



Parents Reaching Out
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Unlocking the Mystery **School Funding In New Mexico**

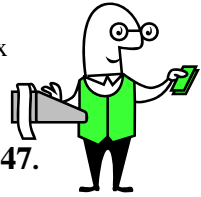


A Guide to Understanding The New Mexico Funding Formula 2008-2009

School funding is a complex process. Families of children with disabilities, educators and others often ask: “How do schools get their funding and what does that mean for services to support student success?” The truth is that services are not allocated on funding--*services are based on need*. In New Mexico, some students generate more funding than they use—while others generate less than they use. The challenge for schools is to make the best use of funds to meet the **NEEDS** of all students!

Q. How are schools funded?

A. Schools request funds from the state through a complex mechanism called the funding formula.



Q. What is the unit value?

A. The unit value for the **2008-2009** school year is: **\$3894.47**.

Q. How does the funding formula work?

A. All students generate a unit value according to their grade level. The legislature decides which factors will be equalized among all 89 school districts and how much money will be available for public education. These factors are specified in statute. The Public Education Department collects data to determine the number of units per district. The unit value is basically determined by dividing the amount of money allocated for education by the number of units of each district. (Sect. 22-8-19, Sect. 22-8-20 NMSA 1978)

*The funding unit value for the **2008-2009** school year is as follows:*

- Students in 3-4 year old programs are funded at the rate of .72 of the unit value. $\$3894.47 \times .72 = \2804.02
- Each Kindergarten student in a half-day Kindergarten program generates a .72 unit value. $\$3894.47 \times .72 = \2804.02
Note: *Each student in a State Approved full-day Kindergarten program generates a 1.44 unit value. $\$3894.47 \times 1.44 = \5608.04*
- First graders generate a 1.2 unit value. $\$3894.47 \times 1.2 = \4673.36
- Second and Third graders each generate a unit value of 1.18. $\$3894.47 \times 1.18 = \4595.47
- Fourth, Fifth and Sixth graders each generate a 1.045 unit value. $\$3894.47 \times 1.045 = \4069.72
- Each student in Seventh through Twelfth grade generates a 1.25 unit value. $\$3894.47 \times 1.25 = \4868.09

Q. How do schools receive and use the funds generated by the students?

A. Schools generate funds according to their allocations based on information they give to the Public Education Department. Funds are dispersed through a monthly Cash Request from the district that must reach the PED by the 25th of the month prior to dispersment. The distribution of funds is a decision of the local school board. Funds are generally used to operate the school district programs and services, including salaries.

Q. What is "Prior Year Funding"?

A. Due to the high drop out rate, the legislature set up "Prior Year Funding" to encourage school districts to try harder to keep kids in school. School districts are funded for this year based on the child count for the 40th, 80th and 120th day of the previous year. *(Never fear, the legislature put in a safety net in case a district's enrollment goes up or down drastically.)*

Q. Do our children generate funds in addition to the money that districts receive through the funding formula?

A. Schools receive other funds from sources based on strict guidelines and eligibility requirements. These include: IDEA, Title I, Bilingual and a host of other entitlement programs. Under IDEA, each student receiving Special Education Services generates \$600-1200 in additional federal funds.

Q. What happens when the legislature increases salaries for teachers?

A. Generally, it means that the legislature is increasing the amount of state funds dedicated to education. The State Department of Education is responsible for following the statutes to apply these funds using unit values in the funding formula. At the local level funds are distributed through the district budget in areas such as: curriculum materials, supplies, electricity, services, and other items including teacher salaries. On rare occasions, the legislature takes action for a specific appropriation outside of the funding formula for items such as teacher salaries.

Q. How are therapists funded?

A. Each full FTE (full time equivalent) therapist or therapist assistant generates 25 units regardless of their caseload size ($25 \times \$3894.47 = \$97,361.75$). Many districts use several part time therapists to generate a full FTE. Funding should encourage school districts to hire enough therapists to meet the needs of students and maintain reasonable caseloads. However, the School Board is responsible for distributing these funds as part of the district budget. (*PRO Note: A reasonable caseload for a fulltime therapist would be 30-35 students of varying levels of service.*)



Special Education Add-On Funds

Q. How is special education funded? (Section 22-8-21 NMSA 1978)

- A. In addition to the funding that all students generate, students who receive special education or gifted services generate add on funding.
- Students who are in the 3-4 year old program generate 2 add on units to offset the cost of services they receive. $\$3894.47 \times 2 = \7788.94
 - Students in grades K-12 who receive minimum level (1) services (not exceeding 10% of the school day/week) generate .7 add on units to off set the cost of the services. $\$3894.47 \times .7 = \2726.13
 - Students in grades K-12 who receive moderate level (2) services (less than 50% of the school day) generate .7 add on units to off set the cost of the services. $\$3894.47 \times .7 = \2726.13
 - Students in grades K-12 who receive extensive level (3) services (50 % or more of the school day) each generate 1 add on unit to offset cost of the services they receive. $\$3894.47 \times 1 = \3894.47
 - Students in grades K-12 who receive maximum level (4) services (an amount approaching a full school day) generate 2 add on units to offset the cost of the services. $\$3894.47 \times 2 = \7788.94



Here is the Key . . .

This formula is used to determine the amount of money generated by a student who receives special education or gifted services in New Mexico. Neither funding nor the level of service is attached to the location in which services are provided. *Special Education is a service, not a place!*

Step 1	Unit Value	x	Grade Unit	=	Basic Funds
Step 2	Unit Value	x	Add On Unit (Service Level)	=	Add On Funds
Step 3	Basic Funds	+	Add On Funds	=	Total

Third Grade Student - Moderate Service Level (services greater than 10%, but less than 50% of the day)

1. $\$3894.47 \times 1.18 = \4595.47
2. $\$3894.47 \times .7 = \2726.13
3. $\$4595.47 + \$2726.13 = \$7321.60$

Example: Tom is a student with a specific learning disability. He receives an hour daily of specialized instruction with a tutor in reading and math. He receives speech/language therapy for 30 minutes twice a week. The therapist consults with the teacher for 30 minutes every other week

Tenth Grade Student - Extensive Service Level (services/supports more than 50 % of the day)

1. $\$3894.47 \times 1.25 = \4868.09
2. $\$3894.47 \times 1 = \3894.47
3. $\$4868.09 + \$3894.47 = \$8762.56$

Example: Sandy attends regular education classes all day. During three classes a day, a special education teacher supports the regular classroom by providing specialized instruction to four of the students (including Sandy), some daily supervision of the same students and daily consultation. Sandy goes to the cafeteria, PE and homemaking with the natural support of peers.

Sixth Grade Student - Maximum Service Level (services and/or supports approaching a full day)

1. $\$3894.47 \times 1.045 = \4069.72
2. $\$3894.47 \times 2 = \7788.94
3. $\$4069.72 + \$7788.94 = \$11858.66$

Example: John is a student with low cognitive abilities. He attends regular education classes all day. He attends three classes daily that have a teaching team of a general educator and a special educator who jointly plan lessons, teach, prompt students, and problem solve. He attends two other daily classes with the support of an educational assistant that supports John and two other students by overseeing specialized instruction & facilitating peer involvement.