



Charter School Lease Assistance Workshop Update

Legislative Education Study Committee

November 15, 2018

Agenda

Objectives

- Workshop Process Schedule
- Public School Facilities Authority (PSFA) Assessments with Charter Schools
- Lease Assistance Application
- Lease Documents
- Lease Assistance Program History
- Lease Assistance in Statute
- Utilization of Spaces
- Facility Needs and Long-Term Solutions
- Next Steps

Objectives

1. Ensure compliance with statutes related to charter schools
2. Improve and clarify the charter school lease assistance processes and procedures
3. Ensure equity and consistency for all applicant charter schools
4. Improve collaboration between PSFA, Public Education Department (PED), Public Education Commission (PEC), NM Coalition of Charter Schools, and charter schools regarding facility needs and leases

Charter School Lease Assistance Process Improvements Schedule

October 2018 - April 2019

Task / Process / Meeting	October					November				December					January				February				March				April			
	1-5	8-12	15-19	22-26	29-2	5-9	12-16	19-23	26-30	3-7	10-14	17-21	24-28	31-4	7-11	14-18	21-25	28-1	4-8	11-15	18-22	25-1	4-8	11-15	18-22	25-29	1-5	8-12	15-19	22-26
Review Process, Policy Improvements with PSCOC	AMS	PSCOC			AMS	PSCOC				AMS	PSCOC																			
Presentation at Statewide Charter Conference (11/10/18)						Albuquerque																								
Present Proposed Statutory Revisions to PSCOOTF										PSCOOTF																				
Statewide Forums and Training for Charters						TBD				TBD	TBD	TBD	TBD	TBD																
Online Survey for Charter Schools			Formulation			Survey Period																								
PSFA Assessments to Validate SF and Utilization			Preliminary			Acceptance								Appeals																
Develop On-line Application for Lease Assistance			Development												Application				Testing				AMS	PSCOC	Release					

Statewide Charter School Workshops

- **November 10:** Statewide Charter Conference, Rankin Training Facility 720 Rankin Rd NE Albuquerque 87107
- **November 13:** Albuquerque 3:00 PM – 5:00 PM, Robert F Kennedy Charter School 4300 Blake Road SW Albuquerque 87121
- **November 29:** Las Cruces 3:00 PM – 5:00 PM, New America School 207 South Main St Las Cruces 88001
- **December 5:** Santa Fe 3:00 PM – 5:00 PM
- **December 17:** Albuquerque 3:00 PM – 5:00 PM, Mark Armijo Academy 6800 Gonzales Rd Albuquerque 87121
- **December 19:** Taos 3:00 PM – 5:00 PM, Taos Academy 110 Paseo del Canon West Taos 87571

PSFA Assessments

- November 2018 – January 2019: PSFA site visits to every applicant charter school to meet with school administrators and gather facility information regarding:
 - Classroom net square footage
 - Classroom utilization
 - Administration net square footage
 - Building gross square footage
- Following each assessment, PSFA will send a letter to the school presenting gathered facility information and requesting validation for the FY 2020 application cycle



PSFA & Charter School
Administrators Walk the
Facility



PSFA Presents Facility
Information to Charter School
Administrators

Application for Lease Assistance

PSFA is developing a web-based application for lease assistance:

- Streamline the process for applicants
- Improved quality control and consistency of key facility information
- Autofill facility information vetted and verified by the school and PSFA during the assessments
- Simplified process to upload required supporting documents

