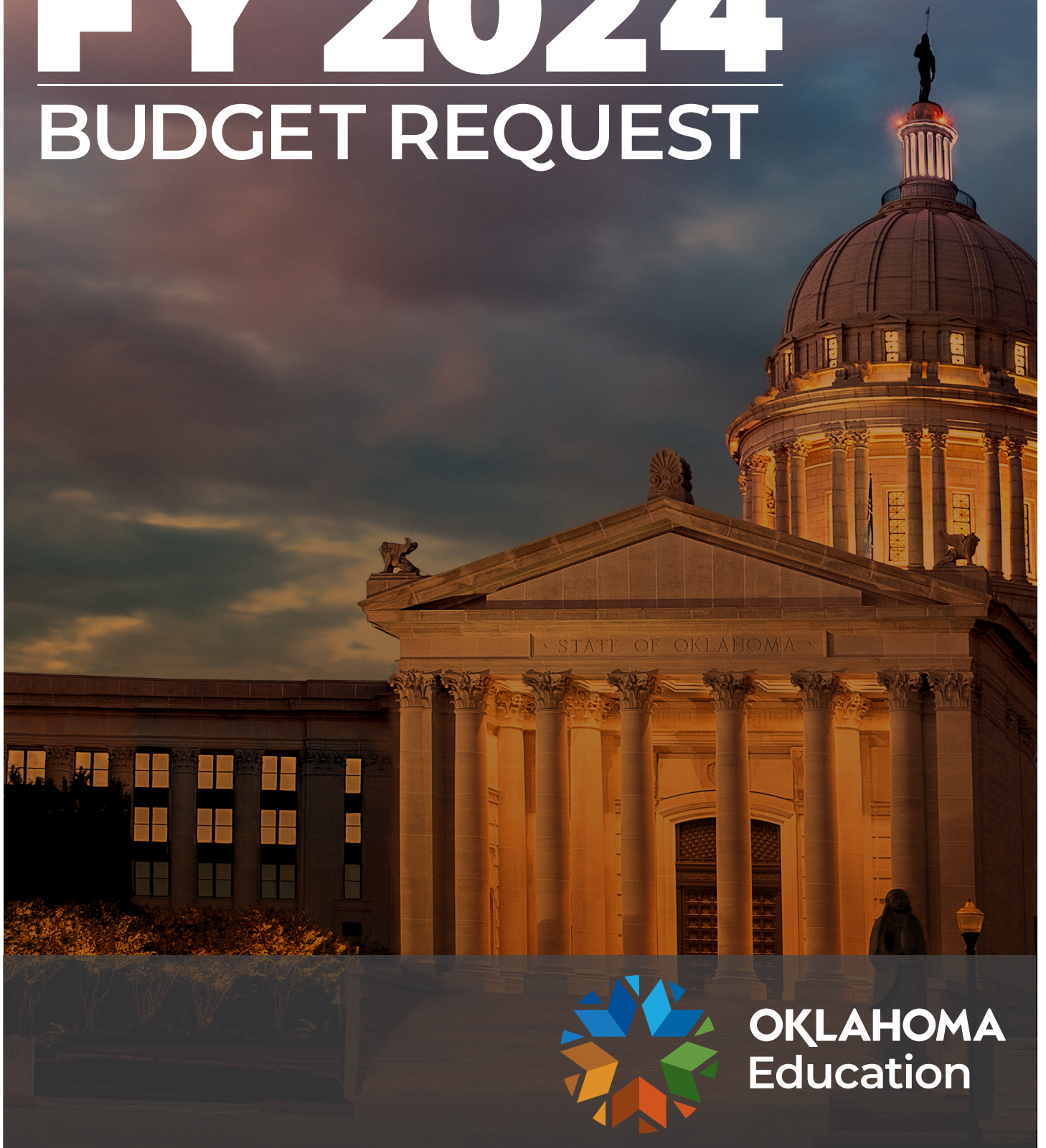


FY 2024

BUDGET REQUEST





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

MEMORANDUM

TO: Oklahoma State Board of Education
FROM: Superintendent Joy Hofmeister
DATE: September 22, 2022
SUBJECT: FY 24 Budget Request

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

The FY 24 budget request represents a total increase of \$390 million, of which most – \$310 million – is reserved for a \$5,000 teacher pay raise to boost the state’s average pay back to first in the region. It also includes an increase in operational dollars to the state funding formula to account for the increasing cost of goods and services in the amount of \$66 million.

No additional funding is requested to meet the state’s obligation for health insurance for certified and support personnel due to carryover funding from FY 23. This carryover resulted from the state’s inability to communicate final projected costs for FY 23 to the Legislature due to inaccurate personnel reporting by Epic Charter Schools.

The request also includes a \$4 million increase for instructional materials in the areas of secondary English Language Arts and World Languages. Funding to the Public School Activities line item is increased by \$8.9 million to provide additional funding in line items such as alternative education, reading sufficiency and state assessments. Assessments are re-bid every six years and the agency expects final testing costs to increase by \$4.2 million.

Lastly, the FY 24 budget request includes an increase of \$1.5 million in funding to cover increasing costs for the agency, including staff benefits, building rent and continued investment in IT infrastructure.

Attached Documentation:

- FY 24 Budget Request
- FY 24 Program Descriptions
- Budget Request Presentation

JH/ct

Oklahoma State Board of Education

Purpose		FY 23 Appropriation
1	Financial Support of Public Schools (70 O.S. § 18-200.1)	2,437,246,699
2	<i>Teacher pay raise</i>	-
3	<i>Operational funds for rising costs, student growth</i>	-
4	Instructional Materials (70 O.S. § 16-114a)	45,190,000
5	Flexible Benefit Allowance (70 O.S. § 26-104)	553,404,829
6	<i>Certified Personnel</i>	359,193,470
7	<i>Support Personnel</i>	194,211,359
8	Support of Public School Activities	117,919,026
9	Agency Compliance, Oversight, Operational Functions	19,145,366
10	Lottery Trust Fund - Transfer to TRS Revolving Fund (62 O.S. § 34.93 and 3A O.S. § 713(C)(3))	4,226,799
11	Lottery Trust Fund - Transfer to School Consolidation Assistance Fund (70 O.S. § 7-203)	4,226,799
12	TOTAL REQUEST	3,181,359,518

