LESC Alternatives to Government Restructuring Task Force Proposals

	Proposal	Description of LESC Proposal	Potential FY 12 Savings ($ thousands) LESC	GRTF	
1	GRTF: Change provisions for small school size and small district size units. **LESC: Eliminate small school size units for schools claiming more than one school in one facility.**	Amend the *Public School Finance Act* to provide that small school size adjustment units are calculated based on a facility's total student population, regardless of the number of individual schools in that facility.	$15,779.0	$40,109	1
2	GRTF: Change provisions for small school size and small district size units. **LESC: Cap Size Adjustment and Growth Units (for FY 12 and FY 13)**	Amend the *Public School Finance Act* to create a temporary provision (for FY 12 and FY 13) to limit the sum of a school district's or charter school's size adjustment and enrollment growth units at an amount equal to the sum of its early childhood education and basic program units.	$2,640.8		2
3	GRTF: Strike language in the constitution that gives PED Secretary the responsibility to distribute and account for public school funds. **LESC: Amend Statute to Create a "Budget and Finance Division" at PED; and Develop and Fund PED budget with Separate Programs for Program and Finance Functions**	Amend the *Public Education Department Act* to create a budget and finance division at PED.	N/A	N/A	3
4	GRTF: Move financial oversight from PED to DFA. **LESC: Transfer PED's Office of the Inspector General FTEs to the Office of the State Auditor**	In the *General Appropriation Act of 2011,* transfer PED's Office of the Inspector General (OIG) six FTEs to the Office of the State Auditor to oversee public and higher education. (recommendation of the LESC School Finance Work Group) This measure is related to the GRTF proposal to move financial oversight from PED to DFA.	N/A	N/A	4

SOURCE: PED

Estimated Impact on Program Cost of
Eliminating Small School Size Units for Schools Claiming More Than One School in one Facility

		FY 10 School Size Units	Adjusted School Size Units	Δ Units	Δ Program Cost $3,792.65	
1	Districts	5189.77	2148.13	(3041.64)	($11,535,875.86)	1
2	Charter Schools	1249.89	131.11	(1118.78)	($4,243,158.22)	2
3	Total	6439.66	2279.24	(4160.42)	($15,779,034.09)	3

	DISTRICT/Charter Subtotals					
	District/Charter	FY 10 School Size Units	Adjusted School Size Units	Δ Units	Δ Program Cost	
4	Alamogordo	22.62	0	-22.62	($85,789.74)	4
5	Albuquerque	0	0	0	$0.00	5
6	Albuquerque (Charters)	941.591	70.16895	-871.42205	($3,304,998.84)	6
7	Animas	154.891	96.1975	-58.6935	($222,603.90)	7
8	Bernalillo	90.995	0	-90.995	($345,112.19)	8
9	Carrizozo	166.54	98.31	-68.23	($258,772.51)	9
10	Chama	168.216	96.5775	-71.6385	($271,699.76)	10
11	Cimarron	173.39	64.64	-108.75	($412,450.69)	11
12	Cloudcroft	72.95	0	-72.95	($276,673.82)	12
13	Gilbert L Sena & Creative Ed Prep	308.3	60.9375	-247.3625	($938,159.39)	13
14	Des Moines	104.355	68.0775	-36.2775	($137,587.86)	14
15	Dora	190.355	97.2775	-93.0775	($353,010.38)	15
16	Dulce	205.719	0	-205.719	($780,220.17)	16
17	Eunice	44.555	0	-44.555	($168,981.52)	17
18	Floyd	198.239	97.2775	-100.9615	($382,911.63)	18
19	Grady	115.76	79.75	-36.01	($136,573.33)	19
20	Grants	176.795	50.2975	-126.4975	($479,760.74)	20
21	Hagerman	193.526	0	-193.526	($733,976.38)	21
22	Hondo	141.68	95.59	-46.09	($174,803.24)	22
23	House	95.655	63.3975	-32.2575	($122,341.41)	23
24	Jal	168.899	97.2775	-71.6215	($271,635.28)	24
25	Jemez Mountain	126.375	79.75	-46.625	($176,832.31)	25
26	Jemez Valley	93.15	0	-93.15	($353,285.35)	26
27	Lake Arthur	132.75	87.75	-45	($170,669.25)	27
28	Las Cruces	38.48	0	-38.48	($145,941.17)	28
29	Logan	186.171	99.0975	-87.0735	($330,239.31)	29
30	Magdalena	211.611	0	-211.611	($802,566.46)	30
31	Melrose	167.471	99.99	-67.481	($255,931.81)	31
32	Pecos	195.384	42.9975	-152.3865	($577,948.66)	32
33	Penasco	198.151	97.44	-100.711	($381,961.57)	33
34	Quemado	142.464	91.72402176	-50.739978	($192,438.98)	34
35	Questa	272.261	117.89	-154.371	($585,475.17)	35
36	Roy	69.905	42.24	-27.665	($104,923.66)	36
37	San Jon	140.655	88.7775	-51.8775	($196,753.20)	37
38	Santa Rosa	57.5	47.58	-9.92	($37,623.09)	38
39	Springer	108.02	41.18	-66.84	($253,500.73)	39
40	Tatum	164.736	95.59	-69.146	($262,246.58)	40
41	Texico	206.52	0	-206.52	($783,258.08)	41
42	Caughn	105.57	75.4975	-30.0725	($114,054.47)	42
43	West Las Vegas	87.455	35.955	-51.5	($195,321.48)	43
44						44
45	TOTAL	6439.66	2279.235472	-4160.4245	($15,779,034.09)	45

