

PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS FOR FY10  
(dollars in thousands)

	FY09 APPROPRIATION	FY10 EXECUTIVE REQUEST	FY10 LFC RECOMMENDATION
School Year 2008-2009 Unit Value=\$3,892.47			
<b>1 PROGRAM COST</b>	\$2,328,883.9	\$2,439,723.2	\$2,439,723.2
2 Adjustment for decline in workload for FY09. 50% of total calculated reduction.			(\$16,149.9)
3 ENROLLMENT GROWTH	\$10,530.1	\$8,455.8	\$8,455.8
4 FIXED COSTS	\$3,758.8	\$4,388.2	\$3,723.9
5 INSURANCE COSTS	\$19,283.6	\$17,721.6	
6 Resource Reallocation from formula change removing related services from units multiplied by T&E. (Statute Change Required)			(\$18,000.0)
7 Increase unit value from resource reallocation of T&E reduction only.			\$18,000.0
8 Reduction in school size units for schools located in urban areas. (Statute Change Requires)			(\$17,485.4)
9 PUBLIC SCHOOL EMPLOYEE COMPENSATION:			
10 Teachers - 2%	\$24,875.4		
11 Instructional Staff - 2%	\$3,959.5		
12 Other Certified and Non-certified, including EAs - 2%	\$10,343.7		
13 Additional Educational Assistant, Secretary/Clerical/Technical Assistants, Business Office Support, Warehouse/ Maintenance/ Custodial and Food Service Compensation (1% above general compensation in FY09.)	\$3,305.6		
14 Increase Educational Assistants Salary Base to \$13,000. (Statute Change Required)			\$2,613.0
15 Increase in Employer's ERB Contribution (.75 percent)	\$12,317.8	\$12,073.2	\$12,073.2
16 One Additional Instructional Day	\$14,000.0		
17 Elementary Physical Education	\$8,000.0	\$5,000.0	\$5,000.0
18 Assessment and Test Development-School District Costs	\$464.8	\$1,555.5	\$1,555.5
19 <b>PROGRAM COST</b>	<b>\$2,439,723.2</b>	<b>\$2,488,917.5</b>	<b>\$2,439,509.3</b>
20 Dollar Increase Over FY09 Appropriation		\$49,194.3	(\$213.9)
21 Percentage Increase		2.0%	0.0%
22 LESS PROJECTED CREDITS	(\$55,400.0)	(\$59,400.0)	(\$59,400.0)
23 LESS OTHER STATE FUNDS (from driver's license fees)	(\$750.0)	(\$850.0)	(\$850.0)
24 <b>STATE EQUALIZATION GUARANTEE</b>	<b>\$2,383,573.2</b>	<b>\$2,428,667.5</b>	<b>\$2,379,259.3</b>
25 Dollar Increase Over FY09 Appropriation		\$45,094.3	(\$4,313.9)
26 Percentage Increase		1.9%	-0.2%
27 <b>CATEGORICAL PUBLIC SCHOOL SUPPORT</b>			
28 TRANSPORTATION			
29 Operational	\$97,039.4	\$94,415.8	\$92,907.4
30 School-owned Bus Replacements	\$468.8	\$563.5	\$563.5
31 Rental Fees (Contractor-owned Buses)	\$11,974.1	\$12,665.2	\$12,665.2
32 Compensation - 2%	\$908.0		
33 Additional transportation Compensation - 1 %	\$454.0		
34 Increase in Employer's ERB Contribution (.75 percent)	\$204.0	\$194.8	\$194.8
35 <b>TOTAL TRANSPORTATION</b>	<b>\$111,048.3</b>	<b>\$107,839.3</b>	<b>\$106,330.9</b>
36 SUPPLEMENTAL DISTRIBUTIONS			
37 Out-of-state Tuition	\$370.0	\$370.0	\$370.0
38 Emergency Supplemental	\$2,000.0	\$2,000.0	\$2,000.0
39 INSTRUCTIONAL MATERIAL FUND (FY 10 Adoption for Language Arts/Reading; Modern, Classical, Native Languages; Core Reading Interventions in grades 9-12 delayed for one year.	\$39,020.0	\$41,749.9	\$16,747.6
40 Dual Credit Instructional Materials			\$1,500.0
