STATE OF OKLAHOMA

1st Session of the 44th Legislature (1993)

HOUSE BILL NO. 1750

By: Hamilton (James) and Steidley of the House

and

Taylor and Haney of the Senate

AS INTRODUCED

An Act relating to the State Board of Education; making appropriations to the State Board of Education; stating purposes; designating certain appropriations for certain purpose; designating source of certain funds; setting budgetary limitations; providing for the distribution of certain appropriated monies; providing method for allocation of funds for certain programs; requiring certain funds be made available on statewide competitive application basis; providing exceptions; stating purpose for certain programs; providing formula and procedures for textbook fund requests; requiring certain counseling programs; providing that certain funds be provided on a contractual basis; providing for certain funds for staff development; specifying use of such funds; providing for other allocation of such funds; limiting certain teacher consultant stipends; providing for receipt of certain F.I.C.A. Funds;

providing for allocation of funds for school lunch matching and school lunch programs and homebound children; limiting eligibility for funding from certain library resources category; allocating funds for library resources; providing for the administration of such funds; authorizing the reallocation of such funds; stating allocation of certain appropriation; allocating funds for adult education matching; directing certain funds to be expended on a contractual basis; directing certain funds to be provided on a competitive application basis; providing for funds allocated for high challenge education; providing for the award of such funds; allocating funds for Hissom Compliance; providing for funds allocated for driver education; limiting such allocations; providing for award of Oklahoma Summer Arts Institute Program Funds; stating legislative intent; requiring the State Board of Education to inventory certain coursework; stating legislative intent; stating legislative intent relating to expenditures for purposes of the Oklahoma Early Intervention Act; requiring certain expenditure reports; specifying such reports; providing for the disbursement and posting of such reports; providing for the categorization of certain expenditures; providing for approval of certain contracts and applications; requiring certain review and evaluations; amending 70 O.S. 1991, Section 18-200, as last amended by Section 42, Chapter 334, O.S.L. 1992 (70 O.S. Supp. 1992, Section 18-200), which relates to the State Aid Formula; modifying base foundation support level;

modifying the incentive aid guarantee; modifying calculation for state aid adjustments; authorizing startup funds for implementation of early childhood programs; setting forth certain procedures and requirements; requiring use of certain valuation in determining financial support to school districts; stating legislative intent relating to salaries of teachers and support personnel; prohibiting the reduction of certain salaries except under certain conditions; requiring reduction or withholding of certain funds for certain purposes; providing for certain proportional reduction in such funds; stating purposes for certain administrative and support functions funds; providing for duties and compensation of employees; setting budgetary limitations; designating certain full-time-equivalent employees for certain purposes; stating legislative intent; providing for disaster assistance funding; authorizing the reduction or withholding of certain funds; providing for certain proportional reductions; making certain appropriations nonfiscal; providing a lapse date; providing effective dates; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

STATE BOARD OF EDUCATION

SECTION 1. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the

General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1994, the sum of _____ Dollars ($_____.00) or so much thereof as may be necessary to accomplish the support of public school activities by law as provided for in paragraph 1 of Section __ of this act.

SECTION 2. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Mineral Leasing Fund of the State Treasury for the fiscal year ending June 30, 1994, the sum of _____ Dollars ($_____.00) or so much thereof as may be necessary to accomplish the support of public school activities by law as provided for in paragraph 1 of Section __ of this act.

SECTION 3. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Mineral Leasing Fund of the State Treasury for the fiscal year ending June 30, 199_, the sum of _____ Dollars ($_____.00) or so much thereof as may be necessary to accomplish the support of public school activities by law as provided for in paragraph 1 of Section __ of this act.

SECTION 4. The State Board of Education is hereby authorized to expend an amount not in excess of _____ Dollars ($_____.00) from the Education Reform Revolving Fund created in Section 18-400 of Title 70 of the Oklahoma Statutes, for the purpose of implementing reforms contained in Enrolled House Bill No. 1017 of the First Extraordinary Session of the 42nd Oklahoma Legislature, by providing for the accomplishment of the support of public school activities by law as provided for in paragraph 1 of Section __ of this act.

SECTION 5. Of the funds appropriated in Section 1 of this act, the sum of _____ Dollars ($_____.00) is from fiscal year 1994 revenues certified for appropriation by the State Board of

Equalization pursuant to the provisions of Section 41.29a of Title 62 of the Oklahoma Statutes.

SECTION 6. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 199_, the sum of _____ Dollars ($_____.00) or so much thereof as may be necessary for the Purchase of Textbooks as provided for in paragraph 2 of Section __ of this act.

SECTION 7. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1994, the sum of _____ Dollars ($_____.00) or so much thereof as may be necessary to accomplish the support of public school activities by law as provided for in paragraph 2 of Section __ of this act.

