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September 27, 2010

MEMORANDUM

TO: Legislative Education Study Committee

FR: Peter B. van Moorsel

RE: STAFF REPORT: PUBLIC SCHOOL BUDGETS FOR FY 11

Current law requires each local school board to establish the operating budget for the district for the upcoming fiscal year at a public hearing held prior to June 20. In turn, the Public Education Department (PED) is required to approve operating budgets for school districts, including district-chartered charter schools, and state-chartered charter schools on or before July 1 and to provide timely information to the Legislative Education Study Committee (LESC) upon request.

In response to the committee's request, PED provides the committee an overview of approved public school budgets for the current school year.

In order to provide the committee with the challenges of PED in approving public school budgets for school year 2010-2011, this staff report provides an overview of FY 11 appropriations, including adjustments to the:

- state (General Fund) appropriations;
- unit value;
- categorical public school support appropriations;
- related recurring appropriations to PED; and
- nonrecurring appropriations.

The staff reports also discusses:

- available emergency supplemental funds;
- additional federal funding available to school district for FY 11, including one-time federal funds; and
- reviews the implementation of legislation that provides school districts with budget flexibility.

State (General Fund) Appropriations

The 2010 Legislature, in special session immediately following the regular session, passed the *General Appropriation Act of 2010*, which makes appropriations to fund state agencies and other programs, including public school support. Attachment 1, *FY 11 Public School Support and Related Appropriations*, summarizes the FY 11 appropriations that fund public schools in three columns:

- Column C shows approximately \$2.43 billion (line 80) in General Fund recurring appropriations to public education as they appear in Section 4, *Fiscal Year 2011 Appropriations*, of the *General Appropriation Act of 2010*:¹
 - Ø The appropriation includes nearly \$2.3 billion to the State Equalization Guarantee (SEG) (line 19), commonly referred to as the “above the line” costs, including increases for enrollment growth, fixed costs, and insurance costs (on lines 7, 8, and 9, respectively).
- Column D shows the appropriations from Column C sanded by 0.544 percent, as required in the *General Appropriation Act of 2010*. The grand total in this column (line 80) is approximately \$2.42 billion.
- Column E shows the appropriations from Column D after having been further reduced by 3.244 percent to \$2.34 billion. Language in the *General Appropriation Act of 2010* requires proportional reductions of the appropriations to most agencies (including public education) if the consensus revenue projections are insufficient to meet the FY 11 General Fund appropriations.

According to the July consensus revenue estimates provided to the Legislative Finance Committee (LFC) on July 22, 2010, the required reductions to state agencies, including public education, will be \$151.7 million, or 3.244 percent of appropriations. For public education, the required reduction will mean a funding decrease of approximately \$78.4 million:

- the SEG (line 19) will be reduced by approximately \$73.6 million;
- categorical public school support (line 46) will be reduced over \$3.8 million; and

¹ Section 4 makes appropriations that fund all state agencies, including Public School Support and the Public Education Department.

- related recurring education-related appropriations (line 79) will be reduced by just over \$1.0 million.

The reduction to the SEG will be partially offset, however, by federal legislation that creates the Education Jobs Fund (EduJobs) Program, which provides \$10.0 billion nationwide to assist states in saving or creating education jobs for school year 2010-2011.

New Mexico's EduJobs allocation is approximately \$64.9 million, and PED reports that almost \$64.4 million of this total will be distributed to school districts through the public school funding formula, while the department will retain nearly \$500,000, or roughly 0.75 percent of the total, for administrative costs.²

Considering only General Fund dollars, the adjusted FY 11 appropriation to the SEG represents a 3.8 percent increase over FY 10 (line 21). However, in addition to General Fund dollars, the *General Appropriation Act of 2010* appropriated \$23.9 million in federal funds that represent the remaining Education Stabilization Funds pursuant to the *American Recovery and Reinvestment Act of 2009* (ARRA) (line 23). When the federal ARRA dollars are included, the SEG shows a net 1.4 percent decrease (line 28).

Line 25 of Attachment 1 shows the inclusion of the EduJobs funds in the SEG. The additional federal funds do not offset all of the 3.244 percent reduction and the net result of the FY 11 appropriation (Column E, line 27) as compared to the same appropriation after sanding (Column D, line 27) is a difference of 0.4 percent, calculated as follows:

(amounts in thousands)

Initial FY 11 SEG:	\$2,268,397.4	(Column D, line 19)
Less 3.244% Reduction:	(\$73,586.8)	
<u>Plus EduJobs Funds:</u>	<u>\$64,377.6</u>	(Column E, line 25)
Adjusted FY 11 SEG:	\$2,283,086.2	(Column E, line 26)
Dollar Change:	(\$9,209.2)	(line 27, Column E – Column D)
Percent Change:	-0.4%	(line 28, Column E – Column D)

Unit Value

Based on the appropriations to the SEG in Column D, On March 31, 2009, the Secretary of Public Education set the preliminary unit value for school district and charter school FY 11 operating budgets at \$3,712.45, based on a statewide projected total of 633,687.46 program units. The FY 11 initial unit value represents a decrease of \$80.20 from the previous year's final unit value of \$3,792.65.

As was the case in the previous school year, the initial unit value for school year 2010-2011 is a composite of General Fund and federal ARRA dollars, calculated as follows:

² The federal law creating the Education Jobs Fund permits state education agencies to retain up to 2.0 percent of the EduJobs Funds for administrative costs.

General Fund:	\$3,674.75
<u>ARRA Funds:</u>	<u>\$ 37.70</u>
Total Combined Unit Value:	\$3,712.45

Both the 3.2 percent reduction and the addition of the EduJobs funds will have an effect on the unit value; however, PED reports that the unit value will not be changed until the number of units statewide are verified, likely in January.³

Categorical Public School Support Appropriations (Column E, lines 29-46)

Other operational funding in the *General Appropriation Act of 2010* includes almost \$114.4 million in recurring dollars for categorical public school support (line 46) for statutorily created funds and initiatives, including:

- approximately \$94.6 million for public school transportation;
- just over \$1.9 million in emergency supplemental funding for school districts;
- \$14.6 million for the Instructional Material Fund;
- almost \$1.0 million for dual credit instructional materials; and
- just over \$1.9 million to the Indian Education Fund.

