

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 53rd Legislature (2012)

4 COMMITTEE SUBSTITUTE
5 FOR ENGROSSED
6 SENATE BILL NO. 1820

By: Halligan of the Senate

and

Denney of the House

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10 COMMITTEE SUBSTITUTE

11 An Act relating to calculation of foundation aid;
12 amending 70 O.S. 2011, Sections 18-200.1 and 18-
13 201.1, which relate to state aid and the calculation
14 of foundation aid; modifying calculation of initial
15 allocation for certain students in online courses;
16 modifying determination of current year allocations;
17 requiring the State Department of Education to audit
18 certain enrollment and recalculate current year
19 allocations; requiring certain notification;
20 specifying basis for certain State Aid payments;
21 modifying process for retaining appropriated funds
22 for making midyear adjustments; modifying
23 determination of weighted average daily membership
24 for certain students in online courses for certain
 calculations; modifying basis for weighted
 calculations for certain students in online courses;
 providing an effective date; and declaring an
 emergency.

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

1 SECTION 1. AMENDATORY 70 O.S. 2011, Section 18-200.1, is
2 amended to read as follows:

3 Section 18-200.1 A. Beginning with the 1997-98 school year,
4 and each school year thereafter, each school district shall have its
5 initial allocation of State Aid calculated based on the state
6 dedicated revenues actually collected during the preceding fiscal
7 year, the adjusted assessed valuation of the preceding year and the
8 highest weighted average daily membership for the school district of
9 the two (2) preceding school years; however, the weighted membership
10 of nonresident, transferred pupils enrolled in online courses shall
11 ~~be based on the weighted average daily membership of the preceding~~
12 ~~school year~~ determined by multiplying the actual enrollment as of
13 August 1 by a 1.333 weight. No other weights as provided for in
14 subsection B of Section 18-201.1 of this title and assigned to the
15 nonresident, transferred students enrolled in online courses shall
16 be used in determining the initial allocation. Each school district
17 shall submit the following data based on the first nine (9) weeks,
18 to be used in the calculation of the average daily membership of the
19 school district:

- 20 1. Student enrollment by grade level;
- 21 2. Pupil category counts; and
- 22 3. Transportation supplement data.

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1 On or before December 30, the State Department of Education
2 shall determine each school district's current year allocation
3 pursuant to subsection D of this section. The State Department of
4 Education shall complete an audit, using procedures established by
5 the Department, of the student enrollment by grade level data, pupil
6 category counts and transportation supplement data to be used in the
7 State Aid Formula pursuant to subsection D of this section by
8 December 1 and by January 15 shall notify each school district of
9 the district's ~~final~~ State Aid allocation for the current school
10 year. The January ~~payment~~, February and March payments of State Aid
11 ~~and each subsequent payment for the remainder of the school year~~
12 shall be based on the ~~final~~ State Aid allocation as calculated in
13 subsection D of this section and as determined by December 30 as
14 provided for in this subsection. On or before February 28, the
15 State Department of Education shall audit the enrollment of
16 nonresident, transferred students in online courses as counted on
17 February 1 and recalculate the remaining allocations for each school
18 district. By March 15 the Department shall notify each school
19 district of the recalculated State Aid allocation for the district
20 for the current school year. The April payment of State Aid and
21 each subsequent payment for the remainder of the school year shall
22 be based on the recalculated current-year State Aid allocation as
23 calculated in subsection D of this section and as determined by

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1 February 28. Except for reductions made due to the assessment of
2 penalties by the State Department of Education according to law, the
3 January payment of State Aid and each subsequent payment for the
4 remainder of the school year shall not decrease by an amount more
5 than the amount that the current chargeable revenue increases for
6 that district.

7 B. The State Department of Education shall retain not less than
8 one and one-half percent (1 1/2%) of the total funds appropriated
9 for financial support of schools, to be used to make midyear
10 adjustments in State Aid as determined by December 30 and by
11 February 28 and which shall be reflected in the final allocations.
12 If the amount of appropriated funds, including the one and one-half
13 percent (1 1/2%) retained, remaining after January 1 and after April
14 1 of each year is not sufficient to fully fund the final
15 allocations, the Department shall recalculate each school district's
16 remaining allocation pursuant to subsection D of this section using
17 the reduced amount of appropriated funds.