SECTION 8. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1994, the sum of _____ Dollars ($_____.00) or so much thereof as may be necessary for Administrative and Support Functions of the State Department of Education.

SECTION 9. Beginning July 1, 1993, the support of public school activities by the State Board of Education payable from monies appropriated and authorized for expenditure by Sections 1 through 8 of this act shall be subject to the following schedule:

1. Funds appropriated and authorized by Sections 1 through _ of this act:

Local and State-Supported
Financial Support of
Public Schools $_____

SUBTOTAL, PARAGRAPH 1: $_____

2. Funds appropriated by Sections __ through __ of this act:

Purchase of Textbooks	$_____
Psychometric Services	_____
Staff Development	_____
Teacher Consultant Stipends	_____
School Lunch Matching	_____
School Lunch Programs	_____
Homebound Children	_____
Library Resources	_____
Alternative and High Challenge Education	_____
County Superintendents' Salaries	_____
Adult Education Matching	_____
Driver Education	_____
Early Intervention	_____
Hissom Compliance	_____
Parent Training Program	_____
Arts-In-Education	_____
Community Education	_____
Special Education Assistance	_____
Career Education	_____
Disaster Assistance	_____
School/Community Network for Arts-In-Education	_____
Summer Arts Institute	_____
Instructional Cooperative and Technological Education	_____

SUBTOTAL, PARAGRAPH 2: $_____

3. The funds appropriated in Section _ of this act:

Administrative and Support Functions of the State

Department of Education _____

SUBTOTAL, PARAGRAPH 3: $_____

TOTAL State School Aid and Programs $_____

SECTION 10. Funds allocated in Section __ of this act, except for Financial Support of Public Schools, Purchase of Textbooks, Psychometric Services, Staff Development, Teacher Consultant Stipends, School Lunch Matching, School Lunch Programs, Homebound Children, County Superintendents' Salaries, Adult Education Matching, Driver Education, Early Intervention, Disaster Assistance, Special Education Assistance, Administrative and Support Functions and Hissom Compliance shall be made available on a statewide competitive application basis.

SECTION 11. The funds allocated in Section __ of this act for Alternative and High Challenge Education, Community Education and Career Education shall be used for purposes of establishing and initiating educational programs at the local school district level and for encouraging the local districts to participate in innovative educational programs.

SECTION 12. The funds allocated in Section __ of this act for Purchase of Textbooks shall be apportioned to the public schools pursuant to the provisions of Sections 16-101 through 16-124 of Title 70 of the Oklahoma Statutes. Upon an application from a local school district, state textbook funds may be used for the purchase of special education textbooks or other instructional materials for those students enrolled in special education programs. Requests for funds shall be based on the following formula:

No funds shall be provided for students attending special education classes less than two (2) hours per day. Those attending two (2) hours or more per day but less than four (4) hours shall receive a one-half (1/2) allocation. Those attending special education classes for four (4) or more hours per day shall receive a full allocation.

SECTION 13. School districts shall continue to establish and maintain elementary counseling programs with a portion of the funds such districts receive as State Aid pursuant to the provisions of this act.

SECTION 14. Funds allocated in Section __ of this act for Psychometric Services shall be provided to school districts by the State Board of Education on a contractual basis for the continuance of Psychometric Services as funded by this program in the prior year.

SECTION 15. The funds allocated in Section __ of this act for Staff Development are provided for teacher training and to implement the provisions of Section 6-150 of Title 70 of the Oklahoma Statutes. The funds for Staff Development shall be used to fund the Professional Development Centers as follows: _____ Dollars ($_____.00) to Ardmore (10-I-019), _____ Dollars ($_____.00) to Lawton (16-I-008), _____ Dollars ($_____.00) to Norman (14-I-029), _____ Dollars ($_____.00) to Stillwater (60-I-016), _____ Dollars ($_____.00) to Woodward (77-I-001), _____ Dollars ($_____.00) to Bartlesville (74-I-030), and _____ Dollars ($_____.00) to McAlester (61-I-080). The remainder shall be allocated on an average daily attendance basis for the purpose of teacher education staff development pursuant to the regulations of the State Department of Education. Five percent (5%) of the funds allocated for Staff Development may be used by local districts for the administration of the staff development program.

SECTION 16. Funds allocated in Section __ of this act for Teacher Consultant Stipends for fiscal year 1994 are to be used to provide a stipend of not more than Five Hundred Dollars ($500.00) for each teacher consultant. In addition to the distribution of such funds, the district shall receive the local district's share of

the Federal Insurance Contributions Act (F.I.C.A.), for those districts which pay such contributions.

SECTION 17. The funds allocated in Section __ of this act for School Lunch Matching and School Lunch Programs shall be apportioned to the public schools for the purpose of complying with the National School Lunch Act and the Child Nutrition Act of 1966 and Public Law 91-248, as they may hereafter be amended or supplemented, to meet the requirements of these Acts for children's meals.

