit.ly/2laVLCH

† Excluding Superintendents

Flexible Benefit Allowance (FBA)

Providing Health Insurance to over 84,000 Oklahoma Educators and Support Staff



➔ **Investment:**
\$503,415,468

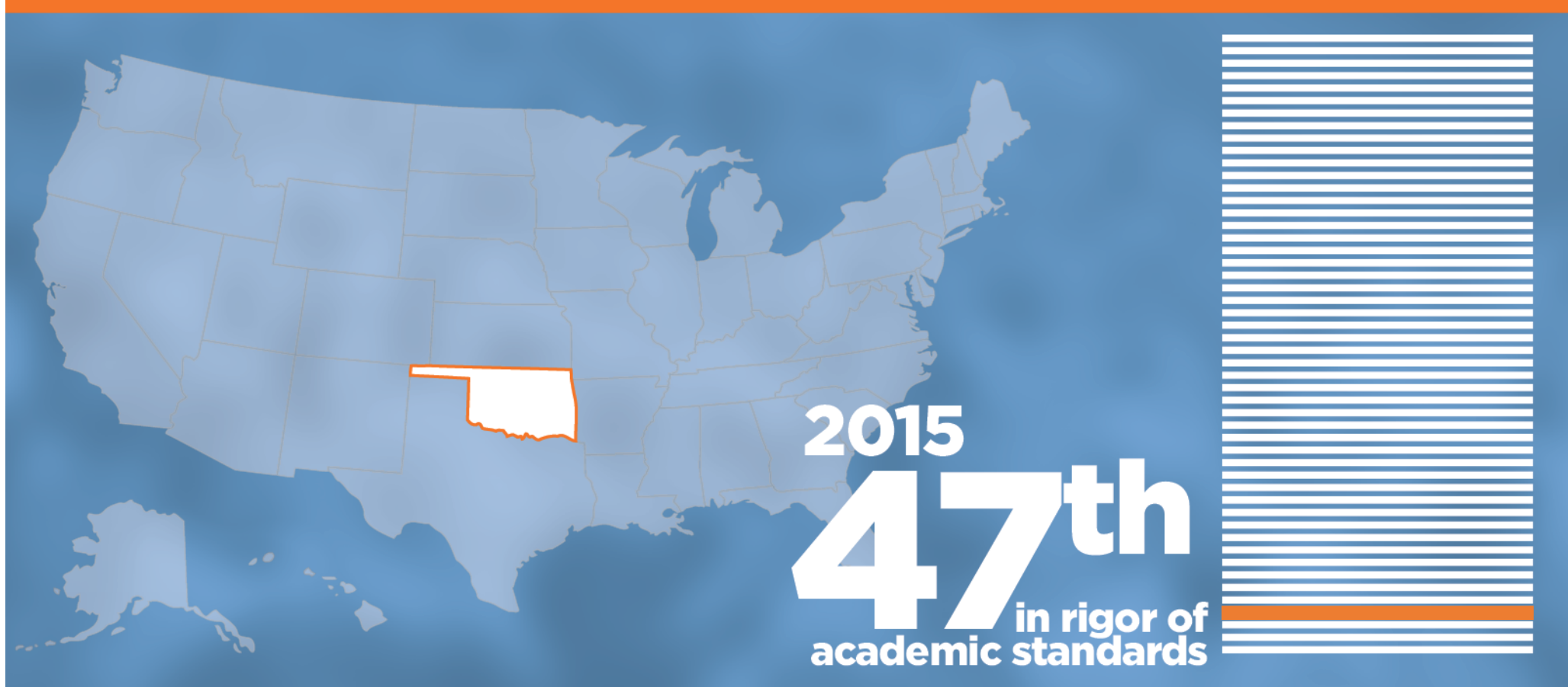
Increase of
\$19,682,352

BY 2025

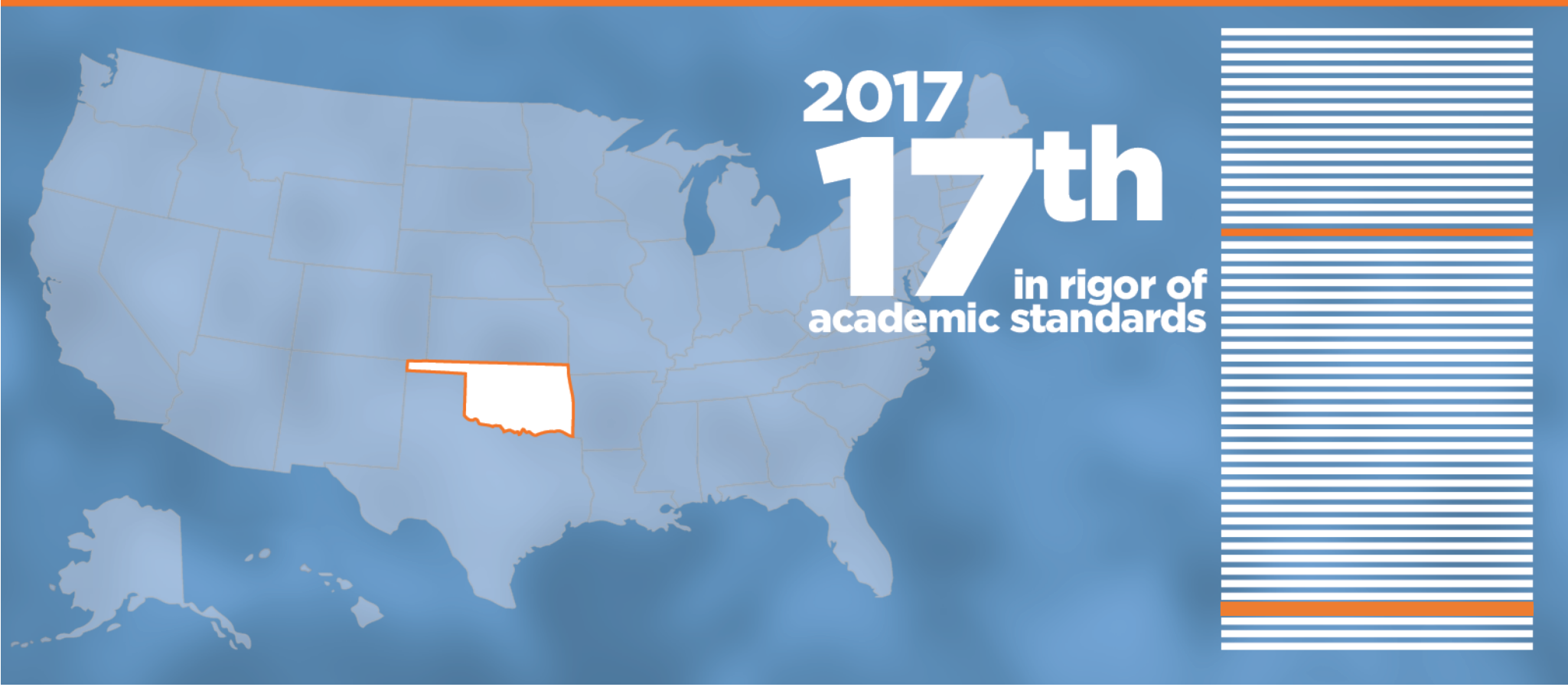
TOP 20

ON NAEP

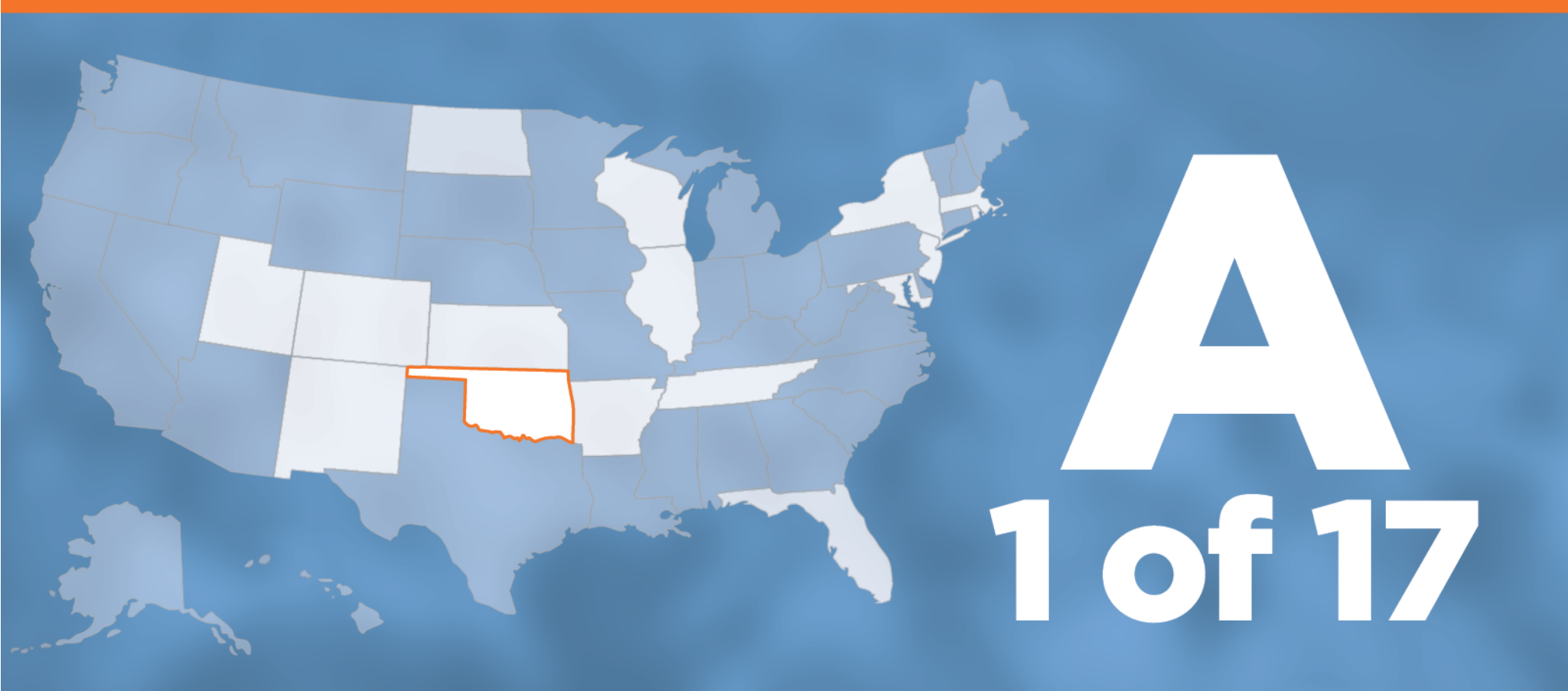
Lifted expectations



Lifted expectations



Lifted expectations



Reading Sufficiency Act (RSA) Funding

Allocations made to districts based on number of students identified as needing support or intervention in reading in grades K-3 (70 O.S. § 1210.508D).

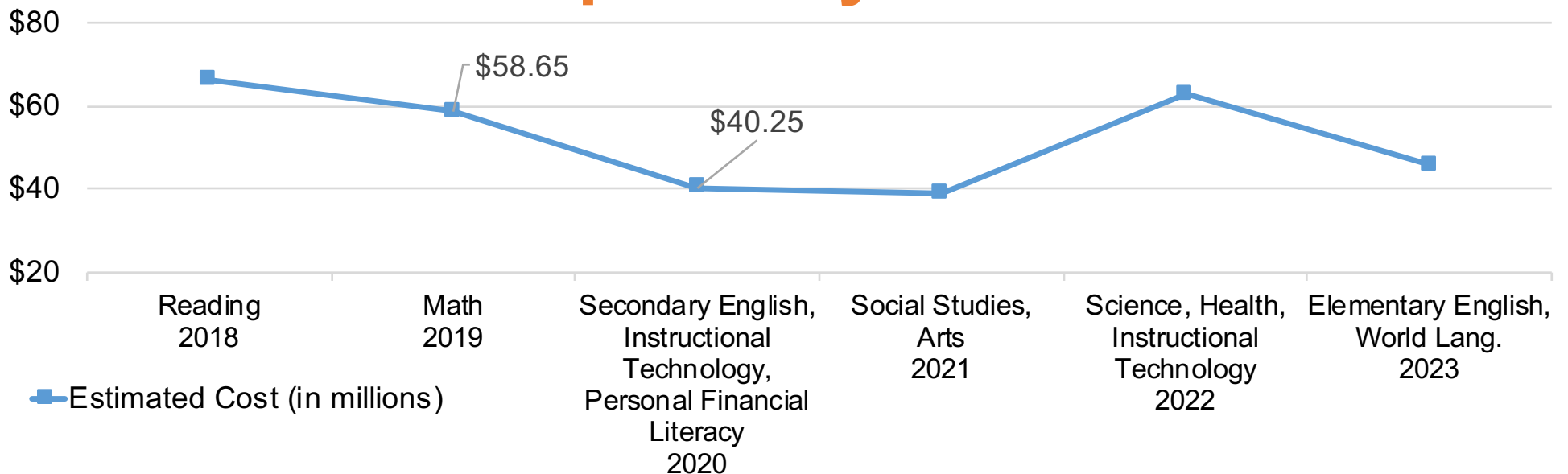
$$\begin{array}{r} \$150^* \text{ per student} \\ \times \underline{78,358} \text{ students} \end{array}$$

➔ **Investment: \$11,753,700**

FY 19 Funding at \$6,500,000 (53.9%)

*Amount was removed from statute in 2011.

Textbook Adoption Cycle



1. Academic standards for each subject area must be reviewed every 6 years.
2. Assessments and textbooks follow the standards cycle.
3. When textbooks are not funded, standards and assessments still move forward.
4. Districts are forced to make decisions about buying textbooks without funding.

Instructional Materials

FY 19 Math materials = \$33,000,000 appropriated

Actual Cost = **\$58,650,000***

FY 20 Secondary English Language Arts (\$65 ea.)