Related Recurring Appropriations to PED (Column E, lines 56-79)

Finally, related recurring appropriations to PED total almost \$30.4 million (line 79), and include:

- approximately \$14.2 million to fund the operations of PED;
- almost \$1.0 million for regional education cooperatives operations; and
- almost \$15.2 million for other education-related initiatives, including:
 - Ø K-3 Plus and New Mexico PreK;
 - Ø Innovative Digital Education and Learning (IDEAL-NM);
 - Ø operational costs for the Operating Budget Management and Student Teacher Accountability Reporting systems; and
 - Ø the Advanced Placement, After-school Enrichment, Apprenticeship Assistance, Breakfast for Elementary Students, and Graduation, Reality, and Dual-Roles Skills (GRADS) programs.

Nonrecurring Appropriations (Column E, lines 89-97)

In nonrecurring appropriations, the 2010 Legislature appropriated \$10.0 million in emergency support for school districts (lines 91 and 92). Because these are nonrecurring appropriations in Section 5, Special Appropriations, in the appropriation act, they are subject to neither the 0.544 percent sanding nor the 3.2 percent reduction.

³ The *General Appropriation Act of 2010* includes language permitting the Secretary, upon verification of the number of units statewide for FY 2011 but no later than January 31, 2011, to adjust the program unit value.

Available Emergency Supplemental Funds (Column E, line 40 and lines 91 and 92)

Combined with the nearly \$2.0 million in recurring dollars for emergency supplemental funds (line 40) and \$10.0 million in nonrecurring dollars (lines 91 and 92), nearly \$12.0 million will be available to provide financial support to school districts or state-chartered charter schools statewide.

- Language in the *General Appropriation Act of 2010* and provisions in the *Public School Finance Act* prohibit the distribution of emergency funds to an entity having cash and invested reserves, or other resources or any combination thereof, equaling 5.0 percent or more of its operational budget; and
- \$4.0 million of the appropriation is earmarked solely for the emergency support of small rural school districts with a total membership of fewer than 600 in their elementary, middle, and high schools.

PED reports that 28 districts have requested and budgeted approximately \$11.7 million in emergency funding because their SEG is insufficient to meet basic budgetary requirements.

Additional Federal Funding

In addition to operational funds from the General Fund, approximately \$283.1 million in federal funds for formula-allocated and selected student aid programs is available to school districts. Attachment 2, *Funds for State Formula-Allocated and Selected Student Aid Programs*, includes a comparison of federal formula-allocated funds for New Mexico for federal fiscal years⁴ 2009, 2010, and 2011, as well as ARRA funding, for elementary and secondary programs (see Attachment 3 for a brief description of the federal programs).

School District Budget Flexibility

Another piece of legislation passed by the 2010 Legislature and signed by the Governor adds a temporary provision to the *Public School Code* to provide school districts with flexibility to meet state fiscal solvency requirements. Among its provisions, the bill allows the Secretary of Public Education, in school years 2009-2010 through 2011-2012, to waive requirements of the *Public School Code* and the PED rules pertaining to:

- individual class load;
- teaching load;
- length of school day;
- staffing patterns;
- subject areas; and
- purchases of instructional materials.

Other provisions require that PED monitor the waivers and report to the LESC and the LFC on any issues or actions of a school district that appear to adversely affect student learning. PED

⁴ The federal fiscal year runs from October 1 through September 30 of the next calendar year and is named for the year in which it ends. Federal funding for federal fiscal year 2010 will be allocated to school districts and other local educational agencies (LEAs) for school year 2009-2011.

reports that its Quality Assurance Bureau is charged with processing the waiver requests on a case-by-case basis, and monitoring their effect on student learning.

According to PED, districts primarily request class load or teaching load waivers, adding that these requests are made after the beginning of the school year when actual student enrollment becomes apparent. The department has designated September 24 as the deadline for such waiver requests, and reports that, as of noon on September 23, 16 school districts have requested a total of 17 waivers.

To assist districts in complying with the provisions of the flexibility legislation, the department has issued guidance to school districts that provides examples of 5.0 and 10 percent increases in class size (for grades K-6) and teacher load (for grades 7-12) (see Attachment 4 and Attachment 5). In the case of waiver requests for increases greater than 10 percent, PED reports that the Quality Assurance Bureau will consider the following when making recommendations to the Secretary of Education regarding the approval of the waiver:

- aides required by law;
- the school's *No Child Left Behind* status;
- teacher qualification and number of years of experience;
- presence of student teacher;
- student aide or clerical support;
- assigned mentor for the teacher;
- parent volunteer availability; and
- other factors.

The guidance further provides that the granting of waivers does not relieve the district of the requirement that, "the parents of all children affected by the waiver [be] notified in writing."

Presenter

- Mr. Steve Burrell, Director, School Budget and Finance Analysis Bureau, PED, will provide an overview of FY 11 approved public school budgets as well as related budget issues.

FY 11 PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS
FROM THE GENERAL FUND AND THE FEDERAL AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (after sanding and additional reduction)
(dollars in thousands)

