Oklahoma Department of Career and Technology Education

FY 2027 Budget Hearing Presentation

Submitted by: Mr. Brent Haken, State Director

Brent Haken, State Director

The **Oklahoma Department of Career and Technology Education** serves as the entity that provides leadership and resources to ensure standards of excellence throughout the statewide CareerTech system. The system offers its programs and services through:

- ❖ 394 PK-12 school districts
- ❖ 29 technology centers
- ❖ 20 Skills Centers located in correctional facilities
- ❖ 49 Adult Education and Family Literacy providers with 125 sites

Founded in 1968, this agency now encompasses the following divisions:

- **Educational Attainment**
  - 5th to 12th grade CareerTech programs such as Agricultural Education; Family & Consumer Sciences; Business Information Technology Education; Marketing Education; Health; Trade & Industrial Education; and STEM
  - Technology Center secondary and post-secondary programs and business and industry training services
  - Skills Centers
- **Business / Educational Partnerships**
  - Work-based learning; Apprenticeships; Educator externships; APEX
- **Career Awareness**
  - OkCareerGuide
- **Program Support**
  - Student & Stakeholder Support; Curriculum, Assessment & Digital Delivery; Information Technology & General Administration

Agency Vision, Mission and Core Values

Vision: Securing Oklahoma's future by developing a world-class workforce

Mission: Preparing Oklahomans to succeed in the workplace, in education and in life

Core Values: We believe in high-quality educational experiences; data informed decisions; ethical behavior; service to our customers and stakeholders; innovation, flexibility and accountability; commitment to excellence; and equal access for Oklahomans

Accomplishments

Top accomplishments for FY 2025 – FY 2026

1) CareerTech services were expanded to the Panhandle with the annexation of Beaver County into High Plains Technology Center. This will allow previously unserved individuals to receive technology center training services.

2) Membership in Oklahoma's seven CareerTech student organizations increased almost 14% from the previous fiscal year. FY25 membership was 122,929 and is the fourth consecutive fiscal year of student organization growth.

3) The total number of businesses served through our technology centers increased 14% over the prior year. Total number of businesses served in FY25, duplicated in some categories, was 10,604.

4) Enrollments in PK-12 school CareerTech programs increased over 6% from prior year with 151,774 enrollments in FY25.

5) CareerTech students earned 34,771 industry endorsed certifications in FY24. This is a 58% increase over the prior year.

Analysis of Agency Challenges

	Challenge Description	Current Actions (Briefly describe how the agency is currently addressing the challenge.)	Planned Actions (Briefly describe how the agency plans to address the challenge going forward.)
1	Need for additional funding to match expectations for system growth.	Submission of appropriations request for FY27 outlining needs for growth in workforce training, K-12 program support, technology center expansion, and career exploration.	Upon receipt of funding, CareerTech will immediately implement funding strategies to address the increased need for a trained workforce.
2	Red tape and bureaucracy of OMES which leads to increased cost, inefficiency, and duplication of government services.	Abide by current statute and requirements while sharing with OMES and others the inefficiency and ineffectiveness of the procedures.	Pursue legislation to create government efficiency.
3	Need for a statewide longitudinal data system.	CareerTech has hired an Information Systems Development Lead to work within our current structure to better capture CareerTech data.	A statewide longitudinal data system would connect data across different stages of education and workforce to help answer policy questions and support individual pathways.
4	Recruitment and retention of quality staff.	CareerTech is currently investigating the options for a comprehensive salaries analysis.	Compare CareerTech salaries with salaries of educational entities and industries for which we serve.

Savings & Efficiencies (Current or Planned)

Savings or Efficiency Name	Brief description of how savings were achieved	Savings in Unit of Measurement*	FY 2025 (Actual $ Savings)	FY 2026 (Projected $ Savings)	FY 2027 (Projected $ Savings)
Energy Efficiency	Replace old chiller and boiler controls for part of the agency complex to a new system resulting in greater energy efficiency.	Electric Charges	$42,382	$42,500	$42,500
Vehicle Leases	Change number and type of vehicle leases from OSU. Change from leasing five sedans to four SUVs which will allow for easier transport of conference materials.	Monthly lease	$600 plus greater efficiency	$600 plus greater efficiency	$600 plus greater efficiency
Focus on program growth to gain efficiency of resources.	Implemented a new funding formula for the technology centers which focuses on program growth.	Efficiency gained by directing funds to areas of growth which aligns spending with highest priorities.			
Staff realignment to gain efficiency.	Strategically realigned staff in a few divisions to provide for greater collaboration, productivity, and service to the field.	Improved structure for service to field.			