Budget Request for Fiscal Year 2024

FY 24 Request	Total Increase	Percent Change	Notes
2,813,102,037	375,855,338	15.42%	
309,568,875	309,568,875	12.70%	\$5,000 for all certified staff
66,286,463	66,286,463	2.72%	calculated based on 5 year WADM growth trend
49,251,819	4,061,819	8.99%	projected amount needed for Secondary ELA; World Languages
553,404,829	-	0.00%	total projected increase of \$7,005,515.60 to be covered by carryover due to Epic withholding
359,193,470	-	0.00%	
194,211,359	-	0.00%	
126,872,400	8,953,374	7.59%	
20,645,366	1,500,000	7.83%	increase in IT costs, staff benefits, rent, board attorney, special audits
4,226,799	-	0.00%	determined by statute
4,226,799	-	0.00%	determined by statute
3,571,730,049	390,370,531	12.27%	

Oklahoma State Board of Education

Purpose	FY 23 Appropriation
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Strategic Plan Pillar 1: Achieve Academic Success

1	Early Intervention SoonerStart (70 O.S. § 13-124)	16,225,341
2	Alternative Education Programs (70 O.S. § 1210.561, 70 O.S. § 1210.568)	14,000,000
3	Reading Sufficiency (70 O.S. § 1210.508D)	13,000,000
4	Required Assessments (70 O.S. 1210.508, 20 USC § 6311(b)(2))	9,205,685
5	Early Childhood Initiative (70 O.S. § 10-105.4)	12,000,000
6	School Lunch Matching & MOE (7 CFR 210-17 and 7 CFR 235.11(a))	3,500,000
7	AP Teacher Training and Test Fee Assistance (70 O.S. § 1210.703)	1,500,000
8	Imagine Math	1,000,000
9	Imagine Reading	1,000,000
10	Great Expectations	500,000
11	Standards Implementation (70 O.S. § 11-103.6, 20 USC § 6311(b)(1))	300,000
12	Oklahoma Arts Institute	320,000
13	ACT Work Keys	250,000
14	Street School	180,000
15	Ag in the Classroom	38,000
	Imagination Library (70 O.S. § 3-104.10)	-
	Total	73,019,026

Strategic Plan Pillar 2: Build Exceptional Educators and Schools

16	Teachers' Retirement System Credit (70 O.S. § 17-108.2)	35,000,000
17	Psychologists, Speech Pathologists, Audiologists Bonus (70 O.S. § 6-206)	3,300,000
18	Secure Schools Program	2,350,000
19	Teach for America	2,000,000
20	Student Information Security (70 O.S. § 3-104)	500,000
21	Child ID	500,000
22	National Board Teacher Bonus (70 O.S. § 6-204.2)	1,000,000
23	Teacher and Leader Effectiveness Programs (70 O.S. § 6-101.16)	250,000
24	Teacher Induction Program (70 O.S. § 6-195)	-
	Total	44,900,000

Grand Total

\$ 117,919,026

Public School Activities

FY 24 Request	Increase/ (Decrease)	Percent Change	Notes
(To ensure a high-quality public education, the OSDE will close the opportunity and achievement gap for each student in Oklahoma.)			
16,225,341	-	0.0%	maintain current services
16,000,000	2,000,000	14.3%	serve additional students at risk of dropping out
14,762,700	1,762,700	13.6%	serves 98,418 students in FY 22 KG-3
13,426,359	4,220,674	45.8%	projected contract costs for state assessments
12,000,000	-	0.0%	maintain current services
3,500,000	-	0.0%	maintain current services and federal match
1,500,000	-	0.0%	test fee assistance, grants for new programs
1,000,000	-	0.0%	maintain online math instruction platform
1,000,000	-	0.0%	maintain online reading instruction platform
500,000	-	0.0%	teacher support for classroom management
500,000	200,000	66.7%	standards develop, instructional materials review
320,000	-	0.0%	maintain scholarships for Arts Institute
250,000	-	0.0%	workplace skills assessment for seniors
180,000	-	0.0%	maintain current services
38,000	-	0.0%	maintain current services
-	-	0.0%	continued funding through ESSER
81,202,400	8,183,374	11.2%	

(The OSDE will support the recruitment, preparation and retention of highly qualified teachers and leaders.)			
35,000,000	-	0.0%	maintain current obligations
4,350,000	1,050,000	31.8%	stipends for 870 FTEs
2,350,000	-	0.0%	maintain all districts access
2,000,000	-	0.0%	maintain current services
750,000	250,000	50.0%	cont'd investment in security for WAVE
500,000	-	0.0%	ID program for missing children
470,000	(530,000)	-53.0%	stipends for estimated 94 teachers
250,000	-	0.0%	leader training, PL focus, EC teacher support
-	-	0.0%	continued funding through ESSER
45,670,000	770,000	1.7%	

\$ 126,872,400	\$ 8,953,374		
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Oklahoma State Board of Education

Program Descriptions for Fiscal Year 2024 Budget Request

Purpose	Description	FY 24 Budget
Financial Support of Public Schools (70 O.S. 18-200.1)	State funds appropriated for local school districts are distributed through the state aid formula on a weighted average daily membership (WADM) basis.	2,813,102,037
<i>Teacher pay raise</i>	\$5,000 raise for 52,850 certified staff	309,568,875
<i>Operational funds for rising costs, student growth</i>	Funds for operations to support increasing cost of transportation, energy, food services. Projection using 5-year average WADM growth.	66,286,463
Instructional Materials (70 O.S. 16-114a)	Funds are allocated to school districts for textbooks and instructional expenses on an average daily attendance basis (ADA). Projection includes books for 483,580 students enrolled in applicable courses. Funds will largely be used to purchase Secondary English Language Arts and World Languages. Cost based on median textbook cost as provided to the textbook committee.	49,251,819
Flexible Benefit Allowance (70 O.S. 26-104)	See next two items. (Increase not requested due to carryover as a result of stopping payment to Epic after personnel count was not able to be verified.)	553,404,829
<i>Certified Personnel</i>	Projected benefit amount for 53,577 school district certified personnel to offset health insurance costs.	359,193,470
<i>Support Personnel</i>	Projected benefit amount for 33,511 school district support personnel to offset health insurance costs.	194,211,359