41 EDUCATIONAL TECHNOLOGY FUND	\$6,000.0	\$6,000.0	\$2,400.0
42 INDIAN EDUCATION FUND (Includes \$500.0 for Teach for America)	\$2,500.0	\$2,500.0	\$2,000.0
43 INCENTIVES FOR SCHOOL IMPROVEMENT FUND		\$1,600.0	
44 MATHEMATICS AND SCIENCE PROFICIENCY FUND	See Line #62		
45 SCHOOL LIBRARY MATERIAL FUND	\$2,000.0	\$2,000.0	
46 SCHOOLS IN NEED OF IMPROVEMENT FUND	\$2,500.0	\$2,500.0	\$2,500.0
47 TEACHER PROFESSIONAL DEVELOPMENT FUND	\$2,000.0	\$2,000.0	
48 <b>TOTAL CATEGORICAL</b>	<b>\$167,438.3</b>	<b>\$168,559.2</b>	<b>\$133,848.5</b>
49 <b>TOTAL PUBLIC SCHOOL SUPPORT</b>	<b>\$2,551,011.5</b>	<b>\$2,597,226.7</b>	<b>\$2,513,107.8</b>
50 Dollar Increase Over FY09 Appropriation		\$46,215.2	(\$37,903.7)
51 Percentage Increase		1.8%	-1.5%
52 <b>RELATED APPROPRIATIONS: RECURRING (to PED unless otherwise noted)</b>			
53 Public Education Department	\$17,444.3	\$20,558.9	\$16,570.5
54 Regional Education Cooperatives Operations	\$1,400.0	\$2,250.0	\$1,200.0
55 COLLEGE/WORKPLACE READINESS & HIGH SCHOOL REDESIGN			
56 College and High School Redesign initiative in the Los Lunas Public School District	\$75.0		
57 EARLY CHILDHOOD EDUCATION			
58 Kindergarten-Three Plus *	\$7,163.4	\$7,163.4	\$9,500.0
59 Pre-kindergarten Program **	\$8,500.0	\$13,573.5	\$9,500.0
60 EDUCATOR QUALITY			
61 Beginning Teacher Mentorship	\$2,000.0	\$2,000.0	\$1,500.0
62 Summer Reading, Math and Science Institutes	\$2,500.0	\$2,500.0	\$2,500.0
63 NEW MEXICO CYBER ACADEMY/INNOVATIVE DIGITAL EDUCATION AND LEARNING (IDEAL)			
64 New Mexico Cyber Academy	\$1,000.0	\$1,000.0	\$750.0
65 SCHOOL FINANCE			
66 Rural Revitalization	\$350.0	\$500.0	
67 CHARTER SCHOOL STIMULUS FUND	\$300.0	\$300.0	
68 STUDENT ACHIEVEMENT			
69 Advanced Placement	\$2,000.0	\$2,000.0	\$2,000.0
70 Develop Improved Student Advisement Plan	\$50.0		
71 After School Enrichment Program/Twenty-First Century Community Learning Centers (with language)	\$3,300.0	\$3,500.0	\$3,300.0
72 Apprenticeship Assistance	\$800.0	\$800.0	\$650.0
73 New Mexico Outdoor Classroom	\$150.0		
74 School Improvement Framework	\$3,000.0	\$4,000.0	\$3,000.0
75 Truancy Prevention/Dropout Prevention	\$770.0	\$1,000.0	
76 STUDENT HEALTH, SAFETY AND WELL-BEING			
77 Anti Obesity Programs/Before and After School Physical Activity and Nutrition	\$300.0	\$300.0	
78 Breakfast for Elementary Students	\$3,450.0	\$5,831.9	\$3,450.0
79 Family and Youth Resource Act	\$1,500.0	\$1,500.0	
80 Family Parental Involvement		\$200.0	
81 Food to Schools (to be transferred to HSD/Income Support)		\$725.0	
82 GRADS - Teen Pregnancy Prevention	\$1,000.0	\$1,000.0	
83 Statewide School Safety - Speak Up New Mexico		\$50.0	
84 <b>TOTAL RELATED APPROPRIATIONS: RECURRING</b>	<b>\$57,052.7</b>	<b>\$70,752.7</b>	<b>\$53,920.5</b>
85 <b>GRAND TOTAL</b>	<b>\$2,608,064.2</b>	<b>\$2,667,979.4</b>	<b>\$2,567,028.3</b>
86 Dollar Increase Over FY09 Appropriation		\$59,915.2	(\$41,035.9)
87 Percentage Increase		2.3%	-1.6%

\*\* An additional \$2 million for the PED Pre-Kindergarten program in FY10 is to be funded from the Temporary Assistance for Needy Families block grant to New Mexico.