SECTION 18. The funds allocated in Section __ of this act for reimbursement of costs of educating Homebound Children shall be disbursed by claims filed with the State Board of Education. School districts shall reimburse the travel expenses of teachers of homebound children in accordance with the provisions of the State Travel Reimbursement Act, Section 500.1 et seq. of Title 74 of the Oklahoma Statutes.

SECTION 19. The funds allocated in Section __ of this act for Library Resources shall be used for purposes of establishing and initiating educational programs at the local school district level and for encouraging the local districts to participate in innovative education programs. Further, the funds provided shall be utilized to enable a cross-section of school districts to participate in new programs. No school site shall be eligible for funding from more than one Library Resources category during one school year, nor shall any school site be eligible for funding from the same Library Resources category included in this section if such school site has received such funds for three (3) or more prior years.

In administering such funds, the State Board of Education shall:

1. Designate fifty percent (50%) of the allocation for Category A library improvement grants. A school site is eligible to apply for a Category A grant if the program will provide centralized library services staffed by a certified library media specialist at

least one-half (1/2) day and if elementary school children are included in the program;

2. Designate twenty-five percent (25%) of the allocation for Category B library improvement grants. A school site is eligible to apply for a Category B grant if it is located in a school district with an enrollment of less than five hundred (500) pupils.

The school site shall provide a centralized library media program and be staffed by a certified library media specialist at least one-half (1/2) time; provided however, elementary schools with an enrollment below one hundred fifty (150) pupils may be staffed by a full-time aide. Secondary schools having fewer than one hundred fifty (150) pupils may be staffed by a full-time aide and a teacher/librarian who meet or exceed state regulations. A certified library media specialist shall serve as a consultant to this project;

3. Designate twenty-five percent (25%) of the allocation for Category C library improvement grants. A school district is eligible to apply for Category C library improvement grants if it provides library media services to secondary students and is making a significant expansion of the current programs. The library media center shall be staffed by a certified library media specialist at least one-half time;

4. Provide consultation to schools regarding the development of library media programs;

5. Define a library media program as one that supports the curriculum through instruction in library and reference skills and through services to teachers which include joint planning of units, material selection and inservice; and

6. Beginning July 1, 1999, place all library grants provided for in this section into the State Aid Formula.

Any funds for Library Resources as provided for in this act which have not been allocated following evaluation and awarding of

all grant applications for the appropriate category schools as provided in this section may be reallocated to another category in which grant applications are pending.

SECTION 20. A portion of the funds allocated in Section __ of this act for Instructional Cooperative and Technological Education shall be apportioned as follows:

1. _____ Dollars ($_____.00) for Instructional Computer Services shall be provided to school districts on a competitive application basis pursuant to the provisions of the rules and regulations promulgated by the State Board of Education for purposes of establishment and expansion in local school districts. No school district shall receive more than Twenty Thousand Dollars ($20,000.00) each year from the allocation set out in this section; and

2. _____ Dollars ($_____.00) for Small School Cooperatives shall be awarded on a competitive application basis pursuant to the provisions of Section 18-125 of Title 70 of the Oklahoma Statutes. No cooperative program shall receive more than a total of Sixty Thousand Dollars ($60,000.00) each year from the allocation set out in this section. Each calculated award shall be reduced by twenty-five percent (25%) for each district participating whose second preceding year per-child revenue less federal revenue is greater than one hundred fifty percent (150%) of the state average; and

3. _____ Dollars ($_____.00) shall be expended on a contractual basis to the Chickasha Public School District (26-I001) for the purpose of room and board payments for students at the Jane Brooks School for the Deaf, pursuant to contracts between the Chickasha School District and the Jane Brooks School for the Deaf; and

4. _____ Dollars ($_____.00) shall be expended on a contractual basis for the Oklahoma Science and Engineering Fair; and

5. _____ Dollars ($_____.00) shall be expended on a contractual basis for Project Helping Up Through Training and the Ardmore Science Fair; and

6. _____ Dollars ($_____.00) shall be expended on a competitive basis for Agriculture in the Classroom curriculum materials. Funds awarded to school districts shall be matched by funds from non-public sources; and

7. _____ Dollars ($_____.00) shall be expended on a competitive application basis to an institution of The Oklahoma State System of Higher Education for the purpose of implementing telecommunications curriculum statewide.

SECTION 21. The funds allocated in Section __ of this act for School/Community Network for Arts-in-Education shall be provided to school districts on a competitive application basis pursuant to the provisions of the rules and regulations promulgated by the State Board of Education.

SECTION 22. The funds allocated in Section __ of this act for Arts-In-Education shall be awarded on a competitive basis to nonprofit organizations for programs serving school districts identified by the State Board of Education as having high percentages of children who are considered to be high challenge students.

