

Oklahoma State Department of Education (26500)

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Lead Financial Officer: Mathangi Shankar

FY'19 Projected Division/Program Funding By Source							
Dept	Appropriations	Federal	Revolving	Local	Other*	Total	
Administration 01	\$1,262,238		\$106,000			\$1,368,238	
Teacher Certification 02	\$6,935,000		\$1,231,512			\$8,166,512	
Curriculum and Instruction 03	\$13,971,428		\$840,000			\$14,811,428	
Financial Services 05	\$1,506,110		\$35,953			\$1,542,063	
Federal Programs 06		\$451,988,373				\$451,988,373	
Financial Support of Schools 07	\$2,278,122,289					\$2,278,122,289	
Textbooks 09	\$33,000,000					\$33,000,000	
Charter school incentive Fund 11						\$0	
Reading Sufficiency 18	\$6,500,000					\$6,500,000	
Alternative Education 22	\$10,060,988					\$10,060,988	
AG in the classroom 23	\$38,000					\$38,000	
School Lunch Matching 27	\$2,709,556					\$2,709,556	
Cert Employee FBA 29	\$312,923,030					\$312,923,030	
Support Employee FBA 31	\$170,810,086					\$170,810,086	
Drivers Ed 36			\$900,000			\$900,000	
School Consol Assistance 37	\$3,590,263					\$3,590,263	
Lottery Trust Rev. Fund**	\$3,590,263					\$3,590,263	
Assessment & Accountability 40	\$9,506,564					\$9,506,564	
Early Intervention 52	\$14,400,341	\$5,825,062	\$55,000			\$20,280,403	
Teachers Retirement 56	\$32,712,137					\$32,712,137	
Child Nutrition Fed 60	\$359,863	\$336,393,236				\$336,753,099	
Department Services 70	\$3,378,619		\$72,579			\$3,451,198	
Educator Effectiveness 71	\$2,649,989		\$189,204			\$2,839,193	
School support 73	\$390,783					\$390,783	
Information Technology 88	\$4,567,600	\$6,862,348	\$416,412			\$11,846,360	
Total	\$2,912,985,147	\$801,069,019	\$3,846,660	\$0	\$0	\$3,717,900,826	

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

Lottery trust revol fund is pass through, not budgeted by SDE

FY'18 Carryover and Refund by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'18 Carryover - see notes below						
	\$0					#VALUE!

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

Financial Support of Public Schools:

- Formula - \$114,691 will be allocated to the districts through the formula in FY 19
- Lindsey Nicole Henry Scholarships - \$167k

Flexible Benefit Allowance

- \$13.7 m will be used to meet FY 19 funding needs.

Public School Activities Line Items: Carryover from the following line items will be used in the current fiscal year for the originally intended purpose. Carryover funds are used to reduce the need for new funds in FY 19.

- Teachers Retirement - \$93k
- Testing - Approx. \$2 million was carried over due to availability of federal funds and the actual costs coming lower than originally estimated.
- Advanced Placement - Approx. \$750 k
- Standards Implementation - \$350k
- National Board Teacher Bonus - \$743k
- TLE and Teacher Residency - \$250k
- Accountability System Implementation and Information Technology Services- Approximately \$2 million for accountability system and IT projects/enhancements for which the obligations did not occur during the fiscal year will be budgeted and obligated in the next fiscal year.
- Approximately \$2.2 m in agency's FY 18 admin funds resulted from unfilled vacancies of budgeted positions, less than projected spending in other categories such as travel, contractual services and operational expenditures and the availability of prior year funds. The agency recognized the need to be fiscally responsible in an uncertain budget environment and therefore continued its efforts to control and reduce administrative and operational costs. This better positions the agency to absorb any future budget cuts and reduce the negative impact on common education.

What Changes did the Agency Make between FY'18 and FY'19?

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

Funding for public school activities remained at the FY 18 level. Programs funded in FY 18 were continued in FY 19.

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

None

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

No change in delivery of services.

4.) Did the agency provide any pay raises that were not legislatively/statutorily required?

