

Staff Officer's Briefing

Federal Impact Aid- PL 81-874

IMPACTS OF:

Equitable Taxation & Loss of Taxation \$\$

History of Public law 81-874

-Impact Aid-

- Johnson-O'Malley Act of 1934: Congress, no local taxes to educate American Indian children and first acknowledged its obligation to local school district for educating children residing on Indian lands
- Lanham Act: 1941 federal emergency measure “Lanham Act”, arising from rising educational burden placed on local school districts near military bases, and the advent of the Korean War (1950–1953)
- Public Laws 81-815 and 81-874: were approved by U.S. Congress in 1950 to assist local school districts with construction & cost of public educational activities impacted by federal defense efforts. Native American children living on federally owned lands also were eligible for funds- but not primary focus.
- Title IV of the 1972 Amendments: Until passage of Title IV of the 1972 Indian Education Act, that Native Americans were not explicitly included. In that year Public Law 81-874 was amended to financially assist local educational agencies for the education of Indian children.
- Funding is approved annually by Congress through the Labor, Health and Human Services, Education Appropriations Subcommittee bill, and the program is administered by the U.S. Department of Education.

What Is Impact Aide

Impact Aid

- is a Federal education program that reimburses school districts for the lost revenue and additional costs associated with the presence of nontaxable Federal property. Because most public school districts are funded largely through local taxes and fees, and because Federal land is exempt from taxation, as are many of the businesses and facilities located on that land, districts containing Federal property are at a financial disadvantage in funding their schools.

Examples of Federal Impaction

- Military installations
- Indian Trust, Treaty and Alaska Native Claims Settlement Act (ANCSA) Lands
- Federal low-rent housing facilities
- Federal properties such as national parks and Army Corps of Engineers projects and Federal facilities such as national laboratories and VA hospitals

What is Impact Aid?

- The Federal Government provides funding through a grant process for governmental entities (like schools) who have lost the ability to raise property tax dollars because the Federal Government has made large portions of land non-taxable.
- The program reimburses school districts for the loss of local tax revenue due to the presence of the Federal Government.
- Lost tax revenue includes residential taxes, property taxes from business or industry, sales taxes, income taxes and local licenses and fees.

Impact Aide School Funding

-Usage & Access-

- How do we access these funds?
 - The District must first determine if they serve eligible students (students living on tribal lands, military students for example).
 - The District must complete an extensive application (3-6 months) to be submitted to the Federal Government.
 - Once approved, the District will begin receiving payments in the next fiscal year, with final payments coming in the next 3-5 years.

Impact Aid has five pots of money

7002- FEDERAL PROPERTY

7003 (b)- BASIC SUPPORT

7003 (d)- DISABILITY

7007- CONSTRUCTION

7008- FACILITIES

7009- EQUALIZATION

7002

7002- FEDERAL PROPERTY

Section 7002 reimburses school districts that have lost significant local revenue due to Federal ownership of land within school district boundaries. School districts are dependent on local property taxes as a major revenue source to fund educational programs for the children they serve. Because federally owned property does not generate taxes, the revenue for the school district is dramatically reduced. These school districts are required to educate the same number of students as before the Federal property was acquired. Impact Aid Federal Property payments offset some of the tax loss school districts experience on an annual basis.

7003 (b)

7003 (b)- BASIC SUPPORT

Basic Support payments for federally connected children compensate school districts for educating students whose parents or legal guardians reside and/or work on Federal property, including children of members of the uniformed services and children who reside on Indian Lands. Section 7003 is the largest component of the Impact Aid Program in regard to both funding and number of school districts served.

A school district can choose one or both of the following two options to count its federally connected children:

- 1. Parent-Pupil Survey: A U.S. Department of Education-approved form for counting the school district's federally connected children. The school district provides a form to parents for each enrolled child. The parent-pupil survey form is a means of authenticating the child's place of residence and/or the parent's place of employment.*
- 2. Source Check: A U.S. Department of Education-approved means of counting the membership of a school district's federally connected children. It is provided to: 1) an employer, who identifies the place of employment of a parent of a pupil claimed; 2) a housing official, who indicates the residence of each pupil claimed; and/or 3) a tribal official, who states each pupil claimed resides on Indian Lands over which that tribal official has jurisdiction.*

7003 (d)

7003 (d)- DISABILITY

Payments are made to school districts for the additional costs associated with educating military and Indian Land students with disabilities, identified as those with an active Individualized Education Program (IEP). Funding must be spent on an activity in line with the Individuals with Disabilities Education Act (IDEA).

7007

7007- CONSTRUCTION

Payments for districts to meet capital or construction needs.

There are two different allocations of the Section 7007 appropriation:

(a) 40 percent is allocated by formula to eligible school districts.

(b) 60 percent is dedicated to competitive grants and typically assists school districts with emergency facility needs

7008

7008- FACILITIES

Payments for upkeep and repair of school buildings that are used by school districts but owned by the U.S. Department of Education

Who Does the Work?

- Local School Districts do the work:
 - ✓ getting data, population numbers, land base
 - ✓ Conduct Surveys
 - ✓ Conduct meetings with, parents, Councils
 - ✓ Complete applications
 - ✓ Secure School Board approvals
- State captures payments from School districts:
 - ✓ 75% credit



Application Process

- Categories
- Survey
- Forms
- Documentation
- Claiming Indian Land Students
- Field Review
- Annual e-Application Deadlines
- Payment



Application Process: Survey Parent/Pupil Survey Form

Revised September 2016

SAMPLE	Impact Aid Program Survey Form The survey date is _____	SAMPLE
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All boxes must be filled in with complete information if applicable

STUDENT INFORMATION

Student's Last Name	First Name	M.I.	Date of Birth	Grade	School Name
Address			City	State	Zip Code
If the above property is a federal property, enter the name of the property.		Name of federal property			

Fill in the above boxes with complete and accurate information

PARENT/GUARDIAN EMPLOYMENT INFORMATION: CIVILIAN

Enter information in this section regarding the parent/guardian if 1) neither parent/guardian with whom the student resided was on active duty in the Uniformed Services of the United States and 2) either parent/guardian with whom the student resided was employed on federal property, or 3) either the parent/guardian reported to work on federal property on the survey date. Enter the parent/guardian's name as it appears on the employer's payroll record.

Parent/Guardian's Last Name	First Name and M.I.	Name of Parent/Guardian's Employer			
Address of Parent/Guardian's Employer		City	State	Zip Code	
Name of federal property					
Address of federal property		City	State	Zip Code	

Fill in the above boxes with complete and accurate information

PARENT/GUARDIAN EMPLOYMENT INFORMATION: UNIFORMED SERVICES

Enter information in this section regarding the parent/guardian if either person was on active duty in the Uniformed Services of the United States on the survey date.

Parent/Guardian's Last Name	First Name and M.I.	Branch of Service	Rank
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Fill in the above boxes with complete and accurate information

PARENT/GUARDIAN EMPLOYMENT INFORMATION: FOREIGN MILITARY

Enter information in this section regarding the parent/guardian if either person was both an accredited foreign government official and a foreign military officer on the survey date.

Parent/Guardian's Last Name	First Name and M.I.	Branch of Service	Rank
Name of Foreign Government			

Fill in the above boxes with complete and accurate information

This information is the basis for payment to your school district of federal funds under the Impact Aid Program (Title VII of the Elementary and Secondary Education Act), and *may* be provided to the U.S. Department of Education *if* your school district's application for payment is audited. This form *must* be signed and dated for your school district to receive funds based on this information.

*** By signing this form, I am certifying that all typed and written information on this form is accurate and complete as of the survey date.**

→ Signature of Parent/Guardian _____ → Date _____

Impact Aid Program SourceCheck Form

Category C

Children who Reside on Eligible Trust or Restricted Indian Lands

LEA Name:	
Survey Date:	

Impact Aid Number:	
School Year:	

Federal Property on Which the Parent Resides: Address or Legal Description	
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1	2	3	4	5	6	7	8
Parent/Guardian Last Name	Parent/Guardian First	Address, Legal Description or Tract #	Trust "T" Restricted "R"	Student's Last Name	Student's First Name	Grade	IEP Date
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
				Total Children Claimed		0	

I certify that the students listed above resided on the trust or restricted parcels listed above on the survey date.		I certify that the students listed above were enrolled in this school system on the survey date.	
Name of Tribal Certifier:		Name of LEA Certifier: _____	
Title of Certifier:		Title of Certifier: _____	
Certifier Email Address:		Certifier Email Address: _____	
Certifier Phone Number:		Certifier Phone Number: _____	
Certifier Signature:		Certifier Signature: _____	

I certify that the parcels listed above were Trust or Restricted Indian Lands on the survey date.		I certify that the students listed above with an IEP date had an active IEP as of the survey date.	
Name of BIA/Tribal Certifier:		Name of Special Education Certifier: _____	
Title of Certifier		Title of Certifier: _____	
Certifier Email Address:		Certifier Email Address: _____	
Certifier Phone Number:		Certifier Phone Number: _____	
Certifier Signature:		Certifier Signature: _____	

How much money? -calculating money-

- 1) These funds can be used for any general fund purpose, such as instructional materials, salaries, transportation, technology or capital needs.
- 2) Example of funding allocations

YEAR	FY 2017	FY2018	FY2019
Federal property	\$68.81	\$73.31	\$74.31
Basic support	\$1,189.23	\$1,270.24	\$1,301.24
disability payments	\$48.32	\$48.32	\$48.32
Construction	\$17.41	\$17.41	\$17.41
Facilities	\$4.84	\$4.84	\$4.84
Total	\$1,328.61	\$1,414.12	\$1,446.12

Determining a School District's Section 7003 Maximum Payment

There are two steps to determine a school district's Maximum Payment:

Step 1 - Multiply the number of Federal students in Average Daily Attendance (ADA) by their respective weights to determine the total Weighted Federal Student Units (WFSUs).

Step 2 - Multiply the school district's total WFSUs by the LCR.

Example

TYPE OF STUDENT	# FED. STUDENTS IN ADA	X WEIGHT	= TOTAL WEIGHTED FED. STUDENT UNITS
Indian Land	100	1.25	125
Military on-base	100	1.00	100
Military off-base	100	0.20	20
Low Rent Housing	100	0.10	10
Civilian whose parent works OR lives on federal property	100	0.05	5
District Total	500	-	260
TOTAL WEIGHTED FED. STUDENT UNITS	X LCR	= MAXIMUM PAYMENT	
260	\$6,036	\$1,569,360	

How did New Mexico get involved?

Public Education Department (PED)
Public School Capital Outlay Council
Legislature

History of New Mexico Public School Access

- How Public Schools are Funded
 - ❖ History
 - ❖ Sources of Funding
 - ❖ Uses of Funding
 - ❖ Land Grant Permanent Fund

- The Funding Formula
 - ❖ Components
 - ❖ Commonly Used Terms
 - ❖ How Individual School District Funding is Determined
 - ❖ Spending Priorities

History of New Mexico Public School Access

➤ Pre 1974

- ❖ Locally Funded.
- ❖ Broad Differences Among Districts.
- ❖ Significant Impacts of Opportunity.

➤ 1974

- ❖ Unique Time in the History of New Mexico.
- ❖ Representation From All Parts of the State Came Together in the Best Interest of Children.
- ❖ The Funding Formula That was Developed was a Major Departure From the Still Common Practice of Using Local Property Taxes to Support Local Schools.

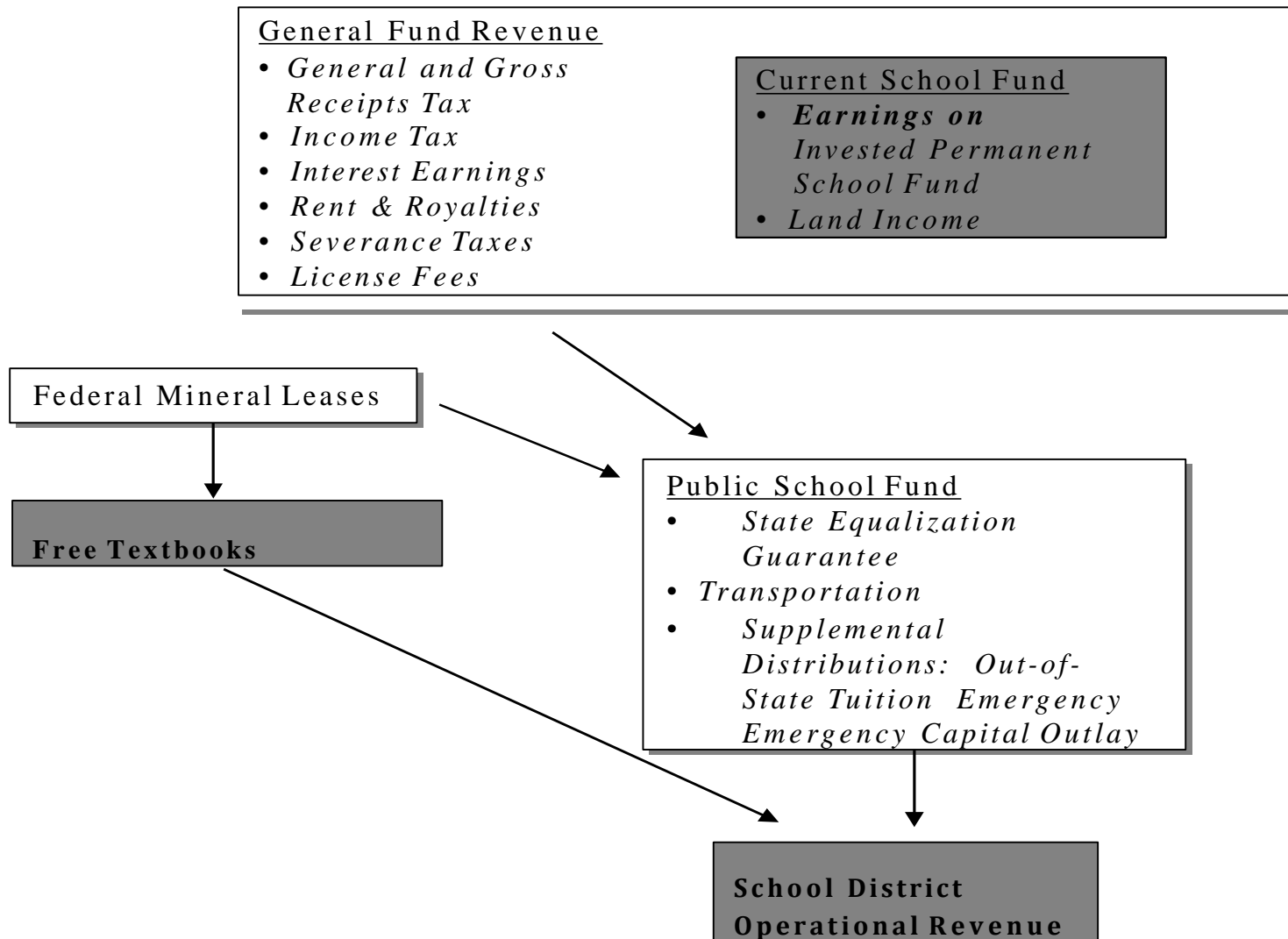
New Mexico Public School Funding Formula

- ❖ New Mexico enacted the Public School Finance Act in 1974 to equalize financial opportunity at the highest possible revenue level and to guarantee each New Mexico public school student equal access to programs and services appropriate to his or her educational needs regardless of geographic location or local economic conditions
- ❖ Prior to 1974, school funding methods had created a high degree of dis-equalization among districts because of differences in local wealth.
- ❖ The formula is designed to distribute operational funds to school districts objectively and in a non-categorical manner while providing for local school district autonomy

NM Public School Funding Formula

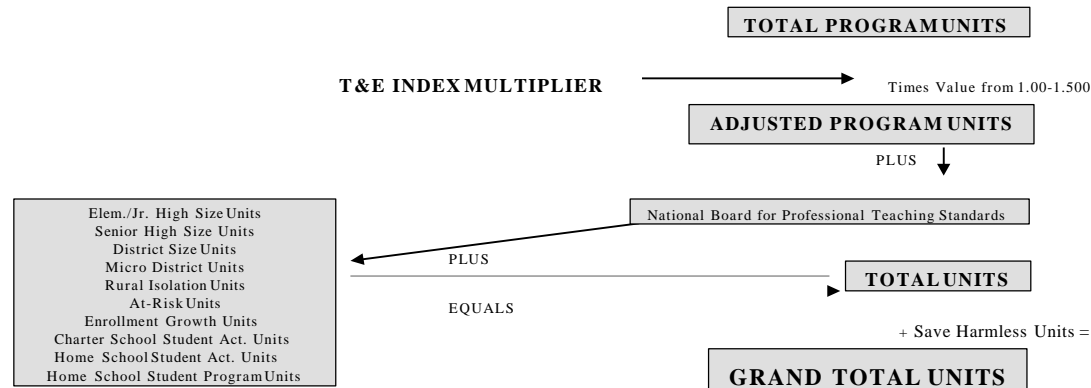
- The formula is designed to distribute operational funds to school districts and charter schools objectively and in a non-categorical manner while providing for local school district and Charter School autonomy.
- Formula dollars received by local districts and charter schools are not earmarked for specific programs .
- Within statutory and regulatory guidelines, school districts and charter schools have the latitude to spend their dollars according to local priorities.
- Why is this important?
 - This is where stakeholders can influence how charter schools spend these dollars.