* Hours, FTE, square feet, etc.

Agency Goals and Key Performance Metrics

	Goal	Metric	FY 25 Target	FY 25 Actuals	FY 26 Target
	Educational Attainment: Provide Oklahomans with the skills and abilities needed to be successful in the workplace.				
1	Increase total system enrollments.	Increase total system enrollments by 15% from 520,733 in 2024 to 598,843 in 2029.	536,355	517,752	538,385
2	Increase industry endorsed credentials by 10%.	Increase earned industry endorsed credentials by 10% from 21,899 in 2024 to 24,089 in 2029.	22,336	34,771	34,771
3	Increase CareerTech Student Organization members.	Increase membership by 5% from 107,985 in 2024 to 113,384 in 2029.	109,065	122,929	122,929
4	Increase PK-12 secondary enrollments.	Increase PK-12 enrollments by 10% from 143,114 in 2024 to 157,425 in 2029.	145,976	151,774	153,187
5	Increase full-time technology center program enrollments.	Increase full-time technology center program enrollments 25% from 20,396 to 25,495 in 2029.	21,416	21,468	22,475
6	Increase workforce and economic development enrollments.	Increase Workforce & Economic Development enrollments by 10% from 331,576 to 364,734 by 2029.	338,208	318,393	329,978
7	Increase industry specific training enrollments.	Increase industry specific training enrollments from 278,938 to 306,832 by 2029.	284,517	274,089	282,275

Agency Goals and Key Performance Metrics

	Goal	Metric	FY 25 Target	FY 25 Actuals	FY 26 Target
	Educational Attainment: Provide Oklahomans with the skills and abilities needed to be successful in the workplace.				
8	Increase adult and career development enrollments.	Increase adult and career development enrollments from 47,967 to 52,764 by 2029.	48,926	41,046	43,976
9	Increase training for industry program enrollments	Increase training for industry program enrollments from 4,671 to 7,400 by 2029.	5,221	3,258	4,294
10	Increase skill centers completers.	Increase skills centers completers from 977 to 1,400 by 2029.	1,062	1,286	1,314
11	Increase skill centers short-term completion rate.	Increase skills centers short-term completion rate from 84% to 90% by 2029.	85.2%	80%	82%
12	Increase skill centers full-time completion rate.	Increase skills centers full-time completion rate from 44% to 70% by 2029.	59.2%	25%	36%
13	Increase adult education and family literacy enrollments.	Increase adult education and family literacy enrollments by 30% from 11,015 to 14,320 by 2029.	11,676	11,089	11,897

Agency Goals and Key Performance Metrics

	Goal	Metric	FY 25 Target	FY 25 Actuals	FY 26 Target
	Business/Education Partnerships: Collaborate with employers and educational partners to expand economic development opportunities and improve educational experiences for students.				
14	Increase unique businesses served.	Increase unique businesses served by 10% from 9,289 to 10,218 by 2029.	9,475	10,604	10,604
15	Increase internships.	Increase participants to 250 by 2029.	100	148	174
16	Increase CareerTech apprenticeships.	Increase participants to 250 by 2029.	100	8	69
17	Increase Department of Labor apprenticeships.	Increase participants to 250 by 2029.	100	140	168
	Career Awareness and Planning: Ensure Oklahomans have the knowledge, skills, tools, and resources to make informed career choices and plans to be better equipped to enter the workforce.				
18	Increase annual active users of OkCareerGuide.	Increase annual active users of OkCareerGuide by 10% from 103,854 to 114,239 by 2029.	105,931	104,266	106,759
19	Increase student requests in Connect2Business.	Increase student requests in Connect2Business by 40% from 292 to 409 in 2029.	315	4,893	4,893

