

STATE DEPARTMENT OF EDUCATION FY-2018 BUDGET REQUEST

**State Superintendent of Public Instruction Joy Hofmeister
Presented to the Oklahoma House of Representatives on
January 4, 2017**

OKLAHOMA STATE DEPARTMENT OF EDUCATION

MISSION: To champion excellence for all Oklahoma students through leadership, engagement and service.

VISION: We will ensure all students have access to a high-quality education leading to success and individual opportunity.

- In pursuit of this vision, the OSDE will adhere to Oklahoma's ABCs for excellence: **ACHIEVE** academic success for each student in Oklahoma, **BUILD** exceptional educators and schools and **CREATE** engaged communities.

OSDE STRATEGIC PLAN:

4 Objectives

Objective 1: Achieve Academic Success.

The OSDE will close the opportunity and achievement gap for each student in Oklahoma to ensure a high-quality public education.

Objective 2: Build Exceptional Educators and Schools.

The OSDE will support the recruitment, preparation and retention of highly qualified teachers and leaders.

Objective 3: Create Engaged Communities.

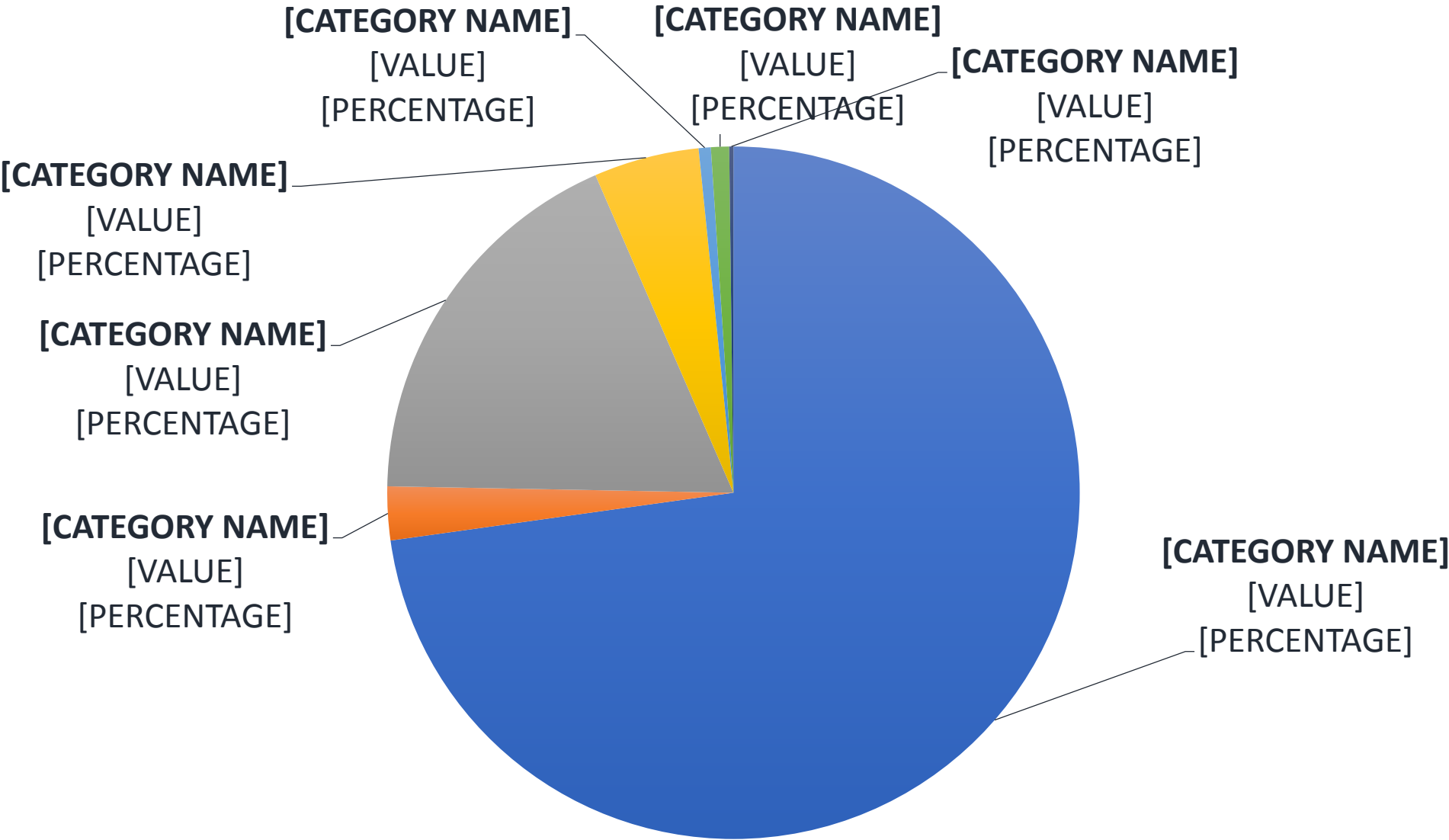
The OSDE will build external capacity to provide strong academic support through family and community engagement.

Objective 4: Develop Internal Capacity.

The OSDE will build its internal capacity to serve the field and use data to make informed decisions.

FY 18 BUDGET REQUEST

TOTAL REQUEST: \$2,647,808,063



SEVEN SOURCES OF FORMULA REVENUE

LOCAL AND COUNTY REVENUES:

1. AD VALOREM TAXES
2. COUNTY 4-MILL

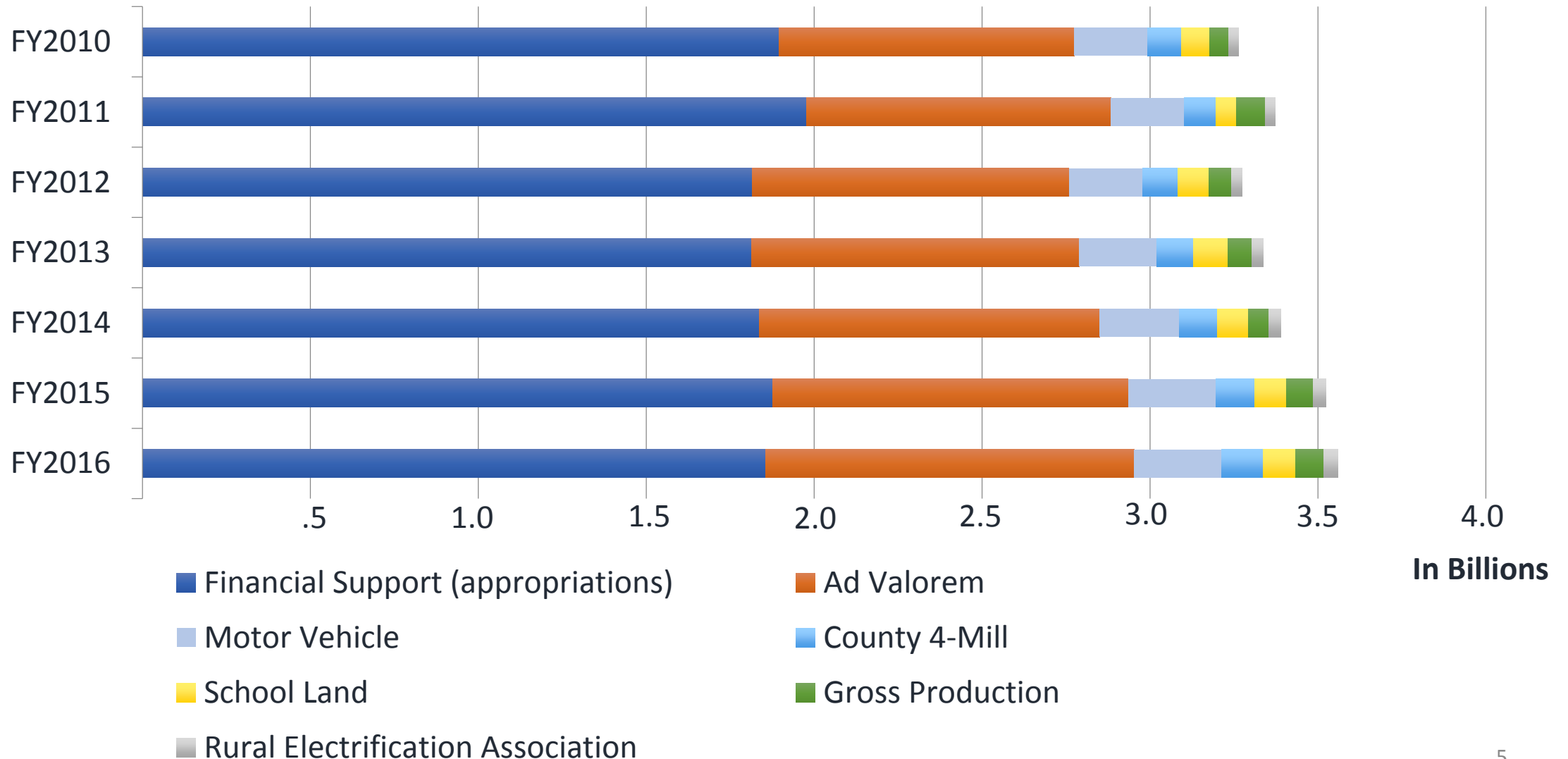
STATE – DEDICATED REVENUES:

3. STATE SCHOOL LAND EARNINGS
4. GROSS PRODUCTION
5. MOTOR VEHICLE COLLECTIONS
6. RURAL ELECTRIFICATION ASSOCIATION (REA) TAX

STATE APPROPRIATED:

7. FINANCIAL SUPPORT OF SCHOOLS (FORMULA FUNDING)

SEVEN SOURCES OF STATE FORMULA REVENUE



FINANCIAL SUPPORT OF PUBLIC SCHOOLS

(ESTIMATE TO KEEP PACE WITH NEW STUDENT GROWTH)

FY2017 Appropriation

\$1,870,703,624

FY2018 Budget Request

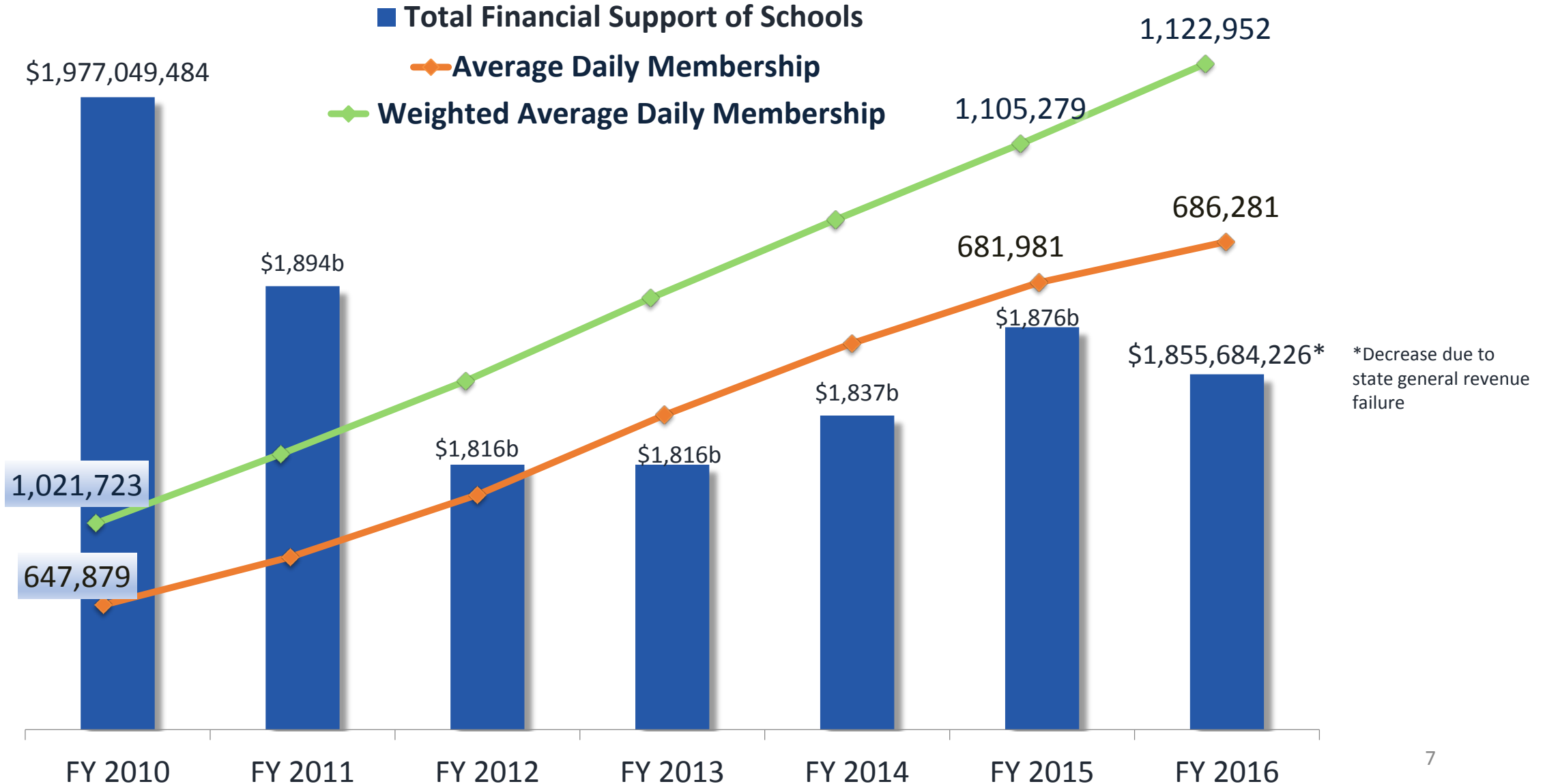
\$1,927,466,754

**Increase of
\$56,763,130
formula dollars**



FINANCIAL SUPPORT OF SCHOOLS FY 10 – FY 16

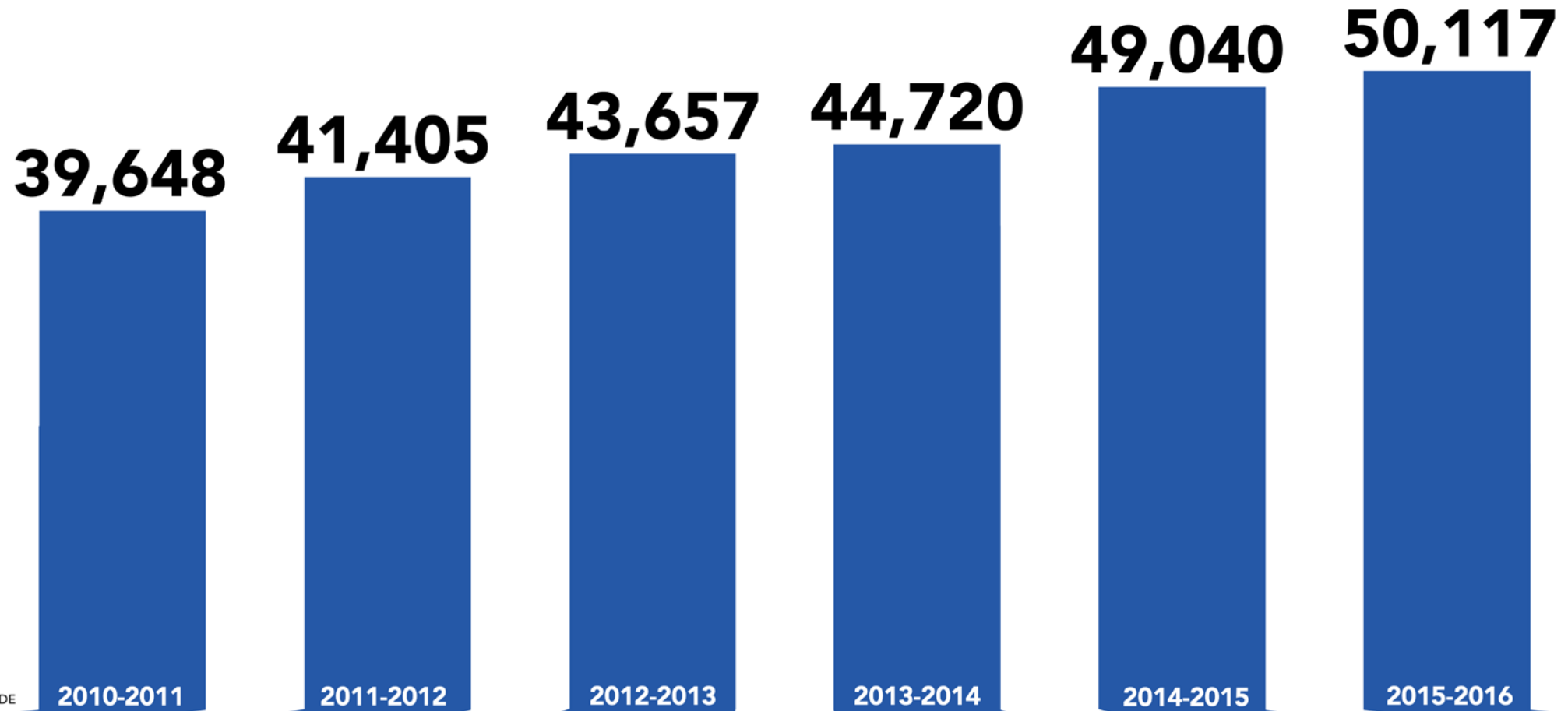
(TOTAL STATE APPROPRIATIONS)