Sources of Funding



STATE EQUALIZATION GUARANTEE COMPUTATION

<u>MEMBERSHIP/PROGRAM</u>		<u>TIME</u>		<u>DIFFERENTIAL=UNITS</u>	S U M O F U N I T S
Kindergarten & 3- & 4-Year-Old DD	FTE	×		1.440	
Grade 1	MEM	×		1.200	
Grades 2-3	MEM	×		1.180	
Grades 4-6	MEM	×		1.045	
Grades 7-12	MEM	×		1.250	
<u>SPECIAL EDUCATION</u>					
Ancillary	FTE	×		25.000	
A/B Level	MEM	×		0.700	
C/D Level	MEM	×		1.000	
D Level	MEM	×		2.000	
3- & 4-Year-Old DD	MEM	×		2.000	
<u>BILINGUAL</u>					
	FTE	×		0.500	
<u>FINE ARTS EDUCATION</u>					
	FTE	×		0.050	
<u>ELEMENTARY P.E. PROG</u>					
	FTE	×		0.060	



Grand Total Units × Unit Value = Program Cost

Program Cost
 -75% (Noncategorical Revenue Credits)
 -90% of Amounts Certified under the *Energy Efficiency and Renewable Energy Bonding Act*
 -Utility Conservation Program Contract Payments
STATE EQUALIZATION GUARANTEE

The Problem

- Operational or Capital Infrastructure?
- Property Taxation- local revenue, NM problem?
- How did New Mexico get involved in taking more than 50% of Impact Aide Funds?

Impact Aid has five pots of money

7009- EQUALIZATION

States are prohibited from reducing state aid to a federally connected school district because of its receipt of Federal Impact Aid funding. Impact Aid is considered "outside" of a state's school finance formula, and a state may not take it into account. However, there is an exemption from this provision called "equalization." If a state has a school finance formula designed to equalize expenditures for all school districts in that state, and if the state meets several other criteria, the state can reduce the amount of state funding allocated to a particular school district based on its Impact Aid payment. There are currently three states that are equalized: Alaska, Kansas and New Mexico.

State of New Mexico Constitution

- Article XII

- Sec. 1. [Free public schools.] 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.

What does this mean?

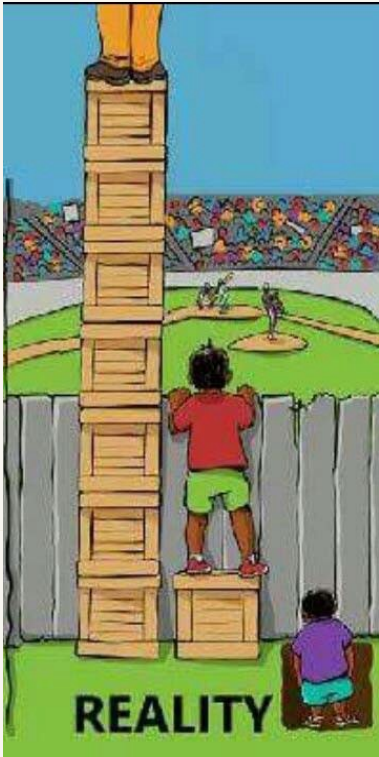
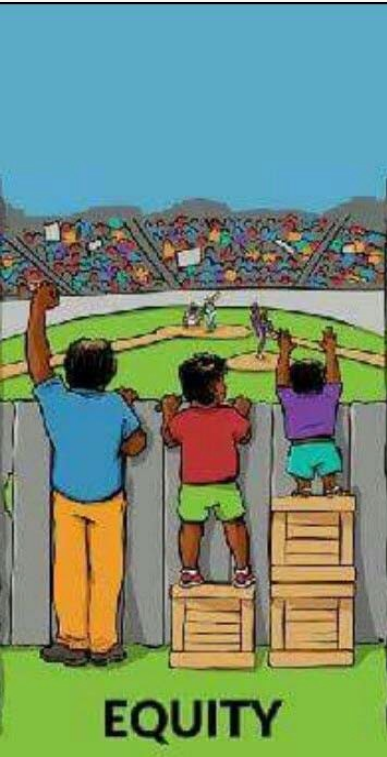
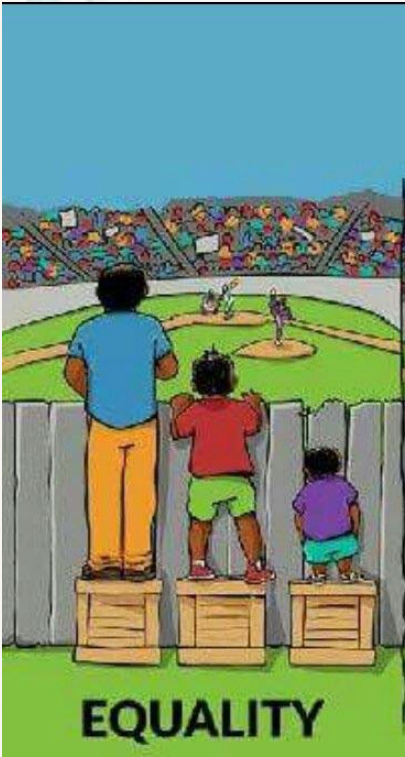
- Students with the same needs throughout the State of New Mexico should receive the same funding, facilities, and access.

1971- Reflection

An Even Chance

-NAACP Report on Impact Aid & Johnson-
O'Malley JOM

Equality, Equity & Reality



WHY A BIG DEAL?

V. Sue Cleveland



Santa Fe High



Hobbs High School

State Share to Adequacy	\$12.9 Million
Local Share to Adequacy	\$11.6 Million
Above Adequacy – Local Funds	\$22.8 Million
Total Project	\$47.3 Million



How are student's facilities funded differently in property poor areas?

- Remodel vs. New Buildings
- Smaller Classrooms; Smaller Common areas (if they exist at all)
- Lack of Special Needs Spaces for Services
- Lack of Language & Culture Classrooms
- Minimal Athletic/Activity Spaces
- Value engineering
- Low funding for maintenance and upkeep
- Cannot open a school building with “adequacy” funding

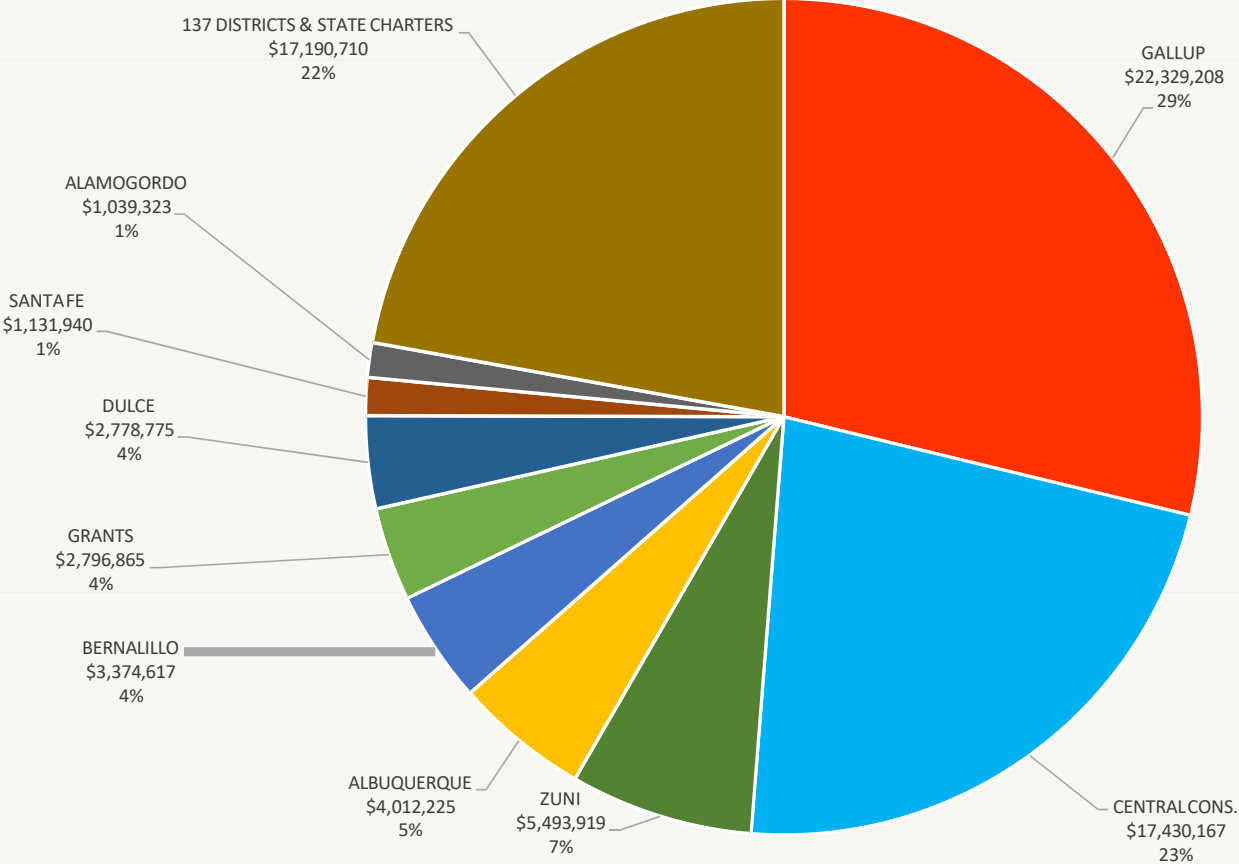
Reality in New Mexico's Funding

- Facilities are vastly different
- Indian Education Act is not fully funded
- Tax Rates for property are very different
- Property Poor Districts have low bonding ability
- Property Poor Districts are forced to utilize operational funding for facility and maintenance needs
- Property Wealth provides more local control, less State oversight and greater financial flexibility in all funding areas.
- Property Wealthy districts are able to provide higher salaries for staff.

Credits

- The State takes credit for 75% of eligible Impact Aid, “.5 Mill levy” and Forest Reserve funds.
- The funds are then redistributed through the education funding formula state-wide.
- You may think that these credits, because they are all taken at 75%, would be equal depending upon the size of the districts.

NM PED 2019-2020 Disparity Analysis 75% Credit Impact Aid, Local Tax and Forest Reserve Total \$77,577,748



Surprising Data

- Less than 5% of the Students State-wide contribute more than 70% of the credits.
- The state takes approximately \$45-50 Million dollars each year in Impact Aid credit since 1974 means the state has credited over \$2 Billion dollars in Impact Aid.
 - At an estimate of contributing 30% of the Impact Aid Credits, Gallup-McKinley has contributed \$648 Million and have been awarded (not received) \$275 Million from Public School Capital Outlay Council funding.

Attempted Solutions

- Local legislators, Tribal Leaders and heavily Impacted Schools have attempted to propose solutions through
 - Providing testimony at legislative committees and hearings
 - Lobbying at the state and federal level
 - Collaboratively proposed and supported legislation to make state funding changes
 - Legal Challenges (Zuni Lawsuit – decision pending)
 - District's filed official challenge of the State's Disparity Analysis with the Federal Government (decision is pending)

Misconceptions

- The State has an equalized funding formula
 - The State has attempted equalization in the operational funding formula, the capital funding was only ever intended to be to adequacy
- Impact Aid is Native American Communities “fair share”
 - The funding formula in New Mexico does not support the methodology that is being utilized (property is for buildings/maintenance; operational is raised through Taxes)
- The State takes care of all facility needs
 - The state provides limited funding, burdensome bureaucracy, removes local control and has never attempted to create equity for facilities.

Where we are now...

- Imagine you are a student in our district and travel to another school that has 21st century facilities with stellar athletic and activity spaces, buildings that have sufficient space, access to technology and other educational advantages.
- The reality is the most impoverished, rural parts of the state are being taken advantage of because their limited funding is being given to property rich districts.

HOW CAN WE ALL USE OUR VOICES TO HELP OUR STUDENTS GET TREATED FAIRLY?

LFC Hearing Brief



BACKGROUND INFORMATION

The current public school capital outlay process is the result of the 11th Judicial District Court's 1999 ruling in *Zuni Public District v. State of New Mexico* lawsuit, which found the state's public school capital outlay system violated New Mexico Constitution's requirement to provide "a uniform system of free public schools, sufficient for the education of and open to, all the children of school age" and ordered the state to establish and implement a uniform funding system for capital improvements and to correct past inequities. As a result of the *Zuni* lawsuit, the Legislature developed statewide educational adequacy standards for schools, which represent the maximum educational facility space the state will allocate matching funds toward through a standards-based capital outlay process that assesses and prioritizes awards for school renovation and replacement. This process is overseen by the Public School Capital Outlay Council (PSCOC) and administered by the Public School Facilities Authority (PSFA).

Since the *Zuni* lawsuit, the state has spent \$2.4 billion to raise school facility conditions to the approved adequacy standards which evolved from a focus on critical corrective needs to encompass a broader range of space types and site features. Despite significant improvements in statewide facility conditions, the *Zuni* lawsuit was never closed. In 2015, plaintiff school districts asked the court for a status hearing on new claims of inequity, primarily that these districts are unable to raise sufficient local capital outlay revenue to maintain capital assets and build facilities outside adequacy standards, while districts with available local revenues are able to do so. In May 2019, the court received testimony on the case and established a deadline in August 2019 for parties to submit evidence on the state's progress toward implementing a uniform and sufficient system.

Impact Aid School Districts. During the 2019 legislative session, several historically-impacted Native American school districts (Gallup-McKinley County Schools, Grants-Cibola County Schools, and the Zuni Public School District) that were plaintiffs in the *Zuni* capital outlay lawsuit, along with the Central Consolidated School District (CCSD), supported legislation to eliminate the 75 percent credit for federal Impact Aid payments in the public school funding formula (also known as the state equalization guarantee), which would have increased operational revenues for these districts. The districts contended Impact Aid payments are provided by the federal government in lieu of property taxes, which would have otherwise been used to generate funds for capital outlay projects, and reported difficulties addressing capital outlay needs without these additional funds.

