

ACTION PLAN

Submitted by agency?	No
Timeline assigned?	No
Responsibility assigned?	No

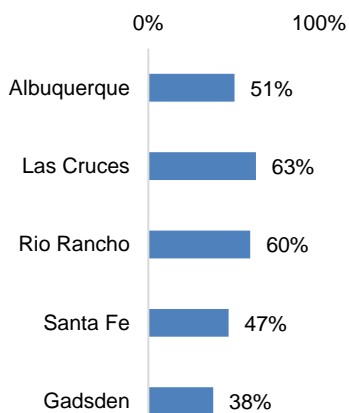
New Martinez-Yazzie Ruling

On May 18, 2021, the 1st Judicial District Court issued an order requiring the state to immediately provide at-risk students and teachers access to digital devices, high-speed Internet, and qualified IT staff.

For instances where access to high-speed Internet is not immediately possible, the court ordered the state to provide school districts with funding for special remote learning expenses, including costs such as transportation.

The state must immediately address the order for each of the 23 focus school districts designated previously in the case.

Students Attending Schools in Person (April 2021)

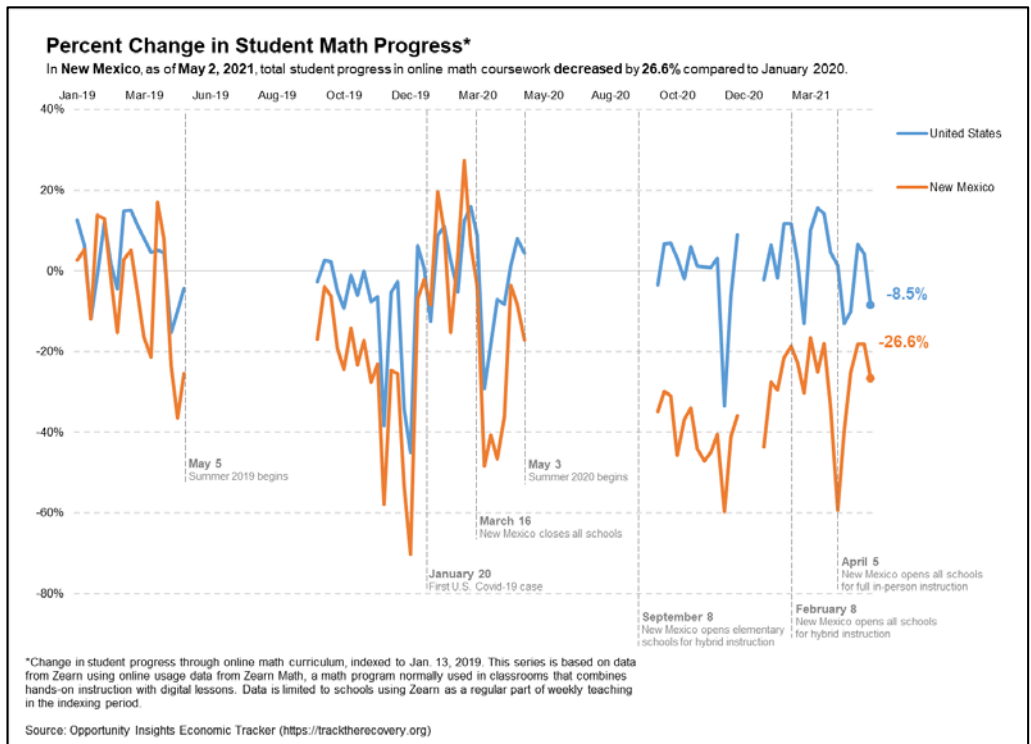


Source: Albuquerque Journal

Public Schools

Standards-Based Assessments

Because PED applied for and received a federal waiver for standardized assessments in FY21, most students will not be taking reading and math tests for a second year in a row. It is unclear if the limited number of students with families that opted to participate in assessments this year will be a representative sample of the state – recent LFC reports indicated fewer at-risk students participated in interim assessments during school closures, which artificially inflated test scores. Recent data from *Zearn*, an online math program, indicates students in New Mexico fell further behind, widening the gap with other students in the country in online math progress during school closures.

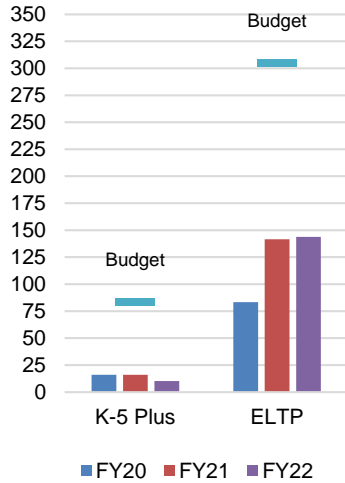


Schools Reopen

With declining Covid-19 case counts, the Public Education Department (PED) announced that middle and high schools could begin offering hybrid instruction on February 8, 2021. A month later, PED established a goal for all schools to fully reopen by April 5, 2021. School officials noted the announcement came with short notice and educator unions expressed concerns about requiring unvaccinated staff to return. In response, the Department of Health began prioritizing vaccines for school personnel.