	A FY 10 Initial Unit Value: \$3,862.79 ¹	B FY 10 Final Unit Value: \$3,792.65 ²	C	D FY 11 Initial Unit Value: \$3,712.45 ³	E FY 11 Final Unit Value TBD
	FY 10 APPROPRIATION Regular Session	FINAL FY 10 APPROPRIATION after 1st Special Session	FY 11 APPROPRIATION HB 2a Laws 2010, S.S., Ch. 6 (partial veto)*	FY 11 APPROPRIATION sanded by 0.544%	FY 11 APPROPRIATION reduced by an add'l 3.244% (per Sec. 14)
1 PROGRAM COST	\$2,439,723.2	\$2,260,415.5	\$2,171,012.2		
2 Restoration with General Fund Dollars of FY 10 State Fiscal Stabilization Funds from the federal <i>American Recovery and Reinvestment Act of 2009</i> (ARRA)			\$164,700.0		
3 State Fiscal Stabilization Funds from ARRA	(\$164,700.0)	(\$45,500.0)	(\$23,898.0) ⁴		
4 FY 09 Solvency Adjustment	(\$19,335.7)				
5 FY 10 Solvency Adjustment (2% reduction)		(\$43,903.3)			
6 Educational Retirement 1.5% Employer/Employee Contribution Switch	(\$23,193.4)				
7 ENROLLMENT GROWTH	\$8,455.8		\$14,016.9		
8 FIXED COSTS	\$3,723.9		\$3,723.9		
9 INSURANCE COSTS			\$11,500.0		
10 PUBLIC SCHOOL EMPLOYEE COMPENSATION					
11 Increase Educational Assistants' Salary Base to \$13,000	\$2,613.0				
12 Increase in Employer's ERB Contribution (0.75%)	\$12,073.2				
13 Assessment (school district costs for printing, scoring, and reporting)	\$1,055.5				
14 PROGRAM COST	\$2,260,415.5	\$2,171,012.2	\$2,341,055.0		
15 Dollar Difference over Previous Year's Appropriation			\$170,042.8		
16 Percent Change			7.8%		
17 LESS PROJECTED CREDITS	(\$64,400.00)	(\$64,400.00)	(\$59,400.00)	(\$59,400.00)	(\$59,400.00)
18 LESS OTHER STATE FUNDS (from driver's license fees)	(\$850.00)	(\$850.00)	(\$850.00)	(\$850.00)	(\$850.00)
19 STATE EQUALIZATION GUARANTEE (General Fund recurring appropriations, not including ARRA)	\$2,195,165.5	\$2,105,762.2	\$2,280,805.0	\$2,268,397.4	\$2,194,810.6
20 Dollar Difference over Previous Year's Appropriation			\$175,042.8	\$162,635.2	\$89,048.4
21 Percent Change			8.3%	7.7%	3.8%
22 STATE FISCAL STABILIZATION FUNDS FROM ARRA: Phase 1		\$164,700.0			
23 STATE FISCAL STABILIZATION FUNDS FROM ARRA: Phase 2		\$45,500.0	\$23,898.0	\$23,898.0	\$23,898.0
24 PUBLIC SAFETY AND OTHER GOVERNMENT SERVICES ALLOCATION FROM ARRA			\$15,000.0 *	\$15,000.0 *	\$15,000.0 *
25 EDUCATION JOBS FUND					\$64,377.6 ⁵
26 ADJUSTED STATE EQUALIZATION GUARANTEE, INCLUDING ARRA and EDUCATION JOBS FUNDS		\$2,315,962.2 ⁶	\$2,304,703.0 ⁶	\$2,292,295.4 ⁶	\$2,283,086.2 ⁶
27 Dollar Difference over Previous Year's Appropriation			(\$11,259.2)	(\$23,666.8)	(\$32,876.0)
28 Percent Change			-0.5%	-1.0%	-1.4%

¹ FY 10 Initial Unit Value = \$3,606.40 General Fund + \$256.39 federal ARRA dollars.

² FY 10 Final Unit Value = \$3,458.06 General Fund + \$334.59 federal ARRA dollars.

³ FY 11 Initial Unit Value = \$3,674.75 General Fund + \$37.70 federal ARRA dollars.

⁴ The FY 11 appropriation for the State Equalization Guarantee distribution includes approximately \$23.9 million in federal ARRA dollars.

⁵ New Mexico's Education Jobs Fund award totals \$64.869 million; however, PED retains \$492,000 for administrative costs, and therefore \$64.377 million will be distributed through the funding formula.

⁶ Lines 22-28 reflect the inclusion of federal ARRA dollars in the recurring General Fund appropriation for the State Equalization Guarantee (see Line 19). These one-time federal funds replaced recurring General Fund dollars in both FY 10 and FY 11 (see Line 3). The total in Column E includes approximately \$64.4 million in federal Education Jobs Funds for FY 11.

FY 11 PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS
FROM THE GENERAL FUND AND THE FEDERAL AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (after sanding and additional reduction)
(dollars in thousands)

	A FY 10 Initial Unit Value: \$3,862.79 ¹	B FY 10 Final Unit Value: \$3,792.65 ²	C	D FY 11 Initial Unit Value: \$3,712.45 ³	E FY 11 Final Unit Value TBD
	FY 10 APPROPRIATION Regular Session	FINAL FY 10 APPROPRIATION after 1st Special Session	FY 11 APPROPRIATION HB 2a Laws 2010, S.S., Ch. 6 (partial veto)*	FY 11 APPROPRIATION sanded by 0.544%	FY 11 APPROPRIATION reduced by an add'l 3.244% (per Sec. 14)
29 CATEGORICAL PUBLIC SCHOOL SUPPORT					
30 TRANSPORTATION					
31 Operational	\$90,282.4	\$86,671.1	\$86,303.6	\$85,834.1	\$83,049.6
32 School-owned Bus Replacements	\$563.5	\$541.0			
33 Rental Fees (contractor-owned buses)	\$12,665.2	\$12,158.6	\$12,031.9	\$11,966.4	\$11,578.3
34 TRANSPORTATION EMPLOYEE COMPENSATION					
35 Educational Retirement Employer/Employee 1.5% Contribution Switch	(\$537.5)	(\$516.0)			
36 Increase in Employer's ERB Contribution (0.75%)	\$194.8	\$187.0			
37 TOTAL TRANSPORTATION	\$103,168.4	\$99,041.7	\$98,335.5	\$97,800.6	\$94,627.9
38 SUPPLEMENTAL DISTRIBUTIONS					
39 Out-of-state Tuition	\$370.0	\$346.0	\$346.0	\$344.1	\$333.0
40 Emergency Supplemental	\$2,000.0	\$1,870.0	\$2,000.0	\$1,989.1	\$1,924.6
41 INSTRUCTIONAL MATERIAL FUND (FY 11 adoption includes grades K-8 Language Arts/Reading; grades K-8 Modern, Classical and Native Languages; grades K-8 Reading Intervention Programs)	\$16,230.4	\$15,175.4	\$15,175.4	\$15,092.8	\$14,603.2
42 Dual Credit Instructional Materials	\$1,500.0	\$1,402.5	\$1,000.0	\$994.6	\$962.3
43 EDUCATIONAL TECHNOLOGY FUND	\$2,400.0	\$2,244.0			
44 INDIAN EDUCATION FUND	\$2,250.0	\$2,250.0	\$2,000.0 ⁷	\$1,989.1 ⁷	\$1,924.6 ⁷
45 SCHOOLS IN NEED OF IMPROVEMENT FUND	\$2,500.0	\$2,337.5			
46 TOTAL CATEGORICAL	\$130,418.8	\$124,667.0	\$118,856.9	\$118,210.3	\$114,375.6
47 TOTAL PUBLIC SCHOOL SUPPORT (General Fund recurring appropriations, not including ARRA)	\$2,325,584.3	\$2,230,429.2	\$2,399,661.9	\$2,386,607.7	\$2,309,186.2
48 Dollar Difference over Previous Year's Appropriation			\$169,232.7	\$156,178.5	\$78,757.0
49 Percent Change			7.6%	7.0%	3.5%
50 STATE FISCAL STABILIZATION FUNDS FROM ARRA: Phase 1		\$164,700.0			
51 STATE FISCAL STABILIZATION FUNDS FROM ARRA: Phase 2		\$45,500.0	\$23,898.0	\$23,898.0	\$23,898.0
52 EDUCATION JOBS FUND					\$64,377.6
53 ADJUSTED TOTAL PUBLIC SCHOOL SUPPORT, INCLUDING ARRA and EDUCATION JOBS FUNDS		\$2,440,629.2 ⁸	\$2,423,559.9 ⁸	\$2,410,505.7 ⁸	\$2,397,461.8 ⁸
54 Dollar Difference over Previous Year's Appropriation			(17,069.3)	(30,123.5)	(43,167.4)
55 Percent Change			-0.7%	-1.2%	-1.8%