While legislation eliminating the 75 percent Impact Aid credit was not passed during the session, the proposed policies would have created significant differences in operational funding levels between school districts. Additionally, the Public Education Department (PED) noted that eliminating the Impact Aid credit would likely result in future adjustments to the state equalization guarantee (SEG) to eliminate other credits for local revenue. Eliminating all credits and

AGENCIES: Public School Facilities Authority (PSFA)

DATE: July 11, 2019

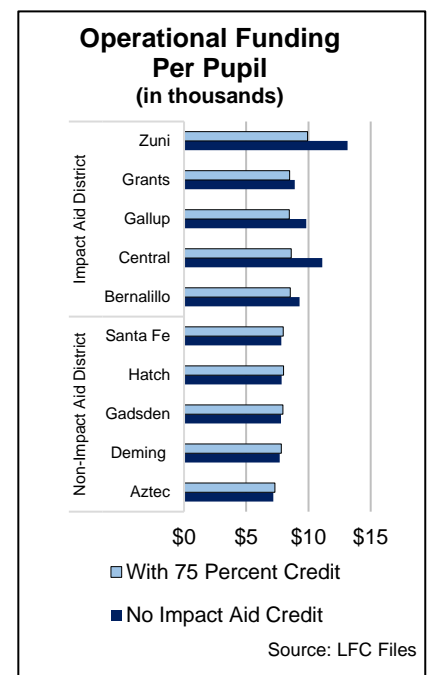
PURPOSE OF HEARING: Capital Outlay Financing for Public Education

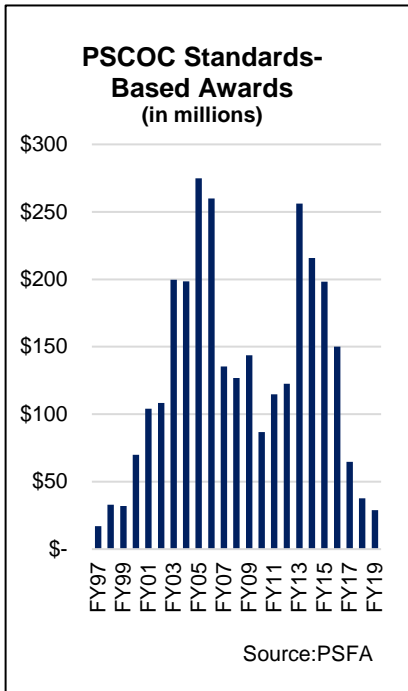
WITNESSES:

Jonathan Chamblin, Director, PSFA; Mike Hyatt, Superintendent, Gallup-McKinley County Schools; Dr. Arsenio Romero, Superintendent, Deming Public Schools

PREPARED BY: Sunny Liu, Senior Fiscal Analyst II, LFC; Ellen Rabin, Fiscal Analyst, LFC; Noel Martinez, Fiscal Analyst, LFC; Steve Olson, Intern, LFC

EXPECTED OUTCOME: Informational





allowing school districts to generate operational revenue from local sources in addition to the SEG would represent a departure from an equalized public school funding system and would not directly address the capital outlay issues raised by the plaintiff school districts.

Because the *Zuni* plaintiff school districts and CCSD are requesting the Legislature make more revenue available for capital outlay projects, the state should consider ways to directly address these additional capital funding needs while avoiding policies that would dis-equalize operational funding to address alleged inequities in the capital outlay funding system. This brief outlines how current capital outlay funding options for schools developed and potential solutions to improve equity in public school capital outlay financing.

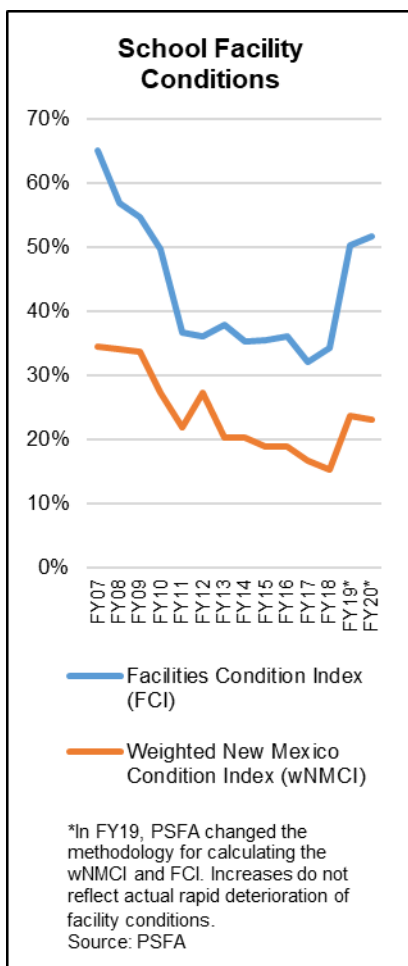
Public School Capital Outlay

Local and State Match

Prior to the 1975 enactment of the Public School Capital Outlay Act, capital improvements were primarily funded by the local school district through the passage of a general obligation bond (GOB) and repaid by a levy on local properties. However, following the ruling in the *Zuni* lawsuit, the state began the process of establishing a uniform system to correct past inequities, and, in 2001, created the Deficiencies Correction Program (DCP) to identify and fund school projects with serious life, health, and safety deficiencies.

Concerns about inadequate DCP funding and increasing disparities in the ability between property-rich and property-poor districts to build superior facilities surfaced in 2003, resulting in the creation of a public school capital outlay funding formula to determine the proportion of cost sharing between state and local sources for capital improvement projects. This formula considers the need for a project and school districts' ability to raise revenues through bonds or direct mill levies.

The first standards-based funding awards were made in 2004 and prioritized the schools with the greatest need through the weighted New Mexico condition index (wNMCI), a formula that considers the costs to correct facility deficiencies to adequacy, correct educational deficiencies to adequacy, ensure adequate space, and replace the school if beyond repair. The statewide wNMCI decreased from 40.5 percent in FY06 to 23.8 percent in FY19, indicating these investments improved the statewide condition of school facilities over that period.



Policy Considerations. The Public School Capital Outlay Oversight Task Force contracted the Bureau of Business and Economic Research (BBER), at the University of New Mexico, to conduct a detailed assessment of the public school capital outlay funding formula in 2015. While BBER noted the formula was being applied correctly, the assessment indicated the formula did not efficiently leverage state resources and included volatile factors that limited predictability necessary for long-term planning. In 2018, the state enacted Chapter 66 (Senate Bill 30), which adjusted the state and local match rates to more accurately reflect each district's ability to pay for capital outlay projects. The new formula was designed to be fully phased-in by FY24 and considers factors such as gross square footage

per student, replacement cost per square foot, and school district population density.

Senate Bill 30 was also intended to address the plaintiffs' concerns that a number of school districts had sufficient capacity to build facilities that were not included in the adequacy standards. By changing the local and state matches, the state's share of PSCOC-funded projects for many large, urban school district will be significantly reduced, decreasing their ability to build facilities outside of the adequacy standards. Reducing the state match for these districts will also increase available funding and potentially allow the state to fund more projects.

Funding Adequacy Standards

The state funds public school capital projects approved by PSCOC through supplemental severance tax bonds (SSTBs). The modern severance tax bond (STB) program dates to 1973, when the Legislature created the Severance Tax Permanent Fund. In 1999, as a result of the *Zuni* suit, the Legislature expanded the STB program so additional revenue could be used to pay debt service on SSTBs. As a result, New Mexico can issue both supplement severance long-term bonds, typically 10-year, and short-term notes, usually one- to three-days. Long-term bonds are sold competitively, but are rarely issued to avoid long-term obligations. Short-term notes, referred to as "sponge" bonds, allow the state to take advantage of remaining capacity in the bonding fund, effectively "sponging" up funds not committed to the debt service on long-term bonds. SSTBs are issued at the end of June and December to fully utilize the percentage of revenues available for authorized projects. For many decades, total debt was statutorily limited to 50 percent of the lesser of current-year or prior-year bonding revenue. The limit was later increased to 95 percent, but 2015 legislation is decreasing the total debt limit from 92.8 percent (FY16) to 86.2 percent (FY22), with a supplemental sponge capacity of \$181.5 million in FY19.

Public School Capital Improvement Act (SB-9)

The 1975 Public School Capital Improvement Act (referred to as SB-9) allows school districts to raise local revenues for capital improvements through a 2-mill levy on taxable property over a six-year period. Prior to the *Zuni* lawsuit, the state usually matched local bond initiatives with money from the general fund. This provision was removed and replaced with a funding formula based on adequacy standards that set the state and local match. In addition to funds raised by the 2-mill levy, SB-9 currently guarantees a minimum funding level from the state based on program units (a weighted student count in the SEG formula) and an inflation-adjusted per-unit rate. State funding for the SB-9 minimum guarantee ranged from \$22.81 per-member—the average of a district's prior year 80th and 120th day student counts—in Hobbs to \$403.49 per-member in Grady.

With the exception of Los Alamos, all school districts exercise SB-9 levies, which can be used to fund facility construction, grounds improvements, building maintenance, activity vehicles, and educational technology. In FY19, PSCOC allocated over \$18 million from the public school capital outlay fund to fund the state's minimum guarantee.

Laws 2018, Chp. 66 (SB 30) Local and State Match Changes				
District	Phase 1 FY19		Phase 2 FY24	
	Local	State	Local	State
Alamogordo	38%	62%	53%	47%
Albuquerque	45%	55%	91%	9%
Bernalillo	59%	41%	97%	3%
Central	38%	62%	46%	54%
Deming	31%	69%	41%	59%
Gadsden	16%	84%	30%	70%
Gallup	20%	80%	20%	80%
Grants	23%	77%	30%	70%
Hobbs	42%	58%	82%	18%
Las Cruces	36%	64%	71%	29%
Lordsburg	78%	22%	71%	29%
Los Alamos	53%	47%	88%	12%
Raton	54%	46%	39%	61%
Rio Rancho	33%	67%	73%	27%
Roy	54%	46%	39%	61%
Santa Fe	90%	10%	100%	0%
Taos	90%	10%	100%	0%
Zuni	0%	100%	0%	100%

Source: PSFA

Since the *Zuni* lawsuit decision, the state has invested \$2.4 billion in matching awards to build school facilities to adequacy. Awards to plaintiff districts include:

- **Gallup:** \$275.1 million for 24 schools. Only 5 schools remain ranked in the top 100.
- **Grants:** \$55.6 million for 7 schools. Only 1 school remains ranked in the top 100.
- **Zuni:** \$37.4 million for 5 schools. Zuni does not have any schools ranked in the top 100.

Over time, PSCOC programs have expanded to include other capital projects aside from standards-based construction such as:

Facilities Master Plans (2003)
Standards-Based Projects (2004)
Lease Assistance (2005)
Broadband Deficiencies (2014)
Systems-Based Projects (2017)
Prekindergarten Classrooms (2018)
School Security (2018)
Teacher Housing and Outside-of-Adequacy (2019)

Facility spaces defined under Adequacy Standards

General use classrooms
Science classrooms
Special education classrooms (d-level)
Art classrooms
Computer classrooms
Physical education (gym locker rooms, office, storage)
Library spaces (book stacks, office, storage)
Food services places (serving, dining kitchen)
Administration spaces
Student health spaces
Teacher workroom
Parent room

Facility spaces not defined but eligible for funding

Special education classrooms (gifted, B, and C-level)
Special education pull out spaces
Occupational and physical therapy spaces
Cultural and language classrooms
ROTC spaces, special program music classrooms
Office spaces for additional support staff
Security spaces, technical infrastructure spaces
Teacher and team collaboration spaces,
Family and community sciences classrooms
Specialized laboratories for robotics or maker spaces
Mock courtrooms
Daycare
Alternative PE spaces
Maintenance shop
Teacher housing (teacherages)

Policy Considerations. While the state-funded SB-9 guarantee is designed to supplement gaps in revenue raised by districts based on property wealth, SB-9 also provides this minimum payment to districts that exceed the guarantee level, which may exacerbate inequities in revenue generation capacity. The Legislature may want to consider repealing this provision and adjusting the SB-9 formula to more effectively close the gaps between property-rich and property-poor districts.

Public School Buildings Act (HB-33)

Similar to SB-9, the Public School Buildings Act (referred to as HB-33) authorized local school districts to levy 10 mills over six years for capital improvements. Additionally, HB-33 funds can be used for administration and oversight of projects related to the Public School Buildings Act.

Policy Considerations. PED reported eight school districts successfully passed an HB-33 levy ranging from 2.25 to 5.00 mills in FY18. Districts that passed the HB-33 levy tend to be located in large, urban areas or regions with higher property valuations. Although HB-33 provides schools with a greater opportunity to generate local funding for capital projects, the inability or reluctance of most districts to exercise this levy may be inadvertently widening funding gaps between property-rich and property-poor districts.

Legislative Appropriations and Offsets

In addition to SB-9 and HB-33, local school districts may fund district capital improvement projects through direct legislative appropriations and local GOBs. Direct appropriations are made by legislators for a specific project in a school district. However, these funds may be less desirable to districts, given statutory provisions that require PSCOC reduce or “offset” state award allocations based on legislative appropriations accepted by school districts. Local GOBs are used for capital improvements, to raise funds for the local district match, and are repaid through revenue generated from local property taxes.

Evolution of Adequacy Standards

Statewide educational adequacy standards, which establish a minimum acceptable level of condition and enrollment capacity of school buildings, were developed as a result of the *Zuni* lawsuit. Adequacy standards are based on PED’s standards for excellence, which define the core educational curriculum for all public school students under 11 programs: general provisions; arts education; career and technical education; English language arts; English language development; health education; mathematics; modern, classical, and native languages; physical education; science; and social studies. Since they were initially adopted in 2002, adequacy standards have been updated five times to add site features and adopt technical changes.

In the early years of *Zuni* compliance, PSCOC prioritized awards for classrooms and other critical capital needs related to core educational needs. Over time, PSCOC began awarding funds for other projects in addition to classroom spaces, such as athletic facilities and libraries. In 2019, PSCOC directed PSFA to identify the types of facility spaces eligible for funding under the adequacy standards. PSFA found a wide range of facility spaces eligible for funding under the adequacy standards (see sidebar) but lacking a defined methodology or criteria for funding through council awards. Thus, building “above adequacy” is perhaps a misnomer

and the underlying issue is attributable to how districts leverage their funding sources for capital outlay. PSCOC also directed PSFA to review awards over the past 20 years, develop a program, and determine the feasibility of retroactively awarding funds for spaces not defined under the adequacy standards or spaces that currently lack a mechanism for PSCOC funding, such as teacher housing, athletic fields, auditoriums, school-based health centers. PSFA is currently developing standards and criteria for funding teacher housing with a target date of completion in September 2019. As the local and state match formula changes and the council develops new award mechanisms for facilities, property-poor districts will see greater resource availability over time.

Legislative Actions

During the 2019 legislative session, the Legislature passed and the governor signed legislation to provide additional funding sources for public school capital outlay. Chapter 277 (Senate Bill 280), Chapter 127 (House Bill 241), and Chapter 280 (House Bill 568) provided funding for school districts in the form of direct appropriations, loans from the public project revolving fund, and reauthorized school projects.

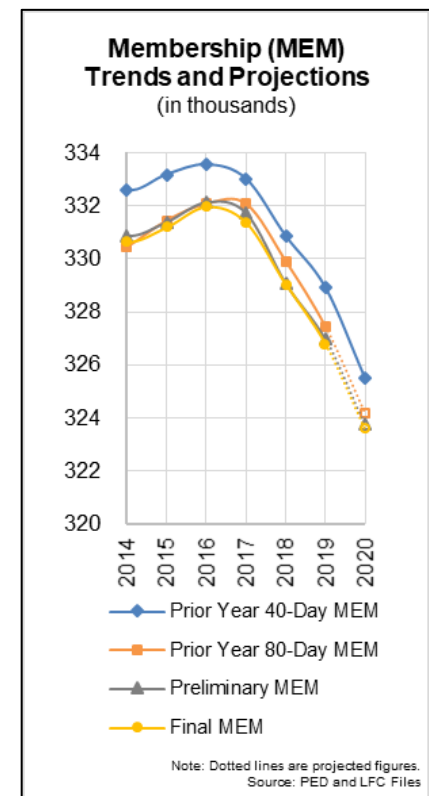
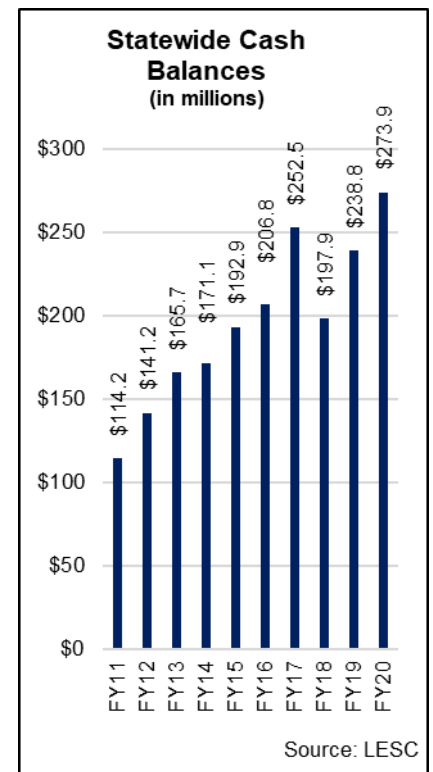
Significant revenues in 2019 allowed the Legislature to earmark \$34 million for projects in Impact Aid school districts, including \$10 million for teacher housing and \$24 million for projects not defined by the adequacy standards. In June 2019, PSCOC awarded the teacher housing appropriation to the Gallup, Central, and Zuni districts to pay down existing debt for previously-constructed projects. The remaining \$24 million will be used as a supplemental fund for Impact Aid districts retro-actively building facilities to meet current adequacy standards. In July, PSFA reported results from a survey of the 20 Impact Aid districts identifying their top priorities for this funding. The total requested amount was \$67.5 million (a state share of \$33.6 million) for these districts' top three priorities.

