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October 13, 2014

**MEMORANDUM**

**TO:** Legislative Education Study Committee

**FR:** Ian Kleats

**RE: STAFF REPORT: FY 15 PUBLIC SCHOOL BUDGETS**

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**INTRODUCTION**

During the June 2014 interim meeting of the Legislative Education Study Committee (LESC), the committee was provided a post-session memorandum, which contained an overview of the FY 15 recurring and nonrecurring public school support appropriations outlined in Table 1, *FY 15 Public School Support and Related Appropriations*. Other sources of revenue for public schools include US Department of Education (USDE) federal program funds. These appropriations serve as the basis for the development and approval of public school budgets for the current school year.

For committee review, this staff report includes:

- budget provisions in current law; and
- an overview of FY 15 appropriations for public schools including:
  - the State Equalization Guarantee (SEG) appropriation; and
  - recurring and nonrecurring appropriations to PED.

For the October 2014 interim meeting, LESC staff has requested that the Public Education Department (PED) staff provide the committee with a summary of approved public school budgets for school year 2014-2015, including guidance provided by PED in the budgeting

process, and spreadsheets of distributions of certain recurring and nonrecurring FY 15 appropriations that have not previously been presented to the LESC during the 2014 interim.

## **BUDGET PROVISIONS IN CURRENT LAW**

Provisions in the *Public School Finance Act* require:

- prior to April 15, that each local school board submit an operating budget to PED;
- at the local level, that an operating budget for the upcoming fiscal year be heard in a public hearing prior to June 20;
- PED to approve operating budgets for school districts and state-chartered charter school on or before July 1; and
- PED to ensure that each local school board or governing body of a charter school is prioritizing resources of a public school rated D or F toward proven programs that are linked to improved student achievement until the public school earns a C or better for two consecutive years.

## **OVERVIEW OF FY 14 APPROPRIATIONS FOR PUBLIC SCHOOLS**

Table 1 summarizes the recurring and the nonrecurring public school support and education-related appropriations. In total, the *General Appropriations Act of 2014* appropriates over \$2.72 billion for Public School Support and related recurring appropriations, which include:

- \$2.48 billion to the SEG. Considering only General Fund dollars, this figure is a \$119.4 million, or 5.1 percent, increase over FY 14 [lines 28-29];
- nearly \$127.1 million for categorical public school support [line 50] for statutorily created funds and initiatives, including public school transportation, supplemental distributions, the Instructional Material Fund, dual credit instructional materials, and the Indian Education Fund;
- approximately \$106.9 million [line 87] to fund the operations of PED and other education-related initiatives funded with recurring dollars, representing an increase of approximately \$38.1 million, or 55.4 percent, over FY 14; and
- up to \$10.1 million [line 102] in nonrecurring dollars for FY 14 and FY 15.

## **STATE EQUALIZATION GUARANTEE APPROPRIATION**

The *Public School Finance Act* grants school districts and charter schools broad discretionary budget authority for the use of their SEG distributions, with an exception made for schools that have been rated D or F for two consecutive years. Considering only General Fund dollars, over \$2.48 billion was appropriated to the SEG for FY 15, an increase of \$119.4 million, or 5.1 percent, over FY 14 funding levels. Although they are not included in the appropriation language, Table 1 itemizes the specific components for which funding were increased.

Language in the *General Appropriations Act of 2014* requires the secretary of public education to set a preliminary unit value to establish budgets for school year 2014-2015. The appropriation language also allows the secretary of public education to adjust the final unit value for FY 14 upon verification of final units, but no later than January 31, 2015. To comply with this language, the Secretary-designate of Public Education set the preliminary unit value for FY 15 at \$4,005.75, an increase of \$188.20 (4.93 percent) over the FY 14 final unit value of \$3,817.55.

### ***FY 15 Funding Formula Changes***

In order to reduce dependence upon emergency supplemental funding for small, rural districts, Laws 2014, Chapter 57 amended the *Public School Finance Act* to provide additional operational funding for school districts with fewer than 200 students, provided that the school district has implemented practices to reduce scale inefficiencies, including shared service agreements with regional education cooperatives or other school districts for non-instructional functions and distance education. Additional units are calculated with the following formula:

$$200 - \text{MEM} = \text{Units}$$

Based on FY 15 preliminary funded units, this change to the funding formula generated 1,615.5 units across 18 districts, accounting for approximately \$6.47 million. However, the FY 15 SEG appropriation included only \$5.76 million for the funding formula change. The difference is attributable to two causes:

1. a further decline in enrollment from micro districts below what was projected during the budget process; and
2. the cost projections for this and other funding formula changes are based upon current year preliminary unit values, not budgeting for baseline growth in that unit value.