⁷ The appropriation for the Indian Education Fund includes: \$400 thousand to provide a rural literacy initiative, contingent on receipt of \$400 thousand in matching funds from other than state sources; and \$400 thousand for a nonprofit organization that provides teaching support in schools with a high proportion of Native American students.

⁸ Lines 50-55 reflect the inclusion of federal ARRA dollars in the recurring General Fund appropriation for Total Public School Support (see Line 47). These one-time federal funds replaced recurring General Fund dollars in both FY 10 and FY 11 (see Line 3). The total in Column E includes approximately \$64.4 million in federal Education Jobs Funds for FY 11.

FY 11 PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS
FROM THE GENERAL FUND AND THE FEDERAL AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (after sanding and additional reduction)
(dollars in thousands)

	A FY 10 Initial Unit Value: \$3,862.79 ¹	B FY 10 Final Unit Value: \$3,792.65 ²	C	D FY 11 Initial Unit Value: \$3,712.45 ³	E FY 11 Final Unit Value TBD
	FY 10 APPROPRIATION Regular Session	FINAL FY 10 APPROPRIATION after 1st Special Session	FY 11 APPROPRIATION HB 2a Laws 2010, S.S., Ch. 6 (partial veto)*	FY 11 APPROPRIATION sanded by 0.544%	FY 11 APPROPRIATION reduced by an add'l 3.244% (per Sec. 14)
56 RELATED APPROPRIATIONS: RECURRING					
57 PUBLIC EDUCATION DEPARTMENT	\$15,979.3	\$15,499.4	\$14,800.0	\$14,719.5	\$14,242.0
58 Regional Education Cooperatives Operations	\$1,200.0	\$1,122.0	\$975.0 ⁹	\$969.7 ⁹	\$938.2 ⁹
59 EARLY CHILDHOOD EDUCATION:					
60 K-3 Plus	\$8,452.1	\$7,902.7	\$5,500.0	\$5,470.1	\$5,292.6
61 Pre-kindergarten Program	\$8,452.1	\$7,902.7	\$5,500.0 ¹⁰	\$5,470.1 ¹⁰	\$5,292.6 ¹⁰
62 EDUCATOR QUALITY:					
63 Beginning Teacher Mentorship	\$1,491.5	\$1,394.6			
64 Summer Reading, Math, and Science Institutes	\$2,485.9	\$2,324.3	\$165.0	\$164.1	\$158.8
65 NEW MEXICO CYBER ACADEMY/INNOVATIVE DIGITAL EDUCATION AND LEARNING (IDEAL-NM)	\$994.4	\$929.8	\$712.0	\$708.1	\$685.2
66 SCHOOL FINANCE:					
67 Operating Budget Management System (OBMS) and Student Teacher Accountability Reporting System (STARS) Operational Costs			\$700.0	\$696.2	\$673.6
68 Rural Revitalization	\$100.0	\$93.5			
69 STUDENT ACHIEVEMENT:					
70 Advanced Placement	\$1,750.0	\$1,636.3	\$563.0	\$559.9	\$541.8
71 After-school Enrichment Program	\$1,000.0	\$935.0	\$150.0	\$149.2	\$144.3
72 Apprenticeship Assistance	\$650.0	\$607.8	\$200.0	\$198.9	\$192.5
73 School Improvement Framework	\$994.4	\$929.8			
74 Truancy and Dropout Prevention	\$298.3	\$278.9			
75 STUDENT HEALTH, SAFETY, AND WELL-BEING:					
76 Breakfast for Elementary Students	\$3,430.5	\$3,207.5	\$2,000.0	\$1,989.1	\$1,924.6
77 Family and Youth Resource Act	\$397.7	\$371.8			
78 GRADS – Teen Pregnancy Prevention	\$550.0	\$514.3	\$300.0 ¹¹	\$298.4 ¹¹	\$288.7 ¹¹
79 TOTAL RELATED APPROPRIATIONS: RECURRING	\$48,226.2	\$45,650.3	\$31,565.0	\$31,393.3	\$30,374.9
80 GRAND TOTAL (General Fund recurring appropriations, not including ARRA)	\$2,373,810.5	\$2,276,079.5	\$2,431,226.9	\$2,418,001.0	\$2,339,561.1
81 Dollar Difference over Previous Year's Appropriation			\$155,147.4	\$141,921.5	\$63,481.6
82 Percent Change			6.8%	6.2%	2.8%
83 STATE FISCAL STABILIZATION FUNDS FROM ARRA: Phase 1		\$164,700.0			
84 STATE FISCAL STABILIZATION FUNDS FROM ARRA: Phase 2		\$45,500.0	\$23,898.0	\$23,898.0	\$23,898.0
85 EDUCATION JOBS FUND					\$64,377.6
86 ADJUSTED GRAND TOTAL, INCLUDING ARRA and EDUCATION JOBS FUNDS		\$2,486,279.5 ¹²	\$2,455,124.9 ¹²	\$2,441,899.0 ¹²	\$2,427,836.7 ¹²
87 Dollar Difference over Previous Year's Appropriation			(31,154.6)	(44,380.5)	(58,442.8)
88 Percent Change			-1.3%	-1.8%	-2.4%

⁹ The appropriation to Regional Education Cooperatives shall be allocated based on justified need; timely submission of quarterly financial reports; and compliance with state and federal reporting requirements.

¹⁰ An additional \$2.5 million is appropriated to the pre-kindergarten program: \$1.0 million from the Public Pre-kindergarten Fund and \$1.5 million from the federal Temporary Assistance to Needy Families (TANF) block grant to New Mexico.