18 C. On and after July 1, 1997, the amount of State Aid each
19 district shall receive shall be the sum of the Foundation Aid, the
20 Salary Incentive Aid and the Transportation Supplement, as adjusted
21 pursuant to the provisions of subsection G of this section and
22 Section 18-112.2 of this title; provided, no district having per
23 pupil revenue in excess of three hundred percent (300%) of the

1 average per pupil revenue of all districts shall receive any State
2 Aid or Supplement in State Aid.

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

10 The December calculation of per pupil revenue shall be
11 determined by dividing the district's preceding year's total
12 weighted average daily membership (ADM) into the district's
13 preceding year's total revenues excluding federal revenue, insurance
14 loss payments, reimbursements, recovery of overpayments and refunds,
15 unused reserves, prior expenditures recovered, prior year surpluses,
16 and less the amount of any transfer fees paid in that year.

17 D. For the 1997-98 school year, and each school year
18 thereafter, Foundation Aid, the Transportation Supplement and Salary
19 Incentive Aid shall be calculated as follows:

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

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- 1 a. The Foundation Program shall be a district's highest
2 weighted average daily membership based on the first
3 nine (9) weeks of the current school year, the
4 preceding school year or the second preceding school
5 year of a school district, as determined by the
6 provisions of subsection A of Section 18-201.1 of this
7 title and paragraphs 1, 2, 3 and 4 of subsection B of
8 Section 18-201.1 of this title, multiplied by the Base
9 Foundation Support Level. However, for the portion of
10 weighted membership derived from nonresident,
11 transferred pupils enrolled in online courses, the
12 Foundation Program shall be a district's weighted
13 average daily membership of ~~the preceding school year~~
14 ~~or~~ the first nine (9) weeks of the current school
15 year, ~~whichever is greater,~~ or the weighted average
16 daily membership as of February 1 of the current
17 school year as determined by the provisions of
18 subsection A of Section 18-201.1 of this title and
19 paragraphs 1, 2, 3 and 4 of subsection B of Section
20 18-201.1 of this title, multiplied by the Base
21 Foundation Support Level.
- 22 b. The Foundation Program Income shall be the sum of the
23 following:
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- 1 (1) ~~The~~ the adjusted assessed valuation of the
2 current school year of the school district, minus
3 the previous year protested ad valorem tax
4 revenues held as prescribed in Section 2884 of
5 Title 68 of the Oklahoma Statutes, multiplied by
6 the mills levied pursuant to subsection (c) of
7 Section 9 of Article X of the Oklahoma
8 Constitution, if applicable, as adjusted in
9 subsection (c) of Section 8A of Article X of the
10 Oklahoma Constitution. For purposes of this
11 subsection, the "adjusted assessed valuation of
12 the current school year" shall be the adjusted
13 assessed valuation on which tax revenues are
14 collected during the current school year, and
15 (2) ~~Seventy-five~~ seventy-five percent (75%) of the
16 amount received by the school district from the
17 proceeds of the county levy during the preceding
18 fiscal year, as levied pursuant to subsection (b)
19 of Section 9 of Article X of the Oklahoma
20 Constitution, and
21 (3) ~~Motor Vehicle Collections~~ motor vehicle
22 collections, and
23 (4) ~~Gross Production Tax~~ gross production tax, and
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- (5) ~~State Apportionment~~ state apportionment, and
- (6) R.E.A. ~~Tax~~ tax.