SECTION 23. The funds allocated in Section __ of this act for Adult Education Matching shall be provided to school districts for courses leading to the general education diploma pursuant to the provisions of the rules and regulations promulgated by the State Board of Education.

SECTION 24. Of the funds allocated in Section __ of this act for Alternative and High Challenge Education, _____ Dollars ($_____.00) shall be provided for High Challenge Grants authorized pursuant to Section 1210.561 of Title 70 of the Oklahoma Statutes. The sum of _____ Dollars ($_____.00) shall be used for

grants of Ten Thousand Dollars ($10,000.00) each for school sites identified as low performing or academically high challenge by the State Board and shall be awarded on a competitive basis. The High Challenge Program's Technical Assistance Center shall evaluate the academic progress made by the recipients of these funds. The remaining funds allocated in Section __ of this act for Alternative and High Challenge Education shall be provided to school districts on a competitive application basis pursuant to the provisions of the rules and regulations promulgated by the State Board of Education.

SECTION 25. The funds allocated in Section __ of this act for Hissom Compliance shall be used by the State Department of Education to provide resources and programs necessary to comply with any federal court order pertaining to Hissom Memorial Center requiring such resources and programs.

SECTION 26. Funds allocated for Driver Education in Section __ of this act shall be provided by the State Board of Education to each school district providing a driver education program during the preceding fiscal year in accordance with the regulations set forth by the State Board of Education. Allocations shall equal the actual cost of the program but shall not exceed Sixty-five Dollars ($65.00) per pupil.

SECTION 27. The funds allocated in Section __ of this act shall be provided for the Oklahoma Summer Arts Institute Program to be awarded to students and teachers for the payment of tuition, materials, supplies and other expenses directly related to participation in the Oklahoma Summer Arts Institute Program. Funds shall be awarded for teacher participation when the program is approved by the State Board of Education for meeting staff development requirements pursuant to Section 6-157 of Title 70 of the Oklahoma Statutes. The funds shall be provided on a one-to-one match with nonpublic sources collected for this purpose. It is the intent of the Legislature that One Million Dollars ($1,000,000.00)

of nonpublic funds be raised by the Oklahoma Summer Arts Institute for the establishment of an endowment for the purpose of future tuition and expenses as specified in this section.

SECTION 28. The State Department of Education shall inventory all coursework approved for credit for graduation in each school district and establish criteria by which such courses are approved.

It is the intent of the Legislature that only academic coursework, which shall include vocational education courses, be approved for credit toward graduation.

SECTION 29. It is the intent of the Legislature that the expenditures by the State Department of Education for the purposes of carrying out the provisions of the Oklahoma Early Intervention Act be made in cooperation with the other agencies designated for participation in this program and in accordance with the recommendations of the Interagency Coordinating Council for Early Childhood Intervention. The agencies designated for participation in this program shall provide continued support for the program as outlined by the Coordinating Council.

SECTION 30. At the conclusion of the school year the board of education of each school district shall prepare a report which outlines the expenditures made by the district during that year and shall compare said expenditures with those made by such school district during the previous school year. The report shall identify expenditures by major object codes and program classifications pursuant to the Oklahoma Cost Accounting System, as adopted by the State Board of Education pursuant to Section 5-135 of Title 70 of the Oklahoma Statutes. The report shall list dollar and percentage changes for each of the included items.

Prior to September 15 of each year, copies of the report shall be sent to the State Department of Education, which shall forward a copy to the Office of Accountability. In addition, a copy of the report shall be posted in each public school library in the school

district. For those school districts not operating on the Oklahoma Cost Accounting System for the 1992-93 school year, expenditures for that year shall be categorized according to guidelines developed by the State Department of Education. Such report shall include a detailed account of expenditures of the funds generated by and allocated through the economically disadvantaged weight in the State Aid Formula, pursuant to the Oklahoma Cost Accounting System, for all schools with an ADM greater than ten thousand.

SECTION 31. All funds appropriated by this act to the State Board of Education to be awarded through competitive application or on a contractual basis shall be subject to the approval of the State Board of Education. The Board shall be responsible for the review and evaluation of the programs throughout the term of the funding contract. The Board shall ensure that all state funds are expended in an appropriate manner and for the purposes as stated in the application or contract.

