



NEW MEXICO
LEGISLATIVE
FINANCE
COMMITTEE

New Mexico Legislating for Results

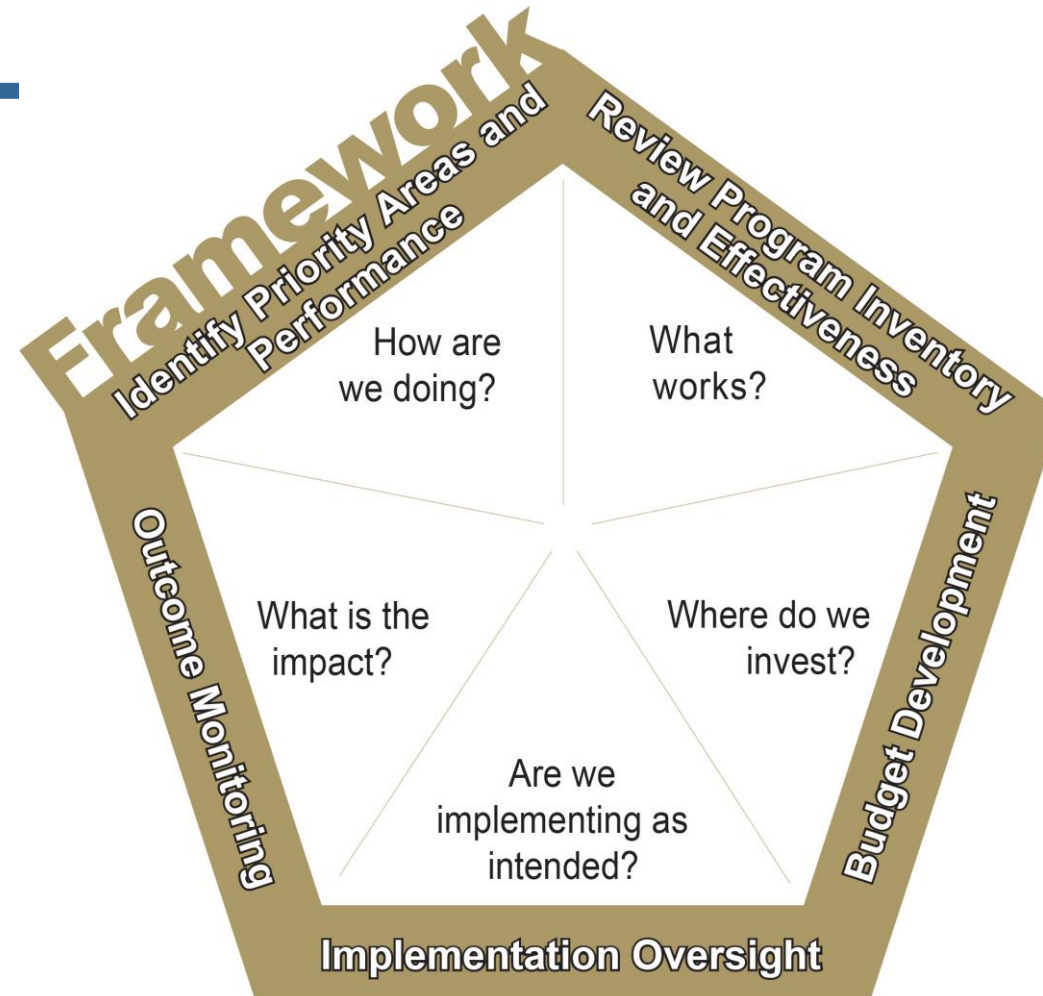
Charles Sallee, Deputy Director for Budget
June, 2022

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



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.

Program Rating

R

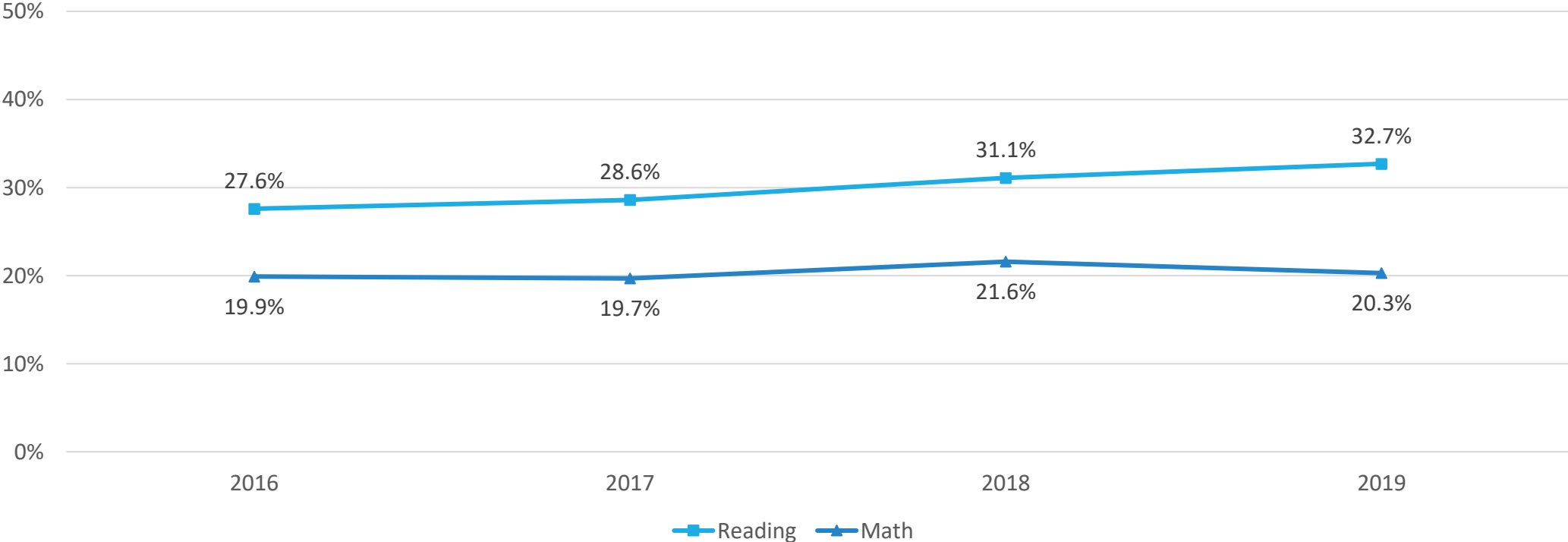
	FY18 Actual	FY19 Actual	FY20 Target	FY20 Actual	Rating
Fourth grade reading proficiency	29.1%	30%	30%	Not reported	R
Fourth grade math proficiency	25.6%	27%	30%	Not reported	R
Eighth grade reading proficiency	29%	31%	30%	Not reported	R
Eighth grade math proficiency	20.8%	20%	30%	Not reported	R
Four-year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

