

# **Oklahoma School Finance**

## **Technical Assistance Document**

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**SOURCES OF REVENUE STATE AID FORMULA**

**PENALTIES/ADJUSTMENTS**

**FINANCIAL SERVICES DIVISION**

**State Aid Section**

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**September 2027**

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Inquires or concerns regarding compliance with the Title IX by local school districts should be presented to the local school district Title IX coordinator.

This publication is issued by the OSDE as authorized by 70 O.S. § 3-104. Copies have not been printed but are available through the agency website.

## **PREFACE**

Pursuant to the Oklahoma statutes and State Board of Education regulations, certain individuals are appointed or designated by the local board of education to be responsible for proper receipting and disbursement of public funds within the public-school districts in Oklahoma. Periodically, statutory provisions or board regulations are amended to meet current financial or administrative situations.

This Technical Assistance Document for School finance should be utilized to complement the statutes and regulations. It is presented in an easy-to-use format using a combination of actual statutory/regulatory provisions and an easy-to-understand narrative.

The document provides an overview of revenues for local school districts and provides an explanation of the various sources. Typically, the State Aid Formula is the prominent source of funding for the average school district. The formula with its weighted components is explained in detail.

Various penalties/adjustments that affect school district funding are outlined and defined to allow school district personnel to monitor the local district's compliance with statutory provisions or board regulations. Policies/procedures governing school finance are also presented in an understandable manner.

Members of the local board of education, superintendents, business office personnel, budget makers, independent auditors, and others who have the responsibility for school district funds, preparation of school district budgets, and the administration of local school districts should become familiar with this Technical Assistance Document for School Finance – September 2026.

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# **SECTION I**

## **SOURCES OF REVENUE FOR**

## **OKLAHOMA SCHOOL DISTRICTS**

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## Revenues--State Totals

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State totals for collections from the various sources for General Fund revenue and the amount collected by source among the common schools of Oklahoma for the 2025-2026 fiscal year as reported by the Oklahoma Cost Account System (OCAS). State totals for Building Fund and Sinking Fund collections are also included.

**Local and County Sources, State Sources (Dedicated and Appropriated), and Federal Sources can be found on the OCAS Transparency Website-- [OCAS & Transparency \(Reports\)](#)**

### LOCAL SOURCES OF REVENUE FOR SCHOOL DISTRICTS

The principal sources of local revenue are follows:

General Fund Levies

Building Fund Levy

County 4-mill Levy

Sinking Fund Levy

County Apportionment

Other Miscellaneous Revenues

#### The Ad Valorem Tax Levy

The property tax (ad valorem tax) is the traditional source of local revenue for schools throughout the United States. In Oklahoma, this tax is levied in mills (1 mill is 1/1000 of a dollar or .001) against real, personal and public service property. Ten mills equal one penny. Stated another way, a mill is a tax of one dollar per thousand dollars of property valuation subject to taxation.

**Real property** is the land itself and all rights and privileges that add value to the property, such as irrigation, mines, minerals, quarries, and trees on or under the same, and all building, structures, and improvements of any kind. Excluded are machinery and fixtures, which are defined as personal property. Property owners receive a tax exemption of \$1,000 if the property is claimed as a homestead. **Personal property** includes all goods, chattels and effects; all improvements made by others upon lands; all stock of nurserymen; all horses, cattle, mules, sheep, swine, goats, and other livestock; all household furniture, and personal libraries; wagons, vehicles, or carriages; machinery and materials used by manufacturers and all manufactured articles; all goods and capital used in merchandising; all abstractors' books and records; all agriculture implements and machinery; all tanks and containers used to hold or store oil or any of its by-products; all gas, oil, water or other pipelines; telephone or telegraph lines, railroad tracks, oil and petroleum products; and all other property having an actual, constructive or taxable situs in this state and not included within the definition of real property. **Public service property** is used to provide services, usually utility services, for the public in general. This includes oil and gas pipelines, generating plants for electricity, railroads and other such utilities.

Taxes are not levied on the full value of properties. The Constitution limits taxation to 35 percent of the fair cash value of the property. Fair cash value is the value and price at which a willing buyer would purchase property, and a willing seller would sell property, if both parties are knowledgeable about the property and its uses, and if neither party is under any undue pressure to buy or sell. Some percentage of full value is established which is called an assessment ratio. This percentage, when applied to the fair cash value, determines the assessed value at which property will be taxed. Real and personal property are assessed by a county official, the county assessor. Public service property is assessed by the state. The State Board of Equalization, with recommendations from the Oklahoma Tax Commission, Ad Valorem Division, orders equalization of locally assessed property when counties are not in compliance and ultimately approves all property value assessment, including public service property. The ratio used for public service property is 22.85 percent (22.85%), which is higher than the ratio that is used at the local level. Chart No. 2 (page 5) summarizes the various property classifications and school tax levies.

## Separate Tax Levies

There are seven different ad valorem tax levies that are used in Oklahoma for the support of the public schools at the local level. The state Constitution provides for each levy, which in one way or another is constrained by the constitutional provisions. Three of the seven require direct authorization by a majority of electors in the school district at the annual school election. [Chart No. 2 \(page 5\)](#) illustrates the constitutional levies for taxing jurisdictions in Oklahoma.

Each levy is listed below with an explanation of the specific provisions of each:

### General Fund Levies

#### Millage Levy

Certification of need 15 mills

#### Authority

Resolution by Board of  
Education

Each board of education in Oklahoma is authorized to levy up to 15 mills (plus increased millage because of personal property tax adjustment) on the property in the district based on certification of need for the financial support of the schools. **School districts should be aware that when this millage is increased, the higher millage rate will be used when calculating the amount of the adjusted valuation that will be used as a chargeable in the Foundation Aid portion of the State Aid formula (70 O.S. § 18-200.1).** The board is required to file a "Preliminary Estimate of Needs" that is published in a local newspaper no later than December 31 specifying a proposed budget for the coming year that demonstrates the need for the levy. The election for such levies and board member elections occurs in school districts annually.

#### Millage Levy

County Levy

#### Authority

County Excise Board 5 mills  
(minimum)

There is a 15-mill county levy over which the county excise board has jurisdiction. The law requires that at least 5 mills of that 15 must be allocated to the schools. For all practical purposes, the other 10 mills are allotted to the support of county government, but technically, the law would allow the excise board to allocate a portion of the 10 mills to municipalities and/or school districts.

#### Millage Levy

Emergency Levy

5 mills (maximum)

#### Authority

Majority of voters in annual  
school election

This levy was an amendment to the Constitution. Originally, criteria constituting an emergency had to be met in order for a school district to ask for approval. Those emergency criteria were abandoned many years ago, and it is now a routine supporting levy for every school district in the state.

#### Millage Levy

Local Support Levy

10 mills (maximum)

#### Authority

Majority of voters in annual  
school election

This levy was another amendment to the Constitution of the State. As in the case of the emergency levy, it has become a routine tax issue that every district in the state levies every year.

These four levies add up to a total of 35 mills (plus increased millage because of personal property tax adjustment) for the General Fund. The system has evolved to the point that these millage levies are not optional. They are also interrelated with state aid to the point that no district, even one with considerable property wealth, can afford not to levy the maximum. In effect, there is no constitutionally permissible way for districts, even by approval of voters, to raise additional ad valorem levies to support the general operation of the schools.

### Building Fund Levy

Millage Levy  
**Building Fund Levy**  
 5 mills (maximum)

Authority  
 Majority of voters in annual  
 school election

The Constitution provides that each school district may levy up to 5 mills for the purpose of erecting, remodeling, and repairing school buildings, or for purchasing furniture. In the early history of the state, it was envisioned that the 5 mills might be sufficient to provide the money necessary for building facilities for the many school districts. However, it became unrealistic for most districts a long time ago.

Through various legal interpretations, the use of money in the Building Fund levy has been liberalized so that it can be used not only for maintenance, but also for the purchase of equipment. In some cases, it is used even for operational expenses. The Attorney General has ruled that payment of property and casualty insurance can be made from this fund.

### County 4-mill Levy

Millage Levy  
**4-mill County wide Levy**

Authority  
 Constitutional

During the days of the so-called “separate” schools in Oklahoma, this levy was provided as a means of raising money to support those schools. When desegregation was implemented in Oklahoma in the mid-fifties, this 4-mill levy became a countywide source to be divided among the school districts within the county. This is the only school support levy that is countywide and is divided among the school districts in each county based on each district’s average daily attendance. In some counties, this contributes to a much more equal distribution of at least these 4 mills of the money derived from a single piece of valuable industrial or public service property.

### Sinking Fund Levy

Millage Levy  
**Sinking Fund Levy**

Authority  
 Through bond issue election with 60% majority vote  
 and judgments against the district

Each school district in Oklahoma is authorized to borrow money up to an amount that does not exceed 10 percent of its total assessed valuation. Money is borrowed through the issuance of bonds after the bond issue has been approved by the voters. **The issue does not carry unless 60 percent of those voting in the election vote “yes”.**

A Sinking Fund levy is determined following the approval of the bond issue to yield enough money to pay the principal and interest on the bond issue. In other words, the number of mills levied will vary from district to district in terms of the size of the bond issue, the term of the bonds (how long until they are paid off), and the interest rate. Many districts have no Sinking Fund levy, and others have levies exceeding 30 mills. Additionally, Sinking Fund levies may be ordered by the court to fund debts of the school district when the district has unlawfully expended beyond its appropriation.

### **County Apportionment and Other Local Miscellaneous Revenues**

A county apportionment comes from a mortgage tax in each county. It is distributed among the school districts on an average daily attendance basis. Other miscellaneous revenues, such as interest income, gifts, student fees, the sale of property, transfer fees, tuition, rental, and refunds are collected locally.

## CHART NO. 1

### Summary of Ad Valorem Property Classifications and Tax Levies for School Districts

Ad Valorem Property includes these classifications:

- I. Real Property
  - A. Residential
  - B. Commercial/Industrial
  - C. Agricultural
- II. Personal Property\*\*
- III. Public Service Property

#### Ad Valorem Tax Levies for School Purposes

##### General Fund:

|                     |            |                       |
|---------------------|------------|-----------------------|
| 15-mill Levy        | 15 mills** | Certification of Need |
| County 4-mill Levy  | 4 mills    | Constitutional        |
| County 15-mill Levy | 5 mills    | Constitutional        |
| Emergency Levy      | 5 mills    | Majority Vote         |
| Local Support Levy  | 10 mills   | Majority Vote         |
| General Fund        | 39 mills   |                       |

Building Fund:                      5 mills                      Majority Vote

Sinking Fund:                      As voted for Bond Issues  
and levied for Judgments.

\*\* Counties who have done away with their individual personal property tax have been allowed to raise their 15-mill Levy based on a formula in Article X, Section 8A, Paragraph (b) of the Constitution.

## CHART NO. 2

### Ad Valorem Levies by Jurisdiction

| Constitutional Authority                                                      | Levy by Jurisdictional Category                                                    | Current Mill Levy Limitation |
|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------|------------------------------|
|                                                                               | <u>School Districts</u>                                                            |                              |
| Art. X Sec. 9(a)                                                              | 15-mill County Levy                                                                | 5                            |
| Art. X Sec. 9 (b)                                                             | County 4-mill Levy                                                                 | 4                            |
| Art. X Sec. 9(c)                                                              | School District Levy (Board Certified)                                             | 15+                          |
| Art. X Sec. 9 (d)                                                             | Emergency Levy                                                                     | 5                            |
| Art. X Sec. 9(d-1)                                                            | Local Support Levy                                                                 | 10                           |
| Art. X Sec. 10                                                                | Building Fund Levy                                                                 | 5                            |
| Art. X Sec. 26, 28                                                            | Sinking Fund levy                                                                  | 10% NAV*                     |
|                                                                               |                                                                                    |                              |
|                                                                               | <u>County Government</u>                                                           |                              |
| Art. X Sec. 9(a)                                                              | 15-mill County Levy                                                                | 10                           |
| Art. X Sec. 9A                                                                | Health Department Levy                                                             | 2.5                          |
| Art. X Sec. 10                                                                | Building Fund Levy                                                                 | 5                            |
| Art. X Sec. 35                                                                | Industry Development Incentive Bond Levy                                           | 2                            |
| Art. X Sec. 26, 28                                                            | Sinking Fund Levy                                                                  | 10% NAV*                     |
|                                                                               |                                                                                    |                              |
|                                                                               | <u>Municipal Government</u>                                                        |                              |
| Art. X Sec. 10                                                                | Building Fund Levy                                                                 | 5                            |
| Art. X Sec. 35                                                                | Industry Development Incentive Bond Levy                                           | 5                            |
| Art. X Sec. 26, 27, 28                                                        | Sinking Fund Levy                                                                  | 10%NAV*                      |
|                                                                               |                                                                                    |                              |
|                                                                               | <u>Special Districts</u>                                                           |                              |
| Art. X Sec. 9B (A)                                                            | Career Tech/Community College School Levy                                          | 5                            |
| Art. X Sec. 9B (B)                                                            | Career Tech Local Incentive Levy                                                   | 5                            |
| Art. X Sec. 10                                                                | Career Tech Building Fund Levy                                                     | 5                            |
| Art. X Sec. 9B (C)                                                            | Career Tech Sinking Fund Levy                                                      | 5%NAV*                       |
| Art. X Sec. 10A                                                               | County and City-County Library Fund Levy                                           | 1-6                          |
| Art. X Sec. 9C (A)                                                            | Emergency Medical Service District Levy                                            | 3                            |
| Art. X Sec. 9C (D)                                                            | Emergency Medical Service District Sinking Fund Levy                               | 3                            |
| Art. X Sec. 9D (A)                                                            | Solid Waste Management District Levy                                               | 3                            |
| Art. X Sec. 9D (G)                                                            | Solid Waste Management District Sinking Fund Levy                                  | 3                            |
| Art. X Sec. 7 <sup>1</sup>                                                    | Fire Protection District Levy                                                      | 7                            |
| Art. X Sec. 7, 26                                                             | Fire Protection District Sinking Fund Levy                                         | 10%NAV*                      |
| Art. X Sec. 7 <sup>2</sup>                                                    | Sewer Improvement District Levy                                                    | 10                           |
| Art. X Sec. 7, 26                                                             | Sewer Improvement District Sinking Fund Levy (On real Property only). <sup>3</sup> | 10%NAV*                      |
| Art. X Sec. 7 <sup>4</sup>                                                    | Rural road Improvement District Levy                                               | 3                            |
| Art. X Sec. 7                                                                 | Rural Road Improvement District Sinking Fund Levy                                  | 5                            |
|                                                                               |                                                                                    |                              |
| <sup>1</sup> See also 19 O.S., Sec. 901.1 et seq.                             |                                                                                    |                              |
| <sup>2</sup> See also 19 O.S., Sec. 871 et seq.                               |                                                                                    |                              |
| <sup>3</sup> Tax Base limitation also applies to jurisdictional general fund. |                                                                                    |                              |
| <sup>4</sup> See also 19 O.S., Sec. 902.1 et seq.                             |                                                                                    |                              |
| *NAV: Net assessed valuation                                                  |                                                                                    |                              |

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## STATE SOURCES OF REVENUE FOR SCHOOL DISTRICTS

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Most school districts in Oklahoma receive more money from the state for the support of their schools than from any other source. However, the money comes in several different ways.

The two major categories of state money are the monies that come from dedicated revenues and those that come from appropriations by the Legislature. In the case of the former, from time to time during the years since the state came into existence, certain portions of certain taxes or other revenue sources have been earmarked for use by the schools. These provisions have been incorporated in the statutes, and there is usually little or no discussion about them each year as the Legislature meets. However, use of these earmarked taxes occurs when the state aid formula is calculated for state appropriation purposes.