SECTION 32. AMENDATORY 70 O.S. 1991, Section 18-200, as last amended by Section 42, Chapter 334, O.S.L. 1992 (70 O.S. Supp. 1992, Section 18-200), is amended to read as follows:

Section 18-200. A. It is the intent of the Legislature that the sole purpose of this section is to provide an equitable funding formula for all the school districts of this state. The Legislature, recognizing the responsibility to guarantee an adequate and equitable educational program for the school children of this state, declares that on and after July 1, 1990, the amount of State Aid each district shall receive shall be the sum of the Foundation Aid, the Salary Incentive Aid and the Transportation Supplement, as adjusted pursuant to the provisions of subsection E of this section and Section 18-112.2 of Title 70 of the Oklahoma Statutes; provided, no district having per pupil revenue in excess of three hundred percent (300%) of the average per pupil revenue of all districts shall receive any State Aid or Supplement in State Aid. Per pupil

revenue shall be determined by dividing the district's second preceding year's total weighted average daily membership (ADM) into the district's second preceding year total revenues excluding federal revenue, insurance loss payments, reimbursements, recovery of overpayments and refunds, unused reserves, prior expenditures recovered, prior year surpluses, and less the amount of any transfer fees paid in that year.

B. Foundation Aid, the Transportation Supplement and Salary Incentive Aid shall be calculated as follows:

1. Foundation Aid shall be determined by subtracting the amount of the Foundation Program Income from the cost of the Foundation Program and adding to this difference the Transportation Supplement.

a. The Foundation Program shall be a district's weighted average daily membership as determined by the provisions of subsection A of Section 18-201 of this title and paragraphs 1, 2 and 3 of subsection B of Section 18-201 of this title, multiplied by the Base Foundation Support Level. For the ~~1992-93~~ 1993-94 school year, the Base Foundation Support Level shall be ~~One Thousand Ninety-eight Dollars ($1,098.00)~~ _____ Dollars ($____.00).

b. The Foundation Program Income shall be the sum of the following:

(1) The adjusted assessed valuation of the school district during the next preceding year multiplied by fifteen (15) mills, and

(2) Seventy-five percent (75%) of the amount received by the school district from the proceeds of the county levy during the second preceding fiscal year, as levied pursuant to subsection (b) of Section 9 of Article X of the Oklahoma Constitution, and

(3) Motor Vehicle Collections, and

(4) Gross Production Tax, and

(5) State Apportionment, and

(6) R.E.A. Tax.

The items listed in divisions (3), (4), (5), and (6) shall consist of the amounts actually collected from such sources during the second preceding fiscal year calculated on a per capita basis on the unit provided for by law for the distribution of each such revenue.

2. The Transportation Supplement shall be equal to the average daily haul times the per capita allowance times the appropriate transportation factor.

a. The average daily haul shall be the number of children in a district who are legally transported and who live one and one-half (1 1/2) miles or more from school;

b. The per capita allowance shall be determined using the following chart:

DENSITY FIGURE	PER CAPITA ALLOWANCE	DENSITY FIGURE	PER CAPITA ALLOWANCE
.3000 - .3083	$167.00	.9334 - .9599	$99.00
.3084 - .3249	$165.00	.9600 - .9866	$97.00
.3250 - .3416	$163.00	.9867 - 1.1071	$95.00
.3417 - .3583	$161.00	1.1072 - 1.3214	$92.00
.3584 - .3749	$158.00	1.3215 - 1.5357	$90.00
.3750 - .3916	$156.00	1.5358 - 1.7499	$88.00
.3917 - .4083	$154.00	1.7500 - 1.9642	$86.00
.4084 - .4249	$152.00	1.9643 - 2.1785	$84.00
.4250 - .4416	$150.00	2.1786 - 2.3928	$81.00
.4417 - .4583	$147.00	2.3929 - 2.6249	$79.00
.4584 - .4749	$145.00	2.6250 - 2.8749	$77.00
.4750 - .4916	$143.00	2.8750 - 3.1249	$75.00
.4917 - .5083	$141.00	3.1250 - 3.3749	$73.00

.5084 - .5249	$139.00	3.3750 - 3.6666	$70.00
.5250 - .5416	$136.00	3.6667 - 3.9999	$68.00
.5417 - .5583	$134.00	4.0000 - 4.3333	$66.00
.5584 - .5749	$132.00	4.3334 - 4.6666	$64.00
.5750 - .5916	$130.00	4.6667 - 4.9999	$62.00
.5917 - .6133	$128.00	5.0000 - 5.5000	$59.00
.6134 - .6399	$125.00	5.5001 - 6.0000	$57.00
.6400 - .6666	$123.00	6.0001 - 6.5000	$55.00
.6667 - .6933	$121.00	6.5001 - 7.0000	$53.00
.6934 - .7199	$119.00	7.0001 - 7.3333	$51.00
.7200 - .7466	$117.00	7.3334 - 7.6667	$48.00
.7467 - .7733	$114.00	7.6668 - 8.0000	$46.00
.7734 - .7999	$112.00	8.0001 - 8.3333	$44.00
.8000 - .8266	$110.00	8.3334 - 8.6667	$42.00
.8267 - .8533	$108.00	8.6668 - 9.0000	$40.00
.8534 - .8799	$106.00	9.0001 - 9.3333	$37.00
.8800 - .9066	$103.00	9.3334 - 9.6667	$35.00
.9067 - .9333	$101.00	9.6668 or more	$33.00

c. The formula transportation factor shall be 1.39.