Source: LFC FY20 Fourth Quarter PED Report Card p.1-2



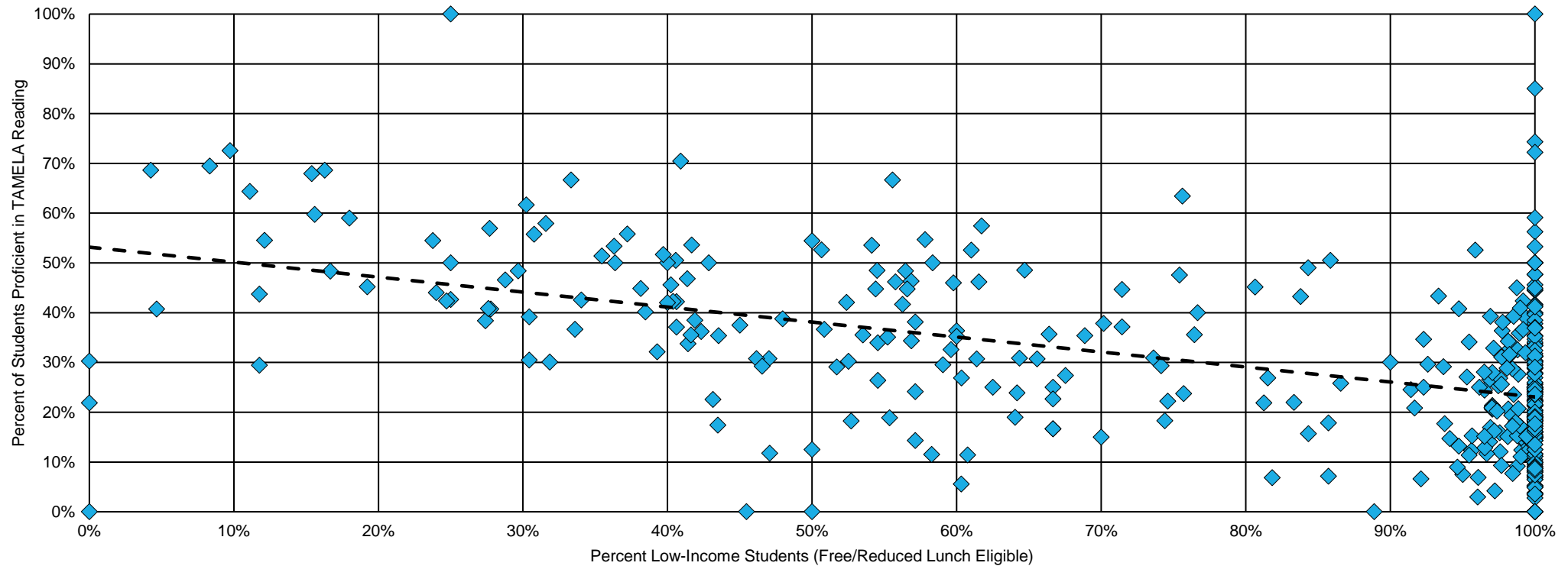
New Mexico Performance Outcomes

PARCC Statewide Proficiency Rates



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.