The second category, the money that is received by the schools from appropriations by the Legislature, is the largest single revenue source for almost all public schools in Oklahoma. Appropriated revenue is debated each time the Legislature meets. The debate centers not only on how much money will be provided, but on how the money will be distributed among school districts. The common school appropriation is by far the largest single appropriation that the Legislature makes each year. Since it affects every school district in the state, the concerns about how many dollars are spent and where the dollars go are universal and intense. Either directly or indirectly, almost every person in Oklahoma is affected by the decisions the Legislature makes about how much money is to be appropriated for the schools and how that money is to be distributed.

### STATE-DEDICATED REVENUES

The principal sources of state-dedicated revenues are established in law and are very rarely changed by the legislature. These revenue sources are:

- Gross Production Tax
- Motor Vehicle Collections
- Rural Electrification Association (R.E.A.) Tax
- State School Land Earning

#### **Gross Production Tax**

Since Oklahoma is an energy state, a major source of tax revenue has been the tax on oil, gas and other minerals as they are produced. This tax is called gross production tax. A portion of the tax generated from production in each county is allocated back to the county for distribution on an average daily attendance basis among the county's independent school districts (68 O.S. § 1004). Since some counties have large amounts of production and others very little, there is substantial variation in the revenues received by school districts from the portion of the gross production tax that is dedicated to the public schools.

### **Motor Vehicle Collections**

Thirty-six and twenty-one hundredths' percent (36.20%) of fees, taxes and penalties collected pursuant to the Oklahoma Vehicle License and Registration Act shall be apportioned and distributed monthly by Service Oklahoma. The amount apportioned in any fiscal year shall not exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts more than such limitation shall be placed to the credit of the Rebuilding Oklahoma Access and Driver Safety Fund (69 O.S. § 1521).

Funds are apportioned to eligible school districts based upon the proportion of each district's average daily attendance bears to the total average daily attendance of districts entitled to receive funds as certified by the State Department of Education. Each district's allocation shall be remitted to the county treasurer of the county wherein the district's administrative headquarters are located.

No district shall be eligible for the fund unless the district has an ad valorem tax levy of fifteen (15) mills and maintains nine (9) years of instruction and pursuant to the rules of the State Board of Education, is authorized to maintain ten (10) years of instruction (47 O.S. § 1104 [B]).

### **Rural Electrification Association Cooperative Tax (R.E.A. Tax)**

A tax is levied on rural electric cooperatives in accordance with property valuation and distributed in proportion to the number of miles of transmission lines within each district served. Such money is considered in lieu of property tax and goes to the schools in the respective counties.

### **School Land Earnings**

When Oklahoma came into the union, a substantial amount of federal lands were granted to Oklahoma from the federal government. The federal requirement was that the revenue from those lands must be used for the benefit of the public schools. The land is administered by the Commissioners of the Land Office and the revenue derived from it, whether it be interest or rent, for example, is distributed to school districts across the state based on average daily attendance. The money derived from the selling of this property must go into what is called the "Permanent School Fund." Only interest from the investment of that money can be distributed to the schools. The principal must be permanently maintained.

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## STATE-APPROPRIATED REVENUES

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In the 2026 legislative session, the Legislature appropriated more than \$4 billion for elementary and secondary schools of Oklahoma.

A major function of the Legislature is to allocate the monies available to the state from taxes; the tax proceeds go into the state's general revenue fund. Higher education, career and technology education, highways, corrections, and other state agencies compete with the schools to receive what they consider their share of the available money.

The principal sources of appropriated revenues are as follows:

|                                              |                                                 |
|----------------------------------------------|-------------------------------------------------|
| Alternative and High Challenge Education     | School Consolidation Assistance Fund            |
| Flexible Benefit Allowance-Certified/Support | School Lunch State Matching                     |
| Foundation and Salary Incentive Aid          | National Board Teacher Bonus                    |
| Purchase of Textbooks                        | Teachers' Retirement System Contribution Credit |
| Strong Readers Act                           | Redbud School Funding                           |
| Math Proficiency and Achievement Act         | Maternity Leave Reimbursement                   |
| School Security Revolving Fund               |                                                 |
| Early Intervention SoonerStart               |                                                 |

### **Funds distributed to school districts through the state aid office:**

#### **ACE Technology**

When the *School Consolidation and Assistance Fund* equals \$5 Million dollars, monies above that limit are allocated to school districts based upon the audited end-of-year Average Daily Membership (ADM) in Grades 8 through 12 of the preceding fiscal year. Schools with Grades 8-12 are to use the ACE Technology funds to purchase technology equipment in order to conduct on-line student testing.

#### **Alternative and High Challenge Education**

Revenue is distributed through the Oklahoma State Board of Education (OSBE) for students who are at risk of not completing a high school education. For 2026-27, the OSBE approved \$14,000,000 for Alternative Education Academy programs. Programs include stand-alone schools, multidistrict cooperatives, evening programs, partnerships with career technology centers and community colleges, and alternative classrooms.

#### **Driver Education**

Allocated to school districts as a reimbursement for providing a driver education program during the preceding school year. Courses offered during (1) the regular school day, (2) the summer, or (3) on Saturday will be reimbursed at \$82.50 per pupil. Courses offered before or after the regular school day will be reimbursed at \$95 per pupil.

#### **Flexible Benefit Allowance (Certified and Support Personnel)**

The purpose of the Flexible Benefit Allowance (FBA) is to furnish school district employees with choices about insurance benefits or cash compensation. Flexible benefit allowance means amounts credited by the school district for each school district employee for the purpose of benefits under the cafeteria plan. For the 2026-27 schoolyear, the FBA for certified personnel taking insurance with the district will be equal to 100% of the Health Choice (Hi) option; but, for certified employee's not taking insurance, the "In Lieu of FBA" amount is \$69.71 a month. The FBA for full-time support employees taking insurance with the district will be equal to 100% of the Health Choice (Hi) option; but, for full-time support employees not taking insurance, the "In Lieu of FBA" amount is \$189.69 a month. The 2026-27 appropriation for certified staff exceeded \$420 million: the appropriation for support staff exceeded \$261 million.

### **Foundation and Salary Incentive Aid**

Revenue is distributed through the state aid formula as administered by the OSBE. This source of appropriated funding is the primary funding provided to Oklahoma school districts.

### **Strong Readers Act**

The OSBE also approved \$43,750,000 under the Strong Readers Act. Under this act, students enrolled in kindergarten, first, second, and third grades shall be assessed at the beginning of the school year and throughout the school year for the acquisition of reading skills. Students who do not read at the appropriate grade level will be provided with a program of reading instruction and will be provided reading remediation.

Strong Readers Act funding will be distributed using a three-tier allocation formula.

1. Base Allocation - 55% of funding based on K–3 student enrollment
2. Supplemental Weighted Funding - 45% based on the number of students identified as needing Tier 2 and Tier 3 reading intervention

### **School Consolidation Assistance Fund**

For 2026-27, from the Oklahoma Education Lottery Trust Fund, \$3,250,000 or so much thereof as necessary to transfer to the School Consolidation Assistance Fund. School districts that consolidate or annex are provided additional funds including state board approved severance, to ease the transition and costs incurred by the act. Pursuant to Title 70, Section 7-203(B)(2), the School Consolidation Assistance Fund also offers financial assistance to qualifying districts who vote and approve to share the services and costs of a superintendent. Once a capped amount of \$5 Million is reached in this fund, excess monies are allocated for ACE Technology.

### **Purchase of Textbooks**

Textbook monies are sent directly to schools based upon a district's Average Daily Attendance (ADA) multiplied by \$55 (70 O.S. § 16-114a). If sufficient funding is not available, the \$55 amount will be prorated. One percent (1%) of the Textbook appropriation will be retained by the Oklahoma State Department of Education (SDE) to increase funding for growth districts in January. If the increased ADA times \$55 is greater than the retained amount, the additional allocation for the growth districts will be prorated. The funds allocated for textbooks in Section 16-101 through 16-124 of this title means instructional materials that are designed for use by pupils as a learning resource. Instructional materials may be printed or nonprinted and may include textbooks, technology-based and other educational materials other than those selected and listed by the State Textbook Committee. **For FY 2027, the Oklahoma Legislature appropriated \$45,190,000 for the purchase of textbooks. The ADA was multiplied by \$69.98.**

### **Redbud School Funding**

Redbud School Funding Act (70 O.S. § 3-104[B]), directing medical marijuana excise tax revenue, and sales tax revenue as needed, to be deposited in the State Public Common School Building Equalization Fund for distribution to eligible charter schools and school districts for acquiring and improving school buildings. Calculation using prior year county four-mill and building fund divided by Average Daily Membership (ADM) to determine average baseline funding. Redbud School Grant will bring eligible charters and districts to the state average.

### **Paid Maternity/Bereavement Leave**

In 2023, the 59th Oklahoma Legislature passed Senate Bill 1121, which supports Paid Maternity Leave to all eligible district employees starting with fiscal year 2023-24. Pursuant to 70 O.S. Section 6-104.8, the district's reimbursement will be for its employee's compensation and benefits for up to six (6) weeks of maternity leave starting immediately after the birth of the child. In 2026, the 62<sup>nd</sup> Oklahoma Legislature passed House Bill 3467 which added Adoption of children under four (4) years of age, to all eligible district employees starting with the fiscal year 2026-27. Also, Senate Bill 1204 was passed allowing 3 days of paid Bereavement leave following the death of a teacher's or employee's spouse or child. **For FY2027, the Oklahoma Legislature appropriated \$6,500,000 for Maternity/Bereavement Leave Reimbursement.**

### **Math Proficiency and Achievement Act**

\$7,500,000 in funds have been appropriated to the Math Proficiency and Achievement Act 70 O. S Section 1210.508. The purpose of this act is to improve student outcomes in math by identifying needs early through universal screening and providing appropriate interventions or advanced learning opportunities. Under this act, students enrolled in second, third, fourth, and fifth grades must participate in universal math screening three times per year. Implementation of the Math Proficiency Act has been pushed back to the 2027-2028 school year. However, funding has been allocated for the 2026-2027. Therefore, the funding will be as follows:

#### **SY 2026-2027:**

Districts will receive a base mathematics allocation calculated on a per-student basis for each enrolled second, third, fourth, and fifth grade student as reported in the October 1 enrollment counts.

## State Aid in the Bank

State Aid in the Bank  
Foundation, Salary Incentive and Transportation Aid  
Electronic Funds Transfer Dates

### 2026-2027

| July 2026 ** |    |    |    |    |    |    |
|--------------|----|----|----|----|----|----|
| Su           | M  | Tu | W  | Th | F  | Sa |
|              |    |    |    | 1  | 2  | 3  |
| 4            | 5  | 6  | 7  | 8  | 9  | 10 |
| 11           | 12 | 13 | 14 | 15 | 16 | 17 |
| 18           | 19 | 20 | 21 | 22 | 23 | 24 |
| 25           | 26 | 27 | 28 | 29 | 30 | 31 |

| Aug-26 |    |    |    |    |    |    |
|--------|----|----|----|----|----|----|
| Su     | M  | Tu | W  | Th | F  | Sa |
|        |    |    |    |    |    | 1  |
| 2      | 3  | 4  | 5  | 6  | 7  | 8  |
| 9      | 10 | 11 | 12 | 13 | 14 | 15 |
| 16     | 17 | 18 | 19 | 20 | 21 | 22 |
| 23     | 24 | 25 | 26 | 27 | 28 | 29 |
| 30     | 31 |    |    |    |    |    |

| Sep-26 |    |    |    |    |    |    |
|--------|----|----|----|----|----|----|
| Su     | M  | Tu | W  | Th | F  | Sa |
|        |    |    | 1  | 2  | 3  | 4  |
| 5      | 6  | 7  | 8  | 9  | 10 | 11 |
| 12     | 13 | 14 | 15 | 16 | 17 | 18 |
| 19     | 20 | 21 | 22 | 23 | 24 | 25 |
| 26     | 27 | 28 | 29 | 30 |    |    |

| Oct-26 |    |    |    |    |    |    |
|--------|----|----|----|----|----|----|
| Su     | M  | Tu | W  | Th | F  | Sa |
|        |    |    |    | 1  | 2  | 3  |
| 4      | 5  | 6  | 7  | 8  | 9  | 10 |
| 11     | 12 | 13 | 14 | 15 | 16 | 17 |
| 18     | 19 | 20 | 21 | 22 | 23 | 24 |
| 25     | 26 | 27 | 28 | 29 | 30 | 31 |

| Nov-26 |    |    |    |    |    |    |
|--------|----|----|----|----|----|----|
| Su     | M  | Tu | W  | Th | F  | Sa |
| 1      | 2  | 3  | 4  | 5  | 6  | 7  |
| 8      | 9  | 10 | 11 | 12 | 13 | 14 |
| 15     | 16 | 17 | 18 | 19 | 20 | 21 |
| 22     | 23 | 24 | 25 | 26 | 27 | 28 |
| 29     | 30 |    |    |    |    |    |

| Dec-26 |    |    |    |    |    |    |
|--------|----|----|----|----|----|----|
| Su     | M  | Tu | W  | Th | F  | Sa |
|        |    |    | 1  | 2  | 3  | 4  |
| 5      | 6  | 7  | 8  | 9  | 10 | 11 |
| 12     | 13 | 14 | 15 | 16 | 17 | 18 |
| 19     | 20 | 21 | 22 | 23 | 24 | 25 |
| 26     | 27 | 28 | 29 | 30 | 31 |    |

| Jan-27 |    |    |    |    |    |    |
|--------|----|----|----|----|----|----|
| Su     | M  | Tu | W  | Th | F  | Sa |
|        |    |    |    |    | 1  | 2  |
| 3      | 4  | 5  | 6  | 7  | 8  | 9  |
| 10     | 11 | 12 | 13 | 14 | 15 | 16 |
| 17     | 18 | 19 | 20 | 21 | 22 | 23 |
| 24     | 25 | 26 | 27 | 28 | 29 | 30 |
| 31     |    |    |    |    |    |    |

| Feb-27 |    |    |    |    |    |    |
|--------|----|----|----|----|----|----|
| Su     | M  | Tu | W  | Th | F  | Sa |
|        |    | 1  | 2  | 3  | 4  | 5  |
| 6      | 7  | 8  | 9  | 10 | 11 | 12 |
| 13     | 14 | 15 | 16 | 17 | 18 | 19 |
| 20     | 21 | 22 | 23 | 24 | 25 | 26 |
| 27     | 28 |    |    |    |    |    |

| Mar-27 |    |    |    |    |    |    |
|--------|----|----|----|----|----|----|
| Su     | M  | Tu | W  | Th | F  | Sa |
|        |    | 1  | 2  | 3  | 4  | 5  |
| 6      | 7  | 8  | 9  | 10 | 11 | 12 |
| 13     | 14 | 15 | 16 | 17 | 18 | 19 |
| 20     | 21 | 22 | 23 | 24 | 25 | 26 |
| 27     | 28 | 29 | 30 | 31 |    |    |

| Apr-27 |    |    |    |    |    |    |
|--------|----|----|----|----|----|----|
| Su     | M  | Tu | W  | Th | F  | Sa |
|        |    |    |    | 1  | 2  | 3  |
| 4      | 5  | 6  | 7  | 8  | 9  | 10 |
| 11     | 12 | 13 | 14 | 15 | 16 | 17 |
| 18     | 19 | 20 | 21 | 22 | 23 | 24 |
| 25     | 26 | 27 | 28 | 29 | 30 |    |

| May-27 |    |    |    |    |    |    |
|--------|----|----|----|----|----|----|
| Su     | M  | Tu | W  | Th | F  | Sa |
|        |    |    |    |    |    | 1  |
| 2      | 3  | 4  | 5  | 6  | 7  | 8  |
| 9      | 10 | 11 | 12 | 13 | 14 | 15 |
| 16     | 17 | 18 | 19 | 20 | 21 | 22 |
| 23     | 24 | 25 | 26 | 27 | 28 | 29 |
| 30     | 31 |    |    |    |    |    |

| Jun-27 |    |    |    |    |    |    |
|--------|----|----|----|----|----|----|
| Su     | M  | Tu | W  | Th | F  | Sa |
|        |    |    | 1  | 2  | 3  | 4  |
| 5      | 6  | 7  | 8  | 9  | 10 | 11 |
| 12     | 13 | 14 | 15 | 16 | 17 | 18 |
| 19     | 20 | 21 | 22 | 23 | 24 | 25 |
| 26     | 27 | 28 | 29 | 30 |    |    |

\*\* No payment in July

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## Tentative Payment Schedule Foundation and Salary Incentive Aid (State Aid)

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| Accumulated  |                   |                   | Accumulated  |                   |                   |
|--------------|-------------------|-------------------|--------------|-------------------|-------------------|
| <u>Month</u> | <u>Percentage</u> | <u>Percentage</u> | <u>Month</u> | <u>Percentage</u> | <u>Percentage</u> |
| July         | 0%                | 0%                | January      | 9%                | 54%               |
| August       | 9%                | 9%                | February     | 9%                | 63%               |
| September    | 9%                | 18%               | March        | 9%                | 72%               |
| October      | 9%                | 27%               | April        | 9%                | 81%               |
| November     | 9%                | 36%               | May          | 10%               | 91%               |
| December     | 9%                | 45%               | June         | 9%                | 100%              |

To calculate the state aid payment each month, multiply the accumulated percentage (see chart above) by the most recent allocation, then subtract the amount paid to date. The result is the amount of payment for any given month.