Lease Documents

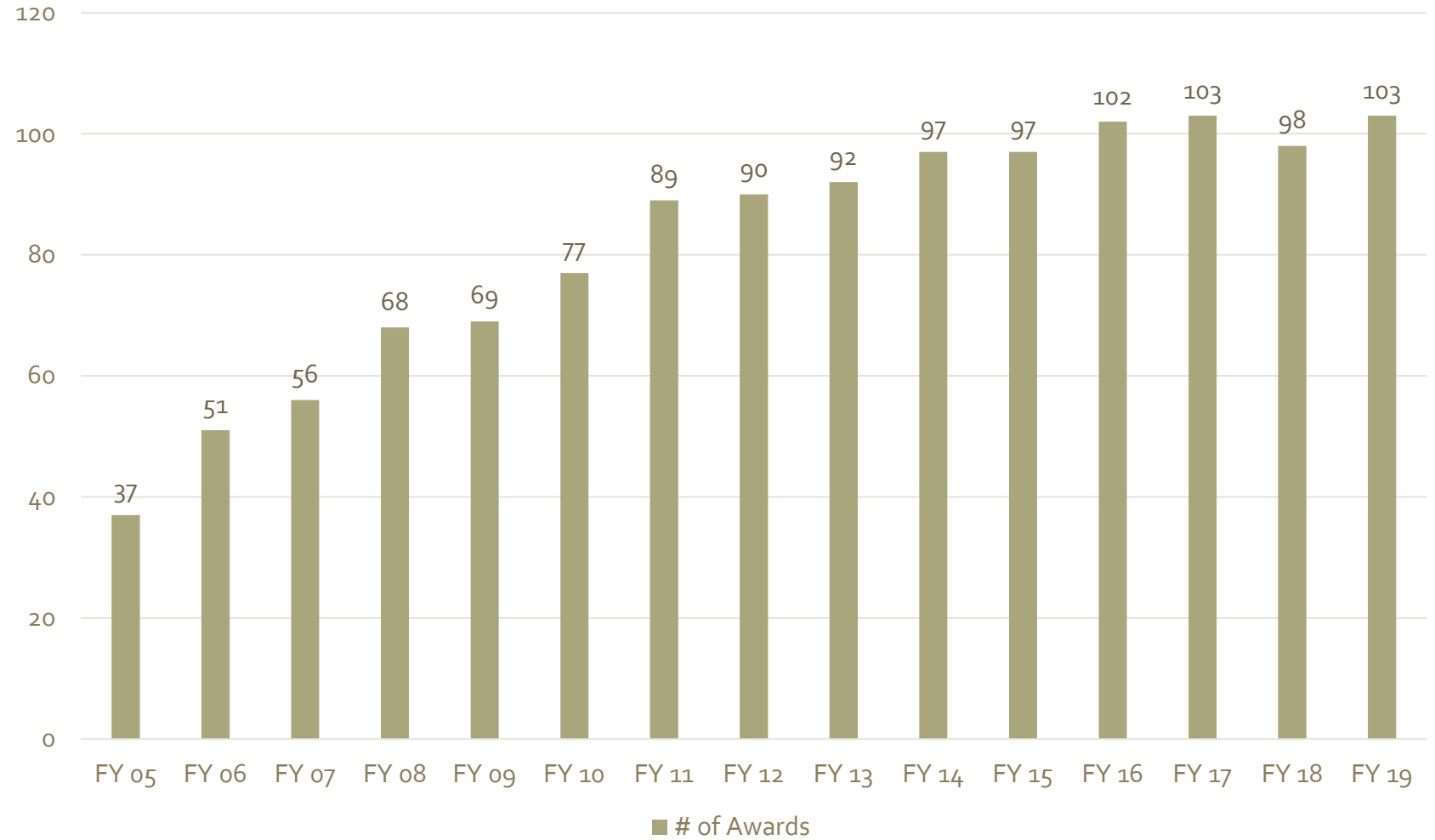
PSFA is working with charter schools to improve lease documents to benefit all parties

- Lease expirations
- Written notification of intent to continue
- Inclusion of all exhibits
- Execution of amendments by all parties
- Improve review process of lease purchase agreements, including PED/PSFA coordination, verification of E-occupancy

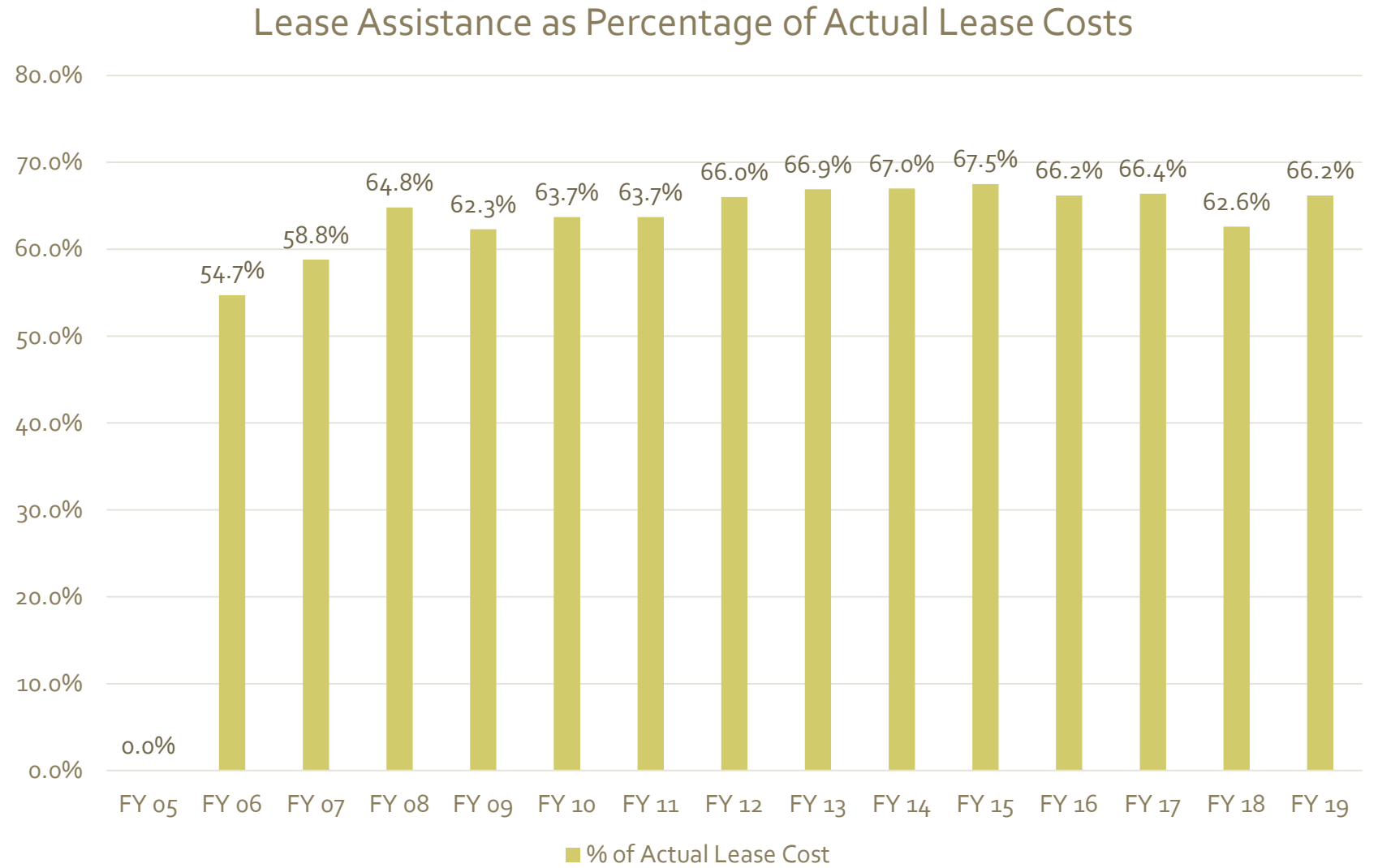
PSFA is working to develop standardized leases