Not sufficiently funding new units added to the funding formula could depress growth in the unit value for already existing units. The Legislature may wish to consider this experience when developing the appropriation for other funding formula changes scheduled to become effective in FY 16.

### **RECURRING AND NONRECURRING APPROPRIATIONS TO PED**

Recurring and nonrecurring appropriations, commonly referred to as below the line expenditures, are typically not distributed proportionately between school districts and charter schools on the basis of membership or program units. For this reason, the amount appropriated below the line and also the means of distribution are important considerations for public school budgets in order to ensure that resources are allocated equitably.

LESC staff has requested that PED provide the committee with a spreadsheet of the distributions of recurring and nonrecurring FY 15 appropriations that have not previously been presented to the LESL during the 2014 interim.

Table 1 provides the amounts of each appropriation made, including the:

- categorical appropriations to PED [lines 30-50];
- recurring appropriations to PED [lines 54-87]; and
- nonrecurring Special Appropriations to PED [lines 91-102].

This staff report will review each appropriation made to PED during the 2014 legislative session and, where applicable, include any related appropriation language.

### ***Categorical Appropriations to PED***

As the initiatives below will indicate, the following legislative appropriations support primarily statutorily created funds and distributions, among them:

- approximately \$101.8 million for (school) transportation, including various operational costs and a 3.0 percent average compensation increase for transportation employees in FY 15 [lines 31-39];
- nearly \$2.0 million, after sanding, for emergency supplemental [line 42 – also refer to line 94 for nonrecurring emergency support appropriations];
- over \$20.3 million to the Instructional Material Fund [line 45 – see line 95 for nonrecurring instructional materials appropriation]; and
- approximately \$1.8 million to the Indian Education Fund, which is supplemented with \$675,400 from Other State Funds, specifically “the Indian Education Fund” [line 46].

### ***Recurring Appropriations to PED (~~strickethrough~~ denotes vetoed language)***

Beginning with the nearly \$11.8 million appropriation for the PED operational budget [line 55], this section outlines public education-related appropriations directed to PED for distribution statewide.

In FY 15, PED will be responsible for distributing over \$95.1 million [lines 56-86] to support:

- Regional Education Cooperatives (REC) Operations:
  - \$935,600 [line 56];
  - “A regional education cooperative may submit an application to the public education department for an allocation from the nine hundred thirty-eight thousand two hundred dollar (\$938,200) appropriation. The public education department may allocate amounts to a regional education cooperative provided the regional education cooperative’s application adequately justified a need for the allocation, and the department finds the regional education cooperative submitted timely quarterly financial reports, is in compliance with state and federal financial reporting requirements, including annual audit requirements pursuant to the Audit Act, and is otherwise financially stable. An allocation made to a regional education cooperative may only be used for current-year operating expenses.” [GAA of 2014, p. 155, lines 8-15];
- Advanced Placement:
  - \$747,900 [line 57];
- After-school and Summer Enrichment Programs:
  - \$1.1 million [line 58];
  - “The general fund appropriation to the public education department includes one hundred thousand dollars (\$100,000) for after school programs ~~at central consolidated school district.~~” [GAA of 2014, p.155, lines 6-7];

- Breakfast for Elementary Students:
  - \$1.92 million [line 61];
  
- College Preparation, Career Readiness, and Dropout Prevention:
  - \$2.90 million [line 62];
  - “Except the money in the appropriations in Subparagraphs (v) through (x) that is for use by the public education department to provide services or support, the general fund appropriations in Subparagraphs (v) through (x) are contingent on the appropriations being distributed by the department to school districts and charter schools based on proposals submitted by the school districts and charter schools and approved by the department.<sup>1</sup> The department shall report to the department of finance and administration, ~~the legislative education study committee and the legislative finance committee~~ by July 1, 2014 on a plan for proposed funding for various programs contained in those subparagraphs and shall provide a final report of proposals funded, distributions and outcomes by September 1, 2015.” [GAA of 2014, p. 157, lines 8-15];
  - “The general fund appropriation to the public education department in Subparagraph (w) includes one hundred thousand dollars (\$100,000) for the early college high school program at ~~Mesa Vista consolidated school district and Penasco independent school district.~~” [GAA of 2014, p.157, line 25 and p.158, lines 1-2];
  