DEFINITION OF STUDENT COUNTS

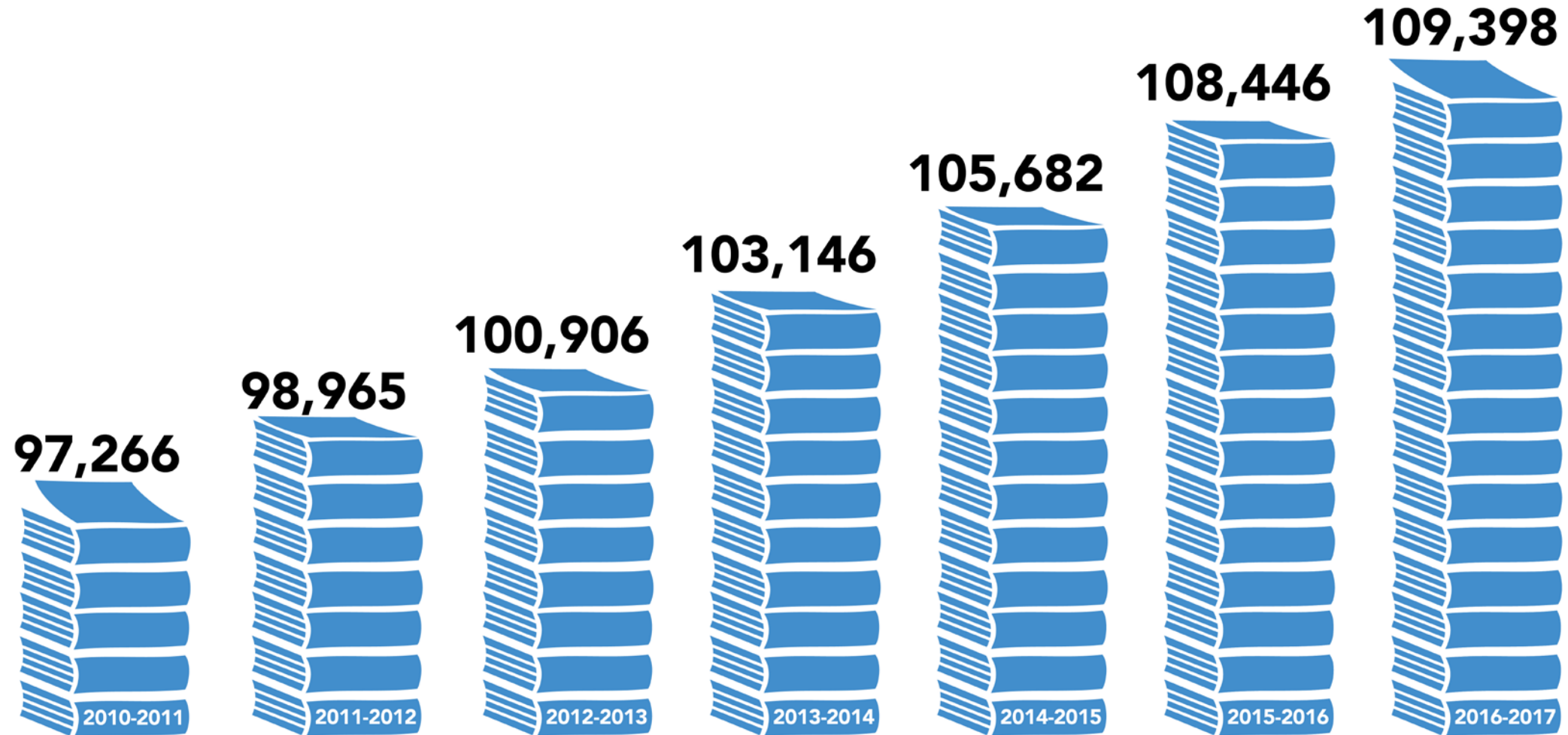
- **“Average Daily Attendance” (ADA)**: the average number of pupils in attendance in a school district during a school year. ADA is calculated by dividing the sum of the pupil's total days present by the number of days taught
- **“Average Daily Membership” (ADM)**: the average number of pupils present and absent in a school district during a school year. ADM is calculated by dividing the sum of the pupil's total days present and total days absent by the number of days taught
- **“Weighted Average Daily Membership” (WADM)**: the sum of the weighted pupil grade level calculation, the weighted pupil category calculation, the weighted district calculation and the weighted teacher experience and degree calculation
- **“Enrollment”**: based on a one-day snapshot of students enrolled on October 1 of each year

PREK-12 ENGLISH LEARNERS (EL)



Source:
OSDE Office of Instruction, USDE

STUDENTS WITH INDIVIDUALIZED EDUCATION PLANS (IEPs)



FLEXIBLE BENEFIT ALLOWANCE

Flexible Benefit Allowance Appropriation Total for
Fiscal Year 2017 = \$442,030,522

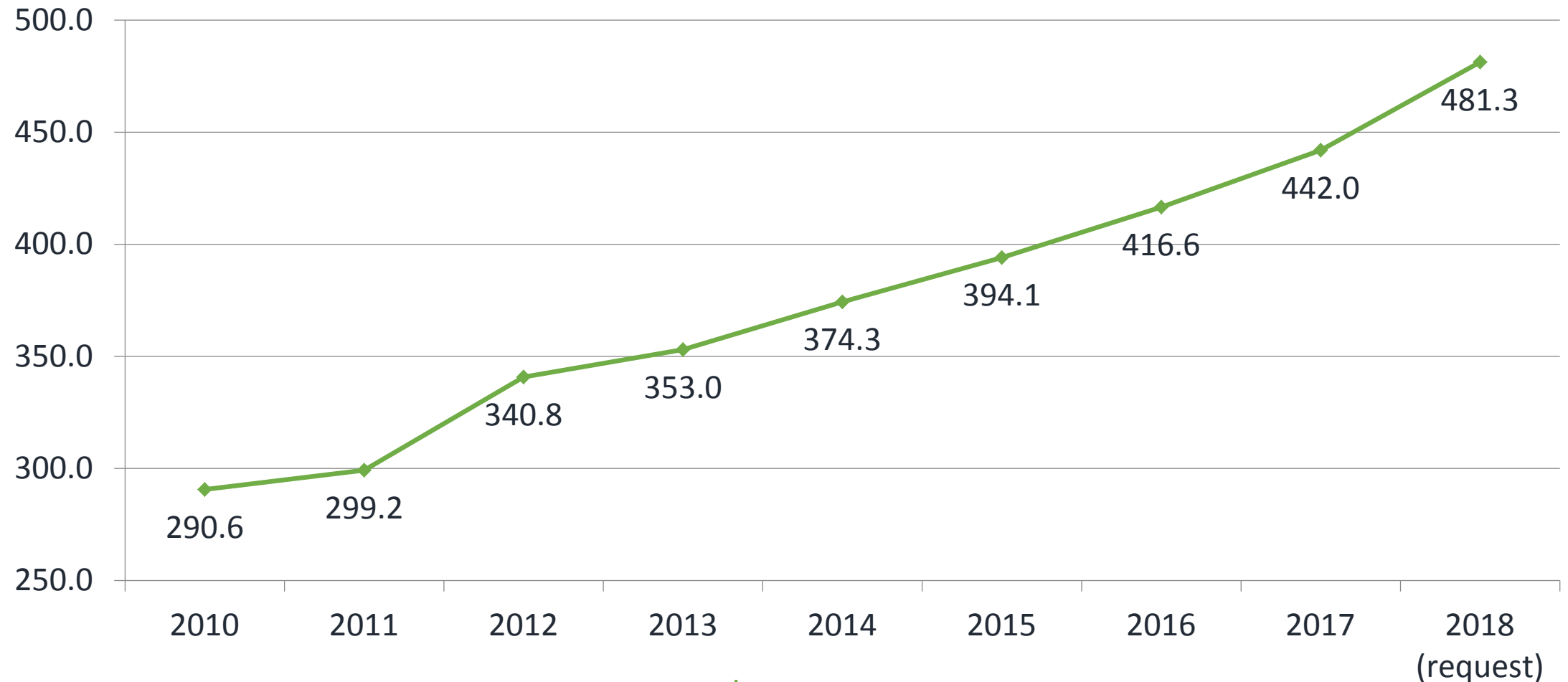
Flexible Benefit Allowance Appropriation Request
for Fiscal Year 2018 = \$481,324,286

 Increase of
\$39,293,764

FLEXIBLE BENEFIT ALLOWANCE ALLOCATION

(PROVIDING HEALTH INSURANCE TO OVER 84,000 OKLAHOMA EDUCATORS)

(In Millions \$)



Total increase of \$190.7 million since FY 10

INSTRUCTIONAL MATERIALS

- For reading textbook adoption cycle

Instructional Materials Appropriation Total for Fiscal Year 2017 = \$0

Instructional Materials Appropriation Request for Fiscal Year 2018 = \$66,240,000

- Approx. \$116/book for elementary
- Approx. \$85/book for secondary

EMPOWERING TEACHERS TO LEAD PILOT

Request: \$15,000,000

- HB 3114 (Iowa Model): develop a system of highly effective teacher-leaders to increase student achievement through teacher mentorship and retention of high-performing teachers
- 3 Tiers: Lead, Mentor, Model
- Subgrants to districts for pilot program

SUPPORT OF PUBLIC SCHOOL ACTIVITIES

(LINE ITEMS)

Programs to increase academic achievement:

\$73,310,119

Programs to build exceptional teachers and leaders:

\$49,928,724

Programs to build capacity and data-driven decisions:

\$5,439,383

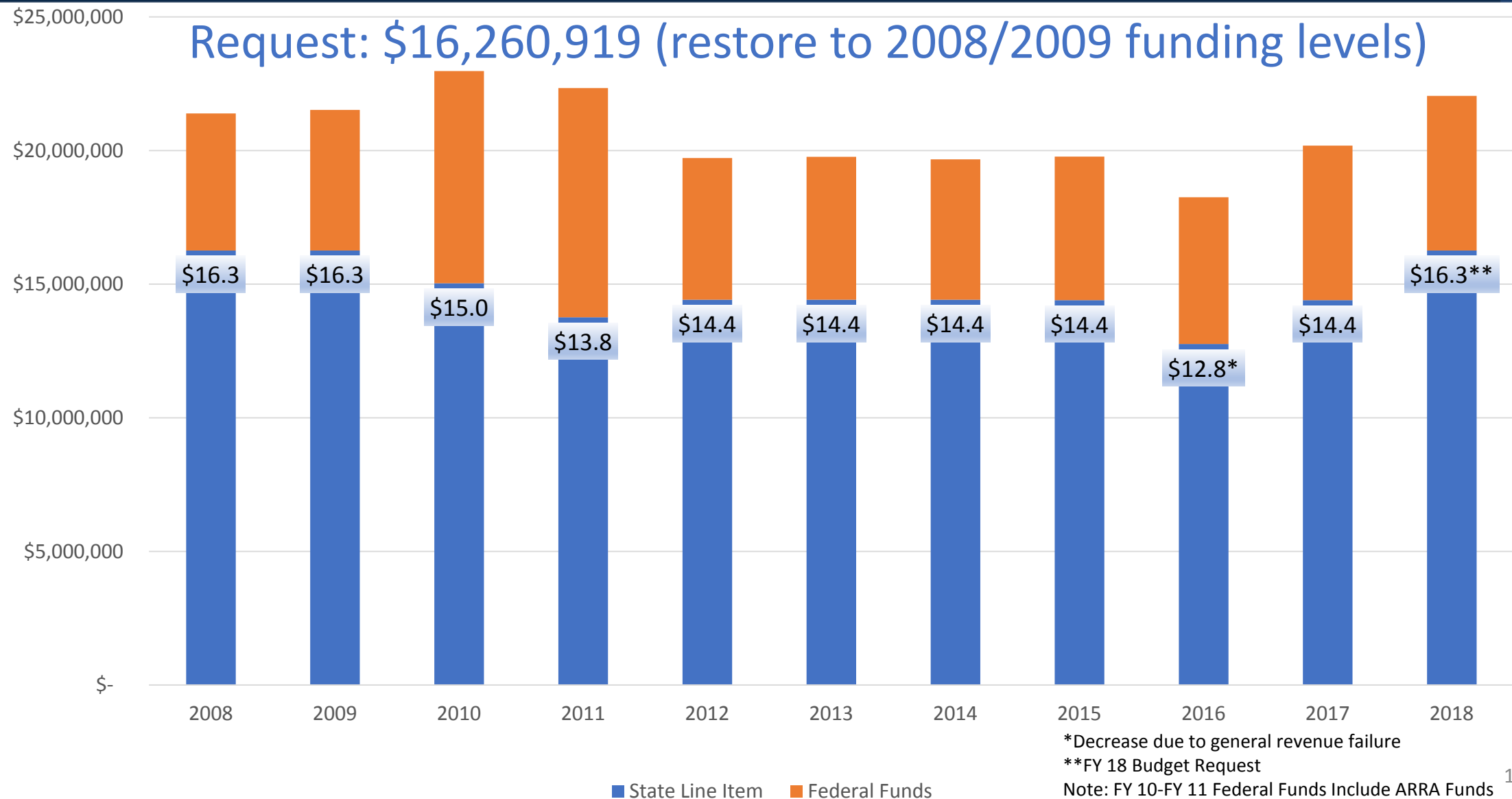
Programs to create engaged communities:

\$1,500,000

Total Request: \$130,178,226

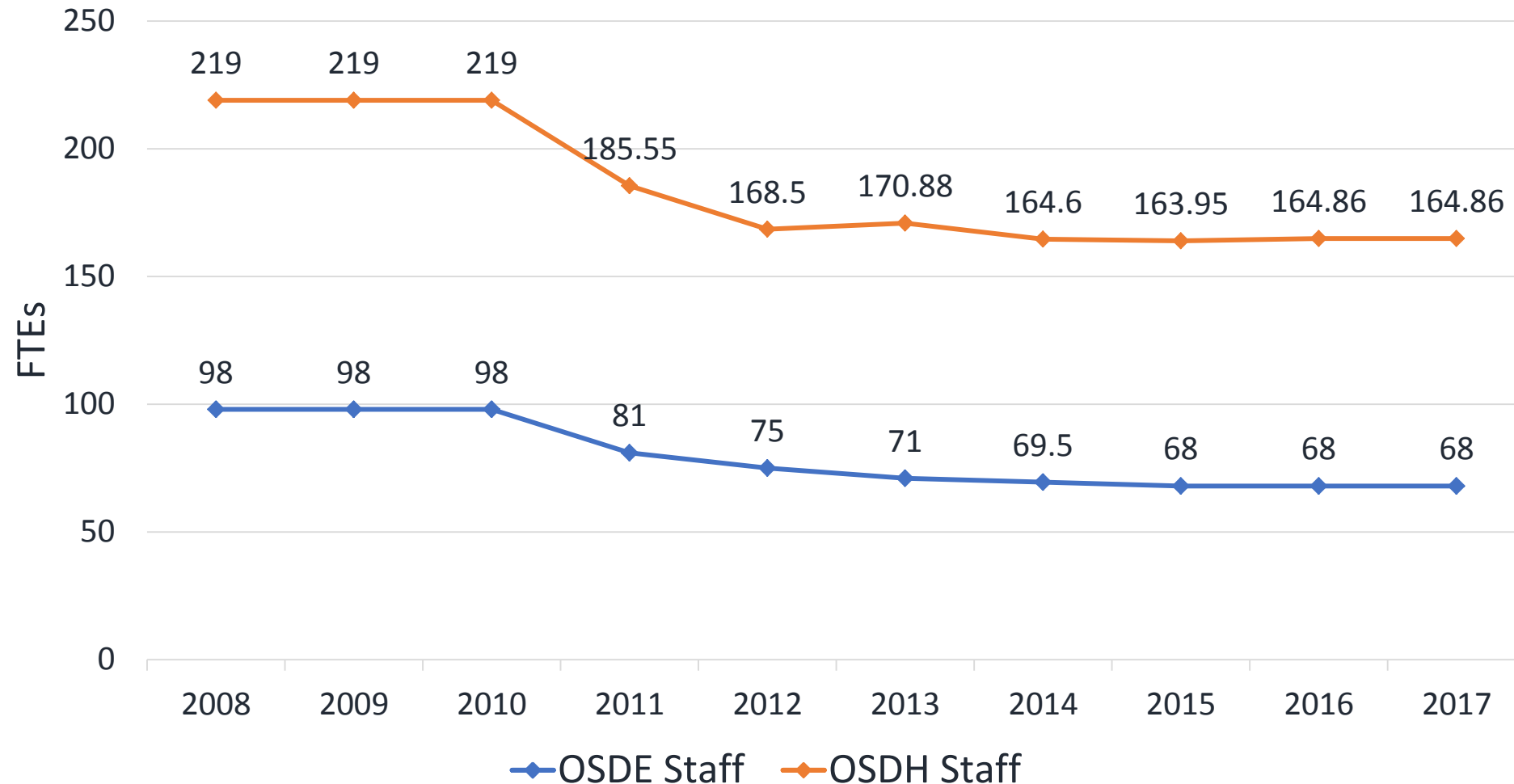
(restored to FY 16 level)

SOONER START FUNDING HISTORY



SOONER START FTE HISTORY

FTEs directly follow funding levels.



STANDARDS IMPLEMENTATION

Request: \$350,000

- Implementation of Math/ELA standards:
 - Curriculum Frameworks – developed through regional consortia to assist educators in aligning their instruction, curriculum and benchmark assessments to new standards
 - PD on Your Plan – develop high-quality PD modules teachers can use around effective teaching and learning practices
 - Professional Development – to deepen understanding of both teachers and leaders of the standards and ensure standards are implemented with fidelity
- Support review of computer science courses and personal financial literacy standards.

