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FISCAL IMPACT REPORT

ORIGINAL DATE 01/31/10

SPONSOR Kernan LAST UPDATED HB

SHORT TITLE School Leadership Institute SB 85

ANALYST Escudero

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY10	FY11		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)
 Public Education Department (PED)
 Higher Education Department (HED)

SUMMARY

Synopsis of Bill

Senate Bill 85 will establish the School Leadership Institute administratively within the New Mexico Higher Education Department. The Institute shall provide a comprehensive and cohesive framework for preparing, mentoring and providing professional development for principals and other public school leaders. Furthermore, SB85 proposes that the institute shall offer licensure preparation, mentoring, and professional development for aspiring principals and new superintendents. SB85 is endorsed by the Legislative Education Study Committee.

FISCAL IMPLICATIONS

Public Education Department indicates as follows:

SB 124, Create School Leadership Institute, of 2009, sponsored by Sen. Kernan, did not pass; however, an appropriation of \$200,000 to establish the institute was included in the General Appropriation Act of 2009. An additional \$210,000 was provided by the Wallace Foundation, which was procured by the Office of Educational Accountability (OEA). As reported to the Legislative Education Study Committee in November 2009, HED is working closely with OEA to carry out the intent of SB 124.

Higher Education Department would provide fiscal services for this initiative as a flow through project.

SIGNIFICANT ISSUES

Public Education Department indicates the following:

National attention has focused on the critical role that principals and other school leaders play in student achievement, particularly in high-need schools. Research indicates that “leadership is second only to classroom instruction among all school-related factors that contribute to what students learn in school.” Furthermore, “There are virtually no documented instances of troubled schools being turned around in the absence of interventions by talented leaders.”

New Mexico has made a number of efforts to address the problem of attracting and retaining qualified school administrators over the last two years:

- Principal Salaries - In 2007, the Legislature and the Governor increased the minimum salaries for principals and assistant principals in elementary, middle and high schools.
- Alternative Licensure for Principals – SJM 15 during the 2007 Legislature, sponsored by Sen. Sharer, examined alternative pathways for talented individuals to become school administrators.
- As reported to the LESC, in 2008, SJM 3, School Principal Recruitment and Mentoring, sponsored by Sen. Kernan, was passed. Supported by a grant from the Wallace Foundation, OEA took the lead in the study requested by SJM 3, assembling a wide range of interested parties for a series of meetings throughout the 2008 interim, researching the various aspects of the issues and arranging presentations by recognized experts and practitioners in school leadership.
- Principal Evaluation - Beginning July 1, 2008, New Mexico implemented the new High Objective Uniform Statewide Standard of Evaluation for Principals and Assistant Principals (HOUSSE-P). This new principal evaluation system provides greater clarity regarding the roles and responsibilities of principals and assistant principals relative to today’s educational challenges.

Higher Education Department indicated as follows:

The SJM3 summary report, *Strong Leaders for New Mexico Schools*, proposed six recommendations. One recommendation was to develop and implement the New Mexico Leadership Institute. The Leadership Institute will provide a comprehensive and cohesive framework for strengthening the preparation, mentoring and professional development of school leaders; principal mentoring is a primary focus of the leadership development efforts.

The research and literature on school leadership indicate that leadership is second only to classroom instruction among all school-related factors that contribute to what students learn in school. This evidence suggests that leadership is a key to the successful implementation of large-scale reform. Furthermore, leadership effects are most significant in areas of greatest need as evidenced by high turnover.

It is unclear the reason for the name change from the New Mexico Leadership Institute versus the current name in SB85 as the School Leadership Institute. Regardless, the mission and goals of the institute remain focused on developing a core educational leadership curriculum that focuses on what principals need to know and be able to do to improve student learning in preK-12 schools.

Department of Finance indicates as follows:

In January 2010, New Mexico submitted a \$160 million application to the US Department of Education for Race to the Top. The New Mexico Leadership Institute plays a substantive role in New Mexico's Race to the Top Application, especially in Section D. Section D pertains to:

“D. Great Teachers and Leaders (138 points)

(D)(1) Providing high-quality pathways for aspiring teachers and principals (21 points)

(D)(2) Improving teacher and principal effectiveness based on performance (58 points)

(D)(3) Ensuring equitable distribution of effective teachers and principals (25 points)

(D)(4) Improving the effectiveness of teacher and principal preparation programs (14 points)

(D)(5) Providing effective support to teachers and principals (20 points)”

(Adapted from the NM Race to the Top grant application)

In the application, the New Mexico Leadership Institute is tapped to serve as a recruitment and training vehicle for high quality school leaders, including those leaders working in New Mexico's schools in need of improvement. The five programs of the Leadership Institute (described below) align closely with many components of Section D outlined above.