**STATUTORY AUTHORITY:**

Article XII, Section 1, of the New Mexico Constitution provides that a uniform system of free public schools sufficient for the education of, and open to, all the children of school age in the state shall be established and maintained. Statutory provisions related to public school education can be found in the Public School Code, Chapter 22 NMSA 1978. Constitutional amendments passed in 2003 restructured state education administration from one directed by an elected board to an executive agency under the governor and increased the amount of funding distributed to public schools and all beneficiaries of income from state trust land.

**BUDGET ISSUES:**

Public schools receive operational revenue from the general fund, federal funds, other state funds, local revenue, and cash balances.

The Public Education Department (PED) uses the state equalization guarantee (SEG), also known as the "funding formula," to distribute money to public schools. About 90 percent of a school district's operational revenue is derived through the formula. The formula, designed to guarantee each public school student equal access to programs and services appropriate to educational need despite geographic location or local economic conditions, is enrollment-driven with weighted factors for school and district size, teacher qualifications, students' special needs, and other circumstances. Membership weighted for such factors generates a program unit. The number of units generated by all students statewide is divided into the annual SEG appropriation to determine the unit value. The unit value is multiplied by the number of units generated by a district to determine the SEG distribution. School districts may spend formula dollars according to local priorities; however, they must comply with statutory requirements and relevant PED directives. In determining a district's SEG, the state takes credit for 75 percent of three revenue sources: a 0.5 local mill levy, federal forest funds, and the operational portion of federal impact aid funds, all of which remain at the district.

The PED request for program cost of \$2.489 billion includes a \$49.2 million, or 2 percent, increase over FY09. This amount includes funding for fixed costs (e.g. energy and utility costs, maintenance and repair of buildings and grounds, and general materials and supplies), enrollment growth, and the employer share of increased insurance costs. The request also includes funding for increases in the Education Retirement Board (ERB) employer contribution, funding for the third year of the four-year phase-in of elementary physical education, and funding for school district costs for printing, scoring, and reporting annual assessments.

The LFC recommendation for program cost addresses the need to fund public education while taking into account the current fiscal reality. The program cost recommendation is \$2.439 billion, a decrease of \$322 thousand, or relatively flat funding compared with FY09. This includes an adjustment of \$16.2 million for a decline in workload for FY09 or about half of the \$32 million in excess appropriations identified as a result of reduced units in FY09. Additionally, \$12.2 million is included for opening the doors, \$2.6 million to increase the annual base salary for educational assistants to \$13 thousand, \$12.1 million for the 0.75 percent cost of the employer's contribution to the educational retirement board, \$5 million for the third year of implementation of elementary physical education, and \$1.6 million for the district costs of assessment and test development. A credit of \$18 million is assumed in the program cost recommendation to account for removing related services from base units multiplied by the training and experience (T&E) factor in the funding formula. The recommendation retains this amount in program cost to increase the unit value. A reduction of \$17.5 million in program cost is also recommended to account for removing size units for schools in urban areas.

The recommendation includes a total of \$59.4 million in credits: \$47 million from impact aid, \$11.7 million from the 0.5 local mill levy, and \$700 thousand from federal forest funds. Of the increase, \$4 million is the result of increased property valuation statewide and increases in the operational portion of impact aid. An additional credit of \$850 thousand from drivers' license fees is also assumed. Public schools are required to offer an elective classroom driver safety education course and receive \$3 from each driver's license for this purpose. Adjusted for credits, the SEG recommendation is \$2.379 billion, or a 0.2 percent decrease from FY09.