INDIVIDUAL CAREER ACADEMIC PLANS (ICAP)

Request: \$1,500,000

What is ICAP? An ICAP helps students identify their interests, skills, postsecondary and workforce goals and experiences that lead to a meaningful plan that identifies the progress needed to prepare students for college, career and life.

Why is ICAP Important?

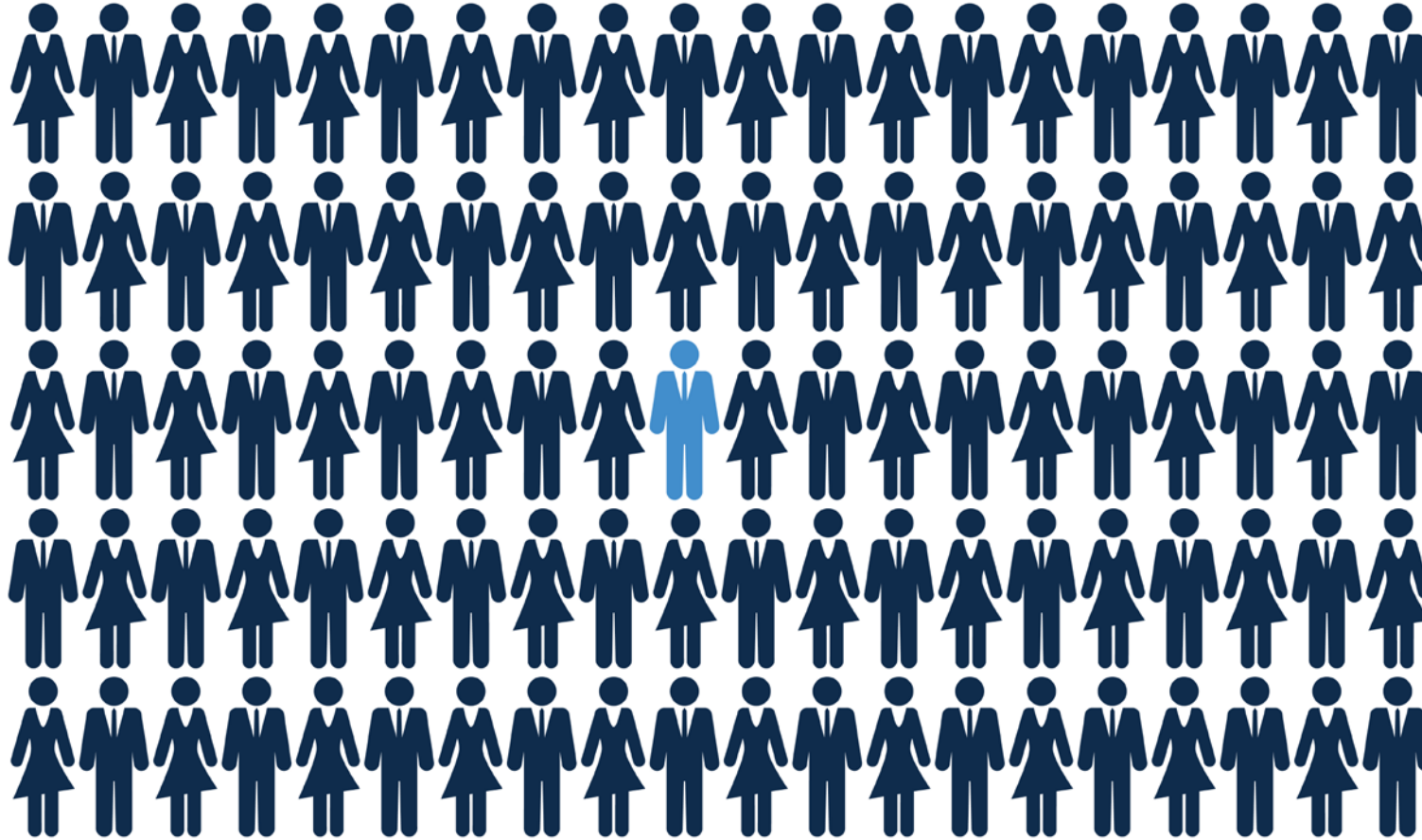
When students complete a meaningful ICAP process they

- connect the relevance of education to their future goals,
- create secondary and postsecondary course plans to pursue their career and life goals,
- select a postsecondary pathway more strategically to align with self-defined career, college and life goal,
- establish better communication and engagement between their school and home, and
- understand and demonstrate career exploration and career planning.

JOB REQUIRED EDUCATION LEVEL

Out of 11.6 million jobs created in the post-recession economy, 11.5 million went to workers with at least some college education.

99%
11,500,000
JOBS
—
MORE THAN
HIGH SCHOOL
EDUCATION



1%
80,000
JOBS
—
HIGH SCHOOL
DIPLOMA OR
LESS

COLLEGE REMEDIATION



\$22,200,000
ANNUAL OUT-OF-POCKET COSTS

FIRST-YEAR
COLLEGE
STUDENTS **39.1%** ENROLLED IN
REMEDICATION

FAMILY/COMMUNITY ENGAGEMENT AND ACADEMIC SUPPORT

Request: \$1,500,000

- Develop digital platform for engaging parents:
 - Tools to help students at home with standards
 - Activities to reduce summer slide
 - Mobile device compatible
- Build capacity of educators:
 - More meaningful, intentional and aligned opportunities for families and communities to engage in learning.

ACCOUNTABILITY/DATA LITERACY

Request for Accountability: \$3,345,798

Request for Data Literacy: \$250,000

- Implement new A-F Report Card
 - Data collection and validation
 - Calculation
 - Design public facing dashboards with ability to dive deeper into data
 - Additional tools for teachers and administrators
- Data Literacy
 - Train teachers and school leaders on how to interpret data from the assessments and accountability system

FY 2018 ESTIMATED TESTING COSTS

Math/ELA (3-8 gr)	\$8,900,000
Science (5-8 gr)	\$2,400,000
WIDA ACCESS for ELs	\$1,312,125
CCRA + Science History + Writing	\$4,684,217
Total	\$17,296,342
Federal Funds	\$3,800,000
State Funds	\$13,496,342
Total Cost	\$17,296,342

PROGRAM FUNDS RESTORED TO FY 16 LEVEL

- Alternative Education
- Early Childhood Initiative
- Reading Sufficiency
- Competitive Grants
- AP, AVID, NMSI
- OK Arts Institute
- Charter Schools Incentive Fund
- Ag in the Classroom
- Staff Development
- Psychologist, Speech Path, Audiologist Bonus
- Teacher Residency Program
- Personal Financial Literacy
- Student Information System

FY 18 BUDGET INCREASE REQUEST

Financial Support of Schools	\$56,763,130
Instructional Materials (reading textbooks)	\$66,240,000
Flexible Benefit Allowance	\$39,293,764
Public School Activities (restore to FY 16 level)	\$38,221,784
HB 3114 Pilot	\$15,000,000
Agency Support for Schools (restore to FY 16 level)	\$6,567,951
TOTAL	\$221,086,629
Addendum: #OKHigh5 (year 3) Teacher Pay Raise	\$282,365,811

ESTIMATED COSTS FOR #OKHIGH5 YEAR 3

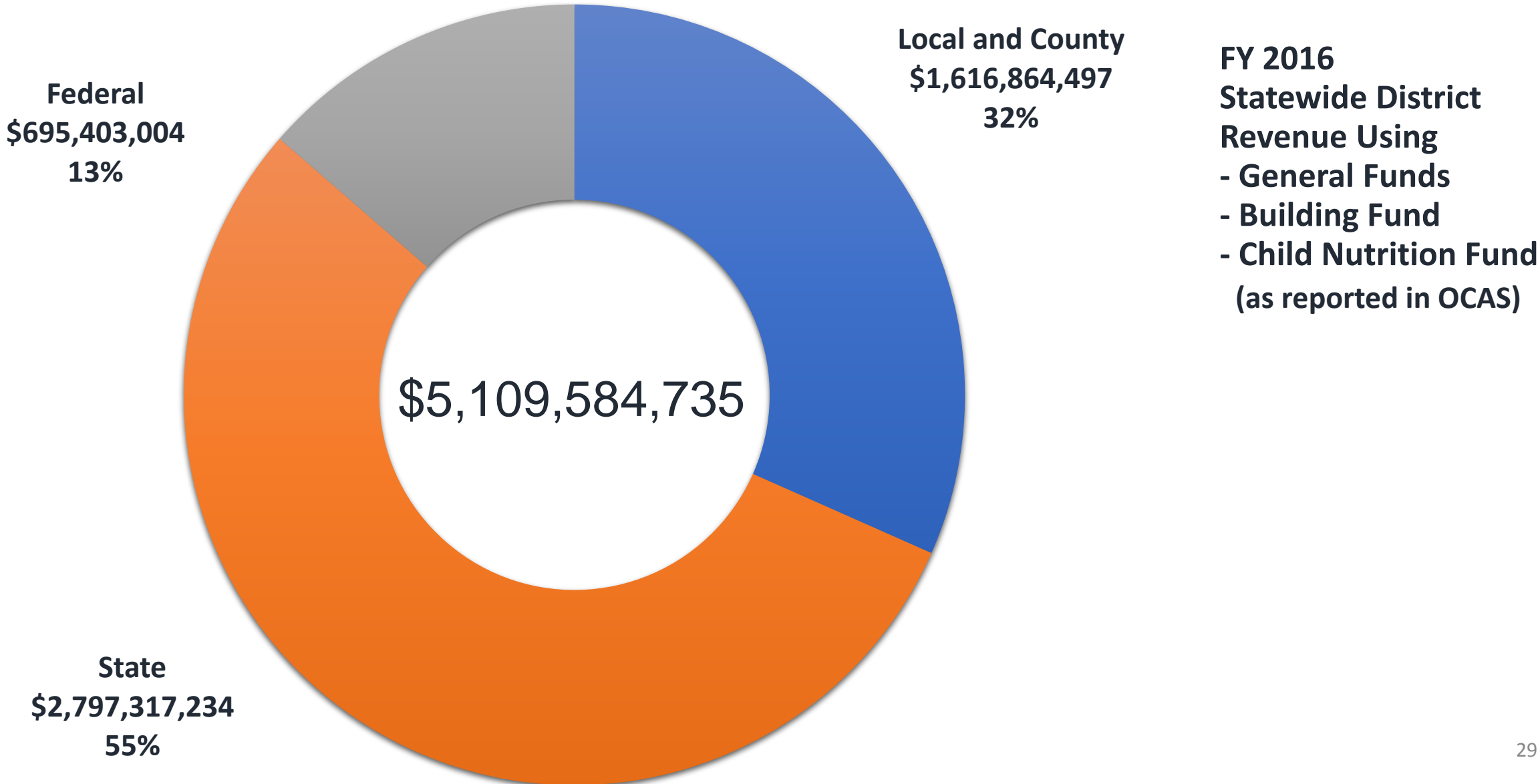
Year 3 of #OKHigh5 = \$3,000 plus 4 additional instructional days

- \$3,000 increase in Teacher Salary: **\$197,604,648**
- Taxes: **\$15,116,756**
- Employer's share of TRS: **\$20,185,424**
- Employee's share of TRS: **\$14,873,504**
- **Total Cost: \$247,780,332**
- Cost for 4 days of Instruction: **\$34,585,479**

Grand total: \$282,365,811

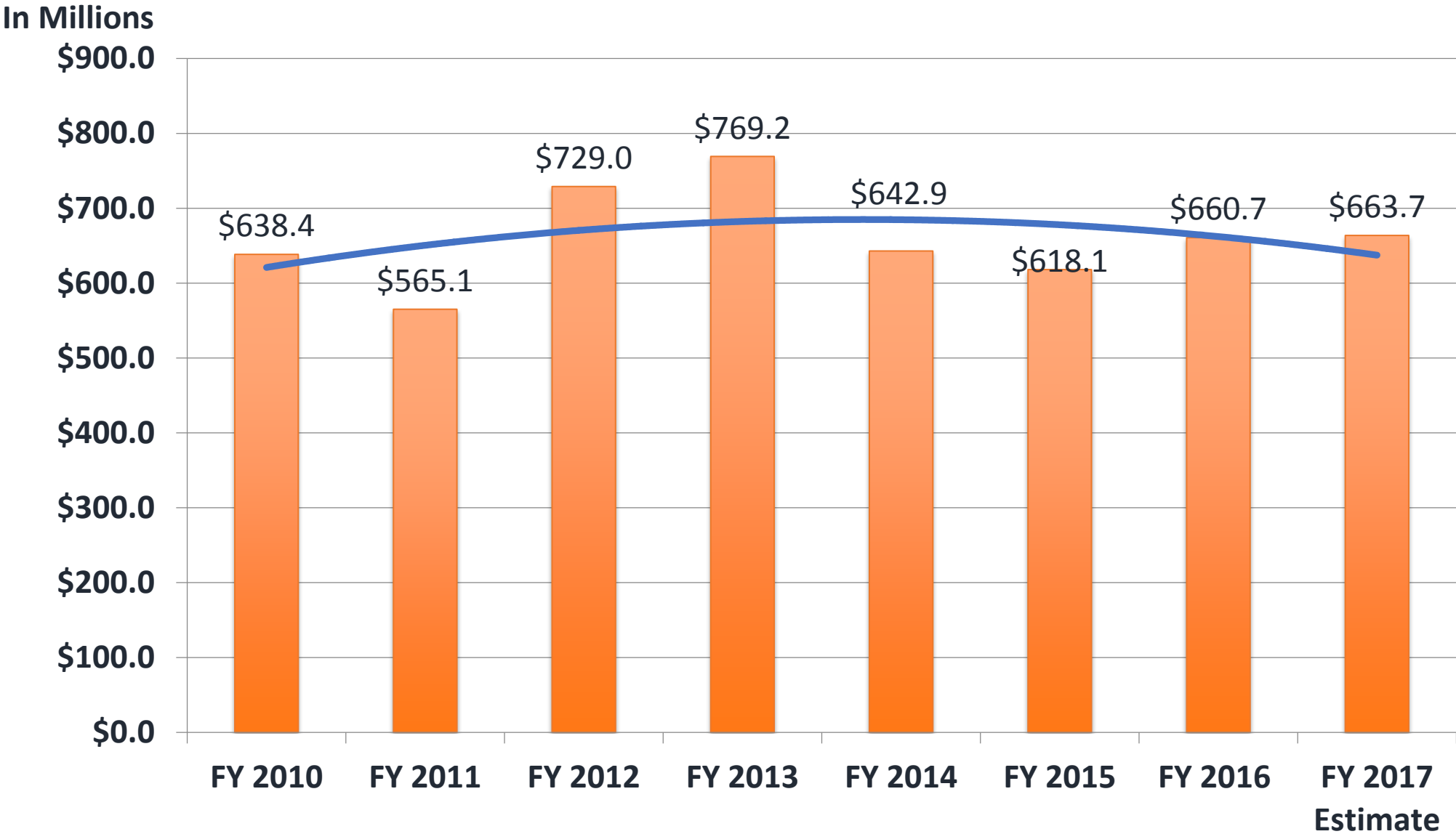
DISTRICT REVENUES AND EXPENDITURES

DISTRICT RECURRING REVENUE



SCHOOL DISTRICT GENERAL FUND BEGINNING BALANCE FY 10 – 17

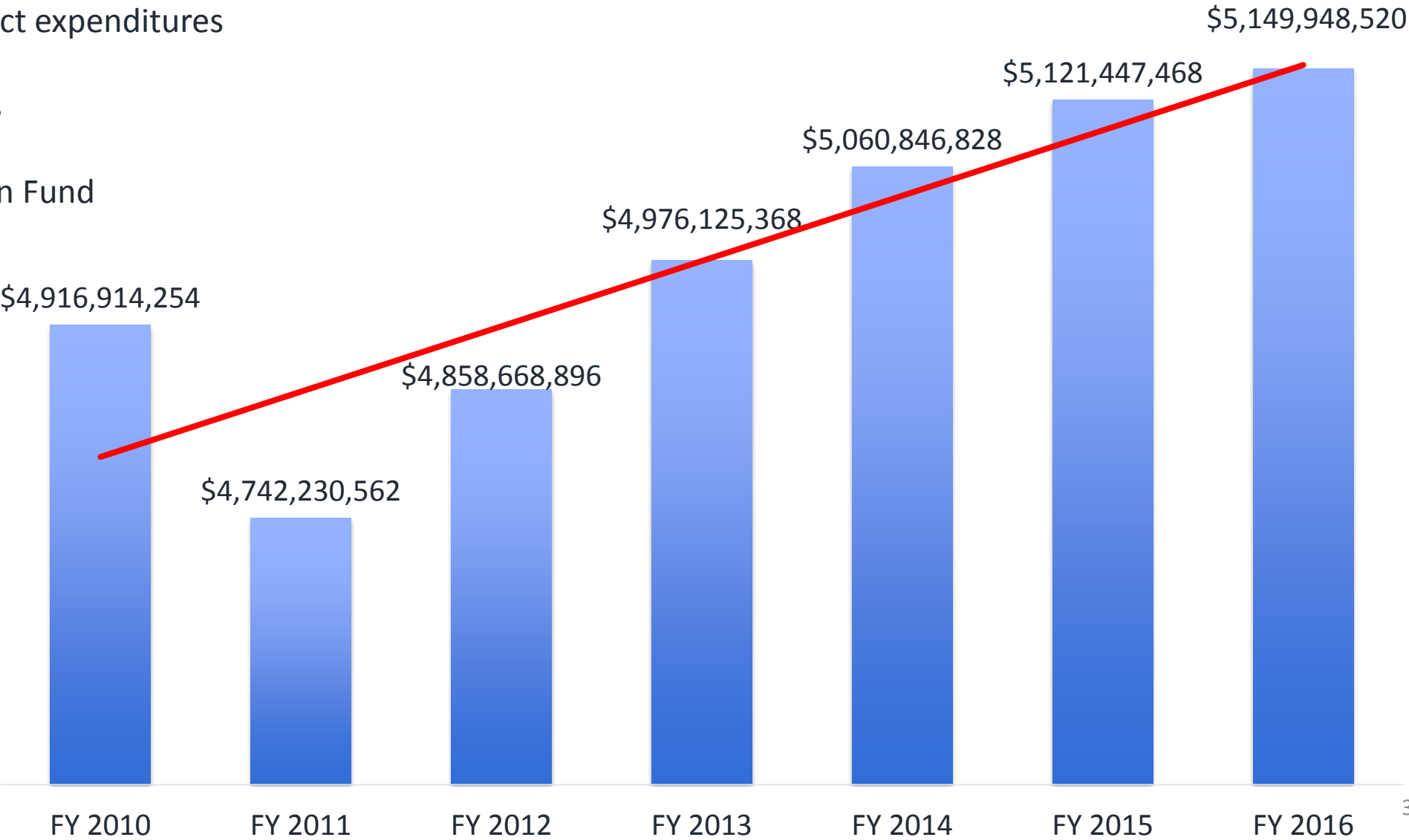
(REPORTED BY DISTRICTS THROUGH OCAS)