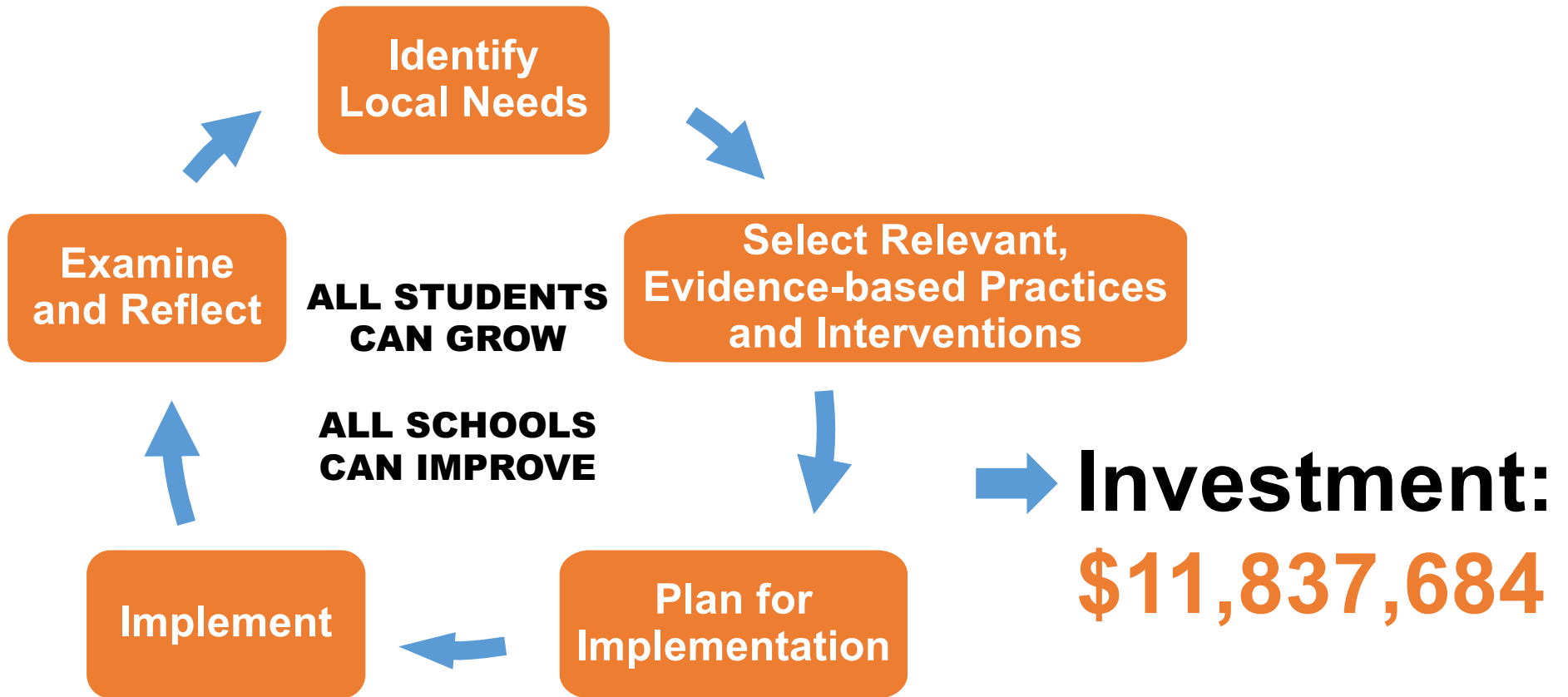
Instructional Technology and

Personal Financial Literacy materials (\$30 ea.)

