



Presentation to PSCOOTF – 9.9.25
Matthew Pahl
Executive Director



Agenda

- Charter School Basics
- Adequacy Standards
- Lease Assistance
- Facility Support and Disequalization in the Funding Formula
- Capital Awards



Charter School Basics

Charter schools are:

- public schools that are free to any student that chooses to attend;
- independently run public schools;
- committed, through a public contract, to specific academic, financial and organizational performance;
- funded with public dollars through many of the same mechanisms as district schools;
- are unique inside and out, and constantly evolve to meet student needs.



Charter School Basics

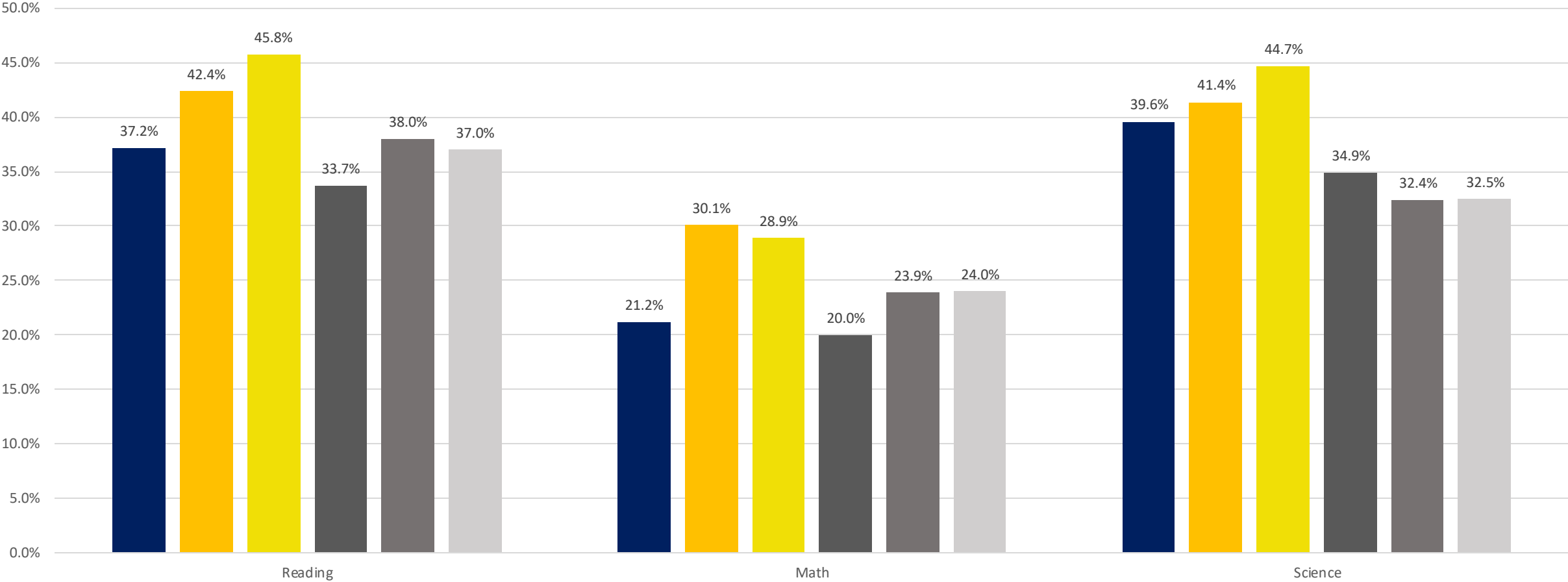
A poll of 500 New Mexicans conducted by Research and Polling last Fall found:

- 82% of New Mexicans believe we need more free, public school choices in our communities;
- 73% of New Mexicans agree that New Mexico should open and develop more public charter schools in their communities;
- 71% of New Mexicans believe public charter schools are improving public education in our state,



Charter School Basics

Proficiency at New Mexico's Public Schools in SY 2018-2019, 2021-2022, & 2022-2023