Policy Considerations. While the \$34 million earmarked for Impact Aid school districts will help address the particular concerns of Gallup, Central, and Zuni for teacher housing and construction not defined in the adequacy standards, this potential solution is temporary and will not change these districts' ability to generate more capital outlay funding in the long-run.

The state could consider a wide range of potential solutions to level the playing field for all school districts, such as establishing a fully-centralized state process for funding, overseeing, and prioritizing all facility construction and renovation. While this proposal would be the most equitable approach, it would also reduce emphasis on local needs and require significant state capacity to operate.

Alternatively, the state could create an adequacy "ceiling" to prevent schools with greater local capital outlay revenues from building outside the current adequacy standards. While this would equalize facilities statewide, the proposal is likely to reduce local participation in financing construction projects.

Conversely, the state could define new funding mechanisms for projects (like teacher housing) under the adequacy standards to effectively increase state support for facility construction and renovation. The state may also want to consider



creating standards with specific conditions or contingencies, such as including teacher housing as part of educational adequacy if PSFA certifies existing housing options within a reasonable radius of a school are unavailable or unaffordable.

The state could also directly designate some operational Impact Aid payments for capital outlay uses and reduce the SEG Impact Aid credit. This would require the state to change the local and state match calculation for Impact Aid districts and supplement the credit adjustment with general fund appropriations. However, it is unclear if federal law will allow the state to restrict federal Impact Aid payments for capital outlay purposes. In addition, a reduction in the credit will likely lead to future reductions of other local revenue credits or imposition of credits for other revenue sources, such as federal funds allocated to Los Alamos Public Schools or revenue generated from wind farms.

Reducing the proportion of Impact Aid credited in the SEG may shift funds to provide for capital outlay in certain districts. This change would not address the needs of other property-poor districts that do not receive Impact Aid payments.

Another option to address the concerns of Impact Aid districts is for the state to indirectly account for the operational Impact Aid credit in the SEG by increasing the state's share of the local and state match calculation (e.g. a bonus state match above 100 percent for Zuni) or a by raising the SB-9 minimum guarantee for these districts. This would effectively achieve the same aforementioned goal of equity without changing the SEG formula; however, the fiscal impact would shift from the general fund to the public school capital outlay fund. While this proposal could shift more local capital outlay revenue to Impact Aid districts, local and state match calculations would need to be reassessed, and the change would not address the needs of other property-poor districts that do not receive Impact Aid payments.

Discussion

Through statutory changes and legislative appropriations, the state of New Mexico is working with stakeholders toward an equitable public capital outlay system. While the *Zuni* capital outlay lawsuit created the impetus for developing adequacy standards and a standards-based process for prioritizing and financing school facility projects statewide, plaintiff districts continue to claim inequities in the state's funding mechanisms to address capital needs. While the proposals detailed above provide potential ways to improve the equity of the public school capital outlay system, it is unlikely that any single approach will completely address all issues. As such, the state may want to consider a suite of short- and long-term options to right-size district financing of capital outlay.

The state should also consider the impact on funding equity due to the transitional changes in the local and state match formula established through 2018 Senate Bill 30 and determine if expanding adequacy standards or allowing construction to exceed these standards will ultimately benefit student outcomes and be fiscally responsible. Additionally, declining student membership statewide may shift focus from expanding construction to right-sizing facilities for smaller populations.



Date: July 26, 2017

Prepared By: Joseph W. Simon

Purpose: Review the federal Impact Aid program

Witness: Hipolito “Paul” Aguilar, Deputy Secretary, Finance and Administration, Public Education Department

Expected Outcome: Better understanding of how school districts and charter schools qualify for federal Impact Aid and how Impact Aid affects the equalization of the public school funding formula.

Overview of Federal Impact Aid

Background

Since 1950, the federal government has provided local school districts with funding to assist local schools with providing education to “federally connected children” and to compensate school districts with limited taxable property due to federal property acquisitions since 1938. Because of a significant federal presence in New Mexico, school districts and charter schools receive about 7 percent of federal Impact Aid, with New Mexico having one of the highest allocations on a per-capita basis. In FY16, 35 school districts and charter schools received \$93.9 million in federal Impact Aid (see Appendix A: Total Impact Aid, By Fiscal Year). This brief will review the types of Impact Aid, eligibility requirements for receiving Impact Aid, and explore how Impact Aid fits into New Mexico’s equalized school funding formula.

The Basics of Federal Impact Aid

Types of Impact Aid

Each year, Congress appropriates Impact Aid in four areas: basic support payments, payments for children with disabilities, construction, and payments for federal property. For federal FY17, Congress appropriated \$1.3 billion dollars and according to estimates from Federal Funds Information for States, New Mexico’s share will total more than \$96 million. The vast majority of federal Impact Aid comes in the form of basic support payments, with smaller amounts allocated for other areas.

Basic Support Payments. Basic support payments compensate local school districts with a high number of federally connected children. Children are considered federally connected if they are the child of a civilian federal employee who either lives or works on federal property; the child of uniformed military personnel; a child living on Indian trust, treaty, or Alaska Native Claims Settlement Act land; or a child living in federally owned low-rent housing. The amount a school district or charter school receives is weighted based on which category applies to children attending the school or district. Children residing on Indian lands are weighted most heavily (1.25) while children with a parent employed on federal property are weighted the lowest (0.05). Because funding is allocated for the actual number of students

WEIGHT FOR FEDERALLY CONNECTED CHILDREN

Category	Weight
Child living on Indian Land	1.25
Child of military personnel living on-base	1.00
Child of civilian living and working on federal property	1.00
Child of military personnel living off-base	0.20
Child living in federal low-rent housing	0.10
Child of civilian living or working on federal property	0.05

Source: 20 USC 7703(a)(2)

**TOP 10 BASIC SUPPORT PAYMENTS,
ESTIMATED, FEDERAL FY16**

Recipient	State	Est. Payment
Killeen Independent	TX	\$53,881,431
Alaska Dept. of Education	AK	\$36,476,871
Gallup-McKinley County	NM	\$34,901,146
Central Admin.	HI	\$32,779,452
Lower Kuskokwim	AK	\$29,777,945
Central Consolidated	NM	\$27,168,822
Geary Co. Unified	KS	\$26,551,005
El Paso County	CO	\$24,840,009
Chinle Unified	AZ	\$21,102,659
Indian River	NY	\$19,051,759

Source: National Association of Federally Impacted Schools

being educated by a school, both school districts and charter schools are eligible for basic support payments.

To be eligible for basic support payments, a school district must serve at least 400 federally connected children (measured by average daily attendance) or have at least 3 percent of all students as federally connected. According to data from the National Association of Federally Impacted Schools (NAFIS), there were nearly 25 thousand federally connected children enrolled in New Mexico schools (see Appendix G: Estimates of the Number of Federally Connected Children, FY16). Gallup-McKinley County Schools served the most federally connected children – 6,118 of the school district’s 10,518 students. Both Zuni Public Schools and Walatowa High Charter School serve a population comprised entirely of federally connected children.

A school district or charter school’s maximum basic support payment is based on the weighted number of students served by the school, multiplied by the local contribution rate. There are several methods for calculating a local contribution rate, but the most advantageous for New Mexico schools is likely 50 percent of nationwide average per-pupil spending. However, schools do not receive the maximum basic support payment because the federal appropriation is insufficient to cover the total cost. Instead, a school district’s or charter school’s payment is reduced based on how dependant the school district is on Impact Aid.

A school’s dependence is based on the Learning Opportunity Threshold (LOT) and calculated by adding the percent of students that are federally connected to the percent of a school’s expenditures that would be covered by the maximum payment. For example, if a school district’s maximum payment would be 1 percent of spending and 4 percent of students are federally connected, the school district would have a LOT of 5 percent. A school district where every student is federally connected (such as Zuni Public Schools) would have a LOT of 100 percent. School districts with fewer than 1 thousand students and per-pupil expenditures less than the state or national average automatically receive a 40 percent LOT. School districts and charter schools with a higher LOT will receive a larger portion of their maximum payment; however, due to underfunding, even school districts or charter schools with LOT of 100 percent do not receive their maximum payments. NAFIS has estimated final federal FY16 payments will support between 90 and 92 percent of LOT.

Basic support payments fund operational Impact Aid – funds that can be spent at the discretion of the local school district or charter school – and Impact Aid for Indian education – funds that are received only by school districts and charter schools with a high concentration of Native American students. Indian education set-aside funds are restricted. In FY16, the most recent year for which data is available, New Mexico school districts and charter schools received \$73.3 million in operational Impact Aid and an additional \$18 million in Indian education set-aside funds (see Appendix B: Operational Impact Aid and Appendix C: Impact Aid for Indian Education).

For FY17, the federal appropriation for basic support payments was \$1.189 billion, an increase of \$21 million from federal FY16. President Trump's FY18 budget requests \$1.166 billion for basic support payments, a decrease from the final FY17 appropriation but level with the amount authorized in the FY17 continuing resolution that was in effect when the budget proposal was developed. The current U.S. House Appropriations Committee draft of the Labor, Health and Human Services, and Education appropriation bill increases basic support payments by \$5 million from FY17 levels.

Payments for Children with Disabilities. The federal government also provides compensation for federally connected children with disabilities, although only federally connected children who reside on Indian land or the children of military personnel are eligible to generate these payments. The amount received per student varies based on the number of federally connected children with an individualized education program (IEP) and schools must spend these funds in accordance with the federal Individuals with Disabilities Education Act.

New Mexico school districts received \$2.6 million in Impact Aid payments for children with disabilities in FY16 (see Appendix D: Impact Aid for Children with Disabilities). The federal appropriation for these payments was \$48.3 million in federal FY17, flat from FY16, with a request of \$48.2 million for FY18.

Construction. Federal law provides for both formula and competitive grants for construction awards, but Congress typically limits its annual appropriation to one type of grant. In fiscal years 2012, 2013, 2015, and 2017, Congress appropriated money for competitive grants but in fiscal years 2014 and 2016 it appropriated money for formula grants. The president has requested \$17.4 million in competitive grants for FY18. To be eligible for a construction award, a school district must have at least 40 percent of students either living on Indian land or the child of military personnel (50 percent for formula awards) or be one of about 30 "heavily impacted" districts.

A school district is heavily impacted if at least 35 percent of students are federally connected, per-pupil expenditures are less than its state's average, and the school district levies taxes at a rate exceeding 95 percent of similar school districts.

New Mexico school districts received only \$54 thousand in Impact Aid payments for construction in FY16 (see Appendix E: Impact Aid for Construction), but school districts and a charter school received \$1.5 million in federal FY16 construction payments in July 2016. The federal appropriation for these payments was \$17.4 million in federal FY17, flat from FY16.

Payments for Federal Property. The federal government compensates school districts with a high concentration of federal property, subject to certain requirements. First, the federal government must own property in the school district that was greater than or equal to 10 percent of the assessed value of the school district at the time the property was acquired by the federal government. Only property acquired after 1938 count toward federal property payments. Additionally, any school district being compensated by increased revenues from federal activity on the property is not eligible for a payment. According to data from the NAFIS, no school districts in New Mexico currently receive these

NUMBER OF NEW MEXICO SCHOOL DISTRICTS AND CHARTER SCHOOLS RECEIVING IMPACT AID

Type of Payment	Number of Recipients
Basic Support Payments	35
Indian Education	23
Special Education	25
Construction	6

Source: LESC Files

**TOP FEDERAL PROPERTY PAYMENTS,
FEDERAL FY14**

Recipient	State	Payment	Also Basic Support
San Diego Unified	CA	\$5,058,428	YES
Los Alamitos Unified	CA	\$3,551,972	NO
Highland Falls	NY	\$3,537,524	NO
Glen Lake Community	MI	\$3,265,817	NO
Adams County	CO	\$2,871,761	NO
Lewisville Ind.	TX	\$2,827,230	NO
York County	VA	\$2,276,353	YES
Falbrook Union	CA	\$2,097,884	YES
Wilmington	IL	\$2,053,472	NO
Oceanside Unified	CA	\$1,901,223	YES

Source: National Association of Federally Impacted Schools

payments.

Because these payments serve a different purpose than basic support payments, the types of school districts that receive them are also different. Only 60 of the 216 school districts receiving federal property payments in FY14 also received basic support payments. It is also funded at a much lower rate. As far back as the Clinton administration, executive budget proposals have suggested eliminating the federal property portion of Impact Aid. Since FY13, the federal administration has not requested any funds for federal property payments with the rationale that payments are made without regard to the education of federally connected children, but Congress continues to fund the program and appropriated \$68.8 million in FY17.

Timing of Impact Aid Payments. Unlike other federal education grants, Impact Aid is current-year funded, meaning the appropriation is made in the same fiscal year that payments begin. The federal fiscal year runs from October through September. According to NAFIS, final payments may be made up to two years after the initial payments. Additionally, Impact Aid payments may be reduced or delayed if the federal government is operating under a short-term continuing resolution. Appendix F: Federal FY18 Budget Request for Impact Aid shows the final federal FY16 and FY17 appropriations for Impact Aid and the president's FY18 budget request. Applications for Impact Aid are due January 31 prior to the beginning of the next fiscal year. Initial payment dates for federal FY16 were in January 2016; NAFIS indicates the U.S. Department of Education will begin to release final FY16 payment in August 2017, so FY16 payments were received by school districts and charter schools in state FY16 through FY18.

State Equalization Programs

In most cases, states are prohibited from considering federal Impact Aid when allocating state aid to school districts. Since the 1970s, states with equalized school funding formulas are exempt from this requirement. Currently, three states consider Impact Aid when allocating state aid: Alaska, Kansas, and New Mexico.

Federal Requirements for Equalization

To be eligible to account for federal Impact Aid payments when allocating state aid, the state must demonstrate to the U.S. secretary of education that the disparity in per-student spending or in per-student revenues is less than 25 percent after eliminating 5 percent of students with the highest per-student expenditures or revenues and 5 percent of students with the lowest per-student expenditures or revenues. States must apply annually to be considered an equalized state.

In addition, a state may not favor local taxpayers by accounting for federal Impact Aid without accounting for local property and sales taxes when distributing state aid. Federal law requires consideration for federal Impact Aid must be in proportion



to consideration for local tax revenues for current expenditures (not including capital outlay). Federal law allows equalized states to take credit for payments for federal property and basic support payments, but not Indian education payments, payments for children with disabilities, or for construction payments.

Disparity Calculation. In New Mexico, disparity calculations use the average per student revenue method. Federal law requires the U.S. secretary of education to consider the extent to which a state equalization program provides additional dollars for a school district's or charter school's unique circumstances and demographics, including geographic isolation and enrollment of students with disabilities. As such, when calculating disparity, total operational revenue is reduced by the amount of formula funding received for generating certain kinds of program units. These units are bilingual education program units, units for special education and ancillary services, training and experience index units derived from special education and bilingual education program units, size adjustment program units, enrollment growth program units, at-risk units, and save harmless units. Together, these factors account for about 30 percent of formula funding.

PED has applied to take credit for Impact Aid payments in FY18, using actual revenues received by school districts and charter schools in FY16. After adjusting operational revenue as required, per-student revenues at the 95th percentile were \$6,194.29 and per-student revenues at the 5th percentile were \$5,235.47, a difference of \$959, or 18.3 percent, which is below the disparity allowed by federal law.