For FY09, funded enrollment statewide dropped by a little more than 2,700 students after a number of years of steady growth. This drop, together with districts more accurately reporting related service FTE and better calculating the T&E index resulted in a decline of more than 8,200 units from the number of units used to determine the FY09 appropriation. This decline appears to have resulted in an over-appropriation of more than \$32 million to program cost for FY09.

Related services are services provided ancillary to special education programs and include occupational therapy, physical therapy, speech-language therapy, and diagnostic service personnel and are multiplied by the cost differential factor of 25 units.

These services continue to be of concern because of the significant dollars generated by each FTE and the temptation to claim more staff than needed as a back-door way to increase revenue. A review of staffing data submitted by districts into the student teacher accountability reporting system (STARS) suggests that related services staff makes up as much as 22 percent of total staffing in some districts and more than 10 percent in at least 23 others. Currently, related services FTE can generate as much as \$126 thousand each depending on a district's T&E, creating temptation to artificially increase the number of these employees. To help alleviate this, the committee recommends the Legislature consider removing related services from those base units multiplied by the T&E index and including them after the adjusted program units.

School size units are included in the current funding formula in recognition of the increased costs of operating small schools, particularly in rural areas. It appears that while the original intent of the Legislature was to compensate for economies of scale with larger schools, it was not anticipated that schools and districts would use this provision to create and maintain small schools, particularly in urban areas. For FY08, approximately 197 schools statewide claim small school units at a cost of approximately \$50 million. Of these, 58 are located in communities with populations of 14,000 or more and claim approximately \$17.5 million annually in small school funding. The committee urges the Legislature to consider closing the loophole used to "chase" formula funds by changing the small school size factor to include only those schools physically located in communities with populations of less than 14,000.

Specific recommendations are as follows:

Fiscal year 2010 funding is based on an average of the 80th and 120th day enrollment for FY09 except for those districts with membership growth greater than 1 percent. These districts receive 1.5 units per member for enrollment growth over 1 percent. The recommendation includes \$8.5 million to meet projected enrollment growth of 2,172 units for FY10. This may require some adjustment when 40th day attendance numbers are finalized.

The fixed cost recommendation of \$3.7 million is based on consumer price index growth of -1 percent for natural gas and propane, 2.5 percent for electricity, and 2.3 percent for all other categories. Concern remains because of widely fluctuating market pressures, and these costs should be reevaluated before the 2009 session.

A review of the New Mexico Public School Insurance Authority (NMPSIA) medical benefit plan suggests the plan is the richest of all public employee and retiree plans and should be adjusted to better align with the other plans. The committee recommendation does not include funding for insurance increases in FY10 but directs NMPSIA to make changes in benefits to align with other public employee plans. The Albuquerque Public Schools requested \$7 million for its share of medical benefits. The committee notes the district currently has cash balances of more than \$30 million in its insurance accounts and urges the district to use these balances to offset insurance increases for its employees.

The recommendation for SEG and transportation costs includes \$12.3 million for a 0.75 percent increase in the ERB employer contribution, the fifth year of a seven-year schedule. The recommendation also includes \$5 million for the implementation of elementary physical education statewide and increases total funding to \$21 million. While \$11 million short of the \$32 million identified for full funding of the program, this amount should cover all schools that were not already providing elementary physical education prior to implementation of the program. Funding to schools would continue to be dependent on an application process contained in statute.

Categorical Public School Support.

To protect program cost and minimize the impact on schools, the committee recommends a number of measures be taken to reprioritize categorical appropriations. The recommendation includes \$133.8 million for categorical expenditures, a decrease of \$33.6 million from FY09. The largest categorical appropriation, the transportation distribution, is used to make payments to school districts for the to-and-from transportation costs of students in kindergarten through 12th grade and 3- and 4-year-old developmentally disabled students enrolled in public school programs. The funding is for operational costs, school-owned equipment, rental and lease fees for buses, employee compensation, and a 0.75 percent increase in the employer share of ERB contributions. The committee recommends \$106.3 million, \$4.7 million under the FY09 appropriation, most of which accounts for anticipated reductions in diesel fuel costs.