The agency provided for pay increases for promotions that increased job responsibilities

FY'20 Requested Division/Program Funding By Source							
		Appropriations	Federal	Revolving	Other	Total	% Change
Administration	01	\$1,430,214		\$106,000		\$1,536,214	12.28%
Teacher Certification	02	\$7,150,000		\$1,231,512		\$8,381,512	2.63%
Curriculum and Instruction	03	\$25,100,676		\$840,000		\$25,940,676	75.14%
Financial Services	05	\$1,674,082		\$35,953		\$1,710,035	10.89%
Federal Programs	06		\$451,988,373			\$451,988,373	0.00%
Financial Support of Schools	07	\$2,551,019,697				\$2,551,019,697	11.98%
Textbooks	09	\$40,250,000				\$40,250,000	21.97%
Charter school incentive Fund	11	\$100,000				\$100,000	100.00%
Reading Sufficiency	18	\$11,753,700				\$11,753,700	80.83%
Alternative Education	22	\$39,949,742				\$39,949,742	297.08%
AG in the classroom	23	\$38,000				\$38,000	0.00%
School Lunch Matching	27	\$3,140,137				\$3,140,137	15.89%
Cert Employee FBA	29	\$326,103,891				\$326,103,891	4.21%
Support Employee FBA	31	\$177,311,577				\$177,311,577	3.81%
Drivers Ed	36			\$900,000		\$900,000	0.00%
School Consol Assistance	37	\$3,590,263				\$3,590,263	0.00%
Lottery Trust Rev. Fund**		\$3,590,263				\$3,590,263	0.00%
Assessment & Accountability	40	\$17,877,993				\$17,877,993	88.06%
Early Intervention	52	\$16,607,757	\$5,825,062	\$55,000		\$22,487,819	10.88%
Teachers Retirement	56	\$33,500,000				\$33,500,000	2.41%
Child Nutrition Fed	60	\$359,863	\$336,393,236			\$336,753,099	0.00%
Department Services	70	\$3,714,563		\$72,579		\$3,787,142	9.73%
Educator Effectiveness	71	\$6,281,878		\$189,204		\$6,471,082	127.92%
School support	73	\$12,900,356				\$12,900,356	3201.16%
Competitive Grants Pool	75	\$6,500,000				\$6,500,000	100.00%
Information Technology	88	\$5,567,600	\$6,862,348	\$416,412		\$12,846,360	8.44%
School Counselor Corps	TBD	\$58,163,751				\$58,163,751	100.00%
Total		\$3,353,676,003	\$801,069,019	\$3,846,660	\$0	\$4,158,591,682	11.85%

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

FY'20 Top Five Appropriation Funding Requests		\$ Amount
Request 1: Financial support of schools		\$272,897,408
Request 2: Flexible Benefit Allowance		\$19,682,352
Request 3: Textbooks/Instructional Materials		\$7,250,000
Request 4: Support for Students and Teachers		\$79,337,897
Request 5: School Counselor Corps		\$58,163,751
Total Increase above FY-19 Request		\$ 437,331,408

Does the agency have any costs associated with the Pathfinder retirement system and federal employees?

(If so, please describe the costs and provide an estimate for FY '20, FY '21, and FY '22.)

No

How would the agency be affected by receiving the same appropriation for FY '20 as was received in FY '19? (Flat/ 0% change)

FY 2020 budget request includes restored operational dollars into the state funding formula so that the class size moratorium can be lifted. Additionally the request includes funding to create a new School Counselor Corps to provide much needed support for students including both academic counseling and mental health support. Additional classroom dollars were also requested in the areas of alternative education, reading sufficiency, supports for low performing schools, early childhood and supports for teachers and for instructional materials, flexible benefit allowance and administration. If the FY 20 appropriation remained flat, the agency will be unable to expand services in programs currently funded as well as implement new initiatives that will provide much needed support to students, teachers and schools in various critical areas.

How would the agency handle a 2% appropriation reduction in FY '20?

A 2% cut amounts to \$58.3 million. Across the board cuts will occur. State aid and critical programs will be underfunded as agency must continue to meet statutory obligations and matching requirements. Agency may be forced to reduce staff. Operating costs such as travel and general administration will have to cut back even further to offset any increase in fixed costs. These measures are likely to impede the agency's ability in providing services effectively. In addition, with the possible reduction in staff, the agency will cut back on professional development and technical assistance which will negatively impact implementation of initiatives and services to school districts.

