New Mexico Legislating for Results

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Presentation Overview

- Legislating for Results Framework
- Education Example of the Framework
- New Tools for the Framework
  - LegisSTAT
  - Results Focused Government Ratings
Legislating for Results Framework

- Identify Priority Areas and Performance
- Review Program Inventory and Effectiveness
- How are we doing?
- What works?
- What is the impact?
- Where do we invest?
- Are we implementing as intended?
- Implementation Oversight
- Outcome Monitoring

Budget Development
Legislating for Results Tools

LFC Integrates a mix of….

◦ Research
◦ Cost-Benefit Analysis
◦ Policy Analysis
◦ Budget Analysis
◦ Performance Monitoring (Report Cards)
◦ Performance, Policy and Budget public LFC hearings &
◦ Program Evaluation

Into the policy and budget process, in addition to traditional approaches
Legislating for Results Example - New Mexico Public Education: Before COVID-19 Academic Proficiency Was Increasing but Still Low.

<table>
<thead>
<tr>
<th>Program</th>
<th>FY18 Actual</th>
<th>FY19 Actual</th>
<th>FY20 Target</th>
<th>FY20 Actual</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fourth grade reading proficiency</td>
<td>29.1%</td>
<td>30%</td>
<td>30%</td>
<td>Not reported</td>
<td>R</td>
</tr>
<tr>
<td>Fourth grade math proficiency</td>
<td>25.6%</td>
<td>27%</td>
<td>30%</td>
<td>Not reported</td>
<td>R</td>
</tr>
<tr>
<td>Eighth grade reading proficiency</td>
<td>29%</td>
<td>31%</td>
<td>30%</td>
<td>Not reported</td>
<td>R</td>
</tr>
<tr>
<td>Eighth grade math proficiency</td>
<td>20.8%</td>
<td>20%</td>
<td>30%</td>
<td>Not reported</td>
<td>R</td>
</tr>
<tr>
<td>Four-year high school graduation</td>
<td>73.9%</td>
<td>74.9%</td>
<td>75%</td>
<td>N/A</td>
<td>Y</td>
</tr>
<tr>
<td>Chronic absenteeism</td>
<td>New</td>
<td>New</td>
<td>&lt;10%</td>
<td>Not reported</td>
<td>R</td>
</tr>
<tr>
<td>Large school district budget for instruction</td>
<td>73%</td>
<td>Not reported</td>
<td>75%</td>
<td>Not reported</td>
<td>R</td>
</tr>
</tbody>
</table>

New Mexico Performance Outcomes

PARCC Statewide Proficiency Rates

<table>
<thead>
<tr>
<th>Year</th>
<th>Reading</th>
<th>Math</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>27.6%</td>
<td>19.9%</td>
</tr>
<tr>
<td>2017</td>
<td>28.6%</td>
<td>19.7%</td>
</tr>
<tr>
<td>2018</td>
<td>31.1%</td>
<td>21.6%</td>
</tr>
<tr>
<td>2019</td>
<td>32.7%</td>
<td>20.3%</td>
</tr>
</tbody>
</table>
Low-income schools tend to have lower student proficiency, but many low-income schools can have high proficiency levels

Relationship between Elementary Schools’ TAMELA 3rd Grade Reading Proficiency and Percent of Students with Low Income, SY19
(N = 407 New Mexico Elementary Schools)

Source: LFC analysis of PED data.
New Mexico Education Sufficiency Lawsuit: Martinez and Yazzie v. State of New Mexico

- The plaintiffs alleged that New Mexico is not meeting its constitutional obligation to provide sufficient funding and programming for at-risk public school students.

- In 2019, the District Court ruled that:
  1) Outputs are “dismal” and therefore…
  2) Inputs (funding/programming) must be insufficient; and
  3) Oversight over public education should be enhanced.
National Student Average Test Scores, Grades 3-8, 2009-2016 (Green = Positive, Blue = Negative)

Source: The Educational Opportunity Project at Stanford University

Colors show students' scores, in grade levels, relative to the national average (grades 3-8, 2009-2016)
Learning Rates Compared to National Avg. Grades 3-8, 2009-2016 (Green = Positive, Blue = Negative)

Source: The Educational Opportunity Project at Stanford University
New Findings from NM Longitudinal Data:
Students Gaining a Year’s Worth of Learning Each Year & Improve Proficiency

