

FY 2021

BUDGET REQUEST



OKLAHOMA
STATE DEPARTMENT *of* EDUCATION



JOY HOFMEISTER
STATE SUPERINTENDENT *of* PUBLIC INSTRUCTION
OKLAHOMA STATE DEPARTMENT *of* EDUCATION

MEMORANDUM

TO: Oklahoma State Board of Education
FROM: Superintendent Joy Hofmeister
DATE: October 24, 2019
SUBJECT: FY 21 Budget Request

Each fiscal year, the State Board of Education is directed to submit a budget to the Governor that outlines the budgetary *needs* of local school districts, including state aid, supervision of all other functions of general and special education, and administration (70 O.S. § 3-104). The following budget request is recommended for approval by the State Board of Education.

This budget request includes a total increase of \$220 million more than was appropriated in FY 20. This amount includes restored operational dollars into the state funding formula of \$118 million so that, in part, the class size moratorium for kindergarten and first grade can be lifted. Additionally, the request includes \$19 million – a request for year one of three – to create a new School Counselor Corps, awarded to districts on a competitive basis, to provide supports to students and teachers around ICAP, chronic absenteeism and trauma sensitivity.

Funding to the Support of Students and Teachers line item is also increased by \$42.6 million, providing additional classroom dollars in the areas of alternative education, assessment, supports for low-performing schools, early childhood and supports for teachers. The FY 21 budget request also includes funding necessary for the Instructional Materials, Flexible Benefit Allowance and Administrative Functions line items.

Attached Documentation:

- FY 21 Budget Request
- FY 21 Program Descriptions
- FY 21 Budget Request Presentation

JH/ct

Oklahoma State Board of Education

Purpose		FY 20 Appropriation
1	Financial Support of Public Schools (70 O.S. 18-200.1)	2,411,771,057
2	<i>Meet SB 193, 2019 threshold</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)	502,691,920
6	<i>Certified Personnel</i>	<i>322,414,199</i>
7	<i>Support Personnel</i>	<i>180,277,721</i>
8	Support of Students and Teachers (previously Public School Activities)	100,919,026
9	Administrative and Support Functions	16,246,097
10	Lottery Trust Fund - Transfer to TRS Revolving Fund (62 O.S 34.93 and 3A O.S. 713(C)(3))	3,161,477
11	Lottery Trust Fund - Transfer to School Consolidation Assistance Fund (70 O.S. 7-203)	3,161,477
12	TOTAL REQUEST	3,070,951,054

Budget Request for Fiscal Year 2021

FY 21 Request	Total Increase/(Decrease)	Notes
2,529,659,683	117,888,626	Operational funds (accounts for student population growth)
25,209,735	25,209,735	<i>Implement k-1 class size limits in 2021-22 SY</i>
19,157,535	19,157,535	Increase number of school counselors to improve student:counselor ratio. Amount to hire 366 counselors. Year 1 of 3.
39,000,000	6,000,000	Social Studies (\$65 ea.), Arts (\$45 ea.)
535,537,021	32,845,101	Includes projected growth in staff and 4.5% premium increase
347,081,644	24,667,445	
188,455,377	8,177,656	
143,501,205	42,582,179	
17,746,097	1,500,000	Increase agency capacity to support schools, teachers and students.
3,161,477	-	Determined by statute
3,161,477	-	Determined by statute
3,290,924,495	219,973,441	

Oklahoma State Board of Education

Purpose	FY 20 Appropriation
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Strategic Plan Pillar 1: Achieve Academic Success		
1	Alternative Education Programs and Admin (70 O.S. 1210.561, 70 O.S. 1210.568)	11,000,000
2	Early Intervention SoonerStart (70 O.S. 13-124)	14,400,341
3	Required Assessments (70 O.S. 1210.508, 20 USC §6311(b)(2))	9,600,000
4	<i>Assessment Supports to Districts</i>	
5	Reading Sufficiency (70 O.S. 1210.508D)	12,000,000
6	Early Childhood Initiative (70 O.S. 10-105.4)	12,000,000
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))	3,500,000
11	State Support for Low-Performing Schools	
12	ESSA required school accountability (70 O.S. 1210.545, 20 USC §6311(c))	-
13	Computer Science training (70 OS 11-103m, 11-103n)	
14	AP Teacher Training and Test Fee Assistance (70 O.S. 1210.703)	1,300,000
15	Standards Implementation (70 O.S. 11-103.6, 20 USC §6311(b)(1))	150,000
16	Oklahoma Arts Institute	200,000
17	Ag in the Classroom	38,000
Total		64,768,341

Strategic Plan Pillar 2: Build Exceptional Educators and Schools		
18	Teachers' Retirement System (70 O.S. 17-108.2)	24,175,685
19	Psychologists, Speech Pathologists and Audiologists Bonus (70 O.S. 6-206)	3,625,000
20	National Board Teacher Bonus (70 O.S. 6-204.2)	2,950,000
21	Secure Schools Program	3,000,000
22	Teach for America	2,000,000
23	Teacher Induction Program (70 O.S. 6-195)	150,000
24	Implementation of Digital Transcripts	-
25	Teacher and Leader Retention Programs (70 O.S. 6-101.16)	250,000
Total		36,150,685

Grand Total	\$ 100,919,026
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Support of Students and Teachers

FY 21 Request	Total Increase/ (Decrease)	Notes
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(To ensure a high-quality public education, the OSDE will close the opportunity and achievement gap for each student in Oklahoma.)		
20,677,120	9,677,120	Year 1 of 3 request to reach total cost of alternative education
18,856,341	4,456,000	Capacity to serve additional 1,000 children
13,420,860	3,820,860	FY 21 contracts for grades 3-8 and 11 assessments
3,820,860	3,820,860	Development of formative assessment items to support teachers
12,150,000	150,000	79,738 students KG-3 * \$150, science of reading training (400 teachers)
12,000,000	-	Increase to provide science of reading training to teachers
6,500,000	6,500,000	Competitive grants to GE, Street School, Imagine Math and other programs
-	-	<i>fund from Grants Pool</i>
-	-	<i>fund from Grants Pool</i>
3,500,000	-	Estimate to cover required state match
3,341,884	3,341,884	Support and competitive grant for ATSI designated schools (55 schools)
1,650,000	1,650,000	Includes cost of adding additional transparency items, including finances
1,600,000	1,600,000	Year 1 of 5 cost for a credentialed teacher in every school
1,500,000	200,000	Test fee assistance, start up grants to districts, PD institutes
400,000	250,000	ELA revision, curriculum frameworks science, comp science, fine arts
320,000	120,000	Increase scholarship for students/teachers, add second fall institute
38,000	-	Maintain current services
95,954,205	31,765,864	