Equalization in New Mexico

To maintain an equalized funding formula, New Mexico takes credit for 75 percent of operational Impact Aid received by school districts and charter schools. Under the Public School Finance Act, every school district and charter school in the state is guaranteed to receive the program cost calculated by the funding formula, regardless of how much the school district or charter school is able to raise in local taxes or other funding sources, including Impact Aid. Because the state only reduces a school district's and, beginning in FY17, a state-chartered charter school's state equalization guarantee (SEG) distribution by 75 percent of federal Impact Aid, forest reserve, and local half mill levy receipts, these school districts and charter schools actually receive more than their guaranteed program cost in the form of the additional 25 percent of federal Impact Aid, forest reserve, and local half mill levy receipts. As shown in Appendix H, Program Cost and Revenue Per Funded MEM, statewide program cost per-MEM was only \$7,714 in FY16, but after accounting for the additional 25 percent of federal and local revenue, statewide per-MEM revenue was \$7,792. Much of this additional revenue is available to Impact Aid districts. For example, Zuni's per-student program cost totaled \$8,397, ranking 115 out of 188 school districts and charter schools, but per-student revenues from SEG, Impact Aid, forest reserve, and the half mill levy totaled \$9,590, an increase of \$1,193, changing the ranking to 90 of 188.

Appropriation Process. During the appropriation process, the Legislature estimates a certain amount of federal Impact Aid will be received by New Mexico schools and accounts for this when making the SEG distribution appropriation. Based on the

SEG CREDITS FOR IMPACT AID (in thousands)

Year	Actual Credit
FY12	\$52,723
FY13	\$49,325
FY14	\$43,242
FY15	\$56,811
FY16	\$54,316

Year	Assumed Credit
FY17	\$49,000
FY18	\$49,624

Source: LESC files

appropriation set by the Legislature, PED sets a dollar value for each program unit that school districts and charter schools generate through the funding formula. PED is typically conservative when setting the preliminary unit value to account for, among other things, lower than anticipated operational Impact Aid receipts. If Impact Aid receipts are overestimated, school districts and charter schools statewide might see a small or no increase when the final unit value is set half way through the fiscal year, or could even see a decrease if revenues were significantly lower than estimated. The total guaranteed program cost for a school district or charter school is determined by multiplying this unit value times the number of program units generated through the funding formula.

The total amount of SEG received will vary based on the school district's or charter school's revenue sources. Most charter schools receive their entire program cost (less the 2 percent set-aside for administrative support) through SEG distributions, while school districts receive their program cost through some combination of SEG distributions, Impact Aid revenue, forest reserve receipts, and the half mill levy. This also means the SEG distributions to an Impact Aid district will increase in years where their federal allocation drops but the state appropriation is able to support an increase in program cost. For example, although Gallup-McKinley County Schools lost \$4.3 million in operational Impact Aid between FY13 and FY14, the school district received an additional \$5.8 million in SEG dollars while program cost only increased \$2.7 million. Rather than face a budget cut, the district received more state funds to fill a portion of the deficit.

Until 1999, New Mexico took credit for 95 percent of operational Impact Aid. Laws 1999, Chapter 275 (Senate Bill 418) reduced the credit to 75 percent, but required school districts to budget 20 percent of operational Impact Aid receipts for capital outlay. With the adoption of a new capital outlay system in the early 2000s, the requirement was repealed by Laws 2005, Chapter 176, but the law did not increase the Impact Aid credit to the previous level.

GALLUP-MCKINLEY CHANGES TO PROGRAM COST, IMPACT AID, AND SEG: FY13 TO FY14

	Program Cost	Operational Impact Aid	Operational Impact Aid Credit	Impact Aid Credit Pct. of Prog. Cost	SEG	SEG Percent of Program Cost
FY13	\$ 77,359,657	\$ 26,965,249	\$ 20,223,937	26.1%	\$ 56,782,452	73.4%
FY14	\$ 80,016,531	\$ 22,688,772	\$ 17,016,579	21.3%	\$ 62,630,402	78.3%
Difference	\$ 2,656,874	\$ (4,276,477)	\$ (3,207,358)	-4.9%	\$ 5,847,950	4.9%

Source: LESC Files

Operational Impact Aid Credits for Charter Schools. State-chartered charter schools are considered local education agencies by the federal government and are eligible to receive Impact Aid payments directly from the federal government; however, prior to FY17 PED did not take credit for Impact Aid received by state-chartered charter schools because the statute directing PED to take credit for Impact Aid was specific to school districts. Laws 2017, Chapter 78 (Senate Bill 135) requires PED to take credit for a state-chartered charter school's federal Impact Aid in the same way that PED takes credit for a school district's federal Impact Aid.

Some locally chartered charter schools receive Impact Aid through their authorizing school district. For example, the Native American Community Academy (NACA) works with Albuquerque Public Schools (APS) to apply for federal Impact Aid because the federal government considers NACA to be part of APS. APS receives Impact Aid payments from the federal government and forwards 25 percent of NACA's share of operational Impact Aid to the charter school. This accounts for the portion of operational Impact Aid that PED does not take credit for. The charter school receives a full SEG distribution but APS's distribution is reduced by 75 percent of the combined payment.

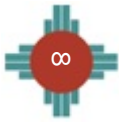
APPENDIX A: TOTAL IMPACT AID RECEIVED BY SCHOOL DISTRICTS AND CHARTER SCHOOLS, BY FISCAL YEAR

School District or Charter School	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
1 Alamogordo	\$1,758,121	\$928,866	\$1,416,157	\$910,498	\$871,206	\$1,084,397	\$1,113,564	\$826,650	\$848,893	\$875,419
2 Albuquerque	\$93,889	\$983,902	\$543,959	\$335,054	\$396,658	\$248,567	\$235,374	\$32,549	\$75,151	\$167,134
3 Artesia				\$1,664		\$103	\$64			
4 Bernalillo	\$5,689,366	\$6,040,110	\$7,495,613	\$4,560,423	\$6,713,906	\$4,351,626	\$4,645,088	\$4,407,773	\$4,505,480	\$4,615,150
5 Bloomfield	\$884,745	\$855,002	\$943,848	\$577,314	\$857,570	\$741,271	\$806,245	\$563,787	\$863,139	\$809,558
6 Central	\$25,637,717	\$26,489,802	\$27,408,084	\$27,594,381	\$25,306,120	\$25,656,795	\$26,117,502	\$21,942,454	\$34,156,332	\$29,147,048
7 Cloudcroft	\$1,749	\$2,904	\$685		\$693		\$163			
8 Clovis	\$757,827	\$675,430	\$519,369	\$283,491	\$532,288	\$216,008	\$172,718	\$207,793	\$140,304	\$135,986
9 Cuba	\$937,258	\$1,828,242	\$2,503,921	\$2,079,072	\$1,800,718	\$1,412,271	\$1,071,370	\$830,473	\$1,137,545	\$1,083,443
10 Dulce	\$3,159,250	\$3,294,957	\$3,703,428	\$3,774,668	\$3,537,606	\$3,571,929	\$3,744,351	\$3,440,581	\$3,954,688	\$3,965,024
11 East Mountain High School							\$4,853	\$5,691	\$8,666	\$9,764
12 Espanola	\$125,758	\$143,641	\$169,640	\$127,819	\$36,395	\$63,019	\$134,148	\$174,541	\$197,127	\$281,873
13 Farmington	\$229,782	\$250,792	\$232,020	\$181,012	\$203,774	\$183,101	\$178,542		\$26,215	\$8,917
14 Gallup	\$20,722,780	\$38,185,998	\$43,709,865	\$40,002,280	\$40,645,313	\$33,686,908	\$34,075,497	\$29,205,312	\$36,347,564	\$36,364,627
15 Grady		\$899	\$403							
16 Grants/Cibola	\$3,728,202	\$4,489,507	\$5,728,097	\$2,719,907	\$5,457,059	\$4,395,353	\$4,009,729	\$1,492,770	\$3,783,359	\$2,260,765
17 Jemez Mountain	\$177,246	\$190,878	\$346,069	\$114,207	\$143,846	\$248,044	\$334,381	\$234,834	\$413,327	\$302,379
18 Jemez Valley	\$1,296,746	\$1,686,559	\$1,645,436	\$1,473,874	\$1,459,448	\$1,747,869	\$1,358,701	\$1,373,163	\$1,644,297	\$1,476,774
19 Las Cruces	\$31,254	\$50,873	\$107,653		\$11,457	\$56,681	\$3,829		\$8,899	
20 Los Alamos	\$343,046	\$360,679	\$422,709	\$306,343	\$384,849	\$386,436	\$295,131	\$235,306	\$168,566	\$225,807
21 Los Lunas	\$271,501	\$227,271	\$213,469	\$153,187	\$250,544	\$187,778	\$204,631	\$165,164	\$235,851	\$223,442
22 Magdalena	\$736,103	\$1,155,054	\$932,442	\$707,319	\$905,882	\$697,515	\$582,404	\$432,376	\$596,569	\$589,164
23 Maxwell	\$41	\$141	\$69	\$305	\$147	\$101	\$316		\$203	\$352
24 McCurdy Charter School										\$164,839
25 Native American Community Academy							\$7,691			\$4,841
26 Pecos		\$179								
27 Penasco	\$45,803	\$62,536	\$67,024	\$55,034	\$62,765	\$47,090	\$45,688	\$32,919	\$23,622	\$43,990
28 Pojoaque	\$2,547,701	\$2,913,574	\$3,418,966	\$2,615,955	\$3,005,784	\$2,538,289	\$2,452,172	\$1,372,127	\$1,120,123	\$1,335,477
29 Portales	\$11,372	\$11,036	\$9,155	\$6,933	\$10,375	\$13,050	\$14,695	\$19,944	\$22,086	\$18,933
30 Raton	\$2,784	\$3,102	\$2,278	\$1,776	\$3,570	\$264	\$3,074	\$1,886	\$14,866	\$3,589
31 Ruidoso	\$0	\$267,703	\$456,054	\$390,864	\$491,240	\$388,370	\$422,071	\$700,914	\$431,308	\$553,309
32 San Diego Riverside Charter School	\$10,043	\$129,258	\$117,384	\$114,899	\$88,616	\$110,430	\$77,483	\$88,131	\$93,886	\$84,529
33 Southwest Intermediate Learning Center							1570.03	2491.08		\$416
34 Southwest Primary Learning Center							\$5,412	\$2,508	\$2,500	\$604
35 Southwest Secondary Learning Center							\$6,353	\$4,757	\$5,906	\$4,466
36 SW Aeronautics, Math and Science										\$3,208
37 Taos	\$333,219	\$312,181	\$167,833	\$68,206	\$135,537	\$63,162	\$73,163	\$43,557	\$53,000	\$53,683
38 Tularosa	\$361,747	\$405,649	\$424,953	\$325,669	\$391,557	\$415,532	\$427,134	\$397,221	\$363,058	\$463,224
39 Village Academy			\$34,980	\$20,524			\$93,357			
40 Walatowa Charter High School	\$40,298	\$70,765	\$66,787	\$64,599	\$48,428	\$73,553	\$61,569	\$5,270	\$10,168	\$859,719
41 Zuni	\$8,141,206	\$8,880,484	\$8,459,824	\$8,181,104	\$7,974,281	\$7,362,101	\$7,016,069	\$6,409,260	\$8,084,242	\$7,808,255
42 STATEWIDE	\$78,076,553	\$100,897,974	\$111,268,172	\$97,748,380	\$101,727,630	\$89,947,612	\$89,796,100	\$74,652,203	\$99,336,940	\$93,945,705

Data Source: PED Statbooks, compiled by LESC

Note: Includes operational Impact Aid, the Indian education set-aside, payments for children with disabilities, and construction payments.





APPENDIX B: OPERATIONAL IMPACT AID RECEIVED BY SCHOOL DISTRICTS AND CHARTER SCHOOLS, BY FISCAL YEAR

School District or Charter School	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
1 Alamogordo	\$1,569,459	\$803,899	\$1,283,611	\$810,148	\$762,919	\$940,698	\$942,611	\$688,050	\$746,272	\$759,770
2 Albuquerque	\$80,259	\$748,532	\$423,732	\$263,056	\$287,549	\$178,112	\$122,157	\$32,314	\$31,632	\$113,401
3 Artesia				\$1,664		\$103	\$64			
4 Bernalillo	\$4,367,612	\$4,612,550	\$5,812,373	\$3,503,240	\$5,202,015	\$3,318,419	\$3,532,762	\$3,391,856	\$3,443,356	\$3,561,039
5 Bloomfield	\$632,033	\$599,580	\$682,266	\$400,125	\$625,503	\$527,716	\$564,656	\$378,165	\$597,356	\$588,844
6 Central	\$19,395,789	\$19,933,161	\$21,202,708	\$21,532,710	\$19,209,075	\$19,478,001	\$20,169,000	\$17,040,577	\$26,169,254	\$22,751,101
7 Cloudcroft	\$1,749	\$2,904	\$685		\$693		\$163			
8 Clovis	\$649,069	\$565,522	\$439,814	\$207,441	\$452,375	\$163,171	\$131,388	\$109,288	\$88,458	\$86,639
9 Cuba	\$686,453	\$1,427,280	\$1,867,501	\$1,628,139	\$1,367,619	\$1,060,142	\$809,440	\$631,018	\$875,685	\$838,071
10 Dulce	\$2,404,080	\$2,493,955	\$2,741,924	\$2,953,494	\$2,703,715	\$2,723,737	\$2,896,836	\$2,677,916	\$3,024,982	\$3,097,947
11 East Mountain High School							\$4,853	\$5,691	\$8,666	\$9,764
12 Espanola	\$90,494	\$101,735	\$126,796	\$88,576	\$27,168	\$38,548	\$100,858	\$128,545	\$143,338	\$213,553
13 Farmington	\$139,265	\$141,534	\$131,343	\$97,290	\$117,654	\$96,588	\$92,715		\$11,645	\$6,444
14 Gallup	\$16,042,045	\$29,695,516	\$34,132,006	\$31,284,307	\$31,203,229	\$25,590,386	\$26,458,500	\$22,688,772	\$27,707,621	\$28,480,406
15 Grady			\$214							
16 Grants/Cibola	\$2,877,484	\$3,457,582	\$4,443,286	\$2,088,088	\$4,222,661	\$3,374,654	\$3,039,692	\$1,068,288	\$2,890,735	\$1,724,201
17 Jemez Mountain	\$136,062	\$147,775	\$292,923	\$87,047	\$111,018	\$196,965	\$267,383	\$176,781	\$317,824	\$230,662
18 Jemez Valley	\$970,685	\$1,280,101	\$1,216,688	\$1,148,864	\$1,098,815	\$1,330,836	\$1,049,901	\$1,073,582	\$1,249,015	\$1,147,696
19 Las Cruces	\$20,724	\$34,853	\$90,786		\$8,923	\$33,152	\$3,555		\$3,420	
20 Los Alamos	\$343,046	\$360,679	\$422,709	\$306,343	\$384,849	\$386,436	\$295,131	\$235,306	\$168,566	\$225,807
21 Los Lunas	\$157,358	\$112,956	\$123,097	\$81,510	\$128,982	\$109,233	\$115,438	\$100,451	\$153,224	\$148,862
22 Magdalena	\$559,825	\$890,914	\$718,007	\$538,509	\$691,034	\$531,724	\$439,500	\$318,824	\$442,806	\$442,860
23 Maxwell	\$41	\$141	\$69	\$305	\$147	\$101	\$316		\$203	\$352
24 McCurdy Charter School										\$164,839
25 Native American Community Academy										\$3,913
26 Pecos		\$75								
27 Penasco	\$37,516	\$50,139	\$52,974	\$42,556	\$49,415	\$37,519	\$36,205	\$23,805	\$19,058	\$34,230
28 Pojoaque	\$1,984,962	\$2,258,203	\$2,660,393	\$2,026,758	\$2,338,226	\$1,989,420	\$1,862,459	\$1,067,608	\$850,917	\$1,045,244
29 Portales	\$5,822	\$6,562	\$5,311	\$2,883	\$6,691	\$6,026	\$7,707	\$9,549	\$9,703	\$8,959
30 Raton	\$2,784	\$3,102	\$2,278	\$1,776	\$3,570	\$264	\$3,074	\$1,886	\$14,866	\$3,589
31 Ruidoso		\$124,719	\$313,960	\$263,012	\$342,741	\$255,626	\$282,293	\$506,084	\$304,413	\$409,466
32 San Diego Riverside Charter School	\$10,043	\$10,425	\$12,905	\$11,525						
33 Southwest Intermediate Learning Center							\$1,570	\$2,491		\$416
34 Southwest Primary Learning Center							\$5,412	\$2,508	\$2,500	\$604
35 Southwest Secondary Learning Center							\$6,353	\$4,757	\$5,906	\$4,466
36 SW Aeronautics, Math and Science										\$3,208
37 Taos	\$214,350	\$189,979	\$107,048	\$37,862	\$86,571	\$31,767	\$40,540	\$19,317	\$24,856	\$30,112
38 Tularosa	\$277,314	\$305,620	\$328,496	\$259,548	\$306,640	\$320,805	\$327,900	\$301,678	\$278,370	\$361,171
39 Village Academy							\$70,699			
40 Walatowa Charter High School	\$3,666	\$7,255	\$6,429	\$5,873						\$658,475
41 Zuni	\$6,165,466	\$6,066,875	\$6,236,908	\$6,409,523	\$6,087,607	\$5,602,416	\$5,434,252	\$4,986,079	\$6,180,050	\$6,106,786
42 STATEWIDE	\$59,825,454	\$76,434,122	\$85,879,240	\$76,082,172	\$77,827,403	\$68,322,564	\$69,115,384	\$57,671,189	\$75,764,695	\$73,262,896

