

Public Charter Schools and Facilities:

Why SB318 Provides a Path Forward to Meet the
Needs of Families

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Agenda

1. Charter Schools 101
2. Facilities: the largest barrier for charter schools
3. Senate Bill 318 makes foundational adjustments to facility realities for charter schools



Charter School Basics

- Charter schools have been a part of New Mexico's public school system since 1993
- There are 99 charter schools in the state
- Over 29,000 students attend charter schools
 - About the same as Las Cruces Public Schools
 - Median charter school population is ~225 students.

Charter School Basics

In New Mexico, charter schools are:

- Free public schools that are free to any student that chooses to attend
 - New Mexico state law explicitly prohibits private, for-profit charter schools
- Governed independently, with high accountability provided by authorizers (the PEC or school district)
- Committed, through a public contract with their authorizer, to specific academic, financial and organizational performance
- Funded the same way as traditional district schools
- Use mission-driven educational methods to meet the needs of the learners that are unique to their community



Charter School Basics

- Charter Schools Participate in the grand bargain of enhanced autonomy and accountability
- *Autonomy:* Charter schools have the ability to choose their own calendar and length of day, staffing patterns, subject areas, textbooks, teacher evaluation and school principal duties.
- *Accountability:* Charter schools are held accountable for their performance, which is rooted in the contract they sign with their authorizer. A charter must meet or approach their goals or risk closure.
 - Since 2015, 12 charter schools have been closed by their authorizer

Charter School Basics

- Charter schools have blazed a trail for what is possible in New Mexico education
- New Mexico charter schools offered the first comprehensive, school-based programming for:
 - Performing Arts
 - Project-based learning
 - STEM
 - Blended learning
 - Early college high schools
 - Virtual learning
 - International Baccalaureate
 - Incorporating New Mexican language and culture
 - College Prep

New Mexico Charter Schools are Public, Through and Through

- New Mexico charter schools are not non-profits like most other states, but entities of the state or school district that authorizes them
 1. The same full oversight a school district has financially
 2. Follow the school personnel act
 3. Elevated oversight by state/school district in operations
- Charter schools are open to any and all students, free of charge
- New Mexico Charter Schools are led by local educators that saw the need for something different in their communities



Facility Issues for Charter Schools

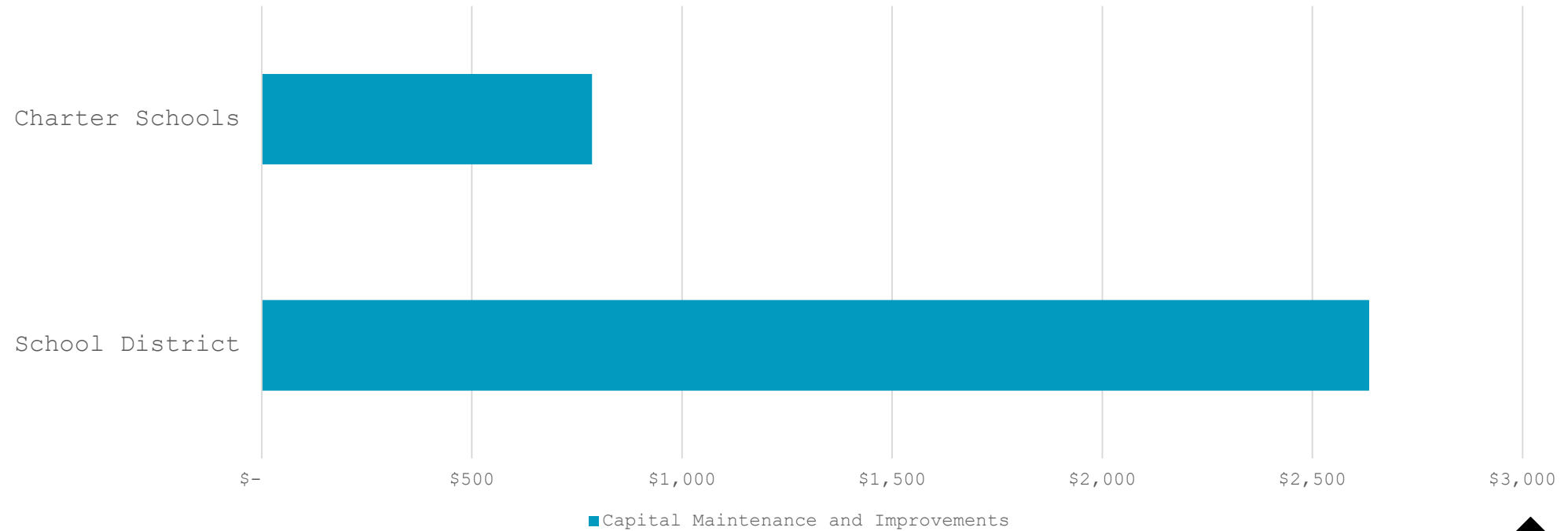
- Charter schools are public entities without public financing for facilities
- Lease assistance is the only facility funding mechanism, which creates incentives not aligned with best interest of state funds
 - Lease Assistance only funds 80% of lease costs
- The foundation of facility funding is shaky:
 - Lease assistance has been subjected to changing policy to cut assistance by the Public School Capital Outlay Council
 - Some payment calculations don't include bathrooms or hallways
- There is no way to determine whether districts are offering available space to charter schools



Facility Issues for Charter Schools

- School districts are receiving 3x more funding per student for facilities

School Districts Receive More State Funding per Student for facilities than Charter Schools - 2018



Senate Bill 318 Changes This

Creates a set aside fund for the Public Project Revolving Fund for charter schools

- The fund won't impact credit rating on the Fund, but gives charter schools full benefits of it (low rates)

Public Land and Facilities will be offered to charter schools with enforcement on the law

Provide for Lease Assistance @ \$700 per student, with no square footage measurements

Eases the process by which charter schools join on mill levy questions within their school district.



SB318 - Charter School Facilities Bill

Why is this needed?

Charter schools are underfunded when it comes to facility funding. The mechanisms schools are funded with (lease assistance) only covers 80% of facilities. That means schools must use operational funding meant for students to pay for buildings.

Short-term Risk with no long-term options. Despite great funding inequity between charter schools and traditional public schools in facility funding, charter schools face regular threats to have their meager facility funding cut.

Currently, there are two ways for schools to be funded: on a per-student basis or based on square footage. Square footage calculations do not count hallways or bathrooms.

There is no viable state mechanism to help charter schools build facilities. As a result, charter schools must consult with private banks – most of which are outside of New Mexico – to finance a facility purchase.

Charter schools are public schools. They should have public financing for their facilities.

Many charter schools have large waiting lists of families eager to attend their schools. Facilities are the main factor that inhibits a charter school from growing to accommodate that demand.

What does SB318 do?

The Bill:

- Creates a Revolving Loan Fund for charter schools. Charter schools can borrow from the fund to build a facility that meets their needs. As they pay those funds back, another charter school can use them for a separate project.
- Public Land and Facilities that are not used by school districts will be offered to charter schools. This will be enforced by the Public Schools Facilities Authority.
- Provide for Lease Assistance @ approximately \$700 per student, with no square footage measurements
- Helps charter schools get onto school district bond funding elections and distributions

What happens if it does not get passed?

Charter schools will continue to be uncertain about their facility funding through lease assistance. This makes it difficult for schools to plan their budgets for student services.

Charter schools will continue on an uncertain path for facility funding and continue to need to go spend more public dollars with out-of-state private banks to secure long-term facilities for their families and school community.