

Public School Facilities Authority FY26 Overview and FY27 Outlook

Public School Capital Outlay Taskforce

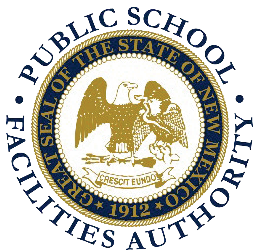
June 1, 2026

STATE OF NEW MEXICO  PUBLIC SCHOOL FACILITIES AUTHORITY

Partnering with New Mexico's communities to provide quality, sustainable school facilities for our students and educators.

Agenda

- I. FY26 Award Cycle Requests
- II. Revised Application and Awards Cycle
- III. Outreach
- IV. FY26 Awards Cycle
- V. Potential FY26 Awards
- VI. Withdrawn or Ineligible Awards
- VII. FY27 Operating Budget
- VIII. FY27 Initiatives
- IX. FY28 Budget Authority and Outlook



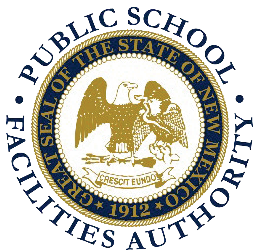
FY26 Award Cycle Requests

PSFA received 83 “Letters of Intent” for the FY26 Award Cycle:

- Standards-based: 26 requests totaling \$952.5 million in state match.
- Systems-based: 41 requests totaling \$41.4 million in state match.
- Pre-K: One request totaling \$296,000 in state match.
- Teacher Housing: Six requests totaling \$8.9 million in state match.
- Demolition: Nine requests totaling \$5.3 million in state match.



Bernalillo High School



Revised Application and Award Cycle

PSCOC delayed the FY26 Award Cycle for three months due to the increased volume and complexity of potential awards and local match reductions. This allowed staff additional time to complete site visits and evaluate projects..

Step 1

Revision of the FY26 Capital Outlay Award Cycle timeline.

- **Previous:**
 - **March 2026** — awards made to districts.
- **Current:**
 - **May 2026**— district made to PSCOC presentations.
 - **June 11 ,2026** — PSCOC will award district projects.

Step 2

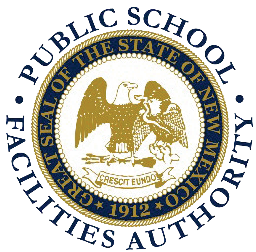
PSCOC limiting awards based on capacity availability.

- PSFA currently does not have sufficient staffing resources to effectively manage additional award allocations while maintaining appropriate project oversight and support.
- PSFA received a \$2.5 million supplemental budget increase to secure contract support and strengthen project management and operational oversight.
- Consistent with industry standards, PSFA is working toward a staffing ratio of one contract support staff member for every five awards to ensure effective oversight, project management, and accountability.
- As part of its long-term organizational strategy, PSFA plans to gradually transition from contract support to permanent FTE positions over multiple fiscal years to establish sustainable operational capacity supported by recurring funding.

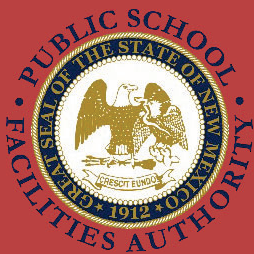
Outreach

PSFA staff surveyed school districts to assess the immediate operational and project impacts associated with adjustments to the award cycle timeline.

- During this time staff continued site visits, evaluating project readiness and worked closely with school district representatives.
- PSFA Leadership worked with PSCOC, Governor's staff, Legislators and School District partners to ensure full transparency on the approach and adjustments to the FY26 award cycle during.



FY26 Awards Cycle



FY26 Capital Outlay Awards Cycle:

- **July 1, 2025** – Capital funding application cycle opened for Standards-based, Systems-based, Pre-kindergarten and Pilot Teacher Housing (on hold) funding programs.
- **September 30, 2025** – Application Cycle closed.
- **October 2025 – May 2026:** Application vetting and school site completed.
- **May 14, 2026** – District Presentations Made to PSCOC.
- **June 11, 2026** – Awards will be made to Districts.