- Early Reading Initiative (to the Public School Reading Proficiency Fund):
  - \$14.46 million [line 65];
  - “The general fund appropriation to the public school reading proficiency fund of the public education department includes fourteen million five hundred thousand dollars (\$14,500,000) for the early reading initiative. Notwithstanding the provisions of Section 22-8-43 NMSA 1978 or other substantive law, the general fund appropriation may be used to support reading intervention for kindergarten through third-grade students, including funding reading coaches, interventionists, statewide professional development, the purchase of evidence-based reading material and the purchase of a formative reading assessment for kindergarten through third-grade students.” [GAA of 2014, p.156, lines 4-10];
  
- Graduation, Reality, and Dual-role Skills (GRADS Program):
  - \$199,500 [line 66];

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<sup>1</sup> The General Fund appropriations in subsections (v) through (x) are for:  
 (v): Teacher and school leader programs and supports for training, preparation, recruitment and retention;  
 (w): College preparation, career readiness and dropout prevention; and  
 (x): Interventions and support for students, struggling schools and parents.

- Intervention and Support for Students, Struggling Schools, and Parents:
  - \$10.47 million [line 67];
  - “Except the money in the appropriations in Subparagraphs (v) through (x) that is for use by the public education department to provide services or support, the general fund appropriations in Subparagraphs (v) through (x) are contingent on the appropriations being distributed by the department to school districts and charter schools based on proposals submitted by the school districts and charter schools and approved by the department.<sup>2</sup> The department shall report to the department of finance and administration, ~~the legislative education study committee and the legislative finance committee~~ by July 1, 2014 on a plan for proposed funding for various programs contained in those subparagraphs and shall provide a final report of proposals funded, distributions and outcomes by September 1, 2015.” [GAA of 2014, p. 157, lines 8-15];
  
- K-3 Plus (to the K-3 Plus Fund):
  - \$21.22 million [line 69];
  - “The general fund appropriation to the k-3 plus fund of the public education department includes twenty-one million two hundred eighty-one thousand five hundred dollars (\$21,281,500) for the k-3 plus program. In setting the reimbursement amount for the summer 2014 k-3 plus program, the secretary of public education shall use the final unit value set for school year 2013-2014 as the basis for funding June, July and August 2014 k-3 plus programs.” [GAA of 2014, p.155, lines 24-25 and p. 156, lines 1-3];
  
- Mock Trials Program:
  - \$111,800 [line 70];
  
- New Mexico Cyber Academy:
  - \$887,600 [line 71];
  
- New Mexico Grown Fruits and Vegetables:
  - \$239,300 [line 72];
  
- Parent Advocacy Project:
  - \$99,700 [line 73];
  - “The general fund appropriation to the public education department includes one hundred thousand dollars (\$100,000) to establish a parent advocacy project to

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<sup>2</sup> The General Fund appropriations in subsections (v) through (x) are for:  
 (v): Teacher and school leader programs and supports for training, preparation, recruitment and retention;  
 (w): College preparation, career readiness and dropout prevention; and  
 (x): Interventions and support for students, struggling schools and parents.

enhance parent support of failing students ~~in Albuquerque public schools.~~”  
[GAA of 2014, p. 156, lines 22-24];

- Parent Portal:
  - \$1.20 million [line 74];
- Pre-kindergarten Program:
  - \$19.24 million [line 75];
  - “Notwithstanding the provisions of Section 32A-23-9 NMSA 1978 or other substantive law, the general fund appropriation to the public education department for the prekindergarten program includes no more than one million five hundred thousand dollars (\$1,500,000) for administrative and program support and no less than seventeen million seven hundred eighty-nine thousand six hundred dollars (\$17,789,600) to fund direct student participation. Of the seventeen million seven hundred eighty-nine thousand six hundred dollars (\$17,789,600) for direct student participation, the public education department shall establish an extended-day prekindergarten pilot program during the 2014-2015 school year and may allocate up to one million five hundred thousand dollars (\$1,500,000) of the appropriation for this purpose.” [GAA of 2014, p.155, lines 16-23];
- Reading Support:
  - \$24,900 [line 76];
  - The general fund appropriation to the public education department includes twenty-five thousand dollars (\$25,000) ~~for a nonprofit corporation in Dona Ana county to provide reading support that focuses its efforts on building self-reliance for low-income New Mexicans through reading support to low-income, bilingual and Spanish speaking families with children between the ages of three and five.~~ [GAA of 2014, p.157, lines 4-7];
- School Leader Preparation:
  - \$2.99 million [line 77];
- School Teacher Preparation:
  - \$1.65 million [line 78];
- Science, Technology, Engineering and Math (STEM) Initiative:
  - \$1.99 million [line 79];
  - “The general fund appropriation to the public education department of two million dollars (\$2,000,000) for the science, technology, engineering and mathematics initiative includes five hundred thousand dollars (\$500,000) for professional development for mathematics and science teachers statewide.” [GAA of 2014, p.156, lines 19-21];

