

PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL

March 14, 2022 – 1:30 PM

State Capitol Building, Room 317

Santa Fe, NM

I. Call to Order - Mr. Joe Guillen, Chair

A. Approval of Agenda*

B. Correspondence

* Denotes potential action by the PSCOC

PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL (PSCOC)

Agenda

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I. Call to Order – Joe Guillen, Chair

- A. Approval of Agenda*
- B. Correspondence

II. Public Comment

III. PSCOC Financial Plan

- A. Financial Plan
- B. Bond Reconciliation Summary
- C. SSTBs for Certification and Decertification*

IV. Consent Agenda*

- A. January 10, 2022 PSCOC Meeting Minutes*
- B. 2021-2022 2nd Round Pre-K Awards*
- C. FY22 Lease Assistance – Tierra Adentro – New Award*
- D. FY22 Lease Assistance Award Adjustments*
- E. P20-009 Clovis (Barry ES) – Out Year Design Phase Funding*
- F. S22-002 House Combined – Request for Increase in State Share*
- G. P22-002 Mosquero Combined Campus – Teacher Housing Design Phase Funding*
- H. BDCP – 2021 Cat 2 (Network Equipment) Awards*
- I. PSFA Employee Handbook*

V. Awards Cycle

- A. 2022-2023 Pre-Application Received for Standards, Systems, and Pre-K

VI. Out-of-Cycle Funding/Award Language Requests

- A. P21-002 Carrizozo Combined Campus – Request for Waiver of Design Phase Local Match*

VII. Other Business

- A. BDCP – Adoption of Statewide Technology Infrastructure Network Guidelines*
- B. BDCP –Phase 1 of Statewide Education Technology Network Infrastructure*

VIII. Informational

- A. PSFA Process Improvements Update
- B. Unrestrictive Revenue Update
- C. FY21 Audit Report
- D. Project Status Report
- E. Legislative Session Update
- F. Semi-Annual HR Staffing Report
- G. BDCP – Review of Broadband Technology Options for a Statewide Education Technology Network Infrastructure
- H. Quarterly Maintenance Report

IX. Next PSCOC Meeting - (Proposed for April 25, 2022 - tentative)

X. Adjourn

PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL (PSCOC)

Agenda

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**PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL
SUBCOMMITTEE ASSIGNMENTS**

PSCOC

Joe Guillen, Chair

Raúl Burciaga, Vice-Chair

Awards Subcommittee

David Abbey, Chair

Dr. Vanessa Hawker, LESC

Antonio Ortiz, PED

Clay Bailey, CID

Administration, Maintenance & Standards Subcommittee

David L. Robbins, Chair

Raúl Burciaga, LCS

Ashley Leach, DFA

Mariana Padilla, Governor's Office

Joe Guillen will serve on subcommittees in the absence of any member or designee.

I. **PSCOC Meeting Date:** March 14, 2022

II. **Item Title:** Correspondence

III. **Executive Summary (Informational):**

No correspondence at this time.

II. Public Comment

III. PSCOC Financial Plan

A. Financial Plan

B. Bond Reconciliation Summary

C. SSTBs for Certification and Decertification*

* Denotes potential action by the PSCOC

I. PSCOC Meeting Date: March 14, 2022
 II. Item Title: PSCOC Financial Plan
 III. Name of Presenter(s): Martica Casias
 Brad Mathews

Item No. III.A.

Summary of PSCOC Financial Plan Changes since 01/10/2022

PSCOC ACTION - OUT-OF-CYCLE, EMERGENCY, ADDITIONAL FUNDING	
	Award Amount
	Total Awards: \$0
	Total Reversion/Reallocation/Rescind: \$0

PROJECT AWARD SCHEDULE DETAIL ADJUSTMENTS (Fiscal Year)			
Due to district readiness these projects are delayed:	2022	2022	2022
	\$0	\$0	\$0

PSCOC FUND PROJECT AWARD SCHEDULE DETAIL - MODIFICATIONS				
Potential Council Action Projects - Agenda:	FY	Previous FP Estimate	Current FP Estimate	Change Fav (Unfav)
A) 2021-2022 Lease Assistance - Tierra Adentro - New Award	2022	\$0	\$188,654	(\$188,654)
B) 2021-2022 Lease Assistance Adjustment	2022	\$18,000,000	\$18,132,264	(\$132,264)
C) P21-002(Carrizozo) Combined Campus - Request for Waver Design Phase Local Match	2022	\$214,315	\$3,571,922	(\$3,357,607)
D) S20-009 (Clovis) Barry ES - Out Year Design Phase Funding	2022	\$0	\$324,375	(\$324,375)
E) S22-002 House Combined School - Award Language Change	2022	\$65,661	\$134,233	(\$68,572)
F) P22-002 Mosquero Combined Campus - Teacher Housing Design Phase Funding	2022	\$0	\$392,000	(\$392,000)
G) BDCP - 2021 Cat 2 (Network Equipment) Awards	2022	\$0	\$414,966	(\$414,966)
H) BDCP - 2022 Phase I Pilot for SEN	2022	\$0	\$3,210,000	(\$3,210,000)
Subtotal		\$18,279,976	\$26,368,414	(\$8,088,438)

FINANCIAL PLAN ASSUMPTIONS and SUMMARY:

- Line: 14 Lease payment assistance award changes for FY22 increase of \$ 188,654 and 2022-2023 increase of \$ 132,264. 3% increase for FY24 & FY 25.
- Line: 24 Awards cycle 10% planning and design, 90% construction amount.
- Projected Fund Balance as of 02/24/22 \$ 797,997,620.76

(in millions)	Financial Plan Variance Between Months			
	FY21	FY22	FY23	FY24
Uncommitted Balance (January 3, 2022)	230.8	395.6	495.1	645.1
Uncommitted Balance (February 24, 2022)	305.8	549.6	434.2	465.9
Variance Favorable (Unfavorable)	75.0	154.0	(60.9)	(179.2)

PSCOC Financial Plan

(millions of dollars)

March 14, 2022

I. SOURCES & USES								
SOURCES:								
		FY21	FY22 Est.	FY23 Est.	FY24 Est.	FY25 Q1. Est.		
1	Uncommitted Balance (Period Beginning)	225.7	305.8	549.6	434.2	465.9		
2	SSTB Notes (Revenue Budgeted July)	53.4	150.8	0.0	146.2	68.0		
3	SSTB Notes (Revenue Budgeted January)	82.1	268.2	354.3	341.1	0.0		
4	Project Reversions - ESTIMATE	0.6	0.6	0.6	0.6	0.2		
5	Operating Reversions	0.8	0.0	0.0	0.0	0.0		
6	Advance Repayments	0.6	0.6	0.6	0.6	0.2		
7	Subtotal Sources :	363.2	725.9	905.0	922.7	534.2		
USES:								
8	Capital Improvements Act (SB-9) & HB 119 (L22,C22)	21.4	21.7	33.1	33.1	8.3		
9	Panic Button		1.0	1.0				
10	Security HB306 (L18,C80,S46) & SB 239 (L18,C71)	6.0	9.2					
11	Lease Payment Assistance Awards	16.5	18.3	18.8	19.4	5.0		
12	Master Plan Assistance Awards	0.4	0.4	0.4	0.4	0.1		
13	Grants - Cibola County HB 285 (L21,C138,S49)		0.9					
14	BDCP (Includes Cat. 1 & Cat. 2)	1.6	10.0	10.0	10.0	2.5		
15	PED (Pre-K)	0.1	3.9	5.0	5.0			
16	PSFA Operating Budget	5.2	5.8	6.6	6.6	1.7		
17	CID/SFMO Inspections		0.3	0.3	0.3	0.1		
18	Emergency Reserve for Contingencies		10.0	10.0	10.0	2.5		
19	Teacher Housing			10.0	10.0	2.5		
20	School Buses		12.5	5.5				
21	Maintenance and Repair SB 212 (L22,CXX,S51)			75.0				
22	Awards YTD (per Project Awards Schedule)	6.2	82.3	295.1	361.9	45.4		
23	Subtotal Uses :	57.4	176.4	470.9	456.8	68.0		
24	Estimated Uncommitted Balance Period Ending	305.8	549.6	434.2	465.9	466.2		
II. PROJECT AWARD SCHEDULE SUMMARY								
		Total	FY21	FY22 Est.	FY23 Est.	FY24 Est.	FY25 Q1. Est.	Total
25	FY14 Awards Cycle	0.7	0.7	0.0	0.0	0.0	0.0	0.7
26	FY15 Awards Cycle	2.0	0.0	2.0	0.0	0.0	0.0	2.0
27	FY19 Awards Cycle	158.1	0.9	40.0	88.8	28.4	0.0	158.1
28	FY20 Awards Cycle	130.6	0.2	20.9	103.6	5.9	0.0	130.6
29	FY21 Awards Cycle	239.3	4.4	0.4	27.4	161.8	45.4	239.3
30	FY22 Awards Cycle	126.9	0.0	4.5	28.8	93.5	0.0	126.9
31	FY22 Awards 2nd Cycle	14.5	0.0	14.5	0.0	0.0	0.0	14.5
32	FY 22 Awards Cycle Subtotal	141.4	0.0	19.1	28.8	93.5	0.0	141.4
33	FY23 Awards Cycle	118.9	0.0	0.0	46.5	72.4	0.0	118.9
34	Subtotal Uses :	791.0	6.2	82.3	295.1	361.9	45.4	791.0
*Actual SSTB/LTB Sale								

PSCOC Financial Plan Definitions

Sources

SSTB (Revenue Budgeted July) & SSTB (Revenue Budgeted January). Supplemental Severance Tax Bonds (SSTBs) are issued and sold by the New Mexico State Board of Finance (BOF) upon receiving a Resolution authorized by the PSCOC and signed by the chair certifying the need to sell bonds pursuant to the Public School Capital Outlay Act ("Act"). The Public School Facilities Authority (PSFA) budgets amounts into the Public School Capital Outlay Fund ("Fund"). Amounts reported for prior fiscal years are actuals and are denoted by an " * ". Amounts reported for the current fiscal year and out-years are the most current, available capacity estimates prepared bi-annually by the BOF. Bonds sold in June are budgeted in July and bonds sold in December are budgeted in January.

Project Reversions, Operating Reversions, and Advance Repayments. Project reversions are identified by PSFA staff through ongoing project financial audits. SSTB proceeds that have been previously authorized by PSCOC for particular projects are identified by PSFA staff for reversion when the proceeds are no longer needed for the particular project for which they were authorized.

Operating reversions are unexpended amounts from PSFA's annual operating budget. These amounts are reverted to the Fund annually via an operating transfer.

Advance repayments are amounts remitted to PSFA and deposited into the Fund by school districts for PSCOC approved advances of funds for school districts local share amounts on PSCOC projects. Amounts reported for prior fiscal years are actuals.

Long Term Bonds. This includes Severance Tax Bonds (STB) appropriated to the Fund. In FY 2017 and 2018 the Legislature appropriated \$81.4 million in STB proceeds to the Fund for expenditure in FY 2018 - 2022. Any unexpended or unencumbered balance remaining at the end of FY 2022 will revert to the severance tax bonding fund.

Uses: Public Schools Capital Outlay Act

FP Summary Legend: Italicized is for Legislative Appropriations. Orange text is for discretionary programs. Black text is for non-discretionary programs.

Capital Improvements Act (SB-9), Lease Payment Assistance Awards, Master Plan Assistance Awards, PSFA Operating Budget, Construction Industries Division (CID) Inspections, and State Fire Marshal are uses subject to funding availability and permitted pursuant to the Public School Capital Outlay Act and Capital Improvements Act.

Capital Improvements Act (SB-9) amounts are transferred to the Public Education Department (PED), which distributes funds to school districts pursuant to the Capital Improvements Acts. Amounts transferred to PED are calculated annually and administered by PED. Out-year estimates are based on previous amounts distributed to PED.

CID Inspections and State Fire Marshal are amounts PSCOC may approve annually for transfer from the Fund to the Regulation and Licensing Department for expedited inspection services by the Construction Industries Division and expedited permits and inspection of projects conducted by the State Fire Marshal Department at PSCOC funded project sites. CID and the State Fire Marshal requests budget authority from PSCOC each fiscal year. Out-year estimates are based on previous amounts distributed to CID and the State Fire Marshal.

PSFA Operating Budget are amounts that are approved annually by the Legislature for transfer from the Fund to the PSFA Operating Fund for administration and oversight of PSCOC projects and carrying out duties pursuant to the Public School Capital Outlay Act. Total annual expenditures from the fund for the core administrative functions, cannot not exceed 5% of the average annual grant assistance authorized from the PSCO Fund during the immediately preceding three fiscal years. And any unexpended or unencumbered balance remaining at the end of the fiscal year from the expenditures authorized in this subsection revert to the fund.

PSCOC Financial Plan Definitions

Lease Payment Assistance Awards are amounts that may be approved annually for reimbursing school districts and charter schools for leasing K-12 facilities pursuant to the Section I. of the Public School Capital Outlay Act (22-24-4). PSCOC discretion is used to estimate the preliminary amount for lease assistance. The financial plan is updated based upon PSCOC action.

Master Plan Assistance Awards are amounts that may be approved annually for the state share of the cost of updating a school district or charter schools five year facility master plans. The financial plan includes an estimate for out-year amounts based upon previous award history. The financial plan is updated based upon PSCOC action.

Project Closeouts are projected amounts that may be reimbursed to the districts upon the completion of financial audits for previously awarded projects. In order to align the total project expenditures to adequacy with the MOU match percentages, amounts may be due to the district if the State share of the expenditures is less than the MOU State match percentage. During the transition from FIFO (pooled funds) to project-specific budgets, projects which had reached construction completion may not have been assigned a budget, and this line item will be used to make those reimbursements. PSFA anticipates the need for this line item allocation in FY15 and FY16. Project closeouts from FY17 and forward are budgeted within the project. There is no additional need in the out-years.

Emergency Reserve for Contingencies are projected amounts that may be used to fund the State share of a project that is above the original award amount. These amounts can occur due to cost overruns, change in scope or other identified changes presented to the PSCOC. The financial plan includes an estimate from PSFA staff and is discussed with subcommittees. The estimate may change based upon market conditions or PSCOC discretion.

Uses: Legislative Appropriations

Instructional Materials/Transportation Distribution, Pre-kindergarten Awards, Security Awards and Broadband Deficiencies Corrections Program are uses subject to funding availability and appropriations made by the legislature.

Instructional Materials/Transportation Distribution are amounts appropriated from 52nd Legislature, 2016 2nd Special Session, Chapter 2, SB4 to reserve \$25.0 million in each fiscal year from 2018 through 2022 for appropriation by the legislature from the Public School Capital Outlay Fund. The appropriation may change each fiscal year and is adjusted in the financial plan based upon passed legislation.

Pre-kindergarten Awards are amounts reauthorized in Section 139 for the unexpended balance of the appropriation to the PED in Subsection 1 of Section 40 of Chapter 81 of laws 2016 to plan, design, renovate and construct public school pre-kindergarten classrooms statewide is appropriated to the PSFA contingent upon approval by the PSCOC for those purposes. Expenditure is extended through year 2021. The financial plan is estimates \$5.0 million in out-years to continue this program and was added per PSCOC direction.

Security Awards are amounts appropriated from 53rd Legislature, 2nd Session, 2018 Regular Session, HB306 appropriated for expenditure in fiscal years 2018 - 2022 from the PSCO fund to the PSFA to plan, design and install security systems and for repairs, renovation, or replacement of school security systems statewide, contingent upon the approval of the PSCOC \$6.0 million.

SB239 was also included in this session. Up to \$10.0 million of the fund may be expended in each of fiscal years 2019 - 2022 for school security system project grants made in accordance with Section 22-24-4.7 NMSA 1978.

The financial plan represents actuals for FY19 and out-years is based on PSCOC discretion and may be adjusted based upon applications received.

Broadband Deficiencies Correction Program are amounts from 51st Legislature, 2nd Session, 2014, SB159. Up to \$10.0 million

Legend	
Purple Text	Awarded Design
Purple Highlight	Pending Design Award
Green Text	Awarded Construction
Green Highlight	Pending Construction Award
<i>\$1,000,000</i>	Numbers in italics indicate bonds have not been certified.

PSCOC FUND PROJECT AWARD SCHEDULE DETAIL - Representation of Uncommitted Balance in FY22
March 14, 2022

FY 2021				FY 2022				FY 2023				FY 2024				FY 2025 Qtr 1
\$6,213,876				\$82,342,468				\$295,079,441				\$289,546,799				\$45,427,905
\$150,000	\$1,644,828	\$0	\$4,419,048	\$863,358	\$14,599,427	\$37,629,459	\$29,250,224	\$6,088,729	\$42,559,142	\$187,759,552	\$58,672,018	\$31,906,672	\$5,873,263	\$251,766,864	\$0	\$45,427,905

FY14 AWARDS			Phase 1	Phase 2	Total	2020_Q3	2020_Q4	2021_Q1	2021_Q2	2021_Q3	2021_Q4	2022_Q1	2022_Q2	2022_Q3	2022_Q4	2023_Q1	2023_Q2	2023_Q3	2023_Q4	2024_Q1	2024_Q2	2024_Q3	
P14-019	NMSBVI (Reauthorized 2017 Session per HB55) Construction to begin 2018_Q1 Quimby Gymnasium(HB55 50% PSCOC award 50% HB55 reauthorized; expenditure in fiscal years 2014-2018; reauthorization required 2018		\$184,402	\$1,659,614	\$1,844,016																		
			\$18,381,113	\$191,579,422	\$209,960,535	\$0	\$745,443	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
							\$745,443				\$0				\$0				\$0				\$0

FY15 AWARDS			Phase 1	Phase 2	Total	2020_Q3	2020_Q4	2021_Q1	2021_Q2	2021_Q3	2021_Q4	2022_Q1	2022_Q2	2022_Q3	2022_Q4	2023_Q1	2023_Q2	2023_Q3	2023_Q4	2024_Q1	2024_Q2	2024_Q3	
P15-006	Gallup (SSTB18SB 0004 A81)	Thoreau Elementary School	\$1,867,315	\$13,647,522	\$15,514,837							\$350,924											
P15-009	NMSBVI	Garrett Dormitory	\$82,483	\$742,350	\$824,833							\$1,667,741											
					\$86,785,795	\$0	\$0	\$0	\$0	\$0	\$0	\$2,018,665	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
							\$0				\$2,018,665				\$0			\$0				\$0	

Legend	
Purple Text	Awarded Design
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PSCOC FUND PROJECT AWARD SCHEDULE DETAIL - Representation of Uncommitted Balance in FY22
March 14, 2022

FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 Qtr 1
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FY19 AWARDS		Phase 1	Phase 2	Total	2020_Q3	2020_Q4	2021_Q1	2021_Q2	2021_Q3	2021_Q4	2022_Q1	2022_Q2	2022_Q3	2022_Q4	2023_Q1	2023_Q2	2023_Q3	2023_Q4	2024_Q1	2024_Q2	2024_Q3	
P19-002	Belen (SSTB18SB 0004 A81 \$42,750); (SSTB18SD 0001 A82 \$934,058.80)	Jarmillo ES	\$42,750	\$103,301	\$146,051							\$103,301										
P19-003	Gallup (SSTB18SB 0004 A81 \$60,000); (SSTB18SD 0001 A82 \$2,407,436.60); (SSTB20SD 0001 A03 \$22,206,929)	Rocky View / Red Rock ES	\$60,000	\$24,614,366	\$24,674,366						\$2,407,437				\$22,206,929							
P19-004	Gallup (SSTB18SB 0004 A81 \$60,000); (SSTB18SD 0001 A82 CERTIFIED \$2,854,563 budgeted \$2,453,972) (SSTB20SD A03 \$22,571,748)	Tohatchi HS	\$60,000	\$25,079,720	\$25,139,720						\$2,507,972				\$22,571,748							
P19-005	Las Cruces (SSTB18SB 0004 A81 \$366,400); (SSTB18SD 0001 A82 \$3,297,600)	Desert Hills ES	\$366,400	\$3,297,600	\$3,664,000											\$3,297,600						
P19-008	Los Lunas (P project SSTB19SD 0001 A92 \$13,502,129) (Pre-k project SSTB19SD A92 \$2,246,400)	Peralta ES	\$2,246,400	\$18,047,565	\$20,293,965					\$2,246,400							\$18,047,565					
P19-009	Roswell (SSTB18SB 0004 A81 \$1,158,868); (SSTB18SD 0001 A82 \$10,429,808) (SSTB20SB E003 \$4,083,445)	Mesa MS	\$1,158,868	\$14,513,253	\$15,672,121						\$14,513,253											
P19-010	Roswell (SSTB18SB 0004 A81 \$53,250); (SSTB18SD 0001 A82 Certified \$1,494,488) (SSTB20SD A03 \$6,475,075)	Nancy Lopez ES	\$1,547,738	\$13,450,393	\$14,998,131						\$6,475,075				\$6,975,318							
P19-011	Zuni (SSTB18SB 0004 A81 \$75,000); (SSTB18SD 0001 A82 \$1,904,314.30)	Zuni MS	\$75,000	\$19,718,143	\$19,793,143							\$1,904,314				\$17,813,829						
S19-003	Belen (SSTB18SB 0004 A81 \$1,457,542)	Dennis Chavez ES	\$1,177,785	\$10,600,064	\$11,777,849												\$10,320,307					
S19-007	Deming (SSTB17SB 0001 A78 \$473,288) (SSTB18SB 0004 A81 \$1,610,962)	Chaparral ES	\$0	\$2,084,250	\$2,084,250		\$473,288															
S19-008	Floyd (SSTB18SB 0004 A81 \$426,097)	Floyd Combined School	\$0	\$426,097	\$426,097		\$426,097															
S19-009	Las Cruces (SSTB18SB 0004 A81 \$314,515)	Fairacres ES	\$0	\$314,515	\$314,515					\$314,515												
S19-019	Las Cruces (SSTB18SB 0004 A81 \$229,869)	Highland ES	\$0	\$229,869	\$229,869					\$229,869												
S19-020	Las Cruces (SSTB18SB 0004 A81 \$39,110)	Hillrise ES	\$0	\$39,110	\$39,110					\$39,110												
S19-010	Las Cruces (SSTB18SB 0004 A81 \$2,718,886)	Lynn MS	\$0	\$2,718,886	\$2,718,886					\$2,718,886												
S19-021	Las Cruces (SSTB18SB 0004 A81 \$245,368)	Mayfield HS	\$0	\$245,368	\$245,368					\$245,368												

Legend	
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PSCOC FUND PROJECT AWARD SCHEDULE DETAIL - Representation of Uncommitted Balance in FY22
March 14, 2022

			FY 2021			FY 2022				FY 2023				FY 2024				FY 2025 Qtr 1		
FY19 AWARDS	Phase 1	Phase 2	Total	2020_Q3	2020_Q4	2021_Q1	2021_Q2	2021_Q3	2021_Q4	2022_Q1	2022_Q2	2022_Q3	2022_Q4	2023_Q1	2023_Q2	2023_Q3	2023_Q4	2024_Q1	2024_Q2	2024_Q3
S19-022 Las Cruces (SSTB18SB 0004 A81 \$329,147)		\$329,147	\$329,147						\$329,147											
S19-023 Las Cruces (SSTB18SB 0004 A81 \$141,238)		\$141,238	\$141,238						\$141,238											
S19-012 Las Cruces (SSTB18SB 0004 A81 \$695,031)		\$695,031	\$695,031						\$695,031											
S19-024 Las Cruces (SSTB18SB 0004 A81 \$58,807)		\$58,807	\$58,807						\$58,807											
S19-013 Los Lunas (SSTB18SB 0004 A81 \$3,128,000) (SSTB18SD 0001 A82 \$1,856,343) (SSTB19SB 0001 A91 \$980,268)		\$5,964,611	\$5,964,611								\$2,836,611									
S19-014 Magdalena (SSTB18SB 0004 A81 \$403,925)		\$885,889	\$885,889								\$481,964									
S19-015 Socorro (SSTB18SB 0004 A81 \$54,000) (SSTB19SB A91 \$1,763,239)	\$965,399	\$16,720,995	\$17,686,394								\$1,763,239				\$15,923,155					
			\$204,764,627	\$0	\$899,385	\$0	\$0	\$0	\$7,018,371	\$25,903,737	\$7,089,429	\$0	\$0	\$51,753,995	\$37,034,584	\$28,367,872	\$0	\$0	\$0	\$0
					\$899,385				\$40,011,537				\$88,788,579			\$28,367,872				\$0

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PSCOC FUND PROJECT AWARD SCHEDULE DETAIL - Representation of Uncommitted Balance in FY22
March 14, 2022

FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 Qtr 1
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Project ID	FY20 AWARDS	Phase 1	Phase 2	Total	2020_Q3	2020_Q4	2021_Q1	2021_Q2	2021_Q3	2021_Q4	2022_Q1	2022_Q2	2022_Q3	2022_Q4	2023_Q1	2023_Q2	2023_Q3	2023_Q4	2024_Q1	2024_Q2	2024_Q3	
																						2020_Q3
P20-001	Alamogordo (SSTB185B 0004 A81 \$774,754) (SSTB185D 0001 A82 \$1,388,001.46) (SSTB195D 0004 A92 \$19,464,797)	Chaparral MS	\$2,162,755	\$19,464,797	\$21,627,553									\$19,464,798								
P20-002	Central (SSTB185D 0001 A82 \$25,000) (SSTB195D 0004 A92 \$1,807,637) (SSTB195D 0004 A92 \$5,477,761) (SSTB205B E0003 \$4,083,445)	Newcomb ES	\$1,087,543	\$13,980,567	\$15,068,110					\$1,062,543						\$13,980,567						
P20-003	Roswell (SSTB185D 0001 A82 \$1,807,637) (SSTB195D 0004 A92 \$5,477,761) (SSTB205B E0003 \$4,083,445)	Mountain View MS	\$1,807,637	\$16,268,730	\$18,076,367						\$1,807,637				\$16,268,730							
P20-004	Hobbs (SSTB185D 0001 A82 \$1,354,716) (SSTB195D 0004 A92 \$13,993,882)	Southern Heights ES	\$1,354,716	\$13,993,882	\$15,348,598					\$1,354,716				\$13,993,882								
P20-005	Las Cruces (SSTB185D 0001 A82 \$42,750) (SSTB195D 0004 A92 \$1,707,009) (SSTB205B E0003 \$2,355,466)	Columbia ES	\$4,105,206	\$26,025,700	\$30,130,906						\$4,062,456				\$26,025,700							
P20-006	Roswell (SSTB185D 0001 A82 \$51,000) (SSTB195D 0004 A92 \$601,585)	Washington Avenue ES	\$652,585	\$5,873,263	\$6,525,848									\$601,585				\$5,873,263				
P20-007	Des Moines (SSTB185D 0001 A82 \$221,381) (SSTB195D 0004 A92 \$144,641)	Des Moines Combined School	\$221,381	\$3,583,896	\$3,805,277						\$221,381			\$3,583,896								
P20-008	Grants (SSTB185D 0001 A82 \$548,021) (SSTB195D 0004 A92 \$2,797,084) (SSTB195D 0004 A92 \$3,243,755)	Bluewater ES	\$548,021	\$4,932,192	\$5,480,213					\$548,021						\$4,932,192						
P20-009	Clovis (SSTB185D 0001 A82 \$2,797,084) (SSTB195D 0004 A92 \$3,243,755)	Barry ES	\$3,464,798	\$3,243,754	\$6,708,552					\$667,714			\$3,243,754									
S20-001	Roswell (SSTB185D 0001 A82 \$234,600)	Roswell HS		\$234,600	\$234,600						\$234,600											
S20-002	Gallup-McKinley (SSTB185D 0001 A82 \$832,799) (SSTB185D A82 \$265,503) (SSTB195B 0001 A91 \$2,650,525)	Gallup HS		\$3,777,627	\$3,777,627								\$3,777,627									
S20-003	Clovis (SSTB195B 0001 A91 \$54,638) (SSTB175B 0001 A78 \$491,744)	Clovis HS	\$54,638	\$491,744	\$546,383		\$54,638	\$491,745														
S20-004	Gallup-McKinley (SSTB195B 0001 A91 \$1,450,160) (SSTB185D 0001 A82 \$106,512)	Crownpoint MS		\$1,684,658	\$1,684,658								\$1,684,658									
S20-005	San Jon (SSTB195B 0001 A91 \$166,299)	San Jon Combined School	\$152,006	\$1,486,852	\$1,638,858					\$152,006			\$1,486,852									
S20-006	Gallup-McKinley (SSTB195B 0001 A91 \$421,336) (SSTB185D 0001 A82 \$31,600 (no budget))	Tse Yi Gai HS	\$421,336	\$31,600	\$452,936			\$42,134		\$379,203	\$31,600											
S20-007	Hobbs (SSTB195B 0001 A91 \$29,728) (SSTB195B 0001 A91 \$267,552) (SSTB195D 0001 A92 \$267,552)	Hobbs HS	\$29,728	\$267,552	\$297,280			\$29,728		\$267,552												
S20-008	Portales (SSTB195B 0001 A91 \$299,751) (SSTB195B 0001 A91 \$2,697,762) (SSTB195D 0001 A92 \$2,697,762)	Brown Early Childhood Center	\$299,751	\$2,697,762	\$2,997,514			\$299,751	\$2,697,762													
S20-009	Las Cruces (SSTB195B 0001 A91 \$764,008)	Valley View ES		\$764,008	\$764,008				\$764,008													
S20-010	Hobbs (SSTB195B 0001 A91 \$334,286)	Mills ES		\$334,286	\$334,286				\$334,286													

Legend	
Purple Text	Awarded Design
Purple Highlight	Pending Design Award
Green Text	Awarded Construction
Green Highlight	Pending Construction Award
<i>\$1,000,000</i>	<i>Numbers in italics indicate bonds have not been certified.</i>

PSCOC FUND PROJECT AWARD SCHEDULE DETAIL - Representation of Uncommitted Balance in FY22
March 14, 2022

FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 Qtr 1
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FY21 AWARDS		Phase 1	Phase 2	Total	2020_Q3	2020_Q4	2021_Q1	2021_Q2	2021_Q3	2021_Q4	2022_Q1	2022_Q2	2022_Q3	2022_Q4	2023_Q1	2023_Q2	2023_Q3	2023_Q4	2024_Q1	2024_Q2	2024_Q3
P21-001	P21 Zuni (SSTB19SD 0004 A92 \$75,000)	TwinButtes HS, Zuni HS	\$5,264,957	\$46,709,614	\$51,974,571			\$75,000							\$5,189,957				\$46,709,614		
P21-002	P21 Carrizozo (SSTB20SB E0003 A01 \$214,315)	Combined School	\$3,571,922	\$30,218,461	\$33,790,383								\$214,315	\$3,357,607					\$30,218,461		
P21-003	P21 Gallup (SSTB19SD 0004 A92 \$101,250)	Gallup HS	\$5,905,364	\$52,237,026	\$58,142,390			\$101,250							\$5,804,114				\$52,237,026		
P21-004	P21 Hobbs (Not Certified or budgeted)	Heizer MS	\$2,355,870	\$20,905,830	\$23,261,700								\$33,000		\$2,322,870						\$20,905,830
P21-005	P21 Gallup (SSTB19SD 0004 A92 \$60,750) (SSTB19SD 0004 A92 \$350,924)	Crownpoint HS	\$3,136,349	\$27,680,389	\$30,816,738			\$60,750			\$350,924				\$3,158,314	\$2,724,675					\$24,522,075
P21-006	P21 Gallup (SSTB19SD 0004 A92 \$60,750)	Navajo Pine HS	\$1,887,827	\$16,443,697	\$18,331,524			\$60,750							\$1,827,077				\$16,443,697		
P21-007	P21 Grants (SSTB19SD 0004 A92 \$1,796,022)	Mesa View ES	\$1,796,022	\$16,164,200	\$17,960,222			\$1,796,022											\$16,164,200		
S21-001	S21 Las Cruces (SSTB19SD 0004 A92 \$165,548)	Tombaugh ES	\$165,548	\$1,489,934	\$1,655,482			\$165,548							\$1,489,934						
S21-002	S21 Clovis (SSTB19SD 0004 A92 \$967,357)	Clovis HS		\$967,357	\$967,357			\$967,357													
S21-003	S21 Las Cruces (SSTB19SD 0004 A92 \$139,862)	Onate HS	\$139,862	\$1,258,757	\$1,398,619			\$139,862							\$1,258,757						
S21-004	S21 Gallup (SSTB19SD 0004 A92 \$777,474)	Tohatchi MS		\$777,474	\$777,474			\$777,474													
S21-005	S21 Hatch Valley (SSTB19SD 0004 A92 \$220,397)	Hatch Valley HS		\$220,397	\$220,397			\$220,397													
\$239,296,857					\$0	\$0	\$0	\$4,364,410	\$0	\$0	\$350,924	\$0	\$247,315	\$3,357,607	\$21,051,023	\$2,724,675	\$0	\$0	\$161,772,998	\$0	\$45,427,905
						\$4,364,410				\$350,924			\$247,315	\$3,357,607	\$27,380,620			\$161,772,998			\$45,427,905

Legend	
Purple Text	Awarded Design
Purple Highlight	Pending Design Award
Green Text	Awarded Construction
Green Highlight	Pending Construction Award
\$1,000,000	Numbers in italics indicate bonds have not been certified.

PSCOC FUND PROJECT AWARD SCHEDULE DETAIL - Representation of Uncommitted Balance in FY22
March 14, 2022

FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 Qtr 1
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FY22 AWARDS			Phase 1	Phase 2	Total	2020_Q3	2020_Q4	2021_Q1	2021_Q2	2021_Q3	2021_Q4	2022_Q1	2022_Q2	2022_Q3	2022_Q4	2023_Q1	2023_Q2	2023_Q3	2023_Q4	2024_Q1	2024_Q2	2024_Q3	
P22-001	P22 Gadsden (SSTB215B A02)	Gadsden MS	\$3,342,945	\$29,858,810	\$33,201,755							\$25,300				\$3,317,645				\$29,858,810			
P22-006	P22 Gadsden	Chaparral MS	\$2,758,345	\$24,352,605	\$27,110,950							\$52,500				\$2,705,845				\$24,352,605			
P22-003	P22 Los Alamos	Chamisa ES	\$409,195	\$3,682,754	\$4,091,949							\$409,195				\$3,682,754							
P22-005	P22 - Los Alamos	Pinon ES	\$501,411	\$4,512,703	\$5,014,114							\$501,411				\$4,512,703							
P22-004	P22 - Los Lunas	Ann Parrish ES	\$1,765,120	\$15,508,080	\$17,273,200							\$42,000				\$1,723,120				\$15,508,080			
P22-002	P22 - Mosquero	Mosquero Combined School	\$2,645,908	\$23,813,171	\$26,459,079							\$54,923		\$1,110,808	\$1,480,177			\$3,538,800		\$20,274,371			
S22-004	S22 - Floyd	Floyd Combined School	\$50,622	\$518,595	\$569,217							\$50,622				\$518,595							
S22-002	S22 - House	House Combined		\$142,858	\$142,858							\$65,661			\$77,197								
S22-011	S22 - Las Vegas City	Demolition of unused school building		\$155,721	\$155,721							\$155,721											
S22-003	S22 - Portales	Portales HS		\$223,086	\$223,086											\$223,086							
S22-008	S22 - Portales	James ES	\$96,862	\$1,098,443	\$1,195,305							\$96,862				\$1,098,443							
S22-001	S22 - Raton	Longfellow ES		\$98,081	\$98,081							\$98,081											
S22-005	S22 - Raton	Raton HS		\$280,339	\$280,339							\$280,339											
S22-007	S22 - Raton	Raton Intermediate School		\$137,927	\$137,927							\$137,927											
S22-010	S22 - Raton	Columbian ES		\$386,050	\$386,050							\$386,050											
S22-006	S22 - Truth or Consequences	Sierra ES	\$26,712	\$240,412	\$267,124							\$26,712				\$240,412							
S22-009	S22 - Tularosa	Tularosa Intermediate School		\$394,619	\$394,619								\$394,619										
S22-025	S22 Socorro	Edward Torres		\$990,846	\$990,846								\$990,846										
S22-026	S22 T or C	District		\$754,519	\$754,519								\$754,519										
	Security	Statewide		\$8,137,501	\$8,137,501											\$8,137,501							
FY22 AWARDS 2nd CYCLE																							
S22-012	S22 Las Cruces	East Picacho ES		\$1,888,369	\$1,888,369								\$1,888,369										
S22-013	S22 Las Cruces	Zia MS		\$245,726	\$245,726								\$245,726										
S22-014	S22 Las Cruces	Hermosa heights Es		\$1,545,068	\$1,545,068								\$1,545,068										
S22-015	S22 Farmington	Mesa View MS		\$397,886	\$397,886								\$397,886										
S22-016	S22 Farmington	Bluffview ES		\$2,033,511	\$2,033,511								\$2,033,511										
S22-017	S22 Farmington	Apache ES		\$2,219,055	\$2,219,055								\$2,219,055										
S22-018	S22 Farmington	Esperanza ES		\$1,420,772	\$1,420,772								\$1,420,772										
S22-019	S22 Farmington	Piedra Vista HS		\$3,448,562	\$3,448,562								\$3,448,562										
S22-020	S22 Farmington	McCormick ES		\$413,091	\$413,091								\$413,091										
S22-021	S22 Deming	Jarvis House		\$120,964	\$120,964								\$120,964										
S22-0022	S22 Gadsden	District		\$217,781	\$217,781								\$217,781										
S22-023	S22 Hatch	District Wide		\$471,141	\$471,141								\$471,141										
S22-024	S22 Quemado	District Wide		\$105,000	\$105,000								\$105,000										
					\$141,411,166		\$0	\$0	\$0	\$0	\$0	\$0	\$2,383,304	\$16,666,910	\$1,110,808	\$1,557,374	\$26,160,104	\$0	\$3,538,800	\$0	\$89,993,866	\$0	\$0
							\$0					\$19,050,214				\$28,828,286				\$93,532,666		\$0	

Legend	
Purple Text	Awarded Design
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Green Text	Awarded Construction
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PSCOC FUND PROJECT AWARD SCHEDULE DETAIL - Representation of Uncommitted Balance in FY22
 March 14, 2022

			FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 Qtr 1													
FY23 AWARDS SCENARIO	Phase 1	Phase 2	Total	2020_Q3	2020_Q4	2021_Q1	2021_Q2	2021_Q3	2021_Q4	2022_Q1	2022_Q2	2022_Q3	2022_Q4	2023_Q1	2023_Q2	2023_Q3	2023_Q4	2024_Q1	2024_Q2	2024_Q3
Estimated Standards Awards contingent on PSCOC approval	\$22,500,000	\$201,552,200	\$224,052,200											\$22,500,000						
Estimated Systems Awards contingent on PSCOC approval		\$24,000,000	\$24,000,000											\$24,000,000						
			\$248,052,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$46,500,000	\$0	\$0	\$0	\$0	\$0	\$0
				\$0						\$0				\$46,500,000			\$0			\$0

PSCOC FUND BALANCE as of February 24, 2022

Meeting: March 14, 2022

Pool	Title	Appr Id	Chapter	Laws	Section	Amount Sold	Amount Budgeted	Amount Expend	Amount Revert	Balance as of 12/20/2021	Balance as of 02/24/2022	Change Since Last Meeting	
1	SSTB11SD	PSFA - NMSBVI Quimby Gymnasium and Natatorium	SSTB11SD 14-2173	338	2001		\$92,201.00	\$92,201.00	\$78,425.88	\$0.00	\$13,775.12	\$13,775.12	\$0.00
2	SSTB11SD	PSFA - NMSBVI Sacramento Dormitory	SSTB11SD 14-2174	338	2001		\$114,721.00	\$114,721.00	\$14,169.01	\$0.00	\$100,551.99	\$100,551.99	\$0.00
3	SSTB12SD	PUBLIC SCHOOL CAPITAL OUTLAY PROJECTS	SSTB12SD 0002	338	2001		\$14,818,863.00	\$14,818,863.00	\$9,551,455.08	\$0.00	\$5,267,407.92	\$5,267,407.92	\$0.00
4	SSTB13SB	PUBLIC SCHOOL CAPITAL OUTLAY PROJECTS	SSTB13SB 0003	338	2001		\$56,221,162.00	\$56,198,603.40	\$52,507,613.81	\$426,435.63	\$3,403,746.05	\$3,287,112.56	\$116,633.49
5	SSTB13SE	PUB. SCHL. CAPITAL OUTLAY PROJECTS	SSTB13SE 0001	338	2001		\$110,000,000.00	\$109,000,000.00	\$104,682,435.61	\$4,543,189.58	\$774,374.81	\$774,374.81	\$0.00
6	STB14A	PUBLIC SCHOOL CAPITAL OUTLAY	STB14A 0001	1	2017	LTB 8/18/17	\$1,352,180.00	\$1,352,180.00	\$1,058,218.83	\$0.00	\$293,961.17	\$293,961.17	\$0.00
7	STB14SA	PUBLIC SCHOOL CAPITAL OUTLAY	STB14SA 0001	1	2017	LTB 8/18/17	\$200,000.00	\$200,000.00	\$200,000.00	\$0.00	\$0.00	\$0.00	\$0.00
8	SSTB14SB	PUB. SCHL. CAPITAL OUTLAY PROJECTS	SSTB14SB 0001	338	2001		\$45,159,500.00	\$45,083,936.45	\$39,840,208.36	\$29,449.00	\$5,289,842.64	\$5,289,842.64	\$0.00
9	SSTB14SD	PUBLIC SCHOOL CAPITAL OUTLAY PROJECTS	SSTB14SD 0001	338	2001		\$154,580,500.00	\$154,264,615.78	\$138,703,912.49	\$0.00	\$15,883,599.39	\$15,876,587.51	\$7,011.88
10	STB15A	PUBLIC SCHOOL CAPITAL OUTLAY	STB15A 0001	1	2017	LTB 8/18/17	\$2,903,218.00	\$2,903,218.00	\$1,264,877.29	\$0.00	\$1,638,340.71	\$1,638,340.71	\$0.00
11	STB15SA	PUBLIC SCHOOL CAPITAL OUTLAY	STB15SA 0001	1	2017	LTB 8/18/17	\$1,259,777.00	\$1,259,777.00	\$1,121,254.10	\$0.00	\$138,522.90	\$138,522.90	\$0.00
12	STB15SC	PUBLIC SCHOOL CAPITAL OUTLAY	STB15SC 0001	1	2017	LTB 8/18/17	\$240,854.10	\$240,854.10	\$224,905.16	\$0.00	\$50,872.41	\$15,948.94	\$34,923.47
13	SSTB15B	PUBLIC SCHOOL CAPITAL OUTLAY PROJECTS	SSTB15B 0001	338	2001		\$80,961,202.00	\$80,961,202.00	\$70,060,193.81	\$0.00	\$10,901,008.19	\$10,901,008.19	\$0.00
14	SSTB15SB	PUBLIC SCHOOL CAPITAL OUTLAY PROJECTS	SSTB15SB 0001	338	2001	6/2015 Cert	\$34,690,100.00	\$34,422,214.11	\$25,676,932.72	\$0.00	\$9,024,253.46	\$9,013,167.28	\$11,086.18
15	SSTB15SD	PUBLIC SCHOOL CAPITAL OUTLAY PROJECTS	SSTB15SD 0001	338	2001		\$23,203,200.00	\$23,201,410.00	\$23,115,833.84	\$0.00	\$87,366.16	\$87,366.16	\$0.00
16	STB16A	PUBLIC SCHOOL CAPITAL OUTLAY	STB16A 0001	1	2017	LTB 8/18/17	\$20,000.00	\$20,000.00	\$20,000.00	\$0.00	\$0.00	\$0.00	\$0.00
17	SSTB16SB	PSCOC CAPITAL OUTLAY PROJECTS	SSTB16SB 0001	338	2001	6/2016 Cert	\$66,986,200.00	\$66,986,200.00	\$49,046,152.64	\$0.00	\$17,940,047.36	\$17,940,047.36	\$0.00
18	SSTB16SB	PSCOC CAPITAL OUTLAY PROJECTS	SSTB16SB 0002	338	2001	6/2016 Cert	\$14,600,000.00	\$14,600,000.00	\$14,592,982.27	\$0.00	\$7,017.73	\$7,017.73	\$0.00
19	STB17A	PUBLIC SCHOOL CAPITAL OUTLAY	STB17A 17-001	1	2017		\$57,014,150.90	\$57,014,150.90	\$51,535,622.07	\$0.00	\$5,572,207.41	\$5,478,528.83	\$93,678.58
20	SSTB17SB	PSCOC CAPITAL OUTLAY PROJECTS	SSTB17SB 0001	338	2001	6/2017 Cert	\$26,542,900.00	\$26,542,900.00	\$22,731,419.56	\$0.00	\$3,811,480.44	\$3,811,480.44	\$0.00
21	STB7SC	PUBLIC SCHOOL CAPITAL OUTLAY	STB17SC 17-001	1	2017	LTB 12/2018	\$9,820.00	\$9,820.00	\$1,249.34	\$0.00	\$8,570.66	\$8,570.66	\$0.00
22	SSTB17SD	PSCOC CAPITAL OUTLAY PROJECTS	SSTB17SD 0001	338	2001	12/2018 Cert	\$7,342,300.00	\$7,342,300.00	\$6,833,365.84	\$0.00	\$509,852.18	\$508,934.16	\$918.02
23	SSTB18SB	PSCOC CAPITAL OUTLAY PROJECTS	SSTB18SB 0004	338	2001	6/2018 Cert	\$81,679,840.00	\$81,679,840.00	\$53,403,075.62	\$0.00	\$29,234,042.98	\$28,276,764.38	\$957,278.60
24	SSTB18SD	PSCOC CAPITAL OUTLAY PROJECTS	SSTB18SD 0001	338	2001	12/2018 Cert	\$68,939,924.96	\$68,939,924.96	\$25,702,510.07	\$0.00	\$46,062,773.30	\$43,237,414.89	\$2,825,358.41
25	SSTB18SD	PRE-KINDERGARTEN CLASSROOMS STATEWIDE	SSTB18SD 0003	277	2001		\$5,000,000.00		\$0.00	\$0.00	\$5,000,000.00	\$5,000,000.00	\$0.00
26	SSTB18SD	TEACHER HOUSING FACILITIES	SSTB18SD 0004	277	2001		\$10,000,000.00	\$10,000,000.00	\$10,000,000.00	\$0.00	\$0.00	\$0.00	\$0.00
27	SSTB19SB	PUBLIC SCHOOL CAPITAL OUTLAY	SSTB19SB 0001	1	2017		\$17,800,000.00	\$17,800,000.00	\$5,409,699.39	\$0.00	\$12,657,706.18	\$12,390,300.61	\$267,405.57
26	SSTB19SD	PRE-KINDERGARTEN CLASSROOMS STATEWIDE	SSTB19SD 0003	1	2017		\$5,000,000.00	\$5,000,000.00	\$0.00	\$0.00	\$5,000,000.00	\$5,000,000.00	\$0.00
27	SSTB19SD	PUBLIC SCHOOL CAPITAL OUTLAY	SSTB19SD 0004	1	2017		\$140,743,039.00	\$140,743,039.00	\$28,450,897.47	\$0.00	\$114,201,930.65	\$112,292,141.53	\$1,909,789.12
28	SSTB20SD	PUBLIC SCHOOL CAPITAL OUTLAY	SSTB20SD 0002	338	2001		\$60,429,031.00	\$60,429,031.00	\$0.00	\$0.00	\$60,429,031.00	\$60,429,031.00	\$0.00
29	SSTB20SB	PUBLIC SCHOOL CAPITAL OUTLAY	SSTB20SB E0003	338	2001		\$53,424,820.00	\$0.00	\$18,051,085.21	\$0.00	\$35,391,206.13	\$35,373,734.79	\$17,471.34
30	SSTB21SB	PUBLIC SCHOOL CAPITAL OUTLAY	SSTB21SB 0001	338	2001		\$150,805,730.00	\$0.00	\$3,442,243.52	\$0.00	\$150,805,730.00	\$147,363,486.48	\$3,442,243.52
31	SSTB21SD	PUBLIC SCHOOL CAPITAL OUTLAY	SSTB21SD 0001	338	2001		\$268,182,200.00	\$0.00	\$0.00	\$0.00	\$268,182,200.00	\$268,182,200.00	\$0.00
32		Total for Agency:		94000			\$3,414,645,840.86	\$2,936,965,726.60	\$2,602,529,472.90	\$14,118,746.30	\$807,681,419.84	\$797,997,620.76	\$9,683,799.08

I. Bond Reconciliation Summary**II. Presenter:** Iris Romero, Financial Consultant**III. Executive Summary (Informational):****Key Points:**

Bond reconciliation findings:

- Missing projects from bond recertification reconciliation worksheets causing bond tracking discrepancies as well as occasional inaccurate bond balances.
- Recertification reconciliation worksheets and resolutions approved by Council not submitted to State Board of Finance (SBOF).
- Project offsets not applied which held up funding in the bond that can be used for other projects.
- Projects that were rescinded were not reflected on the recertification worksheets causing funding in the bond to be held up when it could be used for other projects.
- Some projects were either over or under certified when compared to actual awards.
- Differences between preliminary awards vs actual allocation had not been trued up releasing funding in the bond that can be used for other projects, i.e. FMP
- One bond was over certified causing a negative bond balance requiring the need to recertify a project into another bond.
- Multiple projects were certified more than once in multiple bonds.

The reconciliation process allowed us to also identify projects that had not been budgeted, budgeted multiple time, budgeted with incorrect amounts and other budgeting issues.

The reconciliation process created an overall favorable change in bond balance by \$24M.

I. SSTBs for Certification and Decertification

II. Presenter: Iris Romero, Financial Consultant

III. Potential Motion:

Adopt the Resolution, Notification, Certification/Decertification and Resolution of unexpended bond proceeded as follows:

1. SSTB15A 17-001 A74
2. STB18SB0004 A81
3. SSTB18SD 0001 A82
4. SSTB19SB 001 A91
5. SSTB19SD0004 A92
6. SSTB20SB E003 A01
7. SSTB20SD 0002 A03
8. SSTB21SB 001 A02

IV. Executive Summary:

Staff Recommendation:

PSCOC approval of the Resolution, Notification, Certification/Decertification and Resolution of unexpended bonds proceeds as listed in the above motion.

Key Points:

1. Findings for reconciliation of STB15A 17-0001 A74:
 - a) S18-003 Las Vegas City Los Ninos – True up to actual award and create audit trail (project was never recertified) (\$228,189)
 - b) S18-006 Dexter – Dexter ES - True up to actual award and create audit trail (project was never recertified) (\$39,602)
 - c) S18-009 Gadsden – Loma Linda ES - True up to actual award and create audit trail (project was never recertified) (\$1,952,077)

This created a recertification audit trail with no impact on the bond balance.

Attached is the Resolution, Notification and Certification Amendment for:

STB15A 17-0001: Exhibit A to the Resolution, Notification and Certification is amended per the attached STB15A 17-0001 Re-certification Reconciliation worksheet as follows:

Description	Amount
S18-003 Las Vegas City Los Ninos	\$228,189
S18-006 Dexter – Dexter ES	\$39,602
S18-009 Gadsden – Loma Linda ES	\$1,952,077
FY18 Second Round Systems Applications	(\$2,219,868)

STB15A 17-0001 has \$0.00 proceeds per the attached worksheet.