Purpose	Description	FY 24 Budget
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Support of Public School Activities	Funds allocated to school districts, other entities for implementation of various education programs, initiatives.	126,872,400
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1	Early Intervention SoonerStart (70 O.S. 13-124)	<p>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. As directed by State (70 O.S. §§ 13-121 et seq., as amended) and Federal Law (P.L. 99-457, as amended by P.L. 108-446), the Interagency Coordinating Council (ICC) has submitted this request for increased funding. Funding level is increased to restore reduced funds from previous years and to maintain federal IDEA Part C funds and Maintenance of Effort (MOE). Program currently serves approximately 8,500 families annually, but will be able to expand services with additional funds. **NOTE: have not received ICC request. Will update then.</p>	16,225,341
2	Alternative Education Programs and Admin (70 O.S. 1210.561, 70 O.S. 1210.568)	<p>Serves students in grades 7-12 who are most at risk of not completing a high school education. Provides grants to schools for alternative education programs. In FY 22 there were 337 programs including 164 districts and coops across the state serving approximately 10,683 students. Increased funding will assist with implementation of the new funding formula and additional programs required under HB 2520 (2019).</p>	16,000,000

Purpose		Description	FY 24 Budget
3	Reading Sufficiency (70 O.S. 1210.508D)	The purpose of the Reading Sufficiency Act (RSA) is to ensure that all Oklahoma students are reading on grade level at the end of third grade (a critical juncture when students go from learning to read to reading to learn). RSA supports Oklahoma children in Kindergarten through third grade. Funds are given to districts on a per student basis for those students K-3 reading below grade level. The original RSA statute required funding for \$150 per student. In FY 22, 98,418 students qualified for funding.	14,762,700
4	Required Assessments (70 O.S. 1210.508, 20 USC §6311(b)(2))	Funds utilized for the administration of a statewide student assessment system for grades 3-8 and high school. Increased funds are needed to meet projected contractual obligations in FY 24, including new RFP for 3-8 assessments.	13,426,359
5	Early Childhood Initiative (70 O.S. 10-105.4)	Consists of state funds and private matching funds that provide early childhood services to at-risk children. The program targets low-income families to empower them with the education and tools they need to break the cycle of poverty. Provides services to approximately 3,000 children annually.	12,000,000
6	School Lunch Matching & MOE (7 CFR 210-17 and 7 CFR 235.11(a))	Minimum amount necessary for the state match and maintenance of effort required by USDA in order to receive federal funds for the National School Lunch Program. In FY 21, schools provided 78,150,353 lunches to students.	3,500,000

Purpose		Description	FY 24 Budget
7	AP Teacher Training, Test Fee Assistance (70 O.S. 1210.703)	AP allows high school students to undertake college level academic courses and provides students the opportunity to show they have mastered the advanced material by taking end-of-course AP exams. Funding pays for test fee assistance for students in financial need and required professional development for teachers. Funds will also be used for grants to new AP programs in support of implementing HB 3400 (2020) which requires all high schools to offer four AP courses beginning in 2024-25.	1,500,000
8	Imagine Math	Supplemental math programs help PreK-9 students solve problems and justify reasoning inside the classroom and in day-to-day life, moving students beyond computation to real comprehension. Funding sufficient for half of students 3-8 grade, approximately 155,500 students.	1,000,000
9	Imagine Reading	Supplemental reading program for students in grades k-3 to build reading confidence through research-based and classroom-validated lessons.	1,000,000
10	Great Expectations	GE is a teacher professional development program based on the latest research of the most effective teaching practices. Funds have previously been used for educators from approximately 119 schools (88 GE model schools and 31 scholarship schools) to attend the GE institute, held in multiple locations around the state. The program has benefited approximately 62,000 students in prior years.	500,000

Purpose		Description	FY 24 Budget
11	Academic Standards Development/Implementation (70 O.S. 11-103.6, 20 USC §6311(b)(1))	Funds are used to support the standards development and revision process and to provide support materials for teachers for effectively teach the state academic standards. These materials are particularly helpful for first year and emergency certified teachers. Increased funds requested to support implementation of high quality instructional materials (HQIM) as a result of HB 3466 (2020).	500,000
12	Oklahoma Arts Institute	This program has 2 components: 1) Oklahoma Summer Arts Institute, a fine arts school for high school students who are selected to attend through statewide competitive auditions; 2) Oklahoma Fall Arts Institute, a series of weekend workshops for elementary and secondary teachers. Program has served approximately 270 students and 250 educators in prior years and is largely supported through private donations.	320,000
13	ACT Work Keys	Funds will make ACT Work Keys – an assessment-based credential tool that measures foundational workplace skills – available to high school seniors.	250,000
14	Street School	Street School is an academic and therapeutic program designed for youth that have dropped out or are at risk of dropping out. Program assists the hardest to reach and most deficient students in increasing college, career and citizen-readiness. The program serves approximately 130 students.	180,000
15	Ag in the Classroom	Program goal is to increase agricultural literacy among students and educators. Materials are developed in collaboration with the Dept of Agriculture. Program serves approximately 30,000 students and teachers. Program is also supported through the OSU Cooperative Extension Service Youth Development Program and private donations.	38,000

Purpose		Description	FY 24 Budget
	Imagination Library (70 O.S. § 3-104.10)	Created in SB 1803 (2020), Imagination Library is a statewide program that provides age-appropriate books to pre-school children birth to age 5 at their homes on a monthly basis. OSDE is to manage the daily operations of the program and provide oversight including but not limited to establishing county based programs and coordinate a public awareness program. The bill requires OSDE to include an estimated need for the upcoming year in the annual budget request. No funds are needed due to continued funding from ESSER federal relief funds.	-
16	Teachers' Retirement System (70 O.S. 17-108.2)	Funds appropriated to OSDE as a pass through to TRS to offset a portion of teachers' contributions to the retirement system. Amount required is based on number of members, years of service and credit amount set in statute.	35,000,000
17	Psychologists, Speech Pathologists and Audiologists Bonus (70 O.S. 6-206)	Contingent on funds available, national certified school psychologist, speech language pathologists and audiologists receive an annual bonus in the amount of \$5,000, or prorated if necessary, based on the proportionate equivalency to full-time employment. Amount expected to fund stipends for 870 FTEs. Increase requested for FY 24, as the FY 23 amount is not expected to fully fund the bonuses.	4,350,000
18	Secure Schools Program	Funds intended to be used for the statewide K-12 public school mobile panic button system. 97% of public school districts have opted in to the system.	2,350,000