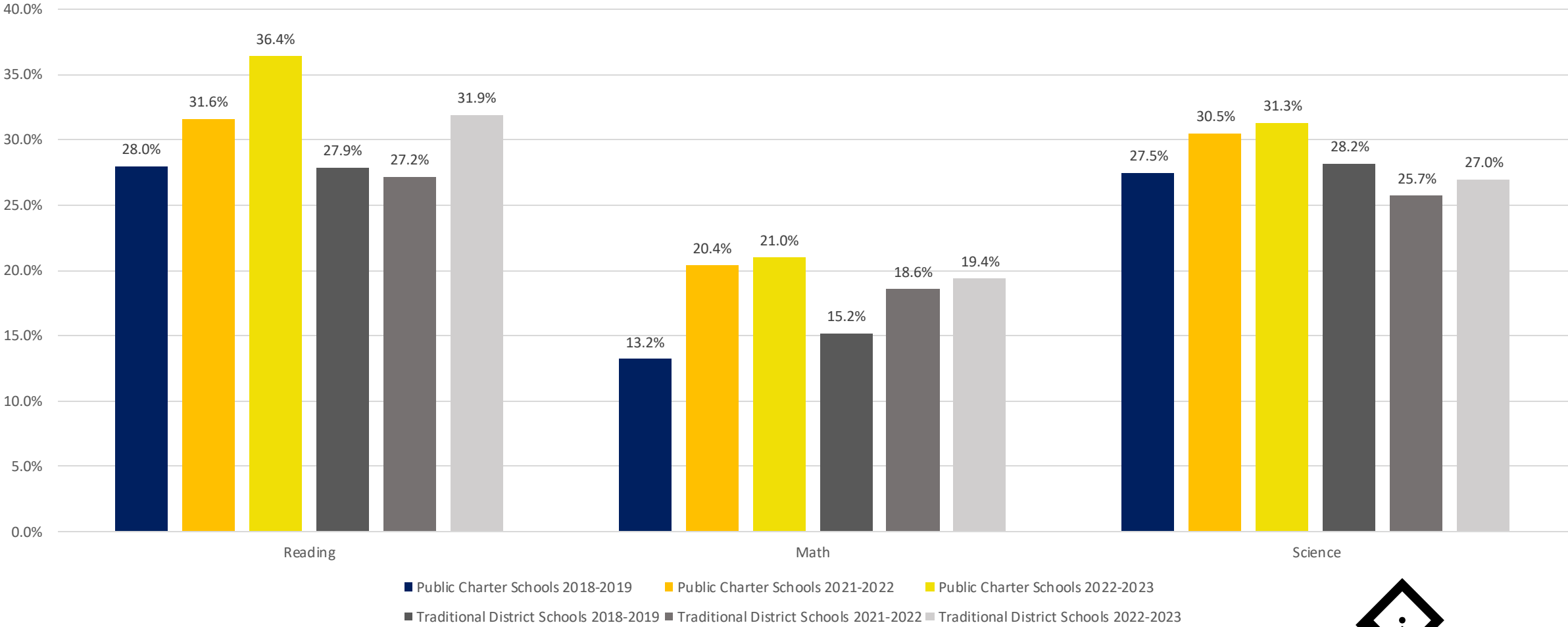


■ Public Charter Schools 2018-2019 SY
 ■ Public Charter Schools 2021-2022 SY
 ■ Public Charter Schools 2022-2023 SY
■ Traditional District Schools 2018-2019 SY
 ■ Traditional District Schools 2021-2022 SY
 ■ Traditional District Schools 2022-2023 SY



Charter School Basics

Low- Income Students Proficiency at New Mexico's Public Schools
in SY 2018-2019, 2021-2022, & 2022-2023



Adequacy Standards

- Charter schools are exempt from adequacy standards not directly related to health and safety. These include specific requirements for transportation, parking, square footage requirements, specialty classrooms, libraries, and more.
 - Advantages:
 - charter schools can fund facilities at a fraction of the cost of facilities adhering to full adequacy standards and provide significant cost savings on a per-student basis.
 - Very few available facilities would meet adequacy standards
 - Funding levels for charter facilities would only pay for a fraction of a building that meets adequacy standards
 - Disadvantages
 - Charter school facilities are, as a result, bare bones affairs. This isn't impacting enrollment.



Adequacy Standards

Two examples – Albuquerque Collegiate and East Mountain High School:

- Cost effective facilities:
 - Albuquerque Collegiate: ~\$27 million to serve 642 students
 - East Mountain High School: ~19 million campus expansion for 350 new students
- However, at those same projects, they are unable to afford some of the items that adequacy standards cover.
 - Albuquerque Collegiate: no gym or sports field in project
 - East Mountain High School: short on technology and landscaping and others.



Adequacy Standards



Lease Assistance

- Lease Assistance is the only funding available specifically for charter school facilities, and totaled \$22.7 million in FY25. Lease assistance supports over 30,000 New Mexico public school students.
- HB43 from the 2022 session solved a few issues with lease assistance:
 - Made the program a mandated program for PSCOC
 - Simplified the Assistance formula by:
 - Ending reimbursement by square footage
 - Making the program based on enrollment (currently \$815.60 per MEM)
- Lease assistance covers only 59% of total square footage costs
- Charter schools are receiving irregular CPI changes to funding
 - We will pursue legislation to codify CPI changes



Funding (SEG) Inequity for Charter Schools

- Lease Assistance is just one funding gap that charter schools must cover with operational funding that traditional district schools do not. The public charter sector must cover 41% of their lease costs with SEG dollars.
 - The SEG is generated by student and size factors, which does not consider facility factors.
- Other factors not covered by SEG that create less funding for charter students:
 - 2% authorizer withholding
 - First-year transportation funding
 - Savings for facility down payments



Capitol Awards

- Very few charters have obtained capitol awards independent of working with a school district.
- This is for a few reasons:
 - Initial leases must have a qualifying facility condition score
 - Charter schools don't have good understanding of the process
 - The local match is based off a taxable base charters cannot access independently



Questions

- How do we make Lease Assistance a program with adequate coverage that is reliable enough to rely on for long-range planning?
- How do charter schools successfully and independently apply for PSCOC capital awards?
- The Zuni lawsuit serves as considerable foundation for the work of PSCOC and there are many parallels with charter schools. Does this demand different treatment in the capital awards process for charter schools?



Questions

Matthew Pahl
505-409-5699
matt@pcsnm.org