- Teacher Mentorship:
  - \$24,900 [line 81];
  - “The general fund appropriation to the public education department includes twenty-five thousand dollars (\$25,000) for a nonprofit organization to operate and manage a program that matches master teachers in mentorship relationships with students in teacher preparation programs and with teachers in their first three years of teaching, offers meaningful teaching experiences for students in teacher preparation programs and provides for professional development opportunities.” [*GAA of 2014*, p.155, lines 1-5];
  
- Teacher and Administrator Evaluation System:
  - \$4.99 million [line 82];
  
- Teacher and School Leader Programs and Supports for Training, Preparation, Recruitment and Retention:
  - \$7.23 million [line 83];
  - “Except the money in the appropriations in Subparagraphs (v) through (x) that is for use by the public education department to provide services or support, the general fund appropriations in Subparagraphs (v) through (x) are contingent on the appropriations being distributed by the department to school districts and charter schools based on proposals submitted by the school districts and charter schools and approved by the department.<sup>3</sup> The department shall report to the department of finance and administration, ~~the legislative education study committee and the legislative finance committee~~ by July 1, 2014 on a plan for proposed funding for various programs contained in those subparagraphs and shall provide a final report of proposals funded, distributions and outcomes by September 1, 2015.” [*GAA of 2014*, p. 157, lines 8-15];
  - “The appropriation in Subparagraph (v) is contingent on the public education department using the appropriation for the following (1) teacher and school leader preparation programs and (2) supports for teacher and school administrator training, preparation, recruitment and retention. School districts with established collective bargaining units may utilize the appropriation in any compensation initiative implemented by the department, subject to collective bargaining. School districts that do not have established collective bargaining units shall not be required to collectively bargain in order to participate in any compensation initiative implemented by the department with this appropriation.” [*GAA of 2014*, p.157, lines 16-24]; and

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<sup>3</sup> The General Fund appropriations in subsections (v) through (x) are for:  
 (v): Teacher and school leader programs and supports for training, preparation, recruitment and retention;  
 (w): College preparation, career readiness and dropout prevention; and  
 (x): Interventions and support for students, struggling schools and parents.

- Teaching Support for Low-income Students:
  - \$498,600 [line 84];
  - “The general fund appropriation to the public education department includes five hundred thousand dollars (\$500,000) for a nonprofit organization with the primary purpose of recruiting recent college graduates and professionals who have a record of demonstrated achievement to teach in low-income urban and rural public schools to provide teaching support in schools with at least sixty percent of the enrolled students eligible for free or reduced-fee lunch, with a priority for schools with eighty-five percent or more of the students enrolled in the school eligible for free or reduced-fee lunch. The public education department shall enter into a contract with a nonprofit organization no later than September 1, 2014.” [GAA of 2014, p.156, lines 11-18]

***Nonrecurring Special Appropriations to PED***

The *General Appropriations Act of 2014* includes \$10.1 million in General Fund dollars to PED of special appropriations (for expenditure in FY 14 or FY 15), including:

- \$1.0 million in emergency support to school districts experiencing shortfalls, which is to be supplemented with \$2.0 million from Other State Funds for a total of \$3.0 million [also refer to line 42 for recurring emergency support dollars]:
  - “For emergency support to school districts experiencing shortfalls. All requirements for distribution of funds shall be in accordance with Section 22-8-30 NMSA 1978. Notwithstanding the provisions of Section 66-5-44 NMSA 1978 or other substantive law, the other state funds appropriation is from balances received by the public education department pursuant to Section 66-5-44 NMSA 1978.” [GAA of 2014, p.206, lines 9-12];
- \$3.5 million for instructional materials, which is supplemented with \$1.5 million from Other State Funds, including the Educational Technology Deficiency Correction Fund, the Educational Technology Fund, and the Schools in Need of Improvement Fund [see line 45 for recurring appropriation to the Instructional Materials Fund];
- \$3.0 million to ensure that the state makes sufficient funds available in FY 14 and FY 15 to meet special education Maintenance of Effort requirements [see also line 104]:
  - “To ensure the state makes sufficient funds available in fiscal years 2014 and 2015 to meet the special education maintenance-of-effort requirements pursuant to the federal Individuals with Disability Education Act. For fiscal year 2014, if the appropriations contained in Subsection K of Section 4 of Chapter 227 of Laws 2013, the twenty million dollar (\$20,000,000) appropriation contained in Paragraph 73 of Section 5 of Chapter 227 of Laws 2013, the sixteen million dollar (\$16,000,000) transfer authorized in Subsection K of Section 4 of Chapter 227 of Laws 2013 and the sixteen million dollar (\$16,000,000) appropriation made pursuant to Chapter 191 of Laws 2013 are insufficient to meet the level of state support, the public education department may distribute to school districts and charter schools the amount of this appropriation necessary to meet maintenance-of-effort requirements in fiscal year 2014. For fiscal year 2015, if the appropriation to the state equalization guarantee