Example: The accumulated percentage for September's state aid is 18%; (August 9% + September 9%). Multiply your district's most recent allocation x 18%, subtract the amount already paid to date, and the result will be the payment amount for September.

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**SECTION II**  
**STATE AID FORMULA**  
**For**  
**OKLAHOMA SCHOOL DISTRICTS**

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## SECTION II

### STATE AID FORMULA CALCULATION

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When the Legislature adopted new formulas for the distribution of state money in 1981, and amended those formulas in 1989 and 1996, it committed itself to several principles. One of these is often called “vertical equity.” That principle is simple an effort to recognize that the costs of providing education vary with students and with districts. Some students, who have one or more disabilities, may not receive an equal educational opportunity unless more money is spent on them than for nondisabled students. Such a need has long been recognized in Oklahoma through special supplements that school districts have received to support special education services.

It is equally true that various conditions within many school districts lead to higher expenses in the delivery of education to their pupils than in other districts. For example, the costs of education are greater in a district with a small number of pupils for each teacher. Additionally, if teachers’ salaries are inordinately high due to a concentration of salaries at the high end of the salary schedule, the costs for the school district are greater than would be the case in a district which has a high percentage of its teachers at the lower levels of its salary schedule.

#### Pupil Weighting

The Legislature chose to consider the cost factors through pupil weighting. This concept has been around for more than 60 years. Many states adopted pupil weighting systems in the 1970s and on into the 1980s. Actually, Oklahoma has had a limited form of pupil weighting for many years. Prior to the adoption of new formulas, secondary pupils were weighed at 1.2 as opposed to 1.0 for elementary pupils. The assumption of such weight was that secondary education is somewhat more expensive to provide than elementary education.

If the weighting system considered the varying conditions in each school district in the state regarding both pupils and districts, then all that would remain would be to apply the formulas that consider the wealth of the various districts. In a perfect equalization program, the revenue of every school district would be identical per weighed pupil unit. Such a program would mean that the weighting system was taking into full account the differences in the kinds of pupils in each district as well as individual district characteristics. It would not mean rigidity because the variation in revenue per pupil in average daily attendance or membership might well be substantial. It would simply mean that some districts would have greater numbers of weighed pupil units than others.

Whatever the theoretical base, the present formula calls for the determination of numbers of weighed pupil units as the first step in determining a given district’s eligibility for state-appropriated money. What follows is a description of the weights used in Oklahoma at the present time, along with an explanation of how the number of weighed pupils in a given district is determined. The complexity of the formula makes it difficult for a local school district to easily calculate state aid at the district level. However, the formula has been presented in the next few pages using a step-by- step format to make the calculations easier to understand.

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## STATE AID FORMULA COMPONENTS

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|                                   |                 |
|-----------------------------------|-----------------|
| <b>To: 2026-2027(August 2026)</b> |                 |
| <b>Foundation Aid</b>             |                 |
| <b>Weighted ADM Factor</b>        | <b>2,258.49</b> |
|                                   |                 |
| <b>Transportation Factor</b>      | <b>2.00</b>     |
|                                   |                 |
| <b>Salary Incentive Aid:</b>      | <b>111.39</b>   |
| <b>Weighted ADM Factor</b>        | <b>4,486.29</b> |
|                                   |                 |
|                                   |                 |

### FOUNDATION AND SALARY INCENTIVE AID COMPONENTS: STATE AID FORMULA

**2026-27**

**The same components are used in both the Foundation and Salary Incentive Aid parts of the State Aid Formula. Weighted ADM is based on the following:**

1. Raw Average Daily Membership
2. Weighted ADM Calculation
  - a. Pupil Grade Level
  - b. Pupil Category
  - c. District Calculation
    1. Small school district formula
    - or
    2. District sparsity-isolation formulation
  - d. Teacher Index

The Weighted ADM is calculated for the 2025-2026 data and will be used for the initial, tentative allocation. The components will be collected and calculated again after the first nine weeks for a new nine-week Weighted ADM during the 2026-27 school year. The higher of the previous year (2025-26) or the first nine weeks (2026-27) will be used for the January final tentative allocation.

## 2026-27 State Aid Formula

|                                          |                 |
|------------------------------------------|-----------------|
| <b>2025-26 Weighted ADM*</b>             |                 |
| <b>FY26 Raw ADM x Grade Level Weight</b> |                 |
| <b>Category Weights:</b>                 |                 |
| Special Education                        | October 1, 2025 |
| Gifted                                   | October 1, 2025 |
| Bilingual                                | October 1, 2025 |
| Economically Disadvantaged               | October 1, 2025 |
| Teacher Index                            | September 2025  |
| <b>District Weights:</b>                 |                 |
| Small School Weight                      |                 |
| Using final 2026 raw ADM                 |                 |
| Isolation Weight                         |                 |
| Using final 2026 raw ADM                 |                 |
| <b>Total 2025-26 Weighted ADM**</b>      |                 |

\*ADM=Average Daily Membership

\*\*The preceding year total is to be used for the 2026-27 initial allocation in August.

## 2026-27 Weighted ADM

|                                                                      |                 |
|----------------------------------------------------------------------|-----------------|
| <b>First Nine Weeks Raw ADM x Grade Level Weight</b>                 |                 |
| <b>Student Category Weights:</b>                                     |                 |
| Special Education                                                    | October 1, 2026 |
| Gifted                                                               | October 1, 2026 |
| Bilingual                                                            | October 1, 2026 |
| Economically Disadvantaged                                           | October 1, 2026 |
| Teacher Index                                                        | September 2026  |
| <b>District Weights:</b>                                             |                 |
| Small School Weight using 2026-27 1 <sup>st</sup> Nine Weeks Raw ADM |                 |
| or                                                                   |                 |
| Isolation Weight using 2026-27 1 <sup>st</sup> Nine Weeks Raw ADM    |                 |
| <b>Total 2026-27 1<sup>st</sup> Nine Weeks Weighted ADM***</b>       |                 |

\*\*\*The highest of the two totals is to be used for the 2026-27 allocation in January 2027.

**Virtual Charter schools whose average daily membership (ADM) declines by more than fifteen percent ADM in comparison to the preceding years full year ADM will use current year's first nine weeks ADM. This is pursuant to [70 O.S. § 18-201.1](#)**

## FOUNDATION AND SALARY INCENTIVE AID CALCULATION

### A. Calculation of Weighted ADM for each year to be considered.

#### 1. Pupil Grade Level Weight Calculation

##### a. Raw ADM Calculation

Source: State Department of Education Audit.

- (1) Review Audits.
- (2) Using the Days of membership on audit, divide each grade's membership by the number of days taught.
- (3) Add each grade average to compile Raw ADM.

##### b. Weighted Pupil Grade Level Calculation

Source: Utilize computation of original ADM from Audit.

Procedure: (1) Total each grade average based on the following categories and multiply (x) grade totals by the following weights.

|                                               |       |                             |      |
|-----------------------------------------------|-------|-----------------------------|------|
| Early Childhood/PK 3-year-olds with an "IEP"* | 1.200 | 7th - 12th grade            | 1.20 |
| * Individualized Education Program            |       | Out of Home Placement (OHP) | 1.50 |
| Early Childhood/PK (Half Day)                 | 0.070 | OHP 1                       | 1.50 |
| Early Childhood/PK (Full day)                 | 1.300 | OHP 2                       | 1.80 |
| Kindergarten (Half Day)                       | 1.300 | OHP 3                       | 2.30 |
| Kindergarten (Full Day)                       | 1.500 | OHP 4                       | 3.00 |
| 1st - 2nd grade                               | 1.351 |                             |      |
| 3rd grade                                     | 1.051 |                             |      |
| 4th - 6th grade                               | 1.000 |                             |      |

- (2) Add each weighted pupil grade level category computed above. This figure will be the Weighted Pupil Grade Level Calculation.

##### Weighted Pupil Category Calculation

Source: The Economically Disadvantaged, Gifted and Talented, Bilingual and Special Education counts are collected on the October 1 Consolidated Report.

Procedure: (1) Multiply the number of students counted in each category by the weight assigned to those categories in the law. The weights are as follows:

|                                  |      |                             |      |
|----------------------------------|------|-----------------------------|------|
| Specific Learning Disability LD  | 0.40 | Emotionally Disturbance ED  | 2.50 |
| Deafness/Hearing Impairment HI   | 2.90 | Orthopedic Impairment OI    | 1.20 |
| Visual Impairment VI             | 3.80 | Other Health Impairment OHI | 1.20 |
| Multiple Disabilities MD         | 2.40 | Deaf-Blindness D/B          | 3.80 |
| Speech or Language Impairment SI | 0.05 | Special Ed Summer Program   | 1.20 |
| Intellectual Disability ID       | 1.30 | Gifted                      | 0.34 |
| Traumatic Brain Injury TBI       | 2.40 | Bilingual                   | 0.25 |
| Autism                           | 2.40 | Economically Disadvantaged  | 0.30 |

2. Add the weighted categories computed above. This figure will be the Weighted Pupil Category calculation

### Weighted District Calculation

Source: Utilize the same year ADM to determine if district qualifies at less than 750 ADM.

Procedure: (1) If ADM is less than 750, the following formula is used to compute this area.  
If district ADM is 750 or greater, go to Step 2.

$$\frac{\text{Same Year } 750 - \text{Raw ADM}}{750} = \underline{\hspace{2cm}} \times .2 = \underline{\hspace{2cm}} \times \underline{\hspace{2cm}} = \underline{\hspace{2cm}}$$

Same Year  
Raw ADM

Small School  
District Weight

District may qualify for district sparsity-isolation formula. Compute the following:

- a) If school district's total area in square miles        is greater than the state average area in square miles (138.41334), go to next step and compute areal density. If district has less than state average area in square miles (138.41334), go to paragraph "d" at the end of the Weighted District Calculation.
- b) Compute areal density: School district's same year Raw ADM                      divided by district's total area in square miles            =

District's Areal Density

If school district's Areal Density is less than 2.44, calculate the District Sparsity-Isolation Formula as follows in the next step. If district has an areal density of 2.44 or greater, proceed to paragraph "d" at the end of the Weighted District Calculation.

- c) Group the subtotals of the same year Raw ADM (unweighted) as follows:

|                    |  |   |     |   |  |      |
|--------------------|--|---|-----|---|--|------|
| Grade PK-5         |  | + | 23  | = |  | (Ca) |
| Grades 6-8         |  | + | 133 | = |  | (Cb) |
| Grades 9-OHP, PK-3 |  | + | 128 | = |  | (Cc) |

Use these Grade Level Group amounts in the following formula:

|                                   |  |   |  |   |      |  |   |  |   |  |           |  |                      |
|-----------------------------------|--|---|--|---|------|--|---|--|---|--|-----------|--|----------------------|
| 1) 74 divided by (Ca from above)  |  | = |  | + | .85= |  | X |  | = |  | EC-5 ADM  |  | EC-5 ADM Cost Factor |
| 2) 122 divided by (Cb from above) |  | = |  | + | .85= |  | X |  | = |  | 6-8 ADM   |  | 6-8 Cost Factor      |
| 3) 292 divided by (Cc from above) |  | = |  | + | .78= |  | X |  | = |  | 9-OHP ADM |  | 9-OHP Cost Factor    |

- 4) Sum 1 + 2 + 3 from above                      divided by district's same year RAW ADM            = 1.00 =             
District Cost Factor
- 5) (District's Square Miles                      - 138.41334) divided by 138.41334 =                       
Area Factor
- 6) Multiply District Cost Factor (Line 4 above)                      by the lesser of the Area Factor (Line 5 above) or 1.00 =                       
Isolation Factor
- 7) Multiply the Isolation Factor on line 6 times the same year Raw ADM                      =                       
Isolation Weight

(d) Select the greater weight of the Small School District Weight or the Isolation Weight and use that weight for the Weighted District Weight.

Weighted District Weight

### 3. Weighted Teacher Index Calculation

Source: Refer to the latest Teacher Personnel Report to determine the number of teachers, degrees held, and total years of experience.

Procedure:

- (1) Compile information on each teacher by type of degree held and years of experience.
- (2) Add the total number of teachers within each degree level (Bachelor's, Master's, and Doctorate) and group them by the following years of experience.

|                     | "B"    | "M" or "MT" | "D"    |
|---------------------|--------|-------------|--------|
| Years of Experience | Degree | Degree      | Degree |
| 0-2                 | 0.7    | 0.9         | 1.1    |
| 3-5                 | 0.8    | 1.0         | 1.2    |
| 6-8                 | 0.9    | 1.1         | 1.3    |
| 9-11                | 1.0    | 1.2         | 1.4    |
| 12-15               | 1.1    | 1.3         | 1.5    |
| Over 15             | 1.2    | 1.4         | 1.6    |

- (3) Multiply (x) the total number of teachers in each degree and years of experience level by the following weights assigned by law.
- (4) Add (+) all of the weights computed for a total Degree Index.
- (5) Divide (÷) this total Degree Index by the total number of teachers (not FTE). This equals the Weighted Average District Teacher.
- (6) Subtract (-) the Weighted Average State Teacher from Weighted Average District Teacher. This equals the School District Teacher Index.
- (7) Multiply (x) School District Teacher Index times 0.7. This computation (School District Factor) is then multiplied (x) by a partial Weighted ADM. (This partial Weighted ADM is the total of Grade Level Weight and Pupil Category Weight for Economically Disadvantaged.)
- (8) The final figure is the Teacher Index Weighted Calculation. The following formula is used for this computation.

$$\begin{aligned}
 &\text{Degree Index} \div \text{No. of Teachers} = \text{Weighted Average District Teacher} \\
 &\hspace{15em} \text{(Round to 4 places)} \\
 &\text{Weighted Average District Teacher (from above)} (-) \text{Weighted Average State} \\
 &\text{Teacher } 1.0794 = \text{School District Tchr. Index} \times .7 \times \left( \frac{\text{Grd. Wtd. ADM} + \text{Econ. Dis. Wtd.}}{\text{Grd. Wtd. ADM} + \text{Econ. Dis. Wtd.}} \right) \\
 &\hspace{15em} \text{Weighted Teacher Index}
 \end{aligned}$$

#### B. Compiling Individual Weighted Calculations to determine Total Weighted ADM.

Source: Use weighted totals compiled for Pupil Grade Level, Pupil Category, District Calculation, and Teacher Index.