The items listed in divisions (3), (4), (5), and (6) of this subparagraph shall consist of the amounts actually collected from such sources during the 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:

	PER CAPITA		PER CAPITA
DENSITY FIGURE	ALLOWANCE	DENSITY FIGURE	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

1	.3750 - .3916	\$156.00	1.5358 - 1.7499	\$88.00
2	.3917 - .4083	\$154.00	1.7500 - 1.9642	\$86.00
3	.4084 - .4249	\$152.00	1.9643 - 2.1785	\$84.00
4	.4250 - .4416	\$150.00	2.1786 - 2.3928	\$81.00
5	.4417 - .4583	\$147.00	2.3929 - 2.6249	\$79.00
6	.4584 - .4749	\$145.00	2.6250 - 2.8749	\$77.00
7	.4750 - .4916	\$143.00	2.8750 - 3.1249	\$75.00
8	.4917 - .5083	\$141.00	3.1250 - 3.3749	\$73.00
9	.5084 - .5249	\$139.00	3.3750 - 3.6666	\$70.00
10	.5250 - .5416	\$136.00	3.6667 - 3.9999	\$68.00
11	.5417 - .5583	\$134.00	4.0000 - 4.3333	\$66.00
12	.5584 - .5749	\$132.00	4.3334 - 4.6666	\$64.00
13	.5750 - .5916	\$130.00	4.6667 - 4.9999	\$62.00
14	.5917 - .6133	\$128.00	5.0000 - 5.5000	\$59.00
15	.6134 - .6399	\$125.00	5.5001 - 6.0000	\$57.00
16	.6400 - .6666	\$123.00	6.0001 - 6.5000	\$55.00
17	.6667 - .6933	\$121.00	6.5001 - 7.0000	\$53.00
18	.6934 - .7199	\$119.00	7.0001 - 7.3333	\$51.00
19	.7200 - .7466	\$117.00	7.3334 - 7.6667	\$48.00
20	.7467 - .7733	\$114.00	7.6668 - 8.0000	\$46.00
21	.7734 - .7999	\$112.00	8.0001 - 8.3333	\$44.00
22	.8000 - .8266	\$110.00	8.3334 - 8.6667	\$42.00
23	.8267 - .8533	\$108.00	8.6668 - 9.0000	\$40.00

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UNDERLINED language denotes Amendments to present Statutes.
BOLD FACE CAPITALIZED language denotes Committee Amendments.
~~Strike thru~~ language denotes deletion from present Statutes.

1	.8534 - .8799	\$106.00	9.0001 - 9.3333	\$37.00
2	.8800 - .9066	\$103.00	9.3334 - 9.6667	\$35.00
3	.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 highest weighted average daily membership based on the first nine (9) weeks of the current school year, the preceding school year or the second preceding school year of a school district, as determined by the provisions of subsection A of Section 18-201.1 of this title and paragraphs 1, 2, 3 and 4 of subsection B of Section 18-201.1 of this title. However, the portion of weighted membership derived from nonresident, transferred pupils enrolled in online courses shall be a district's weighted average daily membership of the first nine (9) weeks of the current school year or the weighted average daily membership as of February 1 of the current school year as determined by the provisions of subsection A of Section 18-201.1 of this title and paragraphs 1, 2, 3 and 4 of subsection B of Section 18-201.1 of this title.

1 b. Divide the district's adjusted assessed valuation of
2 the current school year minus the previous year's
3 protested ad valorem tax revenues held as prescribed
4 in Section 2884 of Title 68 of the Oklahoma Statutes,
5 by one thousand (1,000) and subtract the quotient from
6 the product of subparagraph a of this paragraph. The
7 remainder shall not be less than zero (0).

8 c. Multiply the number of mills levied for general fund
9 purposes above the fifteen (15) mills required to
10 support Foundation Aid pursuant to division (1) of
11 subparagraph b of paragraph 1 of this subsection, not
12 including the county four-mill levy, by the remainder
13 of subparagraph b of this paragraph. The product
14 shall be the Salary Incentive Aid of the district.

15 E. By June 30, 1998, the State Department of Education shall
16 develop and the Department and all school districts shall have
17 implemented a student identification system which is consistent with
18 the provisions of subsections C and D of Section 3111 of Title 74 of
19 the Oklahoma Statutes. The student identification system shall be
20 used specifically for the purpose of reporting enrollment data by
21 school sites and by school districts, the administration of the
22 Oklahoma School Testing Program Act, the collection of appropriate
23 and necessary data pursuant to the Oklahoma Educational Indicators

1 Program, determining student enrollment, establishing a student
2 mobility rate, allocation of the State Aid Formula and mid-year
3 adjustments in funding for student growth. This enrollment data
4 shall be submitted to the State Department of Education in
5 accordance with rules promulgated by the State Board of Education.
6 Funding for the development, implementation, personnel training and
7 maintenance of the student identification system shall be set out in
8 a separate line item in the allocation section of the appropriation
9 bill for the State Board of Education for each year.