Agency Goals and Key Performance Metrics

	Goal	Metric	FY 25 Target	FY 25 Actuals	FY 26 Target
20	Increase businesses with student opportunities in Connect2Business.	Increase businesses with student opportunities in Connect2Business by 40% from 533 to 746 in 2029.	576	623	654
	Agency Operations and Field Support: Provide leadership and services to delivery arm partners while ensuring agency operations and services effectively and efficiently meet internal and external customer needs.				
21	Maintain cost efficiency.	Maintain cost efficiency by limiting administrative costs to 3% of 2024-2029 budget.	3%	1.39%	3%
22	Continue to focus on recruitment and retention of quality employees.	Continue to focus on recruitment and retention of quality employees by maintaining less than 10% annual turnover.	<10%	13%	10%

Projects for FY 2026

1) Agency is currently working through a collaborative process to design a new strategic plan that will guide our agency towards our desired outcomes for years to come. This plan will identify and prioritize our strategic efforts and align our leaders and staff in pursuit of united outcomes.

2) Implementation of the new ADA requirements that require all digital content, including websites, online course materials, and documents like PDFs, be accessible by April 2026.

3) Complete construction of a new Skills Center facility at the JH Lilley Correctional Center in Boley.

4) Add programs in the soon to be completed Skills Center facility at Northeast Oklahoma Community Corrections Center in Vinita.

5) Increase efforts in career exploration with a 48% increase in Galaxy users over prior year.

Projects for FY 2027

1) Implement the new strategic plan that is being developed in FY26.

2) Work with Metro Technology Center to construct a hangar for an MD80 airplane donated to the agency by American Airlines several years ago. The hangar will provide a protected space for students to learn aircraft mechanical, electrical and hydraulics maintenance.

3) Expand on agency's efforts to increase career exploration by retrofitting a trailer to be a traveling career exploration laboratory. This mobile lab will provide on-site career exploration that allows for free interactive and hands-on activities which exposes students to the variety of career options available to them.

Total Historic Actual Expenditures (FY 2021-25) and Current Year Budget (FY 2026)

Explanation of Changes and Trends

- Agency received an increased appropriation in FY24 of $22,603,636 to provide SB1119 certified employee salary increases at the technology centers, fund technology center FBA, add K12 CareerTech programs, and for the support of program growth.

- Agency received a one-time appropriation increase for FY25 of $28,590,000 to address the wait list for programs at the technology centers, Skills Centers transition services, and expansion of technology center programs into areas of state not currently being served by a technology center. Additionally, agency received a $3M appropriation to fund the technology center FBA.

- Agency received an increased appropriation in FY26 of $11,661,369 for technology center FBA and technology center program growth. FY26 also reflects partial carry forward of FY25 one-time appropriation.

- FY25 and FY26 reflect the addition of the following federal grants: SAEF-Apprenticeship; increased ARPA budget; the Teaching to Teach Apprenticeship Program; and an increased TANF contract with Oklahoma DHS for Career Training, HSE, and JAG.

Historic Actual Expenditures and Current Year Budget

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 Current Budget
Appropriated	$135.7M	$138.9M	$140.7M	$162.7M	$195.0M	$195.7M
Revolving	$5.0M	$4.4M	$3.9M	$4.3M	$4.7M	$5.1M
Federal	$26.0M	$27.1M	$31.1M	$34.5M	$35.7M	$43.2M
Total	$166.7M	$170.4M	$175.7M	$201.6M	$235.4M	$244.0M
FTE	206	203	201	205	216	237