3. Salary Incentive Aid shall be determined as follows:

a. Multiply the Incentive Aid guarantee by the district's weighted average daily membership as determined by the provisions of subsection A of Section 18-201 of this title and paragraphs 1, 2, 3 and 4 of subsection B of Section 18-201 of this title. For the ~~1992-93~~ 1993-94 school year, the Incentive Aid guarantee shall be ~~Fifty-three Dollars and fourteen cents ($53.14)~~ _____ Dollars ($_____.00).

b. Divide the district's adjusted assessed valuation by one thousand (1,000) and subtract the quotient from the product of subparagraph a. The remainder shall not be less than zero (0).

c. Multiply the number of mills levied for general fund purposes above the fifteen (15) mills required to support Foundation Aid, not including the county four-mill levy, by the remainder of subparagraph b. The product shall be the Salary Incentive Aid of the district.

C. For the 1990-91 school year, and for each school year thereafter, any school district with a membership that is at least one and one-half percent (1 1/2%) greater than the higher membership of the preceding two (2) years of the school district shall receive a midterm supplement in State Aid to be determined as follows:

1. For the 1990-91 school year, and for each school year thereafter, for each additional pupil in membership which equals or exceeds the one and one-half percent (1 1/2%) increase over the higher number of pupils in membership of the preceding two years, the district shall receive funding to be determined as follows:

a. Multiply each additional pupil in membership as provided in this paragraph by the Base Foundation Support Level for the current school year, and

b. Multiply each additional pupil in membership as provided in this paragraph by the Incentive Aid guarantee for the current school year times twenty (20), and

c. Sum the products of subparagraphs a and b of this paragraph.

Data used for the calculation for the midterm supplement shall be that which is reported on the Accrediting Report of the school district on September 15th and received by the State Department of Education by October 1st of the school year for which the midterm supplement is to be paid as compared to the Accrediting Report data for the higher of the two (2) preceding years.

The data contained in the Accrediting Report for all qualifying school districts shall be audited by the State Department of Education. If a district does not qualify for a midterm supplement using the Accrediting Report data they may request an audit of the data by the State Department of Education. If, based on the post-audit data, the district is entitled to receive a midterm supplement, or if any school district's post-audit midterm supplement calculation differs from the amount of the supplement paid, the State Department of Education shall adjust the district's State Aid payments during the remainder of the school year for which the midterm supplement was paid in order to reconcile the supplement with the post-audit calculation.

2. Pupils shall not be included in the membership calculation if such pupils are enrolled for the current year in a grade level which was not taught in that school district during the preceding school year.

3. School districts which have been involved in any annexation or consolidation with other school districts during the school year for which the midterm supplement is to be calculated, or in the preceding school year, shall qualify for midterm growth as if annexed or consolidated membership had been enrolled in the current district for the preceding two (2) years.

4. For any district qualifying for the midterm supplement, if the funds received pursuant to the provisions of Section 18-112.2 of Title 70 of the Oklahoma Statutes are in excess of the funds to be received pursuant to the provisions of this subsection, the district shall receive no midterm supplement. If the funds received pursuant to the provisions of Section 18-112.2 of Title 70 of the Oklahoma Statutes are less than the funds to be received pursuant to the provisions of this subsection, the midterm supplement shall be the difference between these two amounts.

5. Beginning with the 1992-93 school year, and for each year thereafter, any district which qualifies for a midterm supplement shall have deducted from the supplement an amount equal to the amount of carryover in the district's general fund as of June 30 of the preceding fiscal year that is in excess of the standards set out in subsection E of this section.

6. If funds appropriated to the State Board of Education for the purpose of paying the midterm supplement in State Aid are not sufficient to fully fund the amount determined by this subsection, each school district which qualifies for such funding shall receive a proportionate reduction in funding.

D. 1. In the event that ad valorem taxes of a school district are determined to be uncollectible because of bankruptcy, clerical error, or a successful tax protest, and the amount of such taxes deemed uncollectible exceeds Fifty Thousand Dollars ($50,000.00) or an amount greater than twenty-five percent (25%) of ad valorem taxes per tax year, or the valuation of a district is lowered by order of the State Board of Equalization, the school district's State Aid shall be determined by subtracting the net assessed valuation of the property upon which taxes were deemed uncollectible from the assessed valuation of the school district and the state. Upon request of the local board of education, it shall be the duty of the county assessor to certify to the Director of Finance of the State Department of Education the net assessed valuation of the property upon which taxes were determined uncollectible.