➔ Investment: \$40,250,000*

*estimated cost

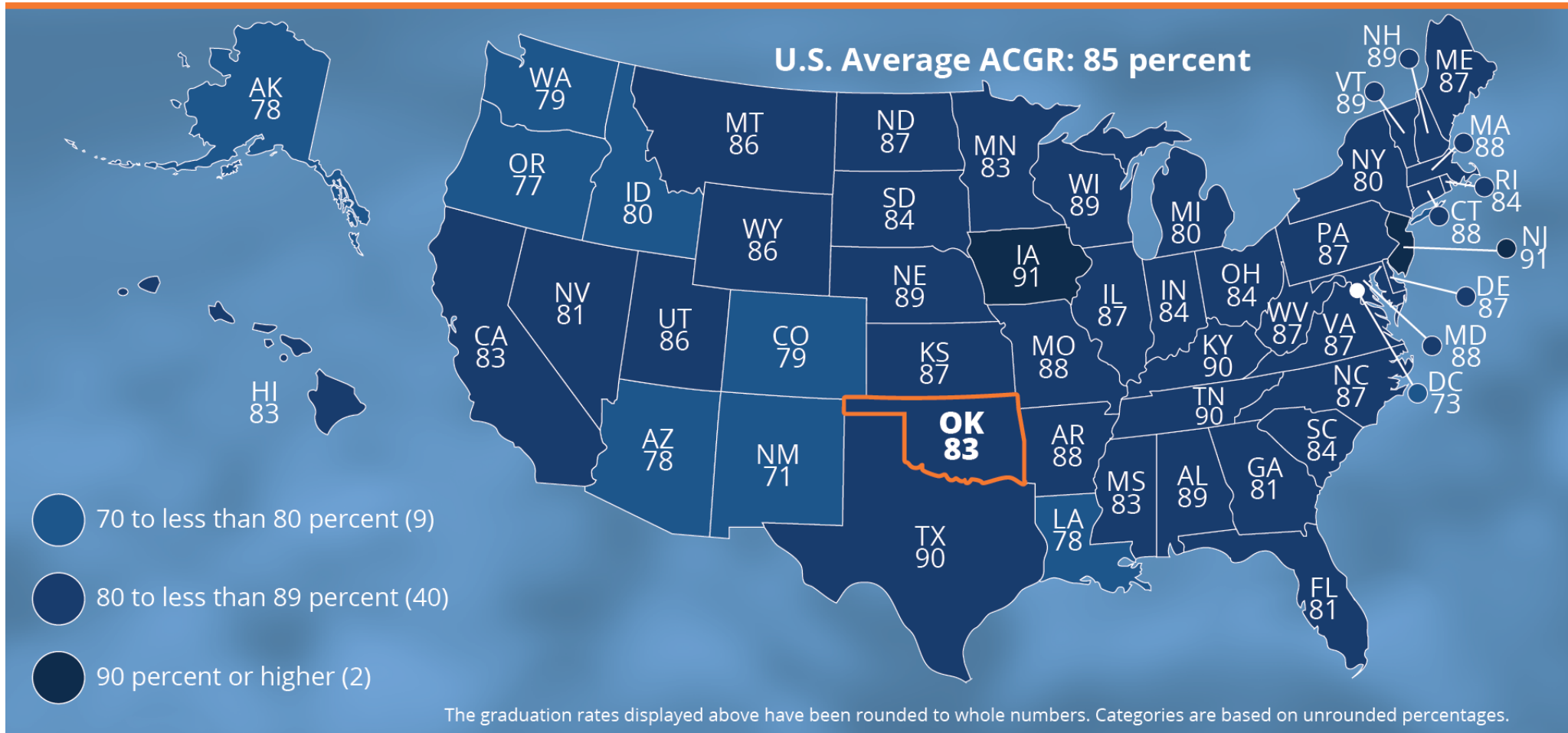
Invest in Supporting Schools



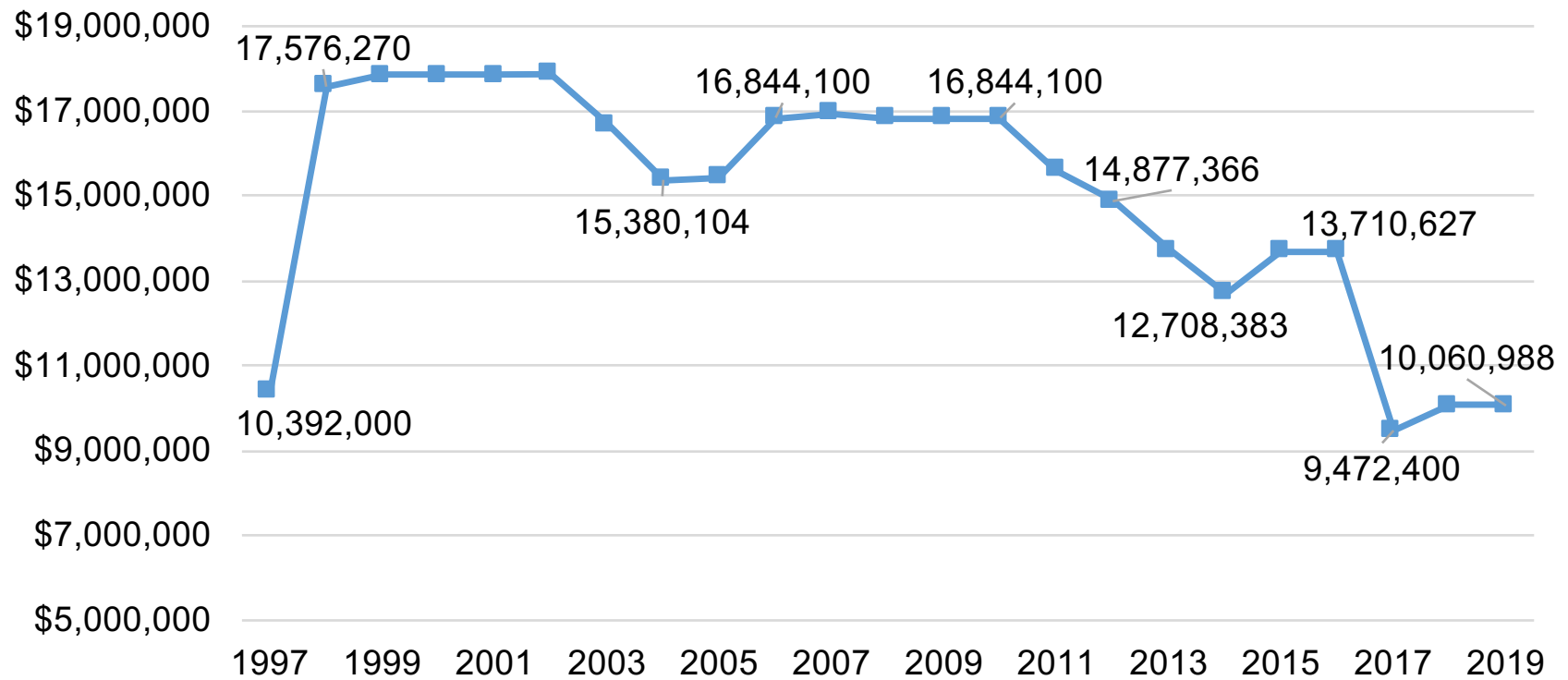
BY 2025

**TOP 10 IN
HIGH SCHOOL
GRADUATION**

ADJUSTED COHORT GRADUATION RATE FOR PUBLIC HIGH SCHOOL STUDENTS, BY STATE: 2016-17



Alternative Education State Funding



Alternative Education Allocation and Expenditures

Fiscal Year	State Allocation	Additional District Expenditures	Total Alternative Education Expenditures
2018	\$10,605,211	\$29,344,531	\$39,949,742
2017	\$10,048,454	\$28,363,343	\$38,411,797
2016	\$12,151,992	\$28,866,665	\$41,018,657

➔ **Investment: \$39,949,742**

BY 2025

**REDUCE COLLEGE
REMEDICATION
BY HALF**

COLLEGE REMEDIATION



\$22,192,000

annual out-of-pocket costs for families

70% of students who need remediation
do not graduate in 6 years

BY 2025

**ICAP FOR ALL
STUDENTS 6-12**

STUDENT-TO-COUNSELOR RATIO



Nationally recommended ratio is 250:1

STUDENT-TO-COUNSELOR RATIO



Oklahoma's ratio is 435:1



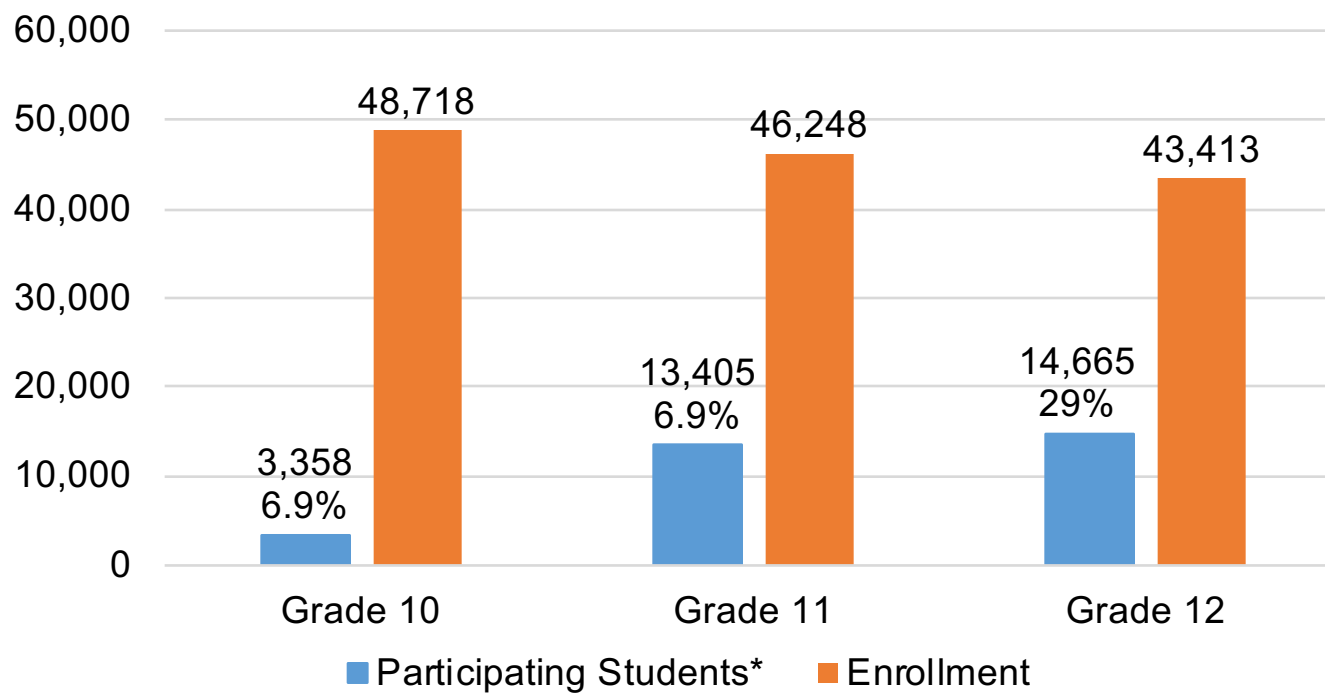
School Counselor Corps

Reduce Adverse Childhood Experiences (ACEs)

- Oklahoma ranks 44th in the nation in child well-being.
- Oklahoma's children are among the most traumatized in the nation, ranking 41st for percentage of children with 2 or more ACEs.