(The OSDE will support the recruitment, preparation and retention of highly qualified teachers and leaders.)		
34,000,000	9,824,315	Estimated growth in teachers (FY 20 amount does not fully reflect need)
3,625,000	-	Projection based on need - stipends for 725 FTEs
2,500,000	(450,000)	Projection based on need - stipends for 500 teachers
2,350,000	(650,000)	Decrease due to one-time set up fee from year 1
2,000,000	-	Maintain FY 20 increase
1,650,000	1,500,000	Amount needed for \$500 mentor stipend (3000 1st yr teachers)
1,000,000	1,000,000	Projected amount to implement digital transcripts
422,000	172,000	PL Focus, Moving UP, Lead to Succeed, Emergency Cert training
47,547,000	11,396,315	

\$ 143,501,205	\$ 42,582,179	
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**Oklahoma State Board of Education
Program Descriptions for Fiscal Year 2021 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. Additional funds used to implement k-1 grade class size limits and to bring funding levels back to those from FY 09.	2,529,659,683
School Counselor Corps	Increase number of school counselors to improve student:counselor ratio. Total amount needed is \$57,472,607 to hire 1103 new counselors. Amount requested will cover 366 new counselors for year 1 of 3. Funds will be allocated on a competitive grant basis to districts for personnel to implement ICAP, work-based learning and other career exploration opportunities.	19,157,535
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. Statue requires \$55 per student, but that amount has not been allocated since FY 10. Requested amount reflects estimated cost to pay for purchasing social studies (\$65 ea) and Arts (\$45 ea.) materials.	39,000,000

Purpose	Description	FY 20 Request
Flexible Benefit Allowance (70 O.S. 26-104)	See next two items.	535,537,021
<i>Certified Personnel</i>	Projected benefit amount for 53,288 school district certified personnel to offset health insurance costs – estimate for 4% growth plus 4.5% premium increase.	347,081,644
<i>Support Personnel</i>	Projected benefit amount for 33,419 school district support personnel to offset health insurance costs – estimate for 3% growth plus 4.5% premium increase.	188,455,377
Support of Students and Teachers	Funds allocated to school districts and other entities for implementation of various education programs and initiatives.	143,501,205
1 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 317 programs including 205 districts in coops across the state serving approximately 13,377 students, an increase from prior years. Total amount needed is \$40,031,359, which is the cost from FY 18. Request reflects year 1 of 3.	20,677,120
2 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. Program serves approximately 8,500 families per year. Funding level is increased to provided services to an additional 1,000 children.	18,856,341

Purpose	Description	FY 20 Request
3 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 required to ensure assessments are valid under requirements of ESSA, meet peer review requirements and pay for new U.S. History assessment.	13,420,860
4 Assessment Supports to Districts	<i>Funds to develop formative assessment items to be embedded in the curriculum frameworks that are aligned to state academic standards and assessments. Additionally, funds would be used to provide districts access to existing interim assessments at a state-wide rate.</i>	3,820,860
5 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. Last year 79,738 students qualified for funding. Allocations are approximately \$150 per student which was the intent of the original legislation. \$150,000 will pay for science of reading training for 400 teachers.	12,150,000
6 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 2,830 children in 2018. Maintains funding increase from FY 20.	12,000,000
7 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
8 <i>Great Expectations</i>	<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>	400,000
9 <i>Street School</i>	<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. Street School would be funded through the grant pool.</i>	180,000
10 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
11 State Support to Low-Performing Schools	Funds would provide grants to low-performing schools that are identified as in need of support, but are not receiving federal school improvement funding. Grants would be done on a competitive basis to 55 eligible ATSI schools who are designated in every indicator and provide OSDE staff support to them.	3,341,884
12 ESSA required school accountability (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).	1,650,000

Purpose	Description	FY 20 Request
13 Computer Science training (70 OS 11-103m, 11-103n)	Funds to implement the requirements of SB 593, 2019, including develop micro-credentials and virtual coursework that will be delivered statewide to ensure each school across Oklahoma will have at least one credentialed Computer Science teacher. Over 5 years, the model will lead to 100% coverage in Oklahoma schools.	1,600,000
14 AP Teacher Training, Test Fee Assistance (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 pays for test fee assistance for students in financial need and required professional development for teachers. Additoinal funds would increase workshop offerings for teachers and add AP start up grants.	1,500,000
15 Standards Implementation (70 O.S. 11-103.6, 20 USC §6311(b)(1))	Funds will provide for the revision of English Language Arts standards, revision and expansion of Science curriculum frameworks and development of Fine Arts and Computer Science frameworks. Increase primarily due to carryover funds used in FY 20 that are no longer available.	400,000
16 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 200 educators and is largely supported through private donations. Additonal funds will support another Fall Arts institute weekend and increase the number of educator scholarships by 50. Funds couls also be used to increase scholarships for students.	320,000

Purpose	Description	FY 20 Request
17 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
18 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 required is based on number of members, years of service and credit amount set in statute. Increase due to increase in number of staff employed by districts.	34,000,000
19 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 if necessary, based on the proportionate equivalency to full-time employment. Funding is based on projected number of FTEs to receive the bonus, approximately 725.	3,625,000
20 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 21 is 500.	2,500,000
21 Secure Schools Program	Funds intended to be used for a statewide K-12 public school mobile panic button system. Reduction due to one-time costs from the first year of implementation.	2,350,000

Purpose	Description	FY 20 Request
22 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.	2,000,000
23 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 are approximately 3,000 first-year teachers each year. Funds are used for providing professional development, support and coaching to the mentors as well as a \$500 stipend to each.	1,650,000
24 Implementation of Digital Transcripts	Funds will be used to continue developing digital transcripts for the state. Data can be used to help inform career pathways in connection with higher education and CareerTech.	1,000,000
25 Leadership Development/Retention Programs (70 O.S. 6-101.16)	Funds used to improve the effectiveness of teachers and leaders in the public school system, including continued 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.	422,000

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 will be used to increase salaries for employees in order to remain competitive with district salaries and to increase personnel in key positions to provide supports to schools.	17,746,097
Lottery Trust Fund - Transfer to TRS Revolving Fund (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.	3,161,477
Lottery Trust Fund - Transfer to School Consolidation Assistance Fund (70 O.S. 7-203)	Funds appropriated to SDE to assist district consolidation, annexation, shared superintendent, severance payments and ACE technology.	3,161,477
TOTAL REQUEST		3,290,924,495