STATEWIDE DISTRICT EXPENDITURES FY 2010 - 2016

Statewide district expenditures
using

- General Funds
- Building Fund
- Child Nutrition Fund



STATEWIDE DISTRICT EXPENDITURES BY OCAS

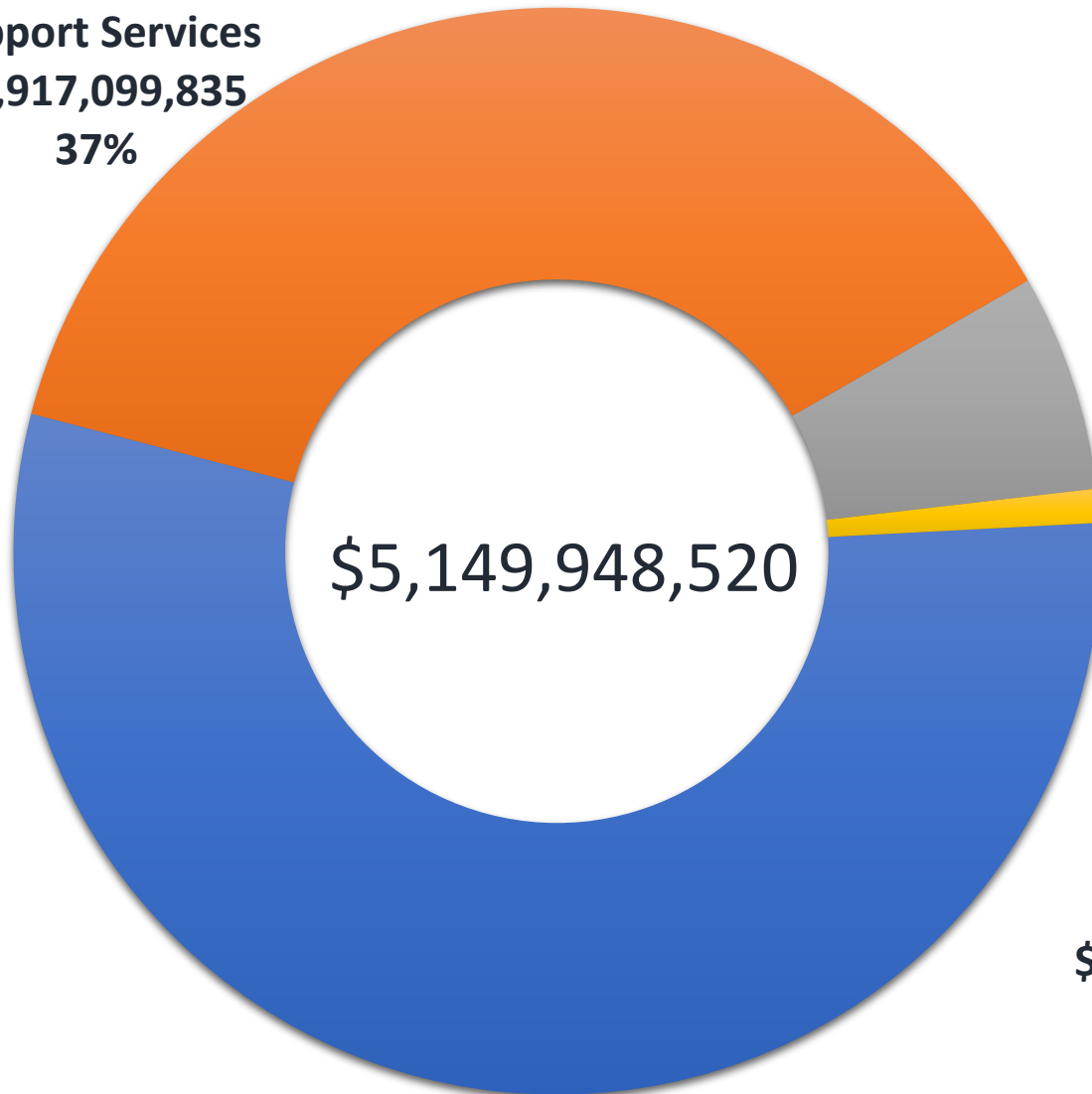
Support Services
\$1,917,099,835
37%

Administration
\$336,550,986
7%

**Facilities Acquisition
& Construction
Services**
\$47,101,157
1%

Instruction
\$2,849,196,542
55%

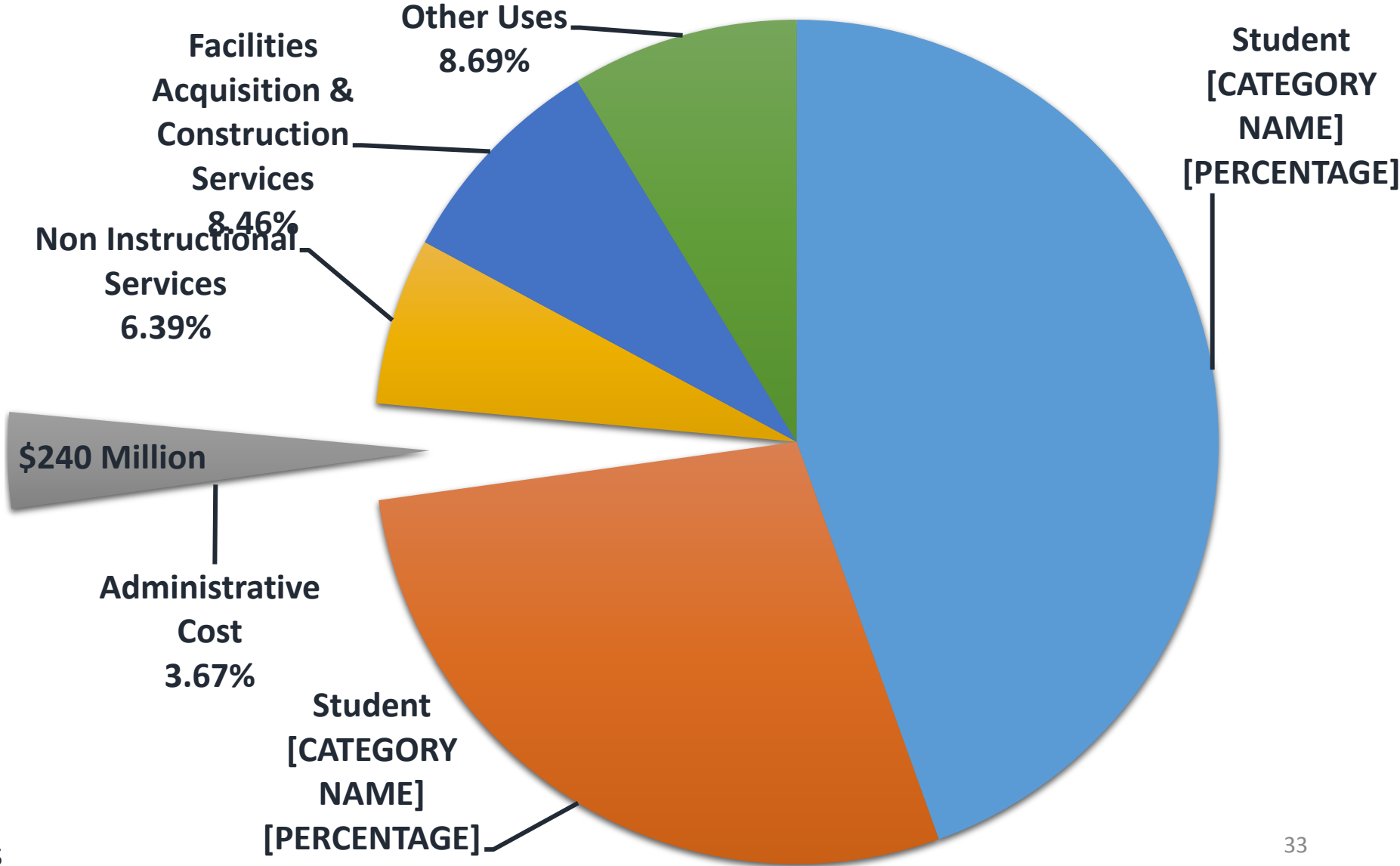
FY 2016
Statewide District
Expenditures Using
- General Funds
- Building Fund
- Child Nutrition Fund
(as reported in OCAS)



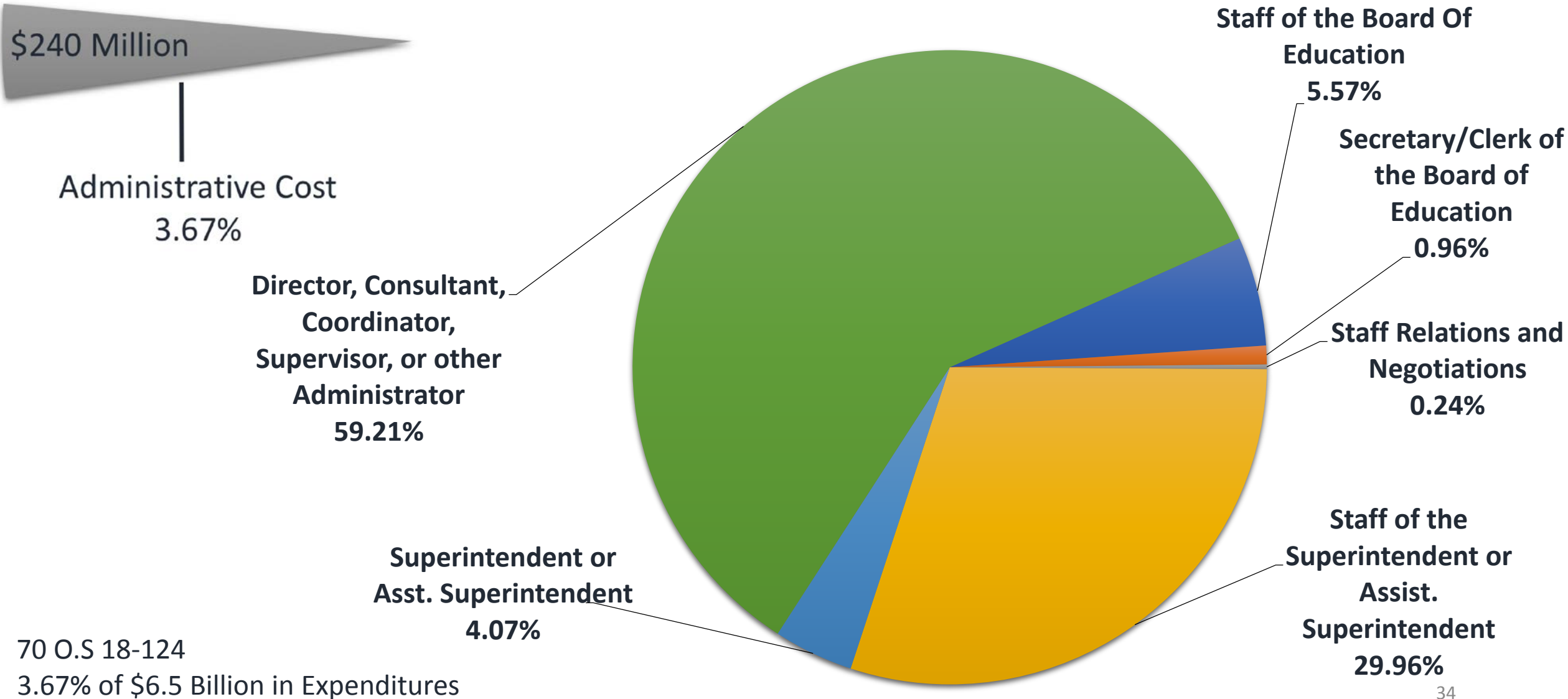
TOTAL DISTRICT EXPENDITURES FOR FY 2016

BY STATUTE

73% of
expenditures
for direct
student
services

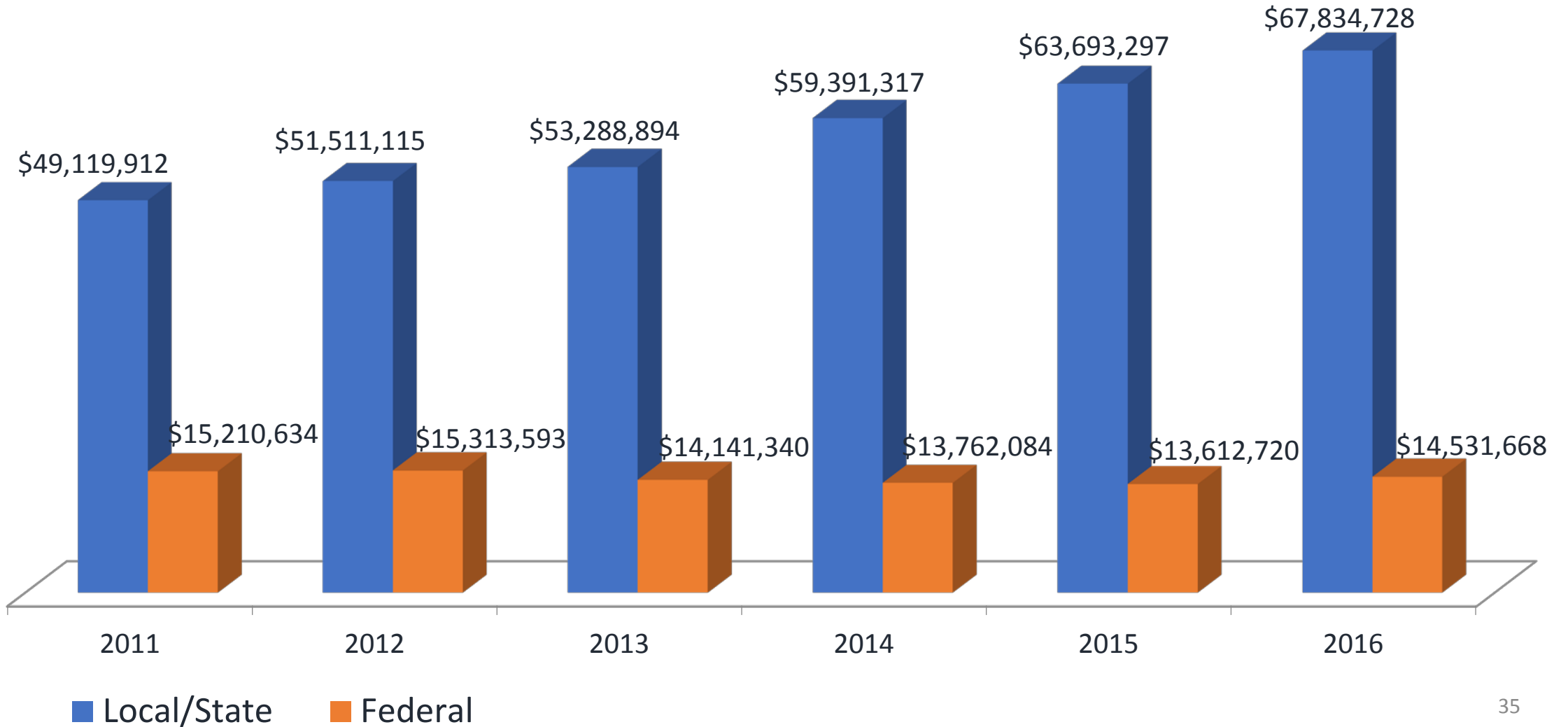


ADMINISTRATIVE COST BY STATUTE



COSTS TO COMPLY WITH MANDATES

Growing salaries for instructional & non-instructional directors/managers.



