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Public Education Reform Fund Update

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Presentation Overview



1. Summary of public education reform fund (PERF) statute changes
 - *Comparing PERF and the government results and opportunity (GRO) expendable trust and program fund*
2. Timeline
3. FY26 Review and Update
4. FY27 Funding Overview and Update

Comparing PERF and GRO



- Both the public education reform fund (PERF) and the government results and opportunity fund (GRO) provide funding for multiple years to **determine the impact** of an initiative *prior* to funding in the recurring budget
- PERF is education-specific, while GRO covers all policy areas
- PERF funding with evaluation started in 2025 (FY26), while GRO funding started in 2024 (FY25)

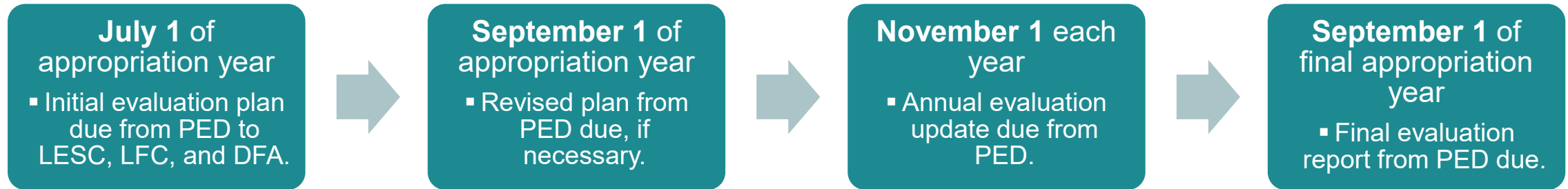
Summary of PERF Changes



- Laws 2025, Chapter 72 (Senate Bill 201) **modified the PERF** to make the fund a **targeted multiyear investment fund** for education initiatives.
- The new law **requires PERF-funded initiatives to be evaluated** for impacts on student and/or teacher outcomes.
 - Emphasis on causal evaluation when possible.
 - PED develops evaluation plans.
 - PED has engaged WestEd, a national nonpartisan research, development, and service agency, to complete these evaluations
- Evaluation plans must include the **goals and expected outcomes** of the program, the **specific actors and activities** associated with the program, and a description of **how the program will be evaluated**. LESC, LFC, and DFA act as an **advisory body** for the evaluation of these appropriations.



Timeline of Evaluation Plans



- Local education agencies (LEAs) participating in PERF-funded programs can expect **recurring funding** for the programs for at least 3 years.
 - Can **improve LEA capacity** to implement programs.
 - LEAs are **expected to comply with data collection required to facilitate effective program evaluation**.
- PED, DFA, LESC, and LFC will review the status of each evaluation annually with quarterly updates



FY25 Overview

- FY25 through FY27, *GRO-funded* initiatives included:

GAA Year	Purpose	FY25	FY26	FY27	FY25 Expenditures (1000s)	FY26 Expenditures YTD (1000s)*
2024	For educator clinical practice programs	\$20,000.0	\$20,000.0	\$20,000.0	\$17,167.0 (86%)	\$16,308.4 (82%)
2024	For stipends and pay differentials to fill hard to staff special education positions	\$5,000.0	\$5,000.0	\$5,000.0	\$3,850.1 (77%)	\$3,025.5 (61%)

- Lower spending for stipends may be due to billing at the end of the school year
- Evaluation reports for both appropriations are due September 1

*FY26 expenditures are preliminary and may increase as year-end closeout activities are completed.

FY26-FY28 PERF-Funded Initiatives:



GAA Year	Purpose	FY26	FY27	FY28	FY26 Expenditures YTD (1000s)*
2025	For attendance initiatives to reduce excessive student absenteeism , contingent on enactment of Senate Bill 201 or similar legislation of the first session of the fifty-seventh legislature requiring evidence-based program evaluation for projects receiving appropriations from the public education reform fund. Up to two hundred thousand dollars (\$200,000) may be used by the public education department to conduct a randomized controlled trial to evaluate and monitor outcomes. The other state funds appropriation is from the public education reform fund.	\$6,200.0	\$6,200.0	\$6,200.0	\$3,697.1 (60%)
2025	For training educators in evidence-based math instruction , contingent on enactment of Senate Bill 201 or similar legislation of the first session of the fifty-seventh legislature requiring evidence-based program evaluation for projects receiving appropriations from the public education reform fund. Up to two hundred thousand dollars (\$200,000) may be used by the public education department to conduct a randomized controlled trial to evaluate and monitor outcomes. The other state funds appropriation is from the public education reform fund.	\$4,500.0	\$4,500.0	\$4,500.0	\$2,529.2 (56%)
2025	For a pilot program to support students who are unhoused , contingent on enactment of Senate Bill 201 or similar legislation of the first session of the fifty-seventh legislature requiring evidence-based program evaluation for projects receiving appropriations from the public education reform fund. Up to one hundred thousand dollars (\$100,000) may be used by the public education department to conduct a quasi-experimental study to evaluate and monitor outcomes. The other state funds appropriation is from the public education reform fund.	\$2,100.0	\$2,100.0	\$2,100.0	\$1,155.7 (55%)
2025	For innovative or strategic school staffing models , contingent on enactment of Senate Bill 201 or similar legislation of the first session of the fifty-seventh legislature requiring evidence-based program evaluation for projects receiving appropriations from the public education reform fund. Up to one hundred thousand dollars (\$100,000) may be used by the public education department to conduct a randomized controlled trial to evaluate and monitor outcomes. The public education department may waive requirements for class load, teaching load, minimum salary levels and staffing patterns for schools in the treatment group. The other state funds appropriation is from the public education reform fund.	\$2,600.0	\$2,600.0	\$2,600.0	\$145.0 (5.6%)
2025	For training secondary educators in evidence-based reading instruction , contingent on enactment of Senate Bill 201 or similar legislation of the first session of the fifty-seventh legislature requiring evidence-based program evaluation for projects receiving appropriations from the public education reform fund. Up to two hundred thousand dollars (\$200,000) may be used by the public education department to conduct a randomized controlled trial to evaluate and monitor outcomes. The other state funds appropriation is from the public education reform fund.	\$5,200.0	\$5,200.0	\$5,200.0	\$5,017.5 (96%)