OKLAHOMA

EDGE

FY 2021 Budget Request

Carolyn Thompson

Chief of Government Affairs/Deputy Chief of Staff

October 24, 2019

Budget Responsibility

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

– 70 O.S. § 3-104

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

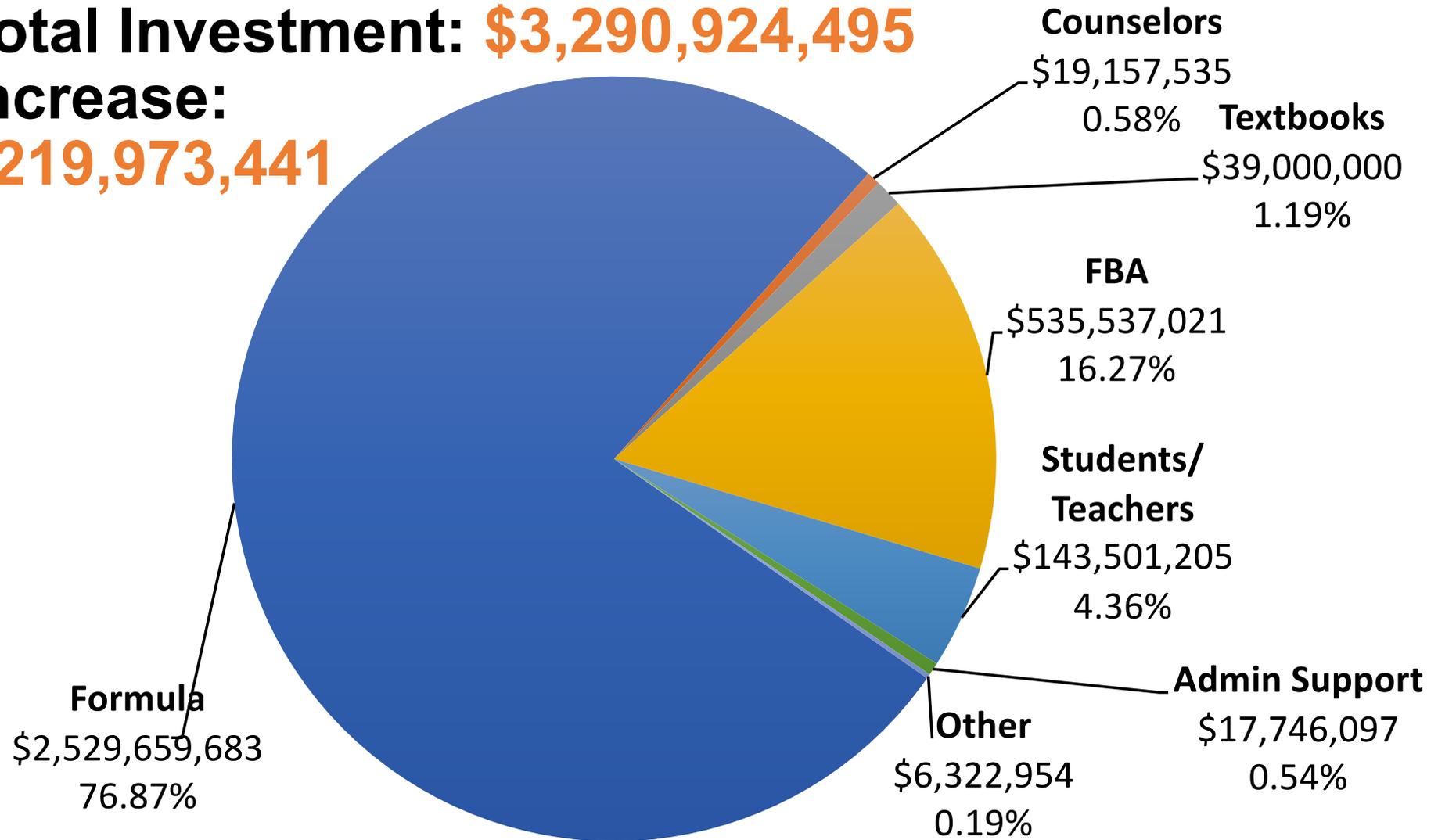
ICAP FOR ALL STUDENTS 6-12

6

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

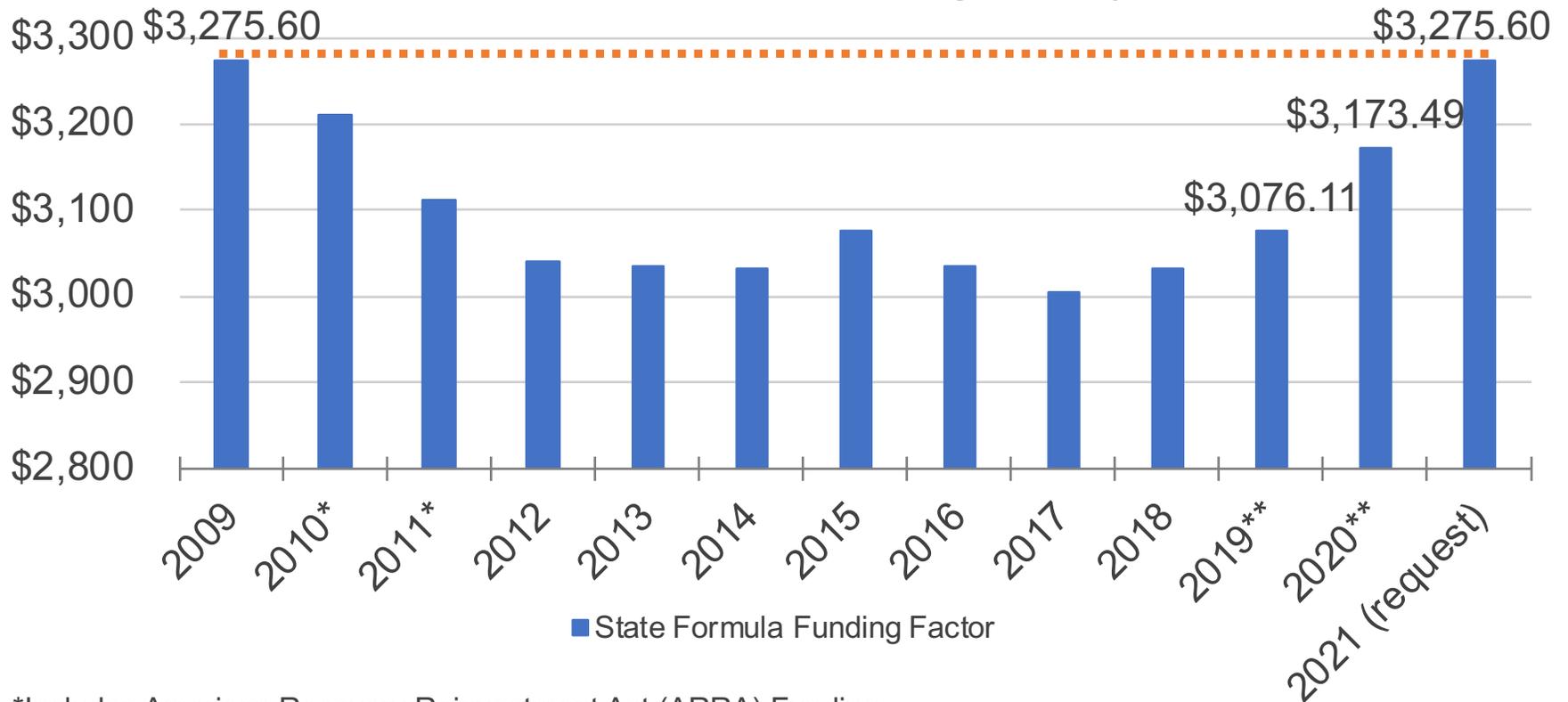
FY 21 Budget Request

➔ **Total Investment: \$3,290,924,495**
Increase:
\$219,973,441



Funding for Operational Costs (i.e., Formula)

State Per Student Funding History



*Includes American Recovery Reinvestment Act (ARRA) Funding

**Factor excluding amount appropriated for salary increases

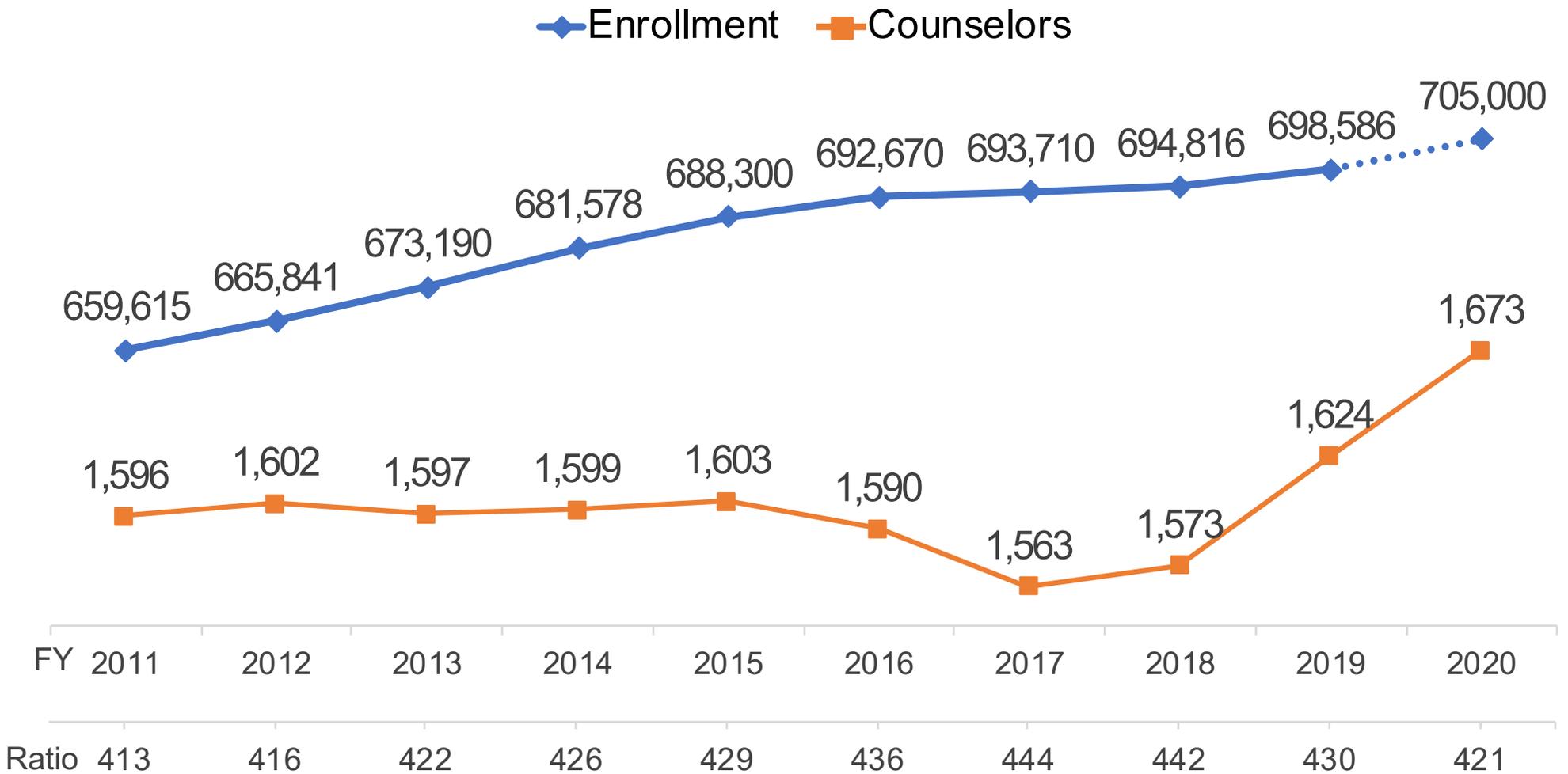
Funding for Operational Costs (i.e., Formula)

- \$25,209,735 needed to reach threshold from SB 193 (2019) for implementing **class size limits** for kindergarten and first grade in SY 2021-22.
- \$92,678,891 in **operational dollars** to return funding to pre-recession levels.
 - Includes projected growth of student population

➔ **Total Investment: \$2,529,659,683**

Increase: \$117,888,626

Closing the Gap Between Students and Counselors



School Counselor Corps

- Oklahoma has **880** licensed **school counselors** employed by Oklahoma districts, but **not in a counseling position**. 526 of those are serving as classroom teachers.
- To reach nationally recommended ratio of 250:1, need 1,100 additional counselors
- Funding for competitive grants to districts, based on need, to pay for additional counselors
 - Restricted to counseling activities (i.e., ICAP, trauma, chronic absenteeism, etc.)