2. In the event that the amount of funds a school district receives for reimbursement from the Ad Valorem Reimbursement Fund is less than the amount of funds claimed for reimbursement by the school district due to insufficiency of funds as provided in Section 193 of Title 62 of the Oklahoma Statutes, then the school district's assessed valuation for State Aid purposes shall be adjusted accordingly.

E. Beginning with the 1992-93 school year, and for each year thereafter, notwithstanding the provisions of Section 18-112.2 of this title, a school district shall have its State Aid reduced by an amount equal to the amount of carryover in the district's general fund as of June 30 of the preceding fiscal year, that is in excess of the following standards:

Total Amount of General Fund Collections, Excluding Previous Year Cash Surplus as of June 30	Amount of General Fund Balance Allowable
Less than $1,000,000	40%
$1,000,000 - $2,999,999	35%
$3,000,000 - $3,999,999	30%
$4,000,000 - $4,999,999	25%
$5,000,000 - $5,999,999	20%
$6,000,000 - $7,999,999	16%
$8,000,000 - $10,000,000	12%
More than $10,000,000	8%

By February 1 the State Department of Education shall send by certified mail, with return receipt requested, to each School District Superintendent, Auditor and Regional Accreditation Officer a notice of and calculation sheet reflecting the general fund balance penalty to be assessed against that school district. Within thirty (30) days of receipt of this written notice the school district shall submit to the Department a written reply either accepting or protesting the penalty to be assessed against the district. If protesting, the school district shall submit with its reply the reasons for rejecting the calculations and documentation supporting those reasons. The Department shall review all school district penalty protest documentation and notify each district by March 15 of its

finding and the final penalty to be assessed to each district. General fund balance penalties shall be assessed to all school districts by April 1.

F. For the purposes of paying State Aid for the ~~1992-93~~ 1993-94 school year, no child shall be included in the average daily membership of a school district for the ~~1990-91 or~~ 1991-92 or 1992-93 school year if the child is being served during the ~~1992-93~~ 1993-94 school year through the provisions of the Oklahoma Early Intervention Act.

G. In order to provide startup funds for the implementation of early childhood programs, State Aid may be advanced to school districts that initially start early childhood instruction at a school site. School districts that desire such advanced funding shall make application to the State Department no later than September 15 of each year and advanced funding shall be awarded to the approved districts no later than October 30. Such advanced funding shall not exceed One Thousand Eighty Dollars ($1,080.00) per anticipated Head Start eligible student. The total amount of advanced funding shall be proportionately reduced from the monthly payments of the district's State Aid payments during the last six (6) months of the same fiscal year.

SECTION 33. The Legislature intends that each board of education make a good faith effort to increase the salary and benefits for teachers and support personnel. Such efforts shall be on an annual basis.

SECTION 34. The salary level of certified instructional staff employed in the same school district in the 1992-93 school year shall not be reduced for the 1993-94 school year unless the hours or the duties of the employee are reduced proportionately.

SECTION 35. A portion of the funds allocated in Section __ of this act for Administrative and Support Functions of the State Department of Education shall be available:

1. For costs involved in administering, scoring, reporting and other incidental duties to accomplish the Oklahoma School Testing Program as provided by Section 1210.508 of Title 70 of the Oklahoma Statutes;

2. For a preschool deaf program operated by the State Department of Education; and

3. To conduct training pursuant to the provisions of Section 6-101.10 of Title 70 of the Oklahoma Statutes.

SECTION 36. _____ Dollars ($_____.00) of the funds allocated in Section __ of this act for Administrative and Support Functions of the State Department of Education shall be available for contracting with the Oklahoma Alliance for Geographic Education to provide in-service training and materials for geography instruction.

SECTION 37. A portion of the funds allocated in Section __ of this act for Administrative and Support Functions of the State Department of Education shall be expended for the development and operation of a statewide network of services for the education of blind and visually handicapped children. Such network shall consist of itinerant services provided by qualified regional program specialists and certified orientation and mobility specialists.

Services to be provided shall include assessment of visual function, consultation regarding assessment of academic, ophthalmological, psychological or vocational performance, assistance in the development of individualized education plans for visually handicapped children and provisions of or consultation regarding the acquisition of special equipment for the blind and visually handicapped.

SECTION 38. The amount of _____ Dollars ($_____.00) of the funds allocated in Section __ of this act for Administrative and Support Functions of the State Department of Education shall be available for continued implementation of an Oklahoma Cost

Accounting System. Said System shall account for costs by curricular subject area for the 1991-92 and subsequent school years.

SECTION 39. Of the funds allocated in Section __ of this act for the Administrative and Support Functions of the State Department of Education, a portion shall be allocated for the purpose of implementing the Oklahoma Education 2000 Challenge Act, enacted by Enrolled Senate Bill No. 183 of the 1st Session of the 42nd Oklahoma Legislature and Enrolled House Bill No. 1017 of the 1st Extraordinary Session of the 42nd Oklahoma Legislature.