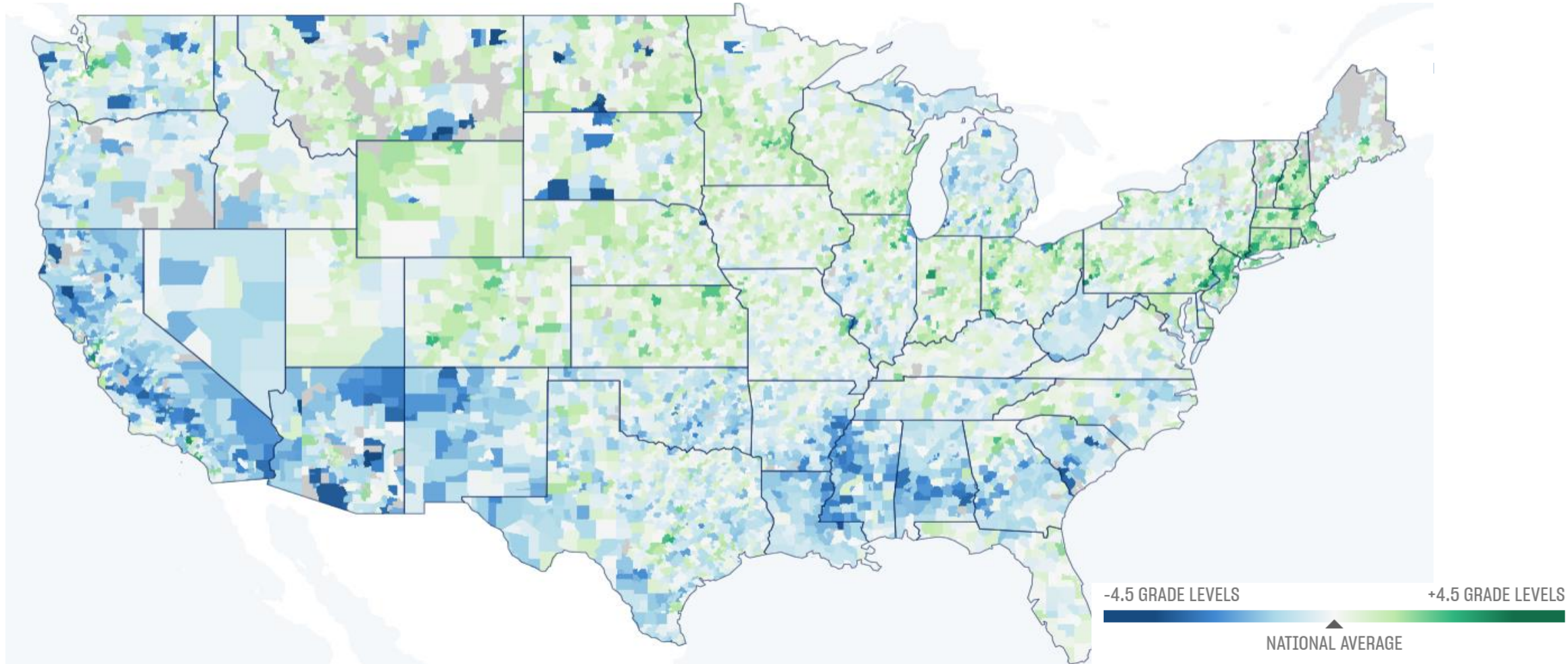
New Mexico Education Sufficiency Lawsuit: *Martinez and Yazzie v. State of New Mexico*



- 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)

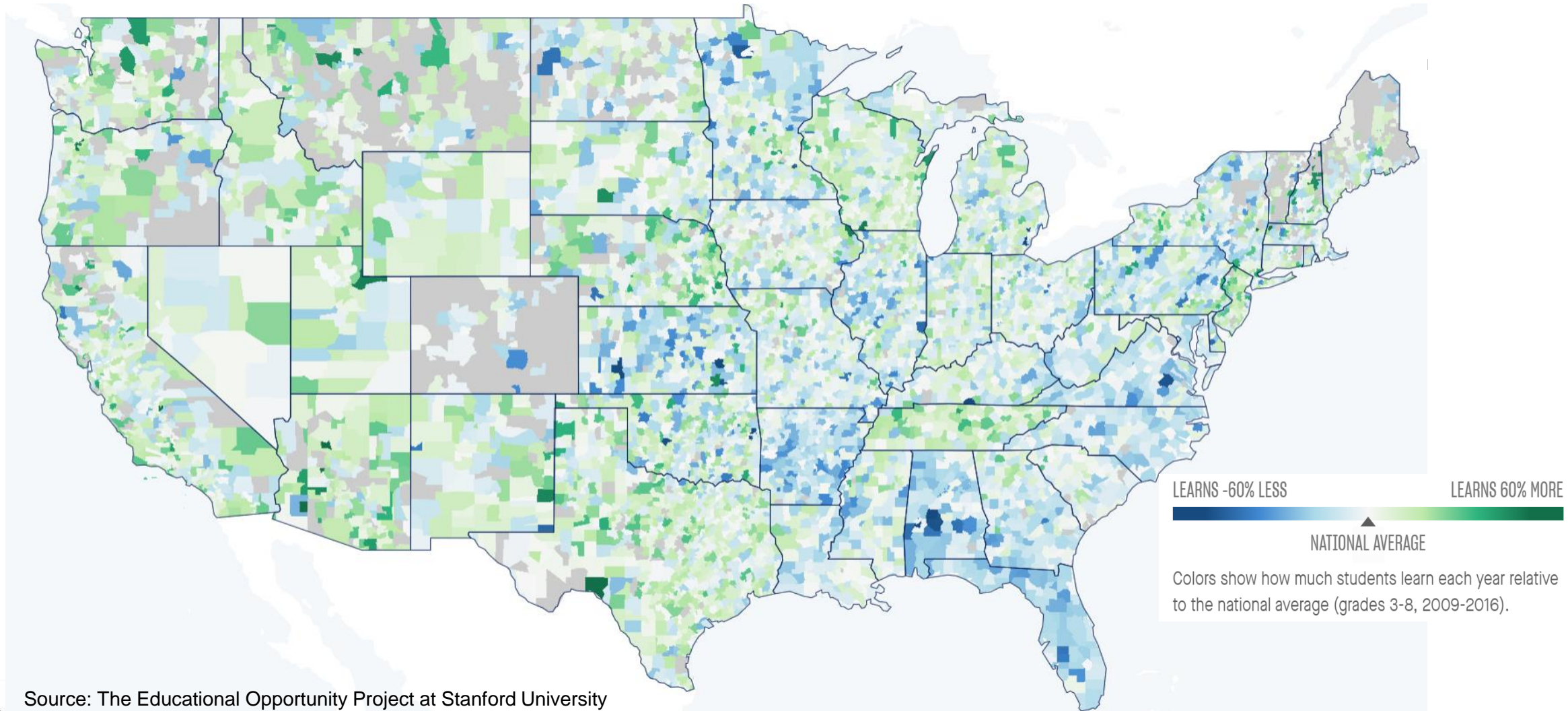


Colors show students' scores, in grade levels, relative to the national average (grades 3-8, 2009-2016)

