

What Happens Next

The Supreme Court denied our application for original jurisdiction. This is not a decision on the merits but rather the court's determination that the matter does not meet their standards for deciding it before working its way through district court action. Early on we made the decision not to go to district court because we believed the only viable solution required a final decision before June 30 of this year and filing in March didn't seem likely to make that possible through the normal court process. Now we are left to pursue the district court action that will take months to reach a result.

Therefore the unintended transfer of more than \$10 million to date from some school districts to others is apparently a done deal for this year and every district can be similarly affected by the same approximate additional amounts going forward making life even more miserable for "loser" districts and giving the "winner" districts a financial boost that all could use. It is disappointing that those organizations, namely the State Department of Education, the Cooperative Council for Oklahoma School Administration and the Oklahoma State School Boards Association, that should stand in support of proper administration of state funding for school districts have not assisted in correcting the unintended consequences of House Bill 2244 passed last year. It is even more disappointing that the 96 legislators who voted for House Bill 2244, most of whom represent school districts that are "losers", have taken no meaningful action to correct the unintended consequences of their hasty action.

Here is how to "plan" for FY 2017. Each district's motor vehicle chargeable amount will still be calculated based on actual revenue for FY2016. So far in FY2016 six months, namely August, September, November, December, February and March have been "converted" to per ADA apportionments. Therefore each district's collections for those six months in FY2017 will be very close to what was collected in FY2016. However the other six months, namely May, June, July, October, January and April are still in play. For each of those months, whether this year (May and June), next year, or some future year, the first time there is an under collection for that month each district will again be a one-time winner or loser in similar amounts as for each of the under collection months so far in FY 2016. Unless we are successful in district court eventually all losers will lose, one time, about the same amount as has been lost this year through April. All winners will again gain about the same amount as has been gained this year through April. The loss or gain for each month happens only one time until all twelve calendar months have essentially been "converted" to per ADA by the OTC's uninformed construction of the statute.

Simply stated whatever you have lost so far, double that amount; then subtract your final loss for this year and the difference is what you may lose next year, maybe less but no more. Again these losses (gains) are a one-time decrease (increase) to the district's fund balance. The state aid formula adjusts each subsequent year to the prior year revenue but it does NOT replace or take away the change to your fund balance.

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