Procedure: Add each of these weighted areas together. This figure is the Total Weighted ADM for computing the Foundation Program and the Salary Incentive Program in the State Aid Formula.

- C. The Total Weighted ADM for 2026-27 is then multiplied by the Base Support Level of \$2,258.49 for the Foundation Program in the State Aid Formula.
- D. The Transportation Supplement shall be equal to the average daily haul (ADH) times the per capita allowance times the appropriate transportation factor. **The ADH is the number of children in a district who are legally eligible to be transported and who live 1.5 miles or more by commonly traveled road from the school attended.** Students living less than 1.5 miles from school may be transported but shall not be counted in determining state aid.

The Area Served, which is the total square miles in each school district, is required for calculating the transportation supplement. For independent districts with an elementary transportation area, the area served is the total square miles in the district **plus** the total square miles in the assigned transportation area outside the independent district.

The district ADH of the preceding year, divided by the district Area Served will provide a Density Figure\*. Use the density figure in the chart below to determine the Per Capita Allowance.

ADH \_\_\_\_x Per Capita Allowance \_\_\_\_x Transportation Factor 2.00 (an appropriation level [factor] set by the Legislature) = Transportation Aid (transportation supplement) for a school. The current formula transportation factor is 2.00 and was changed in statute July 1, 2023.

The Per Capital Allowance is determined using the following chart (70 O.S. § 18-200.1 [D-2]): **\*\*below .3000 will be allowed 167.00**

| DENSITY<br>*FIGURE | PER CAPITA<br>ALLOWANCE | DENSITY<br>*FIGURE | PER CAPITA<br>ALLOWANCE |
|--------------------|-------------------------|--------------------|-------------------------|
| ** .3000 - .3083   | \$167.00                | .9334 - .9599      | \$99.00                 |
| .3084 - .3249      | \$165.00                | .9600 - .9866      | \$97.00                 |
| .3250 - .3416      | \$163.00                | .9867 - 1.1071     | \$95.00                 |
| .3417 - .3583      | \$161.00                | 1.1072 - 1.3214    | \$92.00                 |
| .3584 - .3749      | \$158.00                | 1.3215 - 1.5357    | \$90.00                 |
| .3750 - .3916      | \$156.00                | 1.5358 - 1.7499    | \$88.00                 |
| .3917 - .4083      | \$154.00                | 1.7500 - 1.9642    | \$86.00                 |
| .4084 - .4249      | \$152.00                | 1.9643 - 2.1785    | \$84.00                 |
| .4250 - .4416      | \$150.00                | 2.1786 - 2.3928    | \$81.00                 |
| .4417 - .4583      | \$147.00                | 2.3929 - 2.6249    | \$79.00                 |
| .4584 - .4749      | \$145.00                | 2.6250 - 2.8749    | \$77.00                 |
| .4750 - .4916      | \$143.00                | 2.8750 - 3.1249    | \$75.00                 |
| .4917 - .5083      | \$141.00                | 3.1250 - 3.3749    | \$73.00                 |
| .5084 - .5249      | \$139.00                | 3.3750 - 3.6666    | \$70.00                 |
| .5250 - .5416      | \$136.00                | 3.6667 - 3.9999    | \$68.00                 |
| .5417 - .5583      | \$134.00                | 4.0000 - 4.3333    | \$66.00                 |
| .5584 - .5749      | \$132.00                | 4.3334 - 4.6666    | \$64.00                 |
| .5750 - .5916      | \$130.00                | 4.6667 - 4.9999    | \$62.00                 |
| .5917 - .6133      | \$128.00                | 5.0000 - 5.5000    | \$59.00                 |
| .6134 - .6399      | \$125.00                | 5.5001 - 6.0000    | \$57.00                 |
| .6400 - .6666      | \$123.00                | 6.0001 - 6.5000    | \$55.00                 |
| .6667 - .6933      | \$121.00                | 6.5001 - 7.0000    | \$53.00                 |
| .6934 - .7199      | \$119.00                | 7.0001 - 7.3333    | \$51.00                 |
| .7200 - .7466      | \$117.00                | 7.3334 - 7.6667    | \$48.00                 |
| .7467 - .7733      | \$114.00                | 7.6668 - 8.0000    | \$46.00                 |
| .7734 - .7999      | \$112.00                | 8.0001 - 8.3333    | \$44.00                 |
| .8000 - .8266      | \$110.00                | 8.3334 - 8.6667    | \$42.00                 |
| .8267 - .8533      | \$108.00                | 8.6668 - 9.0000    | \$40.00                 |
| .8534 - .8799      | \$106.00                | 9.0001 - 9.3333    | \$37.00                 |
| .8800 - .9066      | \$103.00                | 9.3334 - 9.6667    | \$35.00                 |
| .9067 - .9333      | \$101.00                | 9.6668 or more     | \$33.00                 |

Note: If annexation(s) or area served makes necessary an additional unit of transportation, adjustments may be made upon the basis of ADH and Area Served during the first one-half of the current school year. School districts becoming eligible for transportation aid for the first time will be calculated on the basis of an adjustment at midyear. (OAC 210:25-3-5)

- E. Total Weighted ADM is then multiplied by the Incentive Aid Factor of \$111.39 for the Salary Incentive Aid in the State Aid Formula.

---

## TOTAL WEIGHTED ADM\*

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| <b>Foundation and Salary Incentive Aid Components</b>      |  |
|------------------------------------------------------------|--|
| Raw ADM*                                                   |  |
| ADM Grade Weight                                           |  |
| Special Education Weight (including summer program weight) |  |
| Gifted Weight                                              |  |
| Bilingual Weight                                           |  |
| Economically Disadvantaged Weight                          |  |
| Small School Weight (#)                                    |  |
| Isolation Weight (#)                                       |  |
| Teacher Index                                              |  |
| <b>Total</b>                                               |  |

\*ADM=Average Daily Membership

# Uses Higher of Small School Weight or Isolation Weight in the Total Weighted ADM Formula

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## AVERAGE ADM WEIGHTED PUPIL GRADE LEVEL CALCULATION

---

|                    |  |          |                     |   |
|--------------------|--|----------|---------------------|---|
| EC/PK3*            |  | x        | 1.200               | = |
| EC/PK (Half Day)   |  | x        | 0.700               | = |
| EC/PK (Full Day)   |  | x        | 1.300               | = |
| KG (Half Day)      |  | x        | 1.300               | = |
| KG (Full Day)      |  | x        | 1.500               | = |
| 01                 |  | x        | 1.351               | = |
| 02                 |  | x        | 1.351               | = |
| 03                 |  | x        | 1.051               | = |
| 04                 |  | x        | 1.000               | = |
| 05                 |  | x        | 1.000               | = |
| 06                 |  | x        | 1.000               | = |
| 07                 |  | x        | 1.200               | = |
| 08                 |  | x        | 1.200               | = |
| 09                 |  | x        | 1.200               | = |
| 10                 |  | x        | 1.200               | = |
| 11                 |  | x        | 1.200               | = |
| 12                 |  | x        | 1.200               | = |
| OHP1               |  | x        | 1.500               | = |
| OHP2               |  | x        | 1.800               | = |
| OHP3               |  | x        | 2.300               | = |
| OHP4               |  | x        | 3.000               | = |
| <b>Average ADM</b> |  | <b>x</b> | <b>Grade Level</b>  |   |
|                    |  |          | <b>Weighted ADM</b> |   |

\*3-year-olds with an Individualized Education Program (IEP)

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## WEIGHTS FOR WEIGHTED PUPIL CATEGORIES

(70 O.S. § 18-109.5 and 70 O.S. 18-201.1)

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|                                                   |  |   |      |   |
|---------------------------------------------------|--|---|------|---|
| Learning Disabilities (LD)                        |  | x | 0.40 | = |
| Deafness/Hearing Impairment (HI)                  |  | x | 2.90 | = |
| Visual Impairment (VI)                            |  | x | 3.80 | = |
| Multiple Disabilities (MD)                        |  | x | 2.40 | = |
| Speech Impairment (SI)                            |  | x | 0.05 | = |
| Intellectual Disability (ID)                      |  | x | 1.30 | = |
| Emotional Disturbance (ED)                        |  | x | 2.50 | = |
| Orthopedic Impairment (OI)                        |  | x | 1.20 | = |
| Other Health Impairment (OHI)                     |  | x | 1.20 | = |
| Autism                                            |  | x | 2.40 | = |
| Traumatic Brain Injury (TBI)                      |  | x | 2.40 | = |
| Deaf-Blindness (D/B)                              |  | x | 3.80 | = |
| Special Education Summer Program                  |  | x | 1.20 | = |
| <b>Total Special Education Weight Calculation</b> |  |   |      |   |
| <b>PLUS</b>                                       |  |   |      |   |
| Gifted                                            |  | x | 0.34 | = |
| Bilingual                                         |  | x | 0.25 | = |
| Economically Disadvantaged                        |  | x | 0.30 | = |
|                                                   |  |   |      |   |
| <b>Total Weighted Pupil Category Calculation</b>  |  |   |      |   |

## WEIGHTED DISTRICT CALCULATION SIZE OF DISTRICT SMALL SCHOOL FORMULA

$$\frac{\text{Raw ADM}}{750} = \frac{\text{Same Year Raw ADM}}{750} \times .2 \times \frac{\text{Small School District Weight}}{\text{Raw ADM}} = \text{Weighted District Weight}$$

### DISTRICT SPARSITY-ISOLATION FORMULA

- A. If school district's total area in square miles \_\_\_\_\_ is greater than the state average area in square miles (138.41334), go to next step and compute areal density. If district has less than state average area in square miles (138.41334), go to paragraph "D" at the end of the Weighted District Calculation.
- B. Compute areal density: School district's Raw ADM \_\_\_\_\_ divided by district's total area in square miles \_\_\_\_\_ = District's Areal Density \_\_\_\_\_

If school district's areal density is less than 2.44, calculate the District Sparsity-Isolation Formula as follows in the next step. If district has an areal density of 2.44 or greater, proceed to Paragraph "D" at the end of the Weighted District Calculation.

- C. Group the subtotals of the Raw ADM (unweighted) as follows.

|              |  |   |     |   |      |
|--------------|--|---|-----|---|------|
| Grades EC-5  |  | + | 23  | = | (Ca) |
| Grades 6-8   |  | + | 133 | = | (Cb) |
| Grades 9-OHP |  | + | 128 | = | (Cc) |

Use these Grade Level Group amounts in the following formula:

- 1) 74 divided by "Ca" from above  

$$\frac{74}{\text{Ca}} = \text{EC-5 ADM} \times .85 = \text{EC-5 Cost Factor}$$
  - 2) 122 divided by "Cb" from above  

$$\frac{122}{\text{Cb}} = \text{6-8 ADM} \times .85 = \text{6-8 Cost Factor}$$
  - 3) 292 divided by "Cc" from above  

$$\frac{292}{\text{Cc}} = \text{9-OHP ADM} \times .78 = \text{9-OHP Cost Factor}$$
  - 4) Sum 1+2+3 from above \_\_\_\_\_ divided by district's Raw ADM \_\_\_\_\_ =  

$$\text{Sum} - 1.00 = \text{District Cost Factor}$$
  - 5) (District's Square Miles \_\_\_\_\_ - 138.41334) divided by 138.41334 = Area Factor \_\_\_\_\_
  - 6) Multiply District Cost Factor (Line 4 above) \_\_\_\_\_ by lesser of the Area Factor (Line 5 above) \_\_\_\_\_ or 1.00 = Isolation Factor \_\_\_\_\_
  - 7) Multiply the Isolation Factor on line 6 times the Raw ADM \_\_\_\_\_ = Isolation Weight \_\_\_\_\_
- D. Select the greater weight of the Small School District Weight or the Isolation Weight and use that weight for the Weighted District Weight \_\_\_\_\_

|                    | 1.1 |   | 1.2 |   |   |   | 1.3 |   |   | 1.4 |    |    | 1.5 |    |    | 1.6 |     |       |
|--------------------|-----|---|-----|---|---|---|-----|---|---|-----|----|----|-----|----|----|-----|-----|-------|
| Experience         | 0   | 1 | 2   | 3 | 4 | 5 | 6   | 7 | 8 | 9   | 10 | 11 | 12  | 13 | 14 | 15  | 16+ | TOTAL |
| “D” Degree         |     |   |     |   |   |   |     |   |   |     |    |    |     |    |    |     |     |       |
|                    |     |   |     |   |   |   |     |   |   |     |    |    |     |    |    |     |     |       |
|                    |     |   |     |   |   |   |     |   |   |     |    |    |     |    |    |     |     |       |
|                    | 0.9 |   | 1.0 |   |   |   | 1.1 |   |   | 1.2 |    |    | 1.3 |    |    | 1.4 |     |       |
| Experience         | 0   | 1 | 2   | 3 | 4 | 5 | 6   | 7 | 8 | 9   | 10 | 11 | 12  | 13 | 14 | 15  | 16+ |       |
| “M” or “MT” Degree |     |   |     |   |   |   |     |   |   |     |    |    |     |    |    |     |     |       |
|                    |     |   |     |   |   |   |     |   |   |     |    |    |     |    |    |     |     |       |
|                    |     |   |     |   |   |   |     |   |   |     |    |    |     |    |    |     |     |       |
|                    | 0.7 |   | 0.8 |   |   |   | 0.9 |   |   | 1.0 |    |    | 1.1 |    |    | 1.2 |     |       |
| Experience         | 0   | 1 | 2   | 3 | 4 | 5 | 6   | 7 | 8 | 9   | 10 | 11 | 12  | 13 | 14 | 15  | 16+ |       |
| “B” Degree         |     |   |     |   |   |   |     |   |   |     |    |    |     |    |    |     |     |       |
|                    |     |   |     |   |   |   |     |   |   |     |    |    |     |    |    |     |     |       |

Degree Index

÷ No. of Teachers \_\_\_\_\_ = Weighted Avg. Dist. Tchr. 1.0785 (Round to 4 places)

– Weighted Avg. State Tchr. 0.0000 (based on FY26 data)

= School Dist. Tchr. Index \_\_\_\_\_ x .7 \_\_\_\_\_ x ( \_\_\_\_\_ + \_\_\_\_\_ ) = \_\_\_\_\_

Grade Weight ADM

Econ. Disadv. Wt.