Source: The Educational Opportunity Project at Stanford University



Learning Rates Compared to National Avg. Grades 3-8, 2009-2016 (Green = Positive, Blue = Negative)

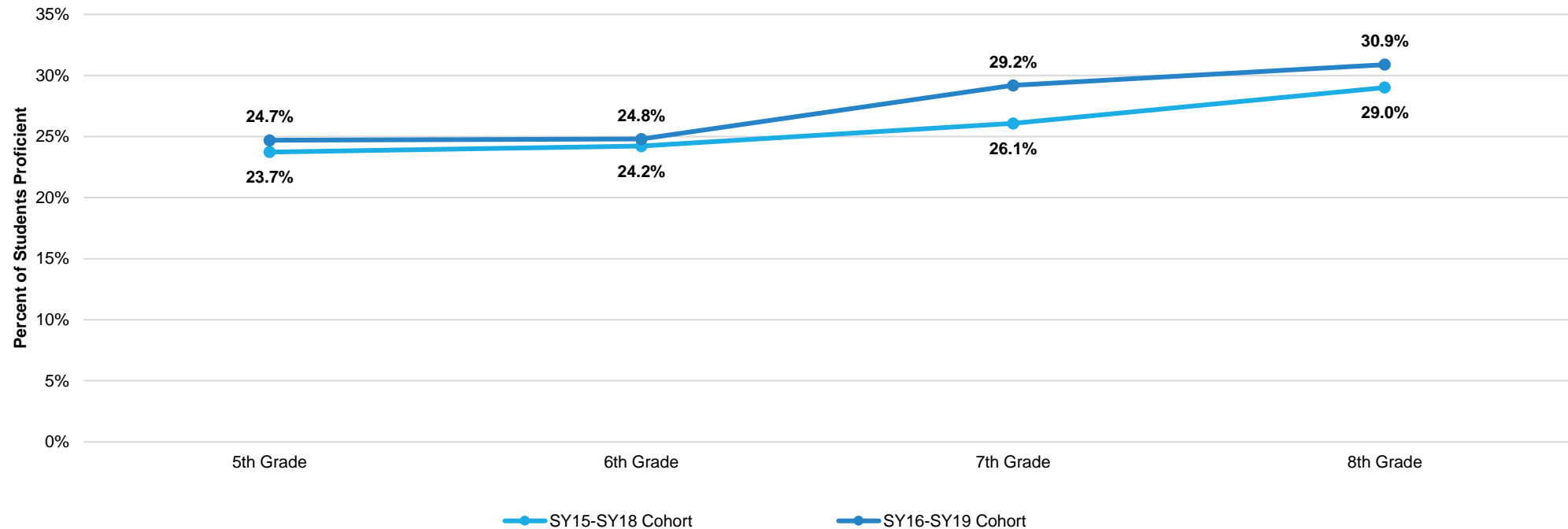


Source: The Educational Opportunity Project at Stanford University

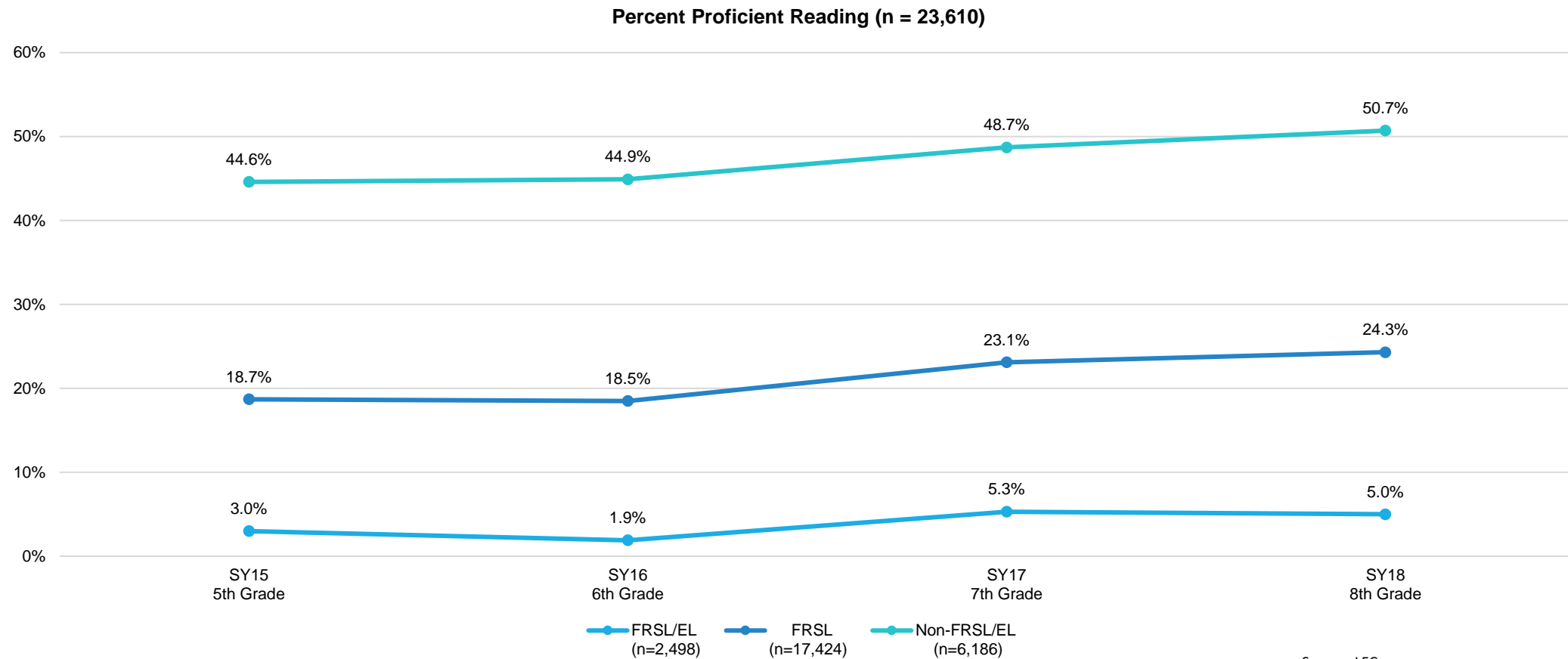


New Findings from NM Longitudinal Data: Students Gaining a Year's Worth of Learning Each Year & Improve Proficiency

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



Achievement Gap - Reading

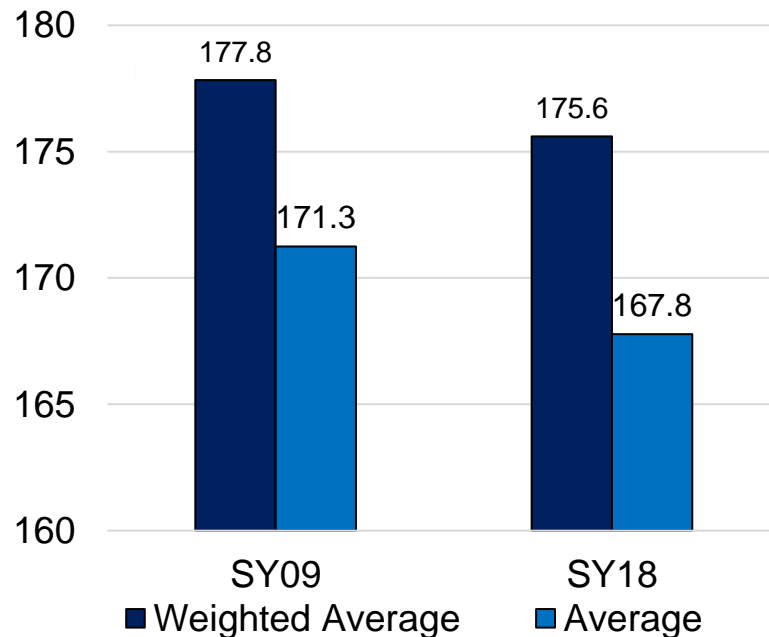


Source: LFC



Available Learning Time

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.

Source: LFC. (2018). Program Evaluation: Instructional Time and Extended Learning Opportunities. p.16
Note: LEAs weighted average instructional days were weighted by their percent of total student membership.



What Works in Public Education: Targeting Resources to Evidence-Based Practices.



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

Table 4. Summary of Teacher Quality Interventions

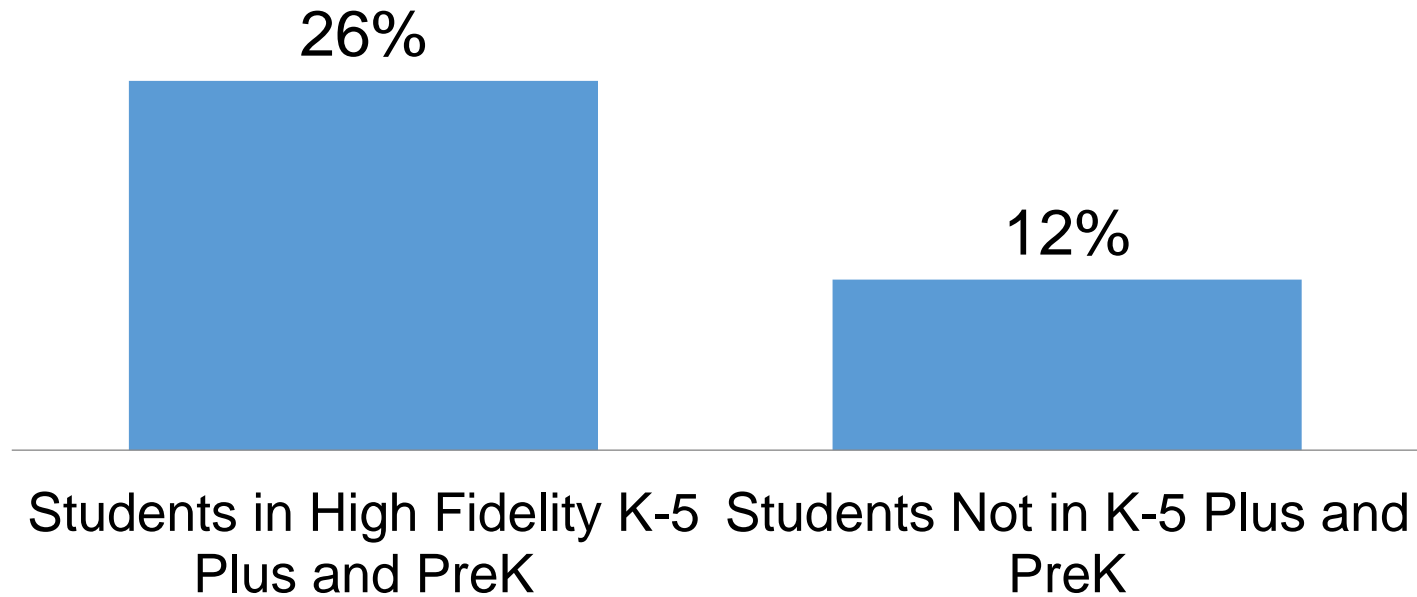
