

## GENERAL GUIDANCE - PAID STUDENT TEACHING INITIATIVE

*The information below serves as general guidance for university financial aid officers and business officers regarding funds to support the Paid Student Teaching Initiative.<sup>i</sup>*

### Paid Student Teaching Initiative

The Oklahoma State Department of Education (OSDE) is supporting a Paid Student Teaching Initiative by investing federal relief dollars to compensate pre-service teachers for their work as student teachers in K-12 classrooms. The program will equitably fund Oklahoma student teachers annually, beginning in school year 2021-22 and continuing through school year 2023-24.<sup>ii</sup>

### Purpose

The purpose of the Paid Student Teaching initiative is to help support student teachers financially as they engage in their 12-week internship in a K-12 school. Following their internship, in an effort to retain teachers in the state of Oklahoma, individuals who secure a contract to teach in an Oklahoma accredited school will receive a second payment. The goal of this initiative is to help address the teacher shortage in Oklahoma.

### Compensation

Through a partnership with the Oklahoma State Regents for Higher Education (OSRHE) and the Oklahoma State Department of Education (OSDE), funds will be made available for up to **\$3,250** per individual student teacher approved by the Educator Preparation Program (EPP). The award is divided into two parts and will be distributed as follows:

- ***First Disbursement***
  - \$1,625 during student teaching
  - Paid by the OSRHE via the institutions for higher education (IHE) to disburse to qualified applicants as determined by the IHE and OSDE.
  
- ***Second Disbursement***
  - \$1,625 upon completion of student teaching and upon signing a contract to teach in an Oklahoma accredited school.
  - Paid by the OSDE via the school district<sup>iii</sup>

### Source of Funding

Elementary and Secondary School Emergency Relief Fund of the American Rescue Plan Act of 2021 – Section 2001 (ARP ESSER/ESSER III).

More information:

<https://www.congress.gov/117/bills/hr1319/BILLS-117hr1319enr.pdf><sup>iv</sup>

## Process

Upon confirmation from university Educator Preparation Programs (EPPs) identifying student teachers eligible to receive funds for the Paid Student Teaching Initiative, the OSRHE will invoice the OSDE for the total amount of funding each institution for higher education is to receive for this purpose. Adhering to Title 62 O.S. §34.64(H), invoice remittance shall be paid by the OSDE by Electronic Fund Transfer (EFT) to the OSRHE.

As the pass-through entity, the OSRHE shall then remit payment to each institution for eligible student teachers engaging in the student teaching internship. Payment shall be made by EFT into each institution's Clearing Account. Institutions will then be responsible for depositing the funds internally into the appropriate fund for disbursement. Private institutions will be paid from the OSRHE by warrant.

## U.S. Department of Education Determination

The determination of whether such stipends are counted as estimated financial assistance and taxable income may depend on the relationship between the student teachers and the college. Because student teachers are receiving grant funds for compensation of work done and will not receive a portion of the funds until the completion of student teaching and signing a contract to teach in an Oklahoma public school, the funds appear to reflect an employment relationship between the student teacher and the institution. Typically, funds used to supplement payroll are counted as estimated financial assistance and taxable income. Thus, it appears that this use of funds would be different than the guidance referenced in Questions 15-17 of our [ARP HEERF III FAQs](#).

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<sup>i</sup> Some parts of the document adapted or taken from the State Department of Education's Paid Student Teaching Announcement or information from email correspondence.

<sup>ii</sup> Information from the Oklahoma State Department of Education Paid Student Teaching Announcement.

<sup>iii</sup> Adapted from the Oklahoma State Department of Education Paid Student Teaching Announcement.

<sup>iv</sup> Email correspondence from the Oklahoma State Department of Education to the Oklahoma State Regents for Higher Education.

<sup>v</sup> Email correspondence from the U.S. Department of Education to the Oklahoma State Department of Education.