PER PUPIL EXPENDITURES

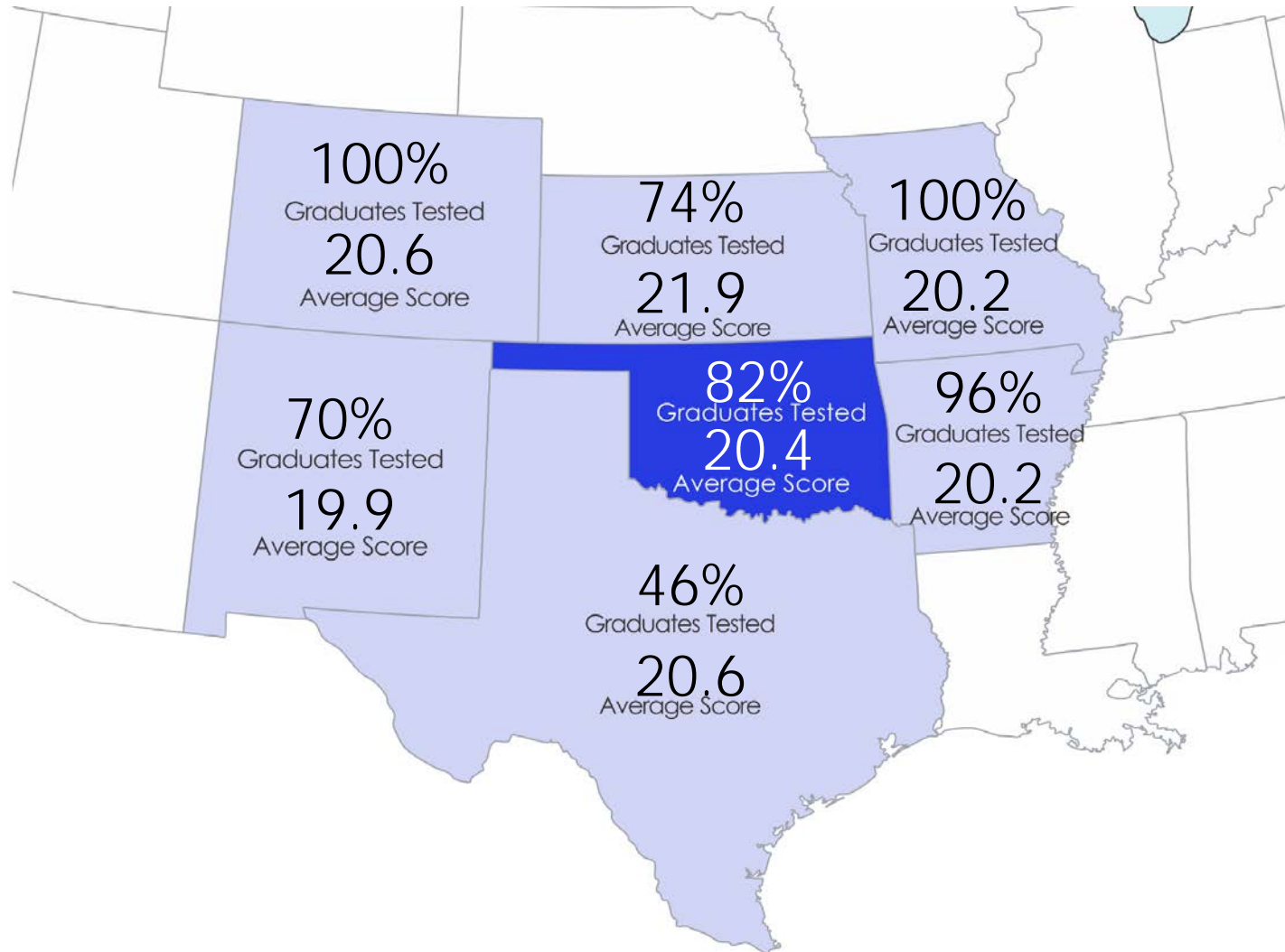
(ACCORDING TO NATIONAL CENTER FOR EDUCATION STATISTICS)

Fiscal Year	NCES Current Expenditures*	Enrollment (2010-2015)	Per Pupil Expenditure
2009-2010	\$5,192,123,907	654,542	\$7,932.45
2010-2011	\$5,036,031,109	659,615	\$7,634.80
2011-2012	\$5,170,977,526	665,841	\$7,766.08
2012-2013	\$5,329,897,044	673,190	\$7,917.37
2013-2014	\$5,451,047,732	681,578	\$7,997.69
2014-2015	\$5,560,047,046	688,300	\$ 8,077.94

*Current Expenditures = Total Expenditures minus Adult/Community Education, Capital Expenditures, Debt Services

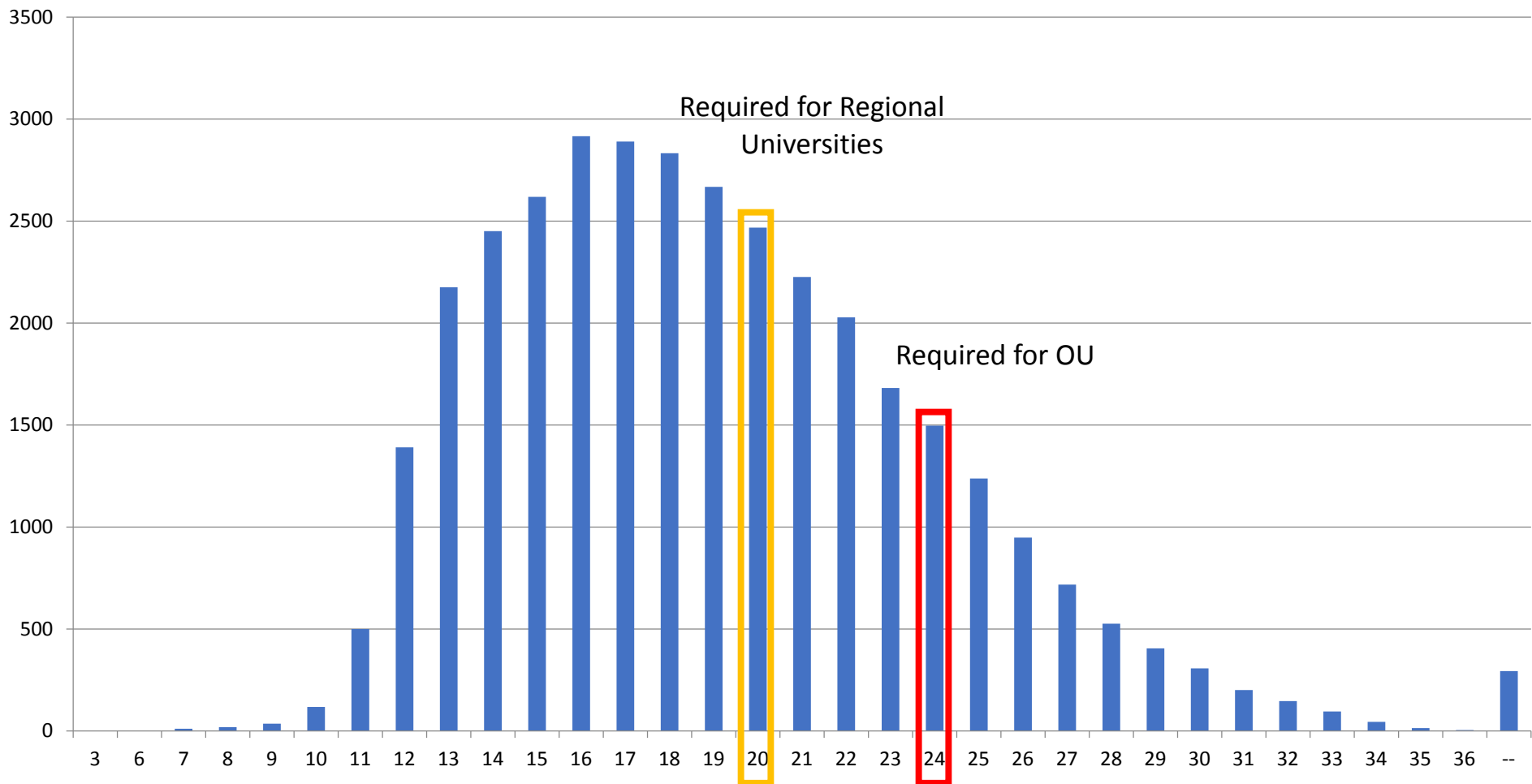
PERFORMANCE METRICS

ACT REGIONAL COMPARISON (2016 GRADUATING CLASS)

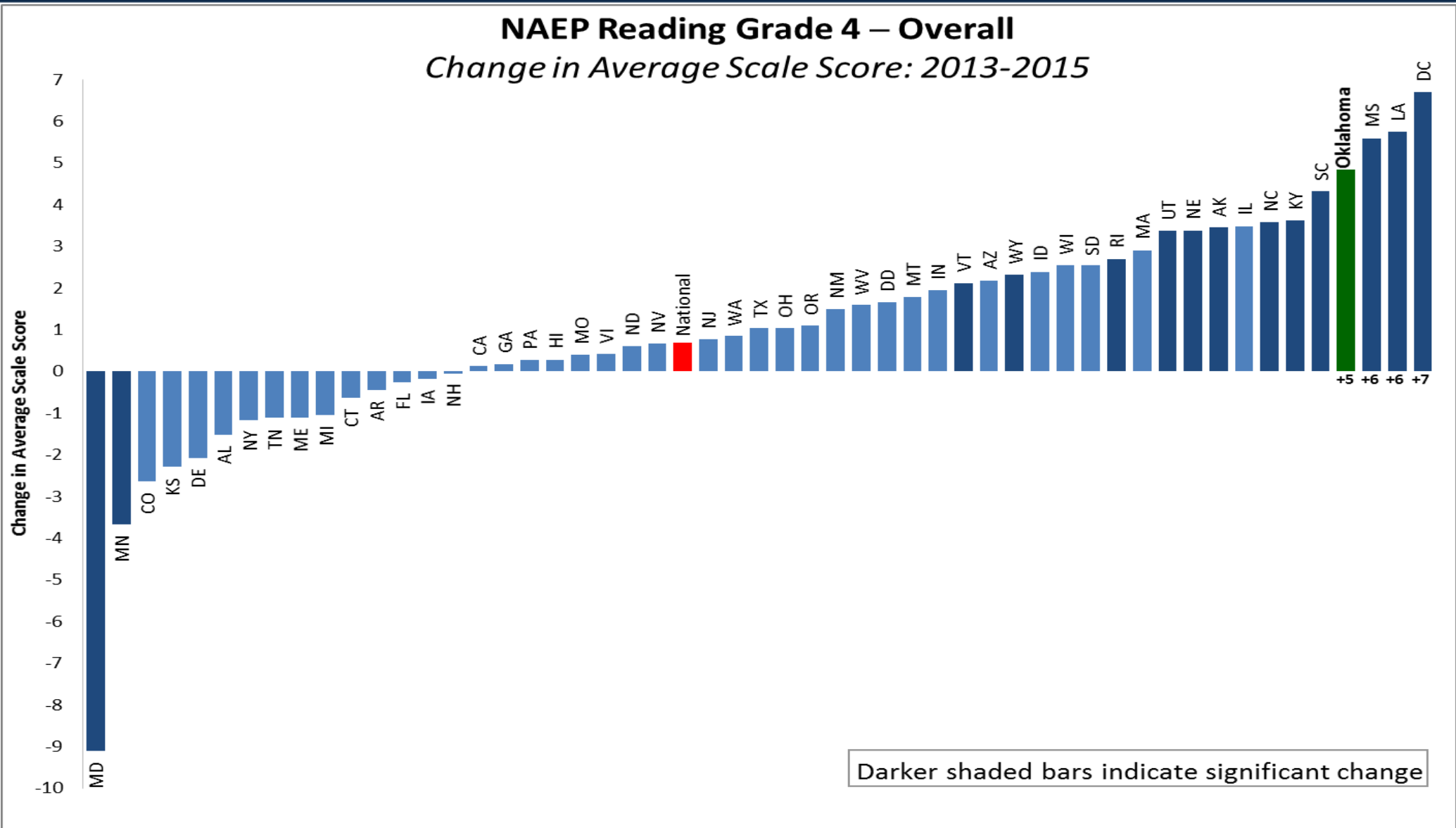


ACT JUNIOR PILOT PROGRAM 2016

Distribution of composite scores average composite score: 18.9



NAEP READING PERFORMANCE



2015 SCIENCE STATE SUMMARY

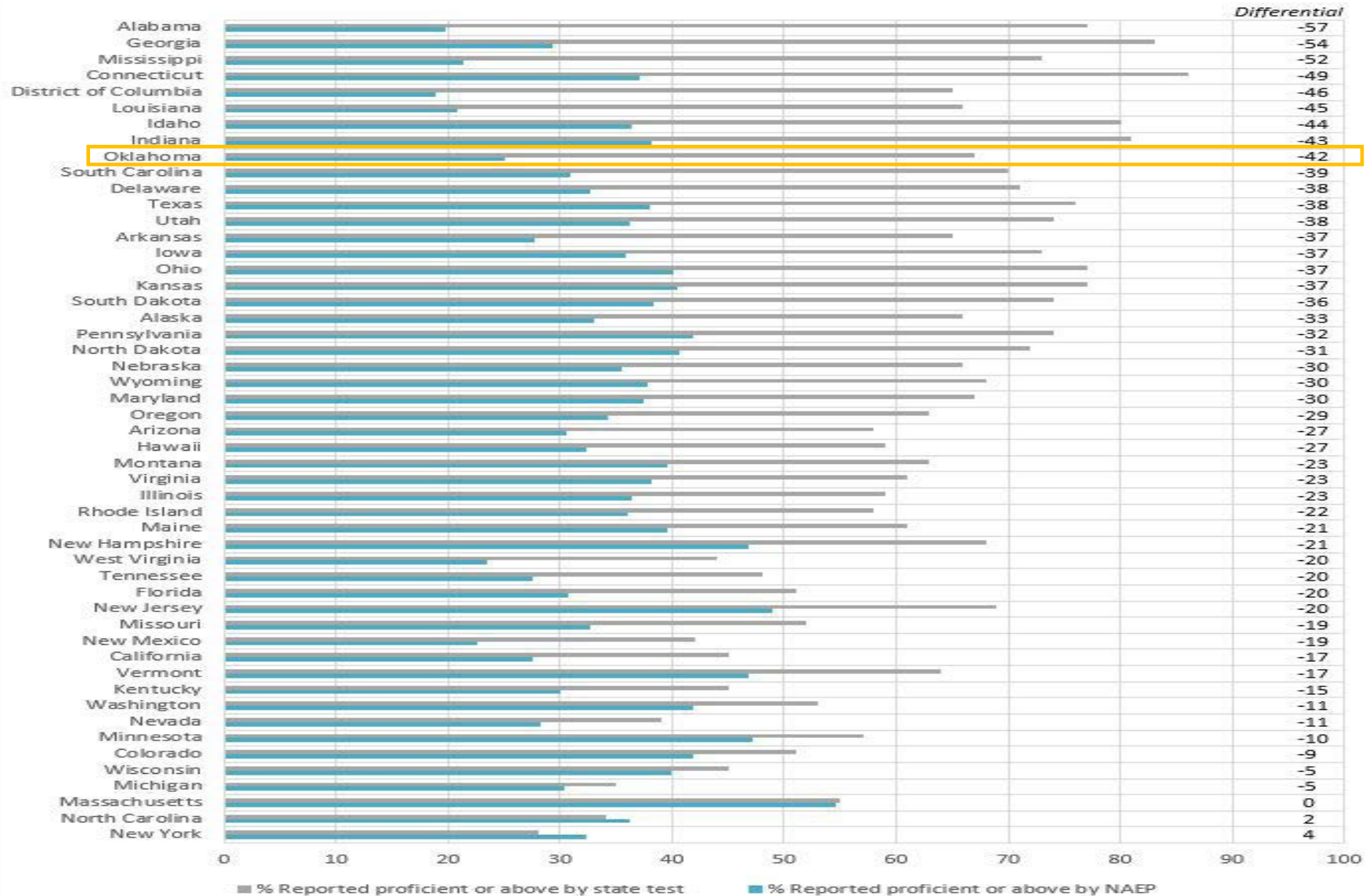
Scores increased from 2009 to 2015 in 15 states/jurisdictions at both grades 4 and 8

	Grade 4 only	Grade 8 only	Both grades	
<div>↑ Score increase</div>	Illinois Michigan Washington	California Idaho Iowa Maryland Nevada New Hampshire Rhode Island Virginia West Virginia	Arizona Arkansas Florida Georgia Hawaii Indiana Mississippi North Carolina Oklahoma	South Carolina Tennessee Texas Utah Wyoming DoDEA
<div>↓ Score decrease</div>	Delaware			

DoDEA = Department of Defense Education Activity.

