

Public School Facilities Authority – Agency 94000
Fiscal Year 2022 Budget Request
Legislative Finance Committee

October 1, 2020

Presenters:

Jonathan Chamblin, Executive Director

Randy Evans, CFO

Partnering with New Mexico's communities to provide quality, sustainable school facilities for our students and educators.

PSCOC and PSFA Background

- Current public school capital funding process was developed and established in response to the 1998 Zuni lawsuit.
- Public School Facilities Authority (PSFA) was created in 2003 as a permanent State agency to staff the Public School Capital Outlay Council (PSCOC) pursuant to the Public School Capital Outlay Act, Section 22-24-9 NMSA 1978.
- PSCOC makes awards and manages the allocation of funding from the Public School Capital Outlay Fund (PSCOF) for capital projects in public school facilities in New Mexico's 89 school districts and 2 special schools.
- PSFA's operating budget is drawn from "other state funds," the PSCOF.
- PSFA's operating budget is not drawn from the general fund.

Four Primary Functions of PSFA

Staff to PSCOC

Role defined by NM Administrative Code.

Provide research and analysis to decision-makers on PSCOC.

Funding Administration

Distribution of state funding to all school districts in compliance with statute for capital projects and expenditures.

Project Management

Partner with school districts on planning, design, and construction projects (including internet technology, building system, and security projects) to provide project management support and technical expertise.

Facility Information Management

Assess, gather, and organize facility information for all schools in NM.

Calculate the wNMCI score to produce the statewide ranking of public schools.

Assist districts in monitoring and improving maintenance and energy performance.

Services provided to school districts for capital projects

PSFA FY22 Operating Budget Request

- FY22 operating budget request is \$5,933,900.
- 50 FTE authorized: 49.0 PERM, 1.0 TEMP.
- PSFA plans to fill up to 48 FTE in FY22.
- Budgeted vacancy savings of 4.0%, or 2 unfilled FTE positions in FY22.
- With the statutory budget cap applied in FY20 (July 2019-June 2020), PSFA operated at a reduced staffing level, with a maximum budgeted staffing level of approximately 44 FTE.
- In FY21, PSFA has an approved budget for up to 48 FTE, with this level of staffing carrying forward into FY22.
- Current staffing at the beginning of FY21: 38 FTE.

PSCOC Funding Programs Summary 2010 – 2020

Year	Number of Awards	Number of Programs	Total State Funding
FY11	138	3	\$273.1 M
FY12	144	4	\$91.1 M
FY13	163	5	\$156.4 M
FY14	163	4	\$226.0 M
FY15	145	4	\$108.5 M
FY16	127	3	\$171.0 M
FY17	124	3	\$81.8 M
FY18	131	4	\$87.0 M
FY19	370	5	\$106.7 M
FY20	267	8	\$128.9 M
FY21	90	6	\$222.4 M
Averages *	169	4	\$143 M

Low years

High years (surge)

* FY11 – FY18 average number of awards per year = 141.

PSFA Operating Budget FY21 – FY22

(dollars in millions)

A	B	C	D	E	F	G	H
Year	Total of All Categories	Category 200	Category 300	Category 400	Category 400 Software Cost	Total of All Categories (excluding software)	Budgeted FTE
FY21*	\$ 5,788.99	\$ 4,315.90	\$ 109.70	\$ 826.70	\$ 536.69	\$ 5,252.30	48
FY22	\$ 5,933.90	\$ 4,505.00	\$ 110.90	\$ 1,318.00	<i>Included in 400</i>	\$ 5,933.90	48

* Software cost moved out of 94300 (Operational Fund) and into 94700 (Projects Fund).

Percentage Change Year-to-Year (Total of All Categories - Column B)		
FY21 to FY22	2.50%	In FY20, the operating budget was held down to no more than \$4,688.00 M (excluding the software cost), due to the required statutory budget cap. To avoid forced staff reductions below 44 FTE in FY20, PSCOC approved paying for the category 400 operating software directly from the Capital Outlay Fund (94700) and PSFA made sharp, short-term cuts to category 300. In order to begin staffing back up to 48 FTE in FY21, PSCOC again approved paying for the annual software cost from the Fund (94700), rather than out of the agency operating budget. The request for FY22 represents a continuation of the staffing level approved fro FY21.

PSFA Operating Budget History

(dollars in millions)

	Budgeted	Expended	Reversion to PSCOF	Percent	Authorized FTE	Average FTE
FY03	2,100.0	1,917.2	182.8	9%	25	21
FY04	4,778.0	4,020.1	757.9	16%	37	34
FY05	4,651.1	4,191.2	459.9	10%	46	42
FY06	5,313.1	4,509.2	803.9	15%	55	49
FY07	6,022.4	5,306.7	715.7	12%	55	50
FY08	6,018.7	5,184.7	834.0	14%	55	49
FY09	6,362.4	5,245.7	1,116.7	18%	55	48
FY10	6,178.6	5,513.5	665.1	11%	54	47
FY11	6,031.3	5,458.3	573.0	10%	51	45
FY12	5,656.4	5,507.3	149.1	3%	50	46
FY13	5,523.6	5,227.1	296.5	5%	50	44
FY14	5,594.0	5,103.7	490.3	9%	53	44
FY15	5,913.0	5,345.2	567.8	10%	56	46
FY16	6,132.5	5,614.7	517.8	8%	56	51
FY17	6,039.7	5,555.3	484.4	8%	56	53
FY18	5,647.4	5,158.9	488.5	9%	55	47
FY19	5,171.8	5,073.5	98.3	2%	50	47
FY20*	5,238.0**	5,238.0	0.0	0%	50	43
FY21*	5,788.9**	N/A	N/A	N/A	50	38
FY22	5,933.9	N/A	N/A	N/A	50	N/A

* FY20 and FY21 operating budgets were capped by the statutorily defined budget limit. Approx. \$550.0 in operational cost for required computer software was removed from the operating budget in FY20 and FY21. This cost was paid directly from the PSCOF.

**FY20 and FY21 operating budgets, excluding the required software cost:

- FY20: 4,688.0
- FY21: 5,377.0