Lease Assistance Program History

Number of Lease Assistance Awards per Year



Lease Assistance Program History



Lease Assistance Program History

Lease Assistance Dollars Awarded



Lease Assistance in Statute

22-24-4 (l)(1)(a)(b)

- “The fund *may* be expended annually by the council for grants to school districts for the purpose of making lease payments for classroom facilities, including facilities leased by charter schools. The grants shall be made upon application by the school districts and pursuant to rules adopted by the council. The following criteria shall apply to the grants.”
- The amount of the grant shall not exceed:
 - The actual annual lease payments
 - or -
 - \$700 x MEM (80/120 enrollment)

Eligible Square Footage in Statute

22-24-4 (l)(6)(b):

- “Classroom facilities” or “classroom space” includes the space needed, as determined by the minimum required under the statewide adequacy standards, for the direct administration of school activities
- The following areas are defined as classrooms (eligible spaces) in the Adequacy Standards:
 - General classrooms
 - Science classrooms
 - Art classrooms
 - Performing Arts
 - Music classrooms
 - Special education classrooms
 - Career education classroom in MS or HS
 - Computer classrooms
 - Physical education classroom (unless waived by PED)

Lease Assistance Calculation

The lesser of the following:

MEM

- Enrollment (80/120) multiplied by the current dollars per student rate: \$736.25 (2018)

- or -

Square Footage

- Result of classroom and direct administrative space calculation
- Calculation Summary:
 - Classroom NSF + Admin NSF = Total NSF (TNSF)
 - Admin = 80/120 enrollment x 1.5 + 150
 - Classroom NSF = measured
 - $TNSF / \text{Total Leased SF} = \text{___}\%$
 - $\text{___}\% \times \text{annual lease payment} = \___ lease assistance

Lease Assistance Calculation Example

Typical Building Size,
Average Enrollment
167 leased SF per student

School A

- 300 MEM (80/120 Enrollment)
- 50,000 total leased square feet
- \$100,000 annual lease payment

MEM calculation

- $300 \times 736.25 = \$220,875$

Square Feet Calculation

- 20,000 NSF classroom (measured)
- 600 NSF admin (calculated: $\text{MEM} \times 1.5 + 150$)
- 10,000 NSF Tare (calculated 20% of TLSF) *
- $30,600 / 50,000 = 61.2\%$
- $61.2\% \times \$100,000 = \$61,200$ *lesser*

* Tare includes restrooms, mechanical rooms, hallways, wall thickness, and other non-assignable space

Utilization of Spaces

- Utilization for all schools is calculated by verifying the percentage of time per day a space is used for educational purposes
- Utilization rates for traditional schools
 - 85 – 100% for elementary schools
 - 75 – 95% for middle and high schools
- Utilization is also verified by the number of full time educators assigned to the spaces and the frequency of the use of the space

Facility Needs and Long-Term Solutions

- Identify existing facility challenges
- Case studies of successful facility solutions to-date
- Formulate potential facility options for the future
 - Increased use of public buildings
 - Access to better financing
 - Evolution of space needs for charters

Next Steps

- PSFA assessments of all applicant charter schools
- Statewide workshops with charter schools, PED, and PEC
- PSFA development of:
 - On-line application for lease assistance
 - Standardized lease templates
 - On-line survey of charter schools to support the statewide workshops

Input and Comment

1. Classroom space definition and utilization standards
2. Future facility solutions and strategies
 - Financing options, funding strategies, public buildings, maintenance, IT infrastructure
3. Standardized template documents
4. Online application and survey contents and usability