Estimated Impact of Federal Funding Changes

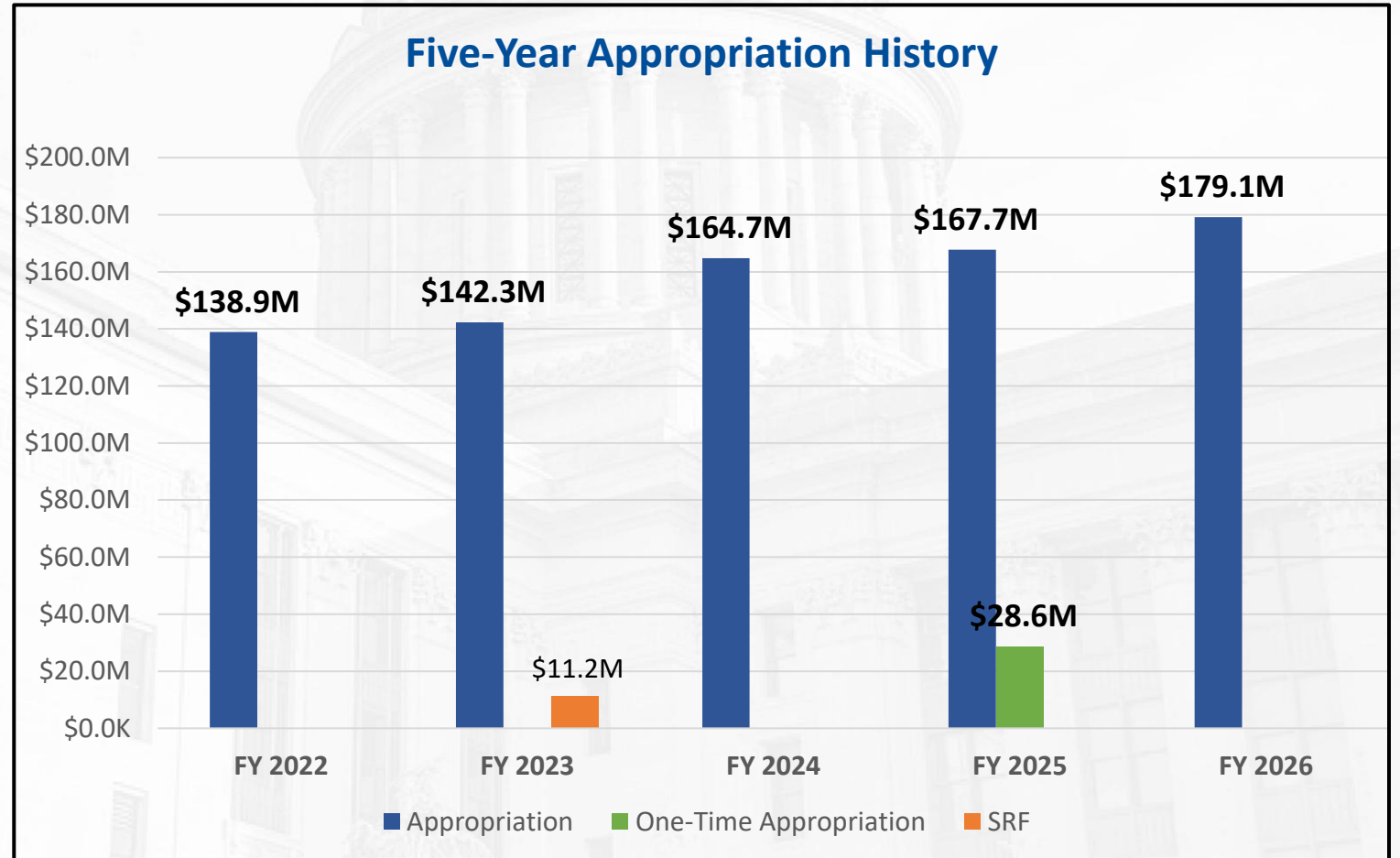| Program Name	Federal Agency	Description of expected change (s) (i.e. change in state match, admin costs, program requirements or client eligibility, etc.)	Actual FY 25 Total Federal Funding Received ($)	Projected FY 26 Total Federal Funding To Be Received ($)	Estimated FY 27 Total Federal Funding To Be Received ($)
American Rescue Plan Act (Broadband and TruckDriver Training)	Sub-awarded to CareerTech from OMES	Program ends 12/31/26	$4,445,043	$2,000,000	$213,415
American Rescue Plan Act (Nursing Training)	Sub-awarded to CareerTech from Oklahoma Workforce Training Commission	Program ends 12/31/26	$980,254	$409,452	$100,000
WIOA-Dislocated Worker Training	Sub-awarded to CareerTech from Oklahoma Employment Security Commission	Program ends 12/31/25	$0	$1,093,289	$0
American Rescue Plan Act (tuition assistance for Paraprofessionals to attend a university and prepare for the OSDE teacher certification)	Sub-awarded to CareerTech from Oklahoma Workforce Commission	Program ends 6/30/26	$0	$1,250,000	$0
Temporary Assistance for Needy Families (TANF)-Career Training	Sub-awarded to CareerTech from Oklahoma Department of Human Services	This program is anticipated to grow as more career training sites are added.	$1,871,927	$4,445,000	$5,515,000
Temporary Assistance for Needy Families (TANF)-Jobs for America's Graduates(JAG)	Sub-awarded to CareerTech from Oklahoma Department of Human Services	This program is anticipated to grow as more JAG sites are added.	$264,757	$1,285,000	$1,830,000