Data Source: PED Statbooks, compiled by LESC

APPENDIX C: IMPACT AID FOR INDIAN EDUCATION RECEIVED BY SCHOOL DISTRICTS AND CHARTER SCHOOLS, BY FISCAL YEAR

School District or Charter School	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
1 Albuquerque	\$4,020	\$43,808	\$25,145	\$13,498	\$15,639	\$10,337	\$50,872	\$235	\$9,053	\$3,206
2 Bernalillo	\$1,083,702	\$1,152,561	\$1,447,476	\$869,083	\$1,294,326	\$826,474	\$878,920	\$845,636	\$863,333	\$885,698
3 Bloomfield	\$155,911	\$149,704	\$170,566	\$99,789	\$156,264	\$131,913	\$141,072	\$94,541	\$172,066	\$147,211
4 Central	\$4,848,165	\$4,983,288	\$5,300,674	\$5,383,171	\$4,802,562	\$4,869,495	\$5,042,244	\$4,260,144	\$6,542,308	\$5,687,775
5 Cuba	\$170,613	\$355,980	\$465,103	\$406,833	\$341,559	\$262,189	\$204,298	\$157,204	\$217,315	\$208,696
6 Dulce	\$601,972	\$623,483	\$685,475	\$738,374	\$675,929	\$680,934	\$724,209	\$669,479	\$756,246	\$774,487
7 Espanola	\$22,623	\$25,433	\$31,698	\$22,143	\$6,792	\$9,637	\$25,214	\$32,136	\$35,834	\$49,683
8 Farmington	\$34,816	\$35,383	\$32,836	\$24,322	\$29,413	\$24,147	\$23,179		\$3,020	\$1,611
9 Gallup	\$3,999,152	\$7,403,902	\$8,516,661	\$7,801,773	\$7,767,243	\$6,373,572	\$6,588,524	\$5,650,028	\$6,888,371	\$7,087,700
10 Grants/Cibola	\$719,364	\$864,392	\$1,110,789	\$522,019	\$1,055,665	\$844,013	\$759,923	\$267,072	\$722,681	\$431,048
11 Jemez Mountain	\$34,015	\$36,942	\$45,047	\$21,760	\$31,670	\$39,155	\$66,843	\$44,193	\$77,548	\$57,663
12 Jemez Valley	\$242,671	\$320,020	\$304,172	\$287,211	\$274,699	\$332,703	\$262,470	\$268,391	\$312,248	\$286,923
13 Los Lunas	\$39,212	\$28,213	\$30,774	\$20,377	\$32,245	\$27,308	\$28,860	\$25,113	\$38,306	\$37,215
14 Magdalena	\$137,345	\$218,512	\$176,338	\$131,910	\$169,281	\$129,865	\$107,295	\$77,912	\$108,414	\$108,447
15 Native American Community Academy							\$7,691			\$928
16 Penasco	\$7,324	\$9,293	\$10,135	\$8,878	\$10,185	\$7,822	\$7,715	\$5,154	\$4,368	\$7,785
17 Pojoaque	\$472,131	\$538,275	\$636,008	\$484,796	\$558,931	\$445,556	\$475,994	\$266,899	\$209,915	\$251,194
18 Ruidoso		\$76,927	\$86,909	\$65,753	\$85,684	\$63,906	\$70,572	\$126,519	\$76,102	\$102,366
19 San Diego Riverside Charter School		\$100,594	\$88,581	\$89,694	\$85,486	\$101,320	\$73,570	\$84,413	\$92,279	\$82,583
20 Taos	\$52,013	\$47,226	\$25,580	\$8,744	\$20,712	\$7,297	\$9,495	\$4,440	\$5,762	\$7,164
21 Tularosa	\$62,336	\$70,634	\$76,075	\$55,320	\$72,457	\$76,173	\$77,721	\$71,783	\$66,779	\$86,372
22 Village Academy			\$34,980	\$20,524			\$17,393			
23 Walatowa Charter High School	\$30,962	\$56,896	\$52,780	\$46,755	\$43,971	\$62,892	\$52,042	\$2,880	\$7,937	\$177,431
24 Zuni	\$1,541,366	\$1,516,719	\$1,559,227	\$1,602,381	\$1,521,896	\$1,400,604	\$1,358,563	\$1,246,520	\$1,541,399	\$1,525,655
25 STATEWIDE	\$14,259,713	\$18,658,186	\$20,913,030	\$18,725,108	\$19,052,606	\$16,727,314	\$17,054,679	\$14,200,692	\$18,751,282	\$18,008,840

Data Source: PED Statbooks, compiled by LESC



APPENDIX D: IMPACT AID FOR CHILDREN WITH DISABILITIES RECEIVED BY SCHOOL DISTRICTS AND CHARTER SCHOOLS, BY FISCAL YEAR

School District or Charter School	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
1 Alamogordo	\$188,662	\$124,967	\$132,545	\$100,350	\$108,287	\$143,699	\$170,953	\$138,600	\$102,622	\$115,648
2 Albuquerque	\$9,610	\$191,562	\$95,082	\$58,500	\$93,470	\$60,118	\$62,344		\$34,466	\$50,526
3 Bernalillo	\$238,052	\$274,999	\$235,763	\$188,100	\$217,566	\$206,732	\$233,407	\$170,280	\$198,791	\$168,412
4 Bloomfield	\$96,801	\$105,718	\$91,016	\$77,400	\$75,803	\$81,642	\$100,517	\$91,080	\$93,718	\$73,503
5 Central	\$782,599	\$946,958	\$848,347	\$678,500	\$731,609	\$797,762	\$830,224	\$633,600	\$904,069	\$682,423
6 Clovis	\$108,758	\$109,908	\$79,554	\$76,050	\$79,913	\$52,837	\$41,330	\$98,505	\$51,846	\$49,347
7 Cuba	\$33,327	\$42,096	\$54,264	\$44,100	\$45,123	\$50,003	\$57,631	\$41,580	\$43,463	\$36,676
8 Dulce	\$77,479	\$100,005	\$88,727	\$82,800	\$80,861	\$95,258	\$113,883	\$92,070	\$94,110	\$90,842
9 Espanola	\$12,642	\$16,474	\$11,146	\$17,100	\$2,435	\$14,834	\$8,075	\$13,860	\$17,955	\$18,637
10 Farmington	\$55,701	\$73,875	\$67,841	\$59,400	\$56,707	\$62,366	\$62,648		\$11,551	\$863
11 Gallup	\$626,640	\$1,020,888	\$1,061,198	\$916,200	\$844,909	\$933,017	\$1,028,473	\$854,370	\$975,203	\$779,422
12 Grady		\$899	\$189							
13 Grants/Cibola	\$131,354	\$167,533	\$174,021	\$109,800	\$178,733	\$176,687	\$210,114	\$157,410	\$169,944	\$105,516
14 Jemez Mountain	\$7,169	\$6,161	\$8,100	\$5,400	\$1,158	\$11,924	\$155	\$13,860	\$17,955	\$14,054
15 Jemez Valley	\$48,258	\$50,942	\$46,400	\$37,800	\$51,354	\$50,467	\$42,033	\$30,690	\$46,903	\$41,358
16 Las Cruces	\$10,530	\$16,020	\$16,866		\$2,534	\$23,529	\$274		\$5,478	
17 Los Lunas	\$74,931	\$86,102	\$59,598	\$51,300	\$89,316	\$51,236	\$60,334	\$39,600	\$44,321	\$37,364
18 Magdalena	\$38,933	\$45,628	\$38,097	\$36,900	\$45,567	\$35,925	\$35,609	\$35,640	\$45,349	\$37,857
19 Pecos		\$105								
20 Penasco	\$963	\$3,104	\$3,916	\$3,600	\$3,165	\$1,749	\$1,768	\$3,960	\$196	\$1,975
21 Pojoaque	\$90,607	\$117,096	\$122,565	\$104,400	\$108,627	\$103,313	\$113,718	\$37,620	\$59,291	\$39,039
22 Portales	\$5,549	\$4,474	\$3,844	\$4,050	\$3,684	\$7,024	\$6,988	\$10,395	\$12,382	\$9,974
23 Ruidoso		\$66,057	\$55,185	\$62,100	\$62,816	\$68,837	\$69,206	\$68,310	\$50,793	\$41,478
24 San Diego Riverside Charter School		\$18,239	\$15,898	\$13,680	\$3,131	\$9,110	\$3,912	\$3,718	\$1,607	\$1,946
25 Taos	\$66,855	\$74,975	\$35,205	\$21,600	\$28,255	\$24,099	\$23,128	\$19,800	\$22,382	\$16,407
26 Tularosa	\$22,098	\$29,395	\$20,382	\$10,800	\$12,460	\$18,554	\$21,513	\$23,760	\$17,909	\$15,682
27 Village Academy							\$5,265			
28 Walatowa Charter High School	\$5,670	\$6,614	\$7,578	\$11,970	\$4,457	\$10,661	\$9,527	\$2,390	\$2,231	\$17,498
29 Zuni	\$233,873	\$241,943	\$235,035	\$169,200	\$197,277	\$196,967	\$199,087	\$174,240	\$214,287	\$172,557
30 STATEWIDE	\$2,967,063	\$3,942,736	\$3,608,361	\$2,941,100	\$3,129,215	\$3,288,348	\$3,512,118	\$2,755,338	\$3,238,822	\$2,619,003

Data Source: PED Statbooks, compiled by LESC

APPENDIX E: IMPACT AID FOR CONSTRUCTION RECEIVED BY SCHOOL DISTRICTS AND CHARTER SCHOOLS, BY FISCAL YEAR

School District or Charter School	FY07	FY08	FY09*	FY10	FY11*	FY12	FY13	FY14	FY15	FY16
1 Central	\$611,164	\$626,395	\$56,355	\$0	\$562,874	\$511,538	\$76,033	\$8,133	\$540,701	\$25,750
2 Cuba	\$46,864	\$2,886	\$117,053	\$0	\$46,417	\$39,938	\$0	\$671	\$1,082	\$0
3 Dulce	\$75,719	\$77,514	\$187,301	\$0	\$77,101	\$72,000	\$9,423	\$1,116	\$79,351	\$1,749
4 Gallup	\$54,943	\$65,692	\$0	\$0	\$829,932	\$789,933	\$0	\$12,142	\$776,369	\$17,098
5 Jemez Valley	\$35,132	\$35,496	\$78,177	\$0	\$34,581	\$33,863	\$4,297	\$501	\$36,131	\$796
6 Walatowa Charter High School	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,316
7 Zuni	\$200,501	\$1,054,947	\$428,655	\$0	\$167,501	\$162,113	\$24,166	\$2,421	\$148,506	\$3,257
8 STATEWIDE	\$1,024,323	\$1,862,930	\$867,541	\$0	\$1,718,406	\$1,609,385	\$113,919	\$24,984	\$1,582,140	\$54,966

Data Source: PED Statbooks, Compiled by LESC

*Includes federal American Recovery and Reinvestment Act funds earmarked for construction in Impact Aid districts.

Note: The Uniform Chart of Accounts does not contain a separate fund code for Impact Aid construction payment. Instead, these funds are associated with "special federal capital outlay." LESC staff has removed two school districts (Albuquerque Public Schools and Las Cruces Public Schools) not eligible for Impact Aid construction awards because of federal requirements. Totals listed in this table may contain other special capital outlay grants from the federal government, but these are rare.





Appendix F: Federal FY18 Budget Request for Impact Aid

DEPARTMENT OF EDUCATION FISCAL YEAR 2018 PRESIDENT'S BUDGET
(dollars in thousands)

59 of 87 May 23, 2017

Category	2016 Appropriation	2017 Annualized CR	2017 Appropriation	2018 President's Budget	2018 President's Budget Compared to 2017 Annualized CR Amount	2018 President's Budget Compared to 2017 Annualized CR Percent	2018 President's Budget Compared to 2017 Appropriation Amount	2018 President's Budget Compared to 2017 Appropriation Percent
Impact Aid (ESEA VII)								
1. Payments for federally connected children (section 7003):								
(a) Basic support payments (section 7003(b))	D 1,168,233	1,166,012	1,189,233	1,166,012	0	0.00%	(23,221)	-1.95%
(b) Payments for children with disabilities (section 7003(d))	D 48,316	48,224	48,316	48,224	0	0.00%	(92)	-0.19%
Subtotal	1,216,549	1,214,236	1,237,549	1,214,236	0	0.00%	(23,313)	-1.88%
2. Facilities maintenance (section 7008)	D 4,835	4,826	4,835	4,826	0	0.00%	(9)	-0.19%
3. Construction (section 7007)	D 17,406	17,373	17,406	17,373	0	0.00%	(33)	-0.19%
4. Payments for Federal property (section 7002)	D 66,813	66,686	68,813	0	(66,686)	-100.00%	(68,813)	-100.00%
Total	D 1,305,603	1,303,121	1,328,603	1,236,435	(66,686)	-5.12%	(92,168)	-6.94%

School Improvement Programs

1. Supporting effective instruction (ESEA II):								
(a) Supporting effective instruction State grants (Part A) ^{1,2}								
Annual appropriation	D 574,396	570,108	374,389	0	(570,108)	-100.00%	(374,389)	-100.00%
Advance for succeeding fiscal year ³	D 1,681,441	1,681,441	1,681,441	0	(1,681,441)	-100.00%	(1,681,441)	-100.00%
Subtotal	D 2,255,837	2,251,549	2,055,830	0	(2,251,549)	-100.00%	(2,055,830)	-100.00%
(b) Mathematics and science partnerships (Part B; struck by P.L. 114-95)	D 152,717	152,427	0	0	(152,427)	-100.00%	0	---
2. 21st century community learning centers (ESEA IV-B)	D 1,166,673	1,164,455	1,191,673	0	(1,164,455)	-100.00%	(1,191,673)	-100.00%
3. State assessments (ESEA I-B, section 1201-1203)	D 378,000	377,281	369,100	377,281	0	0.00%	8,181	2.22%
4. Education for homeless children and youths (MVHAA Title VII-B)	D 70,000	69,867	77,000	69,867	0	0.00%	(7,133)	-9.26%
5. Native Hawaiian education (ESEA VI-B)	D 33,397	33,334	33,397	0	(33,334)	-100.00%	(33,397)	-100.00%
6. Alaska Native education (ESEA VI-C)	D 32,453	32,391	32,453	0	(32,391)	-100.00%	(32,453)	-100.00%
7. Training and advisory services (CRA IV)	D 6,575	6,563	6,575	6,563	0	0.01%	(12)	-0.18%
8. Rural education (ESEA V-B)	D 175,840	175,506	175,840	175,506	0	0.00%	(334)	-0.19%
9. Supplemental education grants (Compact of Free Association Act)	D 16,699	16,667	16,699	16,667	0	0.00%	(32)	-0.19%
10. Comprehensive centers (ETAA section 203)	D 51,445	51,347	50,000	51,347	0	0.00%	1,347	2.69%
11. Student support and academic enrichment grants (ESEA IV-A)	D ---	---	400,000	---	0	---	(400,000)	-100.00%
Total, Appropriation	D 4,339,636	4,331,387	4,408,567	697,231	(3,634,156)	-83.90%	(3,711,336)	-84.18%
Total, Budget authority	D 4,339,636	4,328,191	4,408,567	2,378,672	(1,949,519)	-45.04%	(2,029,895)	-46.04%
Current	2,658,195	2,649,946	2,727,126	697,231	(1,952,715)	-73.69%	(2,029,895)	-74.43%
Prior year's advance ³	1,681,441	1,678,245	1,681,441	1,681,441	3,196	0.19%	0	0.00%

¹ Prior to fiscal year 2017, the program was Improving Teacher Quality State Grants, as authorized by P.L. 107-110, ESEA II-A.