2. Findings for reconciliation of SSTB18SB 0004 A81:

- a) P19-006 Las Vegas Sierra Vista ES Offset applied (-\$218,119)
- b) S19-011 Mesilla Valley Leadership Academy rescinded award (-\$249,600)
- c) True up actual cost of FIMS (-\$13,318)

This created an available balance of \$481,037

Attached is the Resolution, Notification and Certification Amendment for:

SSTB18SB 0004: Exhibit A to the Resolution, Notification and Certification is amended per the attached SSTB18SB 0004 Re-certification Reconciliation worksheet as follows:

Description	Amount
P19-006 Las Vegas Sierra Vista ES	(\$218,119)
S19-011 Mesilla Valley Leadership Academy	(\$249,600)
FY20 Facilities Information Management System	(\$13,318)

SSTB18SB 0004 has \$481,037 proceeds per the attached worksheet.

3. Findings for reconciliation of SSTB18SD 0001 A82:

- a) P15-009 NMSBVI – Garrett True up to actual award (under-certified) (\$166,755)
- b) P19-006 Las Vegas – Sierra Vista ES offset applied (-\$4,026,585)
- c) True up to actual allocations of FY 20 Facilities Master Plan awards (-\$41,551)
- d) True up FY20 BDCP allocations (-\$257,252)
- e) True up FY20 M&V Subscriptions to actual allocation (-\$59,000)

This created an available balance of \$4,419,186

Attached is the Resolution, Notification and Certification Amendment for:

SSTB18SB 0004: Exhibit A to the Resolution, Notification and Certification is amended per the attached SSTB18SD 0001 Re-certification Reconciliation worksheet as follows:

Description	Amount
P15-009 NMSBVI - Garrett	\$166,755
P19-006 Las Vegas Sierra Vista ES	(\$4,026,585)
FY20 Facilities Master Plan	(\$41,551)
FY20 BDCP awards	(\$257,252)
FY20 M&V Subscriptions	(\$59,000)

SSTB18SD 0001 has \$4,419,186 proceeds per the attached worksheet.

4. Findings for reconciliation of SSTB19SB 0001 A91:

- a) S20-005 San Jon Combined True up to actual award (over-certified) (-\$14,293)
- b) S20-007 Hobbs HS bond had a negative balance – project was recertified in the A92 bond (-\$267,552)

This created an available balance of \$44,293

Attached is the Resolution, Notification and Certification Amendment for:

SSTB19SB 0001: Exhibit A to the Resolution, Notification and Certification is amended per the attached SSTB19SB 0001 Re-certification Reconciliation worksheet as follows:

Description	Amount
S20-005 San Jon Combined	(\$14,293)
S20-007 Hobbs HS	(\$267,552)

SSTB19SB 0001 has \$44,293 proceeds per the attached worksheet.

5. Findings for reconciliation of SSTB19SD 0004 A92:

- a) P14-019 NMSBVI Quimby - True up to actual award (over-certified) (-\$1,524,364)
- b) P14-020 NMSBVI Sacramento - True up to actual award (duplicate recert – recertified in A82) (-\$2,064,970)
- c) P19-006 Las Vegas – Sierra Vista ES Offset applied (-\$4,026,585)
- d) S20-008 Portales – Brown Early Childhood Center - True up to actual award (duplicate recert – recertified in A91) (-\$2,697,762)

This created an available balance of \$10,313,681

Attached is the Resolution, Notification and Certification Amendment for:

SSTB19SD 0004: Exhibit A to the Resolution, Notification and Certification is amended per the attached SSTB19SD 0004 Re-certification Reconciliation worksheet as follows:

Description	Amount
P14-019 NMSBVI Quimby	(\$1,524,364)
P14-020 NMSBVI Sacramento	(\$2,064,970)
P19-006 Las Vegas – Sierra Vista ES	(\$4,026,585)
S20-008 Portales – Brown Early Childhood Center	(\$2,697,762)

SSTB19SD 0004 has \$10,313,681 proceeds per the attached worksheet.

- 6. Findings for reconciliation of SSTB20SB E0003 A01:
 - a) HB2 2020 Impact Aid - True up to actual award (over-certified) (-\$9,000)

This created an available balance of \$27,357,735

Attached is the Resolution, Notification and Certification Amendment for:

SSTB20SB E0003: Exhibit A to the Resolution, Notification and Certification is amended per the attached SSTB20SB E0003 Re-certification Reconciliation worksheet as follows:

Description	Amount
HB2 2020 Impact Aid	(\$9,000)
P21-002 Carrizozo Combined	\$3,357,607

SSTB20SB E0003 has \$27,357,735 proceeds per the attached worksheet.

7. Findings for reconciliation of SSTB20SD 0002 A03:

- a) P19-002 Belen – Jaramillo ES – Project not moving forward (-\$8,791,279)

This created an available balance of \$8,791,279

Attached is the Resolution, Notification and Certification Amendment for:

SSTB20SD 0002: Exhibit A to the Resolution, Notification and Certification is amended per the attached SSTB20SD 0002 Re-certification Reconciliation worksheet as follows:

Description	Amount
P19-002 Belen – Jaramillo ES	(\$8,791,279)

SSTB20SD 0002 has \$8,791,279 proceeds per the attached worksheet.

8. Findings for reconciliation of SSTB21SB 0001 A02: NO FINDINGS

Attached is the Resolution, Notification and Certification Amendment for:

SSTB21SB 0001: Exhibit A to the Resolution, Notification and Certification is amended per the attached SSTB21SB 0001 Re-certification Reconciliation worksheet as follows:

Description	Amount
S22-012 Las Cruces – E. Picacho ES	\$1,888,369
S22-013 Las Cruces – Zia MS	\$245,726
S22-014 Las Cruces – Hermosa Heights ES	\$1,545,068
S22-015 Farmington – Mesa View MS	\$397,886
S22-016 Farmington – Bluffview ES	\$2,033,511
S22-017 Farmington – Apache ES	\$2,219,015
S22-018 Farmington - Esperanza ES	\$1,420,772
S22-019 Farmington – Piedra Vista HS	\$3,448,562
S22-020 Farmington – McCormick ES	\$413,091
S22-021 Deming – Jarvis House	\$120,964
S22-022 Gadsden – District Wide	\$217,781
S22-023 Hatch – District Wide	\$471,141
S22-024 Quemado – District Wide	\$105,000
S22-025 Socorro – Edward Ortiz	\$990,846
S22-026 T or C – District Wide	\$754,519
P22-002 Mosquero Combined	\$1,480,177
S22-002 House Combined	\$68,572
FY22 Standards/Systems based awards	(\$17,821,040)

SSTB21SB 0001 has \$13,942,857 proceeds per the attached worksheet

Exhibits:

A – Resolution, Notification and Certification

EXHIBIT "A"

STATE OF NEW MEXICO Public School Capital Outlay Council

RESOLUTION, NOTIFICATION AND CERTIFICATION

WHEREAS, money from the proceeds of severance tax bonds and supplemental severance tax bonds (“Bonds”) authorized pursuant to Sections 7-27-12.2 NMSA 1978 (the “Act”), is needed for the purpose of carrying out the provisions of the Public School Capital Outlay Act;

WHEREAS, the State Secretary of Public Education has certified that proceeds from the sale of the Bonds is necessary to make the distributions in the current fiscal year pursuant to Section 22-25-9 NMSA 1978 for the purpose of carrying out the provisions of the Public School Capital Improvements Act;

WHEREAS, money from the proceeds of the sale of the Bonds authorized in the Act is needed to make awards and expenditures pursuant to Section 22-24-4 & 22-24-5 NMSA 1978 for capital project grant assistance, lease payment assistance and related uses pursuant to the Public School Capital Outlay Act and;

WHEREAS, at its meeting on **March 14, 2022**, the Council adopted the resolution and certification set forth below:

NOW, THEREFORE, BE IT RESOLVED AND CERTIFIED THAT:

1. The Council certifies that **seventeen million eight hundred twenty one thousand forty dollars (\$17,821,040)** from the proceeds of Supplemental Severance Tax Note SSTB21SB 0001 are no longer needed for the projects for which they were issued.
2. Exhibit A to the Resolution, Notification and Certification dated June 14, 2021 is amended per the attached SSTB21SB 0001 Reconciliation worksheet as follows: **seventeen million eight hundred twenty one thousand forty dollars (\$17,821,040)** constituting the unexpended balance of the bond proceeds shall remain available to be reauthorized for the following projects;

a) S22-012 Las Cruces – E. Picacho ES	\$1,888,369
b) S22-013 Las Cruces – Zia MS	\$245,726
c) S22-014 Las Cruces – Hermosa Heights ES	\$1,545,068
d) S22-015 Farmington – Mesa View MS	\$397,886
e) S22-016 Farmington – Bluffview ES	\$2,033,511
f) S22-017 Farmington – Apache ES	\$2,219,055
g) S22-018 Farmington – Esperanza ES	\$1,420,772
h) S22-019 Farmington – Piedra Vista HS	\$3,448,562
i) S22-020 Farmington – McCormick ES	\$413,091
j) S22-021 Deming – Jarvis House	\$120,964
k) S22-022 Gadsden – District Wide	\$217,781
l) S22-023 Hatch – District Wide	\$471,141

m) S22-024 Quemado – District Wide	\$105,000
n) S22-025 Socorro – Edward Ortiz ES	\$990,846
o) S22-026 T or C – District Wide	\$754,519
p) P22-002 Mosquero Combined	\$1,480,177
q) S22-002 House Combined	\$68,572

3. **Thirteen million nine hundred forty two thousand eight hundred fifty seven dollars (\$13,942,857)** remain unexpended on SSTB21SB for future PSCOC projects.

Dated: **March 14, 2022**

PUBLIC SCHOOL CAPITAL OUTLAY
COUNCIL

By: _____
Joe Guillen, Chair PSCOC

IV. Consent Agenda

- A. January 10 2022, PSCOC Meeting Minutes*
- B. 2021-2022 2nd Round Pre-K Awards*
- C. FY22 Lease Assistance – Tierra Adentro – New Award*
- D. FY22 Lease Assistance Award Adjustments*
- E. S20-009 Clovis (Barry ES) – Out Year Design Phase Funding*
- F. S22-002 House Combined – Request for Increase in State Share*
- G. P22-002 Mosquero Combined Campus – Teacher Housing Design Phase Funding*
- H. BDCP – 2021 Cat 2 (Network Equipment) Awards*
- I. PSFA Handbook*

* Denotes potential action by the PSCOC

department interprets that broadly when approving reimbursements is key, and part of the reason maybe some of those dollars had not been spent was because the districts did not think they could spend the funds on a wide variety of things. Mr. Abbey requested to have a report on the American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSR) funds on the March 2022 PSCOC agenda covering the unspent dollars, explaining the rules, the obstacles and how it affects capital outlay. Mr. Guillen asked Mr. Ortiz if that was acceptable to add to the March 2022 PSCOC agenda, and Mr. Ortiz agreed.

2. Public Comment – Dr. Ken Moore, Superintendent, Alamogordo Public Schools, introduced himself and opened his comment about a task that Secretary Steinhaus charged every New Mexico superintendent on improving attendance, achievement and attainment. Mr. Moore mentioned that Alamogordo wants to build schools that support instructional strategies, parental involvement, and student/parent engagement along with community pride. Mr. Moore mentioned the district was interested in building a middle school that is built to educational specifications, not just building code, and look at the building standards that support a true learning environment. Mr. Moore shared a report Mr. Guillen requested, and provided input from thirteen other superintendents to help improve the PSFA processes, practices, adequacy standards and relationships.

1. In regards to processes and practices, Mr. Moore shared examples of time delays, the ranking system, and the funding formula with the PSFA split.
2. Mr. Moore covered issues with the Adequacy Standards, mentioning a district may have a 70/30 split or 60/40 split, and because of necessary systems and items needed for a school which the PSFA would not typically participate in funding, districts end up spending a much higher share. Some examples Mr. Moore stated were security/access control, technology, infrastructure landscaping, utilities connections and the requirement (at the districts expense) to hire a roofing consultant. Mr. Moore said the PSFA share is actually much less than what is presented. Another example Mr. Moore presented was Sunset Hills ES in Alamogordo, the district spent more than \$2M on items the PSFA would not fund. Another district near Alamogordo has a project for a new elementary school for the same number of students that Alamogordo had for their new middle school and the school at the other district has a Maximum Allowable Cost of \$10M more than the middle school Alamogordo was trying to build. Mr. Moore offered Alamogordo MS as a pilot school to complete a full review of adequacy standards and educational specifications.
3. The third category Mr. Moore reported on from the collected Superintendent input was the relationships between School districts and the PSFA. From the superintendent perspective, it was often perceived as a “Mother May I” relationship rather than a partnership and client centered relationship. Mr. Moore said superintendents were looking forward to Ms. Casias’ leadership to strengthen the partnerships and the client centered relationships.

Mr. Guillen thanked Mr. Moore for the work he had done, and for providing those recommendations, and communicated the AMS Subcommittee Chair, Mr. Robbins, would be

leading efforts and bring the recommendations back to the full Council for review. Mr. Robbins added that the AMS Subcommittee will complete a full review in March 2022. The PSFA had been assessing internal and external processes, and a consultant will be hired to support the process analysis. In regards to the Adequacy Standards, Mr. Robbins mentioned the idea of what was adequate has changed over the last decade, the current needs for modern education should be evaluated. Mr. Robbins said another thing the Council looks at is the funding available and the top 150 to include borderline schools. The PSFA had meetings planned with various stakeholders and the PSFA and PSCOC needed to be prudent. Mr. Robbins said he did not see the direct correlation between the funding of capital in schools and the educational outcomes, new schools are constructed for hundreds of millions of dollars, and yet the schools end up being some of the lowest performing. Mr. Robbins indicated there were a lot of socioeconomic factors that would come into that, but a nice facility does not necessarily equate to high performance.

Mr. Rick Martinez, representing the Albuquerque Sign Language Academy (ASLA) presented public comment on the status of the school; the ASLA had been around for thirteen years, their current facility is an old county facility off of Lomas Blvd. in Albuquerque, New Mexico. The facility is less than 10,000 square feet, and the school was in dire need for a new facility. ASLA had been working with Bernalillo County, and had located land for a new facility at Osuna & Edith in Albuquerque, New Mexico, and they had gone through six public zoning hearings. The school itself completed their RFP phase with the PSFA five years ago, and ASLA anticipates the planning and design phase to be complete in the summer of 2022. The student population is currently at 117 and students are based in three different facilities for elementary, middle and high school levels. ASLA had recently established programs to support students as they transition into the workforce.

3. PSCOC Financial Plan
a. Financial Plan

Ms. Casias presented the financial plan and highlighted that at the last Council meeting in December 2021, \$14.8M was approved in awards, and if everything was approved at the January 2022 meeting there would be a total of \$16.2M in awards. Ms. Casias worked with Ms. Leach on the financial data, and thanked her for her support. One concern on the financial plan was the amount on line four (SSTBs) noted as \$242M, was actually \$268.2M. Ms. Casias said another concern was the FY23 estimate on Line 2, (noted as zeros) the PSFA did not anticipate selling any notes in July of FY23. Mr. Guillen asked the Council members if they had any questions. As there were no questions the Council moved onto the next agenda item.

4. Consent Agenda
a. December 13th and 20th, 2021 PSCOC Meeting Minutes
b. K21-002 Los Lunas Peralta ES – Award Language Change
c. Cat1 BDCP Awards

d. Cat2 BDCP Awards

Mr. Guillen reviewed the items listed on the consent agenda and asked members if any item needed to be pulled for discussion; as there was none, a motion to approve the Consent Agenda was made.

MOTION: Mr. Abbey moved for Council approval of the consent agenda. Mr. Robbins seconded and **the motion was unanimously approved.**

5. Awards Cycle

a. 2022-2023 Final wNMCI Ranking

Mr. Robbins reviewed the potential motion and executive summary for the 2022-2023 Final wNMCI Ranking. Ms. Casias mentioned this is an annual occurrence. The data for the ranking is gathered year round and the PSFA releases the preliminary ranking in November for the districts to review and report changes. Out of the top 100, the PSFA expects 19 to apply for standards-based funding, and eight may apply for waivers. The approximate state share this year if everyone applies would total to \$282.8M for standards and systems based projects, and if waivers were applied it would total to \$235.6M. There was minimal change in the wNMCI and the FCI from year-to-year. Ms. Casias noted three schools went into the top 100 and three moved out of the top 100 of the final ranking list since the preliminary ranking.

MOTION: Council approval to release the Final wNMCI Rankings for the 2022-2023 award cycle based on criteria and weights previously adopted by the Council. As this was a Subcommittee recommendation a second was not needed and **the motion was unanimously approved.**

b. 2022-2023 Capital Application Announcement Preliminary Funding Pool

Mr. Abbey reviewed the potential motion and executive summary for the 2022-2023 Capital Application Announcement Preliminary Funding Pool. Mr. Robbins asked if they were prioritizing schools for demolition, and not just any building. Ms. Casias confirmed.

MOTION: Council approval of the Awards Subcommittee recommendation to release the 2022-2023 Capital Funding Application Announcement and timeline with a preliminary funding pool of the 2022-2023 Final wNMCI Ranking as follows:

- For standards-based requests: facilities within the top 150, or with a campus FCI over 70%;
- For systems-based requests: facilities within the top 350, or with a campus FCI over 70%;
 - Or systems identified as a Category 1, 2, or 3 in the Facilities Assessment Database;
 - Demolition of any district owned abandoned facility;
- For pre-kindergarten facility requests: all facilities.

As this was a Subcommittee recommendation a second was not needed and **the motion was unanimously approved.**

c. 2021-2022 Systems-Based Demolition Additional Funding

Mr. Abbey reviewed the potential motion and executive summary for 2021-2022 Systems-Based Demolition Additional funding request. Mr. Abbey said they were allowed to use this additional funding by statute, and ordinarily the waivers would be scrutinized more carefully, but statute did allow for this funding program, and there was sufficient funding available. The subcommittee was impressed with the districts’ testimony at the previous PSCOC meeting. The subcommittee also discussed the authorization of waivers were really a function of the current financial condition, and down the road it could be a low priority to the Council in the future, and Mr. Abbey made a point for the record not to count on the waivers for demolition into the future, as it may not pertain into the future. Mr. Guillen said to keep in mind that the legislation allows for that as it is a ‘may’ and not a ‘shall’.

MOTION: Council approval to amend the current Systems-based capital outlay awards for demolition projects for the following districts: Deming, Gadsden, Hatch, Quemado, Socorro, Springer and T or C, to include additional funding in the amounts specified in column L of the accompanying 2021-2022 2nd Round Systems-based Demolition Awards - Additional Funding Scenarios spreadsheet, to align with Scenario C (100% State funding for all demolition projects), for a total of \$1,226,776 additional funding. As this was a Subcommittee recommendation a second was not needed and **the motion was unanimously approved.**

6. Out-of-cycle Funding /Award Language Requests

a. P22-003 Los Alamos Chamisa ES – Awards Language Change

Mr. Abbey brought up the deliverable requirements, and cited there was not an Awards Subcommittee Recommendation, and the Council was waiting on enrollment reports. Ms. Casias mentioned the enrollment reports are noted in the executive summary. Mr. Abbey declared there was a significant increase in enrollment for the two elementary schools in White Rock, and the subcommittee wanted more information, and Mr. Abbey believed the projects were ready to go with the caveat of seeing more detail of the student enrollment. Ms. Casias reported the findings of the student increase enrollment from 292 to 375 at Chamisa ES. The question posed was asking where the eighty three students came from and what will the future enrollment would look like. The PSFA looked at the White Rock Community, and looked at the enrollment going out five years and there is a potential increase of about 113 students. Ms. Casias noted out of the eighty-three students, fifteen are Pre-K with an estimate of the out-year with thirty more students coming into Chamisa ES. The district is requesting two Pre-K classrooms at Chamisa ES and two Pre-K classrooms at Pinon ES. Mr. Guillen asked what the request was for the additional information from the district. Ms. Casias said the request was for the PSFA to speak with the district, and understand where the Pre-K students were coming from and if they really expected to have that many incoming Pre-K students. Jennifer Guy, Interim Superintendent, Los Alamos Public Schools thanked the Council for the opportunity to speak, and introduced Robert Hollman, Construction Manager and Stephen Leos, District Representative. Ms. Guy cited their request for increase of eighty-three additional students in their enrollment, and Ms. Guy was confident to say at a minimum, there will be eighty-three students. Los Alamos was in the process of adding and implementing Pre-K at all of Los Alamos Public School Elementary sites. Chamisa ES and Pinon ES continue to maintain a waiting list, and at that time, seventeen students were not accepted. Ms. Guy foresaw with the housing developments coming in, the district is expecting

enrollment numbers to continue to increase. With the housing developments they expect to see more children with larger families moving into those new homes. Mr. Guillen said the additional information was very helpful and thought that going through the planning process on the projects was important, and to know what developments are coming forward to see what effect it would have on these schools that were at that time in the design phase. Mr. Abbey reviewed the enrollment projections and clarified enrollment at Chamisa ES. Ms. Guy clarified that enrollment was over twenty-eight students. Ms. Guy said the housing developments are under construction and have not opened yet, and they expect more students coming in once construction is complete along with a high density development in the center of White Rock that is expected to be complete in the next two years. Mr. Guillen said the project was moving forward and asked if there were any contingencies that the Council could enact to allow the project move forward with the understanding that a reevaluation of the enrollment numbers would occur at a later date. Ms. Casias recommended to allow the award, but to revisit the enrollment when the district comes forward for the construction dollar request. Mr. Simon asked about the eighty six out of district transfers, and asked if the district was expecting any change to that as the housing development increases. Ms. Guy said there were 326 students on their out-of-district waiting list, and the district allows students in as long as they have space for them. The district did not expect the demand for out-of-district placements to decline, and the capacity to place out of district students can be adjusted and that depends on the class sizes and the space available. Mr. Robert Hollman said the district plans on redistricting Pinon ES and Chamisa ES, which will bring each school up to that 375 mark. Mr. Abbey asked if the motion was for to just increase the capacity, and Ms. Casias verified it was just for an enrollment capacity increase. Mr. Abbey suggested moving forward with design and bringing the capacity increase later on down the line. Mr. Guillen stated that the district could look at two options “current status” and “projected status” so the district does not have to go back to the drawing board and make that part of the local share costs. Mr. Abbey suggested to increase the design enrollment by 40, and consider additional increases when the district updates their enrollment projections when they come back for construction funding. Mr. Burciaga commented on the economic development occurring in Los Alamos with Los Alamos National Laboratories.

MOTION: Council approval to amend the current Standards-based award for Chamisa ES to increase the design enrollment to 375 students; grades Pre-K-6 up to the maximum allowable gross square footage of 50,064 GSF with an increase in the state match of \$90,871 (20%) and in the local match to \$363,483 (80%), totaling \$454,354.

AMENDED MOTION: Mr. Abbey moved for Council approval to amend the current Standards-based award for Chamisa ES to increase the design enrollment to 342 students; grades Pre-K-6 up to the maximum allowable gross square footage of 50,064 GSF with an increase in the state match of \$90,871 (20%) and in the local match to \$363,483 (80%), totaling \$454,354. The district may revisit enrollment projects when the district returns to request construction funding. Mr. Robbins seconded and **the motion was unanimously approved.**

b. West Las Vegas City – Emergency Systems Award

Ms. Casias reviewed a letter provided by the district, and explained that the district missed the deadline to reapply due to e-mail oversight. Mr. Abbey clarified the district had previous contracts in place.

MOTION: Mr. Abbey moved for Council approval to award 2021-2022 Emergency Systems Award to the West Las Vegas School District totaling \$228,926. The District has reapplied for the emergency system award pursuant to New Mexico State Statute 22-24-4.6 for the full amount of their individual unexpended balance. Mr. Robbins seconded and **the motion was unanimously approved.**

c. P21-002 Carrizozo Combined – Design Funding Request

Mr. Abbey reviewed the potential motion and executive summary. There was no further discussion.

MOTION: Council approval to amend the current Standards-based award for Carrizozo Municipal Schools for the Combined Campus to include design phase funding for partial replacement, demolition and renovation of the existing facilities, to construct a new campus with a design enrollment of 138 students grades Pre-K-12 up to 49,515 GSF, With an increase in the state share \$214,315 (6%) and a corresponding increase in the local share of \$3,357,607 (94%) for a total of 3,571,922 for the design phase. Review of design enrollment shall occur during the design phase with approval of the design enrollment prior to the out-of-cycle construction phase funding request. As this was a Subcommittee recommendation a second was not needed and **the motion was unanimously approved.**

7. Other Business

a. Recertification of SSTBs (Carrizozo)

Ms. Casias introduced Ms. Iris Romero, PSFA Financial Consultant. Ms. Romero reviewed her report and findings on the recertification that was presented at the last Awards Subcommittee Meeting. Mr. Guillen thanked Ms. Romero for her work.

MOTION: Mr. Abbey moved for Council approval to adopt the Resolution, Notification, Certification/Decertification and Resolution of unexpended bond proceeds as follows:

- STB20SB-E0003 in the amount of \$ 214,315 to PSCOC awarded projects totaling \$214,315.

Mr. Robbins seconded and **the motion was unanimously approved.**

b. Recertification of SSTBs (School Buses)

Ms. Iris Romero reviewed the SSTB audit trail and the adjustment that needed to be made. The amount was reallocated in a different bond, and unfortunately an audit trail wasn't shown to take it off the bond. Ms. Romero clarified that it was an audit trail adjustment and it did not affect the overall bond balance. Ms. Romero had been working closely with the Department of Finance and Administration on the SSTBs.