FY 2026 Budgeted Full Time Equivalents (FTE)

	FY 2026 Budgeted FTE
Total FTE	237
Supervisor FTE	34
Supervisors to Total FTE Ratio (%)	14%
Current Budgeted but Unfilled FTE	12

Appropriation History

Fiscal Year	Legislated Appropriation ($) (Includes supplementals and SRF/ARPA.)
FY 2022	$138,852,412
FY 2023	$153,452,412
FY 2024	$164,737,874
FY 2025	$196,327,874
FY 2026	$179,137,874

Five-Year Appropriation History

FY 2022: $138.9M
FY 2023: $142.3M, SRF $11.2M
FY 2024: $164.7M
FY 2025: $167.7M, One-Time Appropriation $28.6M
FY 2026: $179.1M

Legend: Appropriation, One-Time Appropriation, SRF

*Includes Supplemental and Statewide Recovery Fund (ARPA) appropriations.

Financial Resource Analysis

Carryover	FY 2022	FY 2023	FY 2024	FY 2025
Total appropriated carryover amount expended ($)	$7,654,130	$7,090,843	$8,333,288	$10,413,582

Historical Cash Balances	FY 2022	FY 2023	FY 2024	FY 2025
Year End Revolving Fund Cash Balances *(All Revolving Funds)*	$2,984,354	$3,644,417	$4,058,151	$4,349,709

Revolving Class Fund # *(Unrestricted only)*	Revolving Class Fund Name *(Unrestricted only)*	Current cash balance ($)	Projected FY 2026 year-end cash balance ($)
#20000	State Career Technology Revolving Fund for Duties (this fund includes a combination of restricted and unrestricted cash balance. Cash Balances reflected are the unrestricted portion only. The remaining cash balance is restricted by contracts or activities as defined in agency's administrative rules.)	$1,383,934	$920,349
		$	$
		$	$
Total Unrestricted Revolving Fund Cash balance:		$1,383,934	$920,349

Unrestricted funds are those that are not limited by state or federal law, rule, regulation, other legally binding method, or donor restriction.

FY 2024 – 2025 Appropriation Change Review

Purpose of appropriation increase or decrease	Amount FY 2024	Amount FY 2025	Total amount received FY 2024 - 25	Total amount expended by 11/1/2025	Included in FY 2026 approp? (Yes/No)	If not expended fully, please explain.
Meet the statutory requirement of funding the flexible benefit allowance for the technology centers. (Title 70. Schools §70-26-104).	$1,400,000	$3,000,000	$4,400,000	$4,400,000	Yes	
Fund the SB1119 certified employee salary increase for technology center staff	$9,948,597	$0	$9,948,597	$9,948,597	Yes	
Enrich the specialized career training provided to high school and adult learners at our technology center through expanding current offerings and adding programs. Includes support for program growth.	$6,505,039	$0	$6,505,039	$6,505,039	Yes	
Support growth and investment in current and unfunded programs in K12 schools.	$4,750,000	$694,937	$5,444,937	$5,444,937	Yes	
Lottery Appropriation	($118,174)	($694,937)	N/A	N/A	N/A	
One-time appropriation to address Technology Center program wait list, add Skills Centers transition services and expand CareerTech programs to un-served areas of Oklahoma.	$0	$28,590,000	$28,590,000	$27,169,277	No	Balance to be expended for CareerTech apprenticeships.
Totals	$22,485,462	$31,590,000	$54,888,573	$53,467,850		

*Do not include SRF / ARPA appropriation increases.