➔ **Investment: \$58,163,751**

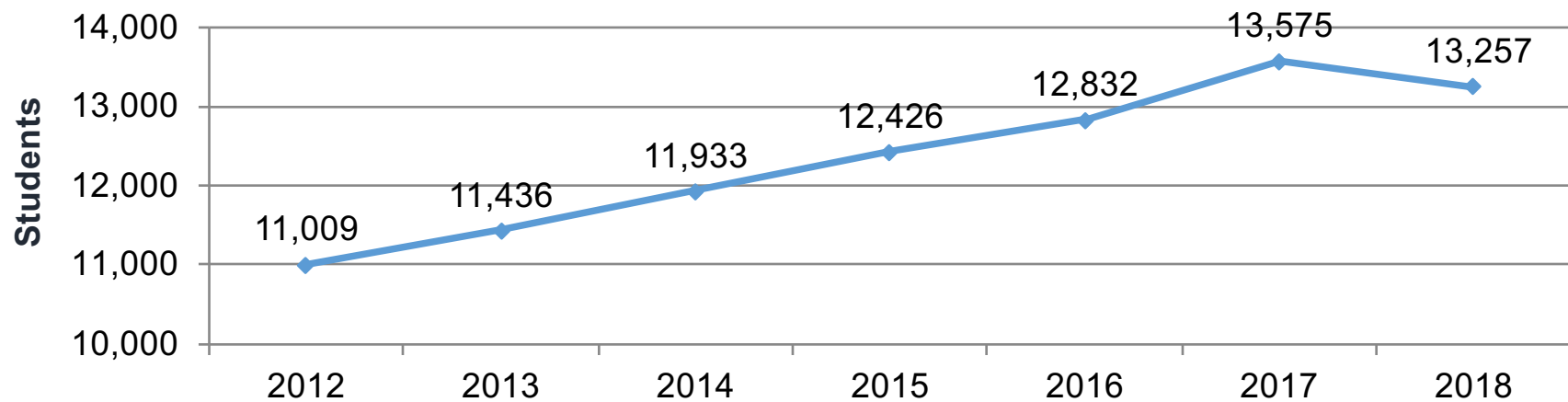
Postsecondary Participation in High School