Purpose		Description	FY 24 Budget
19	Teach for America	Teach for America is the national corps of outstanding recent college graduates and professionals of all academic majors and career interests who commit two years to teach in urban and rural public schools and become leaders in the effort to expand educational opportunity. TFA is funded through state and private matching funds. The program supports approximately 400 teachers in six districts including OKC, Tulsa and Lawton.	2,000,000
21	Student Data Privacy and Security	Support for operational, contractual, and personnel resources to continue work on high-quality and accurate reporting of student information. Without comprehensive data privacy, data protection, and data security, it is not possible to provide policymakers, educators, and the community data that can be used to drive funding, personnel, intervention, and policy-making decisions. Funds used for data mapping, privacy and risk management, security consulting, professional learning, enhanced security technology.	750,000
22	Child ID	Provides child ID kits to parents with the intent of reducing the number of missing children. Will help parents identify their child in the even they go missing. Amount will provide kits for approximately 175,000 students with the remainder provided by private donations.	500,000
20	National Board Teacher Bonus (70 O.S. 6-204.2)	Teachers who attained National Board Certification, or submitted application for renewal of such, prior to June 30, 2013 and are eligible to receive the bonus will receive \$5000 annually over a 10-year period. Teachers who attained National Board Certification after June 30, 2013 will receive salary increments as set forth in the minimum salary schedule. Projected number of teachers receiving bonus in FY 24 is 94.	470,000

Purpose		Description	FY 24 Budget
23	Teacher and Leader Effectiveness Programs (70 O.S. 6-101.16)	Funds used to improve the effectiveness of teachers and leaders in the public school system, including continued implementation of the new individualized program of professional development – PL Focus. Funds have also been used to continue training programs for assistant principals (Moving UP) and principals (Lead to Succeed) and emergency certified teachers.	250,000
24	Teacher Induction Program (70 O.S. 6-195)	Statute requires each first-year teacher, including first-year emergency certified teachers, to have a mentor. There were 2,988 first-year educators in FY 21. Funds are used for providing professional development, support and coaching to the mentors. No funds are needed due to continued funding from ESSER federal relief funds.	-

Purpose	Description	FY 24 Budget
Agency Compliance, Oversight, Operational Functions	Funds used for support to schools in a variety of areas including curriculum, accountability, finance and professional development and information technology. Additional funds needed to support IT infrastructure, staff benefits, building rent, board attorney, cost for special audits.	20,645,366
Lottery Trust Fund - Transfer to TRS Revolving Fund (62 O.S 34.93 and 3A O.S. 713(C)(3))	Funds appropriated to the Teachers' Retirement System Dedicated Revenue Revolving Fund to fund the current unfunded liability of the Teachers' Retirement System.	4,226,799
Lottery Trust Fund - Transfer to School Consolidation Assistance Fund (70 O.S. 7-203)	Funds appropriated to SDE to assist district consolidation, annexation, shared superintendent, severance payments and ACE technology.	4,226,799
TOTAL REQUEST		3,571,730,049