Potential FY26 Awards

Standards-Based (in millions)*

Project Type	District	School	Local Match	State Match	Budget Estimate
Standards-based	Albuquerque	Eldorado HS	63%	37%	\$ 77.30
	Albuquerque	Highland HS	63%	37%	\$ 52.30
	Albuquerque	Mary Ann Binford ES	63%	37%	\$ 19.90
	Clovis	Clovis HS	36%	64%	\$ 158.00
	Corona	Corona ES/MS/HS Combined School	32%	68%	\$ 54.00
	Espanola	Espanola Valley HS	55%	45%	\$ 104.20
	House	House ES/MS/HS Combined School	5%	95%	\$ 57.40
	Jemez Mtn	Coronado ES/MS/HS Combined School	47%	53%	\$ 57.20
	Las Cruces	Mayfield HS	57%	43%	\$ 269.40
	Las Cruces	White Sands ES/MS	57%	43%	\$ 92.70
	Las Cruces	Highland ES	57%	43%	\$ 4.40
	Mesa Vista	Mesa Vista Combined MS/HS	36%	64%	\$ 33.00
	Mora	Mora ES/MS/HS Combined School	43%	57%	\$ 45.00
	Mountainair	Mountainair Elementary School	29%	71%	\$ 42.00
	Questa	Questa ES/MS/HS Combined School	63%	37%	\$ 45.00
	Roswell	Roswell HS	32%	68%	\$ 0.75
	Roswell	Goddard HS	32%	68%	\$ 0.75
	Roy	Roy PreK-12 Combined School	0%	100%	TBD
	Santa Rosa	Santa Rosa Combined ES/MS/HS School	26%	74%	\$ 93.60
	State Charter	School of Dreams Academy	41%	59%	TBD
Taos	Taos Middle School	63%	37%	\$ 70.00	
Truth or Consequences	Truth or Consequences Middle School	61%	39%	\$ 40.40	
Total					\$1.32 billion

*Preliminary amounts provided by school districts and charter schools based on Facility Master Plans.

Pre-Kindergarten

Project Type	District	School	Local Match	State Match	Budget Estimate
Pre-K	Reserve	Reserve Combined School	26%	74%	\$ 1.40
Total					\$1.4 million

*Preliminary amounts provided by school districts and charter schools based on Facility Master Plans.

Teacher Housing (on hold)

Project Type	District	School	Local Match	State Match	Budget Estimate
Teacher Housing	Animas	Districtwide	11%	89%	TBD
	Bernalillo	Districtwide	63%	37%	\$ 6.00
	Clayton	Districtwide	40%	60%	\$ 2.00
	Grady	Districtwide	0%	100%	\$ 1.50
	Jemez Mountain	Districtwide	47%	53%	\$ 2.00
	Roy	Districtwide	0%	100%	\$ 1.30
	Santa Rosa	Districtwide	26%	74%	\$ 2.20
Total					\$15.0 million

*Preliminary amounts provided by school districts and charter schools based on Facility Master Plans.

Potential FY26 Awards

Systems-Based

Project Type	District	School	Local Match	State Match	Budget Estimate
Systems-based	Albuquerque	Apache ES	63%	37%	\$ 4.80
	Albuquerque	Chaparral ES	63%	37%	\$ 7.45
	Albuquerque	Hayes MS	63%	37%	\$ 4.83
	Albuquerque	New Futures HS	63%	37%	\$ 4.04
	Albuquerque	Tomasita ES	63%	37%	\$ 2.77
	Animas	Animas ES	11%	89%	\$ 5.69
	Animas	Animas MS/HS	11%	89%	\$ 2.84
	Aztec	Vista Nueva Alternative HS	63%	37%	\$ 0.57
	Deming	Chaparral ES	27%	73%	\$ 1.73
	Hobbs	College Lane ES	63%	37%	\$ 0.83
	Hobbs	Stone ES	63%	37%	\$ 0.71
	Jemez Mountain	Lybrook ES/MS	47%	53%	\$ 2.53
	Las Cruces	Desert Bloom (formerly Cesar Chavez) ES	57%	43%	\$ 2.08
	Las Cruces	ConLee ES	57%	43%	\$ 5.73
	Rio Rancho	Eagle Ridge MS	63%	37%	\$ 4.31
	Rio Rancho	Enchanted Hills ES	63%	37%	\$ 2.94
	Roy	Roy PreK-12 Combined School	0%	100%	TBD
	Ruidoso	White Mountain ES	63%	37%	\$ 5.70
	Silver	G.W. Stout ES	63%	37%	\$ 3.16
	West Las Vegas	Rio Gallinas Charter School	17%	83%	\$ 1.01
West Las Vegas	Union Street ES	17%	83%	\$ 1.61	
West Las Vegas	Valley Combined ES/MS	17%	83%	\$ 6.77	
Total					\$72.1 million

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Systems-Based (Demolition)

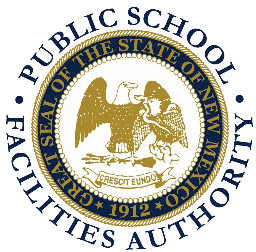
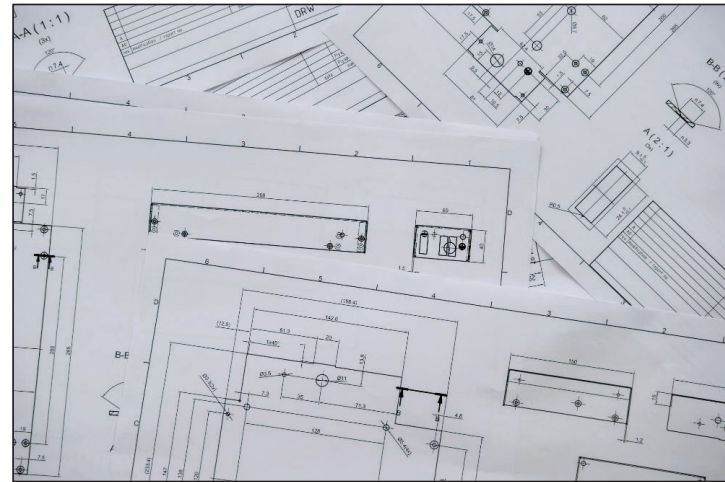
Project Type	District	School	Local Match	State Match	Budget Estimate
Demolition	Animas	Demolition of District Facilities			\$ 1.11
	Deming	Central Kitchen			\$ 0.17
	Deming	Abandoned Dwelling			\$ 0.46
	Gadsden	Alamo Cafeteria			\$ 0.44
	Jemez Mountain	Gallina ES and two teacher housing units			\$ 1.99
	State Charter	McCurdy Charter School - Teacherage			\$ 0.05
	State Charter	NM School for the Arts - Campus Building			\$ 0.46
	Total				