Intervention	Evidence of Positive Impact	Benefit-to-Cost-Ratio	Chance Benefits Will Exceed Cost	Effect Size on Test Scores
Teacher professional development	Strong (depends on model)			
<i>Use of data to guide instruction</i>		\$132	98%	0.117
<i>Targeted</i>		\$38	79%	0.071
<i>Online, targeted</i>		\$9	61%	0.020
<i>Induction/mentoring</i>		\$0	38%	0.046
<i>Not targeted</i>		\$6	60%	0.000
Teacher coaches/consultant teachers	Strong (depends on model)			
<i>Content-focused coaching</i>		\$190	94%	0.107
<i>Online coaching</i>		\$93	92%	0.082
<i>Literacy collaborative</i>		\$32	99%	0.428
<i>Coaching</i>		\$28	81%	0.060
Teacher experience	Strong	\$13	99%	0.058
Teacher performance pay	Strong	\$22	87%	0.019
Incentives for hard to staff subjects/schools	Strong		<i>Not in RF</i>	
Teacher evaluation systems	Promising		<i>Not in RF</i>	
Teacher residency programs	Promising		<i>Not in RF</i>	
National Board Certification	Mixed or Inconclusive*		<i>Not in RF</i>	
Grow Your Own programs	Mixed or Inconclusive		<i>Not in RF</i>	
Teacher graduate degrees	No Effect	\$0	7%	0.000