FY 2026 Appropriation Change Review

Purpose of appropriation increase or decrease	Amount of increase or decrease ($)	Does this need to be included in your FY 2027 appropriation? (Yes/No)	If yes, included in appropriation for same purpose? (Yes/No)	If not included for same purpose, please explain.
Meet the statutory requirement of funding the flexible benefit allowance for the technology centers. (Title 70. Schools §70-26-104).	$2,100,000	Yes	Yes	
Enrich the specialized career training provided to high school and adult learners at our technology centers through expanding current offerings and adding programs. Includes support for program growth.	$9,561,369	Yes	Yes	
One-time appropriation to address Technology Center program wait list, add Skills Centers transition services and expand CareerTech programs to un-served areas of Oklahoma.	($28,590,000)	No		
Lottery Appropriation	($261,369)	NA		
Total adjustment	($17,190,000)			

*Do not include SRF / ARPA appropriation increases.

Incremental & Supplemental Request Summary

	Request Name	FY 2027 Incremental Appropriation Request Amount ($) {or FY 2026 for Supplementals}	Type of Request: Recurring, One-time, or Supplemental
1	Meet the statutory requirement of funding the flex benefit allowance for the technology centers (Title 70. Schools §70-26-104).	$1,300,000	Recurring
2	Investment in meeting the increased need for a trained workforce.	$31,650,000	Recurring
3	Increase support to the growing number of new K-12 CTE programs.	$5,500,000	Recurring
4	Expansion of programs into areas of Oklahoma not currently served by a technology center.	$10,000,000	One-time
5	Expansion of career exploration opportunities.	$20,000,000	Recurring

(1) Incremental Budget Request

Name of Request
Name of Request Meet the statutory requirement of funding the flex benefit allowance for the technology centers (Title 70. Schools §70-26-104).

Type: Recurring	$1,300,000 Incremental Amount Requested for FY 2027

Describe why these funds are needed. To meet the agency's statutory requirement to provide funding for the technology center's flexible benefit allowance.

(2) Incremental Budget Request

Name of Request	
Investment in meeting the increased need for a trained workforce.	
Type: Recurring	$31,650,000 Incremental Amount Requested for FY 2027

Describe why these funds are needed.
This request seeks to add funding to base that will allow our technology centers to more effectively address their wait lists. Many of our technology centers have a waiting list for multiple programs in their schools. This investment in our technology center system serves to increase full-time program enrollments through the growth and addition of programs in multiple pathways.   It is our goal to increase full-time program enrollments by 10,000 over the next five years.

(3) Incremental Budget Request

Name of Request	
Increase support to the growing number of new K-12 CTE programs.	
Type: Recurring	$5,500,000 Incremental Amount Requested for FY 2027
Describe why these funds are needed. Increased interest in K-12 CTE programs has resulted in a growth in approved but un-funded programs. With this funding, agency will be able to fund programs that are currently on a wait list for funding. Additionally, as enrollment in K-12 CTE programs grows, recruiting and maintaining exceptional instructors for these programs must be addressed. An increased supplement to K12 instructors is necessary due to the additional reporting requirements.	

(4) Incremental Budget Request

Name of Request	
Expansion of programs into areas of Oklahoma not currently served by a technology center.	
Type: One-Time	$10,000,000 Incremental Amount Requested for FY 2027
Describe why these funds are needed. Expansion of programs into areas of Oklahoma that are not currently served by a technology center will allow high school and adult students who do not currently have access to CareerTech programs to be college or career ready immediately upon completion of their program or graduation.	

(5) Incremental Budget Request

Name of Request
Name of Request Expansion of career exploration opportunities.

Type: Recurring	$20,000,000 Incremental Amount Requested for FY 2027

Describe why these funds are needed. Allocations to technology center districts will allow expansion of career exploration programs which will help students explore their interests and identify their talents. Students will be able to explore various careers and will be better informed regarding the skills necessary to pursue further education in their chosen field.