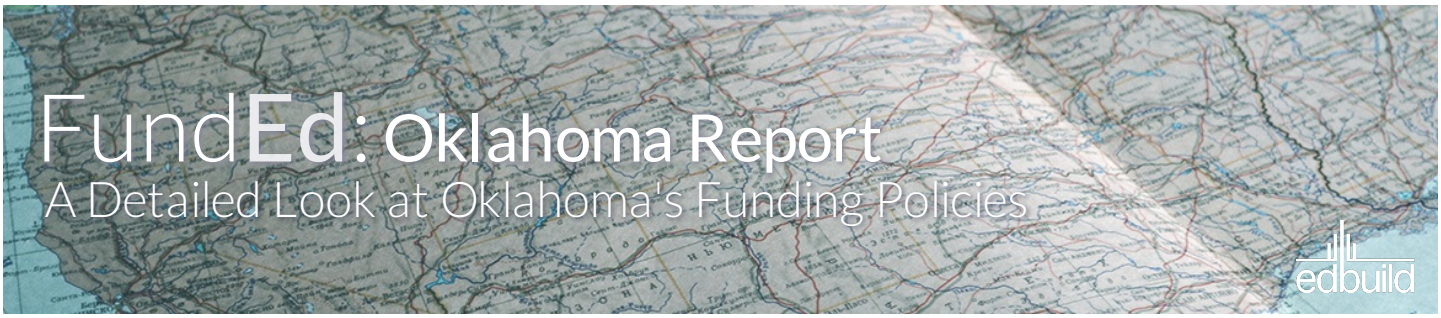


Oklahoma

Funding Basics

Formula Type

Oklahoma has a primarily student-based formula. It assigns a cost to the education of a student with no special needs or services, called a base amount, and provides increased funding to educate specific categories of students. The categories of students considered in Oklahoma's funding policy are students in certain grade levels, English-language learners, low-income students, students with disabilities, students identified as gifted, students enrolled in career and technical education (CTE) programs, students enrolled in small districts, and students in sparsely populated districts.

Oklahoma expects school districts to contribute to the funding of their public schools, with the amount of the local share based on districts' and counties' property values and the proceeds from other local taxes. School districts in Oklahoma are permitted to raise and keep additional local revenues for regular district and operations; these optional taxes are levied by all districts as a matter of course and are recognized in the state's formula policy.

Supplemental funding for students in certain grade levels, English-language learners, low-income students, students with disabilities, students identified as gifted, and students enrolled in small districts is generated through the application of multipliers to the base amount. Students enrolled in career and technical education programs and students in sparsely populated districts are funded through program-specific allocations.

Base Amount

Oklahoma has a fixed base funding amount per student. For FY2021, the per-student base amount was $3,390.98

This means that an average student with no special needs or disadvantages would be funded at that level. This figure for FY2021 was the sum of two types of aid: foundation aid in the amount of $1,718.78 and salary incentive aid in the amount $1,672.20.

In order to receive the full amount of salary incentive aid per pupil, districts and counties must together levy and contribute $20.00 per $1,000 of assessed property value across certain types of property taxes. The salary incentive aid amount is calculated at a rate of $83.61 per student per dollar of taxes levied per $1,000 of property value, capped at $20.00 per $1,000 of valuation.

Local Revenue

Expected Local Share

Oklahoma expects both school districts and counties to contribute revenue to the funding of public schools. The amount each district or county is expected to raise for its education costs is based on its property values and its revenue from seven state collections.

Each district is expected to raise $15.00 for every $1,000 of assessed local property wealth and is authorized to impose two separate and additional taxes (see "Property Tax Floors and Ceilings"). Both of these additional taxes are levied as a matter of course at the maximum level in all districts. Each county is expected to impose a tax of $15.00 for every $1,000 of assessed local property value, of which $5.00 is earmarked for the county's school districts, and to impose a separate tax of $4.00 for every $1,000 of assessed local property value, all of which is for education. Once the state calculates the total amount of funding necessary to educate students within a district, it subtracts the amount that should be raised by the district-imposed $15.00 tax and 75% of the amount that should be raised by the county-imposed $4.00 tax. The state also subtracts revenue from a number of state revenue sources, which is distributed to counties and school districts. These sources include motor vehicle collections, gross production collections, Rural Electric Association Cooperative taxes, and earnings on state school lands.