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

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1 valuation of the property upon which taxes were determined
2 uncollectible.

3 2. In the event that the amount of funds a school district
4 receives for reimbursement from the Ad Valorem Reimbursement Fund is
5 less than the amount of funds claimed for reimbursement by the
6 school district due to insufficiency of funds as provided in Section
7 193 of Title 62 of the Oklahoma Statutes, then the school district's
8 assessed valuation for the school year that such ad valorem
9 reimbursement is calculated in the State Aid Formula shall be
10 adjusted accordingly.

11 G. 1. Notwithstanding the provisions of Section 18-112.2 of
12 this title, a school district shall have its State Aid reduced by an
13 amount equal to the amount of carryover in the general fund of the
14 district as of June 30 of the preceding fiscal year, that is in
15 excess of the following standards for two (2) consecutive years:

16	Total Amount of	Amount of
17	General Fund Collections,	General Fund
18	Excluding Previous Year	Balance
19	Cash Surplus as of June 30	Allowable
20	Less than \$1,000,000	40%
21	\$1,000,000 - \$2,999,999	35%
22	\$3,000,000 - \$3,999,999	30%
23	\$4,000,000 - \$4,999,999	25%

1	\$5,000,000 - \$5,999,999	20%
2	\$6,000,000 - \$7,999,999	18%
3	\$8,000,000 - \$9,999,999	16%
4	\$10,000,000 or more	14%

5 2. By February 1 the State Department of Education shall send
6 by certified mail, with return receipt requested, to each School
7 District Superintendent, Auditor and Regional Accreditation Officer
8 a notice of and calculation sheet reflecting the general fund
9 balance penalty to be assessed against that school district.
10 Calculation of the general fund balance penalty shall not include
11 federal revenue. Within thirty (30) days of receipt of this written
12 notice the school district shall submit to the Department a written
13 reply either accepting or protesting the penalty to be assessed
14 against the district. If protesting, the school district shall
15 submit with its reply the reasons for rejecting the calculations and
16 documentation supporting those reasons. The Department shall review
17 all school district penalty protest documentation and notify each
18 district by March 15 of its finding and the final penalty to be
19 assessed to each district. General fund balance penalties shall be
20 assessed to all school districts by April 1.

21 3. Any school district which receives proceeds from a tax
22 settlement or a Federal Emergency Management Agency settlement
23 during the last two (2) months of the preceding fiscal year shall be
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1 exempt from the penalties assessed in this subsection, if the
2 penalty would occur solely as a result of receiving funds from the
3 tax settlement.

4 4. Any school district which receives an increase in State Aid
5 because of a change in Foundation and/or Salary Incentive Aid
6 factors during the last two (2) months of the preceding fiscal year
7 shall be exempt from the penalties assessed in this subsection, if
8 the penalty would occur solely as a result of receiving funds from
9 the increase in State Aid.

10 5. If a school district does not receive Foundation and/or
11 Salary Incentive Aid during the preceding fiscal year, the State
12 Board of Education may waive the penalty assessed in this subsection
13 if the penalty would result in a loss of more than forty percent
14 (40%) of the remaining State Aid to be allocated to the school
15 district between April 1 and the remainder of the school year and if
16 the Board determines the penalty will cause the school district not
17 to meet remaining financial obligations.

18 6. Any school district which receives gross production revenue
19 apportionment during the 2002-2003 school year or in any subsequent
20 school year that is greater than the gross production revenue
21 apportionment of the preceding school year shall be exempt from the
22 penalty assessed in this subsection, if the penalty would occur
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1 solely as a result of the gross production revenue apportionment, as
2 determined by the State Board of Education.

3 7. Beginning July 1, 2003, school districts that participate in
4 consolidation or annexation pursuant to the provisions of the
5 Oklahoma School Voluntary Consolidation and Annexation Act shall be
6 exempt from the penalty assessed in this subsection for the school
7 year in which the consolidation or annexation occurs and for the
8 next three (3) fiscal years.

