



Date: September 25, 2020

Prepared By: Bedeaux

Purpose: Explore national best practices for measuring progress on meeting the state's goal to close the achievement gap.

Witnesses: Charles Sallee, Deputy Director, Legislative Finance Committee; Gavin Payne, CEO, GPC Advisors and Former Director of U.S. Policy, Advocacy, and Communications, Bill and Melinda Gates Foundation; Nathan Driskell, Associate Director, Policy Analysis and Development, National Center on Education and the Economy

Expected Outcome: Craft a carefully-designed system that holds schools, school districts, and the state accountable for meeting the state's goals.

Creating Accountability for Investments Targeting the Achievement Gap

July 2020 marked the two-year anniversary of the 1st Judicial District Court's ruling in the *Martinez* and *Yazzie* consolidated lawsuit, which found New Mexico has not provided the opportunity for its most at-risk students, including economically disadvantaged students, Native American students, English learners, and special education students, to receive a sufficient education. Following the ruling, the Legislature and the executive collaborated on a "moonshot" investment in public schools. For FY20, appropriations for public schools increased by more than \$448 million, an increase of 16 percent over FY19. However, even as it has improved the state's capacity to engage in evidence-based practices, the state has struggled to ensure the funds are making an impact on the findings in the lawsuit.

A majority of the state's massive increase in public school funding was appropriated to the state equalization guarantee, a public school funding formula that offers school districts and charter schools broad discretion over how the funds are spent. In an attempt to retain accountability over the increases, the Legislature required the Public Education Department (PED) to "monitor and evaluate" the ways in which school districts and schools used the new funds. [Section 22-8-6 NMSA 1978](#) requires school districts to submit a narrative with their budgets, describing how school districts and schools planned to use funding for at-risk students, bilingual and multicultural education programs, extended learning time programs, K-5 Plus programs, instructional materials, and direct classroom instruction. However, despite information requests from Legislative staff, it remains unclear that school districts and charter schools are prioritizing funds for evidence-based programs designed to target the achievement gap.

The state submitted a motion to dismiss the *Martinez* and *Yazzie* lawsuit in June 2020 but the court denied the motion. The lawsuit remains open as the state enters the 2021 legislative session projecting a substantial funding deficit, and due to the Covid-19 pandemic, students did not participate in standardized testing this year, introducing more ambiguity about whether investments will have a lasting impact on student outcomes. As the Legislature continues to support reforms targeting the achievement gap, policymakers will need to couple investments with accountability metrics to gauge whether the state's moonshot investments are truly narrowing the achievement gap.

In its ruling in the *Martinez* and *Yazzie* consolidated lawsuit, the 1st Judicial District Court notes the Public Education Department (PED) has historically failed to exercise its budget oversight authority. The ruling posits that PED is responsible for ensuring school districts and charter schools spend money on improving classroom practices.

Defining and Monitoring Evidence-Based Programs

[Guidance from the U.S. Department of Education](#) for the federal Every Student Succeeds Act (ESSA) defines an evidence-based practice as “an activity, strategy, or intervention that demonstrates a statistically significant effect on improving student outcomes or other relevant outcomes.” ESSA also differentiates between three categories of evidence, with “strong” evidence being derived from at least on well-designed and well-implemented experimental study, “moderate” evidence from a quasi-experimental study, and “promising” evidence from a correlational study.

Sweeping education reforms passed by the Legislature and signed by the governor in [Laws 2019, Chapters 206 and 207](#) (Senate Bill 1 and House Bill 5) emphasize using money from the public education reform fund on “evidence-based public education initiatives.” The General Appropriation Act for FY21 also includes the phrase “evidence-based” throughout the public school support appropriation. While it has become somewhat of a buzzword for policymakers in recent years, the term “evidence-based” has a specific meaning in the realm of policy research. The same year as it enacted sweeping education reforms, the Legislature also passed [Laws 2019, Chapter 23](#) (Senate Bill 98), which established a statutory definitions for evidence-based, research-based, and promising practices:

- **“Evidence-based”** means that a program or practice: (1) incorporates methods demonstrated to be effective for the intended population through scientifically based research, including statistically controlled evaluations or randomized trials; (2) can be implemented with a set of procedures to allow successful replication in New Mexico; and (3) when possible, has been determined to be cost beneficial.
- **“Research-based”** means that a program or practice has some research demonstrating effectiveness, but does not yet meet the standard of evidence-based; and
- **“Promising”** means that a program or practice, based on statistical analyses or preliminary research, presents potential for becoming research-based or evidence-based.