MOTION: Council approval to adopt the Resolution, Notification, Certification and Resolution of unexpended bond proceeds as follows:

- SSTB18SB-0001 in the amount of (\$8,989,000) to PSCOC awarded projects totaling (\$8,989,000).

As this was a Subcommittee recommendation a second was not needed and **the motion was unanimously approved.**

c. Broadband Current Status Update

Mr. Guillen reviewed the current status and history of the item based on past discussion in both the AMS and Awards Subcommittees. Based on discussions, there were recommendations that affected the ongoing RFP that was issued, and the Subcommittee Chairs, Mr. Guillen and Ms. Casias determined a decision must be made with full Council approval. Ms. Casias presented a brief background on SB144, and also presented a handout that summarized the RFP. On April 6, 2021 SB144 was adopted, and the language that pertained to the PSCOC was stated as the following:

“The council shall develop guidelines for a statewide education technology infrastructure network that integrates regional hub locations for network services and the installation and maintenance of equipment. The council may fund education technology infrastructure projects or items that the council determines are in accord with the guidelines and necessary to education for:

- 1) *Students;*
- 2) *School buses;*
- 3) *internet connectivity within a school district;*
- 4) *multi-district regional education;*
- 5) *statewide education network”*

Ms. Casias explained that the PSFA had not yet developed guidelines, nor has the Council approved guidelines. However, the PSFA released a Request for Proposal (RFP) to begin a Statewide Education Network (SEN), including the identification of nodes and hubs and the background so that a SEN can be built. The PSFA was concerned about its ability to manage the program considering current staffing. The PSFA presented three recommendations: 1. Additional staffing; 2. Collaborate with the Office of Broadband as consultants; 3. Delay the program one year. Ms. Casias shared the staffing report on the handout that was presented to Council members.

Ms. Mona Martinez, PSFA Staff Attorney, provided a chronology of events that pertained to the solicitation for the Request for Proposals (RFP). The first segment of the report reflects the dates of the RFP, as it was issued on November 21st, 2021 and the proposals were due by January 19th, 2022. It was issued during a period when three major holidays were recognized. The evaluation for proposals was tentatively scheduled for the week of January 24th, 2022, giving the evaluation committee the opportunity to review all of the proposals that were submitted and to go through the cost analysis, and then issue intents of award to the respected proposers. The next PSCOC meeting scheduled was for March 14th, 2022 for the Council to then approve any of the contracts for awards that are recommended by the Evaluation

Committees (there are a total of three committees). The E-Rate Form 471 was scheduled to be due March 22, 2022. The Form 471 application submittals require a legally binding agreement or proof of some type of intent of a legally binding agreement. So there would have to be approval of those agreements in order for the applications to be complete. In terms of the scope of work, the Broadband Team was authorized to consult with a company called Columbia Telecommunications Co. (CTC), which was issued a contract in the amount of \$300K to include tax to develop an RFP and consultation with the BDCP team. To date, the CTC consultant had not submitted any invoices so there was no indication of the expenditure amount. The RFP was identified as a performance based solicitation, which allowed the offeror to identify the solutions for the services requested rather than outlining the specific requirements for the offeror. The technological solution in the RFP called for the creation of the infrastructure for the backbone nodes for fiber, which the PSFA would be named the owner of. There were three basic services the RFP was seeking from offerors, and that included the backbone nodes and the offerors were required to determine and provide the necessary infrastructure for each of those nodes. There were 9 sites noted for the backbone nodes, plus an additional 4 sites. The last mile connections, which were the connections from the backbone to the SEN participants, and at that time there were fifty-six participants identified, and of the fifty-six identified, fourteen were charter schools, one was a constitutional school and three libraries. The third service was the commodity internet access. Ms. Martinez reviewed a couple other significant dates, which was the non-mandatory preproposal conference which was held on November 30, 2021 had thirty-three companies in attendance, and sixteen signed the intent to respond statement. Two of the big providers in the industry did not sign the intent to respond. December 14, 2021 the submittal of questions were due. There were a total of forty-seven questions and the responses to those questions were due back on December 17, 2021. The PSFA strongly advised the offerors to visit the sites of the nodes by December 14, 2021 also so they could ask any questions about infrastructure. The PSFA had issued 3 amendments and 1 addenda with the RFP so far. Ms. Martinez stated in the world of procurement, when you have multiple questions, amendments and addenda issued it could lead to ambiguity and potential protests. Ms. Martinez also mentioned other factors to note in terms of the RFP process were that costs resulting from the RFP were unknown. SB144 did not provide an appropriation; however, it did provide \$10M for Information Technologies expenditures for the fund, and that is available to be used for SEN activities. At that point in time, the actual amount expended was not known; it could have been closer to 7 or 8 million. Mr. Guillen asked if that money could be used for staffing. Ms. Martinez said yes, it appeared to be broad enough to cover staffing.

Mr. Viorica provided an update on the broadband expansion. The CTC organization was well known around the state, and had worked on broadband as an advisor with various entities around the state for the last ten years. Mr. Viorica clarified the performance based RFP was necessary for a technology neutral approach, and it was an E-Rate requirement for those types of solicitations. Basically, any technology can meet these requirements, and therefore it would leave it open for vendors to propose. Fiber optics is one of four possible options, and a requirement of the program is to provide cost effectiveness. Until the PSFA goes through the procurement process and receive proposals, the PSFA will not know what solution is the most cost effective. Mr. Viorica emphasized the four different options, which would be up to the discretion of the vendors. There were fifty-six participants identified as participants as a part

of the process: thirty-eight school districts, fourteen charters, one constitutional school and three libraries. Mr. Viorica mentioned how tightly the timeline was related to the E-Rate process, if the Council wanted to have 80-90% of the cost of the work covered by the E-Rate program, they must submit a funding request by March 22, 2022. If that is not accomplished, the next opportunity to complete the work would not occur until July 1, 2023. If there is any delay in the process, the entire RFP would have to be re-done because the RFP was specific to the participants and the future procurement would have a different set of participants. Regarding the three amendments and multiple questions with the RFP were related to the fact that the RFP was performance based. The PSFA cannot direct the vendors on how to solve specific solutions, the vendor must come up with the solution. Mr. Viorica's shared his opinion on the procurement and that with the type of complexity and size the project was not unusual and out of the ordinary. Related to the cost, the funding available was up to \$10M the Council had continued to award Cat1 & Cat2 broadband awards, and Mr. Viorica estimated up to \$2M per year will be required to continue the work for the long-term. In the financial plan that was created for the SB144 effort that was the amount taken into account, and combined with the E-rate program covering 80-90 percent of the eligible cost, Mr. Viorica believed there was sufficient funding for each phase of the effort. Mr. Viorica mentioned the PSFA will not know the actuals until the proposals are submitted. Mr. Viorica stressed that a coordinated approach such as the SEN addresses the significant broadband needs for all the schools along with the accomplishment of broadband expansion across the state, and the work is necessary. The SEN will also be expected to support a lot of other broadband and technology initiatives that depend on the work, for example in Gallup, there is a multi-agency broadband effort where the PED, Higher-Ed and Early Childhood education will leverage the hub created in Gallup by the SEN to improve student connectivity in the region. PED also intended to deploy learning tools, and they are using the capabilities created by the SEN, and PED was also the lead on the multi-agency effort working to connect all of the students to broadband as ordered by the Yazzie/Martinez Lawsuit. The SEN was expected to provide long term solutions for the connectivity, and also to provide additional IT support for schools in the most cost effective way.

Regarding the guidelines, the Council adopted high level guidelines at the beginning of the broadband work, and the guidelines were focused on connection speed and the PSFA recommended adopting the same type of connections standards in the established RFP with the caveat that the connection speed will have to be revisited in the future as technology needs evolve overtime. Another guideline that he Council adopted at the beginning of the program was to maximize E-rate funding that was leveraged through the broadband program. Mr. Viorica suggested that the all of the guidelines mentioned could be extended or adopted and expanded before funding any actual projects related to the SEN. Mr. Guillen said that the legislation made it clear that the guidelines were one of the initial major responsibilities, and also mentioned the Council hadn't seen or approved any guidelines, and envisioned a discussion of guidelines and the development of a document listing the guidelines to consider. Ms. Casias confirmed that the PSFA had not yet presented guidelines for the SEN, though, at the beginning of the BDCP program the Council approved the following, but it was not specific to the SEN:

- Connection speed (Council adopted this goal at the

beginning of the BDCP):

- 1Mbps / user uptime
- 99.99% for Backbone
- 99.9% for the Last Mile connections

Mr. Guillen said guidelines need to be in place before they go out for RFP because they were asking for projects to consider that were consistent with the guidelines. Mr. Guillen did not want to delay or risk funding, but shared concern about the completion of the RFP with the current time frame of the RFP submission date of January 19, 2022. Mr. Burciaga reviewed SB144 and mentioned that the law was requesting the guidelines first and funding for the project subsequent to the guidelines, mentioned that looking at the PSFA's executive summary it mentioned concern with no guidelines established, and the three items mentioned before were goals, not guidelines. Ms. Padilla understood the concerns about the timing; however, she said that the staff should work with the Council and evaluate the guidelines; and reiterated they need information from the RFP to finalize the guidelines. Ms. Padilla shared concerns with losing time, and suggested that they do not have to pull the RFP. Mr. Guillen said the task is that the Council needs to come up with a solution to get guidelines together, approve them and assure the guidelines are in line with the RFP, and was not sure the task could be completed by January 19, 2022. Ms. Leach shared her concerns, and mentioned not having guidelines would make it difficult to evaluate the RFP, and shared her disappointment not having consistency and guidelines. Mr. Robbins shared his concern with the delay and mentioned that if the RFP was potentially cancelled the Council wouldn't know what was going to be proposed. Mr. Robbins asked if E-rate funds can be used towards the backbone. Mr. Viorica said that the E-Rate program did not fund any one piece because that wouldn't result as a functional system for the fifty-six schools that were participating. Mr. Robbins reiterated what Ms. Padilla mentioned, saying that with there being nine days left and cancelling the RFP would not leave the Council with any information, and it would dismiss the value. Mr. Robbins suggested accepting certain parts of the RFP. Ms. Martinez shared her understanding of the RFP that all three components are required. Ms. Padilla clarified what she heard, and said that they cannot pick and choose pieces of the project, and that the entire backbone would have to be built, and asked if that was stated in the RFP. Ms. Padilla said that the state was looking to build out one of the nodes in existing infrastructure at UNM Main Campus and UNM Gallup Campus within the SEN, as they planned to partner with PED, the Higher Education Department and the Early Childhood Education Department to quickly allow service for students. Ms. Padilla asked Ms. Martinez if the RFP said that the entire SEN had to be built. Ms. Martinez clarified Ms. Padilla's question was asking if they could build one backbone node rather than all nine, and Ms. Martinez confirmed they could potentially build one backbone node with connections. Ms. Martinez said however, the UNM node site had zero visits from the offerors. Mr. Viorica replied clarification on the nodes and how they could be built by connecting the node to a major hub where all internet providers have a presence. Mr. Viorica said one node could be built, but not utilizing E-Rate funding because the way the approach works is that all of the participants need the backbone to be functional otherwise they will continue to receive their connectivity independently. The economies of scale and the increase in capacity would not be accomplished. Mr. Abbey asked if a non-fiber vendor could have an opportunity to serve this request, such as satellite. Mr. Viorica said yes, they could, and shared from a technical perspective, it was very unlikely that any other

solution other than fiber could build the SEN to meet the capacities that were required to connect all of the schools, and Mr. Viorica said the capacity with fiber was hundreds of gigabytes per second. Other technologies could be utilized for parts and pieces or the last mile, but the core network would be very unlikely to function properly if any other solution was used. Mr. Abbey brought up the Cuba school district and their approach using Starlink satellite solution and asked if other schools could follow the same route. Mr. Viorica clarified the satellite solution Cuba procured was for individual connections for students' homes, and they were not high-capacity connections that major broadband highway would or a school building would require. Mr. Viorica mentioned Starlink was approximately 80 megabytes per second versus 80,000 megabytes per second using fiber optics. Mr. Abbey asked if the RFP was set-up for the Cuba type solution to be in the mix of acceptable responses. Mr. Viorica said the Cuba type solution could not serve schools, but could potentially serve the last mile segment of the SEN highway and if a vendor wanted to provide a cost effective response they could be considered as a part of the evaluation. Ms. Martinez said she did not necessarily agree with Mr. Viorica's statement, and mentioned that the RFP said vendors could provide statements on how they were going to perform their services, but Ms. Martinez said that they may have not made it clear enough in the language to say "and these are other possibilities".

Mr. Abbey asked why CTC did not bill the PSFA yet. Ms. Casias replied that she was not exactly certain why they had not billed the PSFA yet. Mr. Abbey reviewed the services that CTC was supposed to provide, including the development of the conceptual plan and guidelines that assess technological alternatives, the cost, and the technological risks and performance measures. Mr. Abbey also brought up how the ambiguity of the RFP could be problematic by not including what the Council wants as the end result of the SEN. Mr. Abbey suggested CTC should provide a report at the next PSCOC meeting. Mr. Robbins reiterated the RFP was nine days away from the deadline and if they were to cancel it they would not get any information out of it, and mentioned the ambiguity would be an issue if they were to try and award a contract that could present challenges and drag things out for months, and that was a concern. Mr. Robbins recommended the RFP to move forward, and have CTC use the information submitted to refine the guidelines and a clear proposal in a new RFP. Mr. Simon shared his review of past documents pertaining to the topic and mentioned the September 2021 Awards Subcommittee there was a request for a detailed description of guidelines for the Council to approve, and this RFP moved forward without establishing the guidelines, and that was the core of what the legislature assigned the Council to do. Mr. Abbey warned the timing of the E-rate deadline in March 2022. Mr. Robbins asked Mr. Viorica what the Council could do with E-rate without the RFP to get an application in to take advantage of some federal dollars. Mr. Viorica said they would continue working in the status quo state, and at least fifty-six entities would apply for E-Rate and they would have to decide if they would want to sign long-term agreements that would take them out of the running for the next three to five years to participate in a coordinate effort again. At the least, the Broadband Deficiencies Correction Program (BDCP) would continue helping the schools receive E-Rate funding and Category 2 Projects, however, the coordinated approach would be missing. The coordinated approach is the only way to move gradually into a system which schools would collectively apply for E-Rate and secure their connectivity collectively that in turn would leverage their buying power to increase capacity across the state. There is no control with what the vendors are going to do. Different vendors are going to decide to do different things

that are going to align with their interest and capabilities. Mr. Guillen suggested to allow the RFP to move forward, and request a set of guidelines to be presented for review and approve at that time; then ask PSFA staff to think about options that involve using E-Rate for the SEN, but also use E-Rate for individual districts if the Council did not agree or feel comfortable with the RFP results. Mr. Burciaga shared his concern about the expectations on the responses to the RFP may present some guidelines. Mr. Viorica said the responses will inform what kind of services the vendors could provide in a cost effective way. The requirements have ranges because it has to be wide open or else E-Rate will question how the option presented would be the most cost effective option. Mr. Burciaga shared his concern of making guidelines and recommendations after the PSFA staff had received and reviewed the RFP. Mr. Burciaga suggested that the PSFA come up with guidelines prior to or no later than January 19, 2022, even if they are draft or recommendations. Mr. Abbey requested options for the guidelines, and asked if it was possible. Mr. Viorica said the guidelines did not speak about the technical solution, and that they spoke about what type of reliability and speed that was required to be in place in order for the SEN to function properly. The technical aspect would be up to the vendor to present. Mr. Guillen suggested that the guidelines could say “all options should be considered, and please list” so that it would be clear that options are available. Mr. Viorica said it could be added to the guidelines. Ms. Casias commented that there were different types of technology and to be neutral, suggested that the guidelines should have specific basic requirements for each (fiber, Starlink, and others) and Ms. Casias agreed with Mr. Burciaga’s statement that the PSFA should create the guidelines rather than an external representative. Ms. Leach mentioned concern and thought the guidelines needed to come before the proposals were provided because it could be seen that if staff based their guidelines off of one of the proposals it could look like favoritism. Ms. Leach said staff should look at the ownership of the lines as well to see how it related to anti-donation, as it is a big consideration that needed to be looked from a legal standpoint with the constitutional provision. Mr. Guillen stated that the guidelines needed to be complete by January 19, 2022. Mr. Abbey proposed that the guidelines should include discussion of technological alternatives, costs and risks. Mr. Robbins said that cost may not be able to be nailed down, and Mr. Abbey said that a cost range could work. Mr. Robbins said the RFP will deliver the cost of services, and when you provide a range that would no longer be a guideline, and it was possible no vendor could provide it at a set dollar amount. Mr. Robbins did not want to set restrictions on what the guidelines should be, and from the established guidelines the RFP would then be evaluated. Mr. Robbins agreed with Ms. Leach saying that if guidelines were developed out of the RFP that could be construed as misleading and unfair.

Mr. Abbey asked for guidelines and to propose technological concept alternatives for broadband communication solutions including estimated cost ranges, technological risks and options with a final report provided before January 19, 2022 and to elaborate further at the March 2022 Council meeting. Mr. Burciaga asked Mr. Abbey if the motion was just for the guidelines, and Mr. Abbey clarified that the path of the RFP would not change. Mr. Guillen clarified the timeline with the proposed motion, and also shared that the concern was the Council needs finalize guidelines prior to the expiration of the RFP, and wanted to make sure the Council would not be accused of drafting the final guidelines based on the responses to the RFP. Ms. Casias asked if the PSFA should consult with DoIT and PED as the PSFA create the final guidelines, and Mr. Robbins said that would be advisable to have both agencies

involved. Mr. Simon shared concern that there may not be enough time, and Ms. Casias believed they would be able to complete the final guidelines by January 19th, 2022, and moving forward the PSFA would complete an annual review of the guidelines.

MOTION: Mr. Robbins moved for the Council to direct the PSFA to develop guidelines and that they be transmitted to PSCOC Council members prior to January 19, 2022 and that the Council then consider next steps at the March 2022 Council Meeting. **No Response, the Motion was not approved.**

AMENDED MOTION: Mr. Abbey moved for Council approval of the development of the Statewide Educational Network (SEN) guidelines and to propose technological concept alternatives for broadband communication solutions including estimated cost ranges, technological risks and options with a final report provided before January 19, 2022 and to elaborate further at the March 2022 Council meeting. Mr. Burciaga seconded and **the motion was unanimously approved, with no opposition.**

8. Informational

a. Project Status Report

This agenda item was not covered during the Council Meeting.

9. Next PSCOC Meeting - Proposed for March 14, 2021.

10. Adjourn – There being no further business to come before the Council, Mr. Simon moved to adjourn the meeting. Ms. Leach seconded and **the motion was unanimously approved.** The meeting adjourned at 10:20 a.m.

_____ Chair

_____ Date

I. 2021-2022 2nd Round Pre-K Awards

II. Presenter: Alyce Ramos, Programs Manager

III. Potential Motion:

Council approval to make 2021-2022 2nd Round Capital Outlay Awards for the Pre-K Capital Outlay Program to the following school districts and schools: My Little School (Deming), Chaparral On Track Center (Gadsden), New Riverside On Track Center (Gadsden), Albuquerque Preschool (NMSD), School of Dreams Academy (State Charter), for the purposes and amounts specified in columns C and J of the accompanying PSCOC 2021-2022 (2nd Round) Pre-K Capital Funding Potential Awards document, for a total state match of \$1,073,466 (phase 1 funding). Each allocation is intended to fully complete the project, phase or specified purpose.

IV. Executive Summary:

Request:
Award Pre-K Capital funding to applicant districts for the purposes of renovating existing Pre-K facilities, or constructing new Pre-K additions and facilities.

Staff Recommendation:
Make 5 Pre-K awards to 3 districts and 1 charter school, as listed in the attached Exhibits.

- Phase 1 State Match of \$1,073,466
- Out-Year Potential State Match of \$11,186,692
- Total State Match of \$12,260,158

Key Points:
Rio Rancho withdrew application for Shining Stars Preschool due to unavailable funds to pay off their offset.

SUPPLEMENTAL MATERIAL

2021-2022 2nd Round Pre-K Awards

Background:

Per Statute 22-24-12, NMSA 1978: Pre-Kindergarten Classroom Facilities Initiative:

- A. *The council shall develop guidelines for a pre-kindergarten classroom facilities initiative in accordance with this section, including establishing and adopting pre-kindergarten classroom standards.*
- B. *The authority shall rank all applications it receives for the pre-kindergarten classroom facilities initiative according to the methodology adopted by the council for that purpose.*
- C. *After a public hearing, and to the extent that money is available in the fund for that purpose, the council may make pre-kindergarten classroom facilities initiative grants to school districts that the council determines are willing and able to pay for the portion of the total cost not funded with grant assistance from the fund according to those applicants' rankings.*
- D. *The state share of the cost of an approved pre-kindergarten classroom facilities initiative shall be calculated according to the methodology outlined in Subsection B of Section 22-24-5 NMSA 1978.*
- E. *A school district that receives a grant in accordance with this section shall expend the money within three years after the grant allocation, or the money shall revert to the fund.*

History:

September 14, 2021 - PSCOC released the 2021-2022 2nd Round Applications.

Exhibits:

A – Pre-K Awards Summary Sheet

B – Pre-K Awards Spreadsheet

District Reports and Material:

1. Deming – My Little School – PSFA Report and District Materials
2. Gadsden – Chaparral On Track Center - PSFA Report and District Materials
3. Gadsden – Riverside On Track Center - PSFA Report and District Materials
4. NMSD – Albuquerque Preschool - PSFA Report and District Materials
5. School of Dreams Academy – PSFA Report and District Materials

EXHIBIT "A"

Combined List of 2021-2022 2nd Round Pre-K Applications

Pre-K	A	B	C	D	E	F	G	H	I	J	K		L		M	N
	District	School	Project Type	Local Match %	State Match %	Offset	Application Amount	Total Estimated Project Cost	FY22 Local Match (after offsets)	FY22 State Match (after offsets)	Phase 1 (10%)	Phase 1 Local Match (after offsets)	Phase 1 State Match (after offsets)	Out-of-Cycle Local Match (after offsets)	Out-of-Cycle State Match (after offsets)	
	1	Deming	My Little School	Pre-K	39%	61%		\$4,384,357	\$ 4,384,357	\$ 1,709,899	\$ 2,674,458	\$ 438,436	\$ 170,990	\$ 267,446	\$ 1,538,909	\$ 2,407,012
	2	Gadsden	Chaparral On Track Center	Pre-K	30%	70%		\$2,323,214	\$ 2,614,286	\$ 784,286	\$ 1,830,000	\$ 261,429	\$ 78,429	\$ 183,000	\$ 705,857	\$ 1,647,000
	3	Gadsden	New Riverside On Track Center	Pre-K	30%	70%		\$5,116,857	\$ 5,698,857	\$ 1,709,657	\$ 3,989,200	\$ 569,886	\$ 170,966	\$ 398,920	\$ 1,538,691	\$ 3,590,280
	4	NMSD	NMSD Pre-K	Pre-K	50%	50%		\$2,800,000	\$ 2,800,000	\$ 1,400,000	\$ 1,400,000	\$ 280,000	\$ 140,000	\$ 140,000	\$ 1,260,000	\$ 1,260,000
5	State Charter	School of Dreams Academy	Pre-K	44%	56%	\$169,500	\$4,571,429	\$ 4,528,571	\$ 2,162,071	\$ 2,366,500	\$ 452,857	\$ 368,757	\$ 84,100	\$ 1,793,314	\$ 2,282,400	
	4	5					Subtotal	\$20,026,071	\$7,765,913	\$12,260,158	\$2,002,607	\$929,141	\$1,073,466	\$6,836,772	\$11,186,692	

Withdrawn:

6	Rio Rancho	Shining Stars Preschool	Pre-K	65%	35%	\$ 1,383,027	\$5,935,929	\$ -						
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NOTES:

District is requesting additional funding or a waiver.

EXHIBIT "B"

PSCOC 2021-2022 (2nd Round) PRE-K CAPITAL FUNDING POTENTIAL AWARDS

A	B	C	D	E	F	G	H	I	J	K	L
District	School	Project Description	Total Estimated Project Cost (PSFA Rec.)	Local Match %	State Match %	Offset	Phase 1	Phase 1 Net Local Match (after offsets)	Phase 1 Net State Match	Out-Year Local Match	Out-Year State Match
1 Deming	My Little School	award language: Planning and design funding to renovate the existing classrooms, restrooms and associated spaces, and to construct a classroom and multipurpose room addition. District may return for out-of-cycle construction funding. Construction/renovation shall be pursuant to the Adequacy Planning Guide (6.27.30 NMAC).	\$ 4,384,357	39%	61%	\$ -	\$ 438,436	\$ 170,990	\$ 267,446	\$ 1,538,909	\$2,407,012
2 Gadsden	Chaparral On Track Center	award language: Planning and design funding to construct a 4 Pre-K classroom addition, including restrooms, at the existing Chaparral On Track Center. District may return for out-of-cycle construction funding. Construction shall be pursuant to the Adequacy Planning Guide (6.27.30 NMAC).	\$ 2,614,286	30%	70%	\$ -	\$ 261,429	\$ 78,429	\$ 183,000	\$ 705,857	\$1,647,000
3 Gadsden	New Riverside On Track Center	award language: Planning and design funding to construct an addition to include: 8 Pre-K classrooms, restrooms and associated spaces, at the new Riverside On Track Center. District may return for out-of-cycle construction funding. Construction shall be pursuant to the Adequacy Planning Guide (6.27.30 NMAC).	\$ 5,698,857	30%	70%	\$ -	\$ 569,886	\$ 170,966	\$ 398,920	\$ 1,538,691	\$3,590,280
4 New Mexico School for the Deaf	New Mexico School for the Deaf - Albuquerque Preschool	award language: Planning and design funding to renovate portions of the existing facility, and to construct an addition at the existing New Mexico School for the Deaf - Albuquerque Preschool campus. The project shall start with a planning phase to evaluate needs and potential project scope. District may return for out-of-cycle construction funding. Construction shall be pursuant to the Adequacy Planning Guide (6.27.30 NMAC).	\$ 2,800,000	50%	50%	\$ -	\$ 280,000	\$ 140,000	\$ 140,000	\$ 1,260,000	\$1,260,000
5 State Charter	School of Dreams Academy	award language: Planning and design funding to construct an addition to include: 5 Pre-K classrooms, restrooms and associated spaces, at the School of Dreams Academy (state chartered charter school). District may return for out-of-cycle construction funding. Construction shall be pursuant to the Adequacy Planning Guide (6.27.30 NMAC).	\$ 4,528,571	44%	56%	\$ 169,500	\$ 452,857	\$ 368,757	\$ 84,100	\$ 1,793,314	\$2,282,400
4	5	TOTALS	\$ 20,026,071				\$ 2,002,607	\$ 929,141	\$ 1,073,466	\$ 6,836,772	\$11,186,692
Withdrawn:											
6 Rio Rancho	Shining Stars Preschool	award language: No award necessary, district has withdrawn its application request.	\$ -	65%	35%	\$ 1,383,027	\$ -	\$ -	\$ -	\$ -	\$0

2021-2022 PSFA Summary: Deming – My Little School

District Request

The Deming school district is requesting a Pre-K award for the renovation of existing spaces and restrooms, and a classroom and multipurpose room addition at My Little School. The existing campus contains 11,036 GSF of permanent buildings for a projected enrollment up to 101 Pre-K students.