The state also provides Salary Incentive Aid, which supports staff salaries in school districts; the state calculates an amount for each district, subtracts the amount that would be raised by the remaining three taxes combined ($20.00 for every $1,000 of assessed local property wealth), and provides the difference in the form of Salary Incentive Aid. In addition, districts are empowered to impose two additional taxes: a tax of up to $5.00 for every $1,000 of assessed local property wealth for a district's building fund and a tax to support a district's sinking fund, which may be as high as necessary to support the construction bonds issued by a district.

Property Tax Floors and Ceilings

Oklahoma sets a floor and a ceiling for local property tax rates, as well as a level above which voter approval is required. Counties are required to impose two levies for schools, of which at least $9.00 for every $1,000 in assessed local property wealth must be directed to schools. School districts and counties may also impose several other levies, some of which require voter approval and all of which are limited to a maximum level.

Counties and school districts in Oklahoma may impose up to seven different levies for education, including five for operations and a further two for maintenance and construction. Some of these may be imposed without voter approval: School boards may impose up to $15.00 for every $1,000 in assessed local property wealth for operations. In addition, counties are required to impose a levy of $4.00 for every $1,000 in assessed local property wealth for schools and a levy $15.00 for every $1,000 in assessed local property wealth, $5.00 of which must be directed to schools. Career and technical education districts may also impose four additional taxes to fund their programming.

With the approval of a majority of voters in a referendum, school districts may impose two other levies for operations, one limited at $10.00 for every $1,000 of assessed local property wealth and another limited at $5.00 for every $1,000 of assessed local property wealth. They may also impose a further levy for school maintenance construction limited at $5.00 for every $1,000 of assessed local property wealth. With the support of 60% of voters in a referendum, school districts may also impose a levy to pay principle and interest on a bond issue, which has no limit.

Other Local Taxes for Education

School districts in Oklahoma may receive local revenue from school district property taxes and from local sales taxes imposed by counties or municipalities.

School districts in Oklahoma may impose only property taxes. However, counties and municipalities in Oklahoma may levy sales and use taxes with the approval of voters in the relevant jurisdiction. These local sales taxes must be designated for a particular purpose and may be designated for public schools. For instance, between 2002 and 2008, Oklahoma City imposed a 1% sales tax that was divided between the Oklahoma City School District and the area's suburban schools.

School districts also receive funding from some state revenue sources, which are distributed to counties and school districts. These include motor vehicle collections, gross production collections, Rural Electric Association Cooperative taxes, and earnings on state school lands. Revenue is distributed to school districts based on student count or on where the revenue was generated, or both.

Student Characteristics

Grade Level

Oklahoma provides different levels of funding for students in different grade levels. It does so by applying multipliers to the base per-pupil amount for students in four different grade spans within grades K-12.

The base amount is multiplied by 1.5 for students in kindergarten (or 1.3 for students in half-day kindergarten), by 1.351 for students in grades 1-2, by 1.051 for students in grade 3, and by 1.2 for students in grades 7-12. Students in grades 4-6 are funded at the base amount.

The state appropriated $7.27 per student in grades 8-12 for technology funding in FY2020, $11 million in FY2021 to support reading instruction for K-3 students at the amount of $122.25 per student, and $7.39 per student in grades 8-12 for technology funding for FY2021. In addition, the state specifically provides funding for sparsely populated districts that is partially dependent on grade level (see "Sparsity and/or Small Size" for a description of this allocation).

English-Language Learner

Oklahoma provides increased funding for English-language learners. It does so by applying a multiplier of 1.25 to the base per-pupil amount for these students.

English-language learners are defined as students who have limited English speaking abilities or who come from homes where English is not the dominant language.

The funding is actually provided in an amount equal to 0.25 times the per-pupil base amount, distributed in addition to the student's own base amount funding, which is first adjusted for grade level.

Poverty

Oklahoma provides increased funding for students from low-income households. It does so by applying a multiplier of 1.25 to the base per-pupil amount for these students.

Students are eligible for this supplemental funding if they qualify for free or reduced-price lunch under the National School Lunch Program. The funding is actually provided in an amount equal to 0.25 times the per-pupil base amount, distributed in addition to the student's own base amount funding, which is first adjusted for grade level.

