Legislative Primer

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New Mexico School Boards Association
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Overview

- Status of Budget
- Key Legislative Session Issues
- Strategic Challenges
- Education Success
House Version of Budget:
General Fund Budget –
FY19 $6.3B
(in millions)

Public Schools, $2,801.8, 44%
Public Safety, $439.7, 7%
Higher Education, $798.0, 13%
Other, $1,320.3, 21%
Medicaid, $948.1, 15%

Source: House Version of Budget
Note: Includes Compensation Increases
House Version of Budget:
Public School Budget-
FY19 $2.8B
(in thousands)

Formula Funding,
$2,582,377.6 , 92.2%

PED Operating Budget,
$11,251.8 , 0.4%

Related Recurring,
$90,588.6 , 3.2%

Categorical,
$117,628.9 , 4.2%

Source: House Version of Budget
Note: Includes Compensation Increases
House Version of Budget:
Public School Budget—FY19 $2.8B

- **Formula Funding (Above-the-Line):** $2.582 billion, up $80.6 million (3 percent) from FY18
  - $22.5 million to boost at-risk index
  - $17.6 million to increase minimum salaries by $2 thousand for each level
  - $46.6 million for 2.5% average salary increase for classroom teachers and 2% for all other public school employees

- **Categorical Funding (Middle-of-Line):** $117.6 million, up $25.2 million (27 percent) from FY18

- **Recurring Related (Below-the-Line):** $90.6 million, up $2.4 million (3 percent) from FY18
  - Pre–K: $29.0 million, $8.0 million increase
  - K–3 Plus: $30.2 million, $6.5 million increase

Source: House Version of Budget
Note: Includes Compensation Increases
Other Key Issues

- Funding formula changes
  - Boost At-Risk Index
  - Align T&E to Three Tiered System
  - School Size Units
  - End Funding for Students Over 21

- Governor’s Education Proposals
  - Exemplary Teacher Awards
FY18 Program Cost by Funding Formula Components (in Millions)

- Basic Program Enrollment Components; $1,603.7; 63%
- Special Education Components; $444.0; 18%
- Training & Experience Index; $166.8; 7%
- Size Adjustment Components; $113.1; 4%
- At-Risk Index; $99.6; 4%
- Other Components; $108.2; 4%

Source: FY18 Final Funding Formula
Role and Financing of Charters

From FY08 to FY17 Charter Schools Received 60% of funding increases while educating 7% of students

Change in Program Cost Funding from FY08 to FY17 (in Millions)

Student Enrollment, FY17

Source: LFC Files
Strategic Challenges

- Achievement Gap
- Aligning Finance Mechanisms with Policy Priorities – ROI
- Overall Performance and Financial Accountability
- Teacher Workforce
- Cross System Coordination
Why is early childhood development so important?

The most rapid period of brain development occurs in the first few years of life.

- Early experiences influence the developing brain;
- Stable, caring relationships are essential for healthy development;
- Chronic stress can be toxic to developing brains;
- Significant early adversity can lead to lifelong economic and health problems;
- Early intervention can prevent the consequences of early adversity.
Early Brain Development

Center on the Developing Child
HARVARD UNIVERSITY

Human Brain Development
Synapse Formation Dependent on Early Experiences
(700 per second in the early years)

Sensory Pathways (Vision, Hearing)
Language
Higher Cognitive Function

FIRST YEAR

Birth (Months) (Years)
Early Brain Development

Source: UNM HSC
What We Know

- At high poverty schools, 80% of kids are behind their peers on the first day of kindergarten and 1 in 5 cannot identify a single letter.
- Almost half of 3rd graders are not reading at grade level and more than half are not performing at grade level in math.
- Medicaid pays for over 80% of births in New Mexico.
- NM Adverse Childhood Experiences (ACEs) are higher than the national percentages.
- 75% of young children in New Mexico have at least one risk known to impact health, education, development and 23% of children are at moderate or high risk for developmental delays or behavior problems.
National Student Average Test Scores

Source: Stanford Education Data Archive.
National Student Average Test Score Growth

National Student Average Test Score Growth, Grades 3-8, 2009-2013
(Green = Positive, Purple = Negative)

Source: Stanford Education Data Archive.
In general, New Mexico schools produce a year of growth for each grade.