distribution contained Subsection K of Section 4 of the General Appropriation Act of 2014 is insufficient to meet the level of state support required, the public education department may distribute to school districts and charter schools the amount of this appropriation necessary to meet maintenance-of-effort requirements in fiscal year 2015. Any distribution made from this appropriation shall be made in the same manner and on the same basis as the state equalization guarantee distribution.” [GAA of 2014, p.206, lines 24-25 and p.207, lines 1-13];

- \$100,000 for a nonprofit educational association of interscholastic activities in New Mexico:
  - “For a nonprofit educational association whose principal purpose is the regulation, direction, administration and supervision of interscholastic activities in New Mexico to increase participation in student activities and athletics statewide and study how athletics and activities affect student academic performance.” [GAA of 2014, p.207, lines 16-19]; and
  
- \$2.5 million for the Teacher Professional Development Fund:
  - “To the teacher professional development fund for professional development and training on implementation of common core state standards. ~~Prior to expenditure of funds, the public education department shall submit to the legislative finance committee and the legislative education study committee a report on planned expenditure of funds, and by January 1, 2015 progress made as a result of the appropriation.~~ The appropriation is from the separate account of the appropriation contingency fund dedicated for the purpose of implementing and maintaining educational reforms created in Section 12 of Chapter 114 of Laws 2004.” [GAA of 2014, p.205, line 25 and p.206, lines 1-6]