**Weighted Teacher**

## CALCULATING THE STATE AID FORMULA

|                       |                               |
|-----------------------|-------------------------------|
| <b>Foundation Aid</b> |                               |
| Weighted ADM          | x Foundation Aid Factor = (1) |

### SUBTRACT CHARGEABLE INCOME

(Valuations: Up to 11%-Down to 11%)

**Prior Year Net Assessed Valuation (In January: Current Year Net Assessed Valuation)**

|                                                                      |         |       |
|----------------------------------------------------------------------|---------|-------|
| Adjusted Valuation x 15 Mills:                                       | x 0.15* | =     |
| *Plus, increased millage because of personal property tax adjustment |         |       |
| (Prior Year collections of:)                                         |         |       |
| 75% of County 4-Mill Levy                                            | x.75    | =     |
| School Land                                                          |         |       |
| Gross Production                                                     |         |       |
| Motor Vehicle collections                                            |         |       |
| R.E.A. Tax                                                           |         |       |
| <i>Total Chargeables</i>                                             | Total   | = (2) |
| <b>FOUNDATION AID TOTAL Amount 1 less Amount 2</b>                   |         | = (3) |

|                                                                  |              |                  |             |
|------------------------------------------------------------------|--------------|------------------|-------------|
| <b>TRANSPORTATION</b>                                            |              |                  |             |
| <b>(Average Daily Haul x Per Capita X Transportation Factor)</b> |              |                  |             |
|                                                                  |              | <b>2.00</b>      |             |
| ADH                                                              | x Per Capita | X transp. Factor | Total = (4) |

### SALARY INCENTIVE AID

|                     |                                           |                |       |
|---------------------|-------------------------------------------|----------------|-------|
| A.                  | Incentive Aid Factor x                    |                | =     |
|                     |                                           | (weighted ADM) |       |
| B.                  | Adjusted District Assessed Valuation/1000 |                | =     |
| C. Step A – Step B  |                                           |                | =     |
| Step C x 20 mills = | <b>SALARY INCENTIVE AID</b>               |                | = (5) |
|                     | <b>TOTAL STATE AID (Amount 3+4+5)</b>     |                | =     |

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**SECTION III**  
**PENALTIES/ADJUSTMENTS**  
**for**  
**OKLAHOMA SCHOOL DISTRICTS**

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## SCHEDULE OF PENALTIES/ADJUSTMENTS

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### Reports Must Be Filed

Expenditure and Revenue Reports for Previous Fiscal Year  
 First Quarter Statistical Report

Annual Statistical Report  
 End of Year Supplemental Personnel Report  
 Per Pupil Revenue in Excess of 150 Percent

Per Pupil Revenue in Excess of 300 Percent

Maintenance of Effort (MOE)  
 Excess Cost  
 Minimum Teacher Salaries Penalty  
 Noncertified Teacher Penalty  
 Oklahoma Cost Accounting System (OCAS) Penalty for Noncompliance  
 Delinquent Final Certified and Support Personnel Reports  
 Class Size Penalties  
 General Fund Carryover Penalty  
 Administrative Cost Penalty  
 Noncompliance Penalty on Late Audits  
 Penalty for Insufficient Days or Hours (per school year)  
 Gifted and Talented Penalty  
 State Student Record System Noncompliance

### Assessed as Needed.

September 1  
 No later than 10 days after the end of the 1<sup>st</sup> 9 weeks

No later than 10 days after the close of School  
 July 15

Assessed on Original Allocation in July and on Midyear Allocation in January

Assessed on Original Allocation in July and on Midyear Allocation in January year

Assessed on August Payment of State Aid

Assessed on August Payment of State Aid

Assessed on October Payment of State Aid

Assessed on October Payment of State Aid

Assessed on November Payment of State Aid

Assessed on February Payment of State Aid

When available in 2027

Assessed on March Payment of State Aid

Assessed on March Payment of State Aid

Assessed on August Payment of State Aid

Assessed on a case-by-case basis

Assessed in September

Assessed for Time of Noncompliance

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## PER PUPIL REVENUE IN EXCESS OF 150 PERCENT FOR SCHOOL DISTRICTS RECEIVING FUNDS THROUGH THE WEIGHTED DISTRICT CALCULATION SMALLSCHOOL WEIGHT OR ISOLATION WEIGHT

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*Pursuant to 70 O.S. § 18-201.1 . . . If after the weighted district calculation is applied, the district's projected per pupil revenue exceeds one hundred fifty percent (150%) of the projected state average per pupil revenue then the district's State Aid shall be reduced by an amount that will restrict the district's projected per pupil revenue to one hundred fifty percent (150%) of the projected state average per pupil revenue. Provided, in applying the restrictions provided in this division, the district's State Aid shall not be reduced by an amount greater than by the amount of State Aid which was generated by the weighted district calculation.*

*The July calculation of the projected per pupil revenue shall be determined by dividing the highest of the district's preceding two years average daily membership (ADM) as weighted by the pupil grade level, the pupil category, the district and the teacher experience degree index calculations for projected State Aid into the district's projected total revenue including projected funds for the State Aid Formula for the preceding year, net assessed valuation for the preceding calendar year times thirty-nine (39) mills, county revenues excluding the county four- mills revenues for the second preceding year, other state appropriations for the preceding year and the collections for the preceding year of state apportionment, motor vehicle revenue, gross production tax and R.E.A. tax.*

*The December calculation of the projected per pupil revenue shall be determined by dividing the highest of the district's first nine (9) weeks of the current school year or the two preceding school years average daily membership (ADM) as weighted by the pupil grade level, the pupil category, the district and the teacher experience degree index calculations for projected State Aid into the district's projected total revenues including funds for the December calculation of the current year State Aid Formula, net assessed valuation for the current calendar year times thirty-nine (39) mills, county revenues excluding the county four-mills revenue for the preceding year, other state appropriations for the preceding year and the collections for the preceding year of state apportionment, motor vehicle revenue, gross production tax and R.E.A. tax.*

*The district's projected total revenues for each calculation shall exclude the following collections for the preceding year: federal revenue, insurance loss payments, reimbursements, recovery of overpayments and refunds, unused reserves, prior expenditures recovered, prior year surpluses, and other local miscellaneous revenues.*

If the School District Per Pupil Revenue exceeds the State Average per Pupil Revenue at 150 percent (150%), calculate the difference and multiply by the *highest year* Weighted ADM. This calculated product is the amount of revenue which the school district has in excess of 150 percent (150%) of the State Average per Pupil Revenue. This amount in excess will be assessed as a penalty in state aid. However, the amount calculated as a penalty cannot be greater than the amount generated by the small school or isolation weight. Whichever is the smaller dollar amount will be the actual penalty amount. If required, such penalty will be assessed at the time of the initial and final allocation of state aid formula funds.

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**The 150 percent (150%) calculation is determined as follows:**

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| <b>July Initial Allocation</b>                       | <b>January Final Allocation</b>                                |  |
|------------------------------------------------------|----------------------------------------------------------------|--|
| 2025-26 State Aid Formula                            | 2026-27 State Aid Formula                                      |  |
| 2025-26 Full Valuation times .039                    | 2025-26 Full Valuation times .039                              |  |
| 2025-26 School Land Revenue                          | 2025-26 School Land Revenue                                    |  |
| 2025-26 Gross Production Revenue                     | 2025-26 Gross Production Revenue                               |  |
| 2025-26 Motor Vehicle Revenue                        | 2025-26 Motor Vehicle Revenue                                  |  |
| 2025-26 R.E.A. Revenue                               | 2025-26 R.E.A. Revenue                                         |  |
| 2025-26 County Revenue Excluding Co. 4 Mill*         | 2025-26 County Revenue Excluding Co. 4 Mill*                   |  |
| 2025-26 State Appropriations**                       | 2025-26 State Appropriations**                                 |  |
|                                                      |                                                                |  |
| Projected Total Revenue                              | Projected Total Revenue                                        |  |
| Divided by Weighted ADM                              | Divided by Weighted ADM                                        |  |
| (Current Year Weighted ADM)                          | (Higher of prior year or 1 <sup>st</sup> 9 Weeks Weighted ADM) |  |
|                                                      |                                                                |  |
|                                                      | School district per Pupil Revenue=                             |  |
|                                                      | State Average Per Pupil Revenue at 150%=                       |  |
|                                                      |                                                                |  |
| <b>*County Revenue Includes the following:</b>       | County Apportionment                                           |  |
|                                                      | Resale Property Fund                                           |  |
|                                                      | Other County Miscellaneous Revenue                             |  |
|                                                      | <b>Total County Revenue</b>                                    |  |
|                                                      |                                                                |  |
| <b>**State Appropriations include the following:</b> |                                                                |  |
| <b>Allocations of:</b>                               | Ace Technology                                                 |  |
|                                                      | Alternative Education Statewide Program                        |  |
|                                                      | Certified Employee Health Allowance                            |  |
|                                                      | Certified Employee Health Allowance in Lieu of FBA             |  |
|                                                      | Driver Education                                               |  |
|                                                      | Maternity/Bereavement Leave                                    |  |
|                                                      | Purchase of Textbooks                                          |  |
|                                                      | Strong Readers                                                 |  |
|                                                      | Math Proficiency and Achievement                               |  |
|                                                      | School Consolidation Assistance Fund                           |  |
|                                                      | Shared Superintendent Assistance                               |  |
|                                                      | Support Personnel Health Allowance                             |  |
|                                                      | Support Personnel Health Allowance In Lieu of FBA              |  |
|                                                      | School Lunch-State Reimbursement / Matching                    |  |
|                                                      | <b>Total State Appropriations</b>                              |  |

## PER PUPIL REVENUE IN EXCESS OF 300 PERCENT

*Pursuant to 70 O.S. § 18-200.1 . . . no district having per pupil revenue in excess of three hundred percent (300%) of the average per pupil revenue of all districts shall receive any State Aid or Supplement in State Aid.*

*The July calculation of per pupil revenue shall be determined by dividing the district's second preceding year's total weighted average daily membership (ADM) into the district's second preceding year's total revenues excluding federal revenue, insurance loss payments, reimbursements, recovery of overpayments and refunds, unused reserves, prior expenditures recovered, prior year surpluses, and less the amount of any transfer fees paid in that year.*

*The December calculation of per pupil revenue shall be determined by dividing the district's preceding year's total weighted average daily membership (ADM) into the district's preceding year's total revenues excluding federal revenue, insurance loss payments, reimbursements, recovery of overpayments and refunds, unused reserves, prior expenditures recovered, prior year surpluses, and less the amount of any transfer fees paid in that year.*

For the 2027 school year, the per pupil revenue will be calculated using data taken from the 2025 and the 2026 School District Revenue and Expenditure Reports as reported by the Oklahoma Cost Accounting System (OCAS). The July calculation will use the 2025 OCAS data and the 2025 Weighted Average Daily Membership (ADM). The December calculation will use the 2026 OCAS data and the 2026 Weighted ADM.

The calculation is determined as follows:

|                         |      | Source of Revenue |
|-------------------------|------|-------------------|
| Total Receipts          | 0.00 | 1000-4000         |
| less                    |      |                   |
| Total Federal Revenue   | 0.00 | 4000              |
| Insurance Loss Payments | 0.00 | 1510              |
| Reimbursements          | 0.00 | 1590              |
| Overpayment / Refunds   | 0.00 | 1680              |
| (Rebates/Refunds)       |      | Function/Object   |
| Transfer Fees Paid      | 0.00 | 1000 / 560        |

|                               |                       |                                          |
|-------------------------------|-----------------------|------------------------------------------|
| <b>Total Adjusted Revenue</b> | <b>(2024) (2025)</b>  | 0.00                                     |
|                               | <b>(A) Divided by</b> |                                          |
|                               | July                  | <b>2026 Weighted ADM</b>                 |
|                               |                       |                                          |
|                               | December              | <b>2027 Weighted ADM</b>                 |
|                               | =                     |                                          |
|                               |                       | <b>School District Per Pupil Revenue</b> |
|                               | <b>(B) Divided by</b> |                                          |
|                               | July                  | <b>2026 State Average Pupil Per Cap</b>  |
|                               |                       |                                          |
|                               | December              | <b>2027 State Average Pupil Per Cap</b>  |
|                               | =                     |                                          |
|                               |                       | <b>Percent of District Per Cap</b>       |
|                               |                       | <b>vs. State Per Cap</b>                 |

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## MAINTENANCE OF EFFORT PENALTY

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The Policies and Procedures for Special Education in Oklahoma states:

“In the spring of the subsequent fiscal year, the Oklahoma Cost Accounting System (OCAS) will compare the Maintenance of Effort (MOE) for special education from state and local funds to the previous fiscal year. Each Local Education Agency (LEA) that fails to meet maintenance of effort will receive a written notice from the State Educational Agency (SEA) requesting the submission of any documentation of exceptions to MOE that would allow LEA to reduce the state and local expenditures, in accordance with 34 CFR300.204.

Following the submission of documentation regarding these exceptions, the SEA will review the status of each LEA for failure to meet MOE. If the LEA does not meet maintenance of effort, the SEA will reduce the LEA’s state funding in the amount not met, as a sanction for noncompliance.”

Note: Phone Number for Special Education: (405) 521-3351

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## MINIMUM TEACHER SALARIES

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Pursuant to 70 O.S. § 18-114.15, the Annual Certified Personnel Report from each school district is verified for compliance with the “State Minimum Teacher Salary Schedule.” For the 2026-27 school year, teachers in the public schools of Oklahoma shall receive in salary and/or fringe benefits not less than the amounts specified in the following schedule. When determining minimum salary, “fringe benefits” shall mean only the employee’s share of retirement, if paid by the district.

### [State Minimum Salary Schedule](#)

To verify compliance with the State Minimum Teacher Salary Schedule, compare the individual teacher’s base salary, fringe benefits, degree, and total years of experience. If the base salary and fringe benefits are equal to or exceed the required salary as indicated by the State Minimum Teacher Salary Schedule, the school district is in compliance with the statutory requirements and no penalty is assessed. However, if the base salary and fringe benefits for the certified employee are less than the statutory amount, a penalty may be assessed equal to the difference between the statutory amount and the actual amount paid for the base salary plus fringe benefits, unless the employee’s salary and fringe benefits are adjusted to meet the state minimum salary requirements.

NOTE: Extra-duty pay, and Flexible Benefit Allowance cannot be used in meeting State Minimum Teacher Salary.

Pursuant to OAC Title 210, 25-3-4 [h] (Finance) . . . *If the district pays a teacher less than the minimum salary required by law, the difference will be deducted from the next payment of state aid. . .*

**NOTE: Teachers employed that are drawing retirement pay from the Oklahoma Teachers’ Retirement System are NOT subject to the above minimum salary schedule. (70 O.S. § 18-114. 15)**

## NONCERTIFIED TEACHERS

Pursuant to 70 O.S. § 6-101, the statute provides in part:

*. . . B. Except as otherwise provided by law, no board of education shall have authority to enter into any written contract with a teacher who does not hold an Oklahoma criminal history record check as*

*required by (70 O.S. § 6-190) and who does not hold a valid certificate issued or recognized by the State Board of Education authorizing said teacher to teach the grades or subject matter for which the teacher is employed. Any board of education paying or authorizing the payment of the salary of any teacher not holding a certificate, as required herein, shall be adjudged to be guilty of a fraudulent expenditure of public funds . . .*

Pursuant to 70 O.S. § 6-101, local boards of education are authorized to enter into written contracts with persons who are not certified or licensed to teach by the State Board of Education as long as the person is enrolled in an education degree program at an institution of higher education and is actively in the process of securing certification or licensure. If the person has not obtained valid certification or licensure by the first day of the ensuing school year, the contract would be terminated.

Pursuant to 70 O.S. § 6-107, the statute provides in part:

*. . . It shall be unlawful for a member of the board of education of a school district to employ, approve or vote for the employment of any person to perform services for such district unless the person employed holds a valid certificate of qualification issued in accordance with the rules of the State Board of Education to perform the services the person is employed to perform.*

Pursuant to 70 O.S. § 6-108, the statute provides in part:

*. . . It shall be unlawful for any person to serve, or to contract or agree to serve, as superintendent, elementary superintendent, principal, supervisor, librarian, school nurse, classroom teacher or other instructional, supervisory or administrative employee of a school district unless such person holds a valid certificate of qualification issued in accordance with the rules of the State Board of Education to perform the services the person performs or contracts or agrees to perform.*

The initial monitoring of certification is the responsibility of the School Personnel Records Section within the State Department of Education. Reports are generated for Regional Accreditation Officers (RAO) indicating noncertificated personnel within the school district. The RAO will ascertain the days that the employee was noncertificated.