Is the agency seeking any fee increases for FY '20?

		\$ Amount
Increase 1	N/A	\$0
Increase 2	N/A	\$0
Increase 3	N/A	\$0

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

N/A

Federal Funds

	FY 19 projected	FY 18	FY 17	FY 16	FY 15
Federal Funding I (Brief Description with CFDA number)					
Federal Funding II (Brief Description with CFDA number)					
Federal Funding III (Brief Description with CFDA number)					
Federal Funding IV (Brief Description with CFDA number)					
Federal Funding V (Brief Description with CFDA number) See "federal funds" tab					

Federal Government Impact

1.) How much federal money received by the agency is tied to a mandate by the Federal Government?

Almost all federal money received by the agency is tied to a mandate. A very small portion of the total federal funds is received as agency's discretionary funds.

2.) Are any of those funds inadequate to pay for the federal mandate?

Most of the federal funds that the agency receives are distributed on a formula basis and may be inadequate if the cost of providing services are increasing. Districts also have maintenance of effort requirements that they have to meet to be able to receive federal funds.

3.) What would the consequences be of ending all of the federal funded programs for your agency?

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

4.) How will your agency be affected by federal budget cuts in the coming fiscal year?

Agency will be forced to cut its administrative costs to manage the programs in order to maintain the allocation to districts. If cuts are excessive, allocation to school districts will be reduced and this will have a major impact on the level of services that districts provide to students.

5.) Has the agency requested any additional federal earmarks or increases?

The agency has received approximately \$57 million in new federal grants. It will continue to explore other grant opportunities as they become available.

Division and Program Descriptions

- 01 Administrative Services** - Office of the Superintendent, Governmental Affairs, Policy and Public Affairs
- 02 Teacher Certification** Office of Teacher Certification and includes Education Leadership Oklahoma
Education and Leadership Oklahoma
 Teachers who attained National Board Certification prior to June 30, 2013 and eligible to receive the bonus will receive \$5000 annually over a 10 year period. Teachers who attained National Board Certification after June 30, 2013 will receive salary increments as set forth in the minimum salary schedule.
 National certified school psychologist, speech language pathologists and audiologists shall receive an annual bonus in the amount of \$5000 or prorated based on the proportionate equivalency to full-time employment
- 03 Office of Instruction-** Includes Reading, Literacy, Early Childhood, Standards Implementation, Social Studies, Science, Math and ELA.
Major programs for which funding is requested.
 Advanced Placement Allows high school students to undertake college level academic courses and provides students the opportunity to show they have mastered the advanced material by taking end-of-course AP exams. Funds are used to provide test fee assistance and professional development required for AP teachers.
 Early Childhood Initiative Public Private Partnership that consists of private donations and state funds that serve at-risk children.
 Oklahoma Arts Institute This program has 2 components: 1) Oklahoma Summer Arts Institute, a fine arts school for high school students who are selected to attend thru statewide competitive auditions; 2) Oklahoma Fall Arts Institute, a series of weekend workshops for elementary and secondary teachers.
 Standards Implementation Implentation of curricular standards for English Language Arts and Mathematics that are college and career ready. Funds will be used to continue development of frameworks and other materials for educators and for training. Standards development for other subject areas will begin.
- 05 Office of Financial Services** - State Aid, Office of the Comptroller, Financial Accounting/OCAS and Procurement
- 06 Federal Programs** - Includes all federal grants received by SDE
- 07 Financial Support of Schools** State funds appropriated for local school districts are distributed through the state aid formula and Lindsey Nicole Henry Scholarship Program
- 09 Textbooks and Instructional Materials** Funds allocated to school districts for textbooks and instructional expenses.
- 11 Charter School Incentive Fund** Funds appropriated to SDE to provide financial support to new charter schools.
- 18 Staff Development** Funds allocated to districts on ADA basis for professional development activities
- 18 Reading Sufficiency** Funds allocated to school districts on a per student basis for those students k-3 reading below grade level.
- 22 Alternative and High Challenge Education** - Serves students in Grades 6-12 who are most at risk of not completing a high school education.
- 23 AG in the Classroom** To increase agricultural literacy among students and educators.
- 27 School Lunch matching and Maintenance of Effort** - State match and MOE required by USDE to receive federal funds for National school lunch program
- 29 Flexible Benefit Allowance for Certified Personnel** - Benefit amount to school district certified personnel to offset health insurance costs.
- 31 Flexible Benefit Allowance for Support Personnel** - Benefit amount to school district support personnel to offset health insurance costs.
- 36 Driver Education** This program provides reimbursement to schools for a portion of the costs associated with driver education programs.
- 37 School Consolidation Assistance** Funds appropriated to SDE to assist district consolidation, annexation, shared superintendent, severance payments and ACE technology
- 50 Accountability Implementation** Implementation of a new accountability system that meets ESSA requirements and to develop a dashboard for public reporting.
- 50 Office of Assessment** Administration of state and federally required assessments and providing technical assistance to school administrators, educators and parents
- 52 Early Intervention** Soonerstart is Oklahoma's early intervention program serving infants and toddlers with developmental delays from birth to 36 months. Soonerstart is a collaborative interagency project coordinated with the Departments of Health, Human Services, Mental Health and Substance Abuse Services, Health Care Authority and the Commission on Children and Youth.
- 56 Teacher's Retirement** Funds appropriated to SDE as a pass through to TRS to offset a portion of teachers' contribution to retirement system.
- 60 Child Nutrition** - Administration of Food and Nutrition Programs
- 70 Department Services** Agency operations including HR, Communication, Accreditation, and Legal Services.
- 71 Office of Educator Effectiveness** - Includes Teacher and Leader Effectiveness, Alternative Education, Counseling, Teach for America and Teacher Residency Program
 Funds will be used fo improve the effectiveness of teachers and leaders in the public school system including implementation of new individualized program of professional development required by HB 2957, 2016.
- 73 Office of School Support** - Provides support, financial assistance and/or resources to schools that received priority, focus or targeted intervention designation.
- 75 Competitive Grants Pool** - Grants awarded for professional development and other activities based on a statewide competitive application basis
- 88 Information Technology - Agency IT services and Oklahoma Student Information System**
 To support data system development and integration; to provide support to districts for data reporting and data use.