* Indicates that program is included in a social policy clearinghouse
 Source: Results First, using New Mexico assumptions

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**



Source: LFC Files



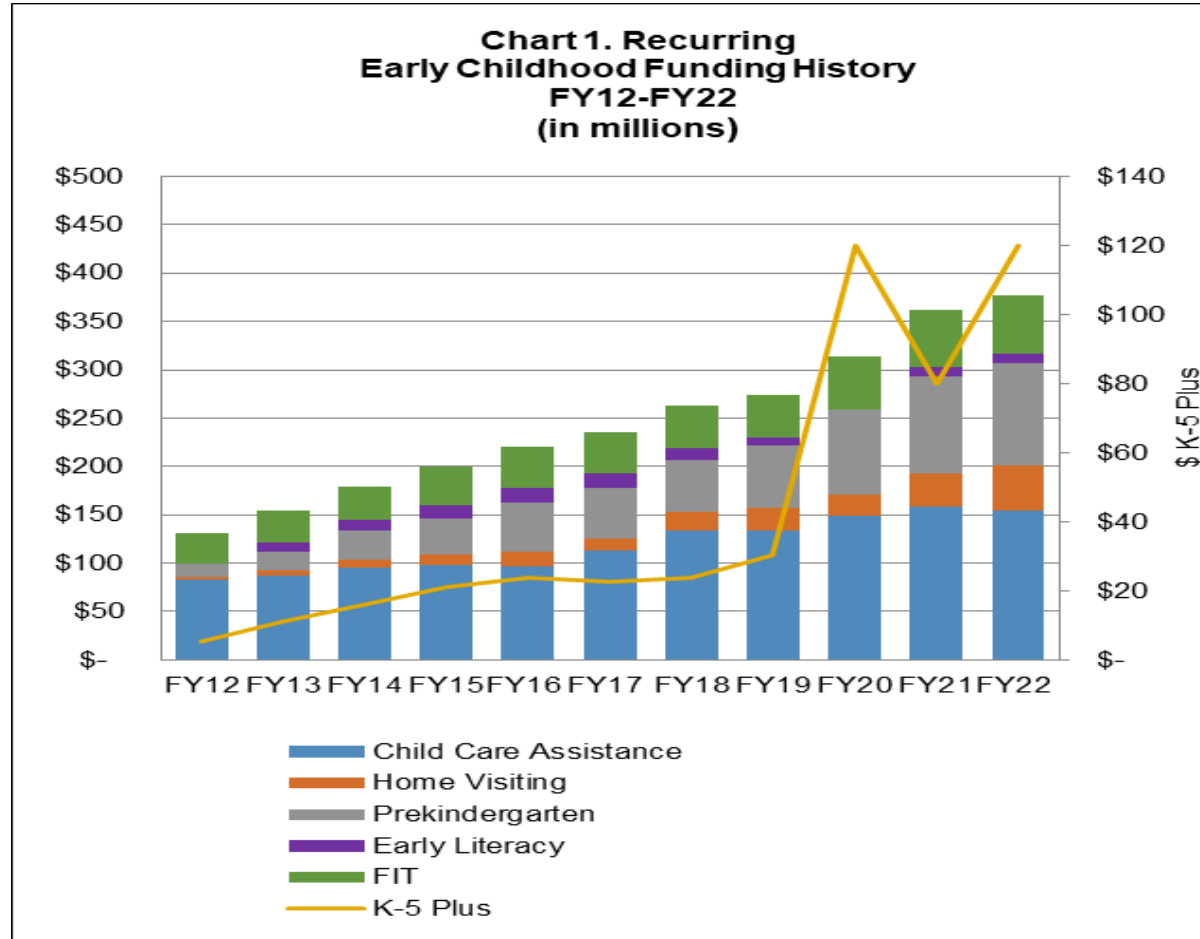