Pursuant to OAC Title 210, 25-3-4 [c] (Personnel):

*. . . Any district identified as contracting with a teacher, or administrator without a valid certificate shall be penalized in state aid. The state aid penalty amount shall be the salary amount paid by the district for the number of days the teacher or administrator taught without a valid certificate in excess of allowable substitute days.*

Pursuant to Title 70 O.S. § 6-105, the statute provides in part:

*[B] No substitute teacher shall be employed for a total period of time in excess of one hundred thirty-five (135) school days during a school year; or one hundred forty-five (145) school days during the school year if the substitute teacher holds a lapsed or expired certificate or has a bachelors level college degree; or no limit of school days during the school year if the substitute teacher holds a valid certificate. Each school district shall adopt a policy which sets forth the maximum number of days a substitute teacher may be employed for the same assignment if the substitute teacher does not hold a valid certificate.*

*[C] Substitute teachers who do not hold a valid certificate and who are employed to teach special education for students with physical disabilities or students with intellectual disabilities shall not be subject to the restrictions on total time a substitute teacher may be employed if no certified teachers are available to teach such students and the students would be denied instruction in special education if the substitute teacher were not employed...*

## OKLAHOMA COST ACCOUNTING SYSTEM PENALTY FOR NONCOMPLIANCE

Pursuant to 70 O.S. § 5-135.2:

*A. For the 1991-92 school year, school districts shall report financial transactions for all funds, except for the school activity fund, using the Oklahoma Cost Accounting System, as adopted by the State Board of Education pursuant to Section 5-135 of this title. Costs shall be reported by curricular subject area where applicable. For the 1992-93 school year and in each subsequent school year, school districts shall report financial transactions for all funds using the Oklahoma Cost Accounting System. Costs shall be reported by curricular subject area where applicable.*

*B. Beginning July 1, 1991, and in each subsequent school year, the State Department of Education shall reduce the monthly payment of a district's State Aid funds if, at the time of such payment, the district is not operating pursuant to the Oklahoma Cost Accounting System. The amount of the reduction shall be one percent (1%) for the first payment, two percent (2%) for the second payment, three percent (3%) for the third payment, four percent (4%) for the fourth payment, and five percent (5%) for each subsequent payment. The reduction may be waived by the State Board of Education if the district can demonstrate that failure to operate pursuant to such system was due to circumstances beyond the control of the district and that every effort is being made by the district to operate pursuant to such system as quickly as possible.*

Any Penalties assessed for noncompliance of implementation of the Oklahoma Cost Accounting System would be administered upon verification by the Financial Accounting Section, State Department of Education that the school district was not operating under such system. The penalty would be ongoing until the system was implemented in a proper manner by the school district.

Example:

|                                                  |                  |
|--------------------------------------------------|------------------|
| <b>Original Allocation</b>                       | <b>\$537,433</b> |
| September Payment                                | 53,743           |
| First Month's Penalty                            | x 1%             |
| Approximate First Month's Noncompliance Penalty  | = \$537          |
|                                                  |                  |
| Second Month's Penalty                           | \$48,369         |
|                                                  | x 2%             |
| Approximate Second Month's Noncompliance Penalty | = \$967          |
|                                                  |                  |
| <b>Total Penalty After Two Months</b>            | <b>\$1,504</b>   |
|                                                  |                  |

***(Process continues up to 5% reduction for each subsequent payment)***

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## PENALTY FOR INSUFFICIENT DAYS OR HOURS

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### 70 O.S. § 1-109:

*Beginning with the 2025-2026 school year, for not less than one thousand eighty-six (1,086) hours with a minimum of one hundred sixty-six (166) days of instruction each school year, if a district board of education adopts a school-hours policy and notifies the State Board of Education prior to October 15 of the applicable school year; or*

*4. Beginning with the 2025-2026 school year, for not less than one thousand eighty-six (1,086) hours each school year, if a district board of education adopts a school-hours policy, notifies the State Board of Education prior to October 15 of the applicable school year and meets the requirements established by the State Board of Education pursuant to subsection H of this section.*

*B. A school district may not count more than thirty (30) hours each school year that are used for attendance of professional meetings toward the one hundred sixty-six (166) days, or one thousand eighty (1,086) hours of classroom instruction time required in subsection A of this section.*

## WITHHOLDING STATE AID PAYMENTS FOR DELINQUENT FINAL INAL CERTIFIED AND SUPPORT PERSONNEL REPORTS

### OAC210:25-3-4(i)—Personnel (Certified):

*All public-school districts must file an accurate **End-of-Year Supplemental Personnel Report** showing the changes for personnel previously listed as well as all information required on any new employees not previously listed. This report shall contain any corrections or changes to be made to the February 1 Mid-Year Personnel Report. All employees that departed the school district prior to completion of the school year shall be given a "Reason-For-Leaving" code and have salary and days employed adjusted. School districts shall also file the Certified Substitute Teachers Report listing the number of days taught in the school year by all certified substitute teachers. The timeframe for submitting End-of-Year Supplemental Personnel Reports and Certified Substitute Teachers Reports shall be open from June 1 to July 15 of each year. These two reports shall be filed with the State Department of Education no later than July 15.*

### OAC210:20-27-1(a)(3)—Support Personnel; reporting requirements:

*No later than July 15 of each year, all public-school districts must file a "**Supplemental Support Personnel Report**" with the State Department of Education showing the changes for support personnel previously listed as well as all information required on any new support employees not previously listed. This report shall contain any corrections or changes to be made to the Mid-Year Support Personnel Report.*

## NONCOMPLIANCE PENALTY ON LATE AUDITS

Pursuant to 70 O.S. § 22-108, the statute provides in part:

*D.....If within eleven (11) months after the end of the fiscal year of the school district a copy of the auditor's opinions and related financial statements has not been received by the State Board of Education and by the State Auditor and Inspector, an inquiry shall be made by the State Auditor and Inspector as to why such auditor's opinions and related financial statements have not been filed, pursuant to the provisions of [Section 212A](#) of Title 74 of the Oklahoma Statutes. Should the State Auditor and Inspector find that the district board of education has failed to cause an annual audit of the financial statements and compliance requirements of the school district to be commenced, the State Auditor and Inspector*

*shall make a written demand on the board to complete and file such annual audit of the financial statements and compliance requirements of the school district within thirty (30) days of the date of such demand.*

**Pursuant to 70 O.S. § 22-112** (State Aid withheld for failure to comply with article):

*All further “payment” of State Aid for each district shall be withheld until the provisions of this article (see above paragraph) have been fulfilled by said district.*

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## GENERAL FUND CARRYOVER PENALTY

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The 2025-26 school year was the last year of the ~~original~~ amended general fund balance penalty waiver pursuant to 70 O.S. § 18-200.1(G)(9). Districts that exceed the allowable general fund balance for the 2024-2025 school year received a first-year warning notice during the 2025-2026 penalty calculation (based on 2024-2025 data). If a district exceeds the allowable amount again for the 2026-27 school year, for a second consecutive year, a penalty will be assessed during the 2026-2027 penalty calculation (based on 2025-2026 data). Calculation for Prior Year's General Fund Balance

Pursuant to 70 O.S. § 18-200.1, the State Department of Education (SDE) will send notification to each school district by February 1 of each year, detailing the calculation of the General Fund Carryover Penalty. Within 30 calendar days, each district will respond to the Department in writing, accepting or protesting the penalty amount. Districts will be notified by March 15 of the Department's findings, and the penalty will be assessed by April 1.

Any Penalty assessed for excessive general fund carryover will be determined by using data that will be extracted from a school district's Web-based data collection filed with the SDE (Financial Accounting/Oklahoma Cost Accounting System [OCAS]) and crosschecked with the Estimate of Needs filed with the State Board of Equalization and the Financial Accounting/OCAS Section of the SDE. (Examples of the calculation for determining the maximum allowable amount of General Fund Carryover follow.)

Title 70, Section 18-200.1 (Paragraph G):

*"Notwithstanding the provisions of Section 18-112.2 of this title, a school district shall have its State Aid reduced by an amount equal to the amount of carryover in the general fund of the district as of June 30 of the preceding year, that is in excess of the following standards for two consecutive years."*

Exclusions in Law:

*"Any school district which receives proceeds from a tax settlement or a Federal Emergency Management Agency (FEMA) settlement during the last two (2) months of the preceding fiscal year shall be exempt from the penalties assessed in this subsection, if the penalty would occur solely as a result of receiving funds from the tax settlement."*

*"Any school district which receives an increase in State Aid because of a change in Foundation and/or Salary Incentive aid factors during the last two (2) months of the preceding fiscal year shall be exempt from the penalties assessed in this subsection if the penalty would occur solely as a result of receiving funds from the increase in State Aid."*

*"If a school district does not receive Foundation and/or Salary Incentive Aid during the preceding fiscal year, the State Board of Education may waive the penalty assessed in this subsection if the penalty would result in a loss of more than forty percent (40%) of the remaining State Aid to be allocated to the school district between April 1 and the remainder of the school year and if the Board determines the penalty will cause the school district not to meet remaining financial obligations."*

*"Any school district which receives gross production revenue apportionment during the 2002-2003 school year or in any subsequent school year that is greater than the gross production revenue apportionment of the preceding school year shall be exempt from the penalty assessed in this subsection, if the penalty would occur solely as a result of the gross production revenue apportionment, as determined by the State Board of Education."*

*“Beginning July 1, 2003, school districts that participate in consolidation or annexation pursuant to the provisions of the Oklahoma School Voluntary Consolidation and Annexation act shall be exempt from the penalty assessed in this subsection for the school year in which the consolidation or annexation occurs and for the next three (3) years.”*

*“Any school district which receives proceeds from a sales tax levied by a municipality pursuant to Section 22-159 of Title 11 of the Oklahoma Statutes or proceeds from a sales tax levied by a county pursuant to Section 1370 of Title 68 of the Oklahoma Statutes during the 2003-2004 school year or the 2004-2005 school year shall be exempt from the penalties assessed in this subsection, If the penalty would occur solely as a result of receiving funds from the sales taxlevy.”*

*“For purposes of calculating the general fund balance penalty, the terms “carryover” and “general fund balance” shall not include federal revenue.”*

\*70 O.S. § 1-117:

*“G. Schools which receive gifts or, donations, or state appropriated monies for the purpose of capital expenditures or projects shall place such monies in the building fund, as provided by Section 1-118 of this title, and not in the general fund. School districts which receive gifts, grants, or donations of monies for noncapital expenditures may place the monies in the general fund, and such monies shall not be required to be used during the year in which the money was received but may accumulate from year to year ~~and shall not be considered a part of the general fund collections when calculating the general fund carryover as provided for in subsection G of Section 18-200.1 of this title.~~”*

(Please refer to the worksheet on the next page.)

## GENERAL FUND CARRYOVER PENALTY

### Calculation for Prior Year's General Fund Balance

|                                                                                                                                                                                                                                                                                            |   |           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|-----------|
| <b>General Fund New Revenue</b> - Add OCAS Revenue Fund 11, Sources of Revenue: 1000 through 4890, plus 5150, 5160, 5190, 5800, 6130, 6140, and 6200 <b>minus</b> OCAS Expenditure Fund 11, Function 5800, Object 970                                                                      | = | \$        |
| <b>Allowable Percentage of General Fund Balance (GFB)</b> – See below chart                                                                                                                                                                                                                | x | %         |
| <b>GFB Allowable</b> (GFB Revenue times Allowable Percentage)                                                                                                                                                                                                                              | = | \$        |
| <b>GFB as of June 30, 20XX</b> (As reported on the FY 20XX Estimate of Needs)                                                                                                                                                                                                              | = | \$        |
| <b>Preliminary GFB Penalty</b> (Allowable minus GFB)                                                                                                                                                                                                                                       | = | \$        |
|                                                                                                                                                                                                                                                                                            |   |           |
| <b>General Fund Federal Revenue</b> – Add OCAS Revenue Fund 11, Sources of Revenue: 4000 through 4890, plus Fund 22, Source 5150 [rolled to Fund 11]                                                                                                                                       | - | \$        |
| <b>State Aid Factor Increase</b> (During the last two months of preceding fiscal year)                                                                                                                                                                                                     | - | \$        |
| <b>Gross Production Growth</b> (Preceding fiscal year collections greater than second preceding year collections)                                                                                                                                                                          | - | \$        |
| <b>GFB Penalty after Exclusions</b> - Preliminary GFB Penalty minus Federal Revenue, Gifts & Endowments, State Aid Factor Increase and Gross Production Growth                                                                                                                             | = | \$        |
|                                                                                                                                                                                                                                                                                            |   |           |
| <b>District Reported Exemption - General Fund Proceeds from tax settlement or FEMA Settlement</b> (During last two months of preceding fiscal year and penalty solely resulted from receiving settlement funds)                                                                            | - | \$        |
|                                                                                                                                                                                                                                                                                            |   |           |
| <b>GFB Penalty after District Reported Exemption(s)</b>                                                                                                                                                                                                                                    | = | \$        |
|                                                                                                                                                                                                                                                                                            |   |           |
| <b>District Exceeded GFB Allowable Two Consecutive Years</b> (Yes or No)                                                                                                                                                                                                                   | = | YES or NO |
| <b>Exemption for Annexation or Consolidation</b> (Yes or No)                                                                                                                                                                                                                               | = | YES or NO |
|                                                                                                                                                                                                                                                                                            |   |           |
| <b>STATE BOARD OF EDUCATION ACTION ITEMS:</b> If “YES” on both of the below questions, the district may request State Board waiver within district reply. It should also include a description of the district situation(s) causing the district to exceed the GFB allowable and the plan. |   |           |
| <b>District did not receive Foundation and/or Salary Incentive during preceding fiscal year.</b>                                                                                                                                                                                           | = | YES or NO |
| <b>Penalty is more than Forty Percent (40%) of Remaining State Aid Balance</b> (Between April 1 and the remainder of the school year).                                                                                                                                                     | = | YES or NO |
|                                                                                                                                                                                                                                                                                            |   |           |
| <b>Not Assessed in FY 2021* GFB Penalty</b> – The lesser of the above GFB penalty after district reported exemption(s) or the balance of remaining State Aid after the March State Aid payment.                                                                                            | = | \$        |

| Total Amount of General Fund Collections Excluding Previous Year Cash Surplus as of June 30 |   |             | Amount of General Fund Balance Allowable |
|---------------------------------------------------------------------------------------------|---|-------------|------------------------------------------|
| Less than \$1,000,000                                                                       |   |             | 48%                                      |
| \$1,000,000                                                                                 | - | \$2,999,999 | 42%                                      |
| \$3,000,000                                                                                 | - | \$3,999,999 | 36%                                      |
| \$4,000,000                                                                                 | - | \$4,999,999 | 30%                                      |
| \$5,000,000                                                                                 | - | \$5,999,999 | 24%                                      |
| \$6,000,000                                                                                 | - | \$7,999,999 | 22%                                      |
| \$8,000,000                                                                                 | - | \$9,999,999 | 19%                                      |
| \$10,000,000 or more                                                                        |   |             | 17%                                      |

The 2025-2026 school year was the last year of the amended general fund balance penalty waiver pursuant to 70 O.S. § 18-200.1(G)(9). **Districts that exceed the allowable general fund balance for the 2025-2026 school year received a first-year warning notice during the 2025-2026 penalty calculation (based on 2024-2025 data).** If a district exceeds the allowable amount again for the 2026-2027 school year, for a second consecutive year, **a penalty will be assessed during the 2026-2027 penalty calculation (based on 2025-2026 data).**

Note: Legislation in 70 O.S. § 18-200.1 allows a school district to exceed the allowable percentage of carryover for two (2) consecutive years before a General Fund Balance penalty is assessed. However, we encourage you to annually keep your carryover amount within the allowable percentage in law.

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## ADMINISTRATIVE COST PENALTY

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The Oklahoma Cost Accounting System (OCAS) was passed into law and became effective July 1, 1992, (70 O.S. § 5-135.2) and was adopted from Financial Accounting for Local and State School Systems, 1990. Financial Accounting for Local and State School Systems, 1990, was designed as a national standard for state departments of education to use in reporting financial data, and for school districts to use in preparing their comprehensive annual financial reports (CAFRs) that are submitted to their respective state departments of education (SDE). The purpose of the OCAS handbook is to ensure that education fiscal data can be reported in a comprehensive and uniform manner nationwide.