SECTION 40. The amount of _____ Dollars ($_____.00) of the funds allocated in Section __ of this act for Administrative and Support Functions of the State Department of Education shall be expended for the continued development of the criterion-referenced test as required by Section 1210.508 of Title 70 of the Oklahoma Statutes. Said funds shall be limited to expenditures incurred for the further development of a criterion-referenced test based upon the learner outcomes as adopted by the State Board of Education.

SECTION 41. _____ Dollars ($_____.00) of the funds allocated in Section __ of this act for Administrative and Support Functions of the State Department of Education shall be available for support of the Minority Teacher Recruitment Center.

SECTION 42. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the State Department of Education by law shall be set by the State Board of Education. The State Department of Education for the fiscal year ending June 30, 1994, shall be subject to the following budgetary limitations on full-time-equivalent employees and expenditures, excluding expenditures for capital and special projects, except as may be authorized pursuant to the provisions of Section 3603 of Title 74 of the Oklahoma Statutes:

Budgetary Limitation	Amount
Full-time-equivalent Employees	570.0

Payroll, Salaries or Wages, Including Tax-sheltered Deferment Contracts and Longevity Payments Authorized by State Statutes $_____.00

Professional and Personal Services Contracts	$_____.00
Purchase of Equipment	$_____.00
Expenditure of Federal Funds	$_____.00
Total Expenditures for Operations	$_____.00

SECTION 43. Of the five hundred seventy (570.0) full-time-equivalent employees authorized in Section __ of this act, eight (8) shall be employed to provide services related to the Hissom Compliance agreement.

SECTION 44. Of the five hundred seventy (570.0) full-time-equivalent employees authorized in Section __ of this act, sixty-seven (67.0) shall be employed to provide services under the provisions of the Oklahoma Early Intervention Act. Prior to February 1, 1994, the Superintendent of Public Instruction shall file a report with the Education Oversight Board on the oversight of the Oklahoma Early Intervention Program.

SECTION 45. Of the five hundred seventy (570.0) full-time-equivalent employees authorized in Section __ of this act, one shall be designated as coordinator of support personnel concerns. Responsibilities of said coordinator shall include liaison with the Legislature, with organizations representing support personnel, and with the State Board of Education, and shall include dissemination of information to support personnel, including retirement information.

SECTION 46. All funds appropriated by this act to the State Board of Education to be awarded through competitive application or on a contractual basis shall be subject to the approval of the State Board of Education. The Board shall be responsible for the review and evaluation of the programs throughout the term of the funding contract. The Board shall ensure that all state funds are expended

in an appropriate manner and for the purposes as stated in the application or contract.

SECTION 47. The State Public Common School Building Equalization Fund shall be subject to the administrative control of the State Board of Education. An amount not to exceed Two Hundred Thirty-five Thousand Dollars ($235,000.00) may be disbursed by the State Board of Education to school districts for the purpose of defraying the cost of rebuilding public school buildings destroyed by fire or tornado as reported to the State Board of Education during the fiscal year ending June 30, 1993. No school district shall receive more than Forty Thousand Dollars ($40,000.00) for such losses by fire or tornado occurring in said fiscal year, and no funds shall be disbursed to any school district in excess of actual losses less the sum of insurance coverage, federal reimbursement, and contributions for such purpose. Effective January 1, 1992, no funds shall be disbursed to any school district to cover or offset any deductible required by such district insurance policy or contract. It is the intent of the Legislature that on or before January 1, 1992, each school district in this state, in order to adequately cover losses by fire or tornado or other natural disasters, maintain adequate insurance coverage or be self-insured.

SECTION 48. State Aid funds shall be reduced or withheld by the State Board of Education in an amount necessary to require compliance with the provisions of this act.

SECTION 49. If funds appropriated in this act are not sufficient to fully fund the provisions of this act, each school district which qualifies for funds pursuant to the provisions of this act shall take a proportionate reduction in funds.

SECTION 50. The appropriations made by Sections _ through __ of this act shall not be subject to fiscal year limitations and shall be available for encumbrance and expenditure purposes for a period of thirty (30) months from the effective date of this act.

SECTION 51. The appropriations made by Sections __ through __ of this act shall be subject to fiscal year limitations and may be encumbered through June 30, 1994. Any unexpended funds remaining after November 15, 1994, shall lapse and be transferred to the credit of the proper fund for the then current fiscal year.

SECTION 52. The appropriations made by Sections _ through _ of this act for Financial Support of Public Schools shall become effective August 1, 1993.

SECTION 53. Sections _ through __ of this act shall become effective July 1, 1993.

SECTION 54. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

44-1-9519 PC