Reform Framework Informs Funding



- **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



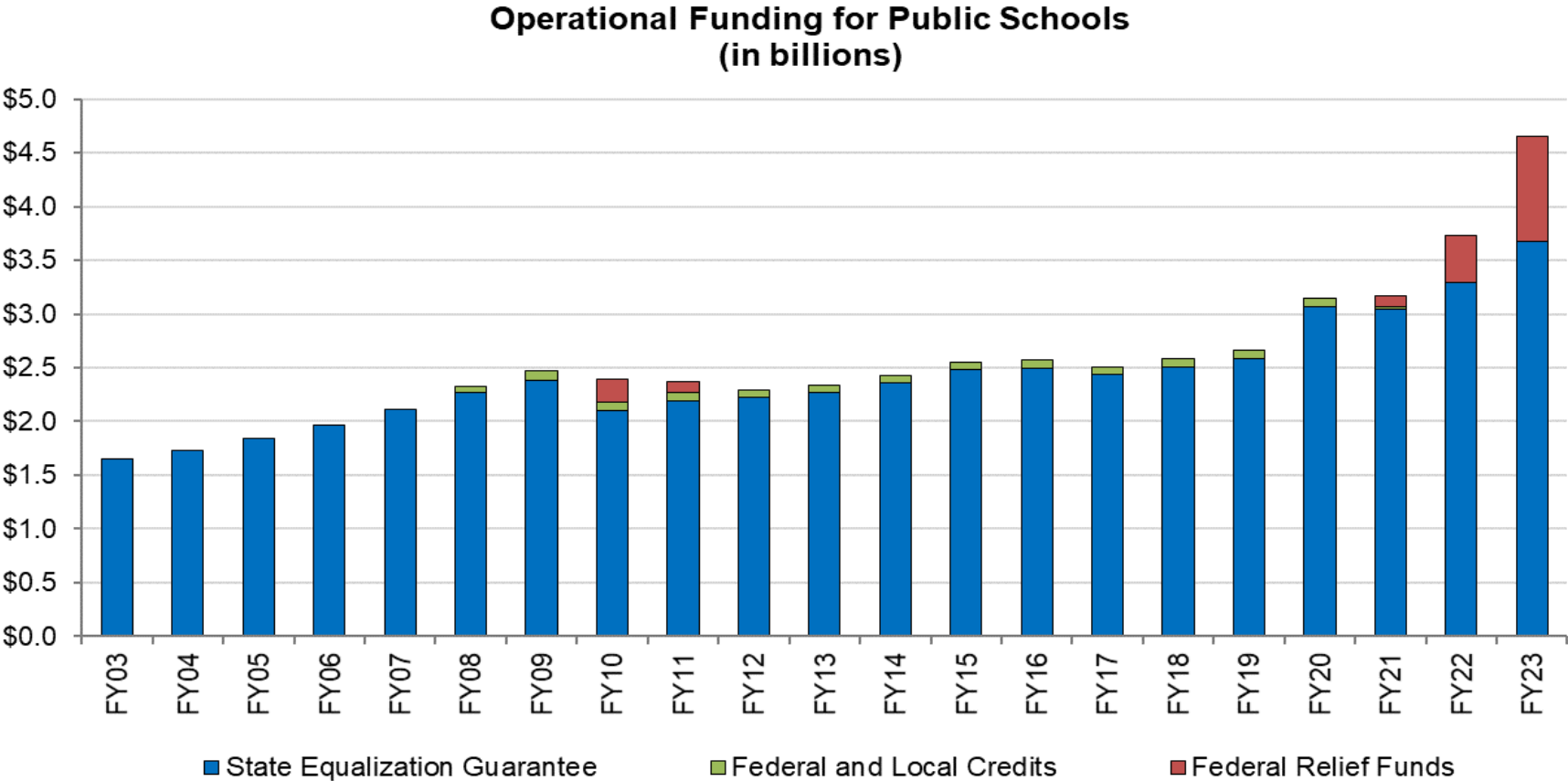
Data-Driven Appropriations: Data has informed State Investment in Early Childhood Programs



Source: LFC Files.