Form ED 2447 from the United States Department of Education gives the definition of reporting “General Administration” as recorded under OCAS using Function Code 2300. We are instructed to include only the Board of Education and staff, Staff Relations and Negotiations staff, and the Superintendent and staff.

The Financial Accounting Division of the State Department of Education computes administrative costs using the new state definition under 70 O.S. § 18-124. The law does not provide for waivers.

If a district shows excess in administrative costs, the administrative costs paid with federal funds are deducted from the penalty as required by 70 O.S. § 18-104 which states, “. . . *no such federal aid estimate shall be used in any way to reduce the State Foundation Aid or Incentive Aid for such school district.* . . .”

Total expenditures from the OCAS records (warrants issued and reserves) are divided by the administrative costs to determine a percentage. If this percentage is greater than the amount listed on the percentage scale (70 O.S. § 18-124), then the total expenditures are multiplied by the allowable scale. This allowable amount is subtracted from the coded administrative costs to calculate the amount of penalty.

The allowable percentage scale for administrative costs is:

| <b>Average Daily Attendance (ADA)</b> | <b>Percentage Allowed</b> |
|---------------------------------------|---------------------------|
| More than 1,500                       | 5 percent                 |
| More than 500-but less than 1,500     | 7 percent                 |
| Fewer than 500                        | 8 percent                 |

If a school district receives an administrative cost penalty, a performance review of the effectiveness and efficiency of the budget and operations of the district shall be conducted. (70 O.S. § 3-118.1)

Oklahoma Statutes Title 70 O.S. § 18-124, states that the allowable percentages, five, seven, and eight percent (5,7, and 8%) remain the same for the 2005-06 school year or any school year thereafter.

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## PENALTY FOR DECREASING SALARY AND BENEFITS

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Oklahoma Statutes Title 70, § 18-114.9, forbids the same school district from paying less to a teacher during the next school year than what was paid the year before, unless the hours or the duties of the teacher are reduced proportionately. Any school district that willfully reduces the salary of a teacher shall forfeit the amount underpaid in the district's State Aid.

Additionally, the amount underpaid from the previous year will again be withheld from the school district, and the State Department of Education ***shall send the payment directly to the teacher***. Therefore, it would be to the advantage of the school district to pay the teacher correctly during the year.

Procedural rules are outlined in OAC 210:25-3-4. Oklahoma Statute Title 70, § 18-114.9 states:

- A. *"If a teacher, as defined in Section 6-101.3 of Title 70 of the Oklahoma Statutes, is employed by the same school district for the next school year as the preceding school year, the total compensation, consisting of salary and fringe benefits, of the teacher shall not be decreased the next school year unless the hours or duties of the teacher are reduced proportionately.*
- B. *Subject to the provisions of this section, any school district that willfully reduces or has in years previous to enactment of this section willfully reduced the salary of a teacher in violation of subsection A of this section shall forfeit as a penalty a portion of its State Aid equal to the total amount that the teacher was underpaid. If the teacher was underpaid for more than one (1) school year, the amount forfeited shall equal the cumulative amount that the teacher was underpaid. The amount to be forfeited shall be deducted from the State Aid payment following confirmation of the underpayment by the State Department of Education.*
- C. *In addition to the amount of State Aid forfeited as a penalty pursuant to subsection B of this section, in order to ensure that the teacher receives the full amount of unpaid salary, the State Department of Education shall withhold an amount which is equal to the total amount that the teacher was underpaid from the State Aid payment of the school district and pay the amount directly to the teacher. The Board shall not withhold an amount for payment to the teacher pursuant to the subsection if the teacher has recovered the underpayment pursuant to judicial action.*
- D. *Complaints filed with the State Board of Education pursuant to this section may be based on alleged underpayments during fiscal years that began:*
  - (1) *On or after July 1, 2002; or*
  - (2) *Before July 1, 2002, if the teacher filed an action to recover the underpayment in a court of competent jurisdiction before July 1, 2002.*
- E. *Complaints filed with the State Board of Education alleging underpayment during fiscal years that began on July 1, 2002, shall be filed within one (1) year of the end of the fiscal year in which the underpayment is alleged to have occurred.*
- F. *Filing a complaint with the State Board of Education pursuant to this section shall not operate to prohibit a teacher from filing an action for underpayment in a court of competent jurisdiction or continuing to pursue an action for underpayment pending in a court of competent jurisdiction on the effective date of this act.*
- G. *The State Board of Education shall promulgate rules necessary to implement the provisions of this section. The rules shall include, but not be limited to, procedures for a teacher to file a complaint for violation of this section and the Department to investigate the complaint."*

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## UNDERPAID TEACHER PENALTY (OAC 210:25-3-4 [j])

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If the district pays a teacher less than the minimum salary required by law, the difference shall be deducted from the next payment of state aid, or a claim shall be filed by the Director of School Personnel Records recover any such overpayment to the school district.

- (1) The School Personnel Records (SPR) Section will notify the school superintendent of all potentially underpaid teachers after the Final Certified Personnel Reports are filed with the State Department of Education in February. The school superintendent shall notify the SPR Section of the district's intent to pay the teacher the underpaid amount or to dispute the amount. If disputed, the school superintendent is responsible for providing documentation to the SPR Section to show the teacher was not underpaid based on the state minimum salary schedule. The State Aid Section shall withhold from state aid the amount underpaid by October 1 in the school year following the year in which the underpayment occurred.
- (2) The method for calculating teacher salaries to ensure state minimums are met shall be determined by the SPR Section.

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## STATE AID FUNDS MAY BE WITHHELD

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### - REPORTS MUST BE FILED -

*Pursuant to the statute (70 O.S. § 5-128): "Boards of education of all school districts are hereby required to make annual statistical and financial reports to the State Board of Education . . . It is further provided in the statute (70 O.S. § 3-104): . . . Such authority shall include the right of the State Board of Education to withhold all state funds under its control, to withhold official recognition, including accrediting, until such required reports have been filed and accepted in the office of said Board and to revoke the certificates of persons failing or refusing to make such reports."*

*The statute further provides (70 O.S. § 18-116): ". . . No more than fifty percent (50%) of the funds apportioned to school districts under the provisions of this article shall be paid by the state unless and until there has been filed with the State Board of Education on forms prescribed by such Board an itemized sworn account of the expenditures and revenue of the school district during the next preceding fiscal year and a teacher personnel report for the current year . . ."*

Pursuant to the State Board of Education regulations (OAC Title 210: Finance, 25-3-1):

- (a) School districts shall qualify for an appropriation of funds . . . if the following conditions have been met:
  - (1) The district was accredited for the previous year.
  - (2) The Annual Statistical Report has been filed.
- (b) Not more than fifty (50) percent of the State Aid will be paid to any district until the district has filed the following:
  - (1) Midyear Personnel Report (due February 1)
  - (2) Estimate of Needs and Financial Statement (Budget)

(3) School District Financial Report for the previous year (Expenditures and Revenue)

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## **NONCOMPLIANCE PENALTY ON LATE AUDITS (70 O.S. § 22-108)**

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*Paragraph D: “. . . If within eleven (11) months after the end of the fiscal year of the school district a copy of the auditor’s opinions and related financial statements has not been received by the State Board of Education and by the State Auditor and Inspector, an inquiry shall be made by the state Auditor and Inspector as to why such*

*auditor’s opinions and related financial have not been filed, pursuant to the provisions of Section 212A of Title 74 of the Oklahoma Statutes. Should the State Auditor and Inspector find that the district board of education has failed to cause an annual audit of the financial statements and compliance requirements of the school district to be commenced, the State Auditor and Inspector shall make a written demand on the board and file to complete and file such annual audit of the financial statements and compliance requirements of the school district within thirty (30) days of the date of such demand.”*

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## **STATE AID WITHHELD FOR FAILURE TO COMPLY WITH ARTICLE (70 O.S. § 22-112)**

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*“All further payment of State Aid for each district shall be withheld until the provisions of this article have been fulfilled by said district.”*

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## **STATE STUDENT RECORD SYSTEM NONCOMPLIANCE (70 O.S. § 18-116)**

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*Paragraph J: “. . . Any school district that is not in compliance with the standards and requirements established by the State Board of Education related to the state student record system as provided in Section 3-160 of this title shall forfeit its State Aid for the time of noncompliance.*

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## **OUT-OF-HOME PLACEMENT PROCEDURES AND WEIGHTS**

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## Procedures and Weights for Out-of-Home Placement Students (70 O.S. § 18-201.1)

| Out-of-Home Placement Weights                                                 | Grade Level<br>Weight |
|-------------------------------------------------------------------------------|-----------------------|
| Out-of-Home Placement - OHP1                                                  | 1.5                   |
| *Eleemosynary Child Care Facility (Educational services provided at facility) | 1.5                   |
| Juvenile Detention Center (10 beds) - OHP2                                    | 1.8                   |
| Juvenile Detention Center (8 beds) - OHP3                                     | 2.3                   |
| Juvenile Detention Center (6 beds) - OHP4                                     | 3.0                   |

\*Eleemosynary Child Care Facility (Educational services provided at a school site)

Note: These students are residents of the district in which the facility is located.

\*A facility funded predominantly by benevolent or charitable funds. Such facility is exempt from taxation pursuant to the provisions of Section 501(c) (3) of the Internal Revenue Code.

### Out-of-Home Placement Procedures

The receiving district must notify the resident district of the enrollment date for all out-of-home placement students. This now includes students in Therapeutic Foster Care Homes. Note: The student **must be dropped** from the resident district's Membership and Attendance Records prior to this enrollment date.

The receiving district shall notify the resident district immediately upon finding that a student requires special education and related services, and the resident district shall participate in planning the student's Individualized Education Program (IEP) and in subsequent reviews of the program in accordance with the Individuals with Disabilities Education Act (IDEA). Federal law provides that responsibility for procedural safeguards remains with the resident district and such special education students shall be reported on the resident district's Special Education Child Count.

The students eligible for the out-of-home placement weight shall be students who are not residents of the school district in which they are receiving educational services. Such weight may be claimed by the district providing educational services to such student for the days the student is enrolled in that district. Accurate attendance and membership records must be kept that identify such student by the proper out-of-home placement. The out-of-home placement weight shall be in lieu of the pupil grade level and any pupil category weight for that student. The membership and out-of-home placement pupil weight for such students shall be included in the membership of the district providing the education for the purposes of calculating state aid. Oklahoma Statutes Title 70 O.S. § 18-201.1, eliminated the last elements of "bill backs" by authorizing funding for children in therapeutic and voluntary, specialized foster care home placements under the out-of-home placement weight.

If a student is placed in an eleemosynary childcare facility and attends school at a local school site in the district where such facility is located, such student is a resident of that district and shall be counted at the regular grade level weight. If such student has an IEP for special education services, the category weight shall also apply, and the student shall be included in that district's special education child count.

If the needs of a student placed in an eleemosynary childcare facility require that the district in which such facility is located provide educational services at the facility (the district has to hire a teacher to go out to the facility to teach classes), the student will be counted as an out-of-home placement student and the education district will receive the 1.5 out-of-home placement weight.

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SECTION IV  
SCHOOL CONSOLIDATION  
and ANNEXATION IN OKLAHOMA  
70 O.S. § 7-101  
70 O.S. § 7-206  
70 O.S. § 8-101  
OAC 210:1-3-2

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## Preface

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This technical assistance document has been prepared to assist school districts and local communities in understanding the process of school annexation and consolidation. The purpose of which is to better serve Oklahoma's children and youth.

In 1891, Oklahoma Territorial Legislature enacted a law organizing the school districts into political subdivisions for four school districts per township. These school districts consisted of approximately nine square miles. The intent for this proximity was to ensure that the students live within walking distance of their school. At the time of statehood, the first Oklahoma Legislature also organized Indian Territory into school districts. The school districts in Indian Territory were usually larger than the nine square mile districts of Oklahoma Territory. From this beginning, school districts have made many changes in size and organization.

In 1914, there were 5,880 school districts in the state. As transportation improved and educational demands increased, school districts continued to change in size and organization. In 1989, there were 609 school districts when Senate Bill 74 passed, which established the Voluntary School Consolidation Act. In 1990, House Bill 1017 amended this legislation. Since 1989, there have been 100 school reorganizations, giving us the current number of 509 school districts. The Legislature transferred all the remaining funds out of the Voluntary School Consolidation Act in 1993.

In 2006, Senate Bill 1493 created in the State Treasury a fund designated as the "School Consolidation Assistance Fund." The fund shall be a continuing fund, not subject to fiscal year limitations, and consist of any monies the Legislature may appropriate or transfer to the fund and any monies contributed for the fund from any other source, public or private.

During the 2009 legislative session, Senate Bill 1169 (effective November 1, 2009) amended language for the School Consolidation Assistance Fund. Related funding will be used for voluntary and mandatory annexations or consolidations.

For consolidations, not more than 200 Average Daily membership (ADM) of any one school district from the preceding school year of the consolidation shall be counted in determining the combined ADM of any district formed by consolidation. The ADM of any one school district shall only be considered once for allocations from the fund when the school district consolidates with two or more school districts. Allocation will be calculated by multiplying the allowable ADM of the combined districts by \$2,500.

For voluntary and mandatory annexations, not more than 200 Average Daily Membership (ADM) of the annexed district from the preceding school year prior to the annexation shall be counted. Allocations will be calculated by multiplying the allowable ADM of only the annexed district by \$5,000.

The 53<sup>rd</sup> Legislature (2011) passed House Bill 2115, which removed the \$400,000 minimum allocation of funds for annexation or consolidation funding. It added "New" language to allow expenditures from the School Consolidation Assistance Fund to school districts that have entered into a mutual contract for a superintendent per 70 O.S § 5-106A. The total assistance paid over three consecutive years must not exceed 50% of the salary or wages of the superintendent or a total of \$150,000 over a three-year period. No district shall be eligible to apply more than one three-year time period. School Boards that have entered into a mutual contract with a superintendent must notify the State Board of Education on or before June 30 of the year preceding the school year that the contract becomes effective. The State Board of Education will determine allocations from the School Consolidation Fund with preference given to school consolidation/annexation if funds are sufficient.

The purpose shall be to provide consolidated school districts or districts who have received part or all of the territory and part or all of the students at a school district dissolved by voluntary or mandatory annexation, during the first year of consolidation or annexation, with a single one-year allocation of funds needed for:

- (1) Purchase of uniform textbooks in cases where several districts were not using the same textbooks prior to consolidation or annexation.
- (2) Employment of certified personnel required to teach courses of the district for which personnel from the districts consolidated or annexed are not certified and available.
- (3) Employment assistance for personnel of the several districts who are not employed by the consolidating or annexing district. Personnel receiving such severance pay may accumulate one year of creditable service for retirement purposes. The State Board of Education (SBE) shall provide a severance allowance to employees dismissed from employment

due to annexation or consolidation of a school district in the year of the annexation or consolidation and who were denied a severance allowance or unemployment compensation benefits and the voluntary consolidation funding of the annexing or consolidating district or districts has been paid on or after July 1, 2003, at the maximum allowable amount. If a district employee is not employed by the annexing or consolidating district(s), pursuant to 70 O.S. § 7-203(B)(1)(c), the district employee will be eligible to make an application for severance to the SDE pursuant to the following procedure:

- (A) Severance allowance from the SDE (for administrators, teachers, and support personnel) shall be in an amount up to and not to exceed eighty percent (80%) of the individual's salary or wages, exclusive of fringe benefits. An award of severance allowance by the SDE will be made on if: (i) the applicant was not employed by the consolidating or annexing district and (ii) severance or unemployment compensation was denied at the district level.
  - (B) Severance allowance from the SDE can be in any amount from 0%-80% of the individual's salary or wages, exclusive of fringe benefits, for the school year preceding the consolidation or annexation.
  - (C) Only timely applications for severance received by the SDE, State Aid, will be considered. Applications for severance allowance to the SDE must be received no later than September 1 of the fiscal year immediately following the fiscal year in which the annexation or consolidation occurred. The application for employment assistance in the form of severance can be found on the SDE website [HERE](#) or by contacting [State Aid](#).
- (4) Furnishing and equipping classroom and laboratories.
  - (5) Purchase of additional transportation equipment.
  - (6) When deemed essential by the school district board of education to achieve consolidation or combination by annexation, renovation of existing school buildings and construction or other acquisition of school buildings.