FY'19 Budgeted FTE

	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
Administration	3		9	1	3	5
Teacher Certification	2		18	14	3	1
Curriculum and Instruction	2		23	5	14	4
Financial Services	6		17	4	12	1
Federal Programs	11		107	20	83	4
Lindsey Nicole Henry Scholarship Admin			1		1	
Assessment and Accountability	3		14	2	8	4
Early Intervention	9		64	21	43	
Child Nutrition	1		32	4	27	1
Department Services	6		35	4	26	5
Educator Effectiveness	3		10	3.5	3.5	3
School support	1		4	1.5	1.5	
Total	47	0	333	80	225	28

FTE History					
	2019 Budgeted	2018	2017	2015	2010
Administration	9	9	9	5	40
Teacher Certification	18	16	15	15	30
Curriculum and Instruction	23	19	19	17	18
Financial Services	17	15	14	16	36
Federal Programs	107	76	73	56	86
Lindsey Nicole Henry Scholarship Admin	1	1	1	1	
Assessment and Accountability	14	11	10	8	
Early Intervention	64	61	55	60	81
Child Nutrition	32	31	31	30	34
Department Services	35	34	36	50	
Educator Effectiveness	10	8	9	6	
School Support	4	2	3	7	
Accreditation and Standards (now Office of Assess & Acct)					22
Student Tracking and Identification					7
Policy Implementation				1	
English Language Learners				1	
Total	333	282	272	272	354

Performance Measure Review					
See attachment	FY 18	FY 17	FY 16	FY 15	FY 14
Measure I					
Measure II					
Measure III					
Measure IV					
Measure V					

Revolving Funds (200 Series Funds)			
see "revolving funds" tab for descriptions	FY'16-18 Avg. Revenues	FY'16-18 Avg. Expenditures	June '18 Balance