Analysts question how school money is being spent

BY DAN MCKAY / JOURNAL STAFF WRITER

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Sen. John Arthur Smith, left, talks with David Abbey, director of the Legislative Finance Committee, during a meeting Tuesday with Public Education Secretary-designate Ryan Stewart in Santa Fe. (Eddie Moore/Albuquerque Journal)

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SANTA FE — It isn't clear how schools and districts throughout New Mexico are spending the extra money approved this year to help at-risk students, legislative analysts say.

The lack of clarity over whether the money will get where it's intended emerged as a source of frustration Tuesday as legislators began budget hearings for the Public Education Department and other state agencies.

One concern is how to get more districts to participate in initiatives that extend learning time, often by adding days to the beginning of the school year for students in kindergarten through fifth grade.

The program, known as K-5 Plus, is a powerful tool for improving student achievement when carried out correctly, analysts for the Legislative Finance Committee said.

Lawmakers repeatedly warned Tuesday that they will push for better oversight of how districts are spending the extra money approved this year — with the goal of ensuring that the at-risk funding actually goes to programs proven to help highneed students, such as extending learning time, hiring more social workers or carrying out other initiatives.

"There should be a price to pay for those local school districts that aren't doing that," said Sen. John Arthur Smith, a Deming Democrat and chairman of the Legislative Finance Committee.



Public Education Secretary-designate Ryan Stewart speaks to the Legislative Finance Committee during a meeting Tuesday in Santa Fe. The committee's deputy director, Charles Sallee, right, also addressed lawmakers. (Eddie Moore/Albuquerque Journal)

The state's public education secretary, Ryan Stewart, said he shared the concern and is making financial oversight a priority. He was appointed in August to lead the state Public Education Department.

"It's something we have to get right," Stewart said, "because those kids for far too long haven't succeeded."

The back-and-forth comes as New Mexico responds to a landmark court ruling last year that found the state's school system violated the rights of some students by failing to provide a sufficient education. The decision focused on students who are learning English, come from low-income families or meet other "at-risk" criteria.

Gov. Michelle Lujan Grisham and state legislators responded this year by boosting the amount of state funding available to schools to raise teacher salaries, help at-risk students and extend the school year.

Overall, the state approved a 16% increase in spending for public education, or about \$446 million. But the legislation also granted districts broad discretion in how to spend the increased funding.

Legislators suggested Tuesday that they may offer less discretion in future budgets.

Analysts working for the Legislative Finance Committee, a bipartisan panel of lawmakers, said Tuesday that school districts, in general, appear to be budgeting more for teacher salaries this year than they actually need.

Districts, in turn, have argued that much of the funding increase they received this year was eaten up by state-mandated pay raises for teachers.

In any case, Rep. Patricia Lundstrom, a Gallup Democrat and chairwoman of the powerful House Appropriations and Finance Committee, said Tuesday that she wants more stringent financial oversight of how districts spend their extra money – especially as lawmakers begin to prepare the next annual budget package, which will be introduced in January. State administrators and lawmakers, she said, need a clear standard for measuring the progress of school districts.

"We put a heck of a lot of money into this," Lundstrom said.

Altogether, the governor and Legislature approved about \$253 million this year to help at-risk students, or more than twice the usual amount of money available for that purpose. It flows to the state's 89 districts through a complex funding formula.

Spending on public education now makes up roughly 46% of the state's \$7 billion annual budget.

Despite some improvement, New Mexico's educational outcomes remain dismal.

About 31% of fourth graders were proficient in reading in the 2019 fiscal year, a 6-point improvement over 2017. There's been a similar improvement in fourth grade math skills.

But eighth grade math proficiency – at just 13% – is particularly bad.

Oddly enough, however, New Mexico's public schools are already doing what they're supposed to, in some ways, legislative analysts said.

Students generally make a year's worth of academic progress over the course of a school year. The problem, analysts said, is that students are entering kindergarten two or three years behind, meaning they need more than just a year of growth to catch up.

To that end, the state is trying to encourage schools and districts to extend learning time, often through prekindergarten or K-5 Plus programs. Those initiatives have a track record of success at boosting student achievement when carried out correctly, said Charles Sallee, deputy director of the Legislative Finance Committee.

But the state has had mixed success at getting districts to participate in or expand their K-5 Plus program. The initiative usually adds about five weeks to the academic year by starting school early.

Some districts say the state didn't give them enough time this year to prepare for the increased money available to expand K-5 Plus.

Albuquerque Public Schools, for example, has already adjusted its budget downward to reflect the loss of about \$12 million in state funding. The money can't be used, officials said, because APS couldn't meet the quick turnaround times and other requirements to fully take advantage of K-5 Plus and extended learning funds.

Other districts, however, have succeeded in expanding learning time by "going big" and making K-5 Plus part of the regular school calendar, Sallee said, rather than optional for just some teachers and students.

About 93% of the students in Deming, for instance, are participating in K-5 Plus.

"Some districts figured it out," Sallee said. "... Once they switch over to rethinking what the school calendar looks like, then light bulbs start to go off. They stop thinking of it as an add-on program."

State education administrators, in turn, could also do more to make it easier for districts to take advantage of the funding available, he said.

Lawmakers this week are presiding over an initial round of budget hearings for a variety of state departments. Lujan Grisham and the Legislative Finance Committee will each introduce budget proposals before the legislative session begins Jan. 21.