SOURCE: PED

Estimated Impact [illegible] rogram Cost of

Estimated Effect on Program Cost of Capping Growth and Size Units [illegible] Level of Basic Program Units and Early Childhood Education Units

ITEM 2 (LESC)

	A	B	C	D	E	F	G	H	I	J	
	DISTRICT/CHARTER	ECE Units [1]	1-12 Units [2]	Total ECE and 1-12 Units	Growth Units [3]	Size Units [4]	Total Growth and Size Units	Difference (G-D)	Savings (Based on Unit Value of $3792.65)	2010-2011 Budgeted Emergency Supplemental	0
1	***DISTRICTS***										1
2	Corona	9.00	90.87	99.87	0.00	105.62	105.62	5.74	$21,781.19	$650,000.00	2
3	Des Moines	8.28	94.60	102.88	28.55	113.02	141.57	38.68	$146,707.29	$450,000.00	3
4	Elida	15.48	127.01	142.49	32.10	137.99	170.09	27.60	$104,658.18	$235,000.00	4
5	Hondo	22.32	153.80	176.12	29.47	157.47	186.93	10.81	$40,998.55	$155,000.00	5
6	House	2.88	116.97	119.85	0.00	128.77	128.77	8.92	$33,845.61	$500,000.00	6
7	Mosquero	3.60	41.59	45.19	5.42	56.82	62.24	17.05	$64,676.06	$550,000.00	7
8	Roy	6.48	62.41	68.89	0.00	86.33	86.33	17.44	$66,140.02	$700,000.00	8
9	Vaughn	10.08	108.76	118.84	15.44	118.65	134.09	15.25	$57,837.91	$430,000.00	9
10	***District Total***	78.12	796.01	874.13	110.96	904.67	1015.63	141.50	$536,644.80	**$3,670,000.00**	10
11	***CHARTERS***										11
12	Academia de Lengua Y Cultura	0.00	78.71	78.71	84.43	43.88	128.30	49.59	$188,085.10		12
13	Bataan Military Academy	0.00	153.75	153.75	32.23	139.26	171.49	17.74	$67,296.78		13
14	La Promesa Early Leadership	34.56	87.76	122.32	99.87	50.00	149.87	27.55	$104,468.54		14
15	La Resolana Leadership	0.00	62.21	62.21	49.01	36.22	85.23	23.02	$87,291.63		15
16	Ralph J. Bunche Academy	15.84	48.34	64.18	32.92	37.75	70.67	6.49	$24,610.51		16
17	Robert F. Kennedy	0.00	302.50	302.50	181.86	159.92	341.78	39.28	$148,971.50		17
18	Jefferson Mont. Academy	18.72	133.50	152.22	39.80	136.59	176.39	24.16	$91,641.80		18
19	Moreno Valley High	0.00	108.13	108.13	0.00	108.47	108.47	0.35	$1,312.26		19
20	Cottonwood Classical St. Charter	0.00	156.66	156.66	214.30	144.12	358.42	201.76	$765,220.23		20
21	Carinos de Los Ninos	42.48	138.36	180.84	149.24	37.00	186.24	5.40	$20,461.35		21
22	Middle College High	0.00	74.38	74.38	9.04	83.60	92.64	18.26	$69,265.17		22
23	Walatowa Charter High	0.00	66.25	66.25	11.09	77.91	89.00	22.75	$86,263.82		23
24	Las Montanas	0.00	264.38	264.38	161.92	159.96	321.88	57.51	$218,111.51		24
25	Media Arts Collaborative St. Charter	0.00	206.25	206.25	93.72	154.82	248.54	42.29	$160,376.00		25
26	Tierra Encantada Charter	0.00	162.50	162.50	40.04	136.28	176.32	13.82	$52,410.63		26
27	Taos Academy St. Charter	0.00	106.76	106.76	0.00	111.60	111.60	4.84	$18,356.43		27
28	***Charter Total***	111.60	2150.42	2262.02	1199.45	1617.37	2816.82	554.80	$2,104,143.26		28
29											29
30	***GRAND TOTAL***	189.72	2946.44	3136.16	1310.41	2522.04	3832.45	696.29	**$2,640,788.06**		30