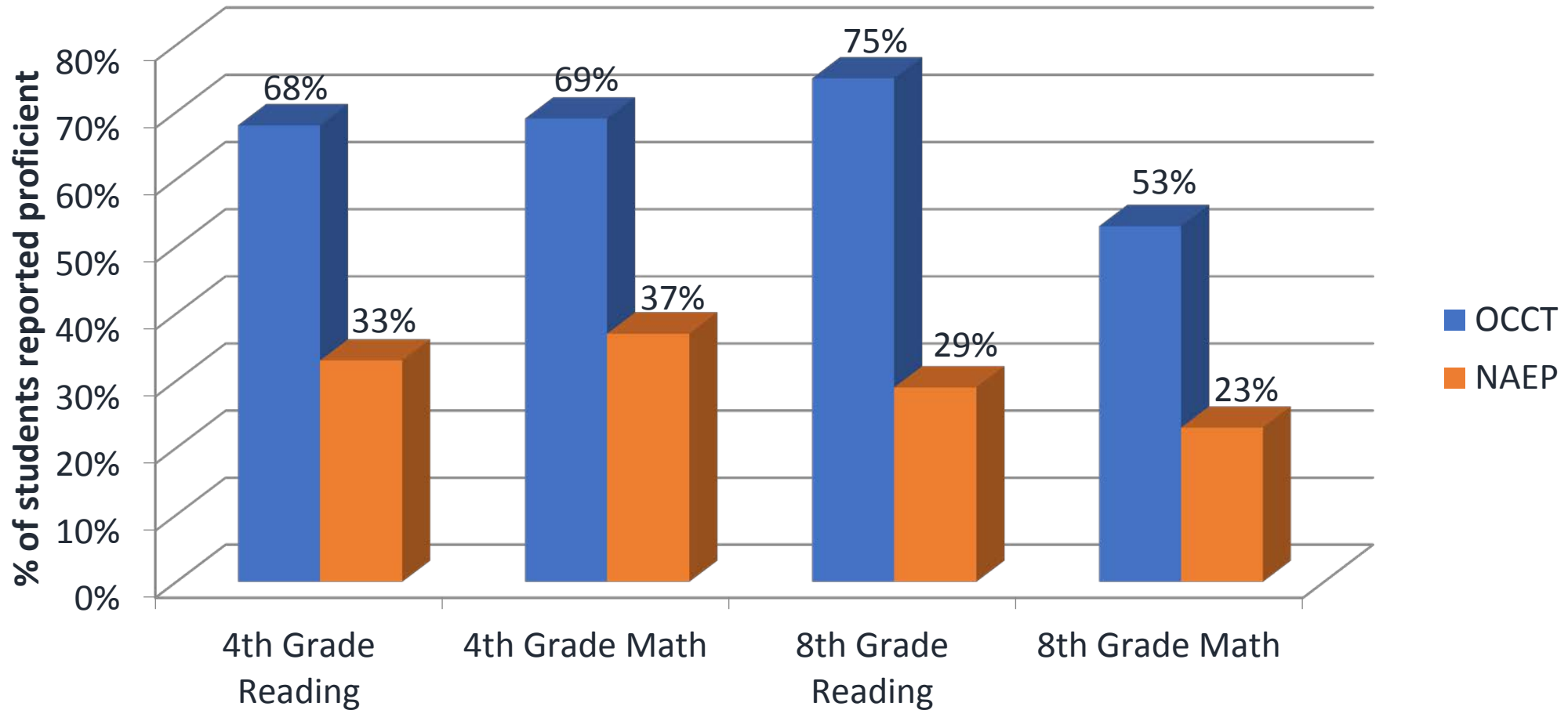
PROFICIENT VS. PREPARED

8TH GRADE MATH, 2012-2013



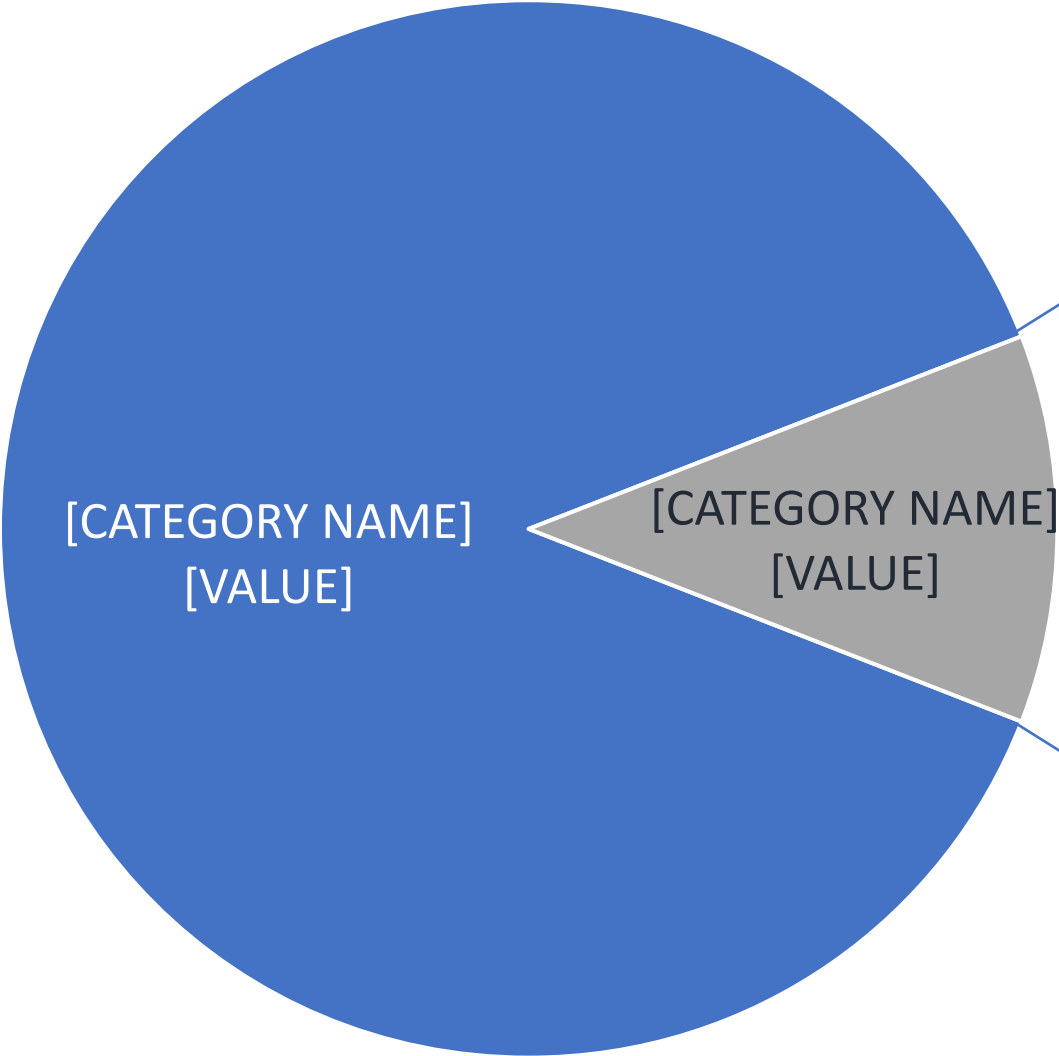
IMPORTANCE OF COMPARABILITY:

COMPARISON OF PROFICIENCY SCORES



RSA PERFORMANCE

(3rd GRADE READING)



Retained by Team
1,674

Promoted by Team
1,785

Promoted at Mid-
Year 46

Promoted at End of
Summer 163

[SERIES NAME]
[VALUE]

[SERIES NAME]
[VALUE]

- Met RSA Criteria – Students scoring above Unsatisfactory on the Vocabulary and Comprehension portions of the OCCT.
- Did Not Meet RSA criteria – Students scoring Unsatisfactory on the Vocabulary and Comprehension portions of the OCCT.

COST TO FULLY FUND RSA

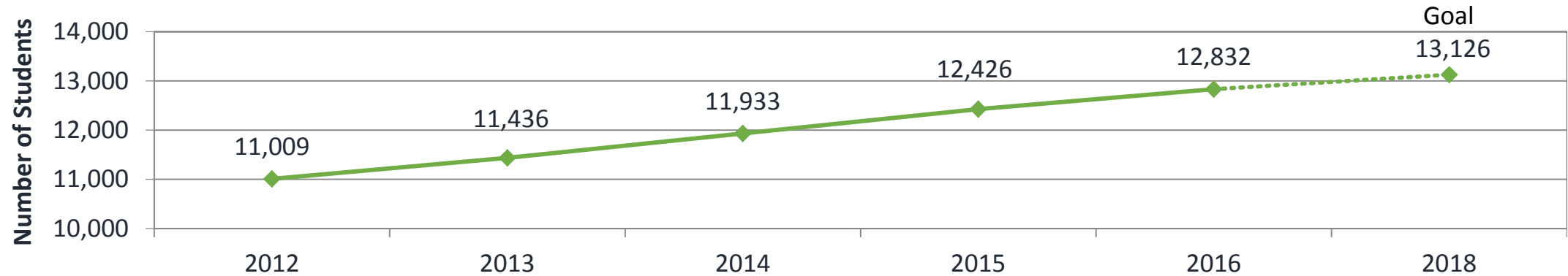
- Request: \$6,492,074 Restore to FY 16 Level

Allocations made to districts based on number of students identified as needing remediation or intervention in reading in grades K-3 (70 § O.S. 1210.508D).

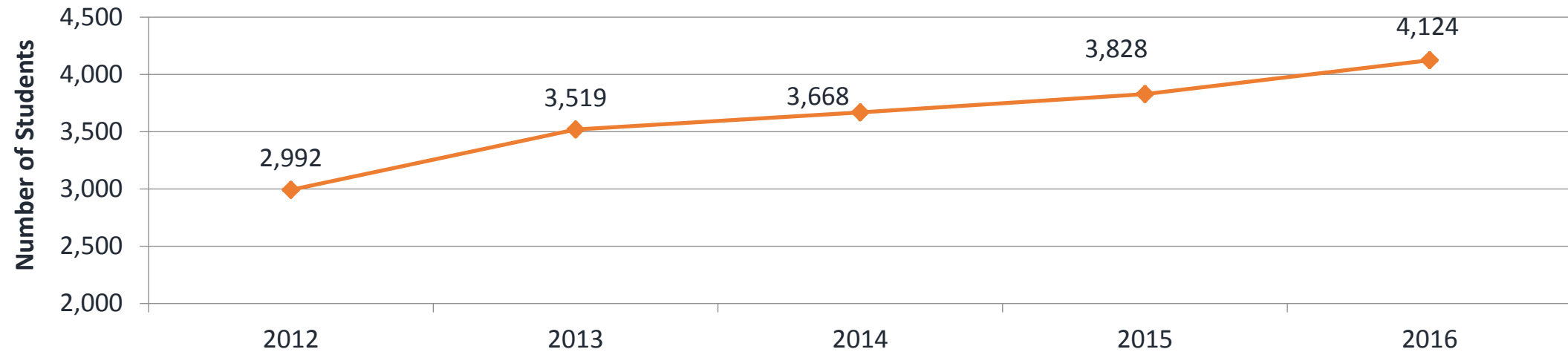
$$\begin{array}{r} \$150^* \text{ per student} \\ \times \underline{80,304 \text{ students}} \\ \$12,045,600 \text{ Total if Fully Funded} \\ \text{FY 17 Funding at } \$4,507,271 \text{ (37.42\%)} \end{array}$$

ADVANCED PLACEMENT

Students Earning College Credit Through AP Tests



Students Receiving Test Fee Assistance (total spent: \$365,629)



TEACHER COMPENSATION

TEACHER COMPENSATION

Oklahoma Average (includes benefits)



Regional Average



National Average



TEACHER COMPENSATION CALCULATION

70 O.S. 26-103: Establishes the state “cafeteria plan” included in the Flexible Benefit Allowance to be in accordance with 26 U.S.C. Section 125.

NEA Instructions for submitting salary information: “**Do not** include employee benefits **UNLESS** the benefits are provided under the terms of **Section 125** of the Internal Revenue code related to so-called cafeteria or flexible spending accounts that reduce the employee’s salary for tax purposes.”

“Average Salary”: The average gross salary before deductions for Social Security, retirement, health insurance, et al.

TEACHER COMPENSATION

Regional Average



TX \$51,758

CO \$50,039

KS \$49,197

AR \$48,220

MO \$47,849

NM \$47,163

OK \$44,921

\$31,600

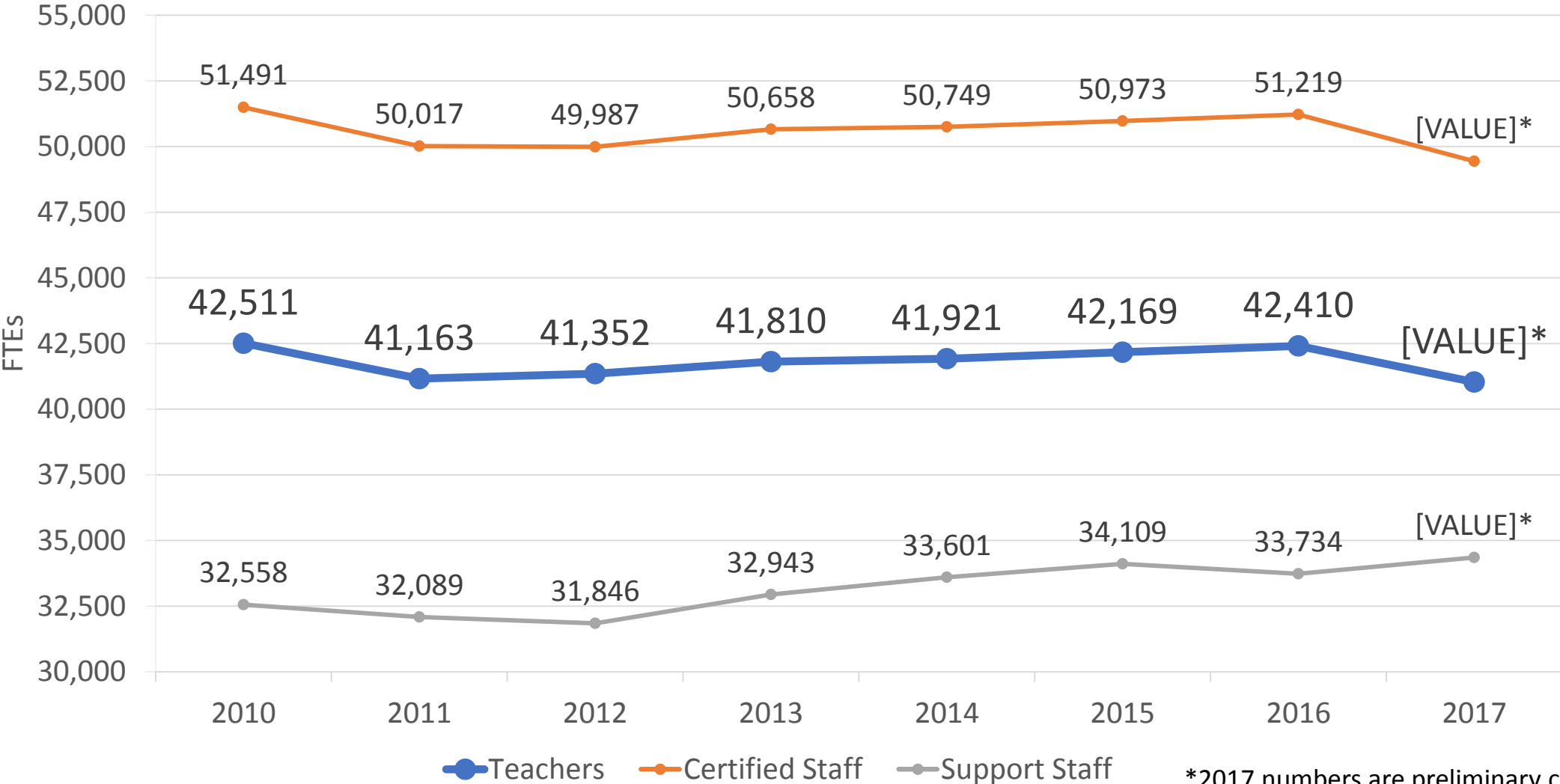
Oklahoma minimum starting salary for new teacher

\$34,000

Oklahoma minimum starting salary for new teacher with doctorate

Oklahoma minimum salaries have not increased since
2008

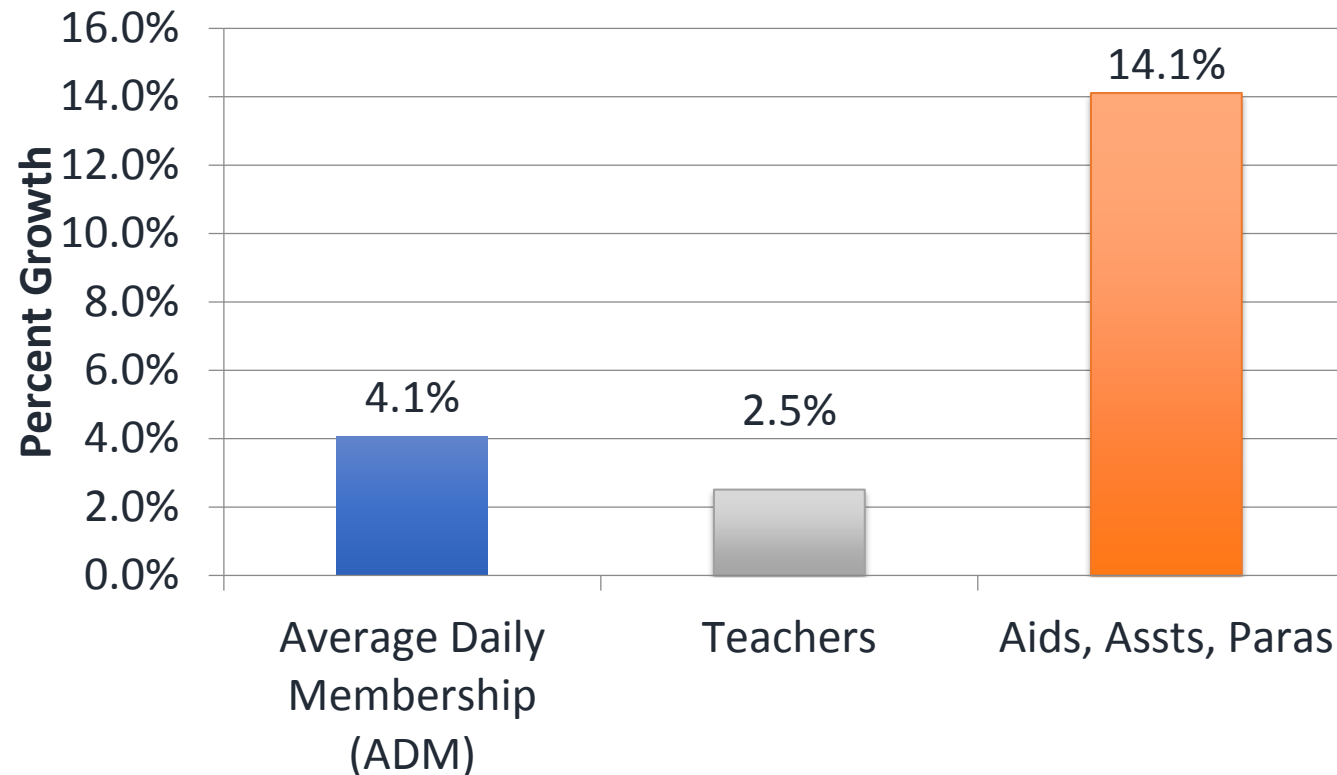
CHANGE IN SCHOOL PERSONNEL OVER TIME



*2017 numbers are preliminary counts based on Oct. 1 reporting.