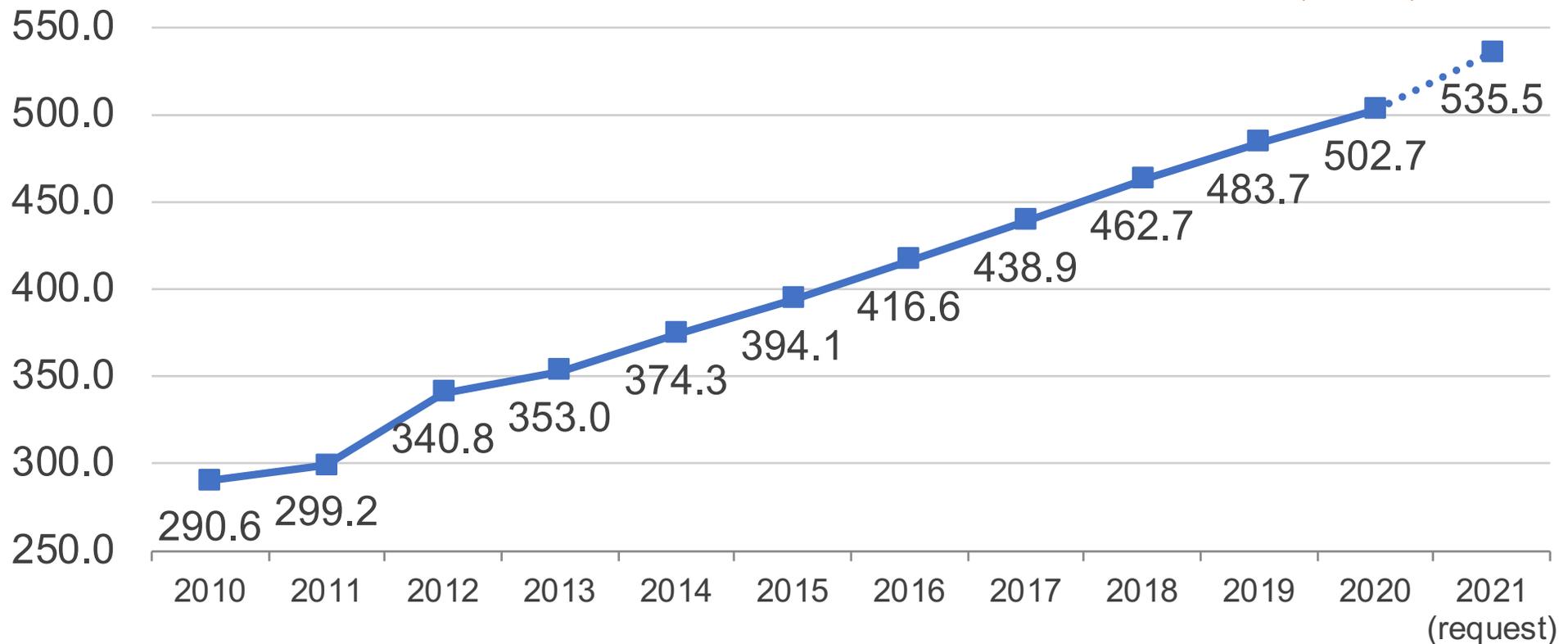
➔ Investment Year 1 of 3: \$19,157,535

Flexible Benefit Allowance

(FBA) Providing Health Insurance to more than 52,000 Educators and 33,000 Support Staff

➔ **Investment: \$535,537,021**
Increase: \$32,845,101

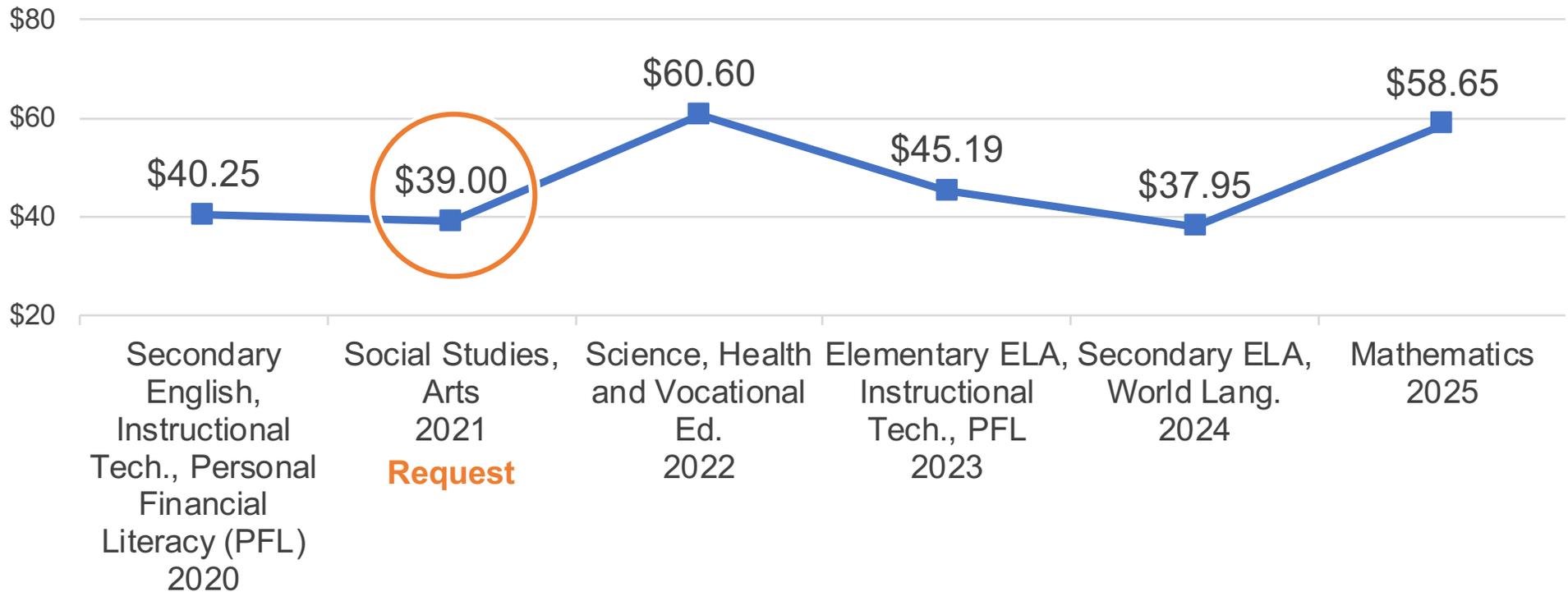
(In Millions \$)