*FY26 expenditures are preliminary and may increase as year-end closeout activities are completed.



FY26-FY28 Plan Summary

- Final evaluation plans were submitted to LESC, LFC, and DFA on September 1, 2025
- All plans included detailed methodologies and logic models, but the rigor of research varied by plan, with three of the plans including a matched comparison group
 - *See appendix for LESC/DFA/LFC analysis of submitted plans*
- As of July 7th, spending of FY26 appropriation has varied with only 5.6 percent spent for innovative staffing while other appropriations have spent at least 50 percent
 - *Amount expended may increase as year-end closeout activities are completed*



FY27 Funding Overview

- FY27 through FY29 *PERF-funded* initiatives include:

GAA Year	Purpose	FY27	FY28	FY29
2026	To conduct a randomized-controlled trial on high impact tutoring during the school day to improve student reading proficiency and math proficiency. Up to one hundred thousand dollars (\$100,000) may be used by the public education department to evaluate and monitor outcomes. The other state funds appropriation is from the public education reform fund.	\$5,100.0	\$5,100.0	\$5,100.0
2026	To conduct a randomized-controlled trial of innovation zones to improve student attendance, graduation and employability. Up to one hundred thousand dollars (\$100,000) may be used by the public education department to evaluate and monitor outcomes. The other state funds appropriation is from the public education reform fund.	\$7,200.0	\$7,200.0	\$7,200.0
2026	To conduct a randomized-controlled trial of community schools to improve student attendance . Up to one hundred thousand dollars (\$100,000) may be used by the public education department to evaluate and monitor outcomes. The other state funds appropriation is from the public education reform fund.	\$6,100.0	\$6,100.0	\$6,100.0

What's Next?



- As of July 1, DFA, LESC, and LFC received draft PED evaluation plans for PERF appropriations from the 2026 GAA (FY27-FY29)
- Staff from DFA, LESC, and PED will offer feedback and PED will submit final evaluation plans by September 1
- November hearings for LESC and LFC to include plan review of 2026 appropriations

Questions?



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Appendix: Summary of Evaluation Plans, Fall 2025

Attendance Improvement



Initiative Description:

- To improve student attendance, PED provided grant funding to LEAs, to operate either LEA-level or school-level interventions.
- LEAs and schools can choose to spend the funds on any evidence-based attendance initiative and include it within their attendance plan.

Strengths:

- This initiative builds off previous PED grant funding to LEAs, ensuring infrastructure for funding disbursement and program implementation is in place.
- Allowing districts to select attendance initiatives may increase the ability for initiatives to be customized for local needs.

Challenges:

- Lack of requirement to choose from specified attendance interventions and initiatives may lead to LEAs using disparate types of interventions, which may need different levels or types of evaluation.
- Lack of a control group may limit the interpretation of results.

PERF Funding

\$18.6 million (\$6.2 million per year)

Evaluation Plan at a Glance

Logic Model?	Yes
Level of Evidence?	Varies , PED does not require LEAs to use specific interventions
Control Group?	No; Interrupted Time Series design planned with potential for matched comparison
Outcomes Measured:	• Chronic absenteeism rates • Students' feelings of engagement, belonging, and safety • LEAs' capacity to support evidence-based attendance strategies • Graduation and dropout rates • Student proficiency



Math Achievement

Initiative Description:

- To address persistently low math proficiency (24% statewide), PED is implementing three initiatives:
 - Focus on Algebra (grades 6-9 math supports);
 - NUMeROS (elementary teacher learning via microcredentials); and
 - HQIM Implementation (curriculum adoption with professional learning).
- Programs target instructional quality at both classroom and system levels.