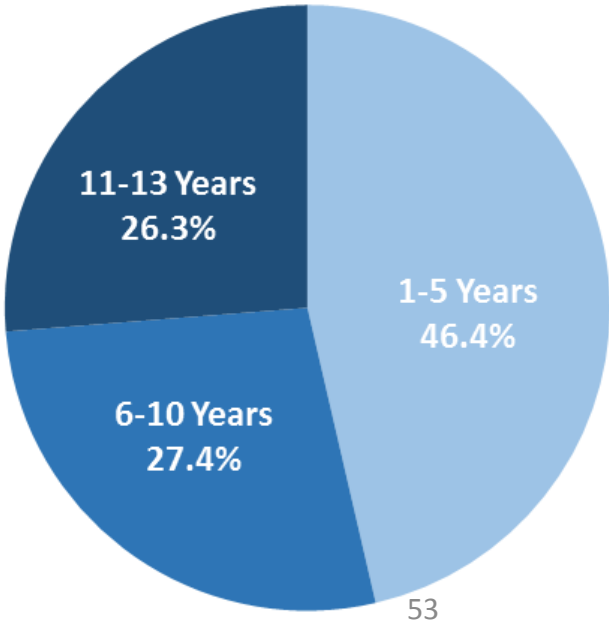
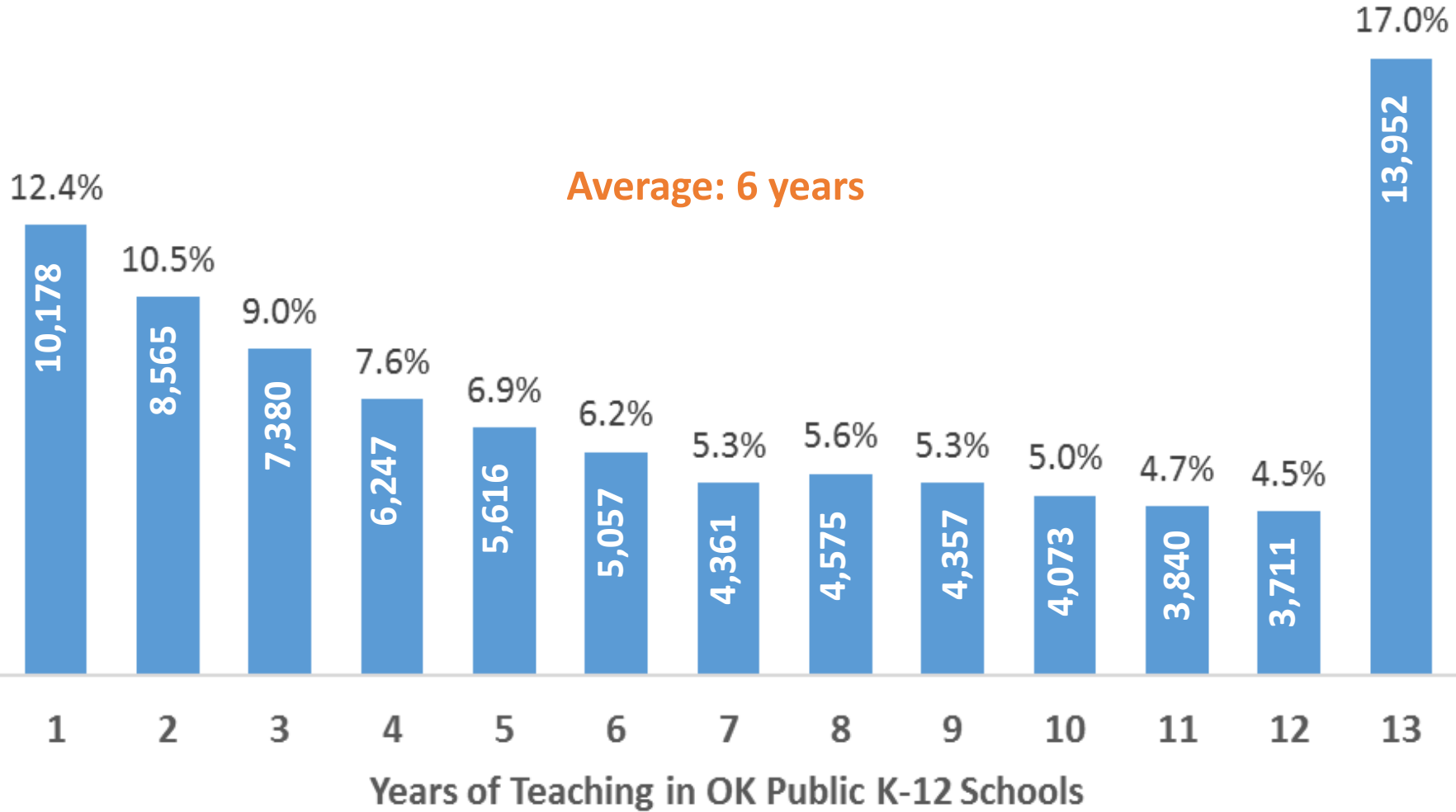
GROWTH IN CLASSROOM SUPPORT STAFF SINCE 2011

In the midst of a teacher shortage, we see evidence that schools are turning to teachers' aides, teachers' assistants and paraprofessionals to help fill the gap.



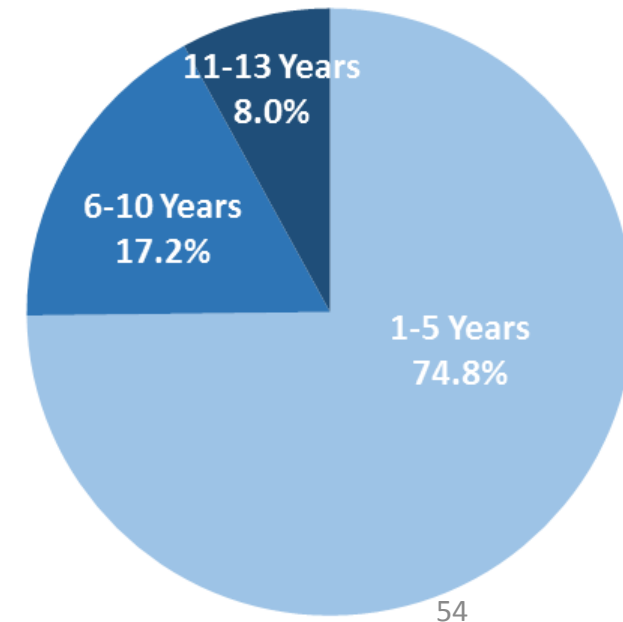
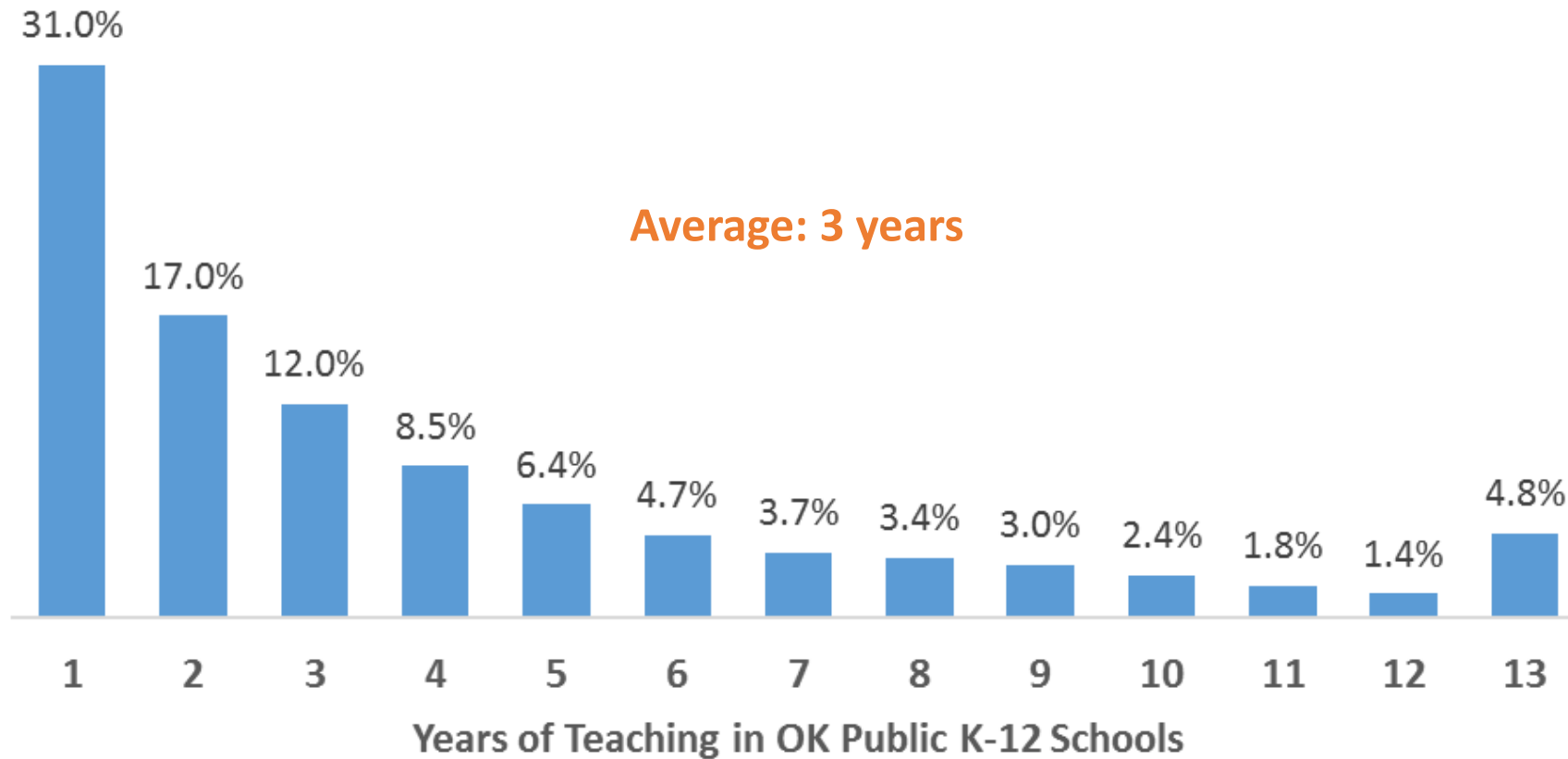
HOW LONG DO TEACHERS STAY?

(RETENTION RATE OVER THE LAST 13 YEARS, 2005-2017)



HOW LONG DID TEACHERS STAY IN THE SAME SCHOOL?

(RETENTION RATE OVER THE LAST 13 YEARS, 2005-2017)