*number of students participating in at least one postsecondary opportunity

Advanced Placement (AP) Participation

Students Earning College Credit Through AP Tests

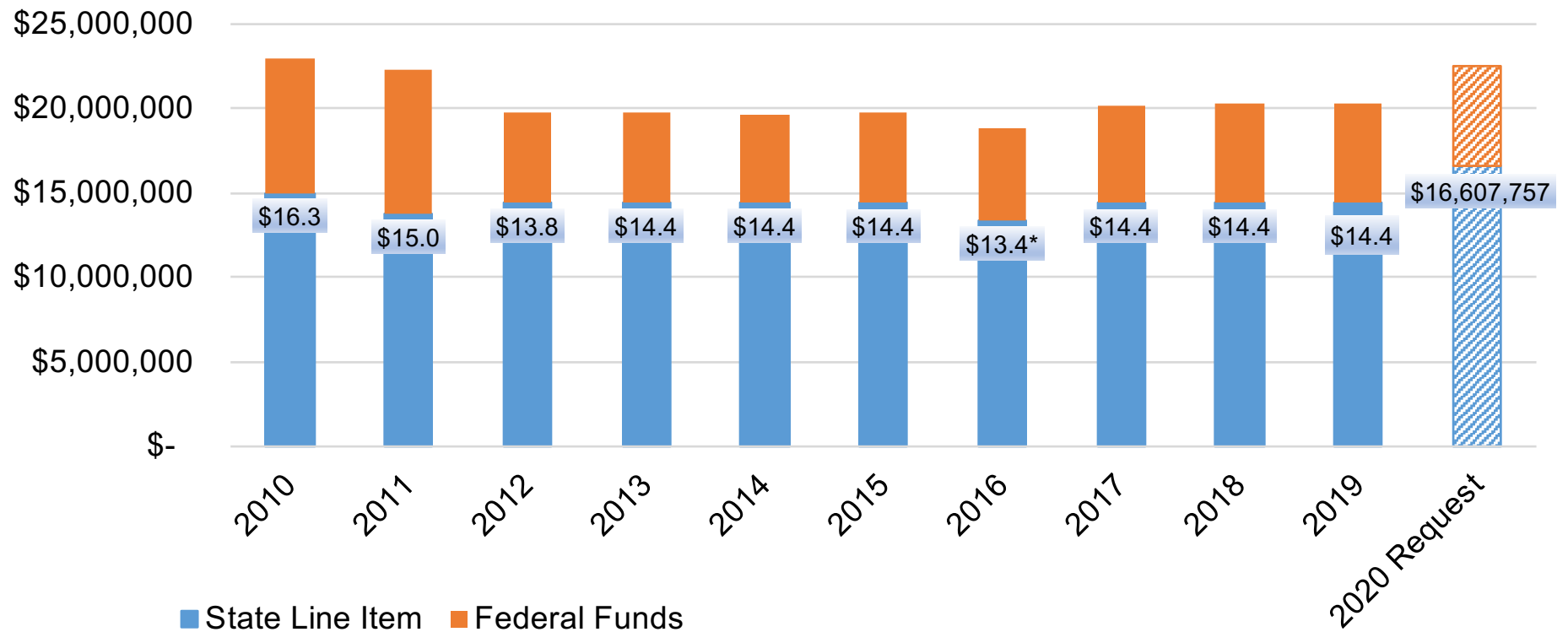


➔ **Investment: \$1,530,500**

BY 2025

**75% OF KIDS
READY TO READ
BY KINDERGARTEN**

Sooner Start Early Intervention Funding

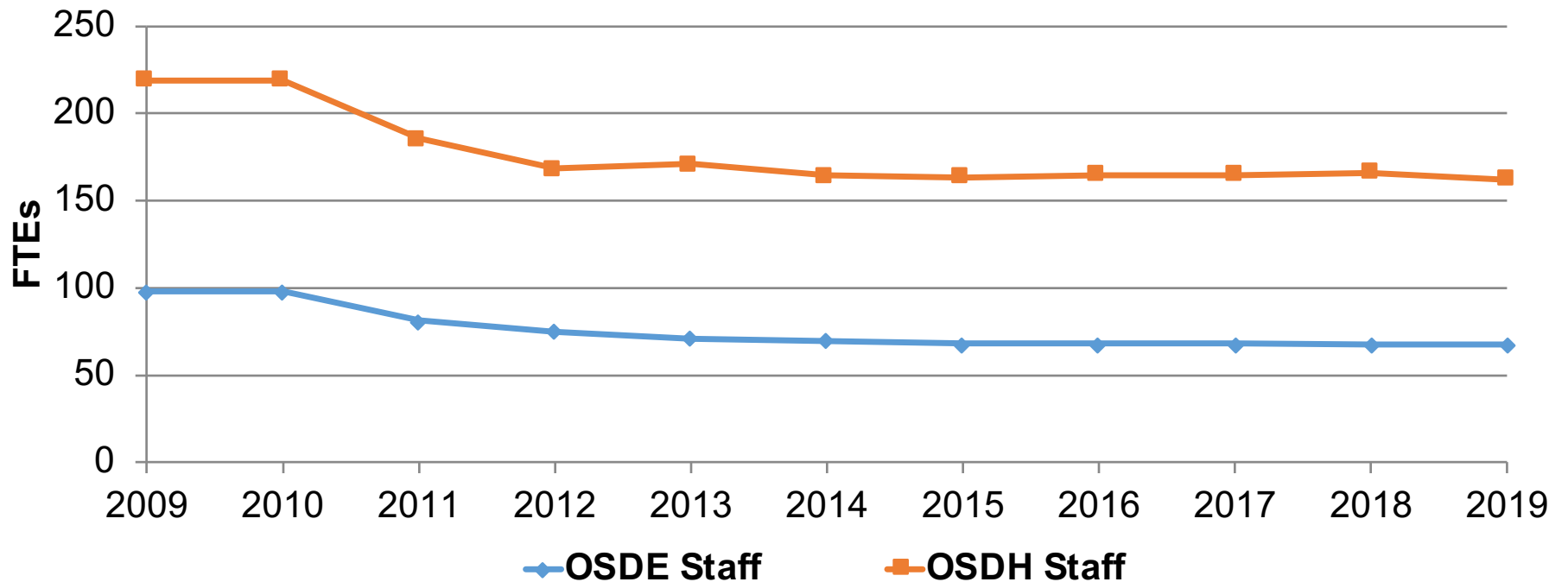


*Decrease due to general revenue failure

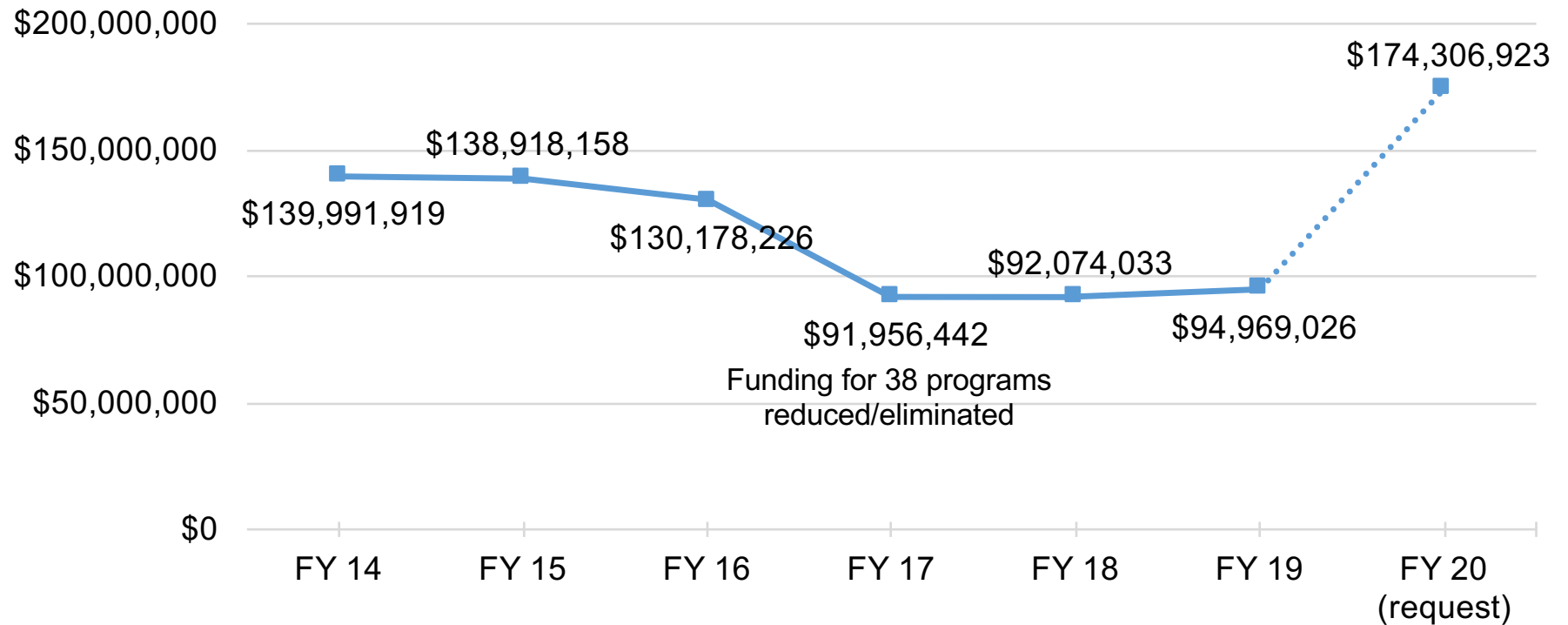
NOTE: FY 20 Federal funds are estimated based on FY 19 funding

Sooner Start FTE History

➔ Investment: \$16,607,757



Support of Students and Teachers



1

**REDUCE THE NEED FOR
EMERGENCY-CERTIFIED TEACHERS BY 95%**

2

TOP 20 ON NAEP

3

TOP 10 IN HIGH SCHOOL GRADUATION

4

REDUCE COLLEGE REMEDIATION BY HALF

5

ICAP FOR ALL STUDENTS 6-12

6

**75% OF KIDS READY TO READ
BY KINDERGARTEN**

Oklahoma State Board of Education

Purpose		FY 19 Appropriation
1	Financial Support of Public Schools (70 O.S. 18-200.1)	2,278,122,289
2	<i>Increase for Operations</i>	<i>19,872,648</i>
3	School Counselor Corps	-
4	Instructional Materials (70 O.S. 16-114a)	33,000,000
5	Flexible Benefit Allowance (70 O.S. 26-104)	483,733,116
6	<i>Certified Personnel</i>	<i>312,923,030</i>
7	<i>Support Personnel</i>	<i>170,810,086</i>
8	Support of Students and Teachers (previously Public School Activities)	94,969,026
9	Administrative and Support Functions	15,980,190
10	Lottery Trust Fund - Transfer to TRS Revolving Fund (62 O.S 34.93 and 3A O.S. 713(C)(3))	3,590,263
11	Lottery Trust Fund - Transfer to School Consolidation Assistance Fund (70 O.S. 7-203)	3,590,263
12	TOTAL APPROPRIATION	2,912,985,147