¹¹ An additional \$250 thousand is appropriated for GRADS from the TANF block grant to New Mexico.

¹² Lines 83-88 reflect the inclusion of federal ARRA dollars in the recurring General Fund appropriations that make up the Grand Total (see Line 80). These one-time federal funds replaced recurring General Fund dollars in both FY 10 and FY 11 (see Line 3). The total in Column E includes approximately \$64.4 million in federal Education Jobs Funds for FY 11.

FY 11 PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS
FROM THE GENERAL FUND AND THE FEDERAL AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (after sanding and additional reduction)
(dollars in thousands)

		A	B	C	D	E
		<i>FY 10 Initial Unit Value: \$3,862.79</i> ¹	<i>FY 10 Final Unit Value: \$3,792.65</i> ²		<i>FY 11 Initial Unit Value: \$3,712.45</i> ³	<i>FY 11 Final Unit Value TBD</i>
		FY 10 APPROPRIATION Regular Session	FINAL FY 10 APPROPRIATION after 1st Special Session	FY 11 APPROPRIATION HB 2a Laws 2010, S.S., Ch. 6 (partial veto)*	FY 11 APPROPRIATION sanded by 0.544%	FY 11 APPROPRIATION reduced by an add'l 3.244% (per Sec. 14)
89	RELATED APPROPRIATIONS: NONRECURRING (in Section 5 of the GAA, and not subject to .544% sand or 3.2% reduction)					
90	Assessment and Test Development	\$1,000.0	\$1,000.0			
91	Emergency Support to School Districts	\$10,000.0	\$13,000.0	\$6,000.0 ¹³	\$6,000.0 ¹³	\$6,000.0 ¹³
92	Emergency Supplemental Support to Small Rural School Districts			\$4,000.0 ¹⁴	\$4,000.0 ¹⁴	\$4,000.0 ¹⁴
93	School Leadership Institute (to the Higher Education Department)	\$200.0	\$200.0			
94	STARS/OBMS (hosting, licensing, and maintenance)	\$1,400.0	\$1,400.0			
95	State High School Basketball Tournament	\$100.0	\$100.0			
96	Summer Science Program (to New Mexico Institute of Mining and Technology)	\$50.0	\$50.0			
97	TOTAL RELATED APPROPRIATIONS: NONRECURRING	\$12,750.0	\$15,750.0	\$10,000.0	\$10,000.0	\$10,000.0

¹³ For FY 10 and FY 11, the appropriation for emergency support is for school districts statewide experiencing shortfalls.

¹⁴ For FY 11, the appropriation for emergency supplemental support is for small rural school districts with a total membership of fewer than 600 in their elementary, middle, and high schools in financial need. Language in the bill prohibits emergency funding to a school district having cash or other resources of 5 percent or more of its operational budget.

Funds for State Formula-Allocated and Selected Student Aid Programs
U.S. Department of Education Funding
New Mexico

	Recovery Act	2009	2010	2011	Change Fiscal Year 2010 to 2011	
		Actual	Estimate	Estimate	Amount	Percent
College- and Career Ready Students	80,803,396	118,076,859	114,255,566	113,824,692	-430,874	-0.4%
School Turnaround Grants	24,143,708	4,391,034	4,178,845	6,870,935	2,692,090	64.4%
Even Start	0	493,409	471,407	0	-471,407	-100.0%
State Agency Program--Migrant Student Education	0	1,054,974	956,921	593,854	-363,067	-37.9%
State Agency Program--Neglected and Delinquent Children and Youth Education	0	253,013	260,575	260,575	0	0.0%
Subtotal, Accelerating Achievement & Ensuring Equity	104,947,104	124,269,289	120,123,314	121,550,056	1,426,742	1.2%
Impact Aid Basic Support Payments	0	102,817,749	103,106,262	103,106,262	0	0.0%
Impact Aid Payments for Children with Disabilities	0	3,503,226	3,503,226	3,503,226	0	0.0%
Impact Aid Construction	4,254,203	0	1,758,530	0	-1,758,530	-100.0%
Subtotal, Impact Aid	4,254,203	106,320,975	108,368,018	106,609,488	-1,758,530	-1.6%
Effective Teachers and Leaders State Grants	0	0	0	19,206,938	19,206,938	---
Improving Teacher Quality State Grants	0	22,957,857	22,851,195	0	-22,851,195	-100.0%
Mathematics and Science Partnerships	0	1,481,848	1,435,263	0	-1,435,263	-100.0%
Educational Technology State Grants	5,138,804	2,091,675	740,572	0	-740,572	-100.0%
21st Century Community Learning Centers	0	8,988,528	9,149,515	0	-9,149,515	-100.0%
Assessing Achievement	0	4,583,311	4,592,850	4,592,850	0	0.0%
Rural and Low-income Schools Program	0	1,509,460	1,523,057	2,305,648	782,591	51.4%
Small, Rural School Achievement Program	0	510,113	514,547	529,876	15,329	3.0%
Indian Student Education--Grants to Local Educational Agencies	0	8,579,500	8,398,002	8,398,002	0	0.0%
Safe and Drug-Free Schools and Communities State Grants	0	2,226,011	0	0	0	---
English Learner Education	0	5,115,590	4,926,730	4,737,828	-188,902	-3.8%
Homeless Children and Youth Education	548,313	506,452	507,170	507,170	0	0.0%
Subtotal, All of the Above Programs, which were or are proposed to be authorized by the <i>Elementary and Secondary Education Act</i>	114,888,424	289,140,609	283,130,233	268,437,856	-14,692,377	-5.2%
Special Education--Grants to States	91,147,493	90,589,360	90,513,015	92,283,120	1,770,105	2.0%
Special Education--Preschool Grants	3,401,589	3,137,316	3,137,316	3,137,316	0	0.0%
Grants for Infants and Families	9,086,348	2,920,529	2,916,751	2,916,751	0	0.0%
Subtotal, Special Education	103,635,430	96,647,205	96,567,082	98,337,187	1,770,105	1.8%
Career and Technical Education State Grants	0	8,858,892	8,445,740	9,152,285	706,545	8.4%
Tech Prep Education State Grants	0	833,848	833,848	0	-833,848	-100.0%
Subtotal, Vocational and Adult Education	0	9,692,740	9,279,588	9,152,285	-127,303	-1.4%
State Fiscal Stabilization Fund--Education State Grants	260,436,399 ¹	0	0	0	0	---
State Fiscal Stabilization Fund--Government Services	57,945,507 ²	0	0	0	0	---
Subtotal, State Stabilization Fund	318,381,906	0	0	0	0	---
Subtotal, All Elementary/Secondary Level Programs	536,905,760	395,480,554	388,976,903	375,927,328	-13,049,575	-3.4%