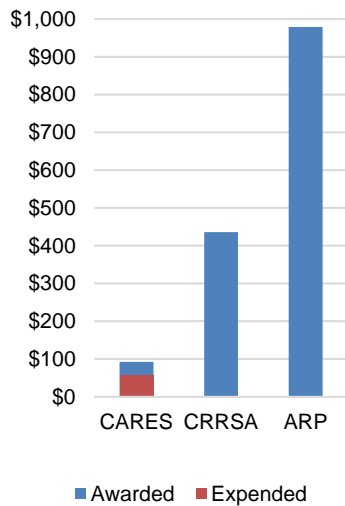
Within the first week of all schools reopening, about 149 thousand students, or 47 percent, were reported in classrooms. Approximately 35.2 thousand school staff, or 69 percent, were in school buildings. In the second week following reopening, about 160.5 thousand students (51 percent) and 34.4 thousand school staff (67 percent) were in school buildings. Overall in-person attendance has been sporadic, with elementary schools typically reporting higher attendance rates than secondary schools.

Estimated Student Participation
(in thousands)



Source: PED, LFC Files

New Mexico Federal ESSER Grants
(in \$ millions)



Source: OBMS, USDE

Total ESSER spending by districts through this quarter has reached \$56.6 million, or 61 percent of the first round of stimulus aid (CARES). Districts have not spent any of the second (CRRSA) or third (ARP) rounds of stimulus aid to date.

K-5 Plus and Extended Learning Time Programs

PED's April 9, 2021, survey of school districts and charter schools indicated 29.7 thousand students would participate in K-5 Plus and 223.9 thousand students would participate in Extended Learning Time Programs (ELTP) for FY22. After pushback from teacher unions and communities about extending the school year, many large districts (such as Albuquerque, Las Cruces, and Los Lunas) cut back or fully retracted initial applications to participate in the programs.

As of June 16, 2021, PED notes 63 school districts and charter schools have declined to participate in K-5 Plus or ELTP next year. Estimated participation is 10.3 thousand students for K-5 Plus next fall, a decrease of 5,817 students, or 36 percent from the prior year. About 143.8 thousand students are signed up for ELTP, effectively flat with the prior year. PED notes 6,378 students are enrolled for the new additional instructional time program, or K-5 Plus Pilot 140, which is intended to provide a longer school day (about 45 additional minutes each day).

PED staff notes pending school board decisions may reduce estimates of FY22 program participation further. At the current unit value of \$4,770.70, these programs are projected to generate \$90 million in formula funding. However, the Legislature appropriated \$280.1 million for K-5 Plus and ELTP in FY22, which will leave \$190 million in unspent appropriations for reversions to the public education reform fund.

Public Education Department	FY19	FY20	FY21	FY21	FY21	FY21	Rating
Budget: \$14,322.2 FTE: 282.2	Actual	Actual	Target	Q1	Q2	Q3	
Students served in K-5 Plus Programs	18,227	15,967	N/A*	16,067	15,225	15,225	Y
Students served in Extended Learning Time Programs	New	82,816	N/A*	134,042	Not reported	141,622	Y
Average days to process reimbursements	26.8	31	24	78	39	38	R
Data validation audits of funding formula	28	12	35	7	7	10	G
Program Rating	Y	R					Y

*Measure is classified as explanatory and does not have a target.

Federal Funds

On April 15, 2021, the U.S. Department of Education (USDE) denied New Mexico's request to credit federal Impact Aid payments in the public school funding formula for FY21, reversing its initial approval of the state's request to credit payments on December 7, 2020. USDE indicated the change from the initial decision was due to PED submitting its application 3 days late. PED has until June 14, 2021, to appeal this decision.

On May 12, 2021, PED requested \$37.6 million from the state-support reserve fund to cover costs related to the state's inability to credit Impact Aid for FY21. The state-support reserve fund currently has a balance of \$39 million and will receive \$36.4 million from FY22 appropriations, primarily to cover a \$60 million deficiency from USDE's denial of New Mexico's FY20 request to credit Impact Aid. On July 15, 2021, PED decided against appealing USDE's decision, and Board of Finance approved a \$35 million transfer from the state-support reserve fund, leaving a \$19.6 million remaining liability for FY20 Impact Aid credits.