9 8. Any school district which receives proceeds from a sales tax
10 levied by a municipality pursuant to Section 22-159 of Title 11 of
11 the Oklahoma Statutes or proceeds from a sales tax levied by a
12 county pursuant to Section 1370 of Title 68 of the Oklahoma Statutes
13 during the 2003-2004 school year or the 2004-2005 school year shall
14 be exempt from the penalties assessed in this subsection, if the
15 penalty would occur solely as a result of receiving funds from the
16 sales tax levy.

17 9. For purposes of calculating the general fund balance
18 penalty, the terms "carryover" and "general fund balance" shall not
19 include federal revenue.

20 H. In order to provide startup funds for the implementation of
21 early childhood programs, State Aid may be advanced to school
22 districts that initially start early childhood instruction at a
23 school site. School districts that desire such advanced funding
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1 shall make application to the State Department of Education no later
2 than September 15 of each year and advanced funding shall be awarded
3 to the approved districts no later than October 30. The advanced
4 funding shall not exceed the per pupil amount of State Aid as
5 calculated in subsection D of this section per anticipated Head
6 Start eligible student. The total amount of advanced funding shall
7 be proportionately reduced from the monthly payments of the
8 district's State Aid payments during the last six (6) months of the
9 same fiscal year.

10 I. 1. Beginning July 1, 1996, the Oklahoma Tax Commission,
11 notwithstanding any provision of law to the contrary, shall report
12 monthly to the State Department of Education the monthly
13 apportionment of the following information:

- 14 a. the assessed valuation of property,
- 15 b. motor vehicle collections,
- 16 c. R.E.A. tax collected, and
- 17 d. gross productions tax collected.

18 2. Beginning July 1, 1997, the State Auditor and Inspector's
19 Office, notwithstanding any provision of law to the contrary, shall
20 report monthly to the State Department of Education the monthly
21 apportionment of the proceeds of the county levy.

22 3. Beginning July 1, 1996, the Commissioners of the Land
23 Office, notwithstanding any provision of law to the contrary, shall

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1 report monthly to the State Department of Education the monthly
2 apportionment of state apportionment.

3 4. Beginning July 1, 1997, the county treasurers' offices,
4 notwithstanding any provision of law to the contrary, shall report
5 monthly to the State Department of Education the ad valorem tax
6 protest amounts for each county.

7 5. The information reported by the Tax Commission, the State
8 Auditor and Inspector's Office, the county treasurers' offices and
9 the Commissioners of the Land Office, pursuant to this subsection
10 shall be reported by school district on forms developed by the State
11 Department of Education.

12 SECTION 2. AMENDATORY 70 O.S. 2011, Section 18-201.1, is
13 amended to read as follows:

14 Section 18-201.1 A. Beginning with the 1997-98 school year,
15 and each school year thereafter, the weighted membership of a school
16 district for calculation of Foundation Aid purposes pursuant to
17 paragraph 1 of subsection D of Section 18-200.1 of this title shall
18 be the sum of the weighted pupil grade level calculation, the
19 weighted pupil category calculation, the weighted district
20 calculation and the weighted teacher experience and degree
21 calculation. The weighted membership of a school district for
22 calculation of Salary Incentive Aid purposes pursuant to paragraph 3
23 of subsection D of Section 18-200.1 of this title shall be the sum

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1 of the weighted pupil grade level calculation, the weighted pupil
2 category calculation, the weighted district calculation, and the
3 weighted teacher experience and degree calculation.