Special Education

Oklahoma funds special education using a multiple student weights system, providing different levels of funding for different categories of students. Students are assigned to 13 different categories based on their specific disabilities.

It does so by applying different multipliers to the base per-pupil amount for students in these categories. The multipliers range from 1.05 to 4.80, depending on a student's primary disability. Students may also be assigned to a secondary disability category from the same list. Secondary disabilities generate the same amount of supplemental funds as primary disabilities but do not include the base funding, so weights range from 0.05 to 3.80. A student's education plan may also list required related services connected to a disability category (such as audiology services, which are related to the hearing impairment disability category). When a student receives a service, he or she may generate additional funding for the disability with which that service is connected.

When a student is eligible for all three disability categories (a primary disability, a secondary disability, and related services), the student's funding will first be adjusted for the primary disability; then, the state will review the secondary disability and the related service to determine which of the two entries is associated with a higher funding amount, and only that amount will be added to the primary disability weight. If a student's related service relates to his or her primary disability, the student is weighted only once for that disability. The state also provides scholarships for students with disabilities whose parents send them to approved private schools.

Gifted

Oklahoma provides increased funding for gifted and talented students. It does so by applying a multiplier of 1.34 to the base per-pupil amount for these students.

The number of students generating funding for this purpose is the lesser of the sum of the number of students scoring in the top 3% on any national standardized test of intellectual ability and the number of students formally identified as gifted, or the sum of the number of students who scored in the top 3% on any national standardized test of intellectual ability plus 8% of the total enrollment of the school district.

The funding is actually provided in an amount equal to 0.34 times the per-pupil base amount, distributed in addition to the student's own base amount funding, which is first adjusted for grade level.

Career and Technical Education

Oklahoma provides increased funding for career and technical education (CTE) programs. It does so through its Department of Career and Technology Education, which oversees a system of CTE centers and administers grants.

In FY2018, Oklahoma appropriated about $118 million for the Department of Career and Technology Education, which oversees CTE centers offering instructions to both adult and high school students. The Oklahoma Department of Career and Technology Education also distributes grants, like a $1.4 million grant to implement or upgrade instructional and training technology.

Career and technical education districts may also impose four additional taxes to fund their programs.

District Characteristics

Concentrated Poverty

Oklahoma does not provide increased funding for districts based on the concentrations of students from low-income households that they serve. However, Oklahoma does provide funding for individual students from low-income households (for more information, see "Poverty").

Sparsity and/or Small Size

Oklahoma provides increased funding for sparse or small school districts. It does so through its transportation funding system and by providing supplemental funding for sparse or small districts. Supplemental funding is calculated through either a formula that inflates the student count for sparse districts to generate extra funding or one that does the same for small school districts, whichever would produce the larger amount.

Oklahoma's transportation system provides districts with an allowance that ranges from $33 to $167 per pupil, depending on the density of the district. This amount is multiplied by a transportation factor of $1.39. The district calculation will then apply to whichever is greater of the small school or the sparsity calculation to generate an aid amount.

The formula for sparse districts applies only to districts with above-average square mileage and a number of students per mile that is one-fourth of the state average or less. For these districts, a district cost factor is determined based on the district's enrollments in different grade bands, an area cost factor is determined based on the district's area relative to the state average area, and the two factors are multiplied to produce the multiplier to be applied to the district's total enrollment to inflate the student count. This inflated student count generates extra funding for the district. The formula for small districts applies only to districts with fewer than 529 students. The amount of funding to which each small district is determined is calculated by subtracting the district's enrollment from 529, dividing the difference by 529, and multiplying the quotient by 0.2 to produce a multiplier to be applied to the district's total enrollment to inflate the student count. This inflated student count generates extra funding for the district.

Charter Funding

Funding for charter schools in Oklahoma is calculated based on a formula similar to the one used to calculate funding for traditional public schools.

Like traditional public schools, charter schools are funded by the state through a student-based funding formula that considers the characteristics of students they educate. For each student, charter schools receive state funding that reflects any additional funding generated by students in special programs and need categories.

Charter schools in Oklahoma do not receive a share of local tax revenue.

For a complete list of primary sources, please see the appropriate state page at funded.edbuild.org