“The State Board of Education shall only make allocations from the fund to school districts formed from the combination of two or more of the districts whose boards of education notify the State Board of Education on or before June 30 of their intent to annex or consolidate and are subsequently combined by such means by January 1 of the second year following the notification of intent.”

“Allocations will be made to the newly formed school district formed by consolidation on the basis of combined average daily membership (ADM) of the school year preceding the first year of operation of the newly formed school district resulting from the consolidation; provided, not more than 200 ADM of any one consolidated school district shall be counted in determining the combined ADM of any district formed by consolidation. The ADM of any one consolidated school district shall not be considered more than once for allocations from the fund. Allocations from the fund shall be calculated by multiplying the combined ADM by \$2,500.

Allocations will be made to school districts which have received part or all of the territory and students of a school district by voluntary or mandatory annexation on the basis of ADM of the annexed school district for the school year preceding the first year of operation of the school district resulting from the annexation; provided, not more than 200 ADM of the annexed district shall be counted. Allocations from the fund shall be calculated by multiplying the allowable ADM by \$5,000. In no case shall allocations be greater than \$1,000,000. If monies in the School Consolidation Assistance fund are insufficient to make allocations to all qualified combined districts, allocations shall be made based upon earliest date of application.

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## Voluntary Annexation

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- A. A school district or part of a school district may be annexed to another school district adjacent or not.
- B. A school district may annex to two or more districts when approved at an annexation election. Annexation elections are:
  - 1. Called by the State Superintendent of Public Instruction or designee of the State Superintendent.
  - 2. Conducted by the county election board in pursuance of a resolution for annexation.
  - 3. The resolutions which are submitted to the State Superintendent must be signed by the board of education of the annexing district and school board or boards of the receiving district(s), or by an election called upon the filing of a petition with the State Superintendent of Public instruction that is signed by a majority of district electors in the affected area.
- C. The State Superintendent or designee shall notify the county election board of the election by delivering a resolution to the secretary of the county election board not less than 60 days preceding the election. (Contact your local county election board for election dates and deadline dates.)
- D. Elections are to be held between the hours of 7:00 a.m. and 7:00 p.m. and are conducted by the county election board.
- E. Annexations shall be approved by a majority of the school district electors either (1) of an entire school district or (2) of the affected area with prior school board approval.
- F. If the annexation is approved, the designee of the State Superintendent shall within 5 days after such election make an order declaring the annexation; the annexation shall not become effective until time for filing an appeal has expired.
- G. Within 10 days after the order of the State Superintendent of Public Instruction or designee is made, 25% of the district electors who were eligible to vote at the annexation election may appeal to the district court of the county in which the territory proposed to be annexed, or the largest part thereof, if such territory lies in more than one county is situated. Thereafter, all proceedings shall be stayed until the district court has rendered judgment.
- H. If the territory proposed to be annexed is situated in more than one county, the State Superintendent or designee shall file the resolution in the county in which the largest part of such territory lies. If the area to be annexed constitutes less than 2% of the total area of the district and no qualified electors reside in the area, no election is required, and the area may be annexed by resolution of both the losing and receiving district.
- I. If an independent district annexes to an elementary district not maintaining a high school, both boards of education are abolished. The Governor shall appoint three members of the newly formed district to the board of education and these members shall appoint the remaining two members.
- J. It is not legally possible to annex territory to a district that has ceased to exist.

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## Mandatory Annexation

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Mandatory annexation will be considered by the State Board of Education upon occurrence of the following situations:

- A. When a school district has been declared “academically at-risk” pursuant to 70 O.S. § 1210.541.
- B. When a school district is nonaccredited by the State Board of Education.
- C. When a district, without officially dispensing with school, fails to open or maintain a school (except when situations beyond the control of the district cause a normal delay). [70 O.S. § 8-106].

When it comes to the attention of the State Board of Education that a local school district is facing the possibility of mandatory annexation, the State Board of Education shall provide the district with an opportunity to be heard. The State Board of Education shall notify the superintendent and each school board member of the time, date and place of the meeting. At the meeting, representatives of the school district, including patrons, shall have an opportunity to address the State Board of Education and to provide information to the Board. The President of the State Board of Education may set time limits on individual presentation and may require groups to select a representative to speak on behalf of the group.

When the State Board of Education determines that a local school district is to be mandatorily annexed, the following steps will be followed:

- A. The State Board of Education will notify one or more school districts that they are responsible for taking an inventory of property and securing the buildings and other property of the district being mandatorily annexed. In selecting the district(s) responsible for this procedure, the State Board of Education may rely on recommendations from the State Superintendent.
- B. The State Board of Education will immediately notify the district superintendent of the Board’s action.
- C. The State Superintendent of Public Instruction or designee of the State Superintendent shall notify the parents or legal guardians of all students in the district being annexed that they must apply for a transfer to the state superintendent within 10 days of the State Board of Education’s action to annex. The state superintendent may require the parents or legal guardian to provide the legal description of their residence at the time the transfer request is made.
- D. Once the state superintendent has received the transfer requests, he/she shall notify the State Department of Education (SDE), in writing, of the breakdown of where students are asking to attend school by transfer and provide the State Department of Education with the legal description of the residence of each student.
- E. The SDE will utilize the transfer requests and legal descriptions submitted to the state superintendent as a guide in plotting the proposed boundary lines for dividing the annexed district. Preference of the students, parents, and guardians shall be acknowledged to the maximum extent possible.
- F. The SDE will present the proposed boundary lines for division of the annexed district to the State Board of Education for approval. The proposal shall be accompanied by the legal description of the property being annexed.
- G. The assets and liabilities of the annexed district shall become part of the annexing districts. When an annexing district assumes a debt incurred by the annexed district prior to July 1, the district assuming the debt should receive a comparable portion of the assets.
- H. When two or more annexing districts are involved in the division of an annexed district, the assets and liabilities are divided by agreement between the board of education. If the board of education are unable to agree, the matter shall be decided by the State Board of Education.

School law requires reporting to the State Board of Education on or before the first Monday in July by the Local Education Agency (LEA) if it is suspected that a district cannot financially open and maintain school for the next school year.

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## Consolidation

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Two or more school districts may be consolidated into a single district; adjacencies are not a requirement.

1. A petition by the board of education of any school district desiring a study of the consolidation of such school district with another school district or districts, or proposing such consolidation, shall be assigned by the president and clerk of the school board of education, and such petition shall be considered by the State Board of Education at its next regular meeting. If a study of the proposed consolidation is deemed proper and advisable, the Secretary of the State Board of Education shall forthwith advise the boards of education of all districts involved that a study of the proposed consolidation is going to be made.
2. The State Board of Education reserves the right to make a study of the advisability of consolidation of two or more school districts in any area of the State, on its own initiative, and without any petition from a board of education. When such decision is made, each school district involved shall forthwith be advised that such study is going to be made, and such districts shall be directed to determine, by such procedures as the state Board of Education may prescribe what, if any, consolidation should be carried on in the area under study.
3. All studies of the advisability of consolidation shall be under the direction of the President of the State Board of Education who shall utilize the services of appropriate divisions of the State Department of Education.
4. If after a study of the population, wealth, terrain, trade areas and other pertinent factors, it is determined that two or more school districts should be consolidated, the board of education of each school district involved shall be so advised.
5. No election to determine consolidation shall be called or held unless there shall have been filed with the State Board of Education a petition therefore, signed by a majority of the school district electors of each school district included in the proposed consolidation. When such a petition is received and is determined to be sufficient, the State Board of Education shall call an election for the purpose of affording to the school district electors in the school districts involved an opportunity to express their wishes through a majority vote of the school district electors in the entire territory involved. Notice of such election, stating the time and date thereof and the polling places, shall be posted in five (5) public places in each school district involved, not less than ten (10) days before date of such election. Such election shall be conducted by one or more member of the State Department of Education, as designated by the President of the State Board of Education.
6. If a majority vote at such election is in favor of consolidation, the State Board of Education shall issue a written order to such effect, declaring the participating school districts dissolved and the new school district established. Copies of such order shall be sent to the county treasurer, county assessor, county clerk and county election board of each county in which the districts involved are situated, the Oklahoma Tax Commission, the State Election Board, and to the board of education of each school district involved. If a majority vote at such election is not in favor of consolidation, the State Board of Education shall make a written order to such effect and shall send a copy thereof to the board of education of each school district involved.
7. The local board of education members representing the school district having the largest number of children shall serve as board members of the newly formed school district for the remainder of their term. (On the effective date of consolidation, the districts are dissolved, and a new district is formed with a new district number.)
8. All liabilities, debts, assets, powers, and duties shall become the responsibility of the newly formed school district.

## Teacher Status Because of Annexation or Consolidation

State law provides that “No district shall be liable for the payment of compensation to a teacher or administrator under the provisions of any contract for the ensuing year, if it becomes necessary to close the school because of annexation or consolidation...provided such cause is known or action is taken prior to July 1 of the ensuing year.”

The term “school” refers to a high school, middle school, junior high school, or elementary school, not a district, unless all the schools of a district were closed. (Example: If district “A” annexed to district “B” and decided to leave the elementary school in district “B” open and to close the high school, the teachers of high school district “B” would not necessarily be given employment in the new district, but the elementary teachers would).

Another variable in this situation is “action prior to July 1.” If a consolidation or annexation occurs at midyear, the new district must use its reduction in force policy or employ all the teachers. If the new board of education elects to utilize any part of a “school,” then all teachers in the “school” must be retained.

## Dispensing with a School or a School District

A high school, an elementary school, or both may be dispensed with by a majority vote of the qualified electors.

1. Should residents of a school district desire to dispense with all or part of a school district, it is the duty of the State Superintendent to notify the State Board of Education of a majority vote of eligible electors at an annual or special election or by a petition signed by 60% of eligible school district electors to dispense with either grades 1 thru 8 or grades 9 thru 12, or both, and such procedure shall be accomplished prior to June 30. Subsequently, parents of such children in the dispensed grades should file an application for transfer for the ensuing year with the State Superintendent. Any district which dispenses with its entire school district for the ensuing year shall be mandatorily annexed on July 1 by the State Board of Education to an adjacent school district(s) to which pupils have been transferred.
2. Provided that if a school district does not officially dispense with its school following the preceding procedure and fails to open and maintain a school during such ensuing year, the State Board of Education, except as otherwise provided, shall at its next regular meeting annex such district, as provided by law. [70-8-106]

## Petitions for Annexation or Consolidation

The State Department of Education, in accordance with state law will specify what is needed on any petition requesting an election for annexation or consolidation.

The following information should be included on any petition for consolidation or annexation filed with the State Department of Education:

- 1) Petitioner’s Request
- 2) General statement that all signers are legal voters in the school district.
- 3) Voter’s name, printed.
- 4) Voter’s address.
- 5) Voter’s signature.
- 6) Signature and statement of circulator attesting every voter did sign the petition in his presence.

To calculate sufficiency of the number of signatures on a petition, the given percentage figure shall be applied to the highest number of voters voting in a regular school election in the district or in the case of a partial annexation, in the preceding five years as determined by the county election board, who shall certify the adequacy of the number of the signatures on a petition, it is delivered to the State Superintendent of Public Instruction or the designee of the State Superintendent.

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## Requirements of Election Laws

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Special elections for all school annexations, consolidations, or dispensing of grades are to be called by the State Superintendent of Public Instruction or designee of the State Department of Education. The entity calling the elections shall notify the county election board by delivering a resolution to the secretary of the county election board at least 60 days preceding the election.

The resolution shall contain information necessary for the county election board to conduct the election:

- 1) Date of election
- 2) Ballot titles of the question to be voted upon.
- 3) Effective date of the annexation, consolidation, or grade change.
- 4) Description of persons eligible to vote in the election.
- 5) Legal description if the annexing district is to be divided among two or more districts.

The annexation shall be approved by a majority of the school district electors voting at such election:

- 1) Of the entire school district, or
- 2) If a majority of the members of a board of education of a school district losing the territory concur with the petitioners, or resolution, only the legal voters of the area so affected shall be eligible to vote at such election.

### Legal Election Days

A schedule of legal election dates and deadlines may be obtained by contacting the local county election board, the State Election Board, or the Oklahoma State Department of Education.

### Cost of Elections

The board of education of the school district, for which the election is being called, shall pay the county election board for any costs of the election. The school district shall pay these costs even if the election is called by a petition of the voters of the district.

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## RESOLUTION FOR ANNEXATION

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**WHEREAS ( D e p e n d e n t o r I n d e p e n d e n t )** School District No. **(Annexing District Number)** of **(County Name)** County, Oklahoma, also known as **(Annexing District Name)** Public Schools, by and through its duly elected and acting Board of Education, desires that all of its territory to be annexed into and become a part of Independent School District No. **(Receiving District Number)** of **(County Name)** County, Oklahoma, also known as **(Receiving District Name)** Public Schools.

**WHEREAS** the Board of Education of **(Receiving District Name)** Public Schools desires to annex all of the territory of **(Annexing District Name)** Public Schools and to join in a concurrent resolution with **(Receiving District Name)** Public Schools.

**WHEREAS** the school district electors within the affected territory should have the opportunity to vote on whether all of the territory of **(Annexing District Name)** Public Schools should be annexed into and become a part of **(Receiving District Name)** Public Schools.

**Legal Description: (Legal description of the annexing district in 250 words or less)**

**WHEREAS**, both **(Receiving District Name)** Public Schools and **(Annexing District Name)** Public Schools agree that **(Annexing District Name)** Public Schools will remain open and operating until the completion of the **(School Years)** school year; and

*NOW THEREFORE BE IT RESOLVED THAT:*

1. Upon the adoption of a concurrent resolution by the Board of Education of **(Receiving District Name)** Public Schools, **(Annexing District Name)** hereby requests that the State Superintendent for Public Instruction call an annexation election to be held on **(Election date)** to determine if the entire territory of **(Annexing District Name)** Public Schools should be annexed to **(Receiving District Name)** Public Schools.
2. The entire territory of **(Annexing District Name)** Public Schools is subject to this Resolution, and all assets and liabilities, including real property and monetary assets of **(Annexing District Name)** Public Schools shall transfer to **(Receiving District Name)** Public Schools upon approval of the proposed annexation.
3. **(Receiving District Name)** Public Schools hereby consents to the annexation of the **(Annexing District Name)** Public Schools' territory to the **(Receiving District Name)** Public Schools in the manner described above should such annexation be approved by the electors and that the annexation take effect **(Requested Effective Date)** and be effective on this date specified by the Order Declaring Annexation issued by the State Superintendent of Public Instruction.

**RESOLVED**, this \_\_\_\_\_ day of \_\_\_\_\_

Independent School District No. **(Annexing District Number)** of **(County Name)** County, Oklahoma a/k/a **(Annexing District Name)** Public Schools

Attest:

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Clerk, Board of Education

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President, Board of Education

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## Calendar: Schedule of Due Dates Reporting Requirements Document

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The annual **Reporting Requirements Calendar** is to assist school administrators with due dates for the 2026-2027 school year. Revisions will be made throughout the year as needed. All required reports and forms referenced in this document can be accessed here [Oklahoma State Department of Education \(OSDE\) web site](#).-