*Preliminary amounts provided by school districts and charter schools based on Facility Master Plans.

Withdrawn or Ineligible Awards

Some proposed projects were determined to be ineligible or were withdrawn by applicants due to weighted New Mexico Condition Index (wNMCI) rankings or a district's inability to advance the projects forward due to project readiness or revised project priorities.

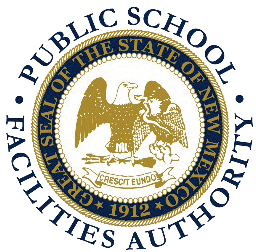
- 4 ineligible standards-based projects.
- 8 ineligible systems-based projects
- 12 withdrawn systems-based projects
- 5 withdrawn demolition systems-based projects



FY27 Operating Budget Request



Holloman Elementary School



Public School Facilities Authority Budget (Dollars in Thousands)				
Category	FY26 OpBud	FY27 OpBud	Difference	Percent Increase
200's (Personal Services & Employee Benefits)	6,284.0	6,910.8	626.8	9.97%
300's (Contractual Services)	200.0	200.0	0.0	0.0%
400's (Other)	1,272.9	1,670.0	397.1	31.20%
Total	7,756.9	8,780.8	1,023.9	13.2%

PSFA received a \$2.5 million supplemental budget increase to secure contract support and strengthen project management and operational oversight. This funding spans over FY26 and FY27.

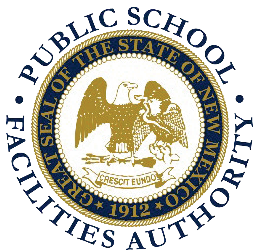
FY27 Initiatives

- Advance key statewide initiatives, including Community Benefit Fund (CBF) Round 2 opening in June 2026. Implement the 2nd phase of the Measurement and Verification (M&V) Pilot Program to improve project performance and accountability;
- Continued administration of the Lease Assistance Program;
- Further study Teacher Housing initiatives, particularly in rural and tribal communities;
- Strengthen fiscal oversight through bond reconciliation, review of uncommitted balances, tighter internal and project controls, and improved project monitoring;
- Manage legislative distributions to facilitate statewide initiatives;
- Administer emergency awards to address urgent district facility needs statewide;
- Provide planning, policy, and technical support through Adequacy Planning Guide (APG) revisions, and expanded district assistance; and
- Support LESC and LFC in their efforts to improve the State and Local Match formula.

PSFA Budget Authority and FY28 Outlook

Laws 2023, Chapter 98 (Senate Bill 131) revised PSFA’s budget authority. Section 22-24-4 NMSA 1978 states “the total annual expenditures from the fund for the core administrative functions pursuant to this subsection shall not exceed five percent of the average annual grant assistance authorized from the fund during the five previous fiscal years...”

- Due to the state-local match reductions and sunseting of offsets enacted under SB131, the PSFA has experienced an unprecedented surge in both applications and awards, as well as additional programs including the Community Benefit Fund, Measurement & Verification, and growing lease assistance reimbursements to charters.
- New award structures allow planning and design services to be funded over a 2- or 3-year period at 10% of the total estimated project cost, with the remaining 90% reserved for construction awards scheduled for approval in future fiscal years.
- Beginning in 2023–2024, this rapid increase in activity has outpaced the agency’s operating budget and staffing capacity. As statutory changes expand grant assistance and project-management responsibilities, PSFA’s current resources are no longer sufficient to meet present or anticipated demand.



Project Awards Compared to Operating Budget (FY21-FY28) (in millions)			
Fiscal Year	Total Awards Authorized *	Available Budget based on 5% Budget Limit	Approved Operating Budget
FY21	123.4	Prior to SB131***	5.3
FY22	124		5.8
FY23	419.9		6.1
FY24	668.7		6.9
FY25	525.6	9.9	7.4
FY26	377.2	14.7	7.8
FY27	957.6**	18.6	8.8
FY28	TBD	21.2	TBD

*Combination of new awards and out-of-cycle construction funding requests
 **Projection based on currently scheduled out-year items from the June 2026 PSCOC financial plan.
 *** Prior to SB131 the 5% increase limit was averaged over 3 years as opposed to 5 years.

Q&A

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