**TABLE 1**  
**FY 15 PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS**  
*(dollars in thousands)*

**ATTACHMENT**

~~Strikethrough~~ indicates Executive Veto

	School Year 2013-2014 Final Unit Value = \$3,817.55 School Year 2014-2015 Preliminary Unit Value = \$4,005.75	FY 14 Appropriation Laws 2013, Ch. 227	CS/S 313a	0.275 Percent Sanding	FY 15 Appropriation Laws 2014, Ch. 63
1	<b>PROGRAM COST</b>	\$2,343,438.9	\$2,426,395.8		\$2,426,395.8
2	ENROLLMENT GROWTH	\$6,937.1	\$11,154.8		\$11,154.8
3	INSURANCE COSTS	\$17,566.9	\$13,500.0		\$13,500.0
4	FIXED COSTS	\$3,841.6	\$5,827.8		\$5,827.8
5	1.5 percent ERB Retirement Swap Reversal	\$20,478.4			
6	0.75 percent ERB Retirement Contribution Increase (Final Year)	\$11,166.4	\$11,554.6		\$11,554.6
7	College and Career Readiness (ACT, SAT, PSAT, Explore, Plan)	\$309.4			
8	<b>Compensation Increase</b> (1.0 percent average increase for FY 14)	\$18,657.1			
9	3.0 percent average increase for all certified and non-certified school personnel <sup>1</sup>		\$56,042.9		\$56,042.9 <sup>1</sup>
10	3.0 percent additional average increase for licensed educational assistants <sup>2</sup>		\$2,651.9		\$2,651.9 <sup>2</sup>
11	<b>Teacher Minimums</b>				
12	Increase Level 1, <del>Level 2 and Level 3</del> minimums by \$2,000 [language veto] <sup>3</sup>		\$10,000.0		\$10,000.0 <sup>3</sup>
13	School Counselors - National Board for Professional Teaching Standards (NBPTS) Units (Contingent on enactment of HB 122 or similar legislation) ( <del>Legislation did not pass and the \$150,000 appropriation was omitted</del> )				
14	<del>Funding Formula - At-Risk Increase</del> [appropriation veto] <sup>4</sup>		<del>\$45,222.0</del>		<del>\$45,222.0</del> <sup>4</sup>
15	Funding Formula Change - Micro District Size Adjustment (Contingent on enactment of HB 35 or similar legislation) ( <b>HB 35 was enacted</b> ) <sup>5</sup>		\$5,761.6		\$5,761.6 <sup>5</sup>
16	H4 Science Retest - New Mexico Standards Based Assessment (NMSBA)		\$264.0		\$264.0
17	Reinstitute Statutory Class and Teaching Loads <sup>6</sup>		\$6,000.0		\$6,000.0 <sup>6</sup>
18	Reading Interventions/Early Reading Initiative	\$4,000.0			
19	Statewide Formative Assessments (Short Cycle Grades 4-10)		\$1,000.0		\$1,000.0
20	Teacher Mentorship Program for Beginning Teachers		\$1,500.0		\$1,500.0
21	Section 11 Adjustment -- 0.275 percent Sanding Reduction				<del>(\$6,842.4)</del> *
22	<b>PROGRAM COST</b>	<b>\$2,426,395.8</b>	<b>\$2,551,653.4</b>		<b>\$2,544,811.0</b>
23	<b>Dollar Difference over Previous Year's Appropriation</b>		\$125,257.6		\$118,415.2
24	<b>Percent Change</b>		5.2%		4.9%
25	LESS PROJECTED CREDITS	<del>(\$63,000.0)</del>	<del>(\$62,000.0)</del>		<del>(\$62,000.0)</del>
26	LESS OTHER STATE FUNDS (from driver's license fees)	<del>(\$1,500.0)</del>	<del>(\$1,500.0)</del>		<del>(\$1,500.0)</del>
27	<b>STATE EQUALIZATION GUARANTEE (after Executive Action)</b>	<b>\$2,361,895.8</b>	<b>\$2,488,153.4</b>	<del>(\$6,842.4)</del> *	<b>\$2,481,311.0</b>
28	<b>Dollar Difference over Previous Year's Appropriation</b>		\$126,257.6		\$119,415.2
29	<b>Percent Change</b>		5.3%		5.1%
30	<b>CATEGORICAL PUBLIC SCHOOL SUPPORT</b>				
31	<b>TRANSPORTATION</b>				
32	Maintenance and Operations	\$73,759.7	\$75,031.7		\$75,031.7
33	Fuel	\$13,546.4	\$14,659.2		\$14,659.2
34	1.5 percent ERB Retirement Swap Reversal	\$576.0			
35	0.75 percent ERB Retirement Contribution Increase	\$293.8	\$372.2		\$372.2
36	Compensation Increase (1.0 percent average in FY 14; 3.0 percent average in FY 15) <sup>7</sup>	\$466.4	\$1,772.0		\$1,772.0 <sup>7</sup>
37	Rental Fees (Contractor-owned buses)	\$11,700.2	\$10,235.7		\$10,235.7
38	Section 11 Adjustment -- 0.275 percent Sanding Reduction				<del>(\$280.7)</del> **
39	<b>TOTAL TRANSPORTATION</b>	<b>\$100,342.5</b>	<b>\$102,070.8</b>	<del>(\$280.7)</del> **	<b>\$101,790.1</b>
40	<b>SUPPLEMENTAL DISTRIBUTIONS</b>				
41	Out-of-state Tuition	\$346.0	\$300.0	<del>(\$0.8)</del>	\$299.2
42	Emergency Supplemental (see also line 94)	\$2,500.0	\$2,000.0	<del>(\$5.5)</del>	\$1,994.5
43	Special Education Maintenance-of-Effort Distribution	\$10,000.0			
44	Dual Credit Instructional Materials <sup>8</sup>	\$857.0	\$857.0	<del>(\$2.4)</del>	\$854.6 <sup>8</sup>
45	INSTRUCTIONAL MATERIAL FUND (see also line 95) <sup>9</sup>	\$20,975.8	\$20,364.6	<del>(\$56.0)</del>	\$20,308.6 <sup>9</sup>
46	INDIAN EDUCATION FUND (CS/SB 313a appropriation is supplemented by \$675,400 from Other State Funds) <sup>10</sup>	\$1,824.6	\$1,824.6	<del>(\$5.0)</del>	\$1,819.6 <sup>10</sup>
47	K-3 PLUS FUND		see line 69		see line 69
48	PUBLIC SCHOOL READING PROFICIENCY FUND		see line 65		see line 65
49	TEACHER PROFESSIONAL DEVELOPMENT FUND		see line 101		see line 101
50	<b>TOTAL CATEGORICAL</b>	<b>\$136,845.9</b>	<b>\$127,417.0</b>	<del>(\$350.4)</del>	<b>\$127,066.6</b>
51	<b>TOTAL PUBLIC SCHOOL SUPPORT</b>	<b>\$2,498,741.7</b>	<b>\$2,615,570.4</b>	<del>(\$7,192.8)</del>	<b>\$2,608,377.6</b>
52	<b>Dollar Difference Over Previous Year's Appropriation</b>		\$116,828.7		\$109,635.9
53	<b>Percent Change</b>		4.7%		4.4%

Footnotes reference selected language.  
Refer to "Other Selected Language" for sanding provisions.