Grade Level Proficiency in SBA Reading Exam from Third through Eighth Grade, SY08-SY13 (N = 20,210 Students)

Source: LFC analysis of PED data;
Note: Average SBA scores for each year were divided by 40 (the SBA proficiency threshold score) and then multiplied by the grade level number. An SBA score of 40 in third grade would be a value of three in this chart.
Despite annual academic gains, New Mexico’s achievement gaps remain in place over time.

**Average Reading SBA Scores from Third through Eighth Grade, SY08-SY13 (N = 20,210 Students)**

Source: LFC analysis of PED data.
Student Growth

Student test score growth varies widely across all school districts, despite a slight average gain in annual statewide student learning.

Change in Percent of Students Proficient in SBA Reading from Third to Eighth Grade by School District, SY08-SY13 (N = 14,803 Students)

Source: LFC analysis of PED data;
Note: 36 Districts shown. Districts with fewer than 30 students with SY08 and SY13 SBA data omitted from chart.
Student test score growth varies widely across all school districts, despite a slight average gain in annual statewide student learning.

Source: LFC analysis of PED data; Note: Average growth score is the average difference of standardized SY13 SBA reading and math scores minus SY08 standardized reading and math scores. Thirty-six districts are shown on chart. School districts with fewer than 30 students with both SY08 and SY13 SBA data were omitted from this chart.
Students who change schools more often on average have lower proficiency levels than their peers.

Source: LFC analysis of PED data.
Virtual Charter Schools

Student Test Score Growth at NMVA and NMCA Compared with Brick-and-Mortar Schools

Reading, FY16, fourth through eighth grade students
- Did not move schools: -152 days
- Moved schools: -202 days

Math, FY16, fourth through eighth grade students
- Did not move schools: -17 days
- Moved schools: -108 days

Source: LFC Files
LFC evaluations have repeatedly found prekindergarten produces a lasting and significant positive impact on student performance.

- Improved 8th grade PARCC performance in both math and reading.
- Reduced special education participation by 43%.
- Nearly eliminates the need to retain students by third grade.

Source: LFC analysis of PED data
Impact of PreK

FY15 Student Third Grade Proficiency by PreK Enrollment

Source: PED and CYFD
Impact of PreK with K–3 Plus

Closing of the achievement gap for Dual K3-Plus & PreK Participants in 2016

Source: LFC analysis of PED and CYFD data;
Error bars are 95% Confidence Intervals
2017 School Grades by Percent of Low-Income Students

Percent of Schools Eligible for Free and Reduced Lunch (FRL)

- 0% - 20% FRL: 18 schools
- 21% - 40% FRL: 51 schools
- 41% - 60% FRL: 46 schools
- 61% - 80% FRL: 45 schools
- 81% - 100% FRL: 22 schools

Source: LFC analysis of PED data
Third Grade Reading by School Poverty Level, FY13

Eight Characteristics of High-Performing Schools

- High Expectations and Standards
- High Levels of Collaboration and Communication
- Strategic Assignment of Principal and Staff
- Focused Professional Development
- Regular and Targeted Parent and Community Involvement
- Caring Staff Dedicated to Diversity and Equity
- Curriculum, Instruction, and Assessment Aligned with Core Standards
- Data-Driven Focus and Frequent Monitoring of Student Achievement

Expand “What Works” & Make Sure Implemented Correctly
  ◦ Early Childhood Investments, including PreK & K3+

Focus on Transition to Post–Secondary
  ◦ Boosting High School Graduation by 2,600 graduates (10 points) would yield $700 million in long–term benefits
  ◦ We can identify a handful of schools to make targeted investments that will yield big results
Legislative Finance Committee

  - Session Publications – including budget
  - Report Cards
  - Program Evaluations

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