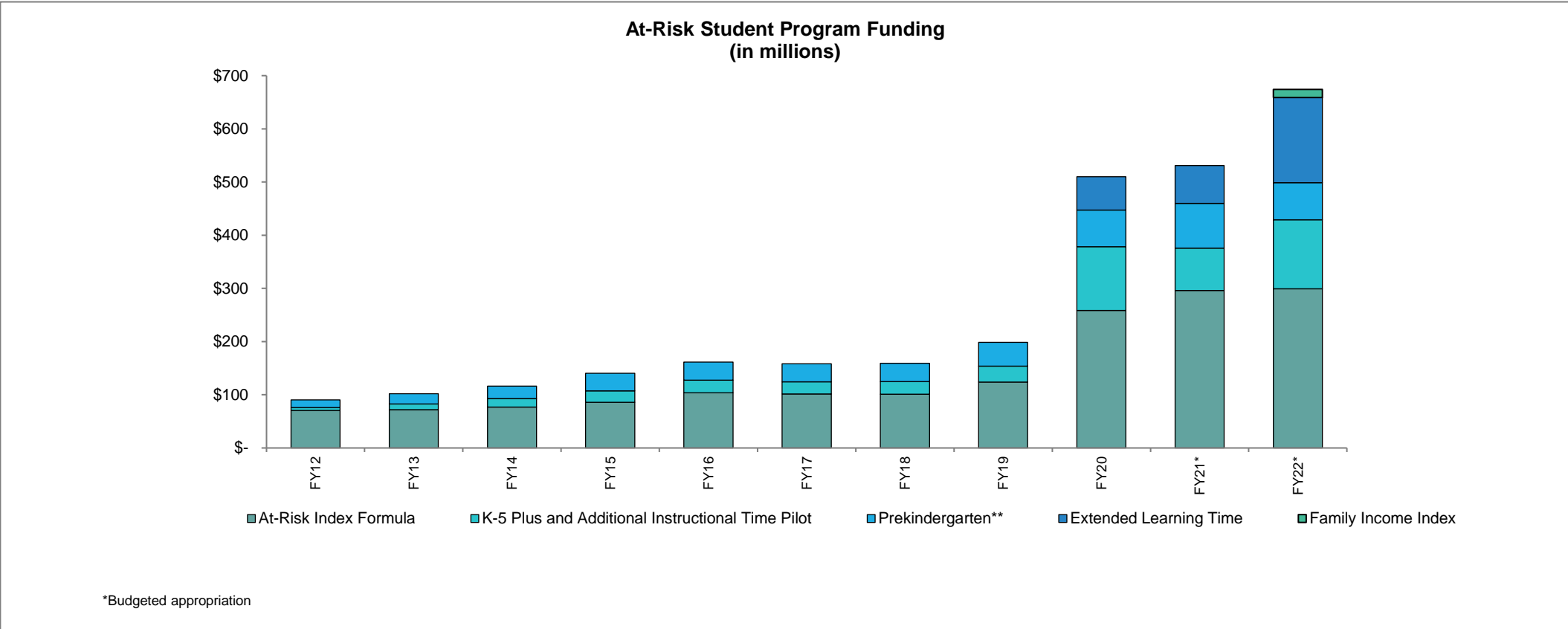


Performance Data Influenced Significant K12 Funding Increases



Source: LFC Files

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



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.

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

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

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.

NM LegisSTAT

- 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

Public Education: Student Performance and Extended Learning

Background Information

Math and reading proficiency rates have long been key measures of student academic success. In the *Martinez-Yazic* education lawsuit, the court used these metrics as benchmarks for educational sufficiency. National data suggests overall student achievement has worsened over the pandemic, increasing the urgency to help students re-engage in school and recover academically. However, school participation in interventions to make up lost instructional time—K-5 Plus and Extended Learning Time (ELT) programs—remains low. Additionally, a change in assessments for FY21 limits the state's ability to compare current performance to pre-pandemic performance.

LegisSTAT Recap. On October 28, 2021, LFC staff reported the Public Education Department (PED) lacked data on student academic performance during the pandemic, hindering the state's ability to ensure schools were serving at-risk students with appropriate interventions. Staff also reported statewide participation in K-5 Plus and ELT programs declined while student chronic absenteeism soared. In response, PED proposed requiring statewide assessments at the end of FY22. PED's FY23 budget request also kept K-5 Plus and ELT fully funded with the intent to increase enrollment.

Progress Report

Student Performance Data. On November 12, 2021, PED accelerated efforts to assess students, issuing a statewide directive to collect interim test data from all schools at the beginning, middle, and end of FY22. The department set a target deadline for submitting all assessment results by June 30, 2022.

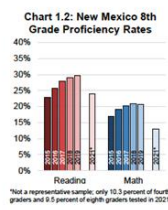
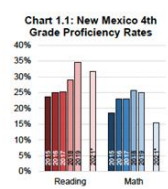
On December 3, 2021, PED reported preliminary data on FY21 short-cycle assessments. Although not representative of the state, the results indicated student math and reading proficiency rates had fallen below pre-pandemic levels.

On May 13, 2022, PED reported beginning-of-year (BOY) and middle-of-year (MOY) interim assessment data for FY21 and FY22, showing a dip in student performance at the start of FY22. Mid-year results suggest students have improved performance slightly.

Extended Learning. On March 3, 2022, PED released details for ELT, K-5 Plus, K-12 Plus, and planning grant programs for extended learning opportunities. PED conducted regional meetings across the state, urging school leaders to add learning time for students.

On March 9, 2022, the state enacted the 2022 GAA, providing sufficient funding to offer 73 thousand students K-5 Plus (55 percent of K-5 students) and 158 thousand students in ELT (85 percent of all students).

On April 29, 2022, PED reported 6,751 students in K-5 Plus and 136 thousand students in ELT programs budgeted for FY23, down from 8,334 students in K-5 Plus and 139 thousand students in ELT programs funded during FY22.



NEW MEXICO LEGISLATIVE FINANCE COMMITTEE
LegisSTAT
 Priority: Public Education
 May 19, 2022

Key Indicators

Chart 2.2: Extended Learning Time Participation (all students)

Year	Participation (%)
FY20	~10%
FY21	~10%
FY22	~10%
FY23*	~10%

Chart 2.3: K-5 Plus Participation (K-5 students)

Year	Participation (%)
FY20	~10%
FY21	~10%
FY22	~10%
FY23*	~10%

Term Outcomes

1: Average Number of Days Students are Absent

Year	Average Days Absent
FY17	7.8
FY18	10.5
FY19	7.6
FY20	12.1
FY21	17.5

Reading Proficiency Rates for At-Risk Students

Year	Native American	English Learners	Economically Disadvantaged	Special Education
FY17	~17%	~17%	~17%	~17%
FY18	~17%	~17%	~17%	~17%
FY19	~17%	~17%	~17%	~17%
FY20	~17%	~17%	~17%	~17%
FY21	~17%	~17%	~17%	~17%

High School Graduation Rates

Year	State Average	Economically Disadvantaged	Special Education
FY18	69.0%	~70%	~70%
FY19	70.0%	~71%	~71%
FY20	71.8%	~72%	~72%
FY21	72.5%	~73%	~73%

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.





NEW MEXICO LEGISLATIVE FINANCE COMMITTEE

For More Information

- <http://www.nmlegis.gov/lcs/lfc/lfcdefault.aspx>
 - Session Publications – Budgets
 - Performance Report Cards
 - Program Evaluations

Charles Sallee, Deputy Director
Charles.Sallee@nmlegis.gov
325 Don Gaspar – Suite 101
Santa Fe, NM 87501
505-986-4550