FOOTNOTES

1: Early Childhood education (ECE) program units includes full and half day kindergarten and 3- and 4-year-old developmentally disabled units.

2: Basic Program units generated by students in grades 1 - 12.

3: Enrollment Growth Units includes both the 1.5 and 0.5 units.

4: Size units includes Elem Jr size, Senior High size, District size, and Rural isolation units.

5: The sum of the ECE units and the grade 1-12 units subtracted from the sum of the Growth units and the Size units.

SOURCE: PED

SUMMARY - Estimated Effect of GRTF Proposal to Change Calculation of School and District Size Adjustment Units
(Based on 2009-2010 Final Funded Run and 2009-2010 Final Unit Value)

	# School Size Units	# District Size Units	TOTAL # Size Units	Program Cost Per GF Unit Value $3,458.06	Program Cost Per ARRA Unit Value $334.59	Program Cost Per Total Unit Value $3,792.65
Before Size Adjustment Calculation Change	19,052.74	4,991.10	24,043.84	$83,145,041	$8,044,828	$91,189,870
After Size Adjustment Calculation Change	10,396.75	3,071.62	13,468.37	$46,574,437	$4,506,382	$51,080,820
Difference	(8,655.99)	(1,919.48)	(10,575.47)	($36,570,604)	($3,538,446)	($40,109,050)

SOURCE: PED

THE OFFICE OF THE INSPECTOR GENERAL (OIG) AT THE PUBLIC EDUCATION DEPARTMENT (PED)

BUDGET:

PED's OIG has six authorized positions, but only one is currently filled:

- Only the Inspector General position is required to be a CPA.
- The 2009-2010 costs for OIG salaries and benefits were approximately $276,000, reflecting a decline from $392,500 in 2005-2006.
- Unless positions are filled, the salaries and benefits costs for 2010-2011 will be in about $176,000.
- The budget for OIG operating costs for fiscal year 2005-2006 was $26,100.
- For the 2006-2007 year it was reduced to about half, and remained at this level until the 2010-2011 fiscal year when it was about $11,000.

DUTIES:

Since the office was converted from the "Internal Audit Bureau" in March 2006, the duties have included:

- Auditing the training and experience index reported by school districts;
- Approving the independent auditors of school districts;
- Conducting a desk review of all school and regional education cooperative audit reports;
- Following up with districts on the State Auditor's "At Risk" list; and
- Conducting special audits or investigations.

TRANSFER DISCUSSION:

During the October meeting of the LESC's School Finance Workgroup, Secretary of Public Education Designate Dr. Susanna Murphy stated that transferring the positions to the Office of the State Auditor (OSA) made sense considering PED's difficulty in keeping the positions filled. Staff of the OSA indicated that they would have less trouble filling the positions.