The renovation scope includes four classrooms, all student restrooms, and reconfiguration of associated spaces, totaling 4,895 NSF. The district has estimated \$250 per square foot for renovation. The proposed addition would include a classroom to replace the existing portable classroom, and a multipurpose room, totaling 4,500 GSF. The district has estimated \$400 per square foot for new construction, resulting in an estimated total construction cost of \$3,069,050.

Adding soft costs (NMGRT, architect fees, testing, consultants, and contingency) results in a total estimated project cost of \$4,384,357.

The district has indicated that it has available funds to accommodate the local match for this project.

	Total	State Match 61%	Local Match 39%
Estimated Project Cost	\$4,384,357	\$2,674,458	\$1,709,899
Offset	\$0	\$0	\$0
Adjusted State/Local Match	\$4,384,357	\$2,674,458	\$1,709,899

PSFA Staff Recommendation

The campus comprises of 11,036 permanent GSF, which includes a 2,405 GSF classroom building that was constructed in 1950 (FCI 68.60%), a 2,679 GSF addition constructed in 2004 (FCI 50.80%), and a 5,952 classroom addition constructed in 2013 (FCI 28.99%). A portable classroom sits at the southwest corner of the facility. The school is well-maintained and the district is committed to operating the Pre-K center for at least the next 10 years.

The school serves as the Pre-K center for the district, focusing on special needs children, with 3 and 4 year old Pre-K students enrolled. The district also operates Pre-K classrooms in the elementary schools, and the My Little School serves as all overflow capacity from all other district Pre-K programs. The capacity of the permanent buildings is up to 72 students for the full-day program, and up to 91 students including the portable classroom building. Enrollment declined at My Little School in 2019-20 due to the district opening 2 new Pre-K classrooms at Chaparral ES in that year. The district-wide enrollment for Pre-K declined again in 2020-21 due to the COVID pandemic. The enrollment at My Little School is expected to return to the projected level, up to 101 students, after the pandemic. The 2021-2022 certified 40-day count totals 67 students and the district reports 91 students in February 2022. Pre-K enrollment district wide is also showing recovery to pre-COVID level.

The district's request for renovation of 4,895 NSF of existing spaces to include classrooms, restrooms and associated spaces, is justified. Multiple finishes in the classrooms and restrooms are beyond or nearing their expected life spans, and are in need of replacement. The student restroom fixtures do not comply with accessibility and height requirements for Pre-K students, and the older fixtures are beyond their expected life. Associated spaces could be reconfigured to better suit the needs of the school, and provide a secure entrance to the building.

The school plans to construct a 4,500 GSF addition to include one classroom space and a multipurpose room. The classroom would be a one for one replacement of the portable classroom, which will be removed from the campus. The multipurpose room will house large group activities, meal service, physical education, etc.

PSFA agrees with the district’s total estimated project cost, based on the following assumptions: \$250 per square foot for renovation of the classrooms and restrooms, \$400 per square foot for construction of a classroom and multipurpose room addition. The cost to relocate the portable is not included in the estimated total project cost. Adding soft costs (NMGRT, architect fees, testing, consultants, and contingency) results in a total estimated project cost of \$4,384,357.

Total Estimated Project Cost Per Application	Adjusted Project Cost	Phase 1	Local Match %	State Match %	Offset	Phase 1 Net Local Match After Offsets	Phase 1 Net State Match After Offsets	Out-Year Local Match	Out-Year State Match
\$4,384,357	\$4,384,357	\$438,436	39%	61%	\$0	\$170,990	\$267,446	\$1,538,909	\$2,407,012

Pre-K Eligibility Requirements

Requirement	School Meets
<ul style="list-style-type: none"> FMP 	Must be current Current
<ul style="list-style-type: none"> Local Match 	District must have at time of award Yes

Facility Description

My Little School

- Original Construction Date: 1950 Original Building
- Most Recent Addition: 2013 Classroom Addition
- Total Gross Square Feet: 12,029 GSF
 - Permanent Square Feet: 11,036 GSF
 - Number of Assets: 3
 - Portable Square Feet: 993 GSF
 - Number of Portables: 1
- Site Size: 1.1 Acres

Planning Summary

Facilities Master Plan: Current

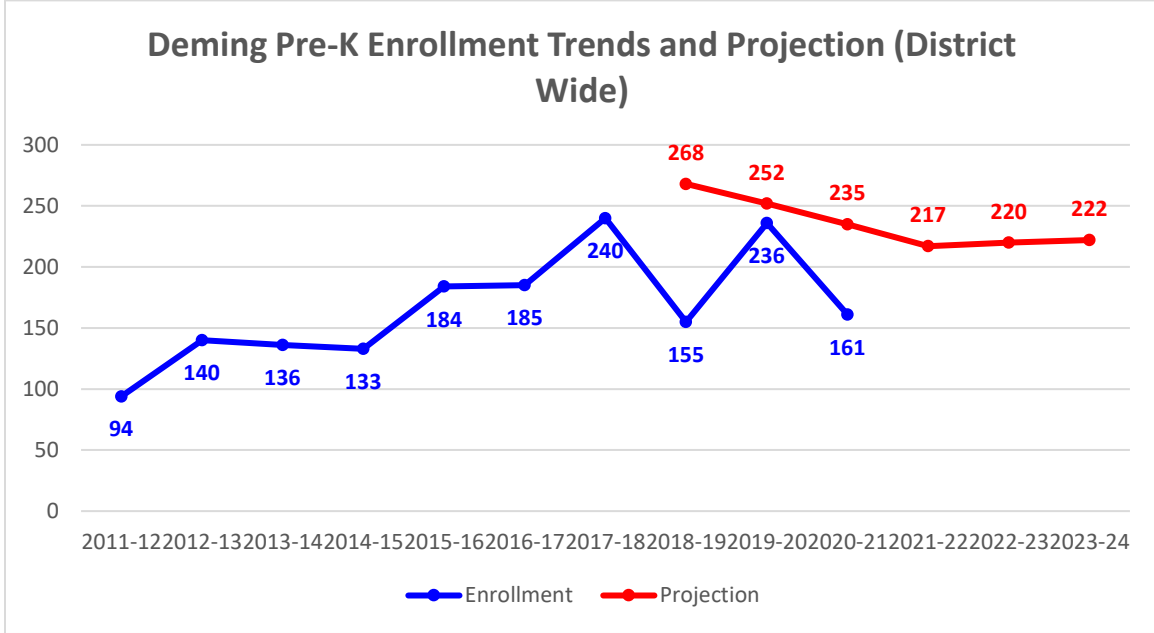
- The district’s FMP prioritizes replacement of the 1950 building for My Little School, while maintaining the 2013 and 2015 buildings. The FMP identifies \$4.6 million in needs at the school including the following significant issues:
 - Fire protection sprinkler system needed
 - Communications system needed
 - Structural issues
 - Replace flooring
 - Construct gym
 - Construct 4-classroom addition

Based on a conversation with a district representative, the district is seeking to build a permanent classroom to replace the one portable classroom it operates at the school, plus renovation of the other spaces. It does not seek a four classroom addition as the FMP suggests.

ENROLLMENT

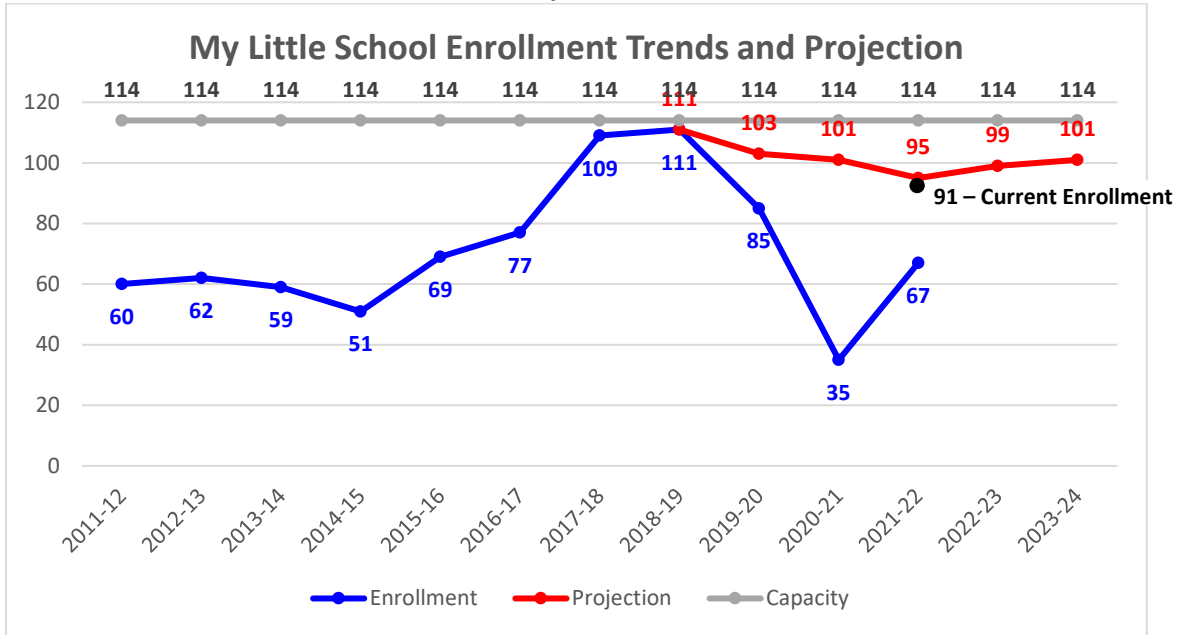
The following charts show Deming’s district-wide Pre-K enrollment trends and projections, as well as for My Little School.

Chart 1: Enrollment Trends for Deming Pre-K Enrollment



Source: Enrollment: PED 40-Day Counts; Projection – 2019-2023 FMP

Chart 2: Enrollment Trends for My Little School



Source: Enrollment: PED 40-Day Counts; Projection – 2019-2023 FMP

District wide Pre-K and My Little School enrollment experienced a significant drop in the 2020-21 COVID impacted school year. COVID-19 affected the early grade levels more than the other grades. The district’s application indicates it does not have a waiting list for Pre-K students.

CAPACITY AND UTILIZATION

The table below summarizes capacity and utilization for all Deming Elementary Schools and Pre-K at each school.

School Name	2019-20 Enrollment	2020-21 Enrollment	2021-22 Enrollment	Pre-K Classrooms Permanent	Pre-K Classrooms Portable	Pre-K Program Capacity	CR Occ.	Pre-K CR Utilization (per FMP)
Bataan	35	31	33	2	0	37	100%	100%
Bell	28	18	29	2	0	34	100%	100%
Chaparral	17	26	28	1	0	17	100%	100%
Columbus	37	24	30	2	0	34	100%	100%
My Little School	85	35	67	4	1	91	100%	100%
Ruben S. Torres	34	27	36	2	0	34	100%	100%
TOTAL	236	161	223	15	1	247	100%	100%

Per data from the district's FMP, each school housing Pre-K students utilizes their Pre-K classrooms at 100% with a 100% classroom occupancy. My Little School contains 4 permanent classrooms and one portable classroom. With the exception of one classroom at Bataan Elementary, all the Pre-K classrooms in the district are undersized, with an average of 889 SF. The average classroom size at My Little School is 913 SF.

The next chart shows capacity and utilization at all Deming Elementary Schools. The district uses its elementary schools efficiently. According to the FMP, there are only two vacant classrooms in the district, but the district was in the process of assigning these rooms to teachers.

School Name	Grade Level	2019-20 Enrollment	2020-21 Enrollment	2020-21 Enrollment	School Functional Capacity	Available Capacity	Vacant CR (per FMP)	Occupancy	School Utilization (per FMP)
Bataan ES	Pre-K-5th	492	465	534	461	-4	1	102%	95%
Bell ES	Pre-K-5th	251	235	247	279	44	0	79%	100%
Chaparral ES	Pre-K-5th	387	369	387	390	21	0	100%	100%
Columbus ES	Pre-K-5th	551	480	488	571	91	1	109%	95%
Memorial ES	K-5th	367	332	315	456	124	0	99%	100%
My Little School	Pre-K	85	35	67	91	56	0	100%	100%
Ruben S. Torres ES	Pre-K-5th	421	354	403	429	75	0	89%	100%
TOTAL		2554	2270	2441	2677	407	2	97%	73.14%

Maintenance Summary

As of February 18, 2022, the Deming Public School District maintenance status:

- **Preventive Maintenance Plan:** current, last updated September 27, 2021 and rated Outstanding with 3 years of historical updates. (annual update required; 6.27.3.11 NMAC)
- **Quarterly FIMS Proficiency Reports:** Good user of all 3 State provided FIMS Maintenance resources.
- **District wide PM Completion Rate:** 100% performance rating, (above the 90% recommendation).
- **Facility Maintenance Assessment Report:** average of 80.86%, indicates the district is maintaining their assets to a Good performance level, well above the current state average of 72%. (FMAR-F6, 70% recommended)

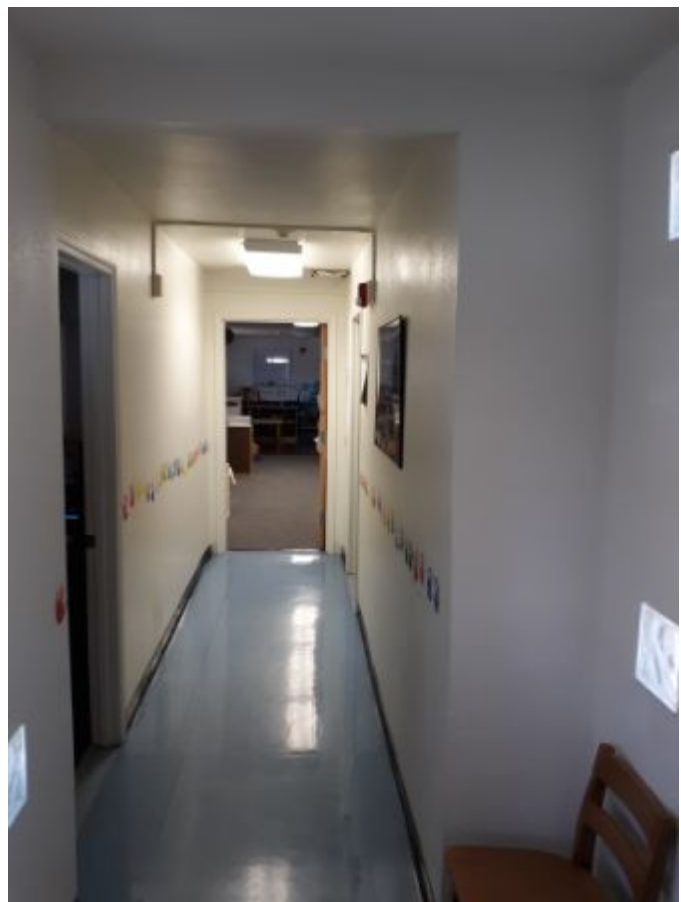
Photos – Site



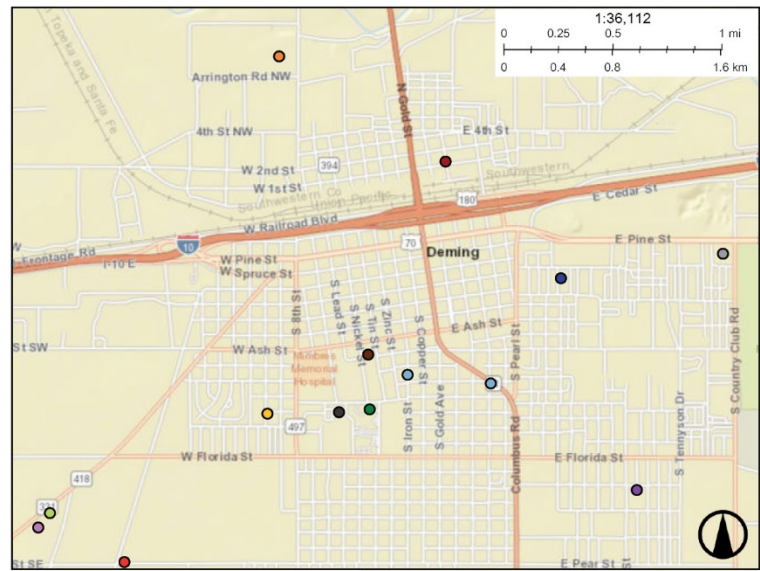
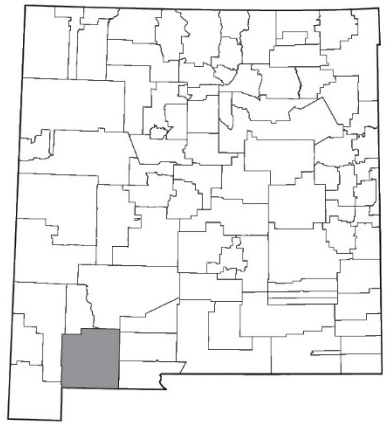
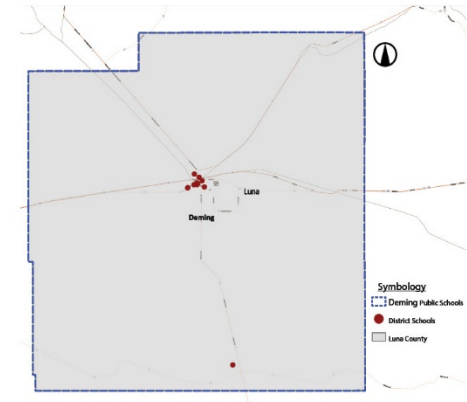
Photos – Building Exterior



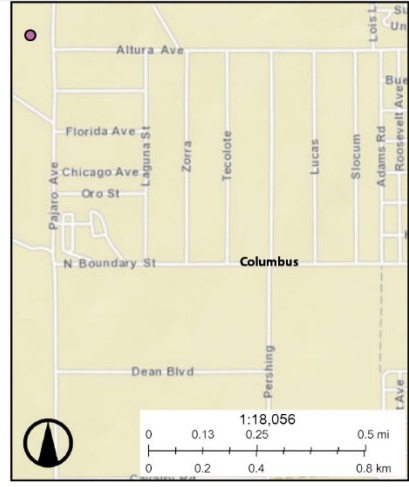
Photos – Building Interior



District-wide School Map



- Schools**
- My Little School
 - Bataan ES
 - Bell ES
 - Chaparral ES
 - Columbus ES
 - Memorial ES
 - Ruben S. Torres ES
 - Deming Intermediate
 - Old Deming Intermediate
 - Red Mountain MS
 - Deming Cesar Chavez Charter HS
 - Deming HS
 - Mimbres Valley Alternative HS
 - Deming Early College HS

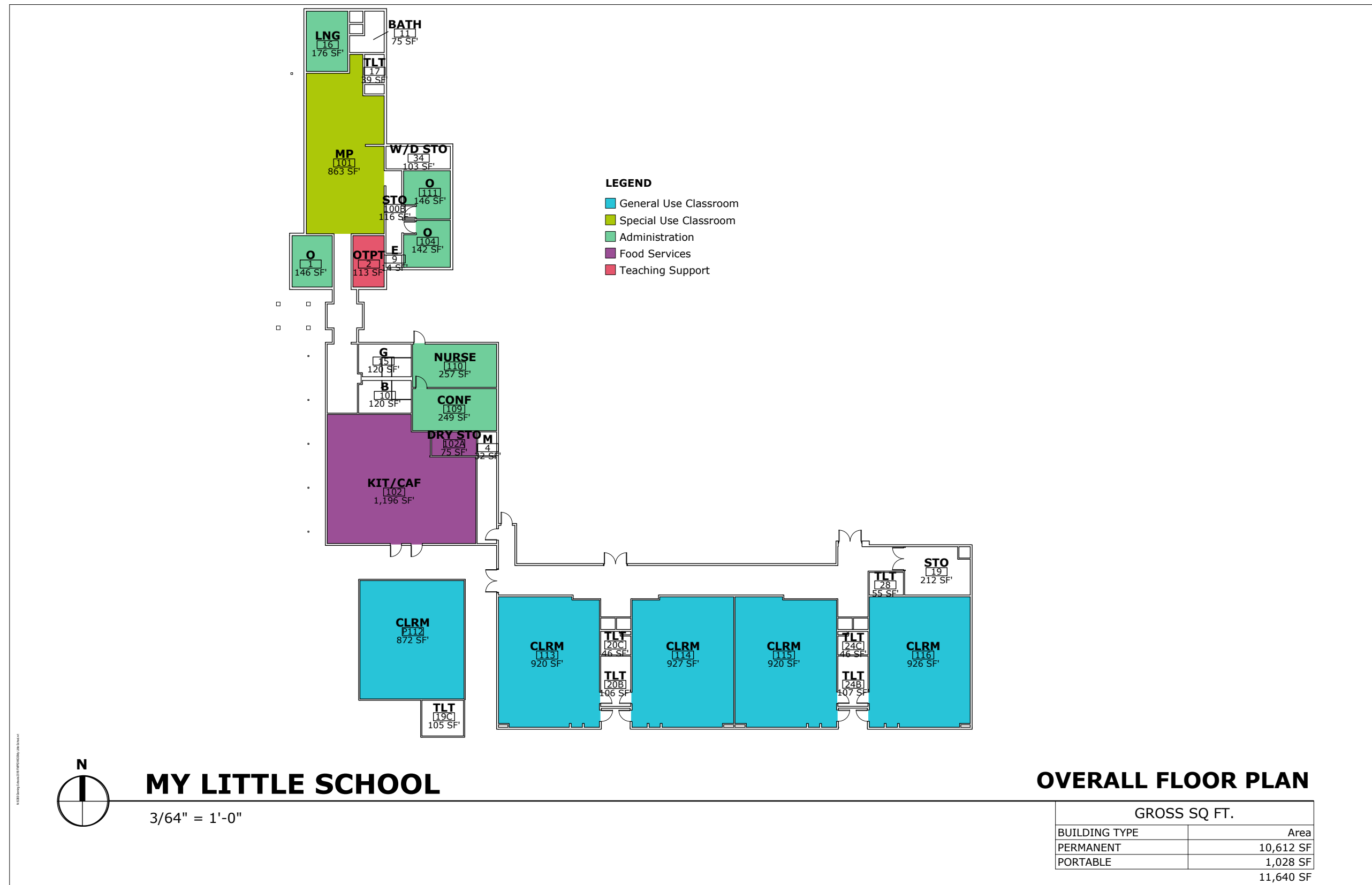


Deming Public Schools
 Five Year Facilities Master Plan
 Greer Stafford Architecture • 2019



Site Map







PSCOC REQUEST FOR CAPITAL FUNDING 2021-2022 FULL APPLICATION

School District:
Contact Person:

Address 1:

Address 2:

City:
State:
Zip:
Phone:

Funding Match

District Match	39%
State Match	61%

District Offsets

\$0

			A	B	C	D	E	F	G
Priority	Facility Name	Request Type	Estimated Total Project Cost Within the Allowable Funding	Estimated Cost Outside the Allowable Funding	District Match to Within the Allowable Funding	Offset	Total District Match (District Match + Offset+Outside the Allowable Funding)	State Match	Total State Match After Offset
1		Standards-Based	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	My Little School	Pre-K Classrooms	\$ 4,384,357	\$ -	\$ 1,709,899	\$ -	\$ 1,709,899	\$ 2,674,458	\$ 2,674,458
Total			\$ 4,384,357	\$ -	\$ 1,709,899	\$ -	\$ 1,709,899	\$ 2,674,458	\$ 2,674,458

I certify that to the best of my knowledge, the information contained in this application is complete and accurate and that the district has the available funds to accommodate the Total District Match including Offsets as represented in Column E above:

Name of Signatory --
 Superintendent of School District

Name of Signatory --
 School Board President

Date _____

Date _____

General District Information

Application Details:

The purpose of the Public School Capital Outlay Act is to ensure that, through a standards-based process for all school districts, the physical condition and capacity, educational suitability and technology infrastructure of all public school facilities in New Mexico meet an adequate level statewide and the design, construction and maintenance of school sites and facilities encourage, promote and maximize safe, functional and durable learning environments in order for the state to meet its educational responsibilities and for New Mexico's students to have the opportunity to achieve success.