EMERGENCY TEACHER CERTIFICATIONS

32 Certificates
2011-2012



EMERGENCY TEACHER CERTIFICATIONS

97 Certificates
2012-2013



Source: OSDE Office of Teacher Certification

EMERGENCY TEACHER CERTIFICATIONS

189 Certificates
2013-2014

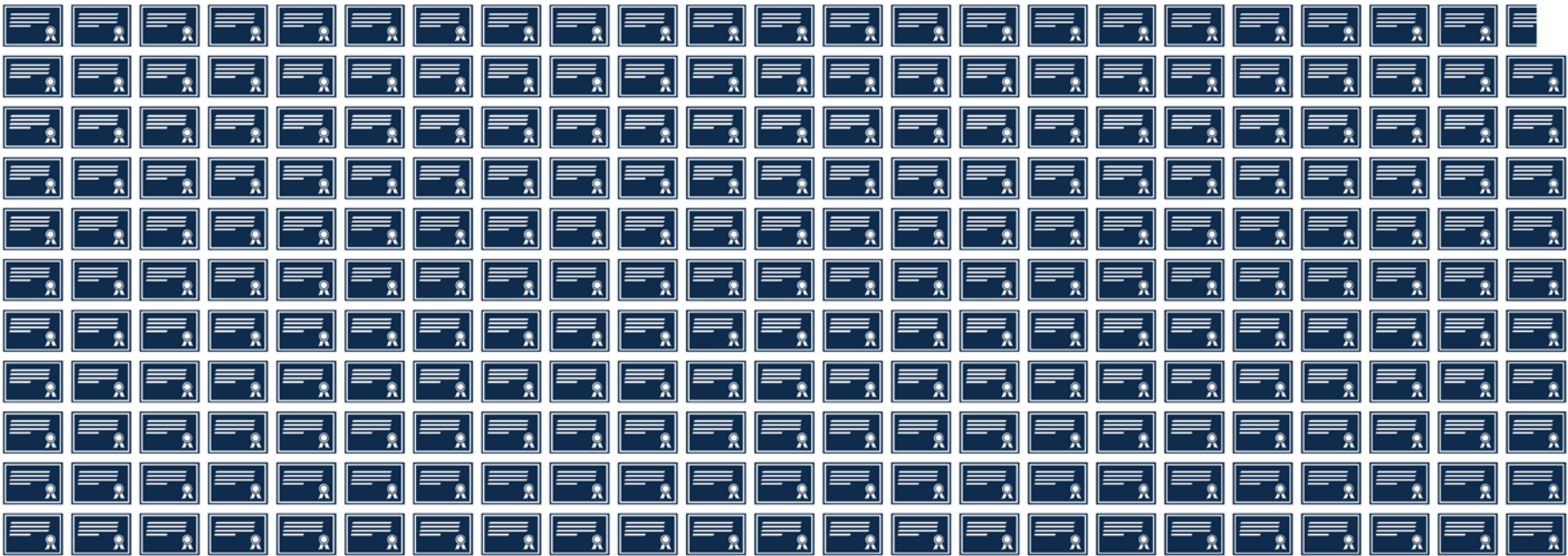


Source: OSDE Office of Teacher Certification

32 | 2011-2012 97 | 2012-2013

EMERGENCY TEACHER CERTIFICATIONS

505 Certificates
2014-2015



Source: OSDE Office of Teacher Certification

32 | 2011-2012 97 | 2012-2013 189 | 2013-2014

EMERGENCY TEACHER CERTIFICATIONS

1,063 Certificates 2015-2016



Source: OSDE Office of Teacher Certification

32 | 2011-2012

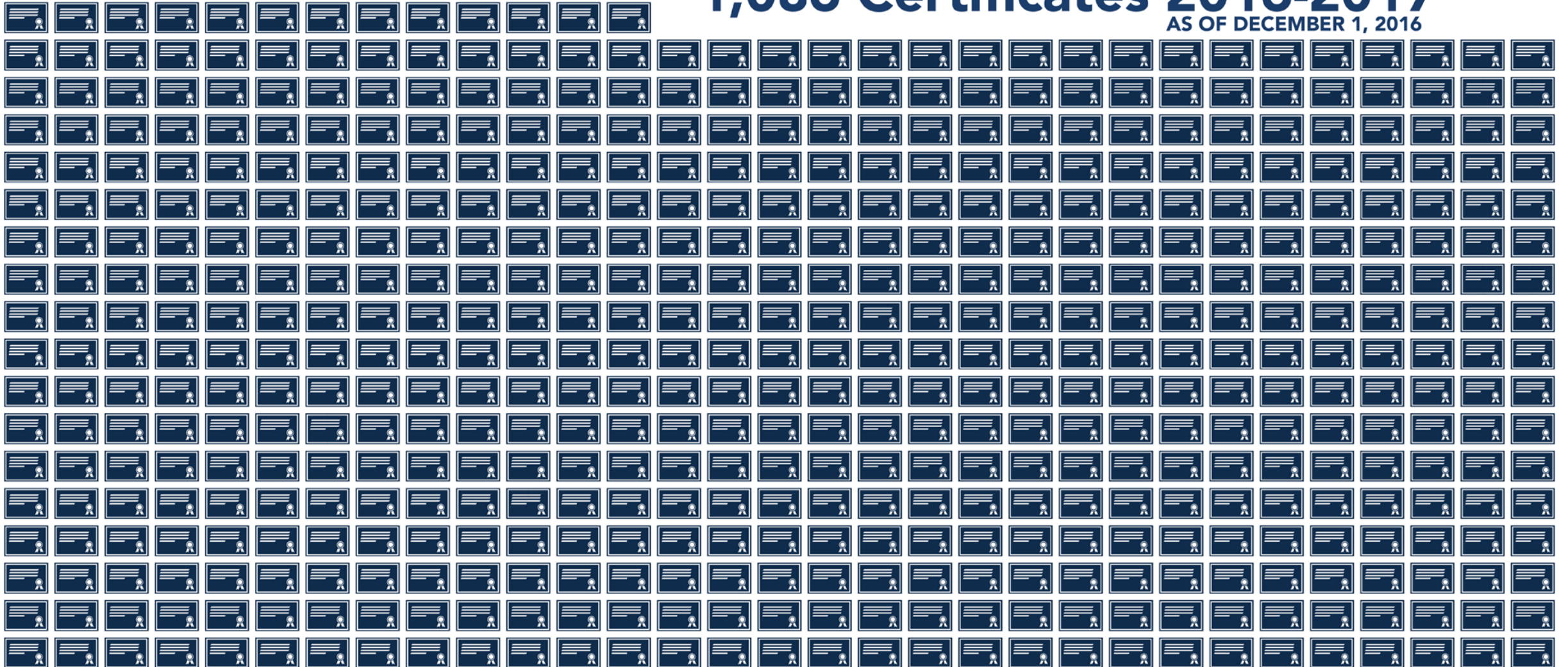
97 | 2012-2013

189 | 2013-2014

505 | 2014-2015

EMERGENCY TEACHER CERTIFICATIONS

1,086 Certificates 2016-2017
AS OF DECEMBER 1, 2016

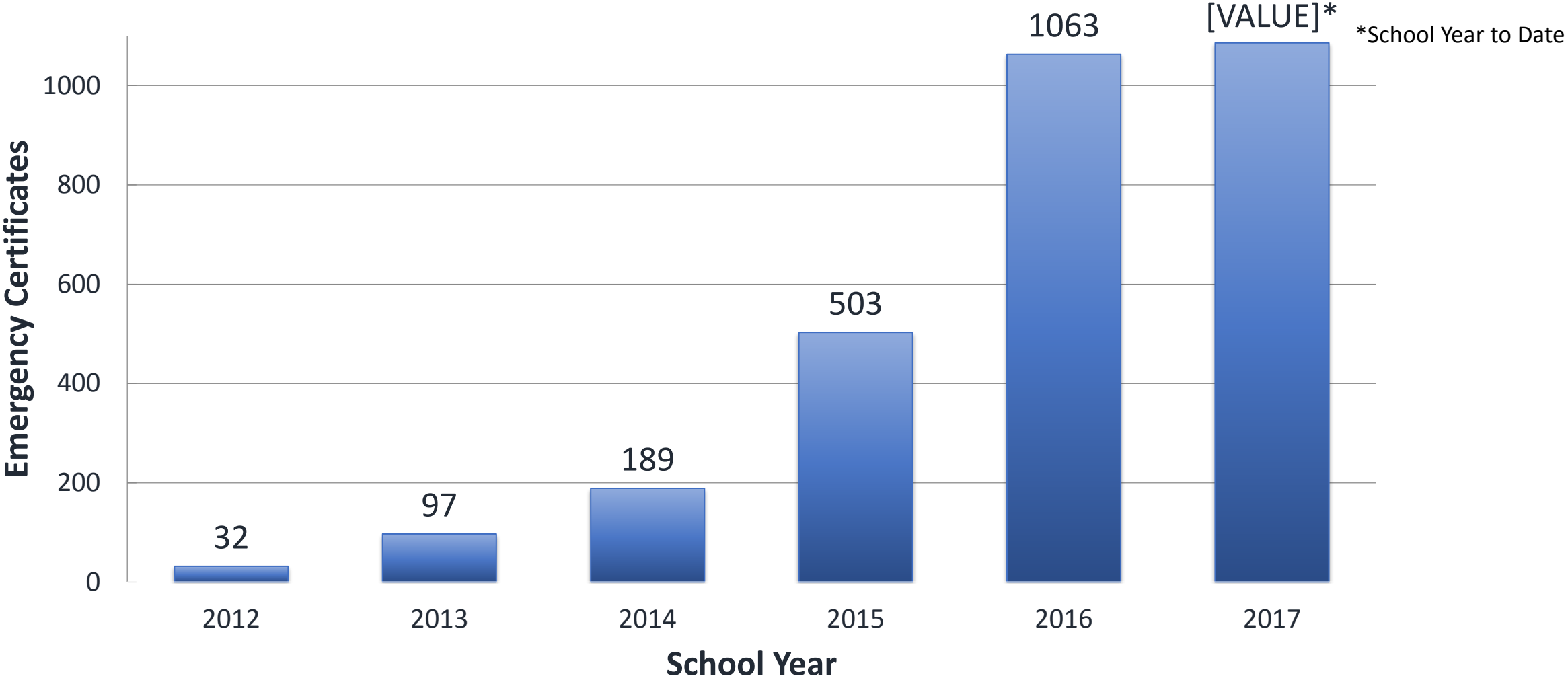


Source: OSDE Office of Teacher Certification

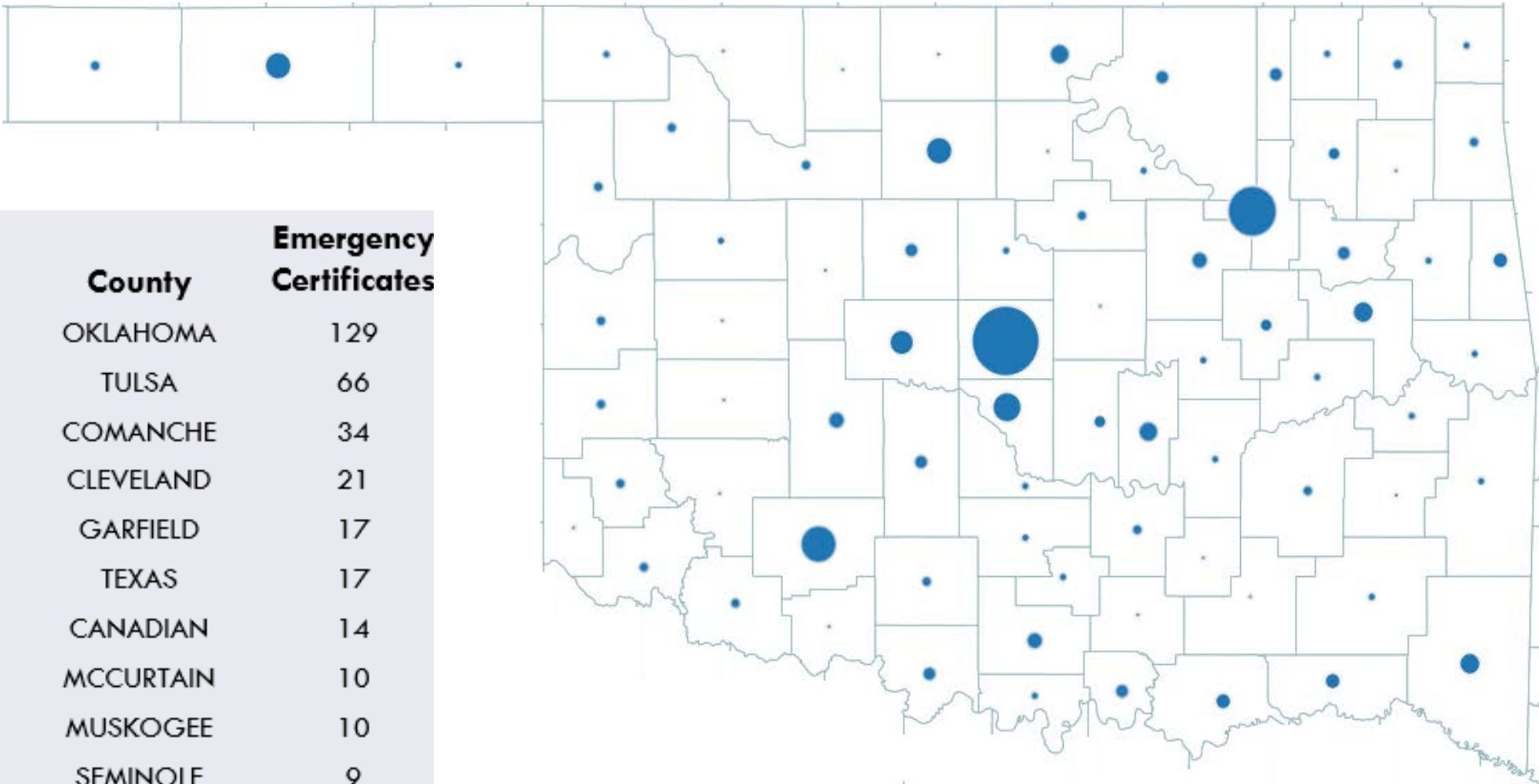
32 | 2011-2012 97 | 2012-2013 189 | 2013-2014 505 | 2014-2015 1,063 | 2015-2016

EMERGENCY CERTIFICATES ISSUED

(TEMPORARILY NON-CERTIFIED IN FIELD OF NEED)

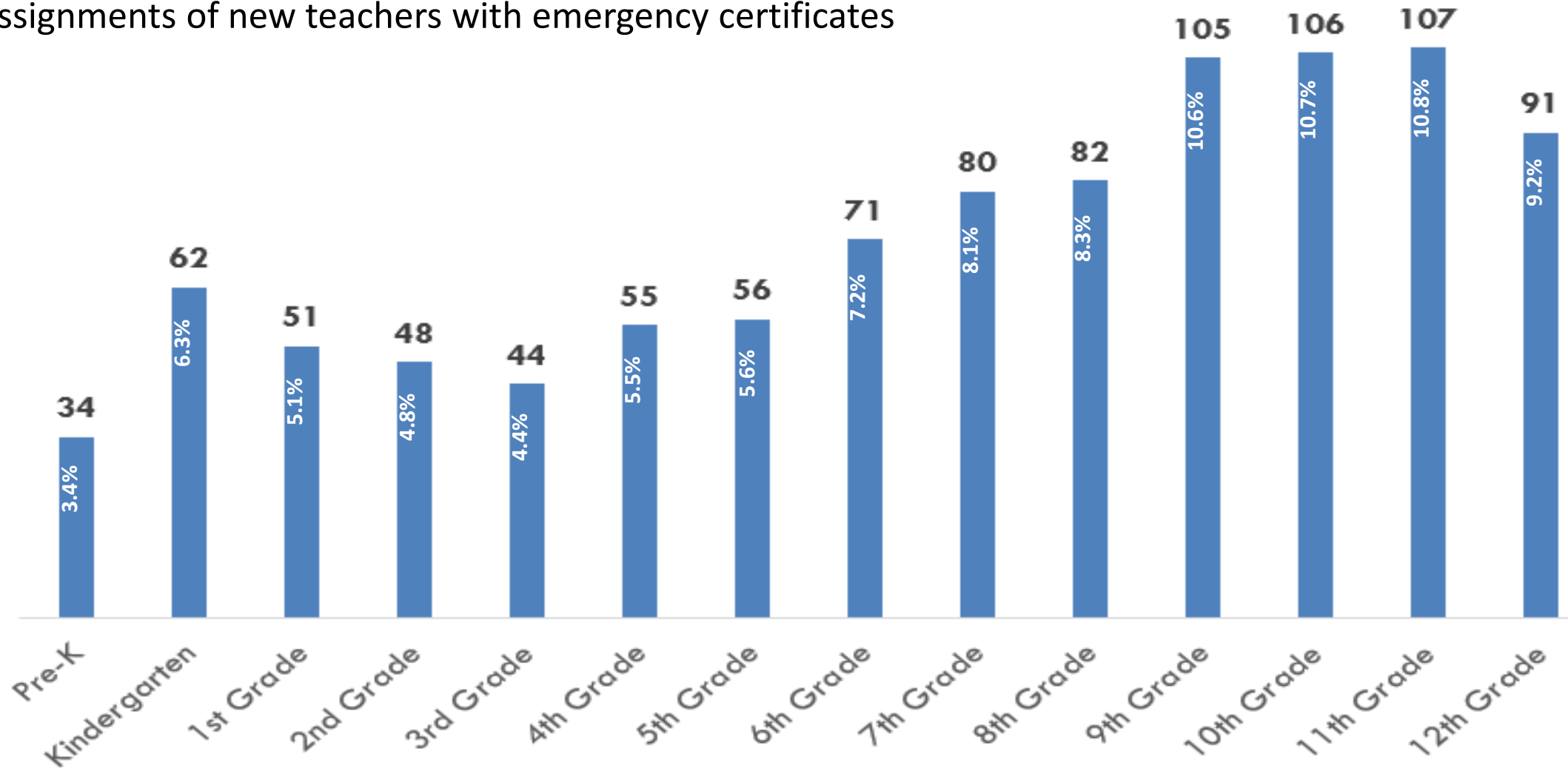


EMERGENCY CERTIFICATES BY COUNTY

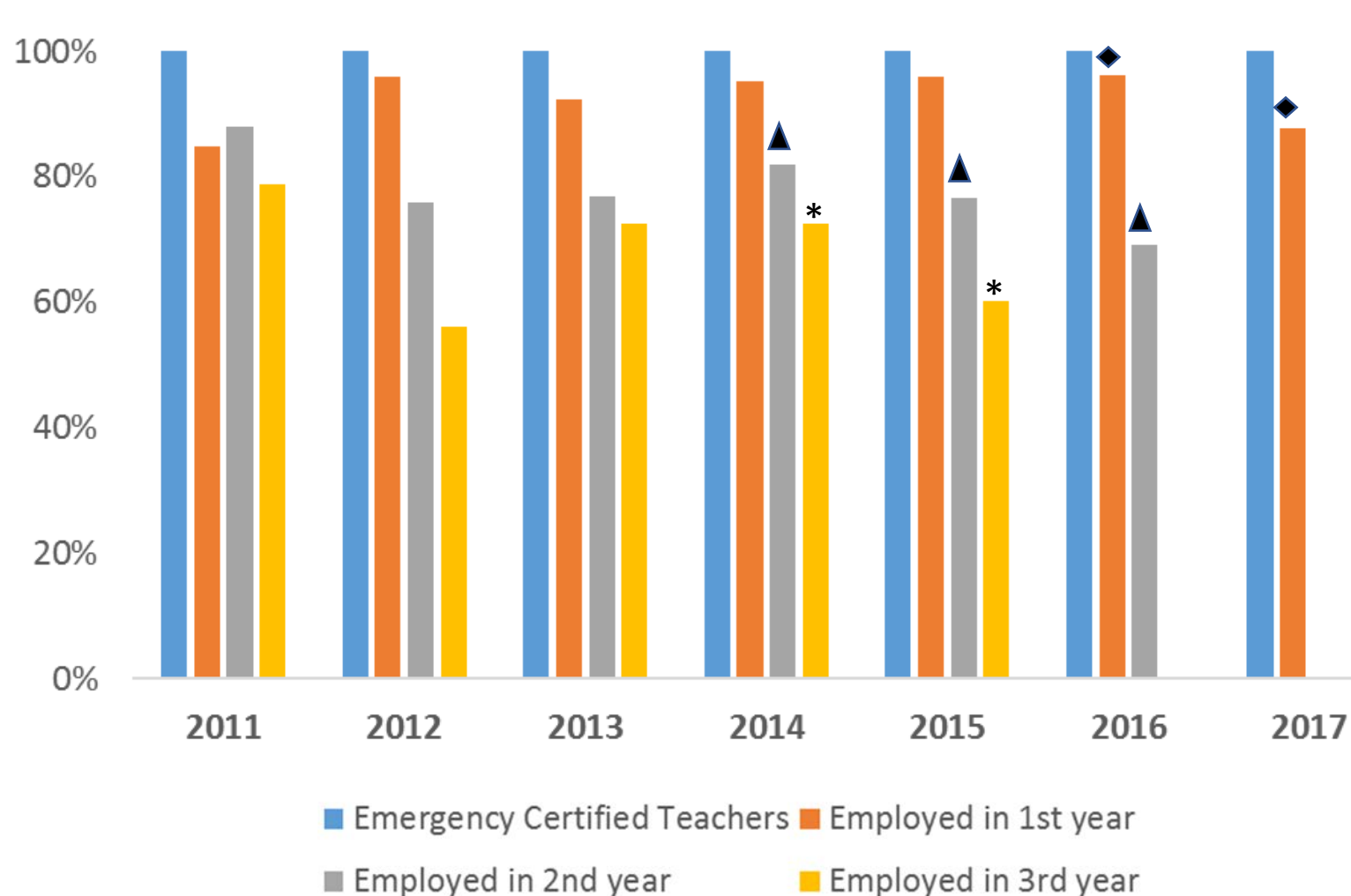


EMERGENCY CERTIFICATES BY CLASS

Class assignments of new teachers with emergency certificates



EMERGENCY CERTIFIED TEACHER RETENTION



Average Retention Rate

- Employed in 1st yr: 92.6%
- Employed in 2nd yr: 78.1%
- Employed in 3rd yr: 68.0%

◆ The employment rate decreases from 96.3% in 2016 to 87.6% in 2017.

▲ 2nd year retention rate decreases from 81.9% in 2014 to 69.1% in 2016.

* 3rd year retention rate decreases from 72.5% for certificates issued in 2014 to 60.2% in 2015.

EMERGENCY TEACHER CERTIFICATIONS



HIGHEST NEEDS*



254 ELEMENTARY



178 EARLY CHILDHOOD



160 SCIENCE



62 MATH



62 SOCIAL STUDIES

*Special Education not eligible for emergency certification.