Textbook Adoption Cycle

Estimated Adoption Costs

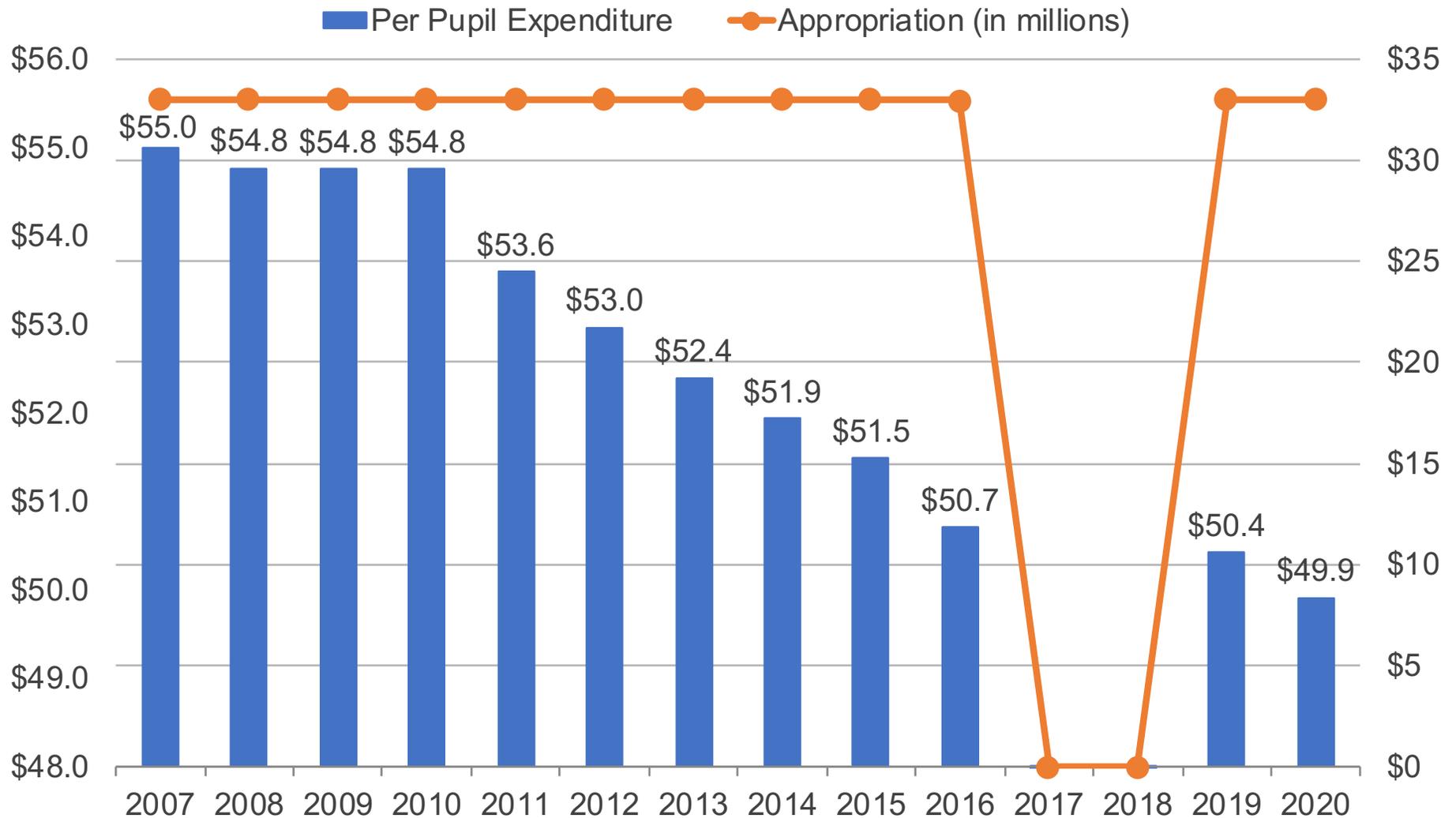
(In Millions \$)



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.

Textbook Per Pupil Allocation

Decrease of \$5.09 per student since 2007



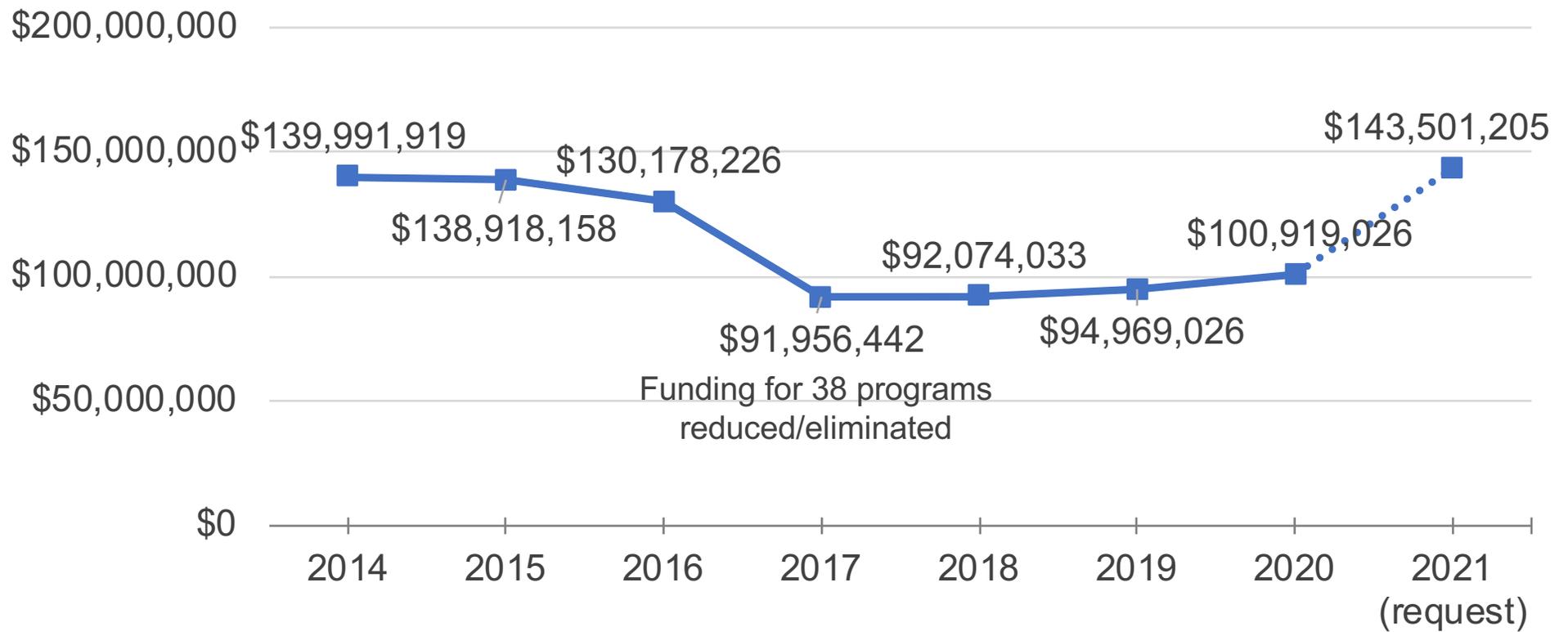
Impact of Curriculum on Achievement

Results of a 144 meta-analyses project that investigated the **impact of curriculum on student achievement** found an average effect size of +0.45. This is **greater than** the influence of a student's **home** and student's **school**.