**PROGRAMS IDENTIFIED BY THE US DEPARTMENT OF EDUCATION AS
CONSTITUTING THE *NO CHILD LEFT BEHIND ACT OF 2001***

The following federal programs have been identified by the US Department of Education (USDE) as constituting the *No Child Left Behind Act of 2001* (NCLB). Some are federal flowthrough programs, meaning that they are allocated to state educational agencies (SEAs), such as the New Mexico Public Education Department, for distribution to local education agencies (LEAs), i.e., school districts, or to other entities. Other programs are grants that go directly from the federal government to the end recipient, e.g., a school district. The programs below are listed in the order in which they appear on Table 1 in the report.

ESEA Title I Grants to Local Educational Agencies (Title I, Part A) – Title I “provides financial assistance through [SEAs] to [LEAs] and public schools with high numbers or percentages of poor children to help ensure that all children meet challenging State academic content and student academic achievement standards.”

Programs may be either targeted or schoolwide. “LEAs target the Title I funds they receive to public schools with the highest percentages of children from low-income families. Unless a participating school is operating a schoolwide program, the school must focus Title I services on children who are failing, or most at risk of failing, to meet State academic standards. Schools enrolling at least 40 percent of students from poor families are eligible to use Title I funds for schoolwide programs that serve all children in the school.”

Title I, Part A of the act also requires a participating LEA to “provide eligible children attending private elementary and secondary schools, their teachers, and their families with Title I services or other benefits that are equitable to those provided to eligible public school children, their teachers, and their families. These services must be developed in consultation with officials of the private schools.”

School Improvement Grants (Title I) – NCLB authorizes the awarding of grants to states to enable the states to provide subgrants to LEAs for the purpose of providing assistance for school improvement. Prior to federal fiscal year 2007, no funds were appropriated for this purpose.

In order to be awarded a School Improvement Grant, states must submit applications to USDE describing how they would allocate funds to help ensure compliance with the school improvement, corrective action, and restructuring requirements for schools participating in Part A of Title I. The law also (1) requires States to give priority for subgrants to school districts with low-achieving schools that demonstrate the greatest need for the funds and the strongest commitment to meeting their school improvement goals and (2) specifies that grants to LEAs must be large enough to provide between \$50,000 and \$500,000 for “each participating school.” LEAs may receive up to three years of assistance, and states may retain up to 5.0 percent of their allocations to pay for administration, evaluation, and technical assistance activities.

Reading First State Grants (Title I, Part B, Subpart 1) – Through Reading First, states and school districts receive support to establish scientifically based reading programs for students enrolled in kindergarten through third grade. The goal is to have all children reading well by the end of third grade. The program provides formula grants to states that submit an approved application; the funds are allocated according to the proportion of children aged 5 to 17 who reside within the state and who are from families with incomes below the poverty line.

Even Start (Title I, Part B, Subpart 3) – “Even Start is an education program for the Nation's low-income families that is designed to improve the academic achievement of young children and their parents, especially in the area of reading.” The program combines four core components: early childhood education, adult literacy, parenting education, and interactive literacy activities between parents and their children.

State Agency Program–Migrant (Title I, Part C) – The statutory purposes of the migrant program are to: (1) support educational programs for migrant children that help reduce the educational disruption and other problems that result from repeated moves; (2) ensure that migrant children are not penalized by disparities among the states in curriculum, graduation requirements, and academic content and student academic achievement standards; (3) ensure that migrant children are provided with appropriate educational services that address their needs in a coordinated and efficient manner; (4) ensure that migrant children receive “full and appropriate opportunities to meet the same challenging State academic content and student academic achievement standards that all children are expected to meet”; (5) design programs to help migrant children overcome factors, such as educational disruption, that inhibit their ability to do well in school, and to prepare them to make a successful transition to postsecondary education or employment; and (6) ensure that migrant children “benefit from State and local systemic reforms.”

The USDE “allocates Title I, Part C Migrant Education Program funds to States through a statutory formula based primarily on the State’s migrant student count, the number of migrant children who receive summer or intersession services, and the cost of education in each State.”

State Agency Program–Neglected and Delinquent (Title I, Part D) – The Neglected and Delinquent Program consists of two subparts: subpart 1, the State Agency Neglected and Delinquent formula grant program, and subpart 2, the Local Educational Agency program, which is funded with money reserved by the SEA under Title I, Part A.

The State Agency Neglected and Delinquent program “provides formula grants to SEAs for supplementary education services to help provide education continuity for children and youth in State-run institutions for juveniles and in adult correctional institutions, so that these youth can make successful transitions to school or employment once they are released from State institutions.”

The Local Educational Agency program “requires each SEA to reserve, from its Title I allocation, funds generated by the number of children in locally operated institutions for delinquent youth. Funds are awarded to LEAs with high proportions of youth in local correctional facilities for drop-out prevention programs for at-risk youth.”

Impact Aid (Title VIII) – Direct Grants to Local Education Agencies

Impact Aid Basic Support Payments – “Basic Support Payments help local school districts that educate federally connected children. These may be the children of members of the uniformed services, children who reside on Indian lands, children who reside on Federal property or in federally subsidized low-rent housing, and children whose parents work on Federal Property. In general, to be eligible for assistance a local school district must educate at least 400 such children in average daily attendance, or the federally connected children must make up at least 3 percent of the school district’s total average daily attendance. Heavily Impacted Districts that enroll certain percentages of federally connected children and meet other specific statutory criteria, receive increased formula payments under Section 8003(b)(2).”

Impact Aid Payments for Children with Disabilities – “Payments for Children with Disabilities provide additional assistance to school districts that educate federally connected children who are eligible for services under the Individuals with Disabilities Act (IDEA). These payments are in addition to Basic Support Payments and IDEA funds provided on behalf of these children. A school district that receives these funds **MUST** use them for the increased costs of educating federally connected children with disabilities.”

Impact Aid Construction – “Construction Grants go to local school districts that educate high percentages of certain federally connected children — both children living on Indian lands and children of members of the uniformed services. These grants help pay for the construction and repair of school buildings. Section 8007(a) provides formula grants to the local school districts based on the number of eligible federally connected children they educate. Section 8007(b) provides competitive grants for emergency repairs and modernization.”