New Mexico state law provides that the Public School Capital Outlay Council (PSCOC) may approve applications for the capital expenditure of funds deemed by the council necessary for an adequate educational program. Such applications shall demonstrate that:

The district certifies that this complete application will demonstrate that it meets this

§ a need exists based upon Public School Adequacy Standards and is included in the district's five-year facilities plan among its top priorities;	Yes
§ the residents of the district have provided or are willing to authorize available resources to meet the district's or charter's capital outlay match requirements;	Yes
§ the district has used its resources in a prudent manner;	Yes
§ the school district has provided insurance for buildings of the school district in accordance with the provisions of Section 13-5-3 NMSA 1978;	Yes
§ the application includes the capital needs of any locally-chartered school(s) located in the school district, or the school district has shown that the capital needs of the charter schools are not as great as the capital needs	Yes
§ the application includes the capital needs to maintain a full day kindergarten program;	Yes
§ the school district has submitted a five year facilities master plan that includes each school (including locally-chartered schools) in the district, each school's facilities utilization and enrollment projections, and all capital	Yes
§ the school district or charter has a current preventive maintenance plan approved by the PSCOC. The preventive maintenance plan must be in use at each public school facility in the district.	Yes

Full Application - Pre-K

Requested Project Priority 1

Pre-Kindergarten Classroom Facilities

STATEMENT OF ANTICIPATED PROJECT FUNDING/EXPENSES

This form is part of the district's facility planning process. The estimated costs shown on this sheet should include all costs associated with the Pre-Kindergarten **capital project at the proposed school site**, not for the whole district.

1. School Site:	My Little School
Address:	905 S. Zinc Street
	Deming, N.M. 88030

1.1 Provide a full description of your project and the need:

Renovation/Additon of current 10,612 square foot facility. Addition of one classroom, additon of a 3500 sq. ft. multi-purpose room, and removal of one portable. The current portable houses a classroom which the District needs to bring into the new classroom addition for the health and safety of the students. The removal of the portable will also provide spatial capabilities for renovation/addition of essential spaces at that facility. The renovation and configuration of spaces will also align to allow design of secure entrance/vestibule as is throughout the District.

1.2 Does this facility have an active PSCOC project award?

No

2. FOR EXISTING PRE-K PROGRAMS:

2.1 Does this school site currently have a State-funded pre-k in operation?

Yes

2.2 Provide number of students for each year of state-funded pre-k operation at this site:

15-16	16-17	17-18	18-19	19-20	20-21
69	77	109	75	85	35

2.3 Is your pre-kindergarten program 1/2 day or full day?

Full Day

2.4 How many existing physical classrooms are used for your pre-k program?

6

2.5 If you have a waiting list, how many students are on the list?

0

2.6 Is this request to accommodate the transition from 1/2 day to full day pre-k?

No

3. FOR NEW PRE-K PROGRAMS:

3.1 Did you apply for 2021-2022 State-funded pre-k operational funding at this site?

No

3.2 If not, is the lack of facility space to house the program the reason you did not apply?

No

3.3 Was your program approved for this site?

Yes

3.4 If approved, provide number of students approved for this site.

126

3.5 Will your pre-kindergarten program be 1/2 day or full day?

Full Day

3.6 How many existing physical classrooms will be used for your pre-k program?

6

4. FOR BOTH NEW & EXISTING PRE-K PROGRAMS:

4.1 What is the square footage of each existing classroom proposed or currently being used for pre-k?

	Net SF Area	Portable (Y/N)		Net SF Area	Portable (Y/N)
1	872	No	5	926	No
2	920	No	6	1,028	Yes
3	927	No	7		
4	920	No	8		

STATEMENT OF ANTICIPATED PROJECT FUNDING/EXPENSES (Continued)

(A.) SITE WORK COST ESTIMATE:

Grading, drainage, and landscaping	
Utilities	
Paving, parking, sidewalks, etc.	
Other:	

(1) \$ -

(B.) BUILDING CONSTRUCTION COST ESTIMATE:

	Number	Total Sq. Ft.	Cost/Sq. Ft.	
Permanent Classrooms (new)	1	4,500	\$ 400.00	\$ 1,800,000
Permanent Classrooms (renovate)	1	4,895	\$ 250.00	\$ 1,223,750
Restrooms (new)				\$ -
Restrooms (renovate)	4	453	\$ 100.00	\$ 45,300
TOTAL BUILDING/RENOVATION COST:		9,848	\$ 311.64	(2) \$ 3,069,050

(C.) TOTAL CONSTRUCTION [sum of (1)+(2)]

(3) \$ 3,069,050

(D.) SOFT COSTS AND EXPENSES

(NMGRT, architect, consultants, and testing) (20% of Total Project Cost)

\$ 876,871

(Contingency) (10% of Total Project Cost)

\$ 438,436

TOTAL SOFT COSTS AND EXPENSES:

(4) \$ 1,315,307

(E.) TOTAL PROJECT COST [sum of (3)+(4)]

(5) \$ 4,384,357

2021-2022 PSFA Summary: Gadsden – Chaparral On-Track Center

District Request

Gadsden Independent School District is requesting a Pre-K award to expand the existing Chaparral On-Track Center Pre-K school and facility to consolidate all Pre-K classrooms in the Chaparral area to the location. The district currently has 11 early childhood classrooms in the Chaparral area: the Chaparral On-Track Center houses 4 classrooms, 2 classes are held in the facility’s cafeteria and lounge, and 5 portables at Desert Trail ES house Pre-K “satellite classrooms.” The district does not currently have a Pre-K waitlist, due to the fact that new classrooms are opened as the enrollment grows throughout the school year.

The district plans for a four classroom addition, with individual classroom restrooms, to achieve this goal. The district has estimated approximately 918 net square feet per classroom and 100 net square feet per restroom.

The district has estimated \$350 per square foot for new construction, and \$200,000 in necessary site work. This results in a total construction cost of \$1,626,250. Adding soft costs (NMGRT, architect fees, testing, consultants, and contingency) results in a total estimated project cost of \$2,323,214.

The district has indicated that it has available funds to accommodate the local match for this project.

	Total	State Match 70%	Local Match 30%
Estimated Project Cost	\$2,323,214	\$1,626,250	\$696,964
Offset	\$0	\$0	\$0
Adjusted State/Local Match	\$2,323,214	\$1,626,250	\$696,964

PSFA Staff Recommendation

The existing Chaparral On-Track Center campus comprises of 11,021 permanent GSF, constructed in 2011.

The school serves as the Pre-K center for Chaparral, NM. The Pre-K facility does not have a sufficient number of classrooms to support the Pre-K enrollment in the area, resulting in overflow classes being held in the facility’s multipurpose room and lounge, and in portables at the nearby Desert Trail ES. The building’s capacity is up to 72 students for the full-day program, which is insufficient to meet the needs of the community. The program has a waiting list.

The district’s request for a classroom addition is justified, due to the overflow enrollment having to be served in other locations. The multipurpose space and lounge are not appropriate spaces for classes to be held. The portables at the nearby school are not equitable to the permanent classrooms at the Chaparral On-Track Center, and do not have restrooms. Consolidating Pre-K to one location will also achieve efficiencies in program delivery.

PSFA does not agree with the district’s total estimated project cost, and believes that the estimated cost per square foot is not adequate, given the current increase in construction costs. PSFA recommends \$400 per square foot for the construction of a classroom addition. This results in a total construction cost of \$1,830,000. Adding soft costs (NMGRT, architect fees, testing, consultants, and contingency) results in a total estimated project cost of \$2,614,286.

Total Estimated Project Cost Per Application	Adjusted Project Cost	Phase 1	Local Match %	State Match %	Offset	Phase 1 Net Local Match After Offsets	Phase 1 Net State Match After Offsets	Out-Year Local Match	Out-Year State Match
\$2,323,214	\$2,614,286	\$26,143	30%	70%	\$0	\$78,429	\$183,000	\$705,857	\$1,648,000

Pre-K Eligibility Requirements

Requirement		School Meets
• FMP	Must be current	Current
• Local Match	District must have at time of award	Yes

Facility Description

Chaparral On Track Center

- Original Construction Date: 2011
- Total Gross Square Feet: 11,021 GSF
 - Permanent Square Feet: 11,021 GSF
 - Number of Assets: 1
 - Portable Square Feet: 0 GSF
 - Number of Portables: 0

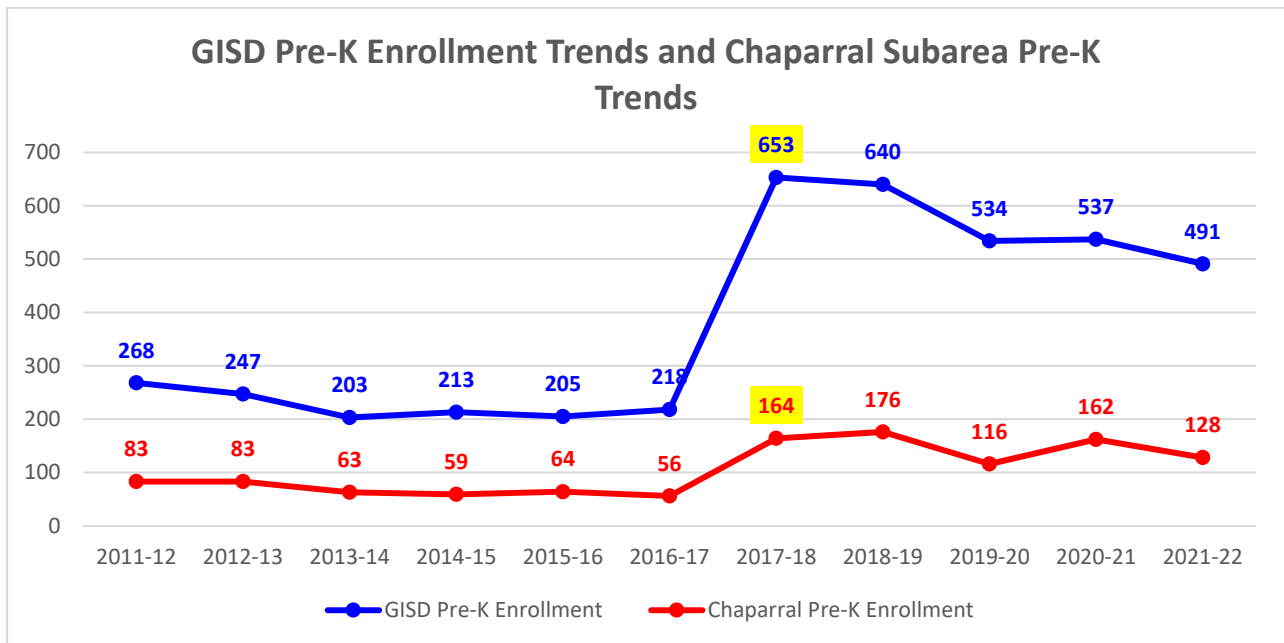
Planning Summary

Facilities Master Plan: Current

- The FMP identifies the need for a classroom addition at the Chaparral On-Track Pre-K facility. However, the FMP prioritizes this project in the “Future Consideration” bundle of projects, which is outside the Priority 1-3 bundle of projects.

ENROLLMENT

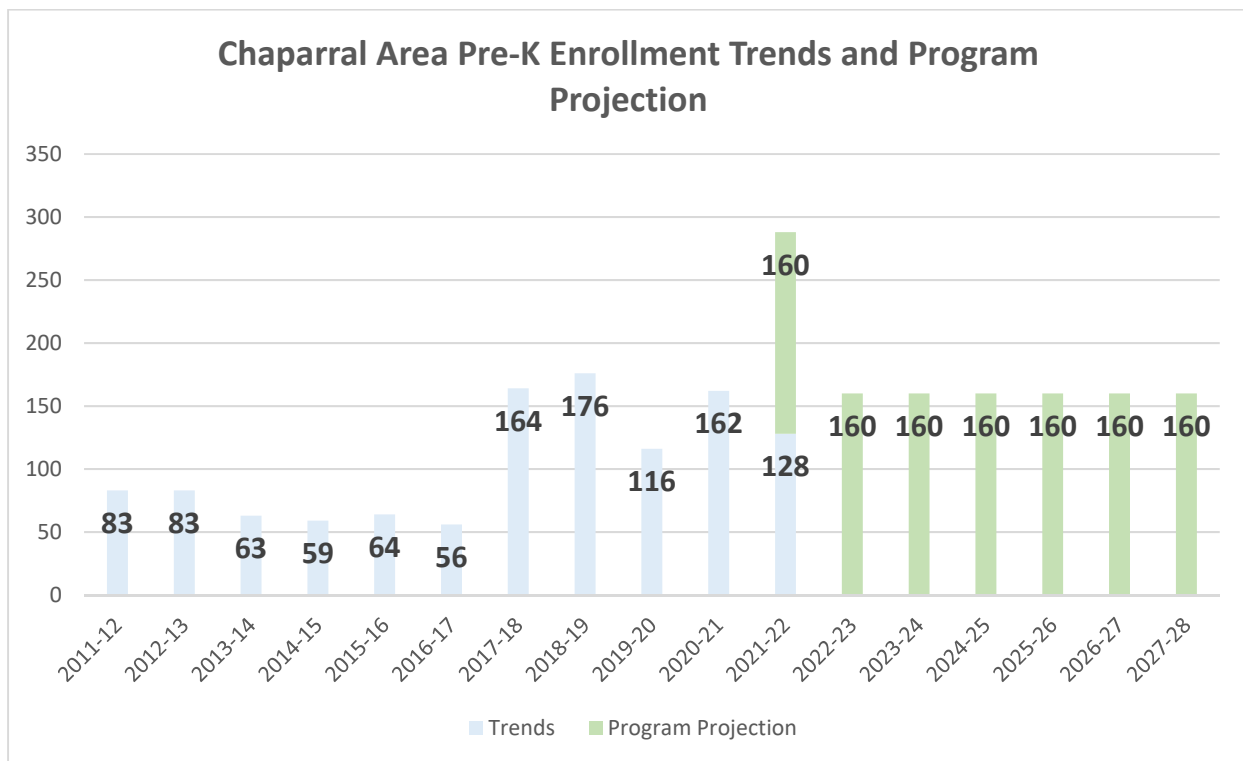
The first chart provides an overview of the GISD Pre-K enrollment trends as well as the Chaparral Subarea.



The chart shows the Pre-K enrollment experienced a significant increase in 2017-18, which coincided with the district’s implementation of the On-Track programs (highlighted years).

The following chart provides an overview of the Chaparral Area’s Pre-K enrollment trends and program projection based on the district’s application. Pre-K enrollment is difficult to project due to several reasons including:

- Parental choice – Parents have options for Pre-K enrollment including public schools, private providers, alternative educational options.
- Since Pre-K education is not mandatory, we are unable to tie Pre-K enrollment to births like we can for Kindergarten.
- Pre-K is dependent on funding, teacher availability, and ancillary services. For this reason, we review the district’s application and plan for its program capacity based on the number of classrooms it needs. In this case, the district is seeking an addition of four classrooms in to complement the existing four in the Chaparral On—Track facility. If each classroom holds 20 students, the program capacity is 160 students, which is consistent with recent trends as the following chart demonstrates.



Source: Enrollment Trends – PED 40-Day enrollment trends; program projection based on district’s application

The next table identifies Pre-K Enrollment in the Chaparral Area schools.

School	2019-20 Enrollment Pre-K	2020-21 Enrollment Pre-K	2021-22 Enrollment Pre-K	Pre-K Classrooms (FMP)	Avr. Pre-K CR Size	Pre-K Classroom Capacity	Pre-K Classroom Occupancy Rate
Chaparral ES	18	0	0	0		0	0
Desert Trail ES*	5	0	0	4	768	64	100%
Sunrise ES	9	0	0	0			
Yucca Heights ES	10	0	0	0			
Chaparral On-Track Pre-K	74	162	128	4	918	72	101%
TOTALS	116	162	128	8		136	100%

*The four Pre-K classrooms are Desert Trail are contained in portable classrooms
 Pre-K Capacity at the Chaparral Center is 72 students and 64 in the Desert Trail portables

The capacity of the Chaparral On-Track building is 72 seats in four classrooms. According to the FMP’s utilization study, there are an additional four teachers assigned to the Chaparral On-Track program but teaching at the Desert Trails Facility. The district wants to consolidate all its Chaparral teachers in one facility, which is the justification for the classroom addition. The following summarizes the impact on the other facilities. The four Desert Trails classrooms assigned to Chaparral On-Track are housed in portables and will not impact permanent space at that school once the district builds the Chaparral addition.

The current Chaparral On-Track Pre-K Center consists of 11,021 gross square feet. The building consists of:

- Four Pre-K Classrooms- Average Size 918.5 SF, plus 108 SF of storage and 51 SF of toilet room. Together, the average classroom size totals 1,077 SF.
- Multi-Purpose Room Consisting of 2,718 SF
- Administration including testing center, reception, conference room, storage, and teacher workroom

CAPACITY AND UTILIZATION

The table below summarizes capacity and utilization for Chaparral area elementary schools.

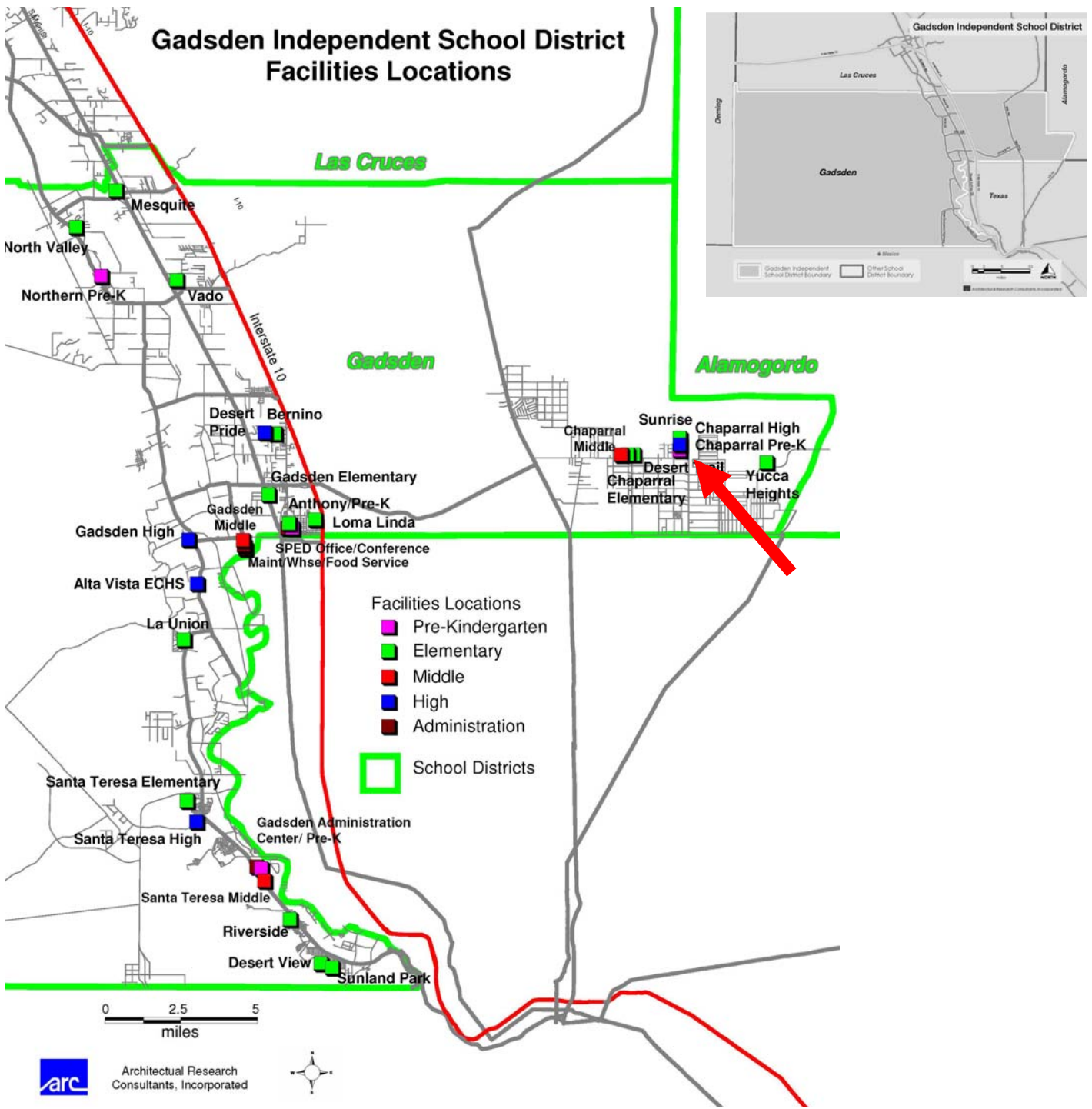
School	2019-20 Enroll.	2020-21 Enroll.	2021-22 Enrollment	Functional Capacity w/o Portables	Available Capacity	Vacant or Available Rooms (Perm)	Classroom Occupancy Rate	School Utilization Rate (Perm)
Chaparral ES	481	427	432	520	88	0	77%	100%
Desert Trail ES	469	451	413	380	-33	0	81%	100%
Sunrise ES	405	392	387	474	88	0	82%	100%
Yucca Heights ES	584	566	645	652	7	0	86%	100%
Chaparral On-Track Pre-K	74	162	128	72*	-56	0	101%	100%
TOTALS	2,013	1,998	2,005	2,026	21	0	85%	100%

Maintenance Summary

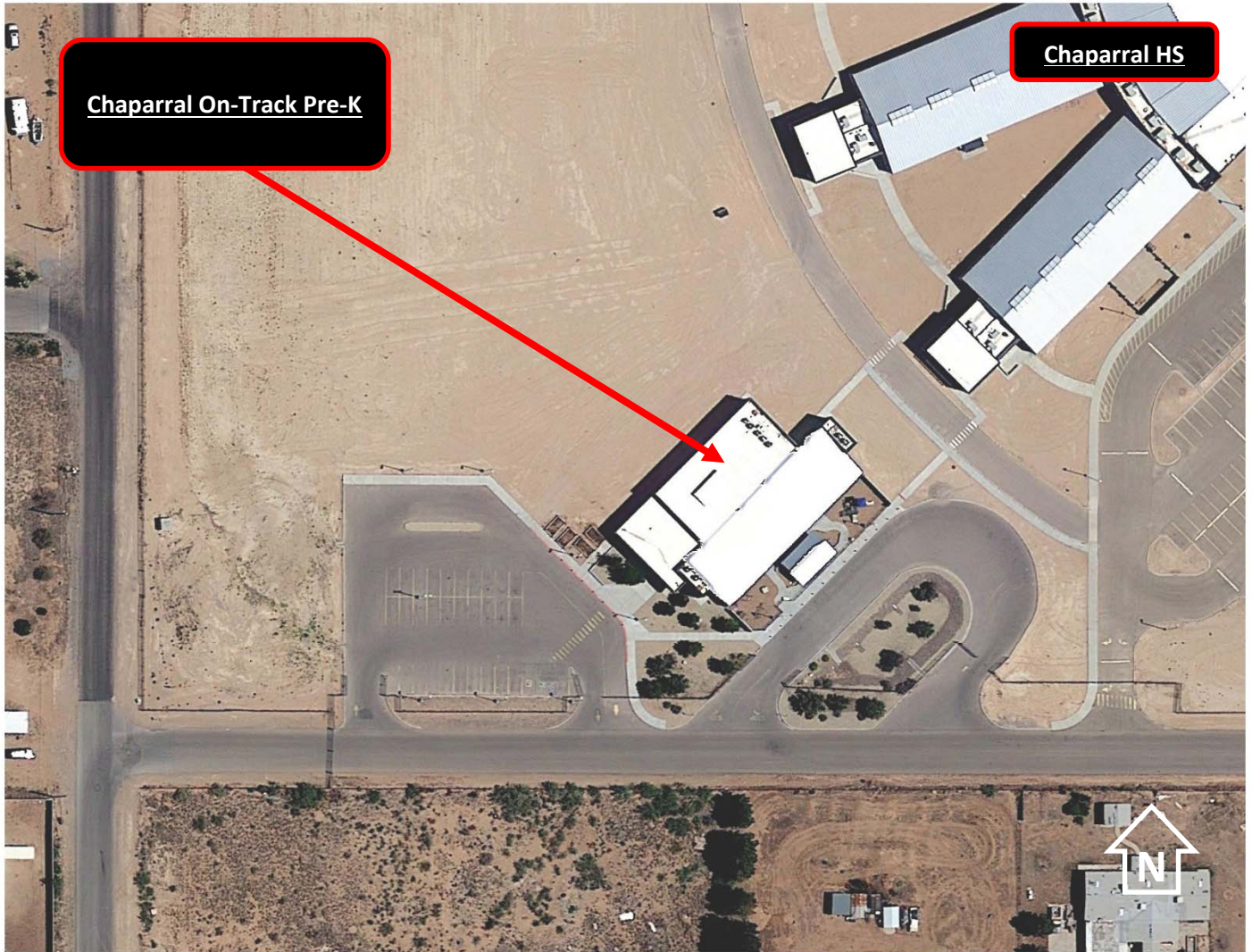
As of February 18, 2022, the Gadsden Independent School District maintenance status:

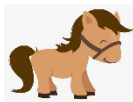
- **Preventive Maintenance Plan:** current, last updated on December 25, 2021, with historical updates, and rated Outstanding (annual update required; 6.27.3.11 NMAC).
- **FIMS Proficiency Reports:** 1 historical year of use indicate the district is a Satisfactory to Good user of the State provided FIMS Maintenance resources (MD, PMD, UD) including the M3 data driven report.
- **Facility Maintenance Assessment Report (FMAR):** average of 76.25% indicates the district is maintaining their assets to a mid-Satisfactory level, currently above the state average of 72%.