- Hill, Bloom, Rebeck, Black, & Lipsey, 2008

➔ **Investment: \$39,000,000**
Increase: \$6,000,000

Support of Students and Teachers



Alternative Education

Funding to support implementation of HB 2520 (2019), which changes the funding formula for alternative education allocations.

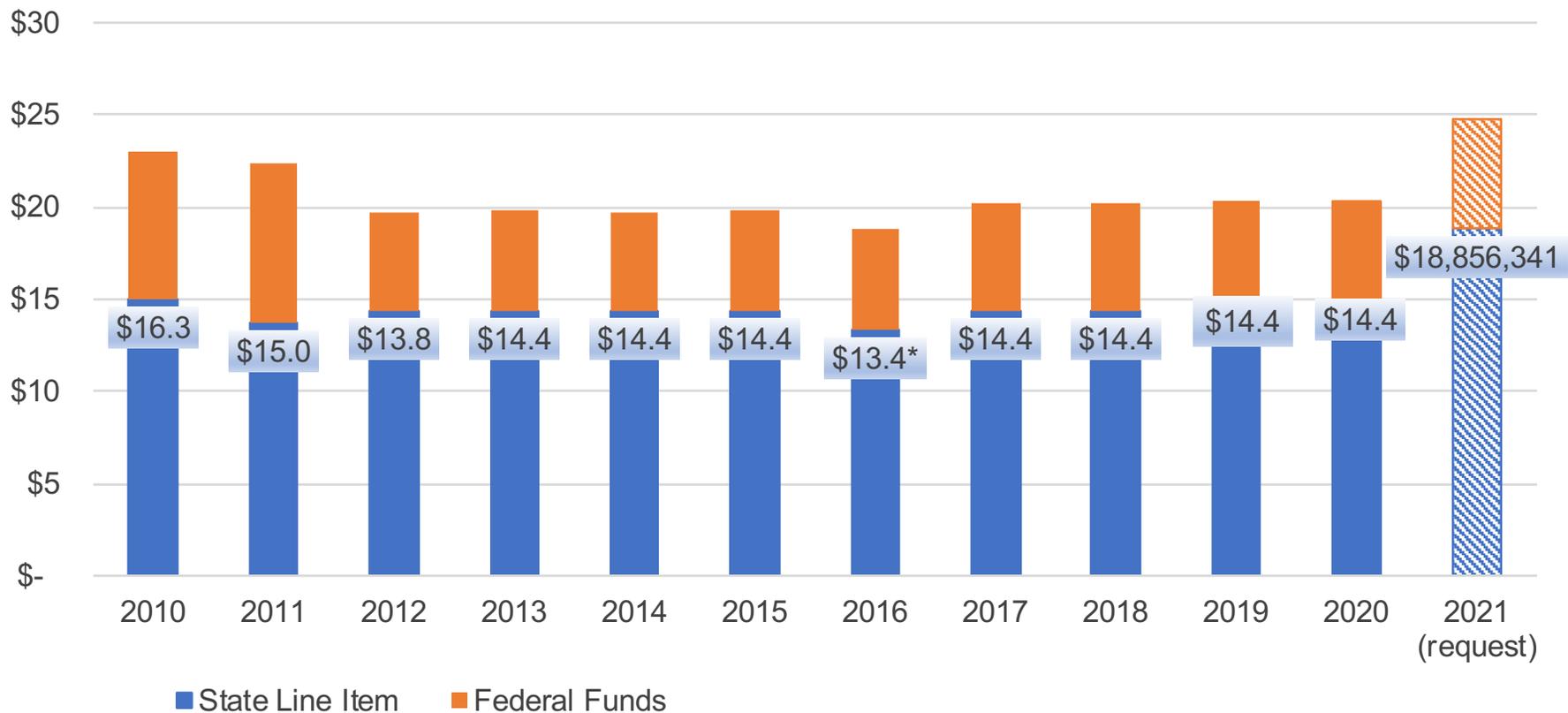
Fiscal Year	State Allocation	Additional District Expenditures	Total Alternative Education Expenditures
2018	\$10,569,307	\$29,462,052	\$40,031,359
2017	\$10,048,454	\$28,363,343	\$38,411,797
2016	\$12,151,992	\$28,866,665	\$41,018,657