**TABLE 1**  
**FY 15 PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS**  
*(dollars in thousands)*

Strikethrough indicates Executive Veto

School Year 2013-2014 Final Unit Value = \$3,817.55 School Year 2014-2015 Preliminary Unit Value = \$4,005.75	FY 14 Appropriation Laws 2013, Ch. 227	CS/S 313a	0.275 Percent Sanding	FY 15 Appropriation Laws 2014, Ch. 63
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\* The General Appropriation Act of 2014 makes a General Fund appropriation to the State Equalization Guarantee; however, Credits and Other State Funds are not sanded.

\*\* The General Appropriation Act of 2014 makes a General Fund appropriation to Total Transportation; as a result, only this amount was sanded.

**TABLE 1**  
**FY 15 PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS**  
*(dollars in thousands)*

~~Strikethrough~~ indicates Executive Veto

School Year 2013-2014 Final Unit Value = \$3,817.55 School Year 2014-2015 Preliminary Unit Value = \$4,005.75		FY 14 Appropriation Laws 2013, Ch. 227	CS/S 313a	0.275 Percent Sanding	FY 15 Appropriation Laws 2014, Ch. 63
<b>54 RELATED APPROPRIATIONS: RECURRING (to PED unless otherwise noted)</b>					
<b>55 PUBLIC EDUCATION DEPARTMENT</b>					
56	Regional Education Cooperatives (REC) Operations 11	\$938.2	\$938.2	(\$2.6)	\$935.6 11
57	Advanced Placement	\$750.0	\$750.0	(\$2.1)	\$747.9
58	After-school and Summer Enrichment Programs [language veto] 12		\$1,100.0	(\$3.0)	\$1,097.0 12
59	Apprenticeship Assistance	\$192.4			
60	Athletic and Extracurricular Support	\$100.0			
61	Breakfast for Elementary Students	\$1,924.6	\$1,924.6	(\$5.3)	\$1,919.3
62	College Preparation, Career Readiness, and Dropout Prevention (CS/SB 313a Subparagraph w) [language veto] 13		\$2,909.0	(\$8.0)	\$2,901.0 13
63	Dropout Prevention Program	\$500.0			
64	Early College High School Start Up	\$500.0			see line 62
65	Early Reading Initiative (CS/SB 313a to Public School Reading Proficiency Fund) 14	\$11,500.0	\$14,500.0	(\$39.9)	\$14,460.1 14
66	Graduation, Reality, And Dual-role Skills (GRADS) Program	\$200.0	\$200.0	(\$0.5)	\$199.5
67	Interventions and Support for Students, Struggling Schools, and Parents (CS/SB 313a Subparagraph x) [language veto] 15		\$10,500.0	(\$28.9)	\$10,471.1 15
68	Interventions for D and F Schools (C,D and F for PED)	\$4,000.0			
69	K-3 Plus (CS/SB 313a to K-3 Plus Fund) 16	\$15,950.0	\$21,281.5	(\$58.5)	\$21,223.0 16
70	Mock Trials Program	\$102.1	\$112.1	(\$0.3)	\$111.8
71	New Mexico Cyber Academy	\$890.0	\$890.0	(\$2.4)	\$887.6
72	New Mexico-Grown Fruits and Vegetables		\$240.0	(\$0.7)	\$239.3
73	Parent Advocacy Project, <del>Albuquerque Public Schools</del> [language veto] 17		\$100.0	(\$0.3)	\$99.7 17
74	Parent Portal		\$1,200.0	(\$3.3)	\$1,196.7
75	Pre-kindergarten Program 18	\$14,950.0	\$19,289.6	(\$53.0)	\$19,236.6 18
76	Reading Support <del>in Dona Ana County</del> [language veto] 19		\$25.0	(\$0.1)	\$24.9 19
77	School Leader Preparation		\$3,000.0	(\$8.2)	\$2,991.8
78	School Teacher Preparation		\$1,650.0	(\$4.5)	\$1,645.5
79	Science, Technology, Engineering and Math (STEM) Initiative 20	\$1,500.0	\$2,000.0	(\$5.5)	\$1,994.5 20
80	Statewide Formative Assessments (Short-Cycle Grades 4-10)	\$2,000.0			
81	Teacher Mentorship 21	\$25.0	\$25.0	(\$0.1)	\$24.9 21
82	Teacher and Administrator Evaluation System		\$5,000.0	(\$13.7)	\$4,986.3