Budget Request for Fiscal Year 2020

FY 20 Request	Total Increase/(Decrease)	Notes
2,551,019,697	272,897,408	dollars needed to lift moratorium on class size, pay for increased teacher count
<i>272,897,408</i>	<i>253,024,760</i>	
58,163,751	58,163,751	Increase number of school counselors to improve student:counselor ratio.
40,250,000	7,250,000	Secondary ELA (\$65 ea.), Instructional Technology, Personal Financial Literacy (\$30 ea.)
503,415,468	19,682,352	includes projected growth in staff and 4.5% premium increase
<i>326,103,891</i>	<i>13,180,861</i>	
<i>177,311,577</i>	<i>6,501,491</i>	
174,306,923	79,337,897	
19,339,638	3,359,448	restore agency capacity to FY 16 level
3,590,263	-	determined by statute
3,590,263	-	determined by statute
3,353,676,003	440,690,856	

Oklahoma State Board of Education

Purpose	FY 19 Appropriation
---------	------------------------

Strategic Plan Pillar 1: Achieve Academic Success

1	Alternative Education Programs and Admin (70 O.S. 1210.561, 70 O.S. 1210.568)	10,060,988
2	Early Intervention SoonerStart (70 O.S. 13-124)	14,400,341
3	Early Childhood Initiative (70 O.S. 10-105.4)	10,650,000
4	Required Assessments (70 O.S. 1210.508, 20 USC §6311(b)(2))	7,500,000
5	State School Support	
6	Reading Sufficiency (70 O.S. 1210.508D)	6,500,000
7	Competitive Grants Pool	-
8	<i>Great Expectations</i>	400,000
9	<i>Street School</i>	180,000
10	School Lunch Matching & MOE (7 CFR 210-17 and 7 CFR 235.11(a))	3,069,419
11	Accountability Implementation/Dashboards (70 O.S. 1210.545, 20 USC §6311(c))	-
12	AP Teacher Training and Test Fee Assistance (70 O.S. 1210.703)	523,141
13	Standards Implementation (70 O.S. 11-103.6, 20 USC §6311(b)(1))	150,000
14	Oklahoma Arts Institute	200,000
15	Charter Schools Incentive Fund (70 O.S. 3-144)	-
16	Ag in the Classroom	38,000
17	Total	53,671,889

Strategic Plan Pillar 2: Build Exceptional Educators and Schools

18	Teachers' Retirement System (70 O.S. 17-108.2)	32,712,137
19	Teacher Professional Development	-
20	National Board Teacher Bonus (70 O.S. 6-204.2)	3,285,000
21	Psychologists, Speech Pathologists and Audiologists Bonus (70 O.S. 6-206)	3,650,000
22	Teach for America	1,250,000
23	Teacher Induction Program (70 O.S. 6-195)	150,000
24	Improvements to Student Information System	-
25	Teacher and Leader Effectiveness Programs (70 O.S. 6-101.16)	250,000
26	Total	41,297,137

Grand Total	\$ 94,969,026
--------------------	----------------------

Support of Students and Teachers

FY 20 Request	Total Increase/ (Decrease)	Notes
---------------	-------------------------------	-------

(To ensure a high-quality public education, the OSDE will close the opportunity and achievement gap for each student in Oklahoma.)

39,949,742	29,888,754	amount spent by districts in FY 18
16,607,757	2,207,416	restoring 20 staff members of 60 lost since 2008
15,000,000	4,350,000	expand Lawton program/new center in Tulsa
13,427,900	5,927,900	meet ESSA requirements/peer review, cost for US History test
11,837,684	11,837,684	match federal investment in supporting low-performing schools
11,753,700	5,253,700	amount needed for 78,358 students KG-3 * \$150
6,500,000	6,500,000	funding to GE, Street School, Imagine Math and other programs
-	-	<i>fund from Grants Pool</i>
-	-	<i>fund from Grants Pool</i>
3,500,000	430,581	estimate to cover any increase to required state match
1,771,640	1,771,640	FY 20 contracted costs
1,530,500	1,007,359	test fee assist., AP start up grants to districts, PD institutes
350,000	200,000	Science and Fine Arts revision, curriculum frameworks
200,000	-	maintain current funding
100,000	100,000	cover start up costs for new charter schools
38,000	-	
122,566,923	69,475,034	

(The OSDE will support the recruitment, preparation and retention of highly qualified teachers and leaders.)

33,500,000	787,863	estimated growth in teachers
5,300,000	5,300,000	meet requirements and create network improvement communities
3,250,000	(35,000)	projection based on need - stipends for 650 teachers
3,900,000	250,000	projection based on need - stipends for 780 FTEs
2,500,000	1,250,000	FY 14 amount restored - 1st year of program
1,740,000	1,590,000	amount needed for \$500 mentor stipend (3180 1st yr teachers)
1,000,000	1,000,000	projected amount to implement digital transcripts
550,000	300,000	PL Focus, Moving UP, Lead to Succeed, Emergency Cert training
51,740,000	10,442,863	

\$ 174,306,923	\$ 79,337,897
-----------------------	----------------------

**Oklahoma State Board of Education
Program Descriptions for Fiscal Year 2020 Budget Request**

Purpose	Description	FY 20 Request
Financial Support of Public Schools (70 O.S. 18-200.1)	State funds appropriated for local school districts are distributed through the state aid formula on a weighted average daily membership (WADM) basis.	2,551,019,697
School Counselor Corps	Increase number of school counselors to improve student:counselor ratio.	58,163,751
Instructional Materials (70 O.S. 16-114a)	Funds are allocated to school districts for textbooks and instructional expenses on an average daily attendance basis (ADA). \$100,000 preserved from the fiscal year's appropriation to meet the statutory requirements for replacement of textbooks destroyed by fire or other hazard. Amount reflects estimated cost to pay for purchasing secondary ELA (\$65 ea) and Instructional Technology/Personal Financial Literacy (\$30 ea.).	40,250,000
Flexible Benefit Allowance (70 O.S. 26-104)	See next two items.	503,415,468
<i>Certified Personnel</i>	Projected benefit amount for 51,976 school district certified personnel to offset health insurance costs.	<i>326,103,891</i>
<i>Support Personnel</i>	Projected benefit amount for 32,597 school district support personnel to offset health insurance costs.	<i>177,311,577</i>

Purpose	Description	FY 20 Request
Support of Public School Activities	Funds allocated to school districts and other entities for implementation of various education programs and initiatives.	174,306,923
Alternative Education Programs and Admin (70 O.S. 1210.561, 70 O.S. 1210.568)	Serves students in grades 6-12 who are most at risk of not completing a high school education. Provides grants to schools for alternative education programs. Last year there were 280 programs including coops across the state serving approximately 11,412 students. Graduation rate for these students is 81%. Funding level requested is based on the need as demonstrated by OCAS reporting.	39,949,742
Early Intervention SoonerStart (70 O.S. 13-124)	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. Funding level is increased to restore reduced funds from previous years and to maintain federal IDEA Part C funds and Maintenance of Effort (MOE). Program serves approximately 8,500 families per year. Additional funds will restore 20 of 60 staff members that have been lost since 2008.	16,607,757
Early Childhood Initiative (70 O.S. 10-105.4)	Consists of state funds and private matching funds that provide early childhood services to at-risk children. The program targets low-income families to empower them with the education and tools they need to break the cycle of poverty. Provides services to 2,664 children. Additional funding requested to expand the program to Lawton and open a fourth center in Tulsa.	15,000,000