The annual adoption of instructional materials follows a six-year cycle in all core curriculum areas. The FY10 adoption is scheduled for high school language arts, reading, and modern, classical, and native languages. Funds for instructional materials are generated through provisions of the federal Mineral Lands Leasing Act and are provided directly to schools on a per-pupil basis. The department funds materials for public, charter, state-supported, and accredited private schools, as well as adult education centers. The committee recommends a one-year delay in the instructional materials adoption for new books but recommends \$16.7 million for replacement of worn and consumable materials, the cost for new materials for the high school

redesign initiative, and the cost of new student instructional materials. The committee also recommends the adoption cycle for high school and elementary school reading and language arts be exchanged so the elementary cycle is not delayed in FY11. The recommendation also includes \$1.5 million to be used specifically for the cost of providing college textbooks to students enrolled in dual credit classes.

Balances in the Indian education fund continue to be high, approximately \$6 million, reflecting the long-term inability of the division to move funding to schools effectively. The recommendation of \$2 million for Indian education, a modest reduction from FY09, takes into account these fund balances. The recommendation also provides for the expenditure of funds for the Teach for America program and the rural reading initiative provided by Save the Children, which are demonstrating considerable success in districts with high Native American populations.

Recognizing the ongoing need for emergency supplemental funding, the recommendation includes \$2 million for FY10. Historically, small schools have been the primary users of these funds; however, a growing number of larger schools are applying for supplemental assistance.

#### Related Appropriations.

Categorical or earmarked appropriations are problematic in that they tend to dis-equalize school funding and divert resources away from core educational need, as well as diluting funding that would normally be directed into the SEG. Recommended funding for individual categorical initiatives is focused on programs that have demonstrated success in improving student achievement and do not duplicate the efforts of programs in place in other agencies. The department requested \$50.2 million in related appropriations, an increase of \$10.6 million, or 26.7 percent over FY09. LFC recommends \$38.2 million in related appropriations, a decrease of \$1.4 million or 3.6 percent.

A number of studies that examine why teachers leave the profession in their first five years point to a lack of mentorship as a primary cause. High quality and sustained mentorship is vital to continue the preparation of high-quality teachers. In FY09, some mentorship funding was used to provide mentorship to student teachers. This is a responsibility of the universities and should be included as part of teacher preparation programs. To account for what appears to be a reduced need, the recommendation includes \$1.5 million for beginning teacher mentorship.

Anecdotal information received from districts implementing the kindergarten-three-plus (k-3-plus) program notes that participants in the extended school year program continue to demonstrate improved literacy skills with notable decreases in the number of children classified in the highest risk categories. A comprehensive evaluation of the program is underway and results will be available in the fourth quarter of FY09. Recognizing the significant impact of this program on improved student achievement through increased time on task, the committee recommends funding of \$9.5 million from the general fund. At current expenditure rates, the added \$2.3 million would serve approximately 1,500 additional children, bringing the total number of children served to about 8,496, or 34 percent of all eligible students in these grades.

An external evaluation conducted for the state Office of Educational Accountability (OEA) reports that students enrolled in prekindergarten are continuing to demonstrate improved kindergarten readiness, and the program is producing meaningful impacts on early language, literacy, and math development. The request included \$13.6 million in recurring funding for pre-kindergarten operational costs for a seven year roll-out, \$1.5 million in nonrecurring support for start-up costs, and \$5 million in capital funding for pre-k classrooms. The department reports that not all funding was expended in FY09 because schools are not applying, citing lack of space. The committee urges the department to work with schools to move capital funding at the same time program funding is awarded. The committee recommends funding of \$9.5 million from the general fund and \$2 million from the TANF grant for FY10.

Additional recommendations include \$3.5 million for breakfast for elementary school children, \$3 million for the school improvement framework, \$3.3 million for after-school programs, and \$2 million for advanced placement.

#### RECOMMENDED LANGUAGE:

Except as otherwise provided, unexpended balances of appropriations made in this subsection shall not revert at the end of fiscal year 2010.

The rate of distribution of the state equalization guarantee distribution shall be based on a program unit value determined by the secretary of public education. The secretary of public education shall establish a preliminary unit value to establish budgets for the 2009-2010 school year and then, upon verification of the number of units statewide for fiscal year 2010 but no later than January 31, 2010, the secretary of public education may adjust the program unit value.