District-wide School Map

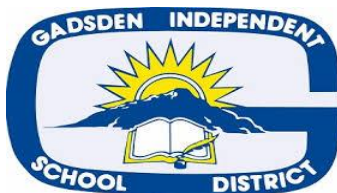


Site Map





On-Track PreK Chaparral



Chaparral Extension PreK Need: Currently, we have 11 Early Childhood classrooms in the Chaparral area of Gadsden ISD. Five of these classrooms are housed out of our PreK Center, located near Chaparral High School. One of these classrooms is temporarily in our cafeteria until a classroom space becomes available in the district. The six others are in dated portables at Desert Trail Elementary. These classrooms, referred to as Satellite classrooms, are not permanent as they depend on the schools' classroom availability. Some of these spaces have swamp cooling and do not have restrooms. Students travel indoors to the main elementary for use of restroom. Outdoor learning space is limited, and equipment is not age appropriate. The children attending the satellite classrooms are not receiving the same experience as those at our main PreK center. An addition to the already existing PreK building, would resolve some of these issues.

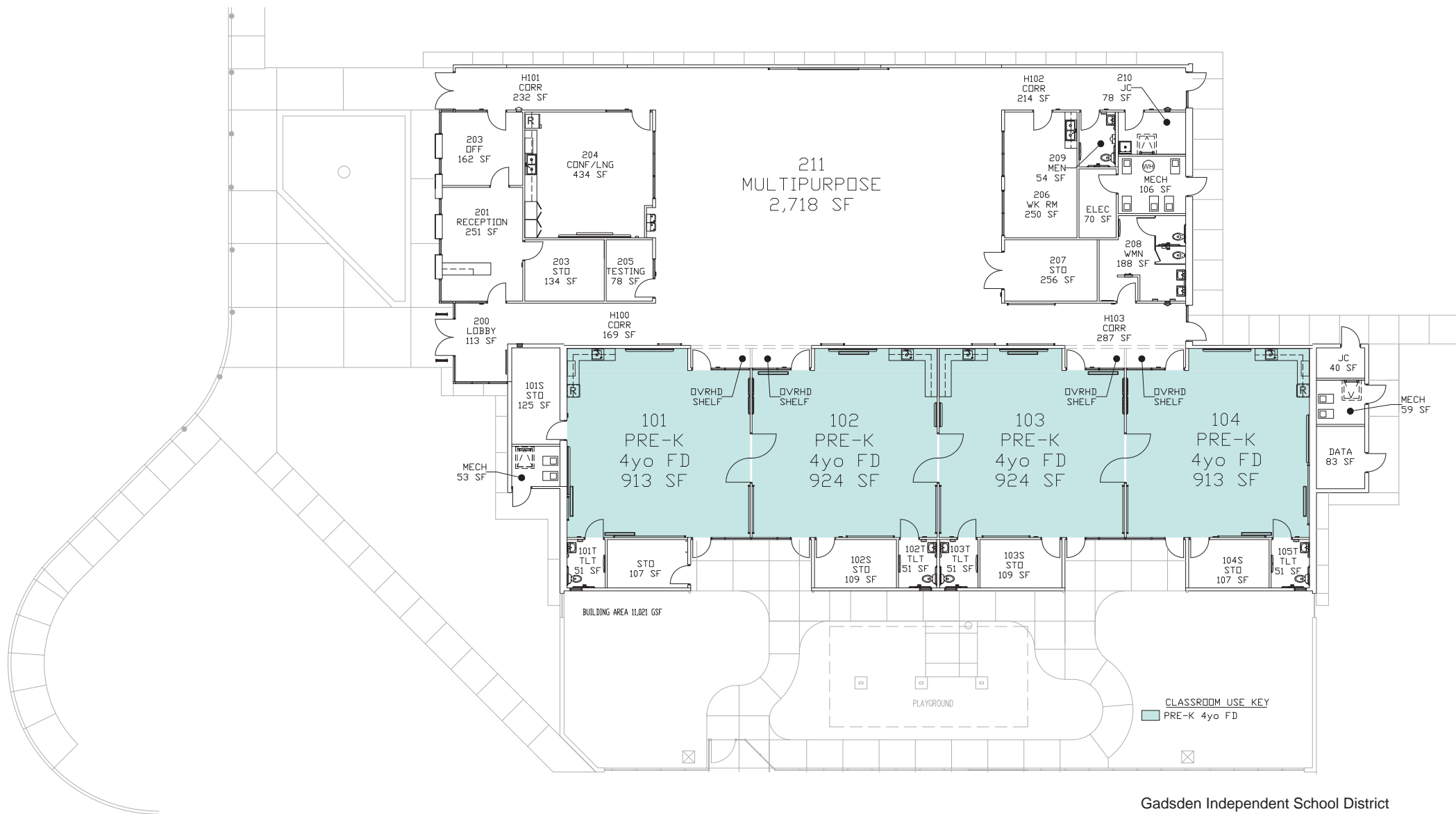
Chaparral is an area that continues to grow. This increase in population has raised the demand for our Early Childhood program. To meet our community's needs, we have been compelled to open Early Childhood classrooms wherever space is available in our district.

Our experience in having Early Childhood Centers vs. satellite classrooms has demonstrated that teachers, students, and their families benefit more from being together in an Early Childhood Center. These centers are geared towards young children. Each classroom has individual, child sized restrooms and sinks, with developmentally appropriate furniture, playground equipment and multipurpose spaces for students and their families. Teachers can collaborate, plan, and execute best practices in an Early Childhood setting. Having them in the same building allows them to team teach, observe, learn, and support each other which supports student growth.

Respectfully Submitted,

A handwritten signature in black ink that reads "Estrella Burciaga".

Estrella Burciaga
Director for Early Childhood
Gadsden ISD
Cell: 915-525-6525
Office: 575-882-6796



Gadsden Independent School District
 CHAPARRAL ON-TRACK PREKINDER
 2020-21 SY
 11,021 GSF Permanent



For Planning Purposes Only

Gadsden Independent School District FMP 2020 Facility Summary: 004 · Chaparral On-Track Pre-K

800 County Line Drive, Chaparral, NM 88081

Evaluation Date: 2020-07-30

Evaluator: CV

Evaluation Status: Evaluated

Location Data

Site Data			
Site acres:	0.00	No/type of parking spaces:	30 staff and visitor; 3 accessible (no van accessible)
Building Data			
Permanent building area:	11021 GSF	Number of floors:	1
Modular building area:	0 GSF	Modular buildings:	0.0% of GSF
Construction Dates			
Year Built:	2011	Building age:	9
Initial Construction Date:		Renovation/Addition 1:	
Renovation/Addition 2:		Renovation/Addition 3:	

Assessment Score for Chaparral On-Track Pre-K

Scoring Category	Possible Points	Actual	Earned	Percent Score (E/A)
The Site	271	236.0	175.5	74.4%
Physical Plant Assessment	354	299.0	262.0	87.6%
Adequacy and Environment	375	265.0	224.0	84.5%
Total	1000	800.0	661.5	82.7%

Excellent=90-100% Satisfactory=70-89% Borderline=50-69% Poor=30-49% Very Inadequate <= 29%

Notes from Evaluation Meeting and Questionnaire

Chaparral On-Track Pre-K

* Staff and students vacated the school due to statewide health directives. The ARC evaluator conducted no on-site staff interactions, traffic observations, or informal inquiries.

Site Assessment



Chaparral On-Track Pre-K shares its site and address with Chaparral High School. The pre-K stands on the southwest corner of the rectangular 77-acre site. Residential lots lie south and west of the campus, while land to the north and east is mostly undeveloped. A chain-link fence separates the pre-K campus from the high school.

A tree obscures a portion of the school's wall-mounted identification sign, and no identification sign stands at the road. There is no infrastructure for pedestrian access to the site.

The school has a parking lot with a small drop-off loop on the west side and a larger, second loop on the east side. The parking lot is undersized, containing 33 spaces, three of which are ADA (Americans with Disabilities Act) accessible.

All of the students are driven to school, so buses do not utilize either loop. Parents do not use the loops because the administration requires they escort their children into the school. Parking spaces are severely limited when parents drop-off or pick-up children. Parents often park in the fire lane or on the road adjacent to the school. Staff utilizes the east loop as parking to alleviate some of the congestion.

The school's landscaping includes rock mulch and mature trees on the south side, at the entrance, and in the center of the east loop. The remainder of the campus is undeveloped, and high winds stir up dust. Four un-planted raised garden beds lie northwest of the school entrance.

A small playground lies along the school's south edge, enclosed by concrete masonry unit (CMU) walls and a low metal fence. The playground includes a small play structure with a wood-chip fall surface, a shaded sand-play area, and several small play apparatuses. A concrete sidewalk creates a loop around the shade structure. The playground is large enough to hold two classes at a time. All four classrooms have direct access to the playground.

The school's dumpster is unenclosed and sits on the north side of the school.

Water comes from a municipal well, and a city sewer system serves the school. The school uses natural gas. All utilities are located underground on the site.

Building Assessment



Chaparral On-Track Pre-K is a single-story building. Its foundation is slab on grade, and exterior walls are CMU and metal frame with stucco. The CMU walls exhibit some settlement cracks, and numerous hairline/spiderweb cracks mar the stucco on the northwest wall.

The roof has a thermoplastic polyolefin (TPO) membrane and standing-seam metal. The three areas of flat roof each have an access hatch. The roof hatches lack safety posts. The two smaller sections of flat roof hold two classroom condensing units and vents. The main flat roof hosts five condensing units and a large skylight. The roof lacks walk pads leading from the roof hatch to the condensing units and skylight. The roof membranes are in good condition, though sand accumulates around mechanical units.

Exterior windows and doors are an aluminum storefront system. A portion of the storefront at the north administrative entrance has been patched and repainted, and is cracking.

The school's layout has classrooms, offices, and support spaces organized in a U-shape around a multipurpose room. The multipurpose room has high ceilings with a large skylight in the center. This room is used for serving lunch and as an indoor play area. Two corridors run north and south of the multipurpose room and do not terminate with vestibules. The school's four classrooms form the southern half of the building. Each classroom has a student restroom, storage room, and kitchen. Fixtures in student restrooms are too high for a pre-K student population and do not include vertical grab bars. Classroom doors are recessed and swing out into the corridor. Classrooms have double doors in their party walls that connect all the rooms. The main classroom entry-door hardware does not lock on both sides.

The school's entry has a lobby with a small waiting area. Two offices, a storage room, a staff lounge, and a testing room form the western block of staff spaces. A second block of staff spaces on the multipurpose room's east side includes staff restrooms, a workroom, storage, and a custodial closet. Staff restrooms are ADA compliant.

General interior finishes include vinyl composition tile (VCT) flooring with vinyl base, carpet in offices, painted gypsum-board walls and wainscot, exposed CMU walls, laminate casework, solid wood doors with hollow metal frames, and acoustic tile ceilings. Restrooms, entry lobby, and the drinking fountain alcove have ceramic tile. The finishes are all in good condition.

A data room, accessed from the exterior of the building, holds the server for the school. It has an air conditioning unit and is well maintained. Computers are available in the administrative office and the teachers' workroom. Computers, not a part of the pre-K curriculum, are not used in the classrooms.

The public address (PA) system is not loud enough to always be heard above the noise in the classrooms. The school has three phone lines. No phone is in the teachers' break room. The school utilizes a central clock system.

The heating, ventilation, and air conditioning (HVAC) system is a direct-expansion split system with condensing units on the roof and eight air-handling units sitting in three mechanical rooms. The multiple units provide zoned heating and cooling. High school custodians control and maintain the HVAC system. No thermostats are present in the school. If teachers need to change the temperature in their classroom, they call the high school custodian. If the custodian is unavailable, getting the temperature changed presents a challenge.

Plumbing and electrical systems are adequate.

The school is fully sprinklered and has a fire alarm system.

The main electrical room has access through the mechanical room. It has no climate control or ventilation.

Project 004.2007 · Classroom Addition

Facility: Chaparral On Track Pre-K **IDNO:** 004
Category: 5. **Type 1:** 02. **Type 2:** F01. **P/Class:** 5.

Project Description

The school is at capacity with surrounding residential development increasing.

Build a classroom addition (4 x 1,135 sf).

Addition: $4 \times 1,135 = 4,540 / .7 = 6,485$ GSF

	Description	Cost Code	Quantity	Unit	Adjustment	Cost	Subtotal Cost
1	Build classroom addition	3.2111	6,485.0	SF	1.00	\$354.00	\$2,295,690
Maximum Allowable Construction Cost							\$2,295,690
Total Project Cost							\$3,145,095



PSCOC REQUEST FOR CAPITAL FUNDING 2021-2022 FULL APPLICATION

School District:
Contact Person:

Address 1:

Address 2:

City:
State:
Zip:
Phone:

Funding Match

District Match	30%
State Match	70%

District Offsets

\$0

Priority	Facility Name	Request Type	A Estimated Total Project Cost Within the Allowable Funding	B Estimated Cost Outside the Allowable Funding	C District Match to Within the Allowable Funding	D Offset	E Total District Match (District Match + Offset+Outside the Allowable Funding)	F State Match	G Total State Match After Offset
1	N/A	Standards-Based	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Demolition	Systems-Based	\$ 202,743	\$ -	\$ 60,822.86	\$ -	\$ 60,823	\$ 141,920	\$ 141,920
3	Chaparral On Track Center	Pre-K Classrooms	\$ 2,323,214	\$ -	\$ 696,964	\$ -	\$ 696,964	\$ 1,626,250	\$ 1,626,250
4	New Riverside On Track Center Program	Pre-K Classrooms	\$ 5,116,857	\$ -	\$ 1,535,057	\$ -	\$ 1,535,057	\$ 3,581,800	\$ 3,581,800
Total			\$ 7,642,814	\$ -	\$ 2,292,844	\$ -	\$ 2,292,844	\$ 5,349,970	\$ 5,349,970

I certify that to the best of my knowledge, the information contained in this application is complete and accurate and that the district has the available funds to accommodate the Total District Match including Offsets as represented in Column E above:

Name of Signatory -- Travis Dempsey
 Superintendent of School District
 Date 10/7/21

Name of Signatory -- Laura Salazar Flores
 School Board President
 Date 10-7-21

General District Information

Application Details:

The purpose of the Public School Capital Outlay Act is to ensure that, through a standards-based process for all school districts, the physical condition and capacity, educational suitability and technology infrastructure of all public school facilities in New Mexico meet an adequate level statewide and the design, construction and maintenance of school sites and facilities encourage, promote and maximize safe, functional and durable learning environments in order for the state to meet its educational responsibilities and for New Mexico's students to have the opportunity to achieve success.

New Mexico state law provides that the Public School Capital Outlay Council (PSCOC) may approve applications for the capital expenditure of funds deemed by the council necessary for an adequate educational program. Such applications shall demonstrate that:

The district certifies that this complete application will demonstrate that it meets this

§ a need exists based upon Public School Adequacy Standards and is included in the district's five-year facilities plan among its top priorities;	Yes
§ the residents of the district have provided or are willing to authorize available resources to meet the district's or charter's capital outlay match requirements;	Yes
§ the district has used its resources in a prudent manner;	Yes
§ the school district has provided insurance for buildings of the school district in accordance with the provisions of Section 13-5-3 NMSA 1978;	Yes
§ the application includes the capital needs of any locally-chartered school(s) located in the school district, or the school district has shown that the capital needs of the charter schools are not as great as the capital needs	N/A
§ the application includes the capital needs to maintain a full day kindergarten program;	Yes
§ the school district has submitted a five year facilities master plan that includes each school (including locally-chartered schools) in the district, each school's facilities utilization and enrollment projections, and all capital	Yes
§ the school district or charter has a current preventive maintenance plan approved by the PSCOC. The preventive maintenance plan must be in use at each public school facility in the district.	Yes

Full Application - Pre-K

Requested Project Priority 1

Pre-Kindergarten Classroom Facilities

STATEMENT OF ANTICIPATED PROJECT FUNDING/EXPENSES

This form is part of the district's facility planning process. The estimated costs shown on this sheet should include all costs associated with the Pre-Kindergarten **capital project at the proposed school site**, not for the whole district.

1. School Site:

Address:

1.1 Provide a full description of your project and the need:

At Chaparral On Track Center we would like to incorporate four additional classrooms in the existing building. We are currently housing Pre-K programs in other areas of the Chaparral feeder pattern as well as having a waiting list. We would like to add four classrooms with included restrooms to be able to have all Pre-K programs in one facility to better use staff and supplies.

1.2 Does this facility have an active PSCOC project award?

2. **FOR EXISTING PRE-K PROGRAMS:**

2.1 Does this school site currently have a State-funded pre-k in operation?

2.2 Provide number of students for each year of state-funded pre-k operation at this site:

15-16	16-17	17-18	18-19	19-20	20-21
128	130	72	90	100	115

2.3 Is your pre-kindergarten program 1/2 day or full day?

2.4 How many existing physical classrooms are used for your pre-k program?

2.5 If you have a waiting list, how many students are on the list?

2.6 Is this request to accommodate the transition from 1/2 day to full day pre-k?

3. **FOR NEW PRE-K PROGRAMS:**

3.1 Did you apply for 2021-2022 State-funded pre-k operational funding at this site?

3.2 If not, is the lack of facility space to house the program the reason you did not apply?

3.3 Was your program approved for this site?

3.4 If approved, provide number of students approved for this site.

3.5 Will your pre-kindergarten program be 1/2 day or full day?

3.6 How many existing physical classrooms will be used for your pre-k program?

4. FOR BOTH NEW & EXISTING PRE-K PROGRAMS:

4.1 What is the square footage of each existing classroom proposed or currently being used for pre-k?

	Net SF Area	Portable (Y/N)		Net SF Area	Portable (Y/N)
1	913	No	5		
2	924	No	6		
3	924	No	7		
4	913	No	8		

STATEMENT OF ANTICIPATED PROJECT FUNDING/EXPENSES (Continued)

(A.) SITE WORK COST ESTIMATE:

Grading, drainage, and landscaping	\$	150,000
Utilities	\$	40,000
Paving, parking, sidewalks, etc.	\$	10,000
Other:		

(1) \$ 200,000

(B.) BUILDING CONSTRUCTION COST ESTIMATE:

	Number	Total Sq. Ft.	Cost/Sq. Ft.	
Permanent Classrooms (new)	4	3,675	\$ 350.00	\$ 1,286,250
Permanent Classrooms (renovate)				\$ -
Restrooms (new)	4	400	\$ 350.00	\$ 140,000
Restrooms (renovate)				\$ -
TOTAL BUILDING/RENOVATION COST:		4,075	\$ 350.00	(2) <u><u>\$ 1,426,250</u></u>

(C.) TOTAL CONSTRUCTION [sum of (1)+(2)]

(3) \$ 1,626,250

(D.) SOFT COSTS AND EXPENSES

(NMGRT, architect, consultants, and testing) (20% of Total Project Cost)

(Contingency) (10% of Total Project Cost)

TOTAL SOFT COSTS AND EXPENSES:

\$ 464,643
\$ 232,321
 (4) \$ 696,964

(E.) TOTAL PROJECT COST [sum of (3)+(4)]

(5) \$ 2,323,214

2021-2022 PSFA Summary: Gadsden – Riverside On-Track Center

District Request

Gadsden Independent School District is requesting a Pre-K award to construct a new Pre-K facility, to consolidate all Pre-K classrooms currently housed in seven “satellite classrooms” located at four schools in the southern Gadsden region. These schools include: La Union ES, Riverside ES, Sunland Park ES, Santa Teresa ES, and Santa Teresa HS. The district also has a Pre-K Center in the southern region of Gadsden, housing six classrooms, located at the Central Office Building. The district does not currently have a Pre-K waitlist, due to the fact that new classrooms are opened as the enrollment grows throughout the school year.

The district plans to construct a new Riverside On-Track Center adjacent to Riverside ES, on the vacant district owned land to the south of the school. The Pre-K center will be similar to the existing Chaparral On-Track Center, and include 8 classrooms, restrooms and associated spaces. The district has estimated approximately 918 to 924 net square feet per classroom and 100 net square feet per restroom.

The district has estimated \$350 per square foot for new construction, and \$730,000 in necessary site work. This results in a total construction cost of \$3,581,800. Adding soft costs (NMGRT, architect fees, testing, consultants, and contingency) results in a total estimated project cost of \$5,116,857.

The district has indicated that it has available funds to accommodate the local match for this project.

	Total	State Match 70%	Local Match 30%
Estimated Project Cost	\$5,116,857	\$3,581,800	\$1,535,057
Offset	\$0	\$0	\$0
Adjusted State/Local Match	\$5,116,857	\$3,581,800	\$1,535,057

PSFA Staff Recommendation

The PSFA recommends PSCOC participation in this potential project. The district’s southern Pre-K center does not have a sufficient number of classrooms to support the Pre-K enrollment in the area, resulting in overflow capacity being served in “satellite classrooms” in other schools, including spaces that are not appropriate classroom spaces, such as former offices and lounges. Consolidating Pre-K to two locations in the Southern region will also achieve efficiencies in program delivery.

PSFA does not agree with the district’s total estimated project cost, and believes that the estimated cost per square foot is not adequate, given the current increase in construction costs. PSFA recommends \$400 per square foot for the construction of a classroom addition. This results in a total construction cost of \$3,989,200. Adding soft costs (NMGRT, architect fees, testing, consultants, and contingency) results in a total estimated project cost of \$5,698,857.

Total Estimated Project Cost Per Application	Adjusted Project Cost	Phase 1	Local Match %	State Match %	Offset	Phase 1 Net Local Match After Offsets	Phase 1 Net State Match After Offsets	Out-Year Local Match	Out-Year State Match
\$5,116,857	\$5,698,857	\$569,886	30%	70%	\$0	\$170,966	\$398,920	\$1,538,691	\$3,590,280

Pre-K Eligibility Requirements

Requirement		School Meets
• FMP	Must be current	Current
• Local Match	District must have at time of award	Yes

Planning Summary

Facilities Master Plan: Current

- The FMP identifies a classroom addition for the Gadsden Administrative Center On-Track Pre-K (GAC) within its Priority 2 bundle of projects.

The district's application seeks to consolidate its Southern Subarea Pre-K services at one location. Currently, the district serves the majority of its Southern Subarea Pre-K enrollment at the GAC On-Track facility, which consists of six classrooms and support space. The GAC can only house 84 full-day students. In order to meet demand in the Southern Subarea, the district utilizes seven satellite classrooms at other area schools including Santa Teresa High School.

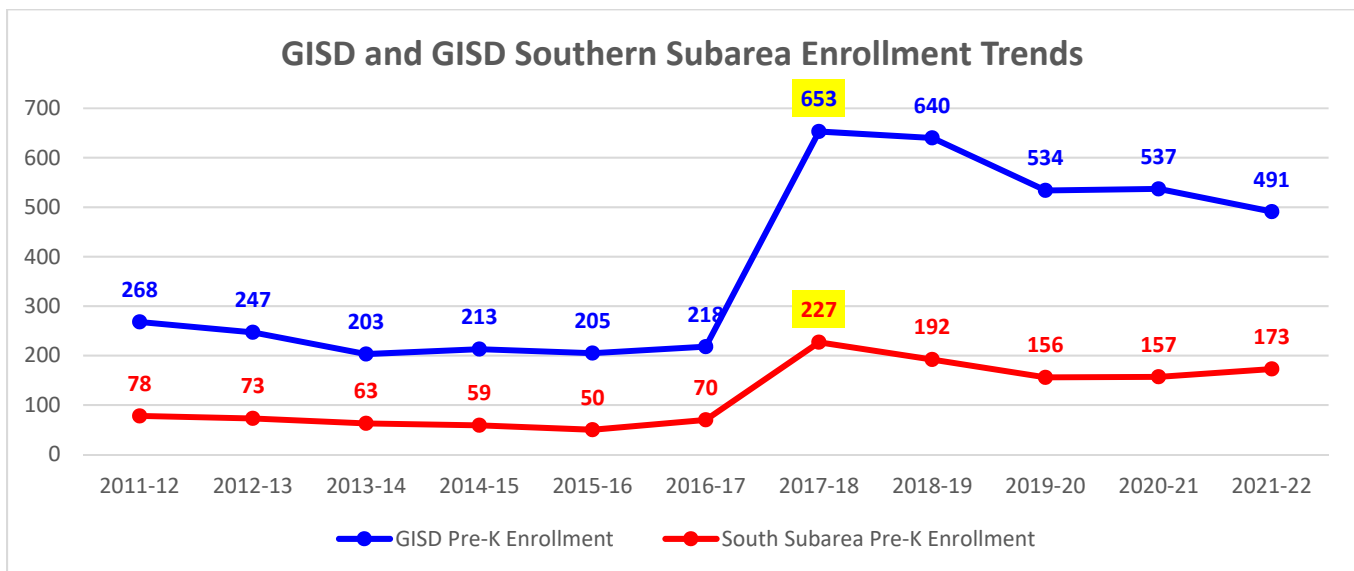
The district assigns all 173 pre-K students to the GAC On-Call Center with 84 students attending school at the GAC directly. The rest of the GAC On-Call enrollment attend school at the satellite campuses. These satellite classrooms exist at the following schools:

- La Union Elementary School – One Classroom
- Riverside Elementary School – One Classroom
- Santa Teresa Elementary School – One Classroom
- Sunland Park Elementary School – Three Classrooms
- Santa Teresa High School – One Classroom

These satellite classrooms will comprise the new Riverside On-Track facility on the Riverside Elementary Campus.