Strengths:

- Evaluation uses quasi-experimental methods (propensity score matching, regression, mixed-effects models) to strengthen causal inference.
- Incorporates multiple data sources: student assessments, classroom observations, and surveys.
- Early evaluations show promising improvements in teacher knowledge and practice.

Challenges:

- Limited rigorous evidence base; current research remains promising but not definitive.
- Fidelity of HQIM adoption varies by district, potentially affecting outcomes.
- Sample size constraints may limit statistical power and generalizability.

PERF Funding

\$13.5 million (\$4.5 million per year)

Evaluation Plan at a Glance

Logic Model?	Yes
Level of Evidence?	Promising
Control Group?	Matched comparison group
Outcomes Measured:	• Primary student outcomes (Growth in math achievement; Student pass rates in math courses) • Educator outcomes (Teacher knowledge and instructional practices) • System-level outcomes (HQIM fidelity and progress)

Supports for Unhoused Students



Initiative Description:

- This initiative provides \$500 monthly payments directly to ~330 unhoused students in grades 10-12, who will be selected from across the state.
- Eligibility is contingent on maintaining a 92 percent attendance rate, attending weekly counseling and academic support, and completing 90 percent of coursework.
- The intervention is paired with financial literacy and bank account access and is designed to follow students regardless of mobility.

Strengths:

- Builds on prior evidence from New Mexico pilots (NM Appleseed), which found improved attendance and engagement.
- Multi-component design (cash with required supports) reflects research that integrated supports are more effective.

Challenges:

- U.S.-based evidence for high school conditional cash transfers remains limited.
- Student mobility and attrition threaten implementation and measurement.
- Evaluation design is sound, but may not lead to causal findings, or causal inference.

PERF Funding

\$6.3 million (\$2.1 million per year)

Evaluation Plan at a Glance

Logic Model?	Yes
Level of Evidence?	Promising
Control Group?	No true control group; A preferred design would have used a matched comparison, but due to small sample size and mobility, PED plans to rely primarily on pre-post comparisons.
Outcomes Measured:	• Student level outcome: (Attendance; GPA/course completion; graduation rates; and student self-beliefs). • Program participation outcomes (Number of students maintaining eligibility; Retention/attrition patterns)



Innovative Staffing Models

Initiative Description:

- Innovative Staffing aims to: Increase staff-to-student ratios, provide job-embedded professional development, extend the reach of highly effective teachers, and increase teacher collaboration and connection. PED is allowing LEAs/schools to select into two possible staffing models:
 - Opportunity Culture (a multi-classroom leader model allowing highly effective teachers to lead small teaching teams); and
 - Next Education Workforce (a model where educators work together to support a shared group of students to teach subjects of their expertise, allowing for increased collaboration and skill building).

Strengths:

- Quasi-experimental design measuring short-, medium-, and long-term outcomes.
- PED is requiring LEAs and schools to commit needed resources including planning time and modified student scheduling.

Challenges:

- LEAs/schools determine which model to use, so there is no random assignment and possible spillover effects due to selection; Evaluation will need to consider implementation carefully.
- Models have different levels of evidence; PED not controlling for how many schools or LEAs are needed.

PERF Funding

\$7.8 million (\$2.6 million per year)

Evaluation Plan at a Glance

Logic Model?	Yes
Level of Evidence?	PED is using two models: Opportunity Culture is research-based , and Next Education Workforce is promising
Control Group?	Matched comparison group
Outcomes Measured:	• Educator retention • Student attendance • Academic proficiency • Student feelings of engagement, belonging, and safety • Teacher job satisfaction



Secondary Literacy

Initiative Description:

- To address literacy proficiency at the secondary level (19% statewide for 8th graders*) and build on the state's elementary literacy model, PED is implementing four initiatives:
 - Reading Apprenticeship professional development program;
 - AIM Pathways to Proficient Reading professional development program;
 - On-site instructional literacy coaching; and
 - Amira AI-powered reading tutor.

Strengths:

- Utilizing several programs and strategies with encouraging results from existing research (Reading Apprenticeship, on-site coaching).
- Evaluation uses quasi-experimental methods to strengthen causal inference.
- Mirrors PED's structured literacy model at the elementary level (has positive results).

Challenges:

- Utilizing several programs and strategies that have not been evaluated before:
 - Amira AI-powered reading tutor: Evidence of positive effects on early reading achievement. Lacking formal evaluation in the secondary setting.
 - AIM Pathways professional development program: Recommended by the National Council on Teacher Quality for aligning with research-based reading instruction but lacks formal evaluation.

PERF Funding

\$15.6 million (\$5.2 million per year)

Evaluation Plan at a Glance

Logic Model?	Yes
Level of Evidence?	• Reading Apprenticeship: research-based • Instructional coaching: promising • Amira: lacking evaluation in the secondary setting • AIM Pathways: lacking evaluation
Control Group?	Matched comparison group
Outcomes Measured:	• Student level outcome: growth in literacy proficiency rates • Educator outcome: Expand implementation of recommended literacy instructional strategies

*2024 National Assessment of Educational Progress results