The secretary of public education, in collaboration with the department of finance and administration, office of educational accountability, shall ensure all teachers have been evaluated under the tiered licensure evaluation system and have the professional competencies of the appropriate level. The secretary of public education shall withhold from the public school distribution funding for the minimum salary of any teacher who has not been evaluated.

The general fund appropriation to the state equalization guarantee distribution contains sufficient funding to provide a three-quarter percent increase in the employer contribution to the educational retirement fund.

The general fund appropriation to the state equalization guarantee distribution contains five million dollars (\$5,000,000) for the third year of implementation of elementary physical education for students in kindergarten through sixth grade. After considering those elementary physical education programs eligible for state financial support and the amount of state funding available for elementary physical education, the secretary shall annually determine the programs and the consequent number of students in elementary physical education that will be used to calculate the number of elementary physical education program units.

For the 2009-2010 school year, the state equalization guarantee distribution contains sufficient funding for school districts to implement a new formula-based program. Those districts shall use current year membership in the calculation of program units for the new formula-based program.

The general fund appropriation to the state equalization guarantee distribution reflects the deduction of federal revenue pursuant to Paragraph (2) of Subsection C of Section 22-8-25 NMSA 1978 that includes payments commonly known as "impact aid funds" pursuant to 20 USCA 7701 et seq., and formerly known as "PL874 funds".

#### Categorical Distributions:

The general fund appropriation to the public school fund shall be reduced by the amounts transferred to the public school fund from the current school fund and from the federal Mineral Lands Leasing Act receipts otherwise unappropriated.

Any unexpended balances in the authorized distributions remaining at the end of fiscal year 2010 from appropriations made from the general fund shall revert to the general fund.

The general fund appropriation for the transportation distribution includes sufficient funding to provide a three-quarter percent increase in the employer contribution to the educational retirement fund.

The general fund appropriation to the public education department for the Indian Education Act includes five hundred thousand dollars (\$500,000) for providing teaching support from teach for America in schools with a high proportion of Native American students.

The general fund appropriation to the public education department for the Indian Education Act includes five hundred thousand dollars (\$500,000) to provide a rural literacy initiative to support after-school and summer literacy block programs for students in kindergarten through eighth grade in schools with a high proportion of Native American students contingent on receipt of five hundred thousand dollars (\$500,000) in matching funds from other than state sources.

Any unexpended or unencumbered balance in the supplemental distributions of the public education department remaining at the end of fiscal year 2010 from appropriations made from the general fund shall revert to the general fund.

The appropriation to the instructional material fund is made from the federal Minerals Land Leasing Act (30 USCA 181, et seq.) receipts.

#### Public Education Special Appropriations:

The internal service funds/interagency transfers appropriations to the public education department include two million dollars (\$2,000,000) for the pre-kindergarten program from the temporary assistance for needy families block grant to New Mexico.

The general fund appropriation to the public education department for after-school enrichment programs includes one million eight hundred thousand dollars (\$1,800,000) for twenty-first century community learning centers statewide.

Any unexpended balances in the special appropriations to the public education department remaining at the end of fiscal year 2010 from appropriations made from the general fund shall revert to the general fund.

PUBLIC SCHOOL SUPPORT

The purpose of public school support is to carry out the mandate to establish and maintain a uniform system of free public schools sufficient for the education of, and open to, all the children of school age in the state.