4 B. The weighted calculations provided for in subsection A of
5 this section shall be based on the highest weighted average daily
6 membership of the first nine (9) weeks of the current school year,
7 the preceding school year or the second preceding school year of a
8 school district, unless otherwise specified. The highest of the
9 three (3) weighted average daily memberships shall be used
10 consistently in all of the calculations; however, the portion of
11 weighted membership derived from nonresident, transferred pupils
12 enrolled in online courses for initial allocations shall be ~~based on~~
13 ~~the weighted average daily membership of the~~ determined by
14 multiplying the actual enrollment as of August 1 by a 1.333 weight.
15 No other weights as provided for in this subsection and assigned to
16 nonresident, transferred students enrolled in online courses shall
17 be used in determining the initial allocation. The weighted
18 membership derived from nonresident, transferred pupils enrolled in
19 online courses for January, February and March allocations shall be
20 based on the first nine (9) weeks of the current school year and the
21 April and subsequent allocations shall be based on the weighted
22 average daily membership as of February 1 of the current school
23 year. The average daily membership data used for all calculations

1 in paragraphs 1, 2, 3 and 4 of this subsection shall be the same as
2 used in the calculation of the State Aid Formula. The weighted
3 calculations provided for in subsection A of this section shall be
4 determined as follows:

5 1. The weighted pupil grade level calculation shall be
6 determined by taking the highest average daily membership and
7 assigning weights to the pupils according to grade attended as
8 follows:

9	GRADE LEVEL	WEIGHT
10	a. Half-day early childhood programs	.7
11	b. Full-day early childhood programs	1.3
12	c. Half-day kindergarten	1.3
13	d. Full-day kindergarten	1.5
14	e. First and second grade	1.351
15	f. Third grade	1.051
16	g. Fourth through sixth grade	1.0
17	h. Seventh through twelfth grade	1.2
18	i. Out-of-home placement	1.50

19 Multiply the membership of each subparagraph of this paragraph by
20 the weight assigned to such subparagraph of this paragraph and add
21 the totals together to determine the weighted pupil grade level
22 calculation for a school district. Determination of the pupils
23 eligible for the early childhood program weight shall be pursuant to

1 the provisions of Section 1-114 of this title. The pupils eligible
2 for the out-of-home placement pupil weight shall be students who are
3 not residents of the school district in which they are receiving
4 education pursuant to the provisions of subsection D of Section 1-
5 113 of this title. Such weight may be claimed by the district
6 providing educational services to such student for the days that
7 student is enrolled in that district. If claimed, the out-of-home
8 placement weight shall be in lieu of the pupil grade level and any
9 pupil category weights for that student. Provided, if a student
10 resides in a juvenile detention center that is restricted to less
11 than twelve (12) beds, the out-of-home placement pupil weight for
12 such students shall be calculated as follows: for a center with six
13 (6) beds - 3.0; for a center with eight (8) beds - 2.3 and for a
14 center with ten (10) beds - 1.80.

15 2. The weighted pupil category calculation shall be determined
16 by assigning a weight to the pupil category as follows:

17	CATEGORY	WEIGHT
18	a. Vision Impaired	3.8
19	b. Learning Disabilities	.4
20	c. Deaf or Hard-of-Hearing	2.9
21	d. Deaf and Blind	3.8
22	e. Educable Mentally Handicapped	1.3
23	f. Emotionally Disturbed	2.5

1	g. Gifted	.34
2	h. Multiple Handicapped	2.4
3	i. Physically Handicapped	1.2
4	j. Speech Impaired	.05
5	k. Trainable Mentally Handicapped	1.3
6	l. Bilingual	.25
7	m. Special Education Summer Program	1.2
8	n. Economically Disadvantaged	.25
9	o. Optional Extended School Year	
10	Program	As determined by
11		the State Board
12		of Education

13 Except as otherwise provided, multiply the number of pupils approved
14 in the school year with the highest average daily membership in each
15 category by the weight assigned to such category and add the totals
16 together to determine the weighted pupil category calculation for a
17 school district. For the 1996-97 school year, the number to be
18 multiplied by the weight assigned to the gifted category in
19 subparagraph g of this paragraph shall be the lesser of (1) the sum
20 of the number of students who scored in the top three percent (3%)
21 on any national standardized test of intellectual ability plus the
22 number of students identified as gifted pursuant to subparagraphs a
23 through d of paragraph 1 of Section 1210.301 of this title or (2)

1 the sum of the number of students who scored in the top three
2 percent (3%) on any national standardized test of intellectual
3 ability plus eight percent (8%) of the total average daily
4 membership of the school district for the preceding school year.
5 For the 1997-98 school year and subsequent school years, the number
6 to be multiplied by the weight assigned to the gifted category in
7 subparagraph g of this paragraph shall be the lesser of (1) the sum
8 of the number of students who scored in the top three percent (3%)
9 on any national standardized test of intellectual ability plus the
10 number of students identified as gifted pursuant to subparagraphs a
11 through d of paragraph 1 of Section 1210.301 of this title, or (2)
12 the sum of the number of students who scored in the top three
13 percent (3%) on any national standardized test of intellectual
14 ability plus eight percent (8%) of the total average daily
15 membership of the school district for the first nine (9) weeks of
16 the school year.