Purpose	Description	FY 20 Request
Required Assessments (70 O.S. 1210.508, 20 USC §6311(b)(2))	Funds utilized for the administration of a statewide student assessment system for grades 3-8 and high school. Additional funding is needed to ensure assessments are valid under requirements of ESSA, meet peer review requirements and pay for new U.S. History assessment.	13,427,900
State Support to Low-Performing Schools	Funds would provide support to low-performing schools that are identified as in need of support, but are not receiving federal school improvement funding. Funds also would increase capacity for coaching from OSDE for these schools.	11,837,684
Reading Sufficiency (70 O.S. 1210.508D)	The purpose of the Reading Sufficiency Act (RSA) is to ensure that all Oklahoma students are reading on grade level at the end of third grade (a critical juncture when students go from learning to read to reading to learn). RSA supports Oklahoma children in Kindergarten through third grade. Funds are given to districts on a per student basis for those students K-3 reading below grade level. In previous years, schools have received approximately 50% of the amount originally intended for the program. Requested funds would provide assistance to 78,358 students, based on a formula of \$150 per student – the suggested funding amount in state statute at the initiation of the program.	11,753,700
Competitive Grants Pool	Grants awarded for a variety of student learning opportunities and professional development based on a statewide competitive application basis. In FY 16, this same amount provided funding to 18 programs.	6,500,000

Purpose	Description	FY 20 Request
<i>Great Expectations</i>	GE is a teacher professional development program based on the latest research of the most effective teaching practices. Funds are used for educators from approximately 119 schools (88 GE model schools and 31 scholarship schools) to attend the GE institute, held in multiple locations around the state. This will benefit approximately 62,000 students. GE would be funded through the grant pool.	-
<i>Street School</i>	Street School is an academic and therapeutic program designed for youth that have dropped out or are at risk of dropping out. Program assists the hardest to reach and most deficient students in increasing college, career and citizen-readiness. The program serves approximately 130 students. Funding levels would restore the program to the grant it received through the competitive grants pool in FY 16. Street School would be funded through the grant pool.	-
School Lunch Matching & MOE (7 CFR 210-17 and 7 CFR 235.11(a))	Minimum amount necessary for the state match and maintenance of effort required by USDA in order to receive federal funds for the National School Lunch Program. In FY 17 schools provided 136,909,835 meals to students.	3,500,000
Accountability Implementation and Dashboards (70 O.S. 1210.545, 20 USC §6311(c))	Required to implement new changes to the A-F report card. The amount is needed for year two of development and implementation as reported under the fiscal impact of HB 1693 (2017).	1,771,640

Purpose	Description	FY 20 Request
AP Teacher Training, Test Fee Assistance and new program grants (70 O.S. 1210.703)	AP 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. Funding would allow test fee assistance for students in financial need, for grants to districts wanting to start new AP courses, which have ceased with funding cuts, and expand professional development needed for AP teachers.	1,530,500
Standards Implementation (70 O.S. 11-103.6, 20 USC §6311(b)(1))	Funds are used for implementation of curricular standards. For review in Fy 20 are science and fine arts. Funds will be used to continue development of frameworks and other materials to help teachers understand the standards, and for training around the state.	350,000
Oklahoma Arts Institute	This program has 2 components: 1) Oklahoma Summer Arts Institute, a fine arts school for high school students who are selected to attend through statewide competitive auditions; 2) Oklahoma Fall Arts Institute, a series of weekend workshops for elementary and secondary teachers. Program serves approximately 270 students and 250 educators and is supported through private donations.	200,000
Charter Schools Incentive Fund (70 O.S. 3-144)	Contingent on funds available, funds are used to provide financial support to new charter schools. Funding is capped at \$50,000 per charter school.	100,000

Purpose	Description	FY 20 Request
Ag in the Classroom	Program goal is to increase agricultural literacy among students and educators. Materials are developed in collaboration with the Dept of Agriculture. Program serves approximately 30,000 students and teachers. Program is also supported through the OSU Cooperative Extension Service Youth Development Program and private donations. Funding is maintained at prior year level.	38,000
Teachers' Retirement System (70 O.S. 17-108.2)	Funds appropriated to SDE as a pass through to TRS to offset a portion of teachers' contributions to the retirement system. Amount is based on number of members, years of service and credit amount set in statute.	33,500,000
Teacher Professional Development (70 O.S. 6-193)	Funds allocated to districts for professional development activities. Funding also to be used to create network improvement communities to better support teachers across the state. Funding level requested is based on the amount of state dollars reported in OCAS as being spent for professional development.	5,300,000
National Board Teacher Bonus (70 O.S. 6-204.2)	Teachers who attained National Board Certification, or submitted application for renewal of such, prior to June 30, 2013 and are 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. Projected number of teachers receiving bonus in FY 20 is 650.	3,250,000

Purpose	Description	FY 20 Request
Psychologists, Speech Pathologists and Audiologists Bonus (70 O.S. 6-206)	Contingent on funds available, national certified school psychologist, speech language pathologists and audiologists receive an annual bonus in the amount of \$5,000 or prorated based on the proportionate equivalency to full-time employment. Funding is based on projected number of FTEs to receive the bonus, approximately 780	3,900,000
Teach for America	Teach for America is the national corps of outstanding recent college graduates and professionals of all academic majors and career interests who commit two years to teach in urban and rural public schools and become leaders in the effort to expand educational opportunity. TFA is funded through state and private matching funds. Last year's program supported 384 teachers in six districts including OKC, Tulsa and Lawton. Funding is restored to FY 14/historic level.	2,500,000
Teacher Induction Program (70 O.S. 6-195)	The program requires each first-year teacher, including first-year emergency certified teachers, to have a mentor. There were approximately 3,180 first-year teachers in 2018. Funds are used for providing professional development, support and coaching to the mentors. Funds also requested to restore previously eliminated stipends in the amount of \$500 to each mentor.	1,740,000
Improvements to Student Information System	Funds requested for implementation of electronic transcripts and improvements to the WAVE.	1,000,000
Teacher and Leader Effectiveness Programs (70 O.S. 6-101.16)	Funds used to improve the effectiveness of teachers and leaders in the public school system, including continued development and implementation of the new individualized program of professional development – PL Focus. Funds will also be used to continue training programs for assistant principals (Moving UP) and principals (Lead to Succeed) and emergency certified teachers.	550,000

Purpose	Description	FY 20 Request
Administrative and Support Functions	Funds used for support to schools in a variety of areas including curriculum, accountability, finance and professional development and information technology. Additional funds for unfilled positions due to budget shortfall and to expand agency capacity in critical areas.	19,339,638
Lottery Trust Fund - Transfer to TRS Revolving Fund (H.B. 2242, 2015, 62 O.S 34.93 and 3A O.S. 713(C)(3))	Funds appropriated to the Teachers' Retirement System Dedicated Revenue Revolving Fund to fund the current unfunded liability of the Teachers' Retirement System.	3,590,263
Lottery Trust Fund - Transfer to School Consolidation Assistance Fund (H.B. 2242, 2015, 70 O.S. 7-203)	Funds appropriated to SDE to assist district consolidation, annexation, shared superintendent, severance payments and ACE technology.	3,590,263
TOTAL APPROPRIATION		3,353,676,003