Increase: \$9,677,120

➔ Investment Year 1 of 3: \$20,677,120

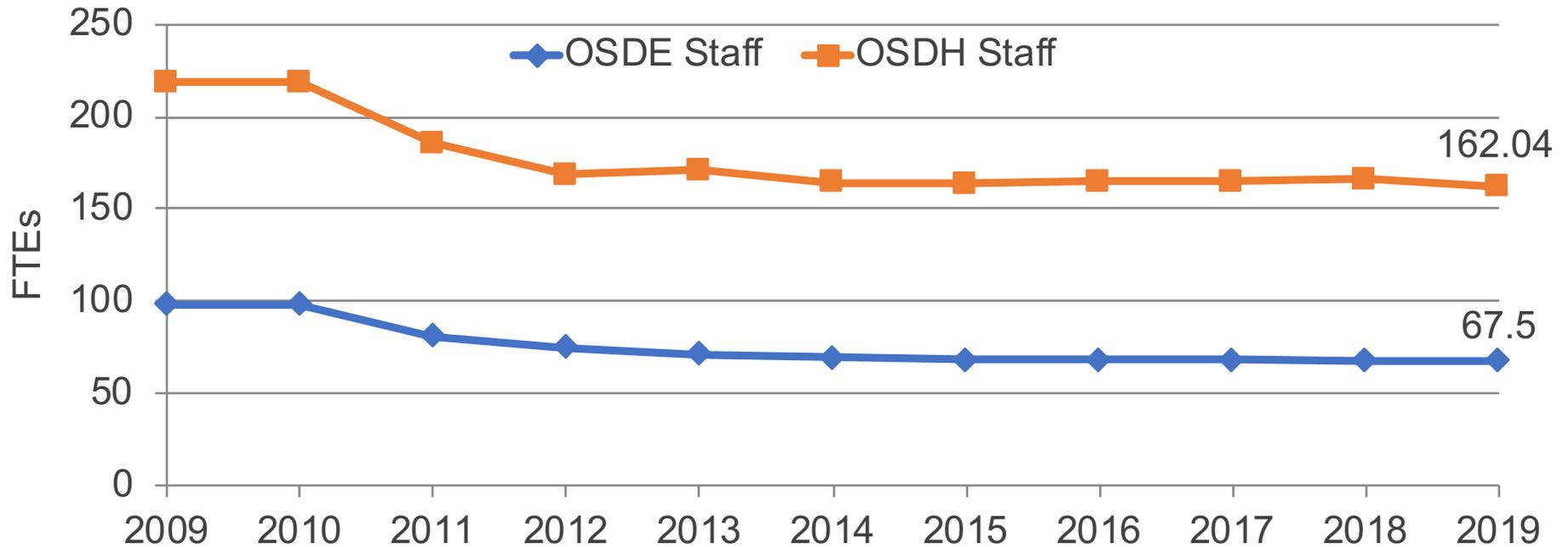
Sooner Start Early Intervention Funding

(In Millions \$)



*Decrease due to general revenue failure
 NOTE: FY 21 Federal funds are estimated based on FY 20 funding

Sooner Start FTE History



- As staff declines, available services decline.
- Increased investment will provide services to an additional 1,000 children birth-3 with developmental delays.

➔ Investment: \$18,856,341
Increase: \$4,456,000

Assessment Supports

- Create of **formative assessment items**, aligned to Oklahoma Academic Standards, to be embedded in curriculum frameworks.
 - Provided free to all teachers.
- Provide **optional benchmark assessments**, aligned to Oklahoma Academic Standards, to districts.
 - Capitalize on economies of scale to save districts money.

➔ **Investment: \$3,820,860**

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).

FY 20 Investment: \$12,000,000

$$\begin{aligned} & \div \underline{79,738} \text{ Students} \\ & = \$150.5 \text{ Per Student} \end{aligned}$$

➔ **FY 21 request includes additional \$150,000 for training on science of reading**

Supporting Low-Performing Schools

Provide competitive grant to schools with a federal designation not currently receiving state support.

➔ **Investment:**
\$3,341,884



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?

Supports to teach the academic standards

➔ **Investment** in curriculum frameworks: \$400,000

Mentoring for New Teachers

➔ **Investment** mentor teacher stipends: \$1,650,000

Growth and Leadership Opportunities

➔ **Investment** in PL focus, emergency certified teachers: \$422,000

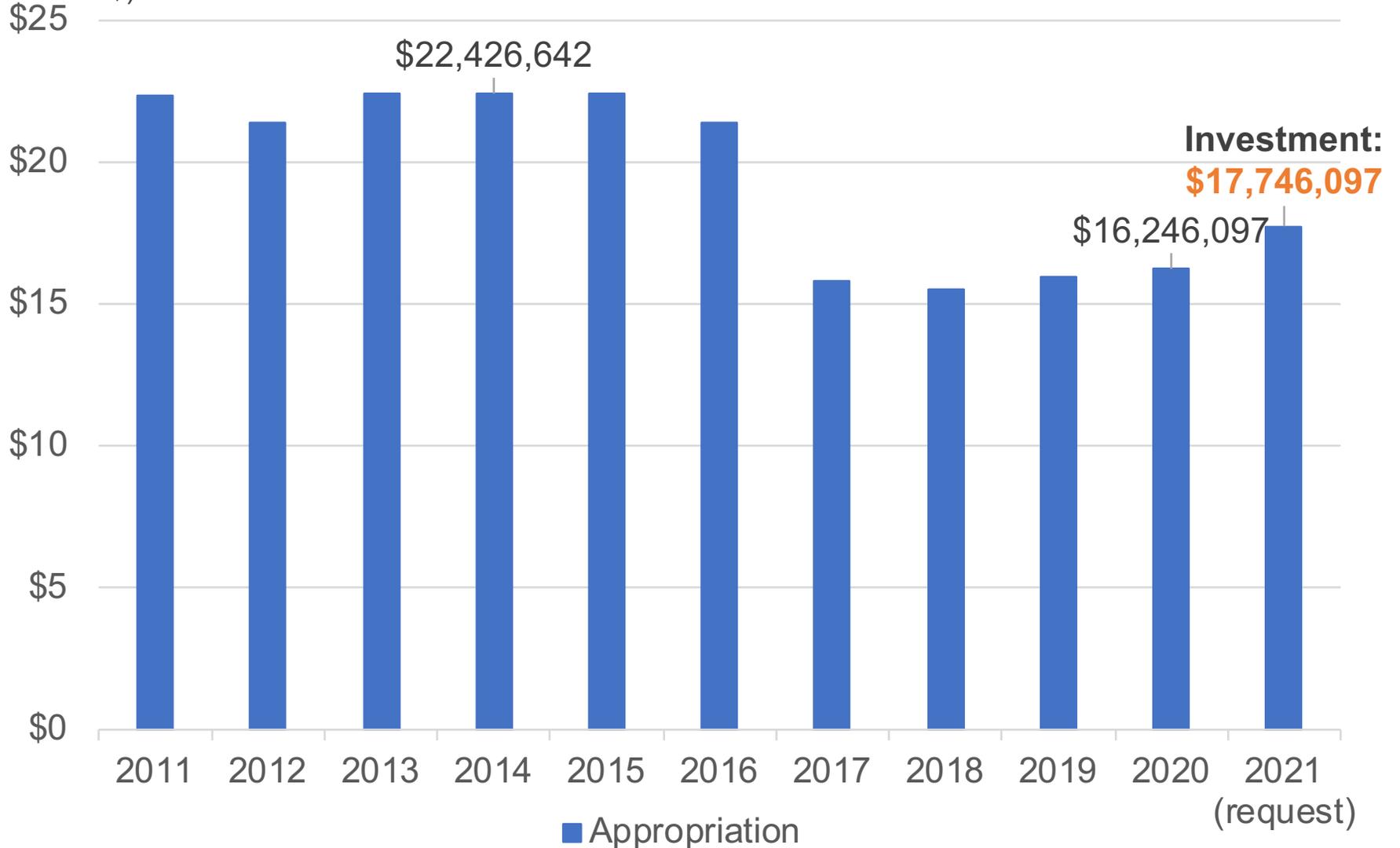
Digital Transcripts

- Creation of a digital transcript
 - Currently still using paper transcripts
 - Assist students transferring between schools
 - Create longitudinal data for course sequencing with CareerTech and Higher Education
 - Enhance ICAP and development of career pathways
 - Modernization of state systems

➔ **Investment: \$1,000,000**

Administrative Support

(In Millions \$)





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