FY 2024 Budget Request

Carolyn Thompson

Deputy Chief of Staff and
Chief of Government Affairs
September 22, 2022

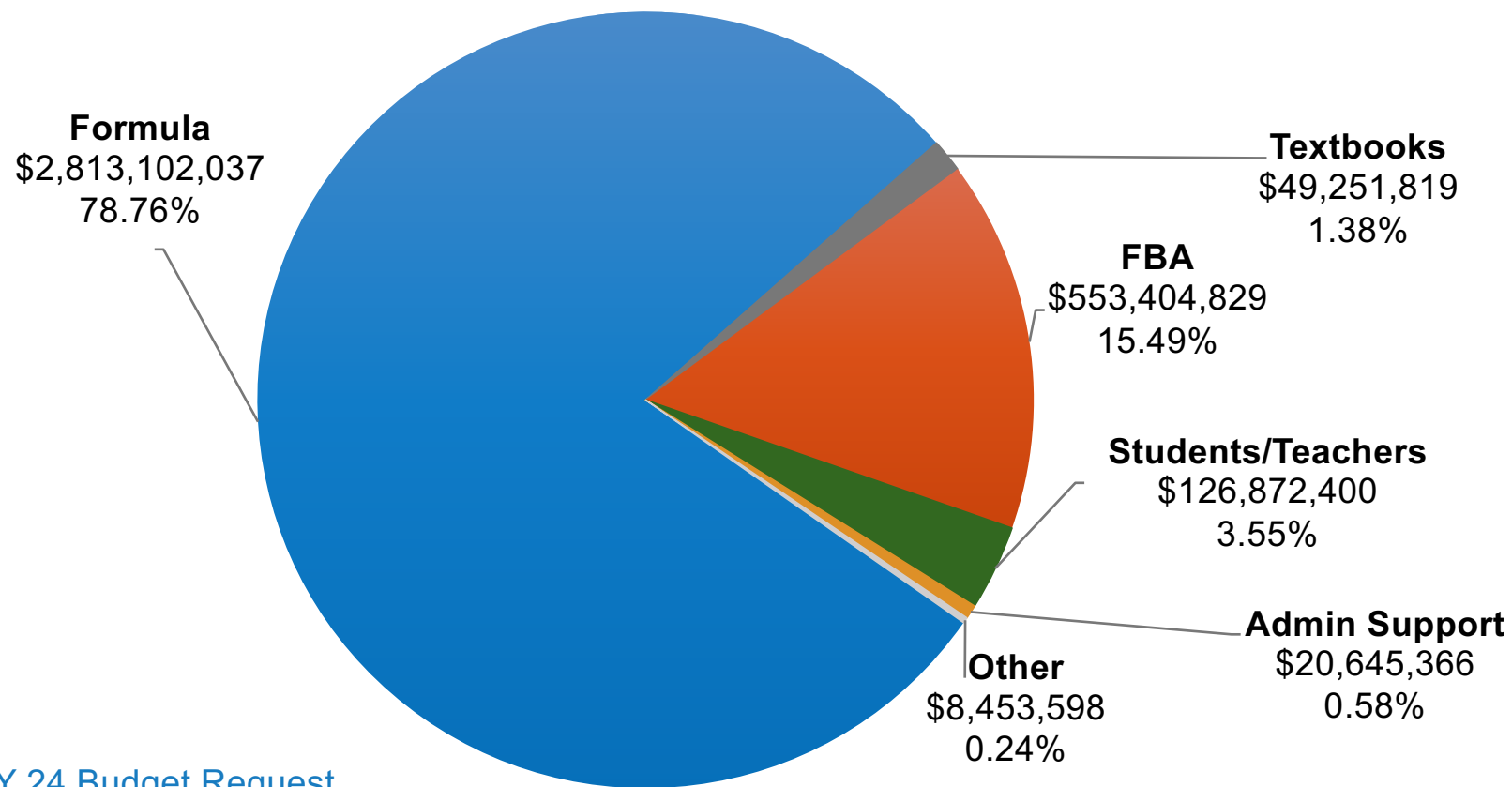


OKLAHOMA
Education



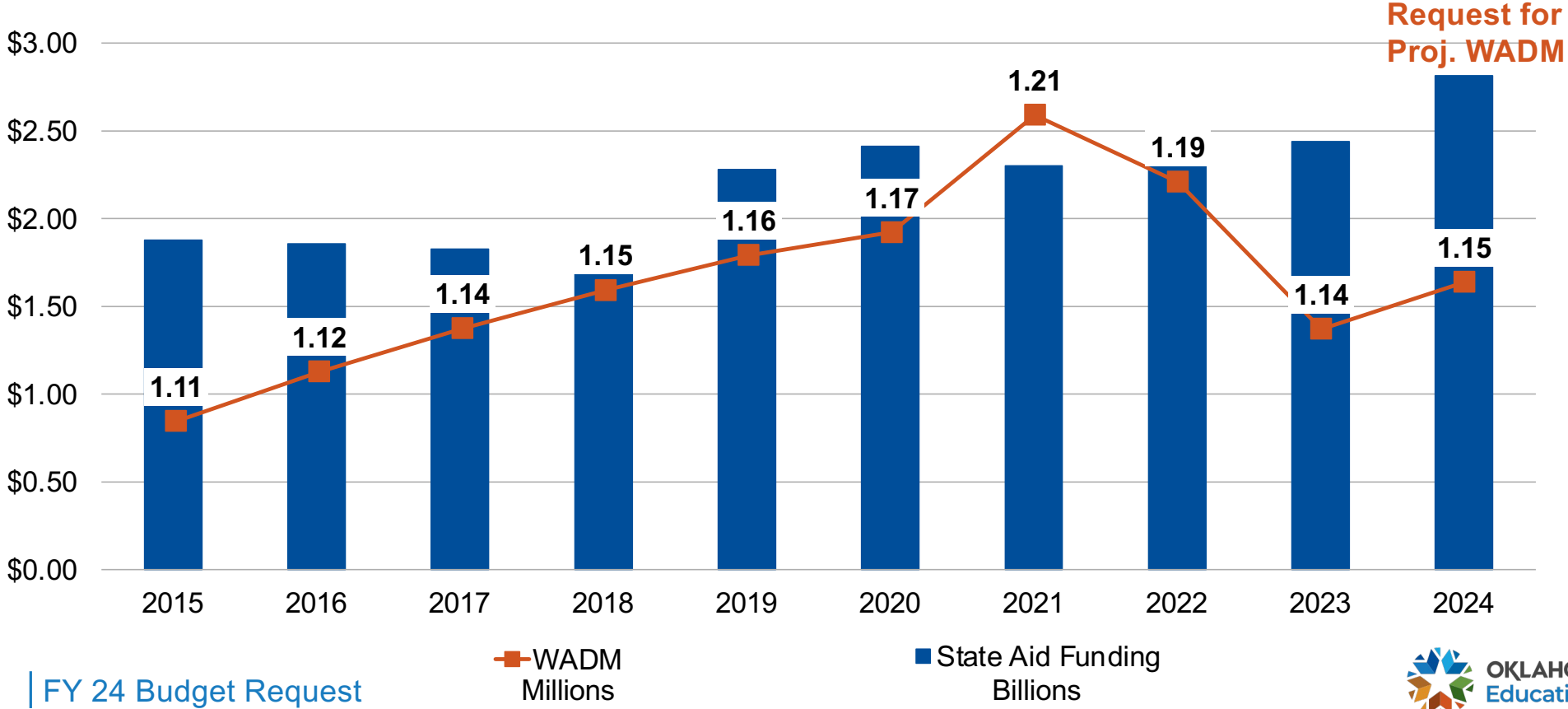
FY 24 Budget Request

Total: \$3,571,730,049

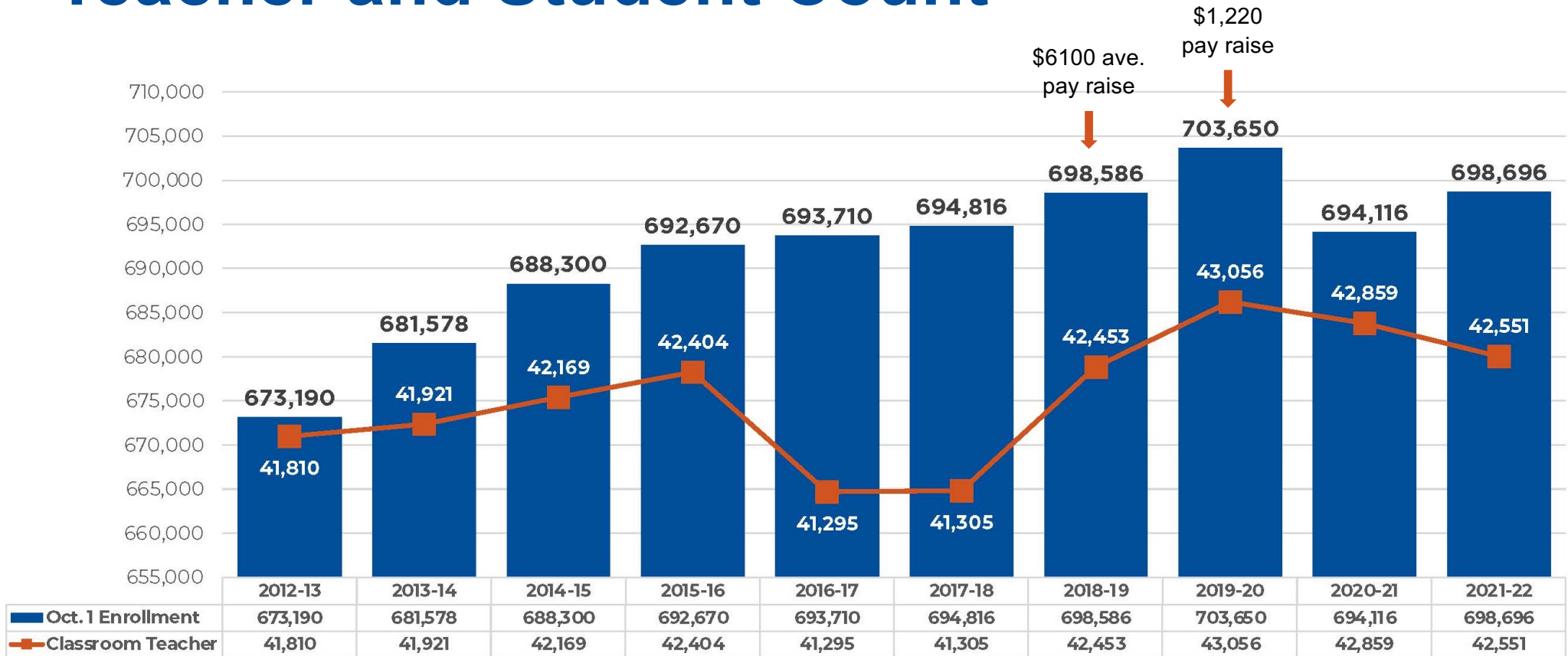


Formula Funding and Weighted Students

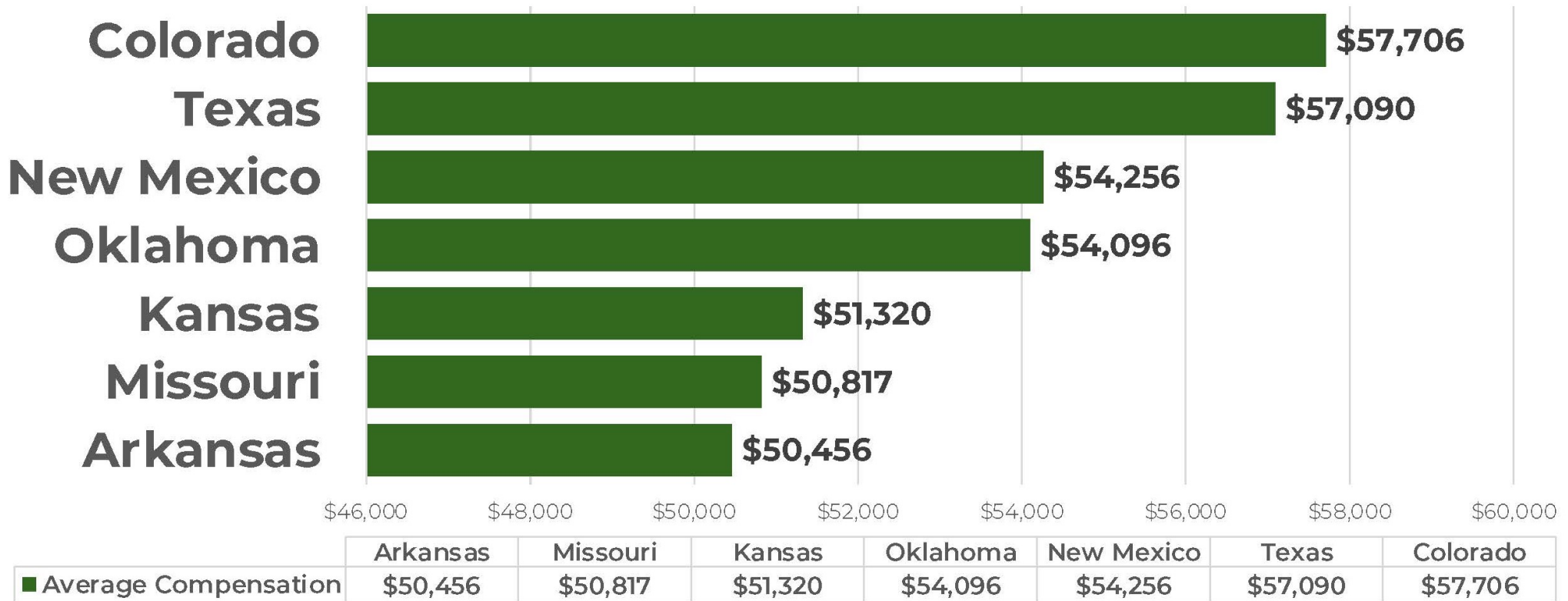
Requested Increase for Operations: \$66,286,463



Teacher and Student Count



Regional Compensation Averages



Source: NEA Ranking of the States 2020 and Estimates of School Statistics 2021



Teacher Compensation

Requested Increase for Teacher Pay: \$309,568,875

Average Today	Compensation
Oklahoma Average*	\$54,096
Minimum Starting Salary	\$36,601
Minimum Starting Salary w/Doctorate	\$39,381