The statutory definitions, enacted in 2019, were effective for the development of FY21 budgets, but statute appears to only apply to state agency budgets submitted to the Legislature. Because school district and charter school budgets are submitted to and approved by PED, it’s unclear whether school district and charter school budgets are subject to this process. Further, PED does not appear to have a systematic approach to evaluating the base of evidence surrounding individual school interventions.

Structured State-Level Accountability

New Mexico’s definitions are based largely performance-based budgeting process created by the Washington State Legislature. Washington’s system of program accountability organizes the state’s wealth of technical policy expertise within a single unified system, tying that system directly to budget priorities. Using the three categories above, researchers at the Washington State Institute of Public Policy (WSIPP), a nonpartisan research arm of the Washington State Legislature, conduct comprehensive cost-benefit analyses of major publicly funded programs, both educational and otherwise. WSIPP compiles the results of analyses in a [public education policy inventory](#), which gives policymakers a broad overview of education programs, whether they meet the definition of “evidence-based” after a systematic review, and the percent chance that the program will produce benefits greater than the costs.

Excerpt from WSIPP Public School Policy Inventory, July 2020

Program/Intervention	Level of Evidence	Benefit-Cost Percentage	Reason program does not meet evidence-based criteria
<i>Extended Learning Time</i>			
Double-dose classes	Evidence-Based	98%	
Out-of-school-time tutoring by adults	Evidence-Based	93%	
Summer learning programs: academically focused	Evidence-Based	87%	
Summer Book programs: one year intervention	Null	57%	Weight of evidence
Summer book programs: multi year intervention	Promising	71%	Weight of evidence

Source: WSIPP

New Mexico has no lack of technical expertise, but unlike Washington, research conducted by independent actors, especially on school-level initiatives, is rarely compiled and organized into a single framework. LESC, the Legislative Finance Committee, PED, institutions of higher education, and other external research organizations conduct research in individual silos, often leading to disagreements about which programs and initiatives constitute “best practices.” Further work is needed to extend expectations withing New Mexico’s performance-based budgeting framework to apply to school distirctis.

[Section 9-6-15 NMSA 1978](#) provides for the “Office of Education Accountability” located within the Department of Finance and Administration. The office, created in 2003, is tasked with providing independent evaluation of the Assessment and Accountability Act and the School Personnel Act. While the framework for the office still exists within state law, the office has not existed at DFA for a number of years.

Accountability that Supports Improvement

The [Learning Policy Institute](#) (LPI), a national nonprofit organization that conducts nonpartisan research to advance evidence-based education policies and practices, published a report in September 2020 about New Mexico’s response to the *Martinez* and *Yazzie* consolidated lawsuit. The report emphasizes the need for New Mexico to construct supportive accountability systems that build state and local capacity to enact education reforms. The report recommends adopting “a comprehensive set of measures” that meaningfully evaluate whether students are being provided a sufficient education. Some elements listed in the LPI report are already required in statute. The School Accountability and Support Act, Section 22-2F-3 NMSA 1978, requires PED to measure and report the following:

- Student proficiency,
- Student growth,
- Progress of English learners toward English proficiency,
- Graduation rates,
- Chronic absenteeism,
- College, career, and civic readiness, and
- The educational climate of the school.

However, most elements of the PED dashboard are “norm-referenced;” instead of comparing schools’ performance to measurable, achievable goals, the system describes where a school lies in relation to other schools. Instead of sharing vague, ambiguous data about how many students are proficient, an accountability system can establish meaningful goals that describe the types of skills students should be able

to demonstrate, or the number of students that should be moved to proficient each year. This constitutes the difference between accountability to *describe* performance and accountability to *improve* performance. On this topic, LPI's report includes recommendations to refine the state's accountability dashboard by creating clear expectations within a profile of a graduate and building-in more measures of a student's opportunity to learn, including opportunities in the Indian Education Act and the Hispanic Education Act.