The Importance of Leadership

In 2009, 68.3% of New Mexico's schools did not meet federally-mandated achievement targets under No Child Left Behind. In addition, data over the last several years shows that about half of New Mexico's high school graduates are required to take remedial coursework in reading and math when they get to New Mexico institutions of higher education. As New Mexico creates a system that supports high standards of achievement for all students it is important to remember that:

- Quality school leadership is second only to teacher quality in factors that positively affect student achievement.
- Between 1994 and 2004, 51% of New Mexico's schools had 3 or more principals.
- The average age of New Mexico's school principals is 51; 33% of school principals are 55 years old or older and 15% are 60 or over.
- The number of educational administrative degrees and certificates by New Mexico institutions has declined 43% since 2003.
- A recent survey of principals indicated that they did not feel that the current leadership preparation programs adequately prepared them for critical aspects of the

job, including discipline, creating a school-wide vision and mission, implementing cohesive curriculum, working with parents, monitoring school progress using accountability data and engaging staff in comprehensive school improvement.

During the 2008 interim, the OEA convened a series of regional meetings to gather input into the development of the plan. Nearly 150 stakeholders from school districts, institutions of higher education, regional education cooperatives, professional development providers, the business community, professional organizations, unions, the Legislative Education Study Committee, the Legislative Finance Committee, the Public Education Department and the Higher Education Department met with OEA staff and national experts to provide critical input into the design of a comprehensive system to support the development of principals and educational leaders. The recommendations from those meetings were compiled into a report entitled “Strong Leaders for New Mexico Schools” which was presented to the Legislative Education.

SB 85 seeks to improve the quality and increase the number of licensed education leaders in the state. It does this through the creation of the New Mexico Leadership Institute which shall be attached to the Higher Education Department and coordinate a minimum of five programs:

- **Program 1:** licensure preparation for aspiring principals. This program will build on existing district/university partnerships and will be augmented by expanding these partnerships to better meet district needs by including additional curriculum developed in collaboration with national leadership programs.
- **Program 2:** mentoring for new principals. This program with focus on refining skills outlined in the Principal Evaluation System through training and structured mentoring, through the New Mexico Principal Mentor Network.
- **Program 3:** Intensive support for Principals in Schools in Need of Improvement. The program will focus on the specific skills necessary for leading and working in high need schools.
- **Program 4:** Professional development for Aspiring Superintendents. This program will provide an intensive internship and mentoring program for experienced principals and other school leaders who wish to become superintendents.
- **Program 5:** Mentoring for New Superintendents. The New Mexico Coalition of School Administrators (NMCSA) will expand the Superintendents’ Transition and Mentoring Program (STAMP) to continue to provide professional and collegial support and professional development.

The New Mexico Leadership Institute was launched in November 2009 and is housed at the University of New Mexico. The overarching goal of the New Mexico Leadership Institute is to ensure high quality preparation, training and support for leaders around the state in conjunction with universities, professional organizations, professional development professionals, school districts, unions and other stakeholders, build common definitions of quality, and work to ensure that every school in New Mexico has a high quality leader.

This work is already underway. Institute Program 2: Mentoring for New Principals has experienced early success through the implementation of the New Mexico Principal Mentor Network, which has begun training principal mentors around the state. SB 85 would codify the Leadership Institute in Law.

PERFORMANCE IMPLICATIONS

Public Education Department states strategic plan recognizes that quality teachers, principals and administrators are one of the most essential components of the education system

Higher Education Department states SB85 does not include specific performance measures; however; if passed, NMHED in collaboration with partners and stakeholders would identify and adopt appropriate and useful performance measures

Department of Finance and Administration states SB 85 parallels Governor Richardson's performance and accountability plan Making Schools Work, specifically Task 1.11: "Ensure that New Mexico's Education System Supports a High Wage Economy", specifically, the measure of the "Number of education degrees granted and/or other degrees related to education."

ADMINISTRATIVE IMPLICATIONS

Public Education Department will continue to collaborate with the HED, the OEA and other key educational partners in the development of the institute.

Higher Education Department would have fiscal oversight of this professional development initiative. The New Mexico Public Education Department's Professional Licensure Bureau determines qualifications for and issues licenses to teachers, administrators, and other instructional personnel in New Mexico. They also provide technical assistance to individuals seeking licensure and to local school officials who must hire licensed staff.

Department of Finance Administration states The Office of Education Accountability would work with the Leadership Institute in the continued implementation of the five programs.

PME/mt