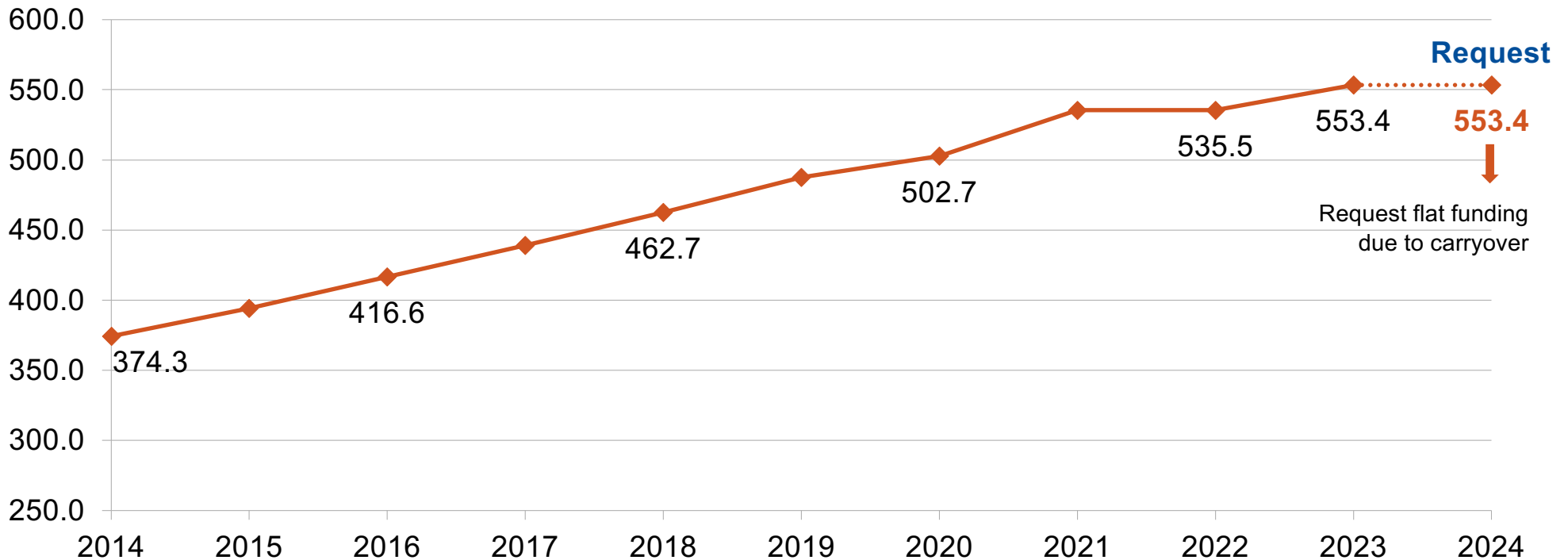
Average with \$5,000 Pay Increase	Compensation
Oklahoma Average*	\$59,096
Minimum Starting Salary	\$41,601
Minimum Starting Salary w/Doctorate	\$44,381

*NEA guidelines require states to include any benefit that is part of an IRS Section 125 plan in compensation calculations. Oklahoma's average includes FBA and district-paid retirement, if applicable.

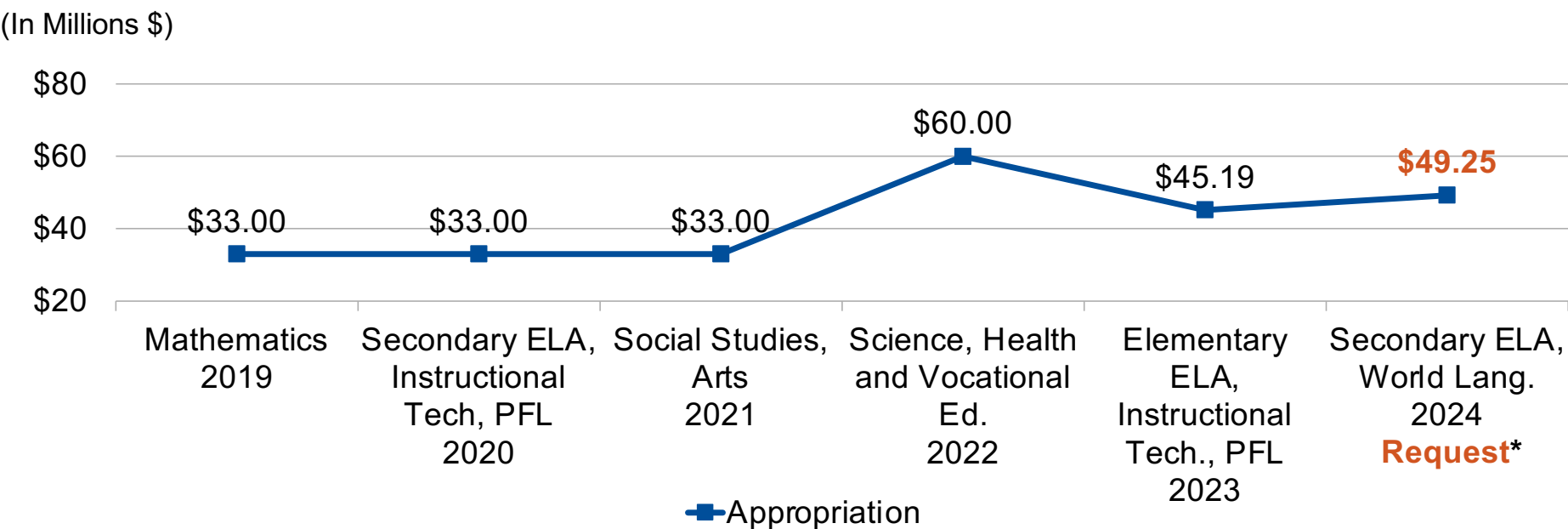
Flexible Benefit Allowance

Providing Health Insurance to 87,000 Oklahoma Education Employees

(In Millions \$)