Local Budget Accountability

In 2018, PED required Hawthorne, Whittier, and Los Padillas elementary schools in Albuquerque and Dulce Elementary School in Dulce, all schools that received a school grade of "F" for five or more consecutive years, to engage local stakeholders in crafting a "more rigorous intervention" plan. The plans were driven largely by community input, coupled with a significant amount of federal School Improvement Grant funding. The schools were able to offer competitive salaries to hire highly effective teachers and execute extended learning time and reengagement programs. The experiment in locally-developed interventions was highly successful for a year, but PED rescinded the more rigorous intervention status in 2019, as well as the substantial amount of funding it carried.

In 2013, California established a ["local control funding formula."](#) a system of public school funding that distributes state and local funds based on characteristics of school districts. A majority of funding for education in California comes from local property taxes levied by individual school districts, resulting in a large incentive for communities to oversee how those funds are spent. California ties school district budgets to a stakeholder engagement process called the ["local control and accountability plan,"](#) a three-year description of "goals, actions, services, and expenditures to support positive student outcomes" which includes a budget overview for parents to encourage their involvement in the budget-making process.

Mirroring California's system, LPI's report includes a recommendation to "require robust, community-engaged, local budget planning and accountability processes." Despite being the primary stakeholders of the public education system, New Mexico students and families are not always meaningfully engaged in the local budget-making process. While parents are offered opportunities to engage with school boards and superintendents, there are no mechanisms to ensure that feedback is integrated into a school district or charter school budget. It's unclear to what extent this can be mitigated; because a majority of the funding for New Mexico education is pooled statewide and distributed through an equalized funding formula, local stakeholders may feel less of an incentive to hold school districts accountable for the funds, which may result in lower community engagement.

Strong local accountability systems should effectively incorporate the following elements:

- Engage community stakeholders, including parents, students, teachers, and local business and industry.
- Clearly communicate strengths and opportunities for improvement to stakeholders.
- Establish clear, measurable goals focused on student outcomes.
- Prioritize funding on evidence-based initiatives that target identified goals.
- Genuinely respond to community needs and feedback by connecting funding to services and interventions.

Similar to LPI's other recommendations, New Mexico has the skeleton of a local engagement accountability system within the New Mexico DASH Plan (previously called the Educational Plan for Student Success). NM DASH is a strategic planning module for individual schools that revolves around a school-based team of administrators and teachers, including one community representative. The plan is focused on identifying the root cause of student performance issues and consolidating efforts to focus on identified issues and improve student outcomes. However, a school's DASH plan is not directly tied to its budget, and includes only limited engagement.

Reforms included in Laws 2019, Chapters 206 and 207 (Senate Bill 1 and House Bill 5) also constitute a framework for budget accountability. The law considers how funding generated by the state equalization guarantee for particular elements of the formula, like at-risk students, bilingual and

multicultural education programs, or special education students, should be spent to directly support those programs. Even though elements of the law may not have been effectively implemented by PED in FY20 or FY21, the law constructs a framework for requiring schools to practice performance-based budgeting, tying funding to specific programs and outcomes. This framework could be adjusted further to provide a greater level of local engagement in the budget development process.

Tying it Together: Next Steps for New Mexico

The National Conference of State Legislatures' *No Time To Lose* report, which highlights common elements of high-performing education systems, recommends that states undertaking sweeping reforms enact individual reforms as elements of a carefully-designed system. The report notes that "top performing countries have adopted a comprehensive, systemic approach to building world-class education systems." New Mexico appears to have individual elements of strong fiscal accountability systems, but each arm of accountability in the state moves independent of the others, and coordination

To hold schools accountable for investments in evidence-based practices, policymakers should begin to consider how each element of New Mexico's system can build upon the others. Creating a systemic approach to budget accountability will take genuine collaboration between the Legislature and PED, and may even necessitate building a platform for community input. In doing so, the state should consider how to hold individual schools to realistic goals that focus on student outcomes, rather than comparing schools to an ambiguous statewide average. Policymakers may also wish to consider how to build the state's capacity to evaluate school initiatives in a systemic, collaborative manner, and how to require local engagement in the budget development process.