17 3. The weighted district calculation shall be determined by
18 determining the calculations for each school district for both the
19 small school district formula and the district sparsity - isolation
20 formula, applying whichever is the greater of the calculations of
21 the two formulas and then applying the restrictions pursuant to
22 subparagraph c of this paragraph.

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1 a. Small school district formula: 529 minus the average
2 daily membership divided by 529 times .2 times total
3 average daily membership.

4 The small school district formula calculation shall apply
5 only to school districts whose highest average daily
6 membership is less than 529 pupils. School districts which
7 are consolidated or annexed after July 1, 2003, pursuant to
8 the Oklahoma School Voluntary Consolidation and Annexation
9 Act shall have the weighted district size calculation for
10 the three (3) school years following the fiscal year in
11 which such consolidation occurred calculated to be the sum
12 of the individual consolidated districts computed as if the
13 consolidation had not taken place. Thereafter, any such
14 district which is consolidated pursuant to the Oklahoma
15 School Voluntary Consolidation and Annexation Act shall not
16 qualify for the weighted district calculation unless the
17 district can satisfy the specifications herein. Subject to
18 the provisions of subparagraph c of this paragraph, the
19 resulting number shall be counted as additional students
20 for the purpose of calculating State Aid.

21 b. District sparsity - isolation formula:

22 The district sparsity - isolation formula calculation shall
23 apply only to school districts:

1 (1) whose total area in square miles is greater than
2 the average number of square miles for all school
3 districts in this state; and

4 (2) whose areal density is less than one-fourth (1/4)
5 of the state average areal density. Areal
6 density shall be determined by dividing the
7 school district's average daily membership by the
8 school district's total area in square miles.

9 The district sparsity - isolation formula calculation shall
10 be calculated as follows:

11 The school district student cost factor multiplied by
12 the school district area factor. The resulting
13 product shall be multiplied by the school district's
14 average daily membership. Subject to the provisions
15 of subparagraph c of this paragraph, the resulting
16 number shall be counted as additional students for the
17 purpose of calculating State Aid.

18 The school district student cost factor shall be calculated
19 as follows:

20 The school district's average daily membership shall
21 be categorized into the following grade level groups
22 and applied to the appropriate formulas as computed
23 below:

1 Grade Level Group

2 Grades K-5 Divide 74 by the sum of the Grade

3 Level ADM plus 23,

4 add .85 to the quotient, then

5 multiply the sum by the Grade

6 Level ADM.

7 Grades 6-8 Divide 122 by the sum of the Grade

8 Level ADM plus 133,

9 add .85 to the quotient, then

10 multiply the sum by the Grade

11 Level ADM.

12 Grades 9-12 Divide 292 by the sum of the Grade

13 Level ADM plus 128,

14 add .78 to the quotient, then

15 multiply the sum by the Grade

16 Level ADM.

17 The sum of the grade level group's average daily

18 membership shall be divided by the school district's

19 average daily membership. The number one (1.0) shall

20 be subtracted from the resulting quotient.

21 The school district area cost factor shall be calculated as

22 follows:

23

24

1 Subtract the state average district area from the
2 district area, then divide the remainder by the state
3 average district area;

4 however, the district area cost factor shall not exceed one
5 (1.0).

6 The State Board of Education shall define geographical barriers
7 whose location in a school district would inhibit the district from
8 consolidation or annexation. The Board shall make available an
9 application process, review applications, and for districts the
10 Board deems necessary allow additional square miles to be used for
11 the purposes of calculations used for the weighted district sparsity
12 - isolation formula. Provided, that the additional square miles
13 allowed for geographical barriers shall not exceed thirty percent
14 (30%) of the district's actual size.