PERFORMANCE MEASURES

		<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY10</u>
		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Request</u>	<u>Recomm</u>
* Outcome	Annual percent of core academic subjects taught by highly qualified teachers, kindergarten through twelfth grade	94.2%	94.7%	100%	100%	100%
Outcome	Percent of elementary school students who achieve proficiency or above on standards-based assessments in reading and language arts				63%	63%
Outcome	Percent of elementary school students who achieve proficiency or above on standards-based assessments in mathematics				47%	47%
Outcome	Percent of middle school students who achieve proficiency or above on standards-based assessments in reading and language arts				57%	57%
Outcome	Percent of middle school students who achieve proficiency or above on standards-based assessments in mathematics				41%	41%
* Outcome	Percent of fourth-grade students who achieve proficiency or above on standard-based assessments in reading				65%	65%
* Outcome	Percent of fourth-grade students who achieve proficiency or above on the standards-based assessments in mathematics				50%	50%
* Outcome	Percent of eighth-grade students who achieve proficiency or above on the standards-based assessments in reading				65%	65%
* Outcome	Percent of eighth-grade students who achieve proficiency or above on the standard-based assessments in mathematics				40%	40%
* Outcome	Current year's cohort graduation rate using four-year cumulative method			80%	60%	60%
* Outcome	Percent of recent New Mexico high school graduates who take remedial courses in higher education at two-year and four-year schools	49.3%	50.1%	40%	40%	40%
Outcome	Percent of students in full-day kindergarten meeting benchmark for phoneme segmentation fluency				65%	65%
Outcome	Percent of kindergarten through third-grade students in reading first schools scoring at benchmark on reading first assessments				65%	65%
Output	Number of innovative digital education and learning New Mexico courses completed by New Mexico school-age students				200	200
Output	Number of students in dual credit programs within New Mexico public high schools and postsecondary institutions	7,316	8,297		10,000	10,000
Output	Number of school districts with grades three through ten participating in short cycle assessments aligned to state content standards				100%	100%
Quality	Annual percent of core academic subjects taught by highly qualified teachers in high-poverty schools, kindergarten through twelfth grade	94%	92.6%	97%	100%	100%
Quality	Percent of stakeholders who rate their involvement with public elementary schools as positive	87.9%	89%	85%	93%	93%
Quality	Percent of stakeholders who rate their involvement with public middle schools as positive	75.5%	77%	85%	82%	85%

PERFORMANCE MEASURES

		<u>FY07</u> <u>Actual</u>	<u>FY08</u> <u>Actual</u>	<u>FY09</u> <u>Budget</u>	<u>FY10</u> <u>Request</u>	<u>FY10</u> <u>Recomm</u>
Quality	Percent of stakeholders who rate their involvement with public high schools as positive	67.8%	70.9%	85%	80%	85%
Explanatory	Percent of public school students habitually truant	18.6%	13.3%			
Explanatory	Percent of elementary students receiving physical education through the elementary physical education program funded through the public education department		46%			
Explanatory	Number of schools identified as needing improvement according to No Child Left Behind Act designations	381	422			
Explanatory	Number of American Indian language teachers, independent of the public education department, certified to teach native languages in the public schools					
Outcome	Percent of elementary school students who achieve the No Child Left Behind Act annual measurable objective for proficiency or above on standards-based assessments in reading and language arts	55.2%	56%	63%		
Outcome	Percent of elementary school students who achieve the No Child Left Behind Act annual measurable objective for proficiency or above on standards-based assessments in mathematics	40.2%	41.2%	50%		
Outcome	Percent of middle school students who achieve the No Child Left Behind Act annual measurable objective for proficiency or above on standards-based assessments in reading and language arts	47.3%	47.8%	57%		
Outcome	Percent of middle school students who achieve the No Child Left Behind Act annual measurable objective for proficiency or above on standards-based assessments in mathematics	24.5%	27.3%	41%		
Outcome	Percent of fourth-grade students who achieve proficiency or above on the state assessment in reading	53.9%	54.7%	65%		
Outcome	Percent of fourth-grade students who achieve proficiency or above on the state assessment in mathematics	41.1%	45.8%	50%		
Outcome	Percent of eighth-grade students who achieve proficiency or above on the state assessment in reading	50.9%	55.8%	60%		
Outcome	Percent of eighth-grade students who achieve proficiency or above on the state assessment in mathematics	26.3%	30%	40%		
Outcome	Percent of kindergarten through third-grade students in reading first schools scoring on grade level on reading first assessments		Not Rept	65%		
Outcome	Annual percent of stakeholders positively rating their involvement with public elementary, middle and high schools	78.7%	Not Rept	85%		
Outcome	Percent of students in full-day kindergarten meeting benchmark for nonsense words	Not Rept	Not Rept	75%		
Explanatory	Number of schools making annual yearly progress	368	245			
Explanatory	Number of schools in need of improvement schools making significant academic gains	11	119			