² Adjusted for comparability. Excludes funds in the 2016 Appropriation and 2017 Annualized CR columns for Supporting Effective Educator Development (SEED). SEED funds are requested in the Innovation and Improvement account in the 2018 President's Budget.

³ The Advance for succeeding fiscal year shown in the 2016 Appropriation column and the Prior year's advance shown in the 2017 Appropriation column reflect the final 2016 appropriation level. The Prior year's advance shown in the 2017 Annualized CR column reflects the 0.1901 percent across-the-board reduction applied to the 2016 Advance for succeeding fiscal year that was part of the 2017 Annualized CR that expired April 28, 2017.

APPENDIX G: ESTIMATES OF THE NUMBER OF FEDERALLY CONNECTED CHILDREN, FY16
(measured using average daily attendance (ADA))

School District or Charter School	Total ADA	Federally Connected Children ADA	Students that are children...					living in federally-owned low rent housing
			of civilians living and working on federal property	of civilians living or working on federal property	of military personnel living on-base	of military personnel living off-base	living on Indian land	
1 Alamogordo	5,322.6	973.8			483.3	441.0		49.5
2 Albuquerque	77,935.5	3,223.8	25.2	1,840.5	226.8	385.2	77.4	668.7
3 Bernalillo	2,623.5	1,119.6					1,060.2	59.4
4 Bloomfield	2,692.8	432.0					432.0	
5 Central Consolidated	6,093.4	4,358.5					4,358.5	
6 Clovis	7,623.0	699.3			29.7	548.1		121.5
7 Cuba	490.5	244.8					236.7	8.1
8 Dulce	624.6	601.2					601.2	
9 East Mountain High School	341.1	76.5		66.6		9.9		
10 Espanola	2,025.0	451.8		282.6	0.0	0.0	169.2	0.0
11 Gallup-McKinley	10,518.3	6,118.2				6.3	5,898.6	213.3
12 Grants-Cibola	3,318.3	805.5					805.5	
13 Jemez Mountain	221.4	90.9					90.9	
14 Jemez Valley	371.7	246.6					246.6	
15 Las Cruces	22,239.0	201.6	4.5		86.4	69.3		41.4
16 Los Alamos	3,170.7	1,592.1		1,584.0		8.1		
17 Los Lunas	7,632.9	360.9					360.9	
18 Magdalena	330.3	178.2		51.3			126.9	
19 Maxwell	98.1	8.1						8.1
20 McCurdy Charter School	475.2	118.8		92.7		0.9	25.2	
21 Penasco	295.2	64.8		35.1			25.2	4.5
22 Pojoaque Valley	1,738.8	664.2		325.8			338.4	
23 Portales	2,507.4	140.4				133.2		7.2
24 Raton	911.7	81.0						81.0
25 Ruidoso	1,817.1	288.0					288.0	
26 SW Aeronautics, Math and Science	251.1	36.9		33.3		3.6		
27 Southwest Intermediate	100.8	17.1		15.3		1.8		
28 Southwest Primary	94.5	1.8				1.8		
29 Southwest Secondary	242.1	38.7		37.8		0.9		
30 Taos	2,603.7	126.0					82.8	43.2
31 Tularosa	857.7	265.5		99.0		9.9	156.6	
32 Walatowa High Charter	49.5	49.5		5.4			44.1	
33 Zuni	1,204.2	1,202.4					1,202.4	
34 TOTAL	166,821.7	24,878.5	29.7	4,469.4	826.2	1,620.0	16,627.3	1,305.9

Data Source: National Association of Federally Impacted Schools (NAFIS), Blue Book, "Section 8003, Basic Support," compiled by LESC

NOTE: Estimates reported by NAFIS are based on preliminary data from the U.S. Department of Education. The federal government measures student numbers by "average daily attendance" which differs from student membership as reported by PED.



APPENDIX H: FY16 SCHOOL DISTRICT AND CHARTER SCHOOL PROGRAM COST AND REVENUE PER FUNDED MEM

SCHOOL DISTRICT OR CHARTER SCHOOL	PROGRAM COST	PROGRAM COST PER MEM	PROGRAM COST PER MEM RANK	PROGRAM COST + 25% OF IMPACT AID, FOREST RESERVE, AND LOCAL TAXES	REVENUE PER MEM	REVENUE PER MEM RANK
1 ABQ Charter Academy	\$2,696,058	\$9,460	93	\$2,696,058	\$9,460	95
2 Academy for Technology and the Classics	\$2,611,645	\$7,295	161	\$2,611,645	\$7,295	164
3 Academy of Trades and Technology	\$1,778,072	\$13,470	20	\$1,778,072	\$13,470	21
4 ACE	\$3,416,647	\$9,947	77	\$3,416,647	\$9,947	79
5 AIMS @ UNM	\$2,831,706	\$7,769	137	\$2,831,706	\$7,769	138
6 Alamogordo	\$39,764,868	\$6,882	176	\$40,131,234	\$6,946	175
7 Albuquerque	\$636,877,098	\$7,463	153	\$638,186,303	\$7,478	154
8 Albuquerque School of Excellence	\$2,311,127	\$7,665	142	\$2,311,127	\$7,665	142
9 Albuquerque Sign Language Academy	\$1,952,801	\$20,774	5	\$1,952,801	\$20,774	6
10 Albuquerque Talent Development	\$1,770,521	\$11,100	52	\$1,770,521	\$11,100	54
11 Aldo Leopold Charter School	\$1,577,165	\$11,186	48	\$1,577,165	\$11,186	50
12 Alice King Community School	\$2,205,690	\$6,644	179	\$2,205,690	\$6,644	179
13 Alma D' Arte Charter High School	\$1,888,759	\$9,686	85	\$1,888,759	\$9,686	86
14 Amy Biehl Charter High School	\$3,273,642	\$11,041	54	\$3,273,642	\$11,041	56
15 Anansi Charter School	\$1,446,859	\$9,275	96	\$1,446,859	\$9,275	99
16 Animas	\$2,252,309	\$15,506	13	\$2,259,677	\$15,557	15
17 Anthony Charter School	\$848,582	\$12,761	25	\$848,582	\$12,761	26
18 Artesia	\$27,957,215	\$7,245	164	\$28,167,556	\$7,299	163
19 ASK Academy	\$3,060,683	\$9,374	94	\$3,060,683	\$9,374	96
20 Aztec	\$21,475,981	\$6,994	174	\$21,536,767	\$7,014	174
21 Bataan Military Academy Charter	\$862,722	\$11,900	34	\$862,722	\$11,900	35
22 Belen	\$30,229,758	\$7,355	156	\$30,275,140	\$7,366	159
23 Bernalillo	\$23,817,795	\$8,139	124	\$24,760,631	\$8,461	120
24 Bloomfield	\$21,789,536	\$7,270	163	\$22,016,933	\$7,346	160
25 Capitan	\$4,407,572	\$9,240	97	\$4,445,483	\$9,320	97
26 Carinos De Los Ninos	\$1,233,395	\$11,747	36	\$1,233,395	\$11,747	38
27 Carlsbad	\$51,867,854	\$8,232	122	\$52,131,111	\$8,274	125
28 Carrizozo	\$1,893,890	\$13,152	23	\$1,902,963	\$13,215	24
29 Central	\$46,998,849	\$7,779	135	\$52,770,657	\$8,734	114
30 Cesar Chavez Community School	\$2,074,459	\$10,194	70	\$2,074,459	\$10,194	71
31 Chama Valley	\$4,449,540	\$11,686	38	\$4,488,209	\$11,788	37
32 Christine Duncan's Heritage Academy	\$1,849,705	\$8,370	118	\$1,849,705	\$8,370	121
33 Cien Aguas International School	\$2,746,671	\$7,859	132	\$2,746,671	\$7,859	136
34 Cimarron	\$4,175,369	\$11,031	55	\$4,220,954	\$11,152	51
35 Clayton	\$4,730,854	\$9,887	80	\$4,745,472	\$9,917	81
36 Cloudcroft	\$3,682,618	\$10,366	66	\$3,700,805	\$10,417	66
37 Clovis	\$58,835,921	\$7,100	172	\$58,948,134	\$7,114	171
38 Cobre	\$12,318,606	\$9,958	76	\$12,337,629	\$9,974	77
39 Coral Community Charter	\$1,355,723	\$8,343	121	\$1,355,723	\$8,343	124
40 Corona	\$1,488,363	\$20,529	6	\$1,496,762	\$20,645	7
41 Corrales International School	\$2,402,691	\$9,592	88	\$2,402,691	\$9,592	89
42 Cottonwood Classical Preparatory School	\$4,347,978	\$6,700	178	\$4,347,978	\$6,700	178

APPENDIX H: FY16 SCHOOL DISTRICT AND CHARTER SCHOOL PROGRAM COST AND REVENUE PER FUNDED MEM

SCHOOL DISTRICT OR CHARTER SCHOOL	PROGRAM COST	PROGRAM COST PER MEM	PROGRAM COST PER MEM RANK	PROGRAM COST + 25% OF IMPACT AID, FOREST RESERVE, AND LOCAL TAXES	REVENUE PER MEM	REVENUE PER MEM RANK
43 Cottonwood Valley Charter School	\$1,303,285	\$7,689	141	\$1,303,285	\$7,689	141
44 Creative Education Preparatory Institute #1	\$2,026,664	\$11,483	42	\$2,026,664	\$11,483	43
45 Cuba	\$5,647,270	\$10,212	69	\$5,873,705	\$10,622	61
46 DEAP	\$230,915	\$10,040	74	\$230,915	\$10,040	76
47 Deming	\$38,099,934	\$7,293	162	\$38,167,592	\$7,306	162
48 Deming Cesar Chavez Charter High School	\$1,383,818	\$10,483	62	\$1,383,818	\$10,483	63
49 Des Moines	\$1,528,341	\$18,469	8	\$1,531,875	\$18,512	9
50 Dexter	\$8,118,906	\$8,344	120	\$8,126,538	\$8,352	122
51 Digital Arts and Technology Academy	\$2,447,470	\$7,660	143	\$2,447,470	\$7,660	143
52 Dora	\$2,840,464	\$11,535	41	\$2,844,594	\$11,552	42
53 Dream Dine'	\$482,184	\$17,859	9	\$482,184	\$17,859	11
54 Dulce	\$6,287,758	\$9,179	100	\$7,152,654	\$10,442	65
55 East Mountain High School	\$2,654,942	\$7,344	159	\$2,664,706	\$7,371	158
56 El Camino Real Academy	\$2,884,694	\$8,573	113	\$2,884,694	\$8,573	116
57 Elida	\$1,631,376	\$14,064	18	\$1,634,046	\$14,087	19
58 Espanola	\$30,062,571	\$7,964	130	\$30,424,803	\$8,060	131
59 Estancia	\$6,884,743	\$9,592	87	\$6,903,355	\$9,618	88
60 Estancia Valley Classical Academy	\$2,378,788	\$5,999	185	\$2,378,788	\$5,999	186
61 Eunice	\$6,170,332	\$8,389	116	\$6,257,399	\$8,508	118
62 Explore Academy	\$2,397,232	\$11,255	47	\$2,397,232	\$11,255	48
63 Farmington	\$75,912,232	\$6,904	175	\$76,050,747	\$6,917	176
64 Floyd	\$2,539,882	\$11,571	40	\$2,542,054	\$11,581	41
65 Fort Sumner	\$3,469,558	\$11,781	35	\$3,477,631	\$11,809	36
66 Gadsden	\$101,132,906	\$7,503	150	\$101,224,276	\$7,510	151
67 Gallup	\$85,721,751	\$7,694	140	\$93,002,805	\$8,347	123
68 Gilbert L. Sena Charter School	\$1,873,932	\$10,863	57	\$1,873,932	\$10,863	58
69 Gordon Bernell Charter School	\$2,726,652	\$7,185	167	\$2,726,652	\$7,185	167
70 Grady	\$1,682,797	\$13,516	19	\$1,684,077	\$13,527	20
71 Grants/Cibola	\$28,892,782	\$8,087	125	\$29,464,466	\$8,247	126
72 Hagerman	\$4,307,100	\$9,477	92	\$4,311,104	\$9,485	94
73 Hatch	\$9,450,725	\$7,399	154	\$9,459,978	\$7,407	156
74 Health Leadership High School	\$2,408,809	\$14,467	16	\$2,408,809	\$14,467	18
75 Hobbs	\$66,558,251	\$6,827	177	\$66,710,211	\$6,843	177
76 Hondo Valley	\$1,909,355	\$14,465	17	\$1,916,927	\$14,522	17
77 Horizon Academy West	\$2,928,390	\$6,450	183	\$2,928,390	\$6,450	183
78 House	\$1,495,175	\$21,059	4	\$1,504,793	\$21,194	5
79 International School @ Mesa Del Sol	\$2,361,785	\$10,474	63	\$2,361,785	\$10,474	64
80 J. Paul Taylor	\$1,358,206	\$7,092	173	\$1,358,206	\$7,092	173
81 Jal	\$3,965,741	\$8,349	119	\$4,076,970	\$8,583	115
82 Jefferson Montessori Academy	\$1,884,002	\$10,184	71	\$1,884,002	\$10,184	72
83 Jemez Mountain	\$2,895,026	\$12,038	31	\$3,001,164	\$12,479	29
84 Jemez Valley	\$3,384,200	\$10,726	58	\$3,678,231	\$11,658	39