Improving Teacher Quality State Grants (Title II, Part A) – “The purpose of Title II, Part A is to help increase the academic achievement of all students by helping schools and school districts ensure that all teachers are highly qualified to teach. Through the program, [SEAs] and [LEAs] receive funds on a formula basis, as does the State agency for higher education (SAHE). The SAHE provides competitive grants to partnerships comprised, at a minimum, of schools of education and arts and sciences along with one or more high-need LEAs.”

Agencies are given the flexibility to use these funds “to address challenges to teacher quality, whether they concern teacher preparation and qualifications of new teachers, recruitment and hiring, induction, professional development, teacher retention, or the need for more capable principals and assistant principals to serve as effective school leaders.”

Mathematics and Science Partnerships (Title II, Part B) – “The Mathematics and Science Partnership (MSP) program is intended to increase the academic achievement of students in mathematics and science by enhancing the content knowledge and teaching skills of classroom teachers. Partnerships between high-need school districts and the science, technology, engineering, and mathematics (STEM) faculty in institutions of higher education are at the core of these improvement efforts. Other partners may include state education agencies, public charter schools or other public schools, businesses, and nonprofit or for-profit organizations concerned with mathematics and science education.”

The program is a formula grant program to the states. Individual state awards are based on student population and poverty rates; however, no state receives less than 0.5 percent of the total appropriation.

Educational Technology State Grants (Title II, Part D) – The purpose of the Educational Technology program is “to improve student academic achievement through the use of technology in schools..., to [ensure] that every student is technologically literate by the end of eighth grade, and to encourage the effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.”

SEAs are awarded grants on the basis of their proportionate share of funding under Title I, Part A. “States may retain up to 5 percent of their allocations for State-level activities, and must distribute one-half of the remainder by formula to eligible [LEAs] and the other one-half competitively to eligible local entities.”

21st Century Community Learning Centers (Title IV, Part B) – The focus of the 21st Century Community Learning Centers (CCLC) program is “to provide expanded academic enrichment opportunities for children attending low performing schools. Tutorial services and academic enrichment activities are designed to help students meet local and state academic standards in subjects such as reading and math. In addition 21st CCLC programs provide youth development activities, drug and violence prevention programs, technology education programs, art, music and recreation programs, counseling and character education to enhance the academic component of the program.”

State Grants for Innovative Programs (Title V, Part A) – The purpose of Innovative Programs is (1) “to support local education reform efforts that are consistent with and support statewide education reform efforts”; (2) “to provide funding to enable [SEAs] and [LEAs] to implement promising educational reform programs and school improvement programs based on scientifically based research”; (3) “to provide a continuing source of innovation and educational improvement, including support programs to provide library services and instructional and media materials”; (4) “to meet the educational needs of all students, including at-risk youth”; and (5) “to develop and implement education programs to improve school, student and teacher performance, including professional development activities and class size reduction programs.”

State Assessments (Title VI, Part A, Subpart 1) – The US Secretary of Education is authorized to make grants to states to enable them to pay the costs of the development of the additional state assessments and standards required by NCLB. Allowable costs may include the costs of working in voluntary partnerships with other states.

If a state already has developed the required assessments and standards, the grant may be used to administer the assessments or for activities such as the following: (1) “developing challenging State academic content and student academic achievement standards and aligned assessments in academic subjects for which standards and assessments are not required [by NCLB]”; developing or improving required English language proficiency assessments; “ensuring the continued validity and reliability of State assessments”; “refining State assessments to ensure their continued alignment with the State’s academic content standards and to improve the alignment of curricula and instructional materials”; “developing multiple measures to increase the reliability and validity of State assessment systems”; “strengthening

the capacity of [LEAs] and schools to provide all students the opportunity to increase educational achievement, including carrying out professional development activities aligned with State student academic achievement standards and assessments”; “expanding the range of accommodations available to students with limited English proficiency and students with disabilities to improve the rates of inclusion of such students...”; and “improving the dissemination of information on student achievement and school performance to parents and the community....”

Rural and Low-Income Schools Program (Title VI, Part B, Subpart 2) – “The Rural and Low-Income School Programs is designed to address the needs of rural, low-income schools. The Secretary awards formula grants to [SEAs], which in turn award subgrants to eligible LEAs either competitively or on a formula basis. The funds are to be used to carry out activities specified by the statute.”

The SEA may retain up to 5.0 percent of the total grant award for technical assistance to eligible LEAs. LEAs may use their funds for the following purposes: “teacher recruitment and retention, including the use of signing bonuses and other financial incentives”; teacher professional development; educational technology; parental involvement activities; activities authorized under the Safe and Drug-Free Schools program; activities authorized under Title I, Part A; and activities authorized under Title III.

Small, Rural School Achievement Program (Title VI, Part B, Subpart 1) – “The Small, Rural School Grant Program authorizes the Secretary to award formula grants directly to eligible LEAs...to carry out activities authorized under other specified Federal programs.” An LEA is eligible for an award if:

- the total number of students in average daily attendance at all of the schools it serves is fewer than 600; or each county in which a school served by the LEA is located has a total population density of fewer than 10 persons per square mile; and
- all of the schools served by the LEA are designated with a school locale code of 7 or 8 by the National Center for Education Statistics; or the Secretary has determined that the LEA is located in an area defined as rural by a governmental agency of the state.

Indian Education—Grants to Local Educational Agencies (Title VII, Part A) – The purpose of the Indian Education Formula Grant Program is to provide grants to support LEAs, Indian tribes and organizations, postsecondary institutions, and other entities to meet the unique educational and culturally related academic needs of American Indian and Alaska Native students. “The programs funded are to be based on challenging State academic content and student academic achievement standards used for all students, and be designed to assist Indian students to meet those standards.”

Safe and Drug-Free Schools and Communities State Grants (Title IV, Part A) – The purpose of the *Safe and Drug-Free Schools and Communities Act* (SDFSCA) is to support programs that: “(1) prevent violence in and around schools; (2) prevent the illegal use of alcohol, tobacco, and drugs; (3) involve parents and communities; and (4) are coordinated with related Federal, State, school, and community efforts and resources to foster a safe and drug-free learning environment that promotes student academic achievement.”