Reading Proficiency on PARCC Test from Fifth through Eighth Grade,
SY15-SY18 (N = 23,696 Students), SY16-SY19 (N = 24,011)

Percent of Students Proficient

<table>
<thead>
<tr>
<th>Grade</th>
<th>SY15-SY18 Cohort</th>
<th>SY16-SY19 Cohort</th>
</tr>
</thead>
<tbody>
<tr>
<td>5th</td>
<td>23.7%</td>
<td>24.7%</td>
</tr>
<tr>
<td>6th</td>
<td>24.2%</td>
<td>24.8%</td>
</tr>
<tr>
<td>7th</td>
<td>26.1%</td>
<td>29.2%</td>
</tr>
<tr>
<td>8th</td>
<td>29.0%</td>
<td>30.9%</td>
</tr>
</tbody>
</table>
Achievement Gap - Reading

Percent Proficient Reading (n = 23,610)

- FRSL/EL (n=2,498)
- FRSL (n=17,424)
- Non-FRSL/EL (n=6,186)

Source: LFC
THE TRADITIONAL 180 SCHOOL CALENDAR HAS SHRUNK IN NM

SCHOOLS ALREADY HAVE A LONGER SCHOOL DAY AND TOTAL HOURS EXCEED REQUIREMENTS

From a 2016 LFC Evaluation:

Almost all districts report they exceed the statutory minimum number of hours.

This allows for fewer days in the school calendar.

Schools added a weighted average of 79 hours to school days – the equivalent of 14 instructional days.

Note: LEAs weighted average instructional days were weighted by their percent of total student membership.
LFC education budget recommendations are:

- informed by national and state research, and
- developed in conversation with the LESC and educational stakeholders.
Cost-Benefit Analysis of “What Works” in Public Education

For just one cohort of students, raising the graduation rate for economically disadvantaged students to the statewide average would translate to long-term taxpayer benefits of over $100 million.
PreK and K-5 Plus can help close the Achievement Gap

Low Income Students in Both Prekindergarten and K-5 Plus Reading Proficiency on Istation

- 26% of Students in High Fidelity K-5 Plus and PreK
- 12% of Students Not in K-5 Plus and PreK

Source: LFC Files
Reform Framework Informs Funding

- High Quality Teaching and School Leadership
  - Significant salary increases; funding for recruiting, induction programs, mentorship and ongoing evidence-based professional development

- Extended Learning Opportunities
  - Increased funding for services to students learning English or from low-income families; K5 Plus, longer regular school year, afterschool and enrichment programs

- Responsive and Appropriate Curriculum
  - Culturally and linguistically responsive curriculum and instructional material development, interim standards-based assessments, flexibility for instructional materials

- Effective Oversight and Accountability
  - Performance-based budgets, PED and regional supports have expanded capacity for oversight and assistance
Data-Driven Appropriations: Data has informed State Investment in Early Childhood Programs

Source: LFC Files.
Performance Data Influenced Significant K12 Funding Increases

Operational Funding for Public Schools (in billions)

- State Equalization Guarantee
- Federal and Local Credits
- Federal Relief Funds

Source: LFC Files
Most of the K12 Funding Increases Targeted to Either At-Risk Students or Proven Programs

At-Risk Student Program Funding
(in millions)

*Budgeted appropriation
LFC’s *Legislating for Results* Framework: Evidence-Based Policy and Budgeting

- Identify priority areas and performance,
- Review programs and performance,
- Budget development,
- Implementation oversight, and
- Outcome monitoring
Two New Components of Legislating for Results Framework

Ongoing LegisSTAT meetings to focus on Performance, implementation of evidence-based interventions, and outcomes.

**Parallel effort:** Yearly rating of selected agencies’ use of best practices in evidence + performance + data.

**Goal:** Make progress on high-priority agency challenges as identified by the Committee.

**Goal:** Strengthen agencies’ capacity for high-performance government
Two New Tools for the Legislating for Results Framework

LegisSTAT

• LegisSTAT is an initiative of the LFC designed to help the committee become a more effective partner with New Mexico state agencies in continually improving agency programs and policies.

• Based on a leadership strategy known as PerformanceStat.

• LegisSTAT adapts the PerformanceStat approach to a legislative context.

• The goal is to ensure focused conversations between the LFC (as a committee or subcommittee) and agency leaders about addressing high-priority agency performance challenges and opportunities.