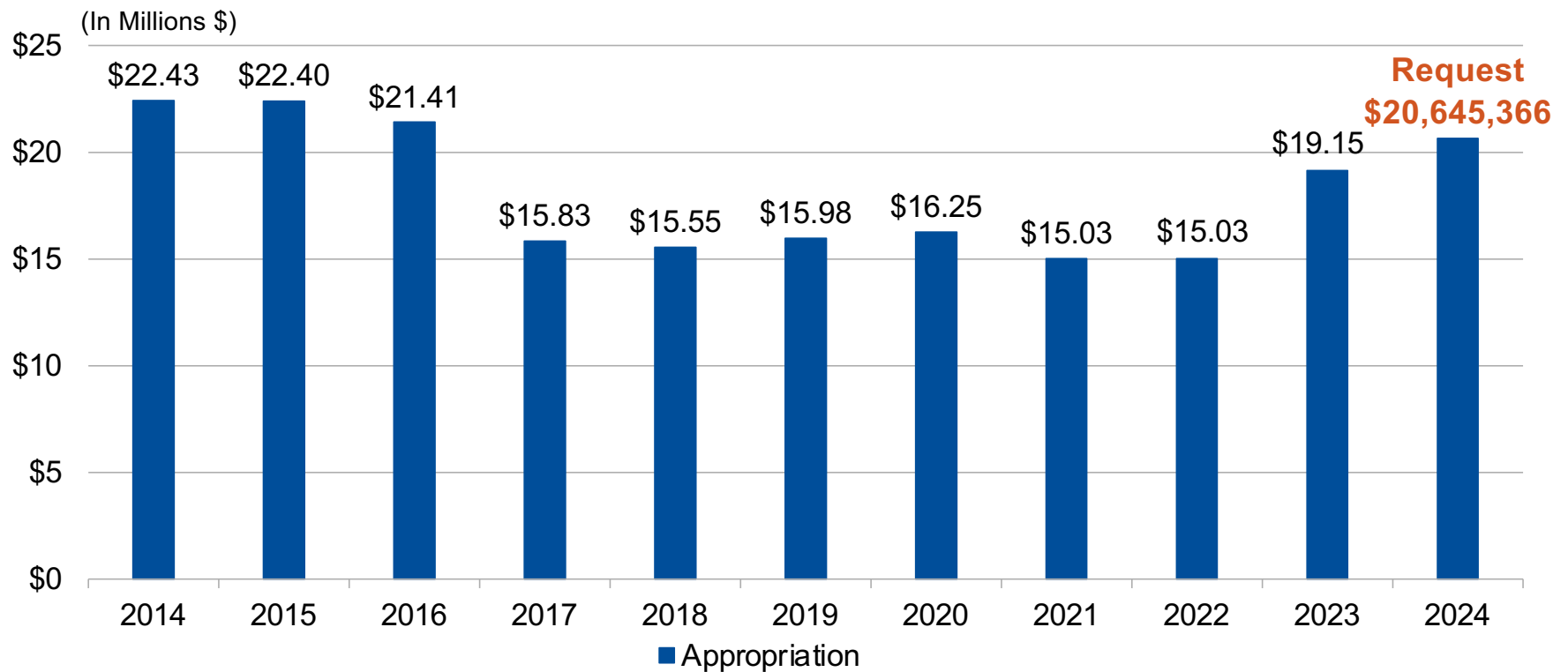
Textbook Adoption Cycle



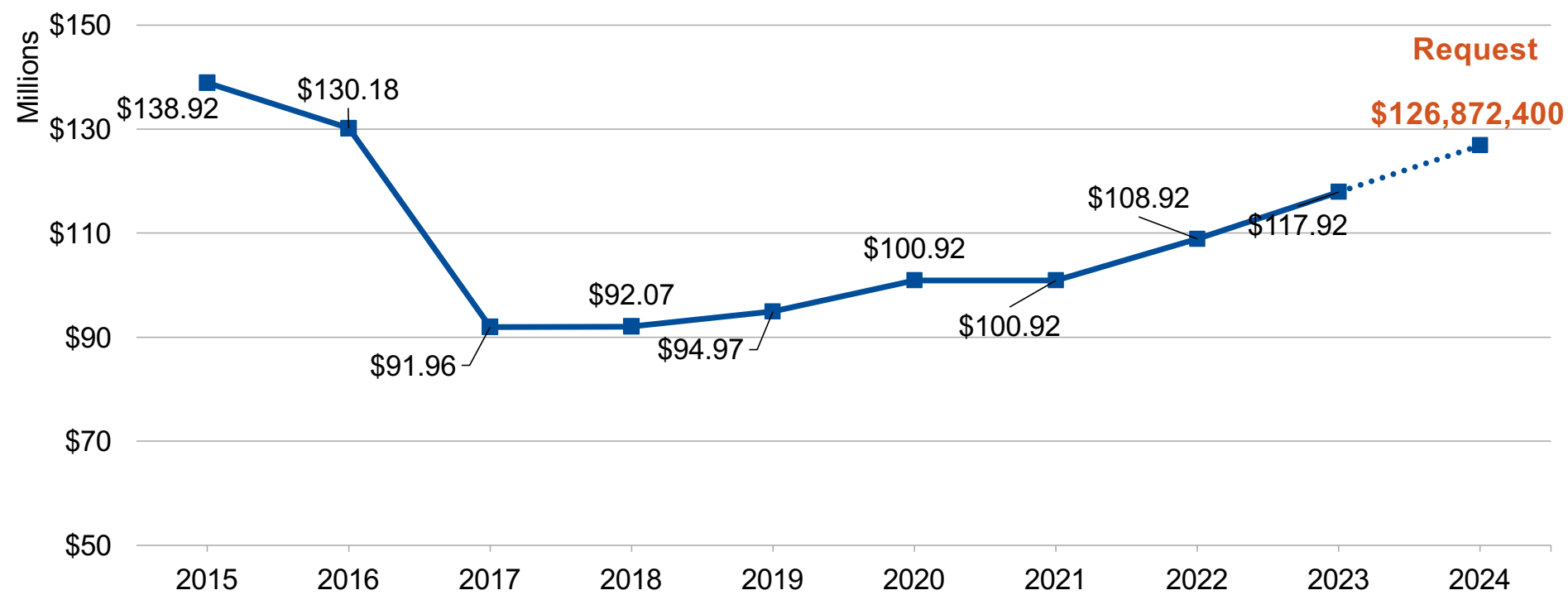
*Median cost of \$101.85 per student for 483,580 enrolled students

Administrative Support

(Agency Compliance, Oversight, Operational Functions)



Support of Students and Teachers



Notable Program Increases

- Alternative Education - \$2,000,000
- RSA - \$1,762,700
- Assessments - \$4,220,674
- Standards - \$200,000
- Speech Path. Bonus - \$1,050,000
- Student Information Security - \$250,000



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