APPENDIX H: FY16 SCHOOL DISTRICT AND CHARTER SCHOOL PROGRAM COST AND REVENUE PER FUNDED MEM

	SCHOOL DISTRICT OR CHARTER SCHOOL	PROGRAM COST	PROGRAM COST PER MEM	PROGRAM COST PER MEM RANK	PROGRAM COST + 25% OF IMPACT AID, FOREST RESERVE, AND LOCAL TAXES	REVENUE PER MEM	REVENUE PER MEM RANK	
85	La Academia de Esperanza	\$4,143,107	\$11,093	53	\$4,143,107	\$11,093	55	85
86	La Academia Dolores Huerta	\$1,422,544	\$8,891	107	\$1,422,544	\$8,891	108	86
87	La Jicarita Community School	\$314,666	\$9,121	105	\$314,666	\$9,121	106	87
88	La Promesa Early Learning Center	\$2,777,201	\$7,516	148	\$2,777,201	\$7,516	148	88
89	La Resolana Leadership Academy	\$841,330	\$10,387	64	\$841,330	\$10,387	67	89
90	La Tierra Montessori School of the Arts & Sciences	\$1,092,328	\$11,261	46	\$1,092,328	\$11,261	47	90
91	Lake Arthur	\$1,762,377	\$15,596	12	\$1,768,248	\$15,648	13	91
92	Las Cruces	\$181,246,268	\$7,538	146	\$181,545,547	\$7,551	146	92
93	Las Montañas Charter School	\$1,743,832	\$9,529	90	\$1,743,832	\$9,529	92	93
94	Las Vegas City	\$14,178,935	\$8,517	114	\$14,231,494	\$8,549	117	94
95	Lindrith Area Heritage Charter School	\$291,081	\$11,643	39	\$291,081	\$11,643	40	95
96	Logan	\$3,059,036	\$10,300	67	\$3,066,706	\$10,326	69	96
97	Lordsburg	\$4,897,940	\$9,996	75	\$4,923,141	\$10,047	75	97
98	Los Alamos	\$27,042,015	\$7,776	136	\$27,161,517	\$7,811	137	98
99	Los Lunas	\$59,313,223	\$7,211	166	\$59,403,344	\$7,222	166	99
100	Los Puentes Charter School	\$2,214,589	\$11,357	44	\$2,214,589	\$11,357	45	100
101	Loving	\$5,285,035	\$9,160	102	\$5,304,841	\$9,194	101	101
102	Lovington	\$29,752,557	\$8,055	128	\$29,830,894	\$8,076	130	102
103	Magdalena	\$4,151,570	\$11,695	37	\$4,287,490	\$12,077	33	103
104	MASTERS Program	\$1,940,837	\$9,827	81	\$1,940,837	\$9,827	82	104
105	Maxwell	\$1,713,512	\$15,613	11	\$1,716,345	\$15,639	14	105
106	McCurdy Charter School	\$3,146,623	\$5,920	186	\$3,311,461	\$6,230	184	106
107	Media Arts Collaborative Charter School	\$2,316,930	\$10,367	65	\$2,316,930	\$10,367	68	107
108	Melrose	\$2,154,366	\$10,283	68	\$2,158,123	\$10,301	70	108
109	Mesa Vista	\$3,830,953	\$11,104	51	\$3,845,648	\$11,147	52	109
110	Middle College High School	\$947,502	\$13,440	21	\$947,502	\$13,440	22	110
111	Mission Achievement and Success	\$5,110,883	\$9,763	82	\$5,110,883	\$9,763	83	111
112	Monte Del Sol Charter School	\$3,207,508	\$8,997	106	\$3,207,508	\$8,997	107	112
113	Montessori Elementary School	\$2,388,168	\$6,116	184	\$2,388,168	\$6,116	185	113
114	Montessori of the Rio Grande	\$1,405,799	\$6,463	182	\$1,405,799	\$6,463	182	114
115	Mora	\$4,408,456	\$9,896	79	\$4,432,334	\$9,949	78	115
116	Moreno Valley High School	\$874,468	\$11,431	43	\$874,468	\$11,431	44	116
117	Moriarty	\$18,284,563	\$7,243	165	\$18,368,575	\$7,276	165	117
118	Mosaic Academy Charter	\$1,343,606	\$7,485	151	\$1,343,606	\$7,485	153	118
119	Mosquero	\$1,286,851	\$29,414	1	\$1,297,548	\$29,658	1	119
120	Mountain Mahogany Community School	\$1,604,202	\$7,769	138	\$1,604,202	\$7,769	139	120
121	Mountainair	\$3,128,719	\$12,294	28	\$3,103,833	\$12,196	31	121
122	Native American Community Academy	\$2,854,427	\$7,592	145	\$2,858,340	\$7,602	145	122
123	New America School	\$2,717,240	\$7,394	155	\$2,717,240	\$7,394	157	123
124	New America School - Las Cruces	\$2,160,313	\$8,872	108	\$2,160,313	\$8,872	109	124
125	New Mexico Connections Academy	\$7,532,172	\$9,293	95	\$7,532,172	\$9,293	98	125
126	New Mexico International School	\$1,498,486	\$7,346	158	\$1,498,486	\$7,346	161	126

APPENDIX H: FY16 SCHOOL DISTRICT AND CHARTER SCHOOL PROGRAM COST AND REVENUE PER FUNDED MEM

	SCHOOL DISTRICT OR CHARTER SCHOOL	PROGRAM COST	PROGRAM COST PER MEM	PROGRAM COST PER MEM RANK	PROGRAM COST + 25% OF IMPACT AID, FOREST RESERVE, AND LOCAL TAXES	REVENUE PER MEM	REVENUE PER MEM RANK	
127	New Mexico School for the Arts	\$2,088,958	\$10,685	60	\$2,088,958	\$10,685	60	127
128	New Mexico Virtual Academy	\$2,947,356	\$5,918	187	\$2,947,356	\$5,918	187	128
129	North Valley Academy	\$2,866,706	\$5,917	188	\$2,866,706	\$5,917	188	129
130	Nuestros Valores Charter School	\$1,531,910	\$12,015	33	\$1,531,910	\$12,015	34	130
131	Pecos	\$5,654,526	\$9,552	89	\$5,670,510	\$9,579	91	131
132	Penasco	\$4,134,119	\$12,035	32	\$4,155,861	\$12,099	32	132
133	Pojoaque Valley	\$14,035,239	\$7,349	157	\$14,312,045	\$7,494	152	133
134	Portales	\$20,977,428	\$7,631	144	\$21,009,911	\$7,643	144	134
135	Public Academy for Performing Arts	\$2,962,643	\$8,084	126	\$2,962,643	\$8,084	129	135
136	Quemado	\$1,836,696	\$14,606	15	\$2,095,566	\$16,665	12	136
137	Questa	\$3,879,438	\$11,148	49	\$3,912,601	\$11,243	49	137
138	Raton	\$8,872,826	\$9,157	103	\$8,896,357	\$9,181	103	138
139	Red River Valley Charter School	\$740,362	\$8,762	111	\$740,362	\$8,762	113	139
140	Reserve	\$2,052,231	\$16,033	10	\$2,314,984	\$18,086	10	140
141	Rio Gallinas School	\$882,176	\$9,486	91	\$882,176	\$9,486	93	141
142	Rio Rancho	\$119,222,987	\$7,106	170	\$119,446,630	\$7,119	169	142
143	Robert F. Kennedy Charter School	\$2,964,795	\$10,920	56	\$2,964,795	\$10,920	57	143
144	Roots and Wings Community School	\$512,076	\$12,490	27	\$512,076	\$12,490	28	144
145	Roswell	\$72,228,447	\$7,104	171	\$72,328,629	\$7,114	172	145
146	Roy	\$1,280,629	\$24,627	2	\$1,282,023	\$24,654	2	146
147	Ruidoso	\$14,751,338	\$7,339	160	\$14,960,579	\$7,443	155	147
148	Sage Montessori Charter School	\$1,432,557	\$6,512	181	\$1,432,557	\$6,512	181	148
149	San Diego Riverside Charter School	\$896,784	\$9,695	84	\$896,784	\$9,695	85	149
150	San Jon	\$1,856,125	\$12,980	24	\$1,857,940	\$12,993	25	150
151	Sandoval Academy (SABE)	\$422,345	\$10,056	73	\$422,345	\$10,056	74	151
152	Santa Fe	\$97,886,301	\$7,485	152	\$98,274,402	\$7,514	149	152
153	Santa Rosa	\$6,098,012	\$9,726	83	\$6,110,474	\$9,746	84	153
154	School of Dreams Academy	\$2,911,993	\$7,724	139	\$2,911,993	\$7,724	140	154
155	Sidney Gutierrez Middle School	\$663,431	\$10,700	59	\$663,431	\$10,700	59	155
156	Silver City	\$23,416,390	\$8,075	127	\$23,576,829	\$8,130	128	156
157	Socorro	\$12,651,850	\$7,823	133	\$12,748,289	\$7,883	134	157
158	South Valley Academy	\$5,023,861	\$9,168	101	\$5,023,861	\$9,168	104	158
159	South Valley Preparatory School	\$1,219,958	\$7,948	131	\$1,219,958	\$7,948	133	159
160	Southwest Intermediate Learning Center	\$993,238	\$8,868	109	\$993,654	\$8,872	110	160
161	Southwest Primary Learning Center	\$863,420	\$8,223	123	\$864,024	\$8,229	127	161
162	Southwest Secondary Learning Center	\$2,547,263	\$9,630	86	\$2,551,729	\$9,647	87	162
163	Springer	\$2,262,424	\$12,728	26	\$2,266,930	\$12,753	27	163
164	SW Aeronautics, Mathematics and Science Academy	\$2,223,540	\$7,998	129	\$2,226,748	\$8,010	132	164
165	Taos	\$18,671,703	\$7,811	134	\$18,816,025	\$7,871	135	165
166	Taos Academy	\$2,254,482	\$11,106	50	\$2,254,482	\$11,106	53	166
167	Taos Integrated School of the Arts	\$1,135,605	\$6,622	180	\$1,135,605	\$6,622	180	167
168	Taos International School	\$1,334,476	\$14,746	14	\$1,334,476	\$14,746	16	168



APPENDIX H: FY16 SCHOOL DISTRICT AND CHARTER SCHOOL PROGRAM COST AND REVENUE PER FUNDED MEM

	SCHOOL DISTRICT OR CHARTER SCHOOL	PROGRAM COST	PROGRAM COST PER MEM	PROGRAM COST PER MEM RANK	PROGRAM COST + 25% OF IMPACT AID, FOREST RESERVE, AND LOCAL TAXES	REVENUE PER MEM	REVENUE PER MEM RANK	
169	Taos Municipal Charter School	\$1,515,432	\$7,115	169	\$1,515,432	\$7,115	170	169
170	Tatum	\$3,831,724	\$10,137	72	\$3,843,083	\$10,167	73	170
171	Technology Leadership	\$971,075	\$12,292	29	\$971,075	\$12,292	30	171
172	Texico	\$5,165,744	\$9,229	98	\$5,175,216	\$9,246	100	172
173	The Great Academy	\$2,303,020	\$10,564	61	\$2,303,020	\$10,564	62	173
174	Tierra Adentro	\$2,642,082	\$11,315	45	\$2,642,082	\$11,315	46	174
175	Tierra Encantada Charter School	\$2,642,998	\$9,917	78	\$2,642,998	\$9,917	80	175
176	Truth or Consequences	\$11,036,895	\$8,384	117	\$11,147,529	\$8,468	119	176
177	Tucumcari	\$8,343,049	\$8,817	110	\$8,355,697	\$8,830	111	177
178	Tularosa	\$7,955,845	\$8,655	112	\$8,072,041	\$8,781	112	178
179	Turquoise Trail Elementary	\$3,305,734	\$7,155	168	\$3,305,734	\$7,155	168	179
180	Twenty-First Century Charter	\$1,889,465	\$7,513	149	\$1,889,465	\$7,513	150	180
181	Uplift Community School	\$1,274,435	\$7,519	147	\$1,274,435	\$7,519	147	181
182	Vaughn	\$1,661,599	\$19,722	7	\$1,668,163	\$19,800	8	182
183	Vista Grande High School	\$1,126,993	\$13,337	22	\$1,126,993	\$13,337	23	183
184	Wagon Mound	\$1,439,175	\$21,972	3	\$1,445,300	\$22,066	4	184
185	Walatowa Charter High School	\$714,452	\$12,213	30	\$1,372,926	\$23,469	3	185
186	West Las Vegas	\$13,089,251	\$9,129	104	\$13,135,371	\$9,162	105	186
187	William W. & Josephine Dorn Charter Comm School	\$532,567	\$9,182	99	\$532,567	\$9,182	102	187
188	Zuni	\$10,804,648	\$8,397	115	\$12,339,371	\$9,590	90	188
189	STATEWIDE	\$2,560,699,284	\$7,714		\$2,586,557,181	\$7,792		189

Data Source: Final FY16 Funded Run, PED Statbook; compiled by LESC

Note: For charter schools receiving Impact Aid in FY16, 100 percent of Impact Aid revenue is included because no credit was taken for charter school Impact Aid receipts.

IMPACT AID OVERVIEW

(TITLE VII - EVERY STUDENT SUCCEEDS ACT)

The Federal government is exempt from paying taxes on its property. Therefore, Federal property located within a community imposes a financial burden on local taxpayers. Congress created the Impact Aid Program to reimburse school districts for lost local tax revenue.

Examples of Federal impactation:

- Military installations
- Indian Trust, Treaty, Alaska Native Claims Settlement Act lands
- Federal low-rent housing facilities
- Civil service activities (VA hospitals, Federal laboratories, national parks, etc.)

Federal impactation:

- Causes a loss of local tax revenue due to the presence of **Federal property**.
- Results in additional costs due to the enrollment of **federally connected children**.

Impact Aid:

- Makes up for lost tax revenues.
- Levels the playing field for Federally impacted school districts.

Impact Aid funds are efficient, flexible, and locally controlled.



Impact Aid funds are appropriated annually by Congress. The US Department of Education disburses the funding directly to school districts.



School district leaders decide how Impact Aid funds are spent, including for instructional materials, staff, transportation, technology, facility needs, etc.

Impact Aid:



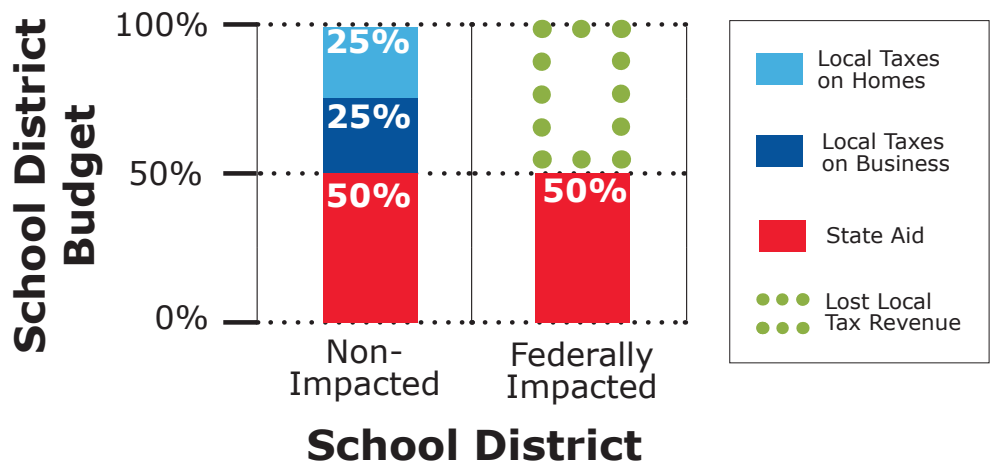
\$1.4 billion



1,200 school districts educating



10 million students



Program Section	Description	FY20
7002 Federal Property	School districts with a large percentage of Federal property (VA hospitals, Federal laboratories, national parks, etc.).	\$75,313,000
7003 Basic Support	School districts that educate federally connected students: Indian Lands, Military on/off base, Civilian on/off base, Low Rent Housing.	\$1,340,242,000
7003(d) Disabilities	Payments for Military and Indian Lands students with disabilities for IDEA eligible activities.	\$48,316,000
7007 Construction	Payments for construction allocated by formula and competitive grants.	\$17,406,000
7008 Facilities	Payments for updates to facilities owned by the US Department of Education.	\$4,835,000

Total: \$1,486,112,000

Contact Information:

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IS YOUR SCHOOL DISTRICT ELIGIBLE FOR IMPACT AID FUNDING?

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Impact Aid reimburses school districts for revenue lost due to the presence of nontaxable federal property (such as military installations, Indian lands, federal low-income housing, and national parks).

WHAT TYPE OF IMPACT AID FUNDING IS AVAILABLE?

Approximately 1,300 federally impacted school districts receive Impact Aid funding in the form of **Basic Support payments** (Section 7003), **Federal Property payments** (Section 7002), or **both**.

SECTION 7002 FEDERAL PROPERTY



Section 7002 reimburses school districts that have lost significant local revenue due to **federal ownership of land within school district boundaries**.

Eligible federal property includes (but is not limited to):

- National parks and grasslands
- National laboratories
- Army Corps of Engineers projects
- Military testing grounds
- Environmental waste sites

To be eligible, the property must meet ALL FOUR of the following criteria:

- 01** Acquired by the federal government after 1938;
- 02** Was 10% or more of the assessed value of taxable property in the district;
- 03** Not exchanged for other federal property; and,
- 04** Revenue from federal activities on the property do not substantially compensate the school district.

SECTION 7003 BASIC SUPPORT



Section 7003 compensates school districts for **educating students whose parents or legal guardians reside and/or work on federal property**.

To be eligible, the school district must EITHER:

- A.** Educate at least **400** federally connected students in average daily attendance (ADA); **OR,**
- B.** Federally connected students represent at least **three percent** of the school district's ADA.


Federally connected students are those who:

- Reside on federal property with a parent who is
 - employed on federal property
 - on active duty in the uniformed services
- Reside on Indian lands
- Reside in federal low-income housing (not Section 8)
- Have a parent who
 - is on active duty in the uniformed services but does not reside on federal property
 - either resides on federal property or works on federal property (note: these students are only counted for Impact Aid if there are either 1,000 in or 10% of the school district's ADA)

Property must be verified by the U.S. Department of Education as federally owned.

THINK YOUR SCHOOL MIGHT BE ELIGIBLE?

Contact the National Association of Federally Impacted Schools (NAFIS) to learn more about Impact Aid.

 202-624-5455

 info@nafisdc.org