15 c. State Aid funds which a district is calculated to
16 receive as a result of the weighted district
17 calculation shall be restricted as follows:

18 If, after the weighted district calculation is
19 applied, the district's projected per pupil
20 revenue exceeds one hundred fifty percent (150%)
21 of the projected state average per pupil revenue,
22 then the district's State Aid shall be reduced by
23 an amount that will restrict the district's

1 projected per pupil revenue to one hundred fifty
2 percent (150%) of the projected state average per
3 pupil revenue. Provided, in applying the
4 restriction provided in this division, the
5 district's State Aid shall not be reduced by an
6 amount greater than by the amount of State Aid
7 which was generated by the weighted district
8 calculation.

9 The July calculation of the projected per pupil
10 revenue shall be determined by dividing the highest of
11 the district's preceding two years average daily
12 membership (ADM) as weighted by the pupil grade level,
13 the pupil category, the district and the teacher
14 experience degree index calculations for projected
15 State Aid into the district's projected total revenues
16 including projected funds for the State Aid Formula
17 for the preceding year, net assessed valuation for the
18 preceding calendar year times thirty-nine (39) mills,
19 county revenues excluding the county four-mills
20 revenues for the second preceding year, other state
21 appropriations for the preceding year and the
22 collections for the preceding year of state
23
24

1 apportionment, motor vehicle revenue, gross production
2 tax and R.E.A. tax.

3 The December calculation of the projected per pupil
4 revenue shall be determined by dividing the highest of
5 the district's first nine (9) weeks of the current
6 school year or the two preceding school years average
7 daily membership (ADM) as weighted by the pupil grade
8 level, the pupil category, the district and the
9 teacher experience degree index calculations for
10 projected State Aid into the district's projected
11 total revenues including funds for the December
12 calculation of the current year State Aid Formula, net
13 assessed valuation for the current calendar year times
14 thirty-nine (39) mills, county revenues excluding the
15 county four-mills revenue for the preceding year,
16 other state appropriations for the preceding year and
17 the collections for the preceding year of state
18 apportionment, motor vehicle revenue, gross production
19 tax and R.E.A. tax.

20 The district's projected total revenues for each
21 calculation shall exclude the following collections
22 for the second preceding year: federal revenue,
23 insurance loss payments, reimbursements, recovery of
24

1 overpayments and refunds, unused reserves, prior
2 expenditures recovered, prior year surpluses, and
3 other local miscellaneous revenues.

4 4. The weighted teacher experience and degree calculation shall
5 be determined in accordance with the teacher experience and degree
6 index. The State Department of Education shall determine an index
7 for each state teacher by using data supplied in the school
8 district's teacher personnel reports of the preceding year and
9 utilizing the index as follows:

10 TEACHER EXPERIENCE - DEGREE INDEX

11 EXPERIENCE	BACHELOR'S	MASTER'S	DOCTOR'S
12	DEGREE	DEGREE	DEGREE
13 0 - 2	.7	.9	1.1
14 3 - 5	.8	1.0	1.2
15 6 - 8	.9	1.1	1.3
16 9 - 11	1.0	1.2	1.4
17 12 - 15	1.1	1.3	1.5
18 Over 15	1.2	1.4	1.6

19 The school district teacher index for each school district shall
20 be determined by subtracting the weighted average state teacher from
21 the weighted average district teacher. Multiply the school district
22 teacher index if greater than zero by .7 and then multiply that
23 product by the sum of the district's weighted pupil grade level

1 calculation provided in paragraph 1 of this subsection and the
2 weighted pupil category calculation provided in subparagraph n of
3 paragraph 2 of this subsection to determine the weighted teacher
4 experience and degree calculation.

5 SECTION 3. This act shall become effective July 1, 2012.

6 SECTION 4. It being immediately necessary for the preservation
7 of the public peace, health and safety, an emergency is hereby
8 declared to exist, by reason whereof this act shall take effect and
9 be in full force from and after its passage and approval.

10

11 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
12 04/12/2012 - DO PASS, As Amended.

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