States receive funding for “grants to LEAs (and consortia of LEAs) to establish, operate, and improve local programs of school drug and violence prevention and early intervention; grants to, or contracts with, community-based organizations and public and private entities for programs of drug and violence prevention and early intervention, including community-wide drug and violence prevention planning and organizing activities; and development, training, technical assistance, and coordination activities.”

Language Acquisition State Grants (Title III, Part A) – The English Language Acquisition Program is designed to improve the education of limited English proficient (LEP) children and youths by helping them learn English and meet challenging state academic content and student academic achievement standards.

In order to receive a grant under this program, an SEA must have a plan approved by the USDE. The amount of the grant is determined by the number of LEP and immigrant children and youth in the state. In turn, the SEA uses its allotment to award subgrants to LEAs that have plans approved by the State. The number of LEP and immigrant children and youth in the LEA determines the funding level of each subgrant.

Five percent of the total grant may be used for state-level activities, including “professional development to assist educational personnel in meeting State and local certification requirements for teaching LEP students; planning, evaluation, administration, and interagency coordination related to subgrants; technical assistance to subgrantees; [and] recognition of exemplary subgrantees.”

An LEA may use its subgrant for “developing and implementing elementary school and secondary school language instruction educational programs for LEP and immigrant students...; upgrading program objectives and effective instructional strategies; identifying, acquiring, and upgrading curricula, instructional materials, educational software and technology, and assessment procedures; participating in electronic networks for materials, training, and communication; supporting supplemental educational personnel who have been trained, or are being trained, to provide educational services to LEP and immigrant students; providing tutorials and academic and career counseling; [and] providing family literacy.



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DR. SUSANNA M. MURPHY
SECRETARY OF EDUCATION

BILL RICHARDSON
Governor

August 23, 2010

MEMORANDUM

TO: Superintendents
Charter School Administrators

FROM: Susanna M. Murphy, Ph.D. (signature on file)
Secretary of Education

RE: **Class Size**

In an effort to support you in your budgetary planning for the 2010–2011 school year, and as part of HB97, the Public Education Department supports the following class size increases:

Increase	GRADES K–6	GRADES 7–12
5%	Kindergarten= 21 students (with an aide at 15 or more students) 1st–3rd Grades = Average of 23 students (with an aide at 21 or more in grade 1) 4th–6th Grades = Average of 25 students	Teacher Load = 168 English 7th–8th Grades= 142 (Maximum of 28 per class) English 9th–12th = 158 (Maximum of 32 per class)
7%	n/a	Teacher Load = 171 English 7th–8th Grades= 144 (Maximum of 29 per class) English 9th–12th = 161 (Maximum of 32 per class)
10%	Kindergarten= 22 students (with an aide at 15 or more) 1st–3rd Grades = Average of 24 students (with an aide at 21 or more in grade 1) 4th–6th Grades = Average of 26 students	Teacher Load = 176 English 7th–8th Grades= 149 (Maximum of 30 per class) English 9th–12th = 165 (Maximum of 33 per class)

If you have not already done so, please immediately notify Julia Rosa Emslie, Director of Quality Assurance (juliarosa.emslie@state.nm.us or 505-827-4292) if you have exceeded the 10% maximum

increase. The Quality Assurance Bureau will consider the following when making recommendations to the Secretary of Education regarding districts that have exceeded the approved 10% increase:

- aides required by law
- the school's NCLB status
- teacher qualification and number of years of experience
- presence of student teacher
- student aide or clerical support
- assigned mentor for the teacher
- parent volunteer availability
- other factors

Once the school year has begun, the Quality Assurance Bureau will work with each district to ensure that an official waiver for each individual class and teacher is on file with the department. The PED is required to provide a class size/teacher load analysis report to the Legislative Education Study Committee every year. This report must include grade, teacher, class size or load, subject area for secondary level, and whether an aide is provided when required by law.

The Department is also tasked with monitoring the waivers, and reporting to the Legislative Education Study Committee and the Legislative Finance Committee on any issues or actions of a school district that appear to adversely affect student learning. While a district may receive a general provisional waiver now, once the school year starts classes or teachers that are overloaded beyond the approved 10% may not be permitted.

cc: Dr. Sheila Hyde, Deputy Secretary, Learning and Accountability

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DR. SUSANNA M. MURPHY
SECRETARY OF EDUCATION

BILL RICHARDSON
Governor

September 10, 2010

MEMORANDUM

TO: Superintendents

FROM: Susanna M. Murphy, Ph.D.
Secretary of Education

RE: **Clarification of Class-Size and Teacher-Load Waiver Requirements**

The purpose of this memo is to clarify the guidance provided in my August 26th memo.

First, thank you for working closely with the Quality Assurance Bureau to ensure that your classrooms and teacher loads are not severely overloaded, and adversely affecting student learning. I appreciate the time and the effort that it has taken you to balance your budget while working to ensure that your students are receiving the best education possible.

As you know, we have been working with each of you individually to assure that your students are being served and your teachers are given the support they need to be successful during these difficult fiscal times. However, the Public Education Department (PED) is responsible for monitoring class-size and teacher-load waivers, and we must report the results to the public and the state legislature. Therefore, I want to make sure that the guidelines for waiver requests are clear. Please see below for our expectations for class-size and teacher-load waivers.

Unless you have already submitted an official waiver request to PED, please do so by **September 24, 2010**. You will receive a new, user friendly, electronic form on or before September 17th. Please keep in mind the following:

- If you have received pre-approval for your current class-size and teacher-load requests based on a careful analysis with our staff, please submit a waiver. Refer to the percent overage **examples** as described in the August 26th memo. These examples will guide you in analyzing your waiver requests—not to indicate automatic approval. As required, we will process these waiver requests on a case-by-case basis.

- The granting of waivers pursuant to SB 97 does not relieve the district of the requirement that, “the parents of all children affected by the waiver have been notified in writing.”
- If you have questions regarding your pre-approval or the required waiver submission, please contact the following staff in the Quality Assurance Bureau for assistance:
Julia Rosa Emslie (505-827-4292)
Dr. Timothy Callicutt (505-827-4298)
- Please work with your local STARS coordinator to ensure that your 40th-day class size/teacher load data is uploaded correctly.
- Check your email. On or before September 17th, [Julia Rosa Emslie](#) will be sending you guidance for submission of the waiver request via technology that will meet the requirements of SB97.

SMM/jre

cc: Tom Sullivan, Executive Director, New Mexico Coalition of School Administrators
Joe Guillen, Executive Director, New Mexico School Boards Association
PED Executive Team
PED Leadership Team
Education Partners