RESULTS FOCUSED GOVERNMENT RATINGS

• Parallel effort to help establish good government best practices – focused on larger service delivery agencies.

• LFC analysts will work with agencies to rate their use of 10 of the best practices and produce an annual scorecard.

• Plan in works for ongoing training and support to for agencies implement the best practices.
In August 2021, LFC launched LegisStat, first adaptation of PerformanceStat strategy to a legislative context.

Builds on existing efforts in New Mexico around evidence-based budgeting.

Broad goal: Strengthen collaboration with state agencies in monitoring the implementation of state programs and improve state budget decisions.
LegisSTAT adapts performance conversations to a Legislative environment

- PerformanceStat involves ongoing, regular meetings between executive leadership and departments or bureaus.

- Participants review key performance measures and diagnose performance deficits, then decide how to fix those problems.

- Examples include CitiStat in Baltimore, StateStat in Maryland (picture at right) and many others.
Motivation for LegisSTAT

• Changing the format of agency hearings.

• Strengthening a focus on key agency performance challenges.

• Better tracking priority policies and programs.

• Making discussions more data-driven.

• Sustaining a focus on key challenges over time.
LegisSTAT to Date

Meetings so far with:

• Workforce Solutions Department
• Economic Development Department
• Tourism Department
• Higher Education Department
• Public Education Department
Principals of LegisSTAT

• **Focused**: Meetings focus on most important challenges facing agencies, identified ahead of time.

• **Committee-driven**: Meetings driven by the committee chair and by members’ questions; only short presentations.

• **Emphasizing deeper dives**: Use of follow-up questions by members to get to the root causes of problems...“the Five Whys.”

• **Action-oriented**: Agencies ideally commit to specific actions by the next meeting, representing near-term actions even if long-term challenges.

• **Strong on accountability**: Meetings designed to start with agency updates on action items from previous meeting.

• **Collaborative**: Meetings require ongoing collaboration between legislators and agency leaders.

• **Aiming for impact**: Important part of the initiative’s impact occurs between meetings, when agencies work to achieve action items committed to during the meetings.
LegisSTAT Process

Preparation for meetings
• Prep by LFC Staff including briefing memo
• Prep meeting with Chair(s) prior to meeting

Meeting
• Updates from LFC analyst, including on action items by agency
• Brief presentation (5 min) from agency head
• Member questions on agency priority challenge #1 and discussion
  ✓ Identification of action items
• Same for challenge #2 and #3 (if time allows)

Between meetings
• LFC staff follow-up on action items; hear feedback from agency
LegisSTAT Briefing Materials
Observations to Date

**Successes**

• Obvious change in dynamic of meetings
• Feeling of empowerment by members
• Agencies being responsive – e.g., PED action on data
• Agencies realizing it’s not “gotcha”
• Support of Chair and members for continuation and expansion

**Challenges**

• Need to dig deeper into issues / get to specifics / creation of action items
Next Steps

• Chair Lundstrom’s direction to expand the initiative

• New LegisStat subcommittee

• Some meetings likely will be carved out of budget hearings; others part of special subcommittee

• Scoring of results-focused government best practices (next slide)
Results Focused Government

**Best Practices in Leadership**
- Practice #1: Demonstrating that agency leadership values evidence and results

**Best Practices in Evidence-Related Strategies**
- Practice #2: Using evidence-based budgeting
- Practice #3: Developing a learning agenda
- Practice #4: Creating an evaluation policy
- Practice #5: Using rapid experimentation (also known as A/B testing)
- Practice #6: Implementing results-driven contracting
- Practice #7: Adding evidence incentives to grants

**Best Practices in Performance Management**
- Practice #8: Using performance information
- Practice #9: Implementing strategic planning
- Practice #10: Collaborating with other agencies or levels of government

**Best Practices in Using Data**
- Practice #11: Expanding data sharing and usage
Conclusion

- New Mexico has booming revenues, ongoing education litigation, a growing early childhood system and more most sectors of government – financial resources are not an impediment to improving outcomes for New Mexicans.

- New Mexico needs to strategically target funding to what works, better coordinate agency efforts, ensure effective implementation of evidence-based programs, and actively monitor results.
For More Information

  - Session Publications – Budgets
    - Performance Report Cards
    - Program Evaluations

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