83	Teacher and School Leader Programs and Supports for Training, Preparation, Recruitment, and Retention (CS/SB 313a Subparagraph v) [language veto] 22		\$7,250.0	(\$19.9)	\$7,230.1 22
84	Teaching Support for Low-Income Students 23	\$500.0	\$500.0	(\$1.4)	\$498.6 23
85	<del>Tibbets Middle School, Farmington Municipal Schools</del> [appropriation veto] 24		\$100.0		\$99.7 24
86	Workforce Readiness	\$500.0			
87	<b>TOTAL RELATED APPROPRIATIONS: RECURRING TO PED</b>	<b>\$68,808.4</b>	<b>\$107,204.8</b>	<b>(\$294.8)</b>	<b>\$106,910.0</b>
88	<b>GRAND TOTAL</b>	<b>\$2,567,550.1</b>	<b>\$2,722,775.2</b>	<b>(\$7,487.6)</b>	<b>\$2,715,287.6</b>
89	<b>Dollar Difference Over Previous Year's Appropriation</b>		\$155,225.1		\$147,737.5
90	<b>Percent Change</b>		6.0%		5.8%
<b>91 SECTION 5. SPECIAL APPROPRIATIONS: NONRECURRING (to PED unless otherwise noted)</b>					
92	Common Core Transition	\$1,500.0			
93	Emergency Support to School Districts Experiencing Shortfalls (CS/SB 313a appropriation is supplemented by \$2.0 million from Other State Funds) (see also line 42) 25	\$5,800.0	\$1,000.0		\$1,000.0 25
94	Instructional Materials (CS/SB 313a appropriation is supplemented by \$1.5 million from Other State Funds) (see also line 45) 26		\$3,500.0		\$3,500.0 26
95	Maintenance of Effort for Special Education (see also line 104) 27	\$15,400.0	\$3,000.0		\$3,000.0 27
96	New Mexico Produce in Schools	\$100.0			
97	New Teacher and School Leader Evaluation System	\$3,400.0			
98	Nonprofit Educational Association of Interscholastic Activities in New Mexico 28		\$100.0		\$100.0 28
99	Purchase Computers for Administration of the Partnership for Assessment of Readiness for College and Career (PARCC) Assessment for grades 3-11	\$5,200.0			
100	Rewarding Highly Effective Teachers	\$2,000.0			
101	Teacher Professional Development Fund 29		\$2,500.0		\$2,500.0 29

Footnotes reference selected language.  
Refer to "Other Selected Language" for sanding provisions.

**TABLE 1**  
**FY 15 PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS**  
*(dollars in thousands)*

~~Strikethrough~~ indicates Executive Veto

	FY 14 Appropriation Laws 2013, Ch. 227	CS/S 313a	0.275 Percent Sanding	FY 15 Appropriation Laws 2014, Ch. 63
School Year 2013-2014 Final Unit Value = \$3,817.55 School Year 2014-2015 Preliminary Unit Value = \$4,005.75				
<b>102 TOTAL RELATED APPROPRIATIONS: NONRECURRING</b>	<b>\$33,400.0</b>	<b>\$10,100.0</b>		<b>\$10,100.0</b>

<b>103 SECTION 6. SUPPLEMENTAL AND DEFICIENCY APPROPRIATIONS</b>				
<del>The contingent provision for the supplemental special education maintenance of effort distribution in Subsection K of Section 4 of Chapter 227 of Laws 2013 and the contingent provisions of this section notwithstanding, the public education department shall distribute the ten million dollars (\$10,000,000) appropriation for the supplemental special education maintenance of effort distribution provided in Subsection K of Section 4 of Chapter 227 of Laws 2013 to school districts and charter schools for special education purposes in fiscal year 2014. The distribution shall be in the same manner and on the same basis as the state equalization guarantee distribution. (see also line 96) [language veto]</del>				

Footnotes reference selected language.  
 Refer to "Other Selected Language" for sanding provisions.