

OKC PUBLIC SCHOOLS  
**COMPACT**

Budget Efficiency Task Force

Report to Oklahoma City Public Schools Board of Education

May 29, 2018

## ***Task Force Members***

- **Chair, Teresa Rose-Crook, Communities Foundation of OK**
- **Joe Cardenas, Arvest Bank**
- **Jim Couch, City of OKC**
- **Joe Clytus, Veolia Water**  
(former OKCPS Board member)
- **The Honorable Willa Johnson, Oklahoma County Commissioner**
- **Percy Kirk, Cox Communications**
- **Dave Lopez, DL Dynamics**  
(former OKCPS Superintendent)
- **Mary Melon, Foundation for Oklahoma City Public Schools**

- **Ron Millican, retired**  
(former OKCPS Board member)
- **Tony Tyler, Tyler Media**
- **Joe Siano, Bank of Oklahoma**

## ***Working Group***

- **Todd Lisle, BKD CPAs and Advisors**
- **Doug Dowler, Budget Director, City of Oklahoma City**
- **Craig Freeman, Finance Director, City of Oklahoma City**
- **Jean Bostwick, OKCPS**

**Does OKCPS have a  
financial need to reduce  
expenses?**

# OKLAHOMA CITY PUBLIC SCHOOLS

## FY2019 Legislation Impact

	FY2019 Projected	FY2019 w/Legislation Projected
WADM - Actual	63,983	63,983
WADM - Funded	67,263	67,263
WADM Change from Prior Year	(1,141)	(1,141)
Gross Factor	3,032	3,398
Projected Aid + Local Revenues	163,751,446	188,369,704
Estimated Revenue Impact		24,618,258
Estimated Expense Impact		24,845,119
NET Funding Impact		(226,861)

# OKLAHOMA CITY PUBLIC SCHOOLS

## WADM Impact on Formula Funding FY2019-FY2021

	FY2016	FY2017	FY2018	FY2019 Projected	FY2020 Projected	FY2021 Projected
WADM - Actual	68,405*	67,263	64,999	63,983	63,315	62,973
WADM - Funded	68,212	68,405	68,405	67,263	64,999	63,983
Change from Prior Year	0	193	0	(1,141)	(2,265)	(1,016)
Gross Factor	3,035	3,012	3,032	3,032	3,032	3,032
Projected Aid + Local Revenues	170,342,564	167,017,817	167,212,216	163,751,446	156,885,570	153,805,990
Budget Reduction Per Year				(3,460,770)	(6,865,876)	(3,079,580)
<b>CUMULATIVE Budget: Reduction vs FY2018</b>				<b>(\$3,460,770)</b>	<b>(\$10,326,646)</b>	<b>(\$13,406,226)</b>

**Is the fund balance a viable  
source to cover needs?**

# OKLAHOMA CITY PUBLIC SCHOOLS

## General Fund Balance/Unrestricted Cash Pressures

FY2018	July	August	September	October	November	December	January
Beginning	16,714,507	13,168,114	13,547,126	11,739,577	1,112,555	732,294	18,786,056
Cash Deposits							
State Funding	0	8,445,920	10,985,897	9,501,660	9,501,660	9,501,660	8,388,847
Property Tax	457,684	573,170	355,237	167,095	5,111,488	20,385,615	33,108,951
Other Deposits	5,711,359	9,145,676	9,183,806	4,804,727	7,546,355	10,052,042	10,196,854
Charters Flow-through Deposits	0	2,382,464	2,968,065	2,647,080	2,997,385	2,720,993	5,650,115
Total Cash Deposits	6,169,043	20,547,230	23,493,005	17,120,562	25,156,888	42,660,310	57,344,767
Cash Payments							
Charters Flow-through Payments	0	(2,382,464)	(2,968,065)	(2,647,080)	(2,997,385)	(2,720,993)	(5,650,115)
District Cash Payments	(9,715,436)	(17,785,754)	(22,332,489)	(25,100,504)	(22,539,764)	(21,885,555)	(23,640,845)
Total Cash Payments	(9,715,436)	(20,168,218)	(25,300,554)	(27,747,584)	(25,537,148)	(24,606,548)	(29,290,960)
<b>Ending</b>	<b>\$13,168,114</b>	<b>\$13,547,126</b>	<b>\$11,739,577</b>	<b>\$1,112,555</b>	<b>\$732,295</b>	<b>\$18,786,056</b>	<b>\$46,839,863</b>

**AA vs AA-**

**+\$700,000 interest**

**REMAINING 2016 AUTHORIZATION**



**How can OKCPS address  
the shortfall?**

# Items Considered/Not Recommended

**\$3,500,000**

- Suspend math textbook purchases

**\$1,280,000**

- Eliminate combination of non-core subject teachers, counselors, social workers, other specialized support staff
- Increase minimum bus routes to two miles
- Eliminate rigorous instruction pilot
- Increase charter school fees

# **FY '19 Financial Recommendations**

- **One-time use of MAPS for Kids residual principal/interest - \$1,200,000**
- **Implement facility usage rental program - \$250,000**
- **The remaining shortfall represents less than 0.7% of the annual budget**

# **Additional Recommendations**

- Implement Fund Balance Policy including balance targets for specific funds (General Fund, Building Fund and Child Nutrition Fund)
- Develop Three-year operating budget plan
- Provide additional financial/budget staffing and support
- Upgrade and centralize multiple financial practices
- Develop a Charter Schools policy that provides greater equity

**Questions**

*and*

**Answers**