ENROLLMENT

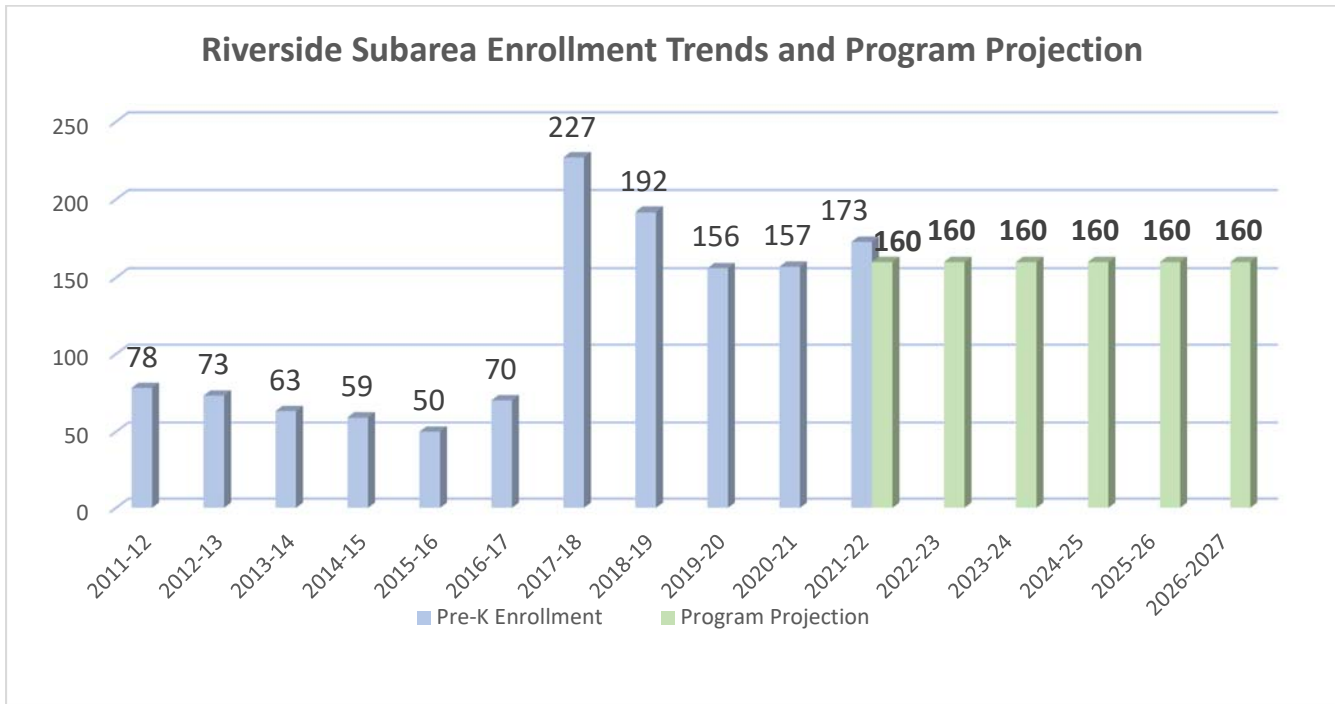
The following chart shows the enrollment trends for both the Gadsden Independent School District and Southern Subarea specifically.



The chart shows the Pre-K enrollment experienced a significant increase in 2017-18, which coincided with the district's implementation of the On-Track programs (highlighted years).

The next chart shows the Southern Subarea enrollment trends and projected program capacity. Pre-K enrollment is difficult to project due to several reasons including:

- Parental choice – Parents have options for Pre-K enrollment including public schools, private providers, alternative educational options.
- Since Pre-K education is not mandatory, we are unable to tie Pre-K enrollment to births like we can for Kindergarten.
- Pre-K is dependent on funding, teacher availability, and ancillary services. For this reason, take the district’s application and plan for its program capacity. In this case, the district is seeking eight classrooms in a new Pre-K center at the Riverside campus. If each classroom holds 20 students, the program capacity is 160 students, which is consistent with recent trends as the following chart demonstrates.



While the district is requesting an eight classroom facility, it acknowledges significant growth occurring in the Santa Teresa/Sunland Park area could lead to more demand in the future. In October 2021, the New Mexico State Center for Border Economic Development and New Mexico State Arrowhead Center released a study detailing the economic activity occurring in the area. The area is currently experiencing significant economic development resulting from the Union Pacific Intermodal Facility, Santa Teresa Industrial Parks, and Santa Teresa Port of Entry development. The Study concluded that these economic development initiatives produced 3,262 direct jobs and 5,849 indirect jobs. This job growth has also led to increased residential development in the area. The Mesilla Valley Economic Development Alliance reported that developers broker ground on a major mixed use commercial and residential development, which will consist of 1,400 single family homes and 1,200 apartments. Based on average student yield ratios of .253, these developments could lead to a potential of 650 elementary students in the next 7-10 years (.253*2,600 units).

The next table shows **Pre-K** enrollment in the Southern Subarea including classroom count, occupancy, and utilization. Please note, the following chart is based on the 2020-21 enrollment.

School	Pre-K CR	2020-21 Enrollment	2021-22 Enrollment*	Capacity	Avg CR Size w/o storage	Occupancy	Utilization
Desert View ES	0	0	0	0	0	0	0
Gadsden On-Track	6	84	97	84	694	105%	100%
La Union ES	1	11	7	15	727	100%	100%
Riverside ES	1	17	26	17	860	100%	100%
Santa Teresa ES	1	9	11	20	1112	56%	100%
Sunland Park ES	3	27	33	37	613	89%	100%
Santa Teresa HS	1	9	16	18	905	88%	100%
TOTALS	13	157	190	191	843	81%	100%

- The Gadsden On-Track Center’s 40-day enrollment totals 173, however, the district provided updated figures as of February 24, 2022, which total 190 students.
- In the case of La Union ES, the Pre-K classroom includes 44 SF of storage
- In the case of Riverside ES, the Pre-K classroom includes 46 SF of storage
- In the case of Santa Teresa ES, the Pre-K classroom includes 52 SF of storage
- In the case of Sunland Park ES, the Pre-K classroom includes 50 SF of storage
- The FMP floor plan does not show separate storage at the Santa Teresa High School classroom

CAPACITY AND UTILIZATION

The table below summarizes overall capacity and utilization in the Southern Sub-area schools.

School	2019-20 Enrollment	2020-21 Enrollment	2021-22 Enrollment	Functional Capacity w/o Portables	Available Capacity	Vacant or Available Rooms (Perm)	Classroom Occupancy Rate	School Utilization Rate (Perm)
Desert View	445	430	401	380	-50	1	80%	92%
Gadsden On Track*	130	157	173	84	-73	0	105%	100%
La Union*	314	325	347	422	97	1	78%	95%
Riverside*	535	520	475	657	137	0	81%	100%
Santa Teresa*	520	498	492	592	94	1	87%	95%
Sunland Park*	267	225	245	322	97	0	75%	100%
	2211	2155	2133	2457	302	3	98%	97%

*Indicates GAC On-Track assigned students attending these schools. There is also a Pre-K classroom at Santa Teresa HS.

The existing GAC On-Track facility’s size limits the enrollment at this location. As a result, there are seven additional satellite classrooms at other schools that complement the six at the GAC.

By consolidating the Pre-K at one location, there is potential for vacant classrooms at each school currently hosting Pre-K, as the table below shows.

School	Existing Pre-K Classrooms	Existing Vacant Classrooms	Potential Total Vacant Classrooms
Desert View	0	1	1
La Union*	1	1	2
Riverside*	1	0	1
Santa Teresa*	1	1	2
Sunland Park*	3	0	3
Santa Teresa High School	1	3	4
TOTALS	7	6	13

*Indicates GAC On-Track assigned students attending these schools. There is also a Pre-K classroom at Santa Teresa HS. Table does not include Gadsden Pre-K Center

The district would like to re-capture the classroom at Santa Teresa High School for high school related curriculum.

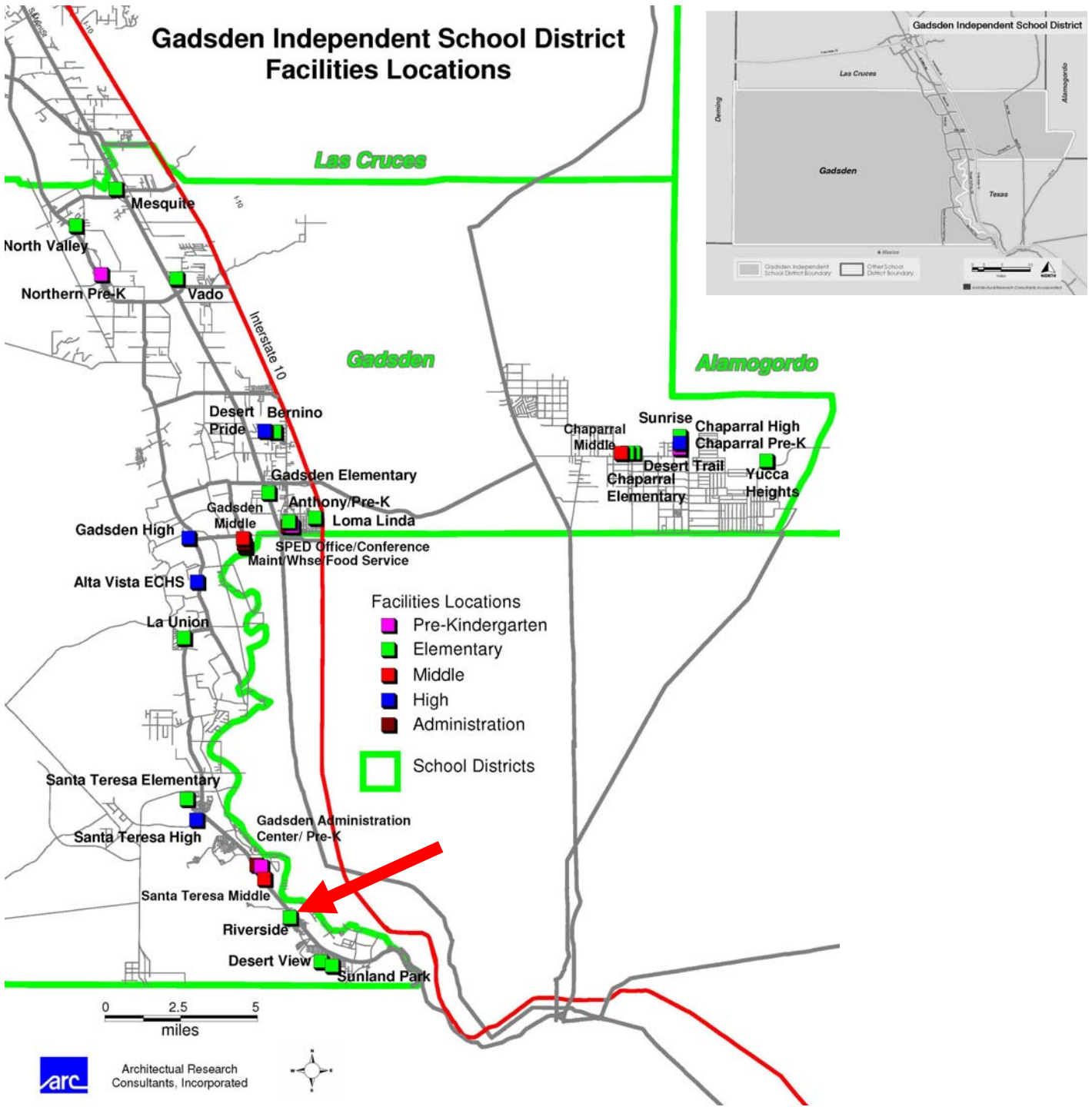
The potential vacant classrooms at the other schools could give the district some ability to absorb potential growth resulting from the economic development and housing initiatives described above.

Maintenance Summary

As of February 18, 2022, the Gadsden Independent School District maintenance status:

- **Preventive Maintenance Plan:** current, last updated on December 25, 2021, with historical updates, and rated Outstanding (annual update required; 6.27.3.11 NMAC).
- **FIMS Proficiency Reports:** 1 historical year of use indicate the district is a Satisfactory to Good user of the State provided FIMS Maintenance resources (MD, PMD, UD) including the M3 data driven report.
- **Facility Maintenance Assessment Report (FMAR):** average of 76.25% indicates the district is maintaining their assets to a mid-Satisfactory level, currently above the state average of 72%.

District-wide School Map

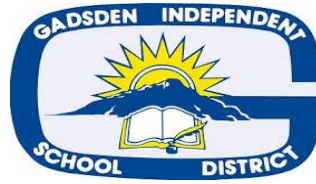


Site Maps





On-Track PreK South



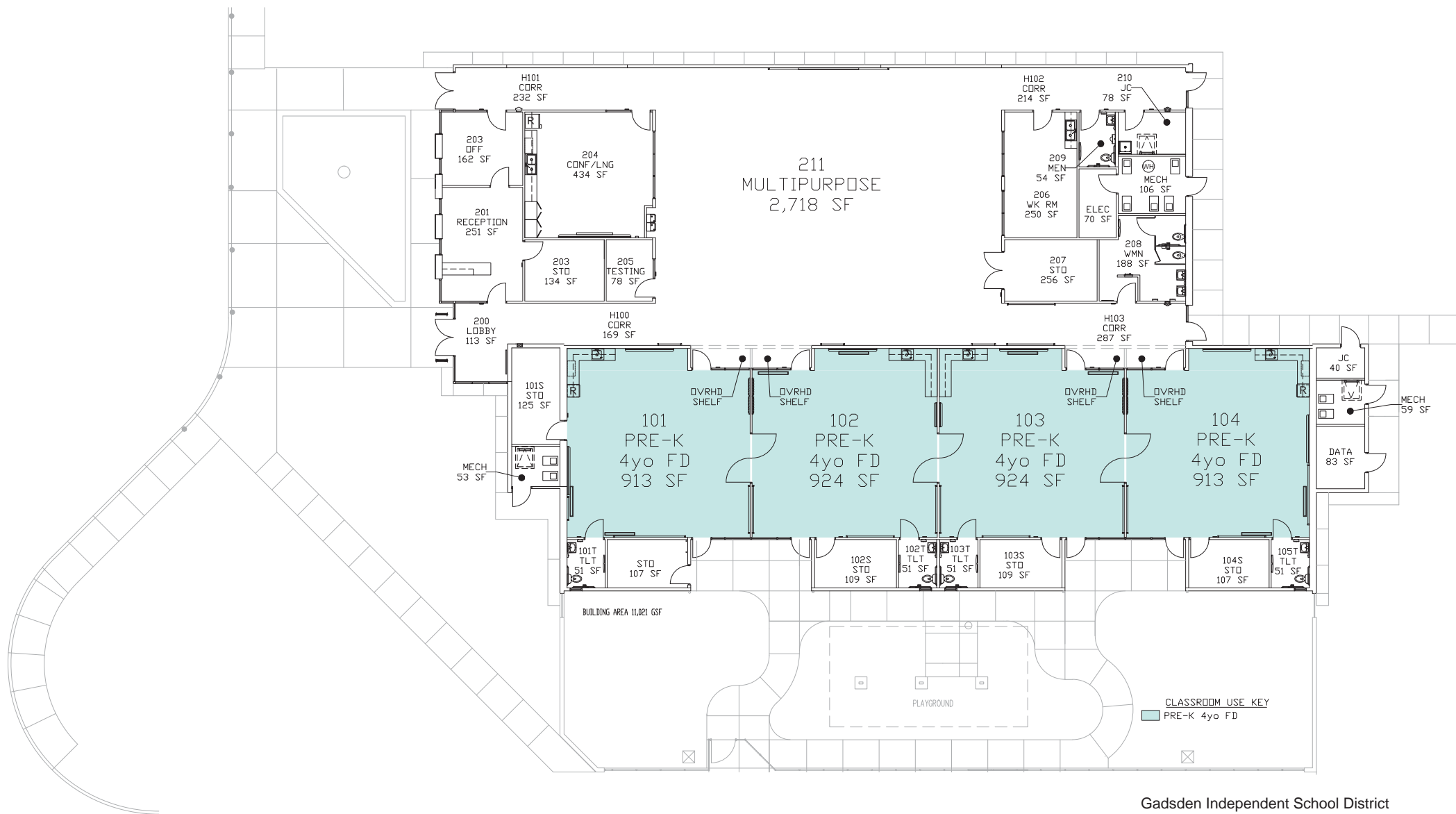
Riverside PreK Need: Currently, we have 13 Early Childhood classrooms in the Southern part of Gadsden ISD. Six of these classrooms are housed out of our PreK Center, located at our Central Office Building. The seven others are spread throughout 4 different district schools (Sunland Park Elementary, Riverside Elementary, Santa Teresa Elementary and Santa Teresa High School). These classrooms, referred to as Satellite classrooms, are not permanent as they depend on the schools' classroom availability, and we are often having to move and relocate classrooms. Some of these spaces were former offices and teacher lounges and are not ideal for early learning. Outdoor learning space is limited, and equipment is not age appropriate. The children attending the satellite classrooms are not receiving the same experience as those at our main PreK center.

Due to multiple housing developments projects in the Santa Teresa area, the communities we serve have grown. This growth in population has increased the demand for our Early Childhood program. To meet our community's needs, we have been compelled to open Early Childhood classrooms wherever space is available in our district.

Our experience in having Early Childhood Centers vs. satellite classrooms has demonstrated that teachers, students, and their families benefit more from being together in an Early Childhood Center. These centers are geared towards young children. Each classroom has individual, child sized restrooms and sinks, with developmentally appropriate furniture, playground equipment and multipurpose spaces for students and their families. Teachers can collaborate, plan, and execute best practices in an Early Childhood setting. Having them in the same building allows them to team teach, observe, learn, and support each other which supports student growth.

Respectfully Submitted,

Estrella Burciaga
Director for Early Childhood
Gadsden ISD
Cell: 915-525-6525
Office: 575-882-6796



Gadsden Independent School District
 CHAPARRAL ON-TRACK PREKINDER
 2020-21 SY
 11,021 GSF Permanent



For Planning Purposes Only



PSCOC REQUEST FOR CAPITAL FUNDING 2021-2022 FULL APPLICATION

School District:
Contact Person:

Address 1:

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City:
State:
Zip:
Phone:

Funding Match

District Match	30%
State Match	70%

District Offsets

\$0

Priority	Facility Name	Request Type	A	B	C	D	E	F	G
			Estimated Total Project Cost Within the Allowable Funding	Estimated Cost Outside the Allowable Funding	District Match to Within the Allowable Funding	Offset	Total District Match (District Match + Offset+Outside the Allowable Funding)	State Match	Total State Match After Offset
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Superintendent of School District

10/7/21

Date

Name of Signatory -- Laura Salazar Flores
School Board President

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Date

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§ the residents of the district have provided or are willing to authorize available resources to meet the district's or charter's capital outlay match requirements;	Yes
§ the district has used its resources in a prudent manner;	Yes
§ the school district has provided insurance for buildings of the school district in accordance with the provisions of Section 13-5-3 NMSA 1978;	Yes
§ the application includes the capital needs of any locally-chartered school(s) located in the school district, or the school district has shown that the capital needs of the charter schools are not as great as the capital needs	N/A
§ the application includes the capital needs to maintain a full day kindergarten program;	Yes
§ the school district has submitted a five year facilities master plan that includes each school (including locally-chartered schools) in the district, each school's facilities utilization and enrollment projections, and all capital	Yes
§ the school district or charter has a current preventive maintenance plan approved by the PSCOC. The preventive maintenance plan must be in use at each public school facility in the district.	Yes

Full Application - Pre-K

Requested Project Priority 1

Pre-Kindergarten Classroom Facilities

STATEMENT OF ANTICIPATED PROJECT FUNDING/EXPENSES

This form is part of the district's facility planning process. The estimated costs shown on this sheet should include all costs associated with the Pre-Kindergarten **capital project at the proposed school site**, not for the whole district.

1. School Site:	New Riverside On Track Center Program
Address:	4085 McNutt Road
	Sunland Park, NM 88063

1.1 Provide a full description of your project and the need:

We would like to add a new Pre-K program at Riverside Elementary School to accommodate the demand for Pre-K in the southern region of GISD. Project consist of offices, lunch space, eight classrooms with included restroom, meeting room and adult male and female restrooms in the lunch space area, as well as custodial closet, mechanical and electrical room.

1.2 Does this facility have an active PSCOC project award?

No

2. FOR EXISTING PRE-K PROGRAMS:

2.1 Does this school site currently have a State-funded pre-k in operation?

--

2.2 Provide number of students for each year of state-funded pre-k operation at this site:

15-16	16-17	17-18	18-19	19-20	20-21

2.3 Is your pre-kindergarten program 1/2 day or full day?

--

2.4 How many existing physical classrooms are used for your pre-k program?

--

2.5 If you have a waiting list, how many students are on the list?

--

2.6 Is this request to accommodate the transition from 1/2 day to full day pre-k?

--

3. FOR NEW PRE-K PROGRAMS:

3.1 Did you apply for 2021-2022 State-funded pre-k operational funding at this site?

No

3.2 If not, is the lack of facility space to house the program the reason you did not apply?

Yes

3.3 Was your program approved for this site?

No

3.4 If approved, provide number of students approved for this site.

0

3.5 Will your pre-kindergarten program be 1/2 day or full day?

Full Day

3.6 How many existing physical classrooms will be used for your pre-k program?

8

4. FOR BOTH NEW & EXISTING PRE-K PROGRAMS:

4.1 What is the square footage of each existing classroom proposed or currently being used for pre-k?

	Net SF Area	Portable (Y/N)		Net SF Area	Portable (Y/N)
1	913	No	5	913	No
2	924	No	6	924	No
3	924	No	7	924	No
4	913	No	8	913	No

STATEMENT OF ANTICIPATED PROJECT FUNDING/EXPENSES (Continued)

(A.) SITE WORK COST ESTIMATE:

Grading, drainage, and landscaping	\$	300,000
Utilities	\$	80,000
Paving, parking, sidewalks, etc.	\$	150,000
Other: Playgrounds	\$	200,000

(1) \$ 730,000

(B.) BUILDING CONSTRUCTION COST ESTIMATE:

	Number	Total Sq. Ft.	Cost/Sq. Ft.	
Permanent Classrooms (new)	8	7,348	\$ 350.00	\$ 2,571,800
Permanent Classrooms (renovate)				\$ -
Restrooms (new)	8	800	\$ 350.00	\$ 280,000
Restrooms (renovate)				\$ -
TOTAL BUILDING/RENOVATION COST:		8,148	\$ 350.00	(2) \$ 2,851,800

(C.) TOTAL CONSTRUCTION [sum of (1)+(2)]

(3) \$ 3,581,800

(D.) SOFT COSTS AND EXPENSES

(NMGRT, architect, consultants, and testing) (20% of Total Project Cost)

\$ 1,023,371

(Contingency) (10% of Total Project Cost)

\$ 511,686

TOTAL SOFT COSTS AND EXPENSES:

(4) \$ 1,535,057

(E.) TOTAL PROJECT COST [sum of (3)+(4)]

(5) \$ 5,116,857

2021-2022 PSFA Summary: New Mexico School for the Deaf – Albuquerque Preschool

New Mexico School for the Deaf (NMSD) – Albuquerque Preschool is requesting a Pre-K award to construct an addition to include a STEM and art classroom on the school campus. The Albuquerque Preschool campus serves as NMSD’s only stand-alone preschool, serving any child, age 18 months through kindergarten, who lives in the state and has been diagnosed with hearing loss is eligible for enrollment.

The existing facility was constructed in 1996, and consists of five classrooms (4 general and one special use), a therapy room, multipurpose room, literacy/library space, speech and audiology testing facilities, and support spaces. The general classrooms are approximately 450 square feet each, which do not meet the statewide adequacy standards for special schools, which require 110 per student.

Originally, NMSD considered and requested a potential project to include an addition to expand the small general classrooms that do not meet adequacy standards and a new Art/STEM classroom. However, NMSD amended this proposal to exclude the additions to expand the small general classrooms due to the estimated costs, the logistics of closing classrooms during construction, and feedback received from the New Mexico Higher Capital Outlay Funding Committee, which has committed \$1.4M to serve as the 50% local match. The resulting potential project will only include the Art/STEAM classroom addition and minor renovations of the existing facility. The district estimates a total project cost of \$2,800,000 for this limited scope addition.

The NMSD is open to a planning phase to evaluate the needs of the school, which may lead to an expanded project scope.

The district has indicated that it will have its local share covered by the \$1.4M commitment from the Higher Education Capital Outlay, passed by the legislature in February 2022, and will go out to vote in November, 2022.

	Total	State Match 50%	Local Match 50%
Estimated Project Cost	\$2,800,000	\$710,944	\$710,944
Offset	\$0	\$0	\$0
Adjusted State/Local Match	\$2,800,000	\$710,944	\$710,944

PSFA Staff Recommendation

The PSFA recommends PSCOC participation in this potential project. However, the addition of an Art/STEM classroom will not resolve the adequacy standard deficiencies for general classrooms and functional issues the school has with the current facility. Therefore, the PSFA encourages the school to expand the potential project scope to include solutions to improve the adequacy and functional deficiencies. The PSFA has met with the NMSD administration and staff, and have determined a planning phase to evaluate facility needs and potential solutions would benefit the school and project. The NMSD could request additional out of cycle funding to incorporate an expanded project scope.

Total Estimated Project Cost Per Application	Adjusted Project Cost	Phase 1	Local Match %	State Match %	Offset	Phase 1 Net Local Match After Offsets	Phase 1 Net State Match After Offsets	Out-Year Local Match	Out-Year State Match
\$2,800,000	\$2,800,000	\$280,000	50%	50%	\$0	\$140,000	\$140,000	\$1,260,000	\$1,260,000

Pre-K Eligibility Requirements

Requirement		School Meets
• FMP	Must be current	Current
• Local Match	District must have at time of award	Yes

Facility Description

New Mexico School for the Deaf – Preschool Campus

- Original Construction Date: 1995
- Total Gross Square Feet: 8,443
 - Permanent Square Feet: 8,443 GSF
 - Number of Assets: 1
 - Portable Square Feet: 0 GSF
 - Number of Portables: 0
- Site Size: 5 Acres

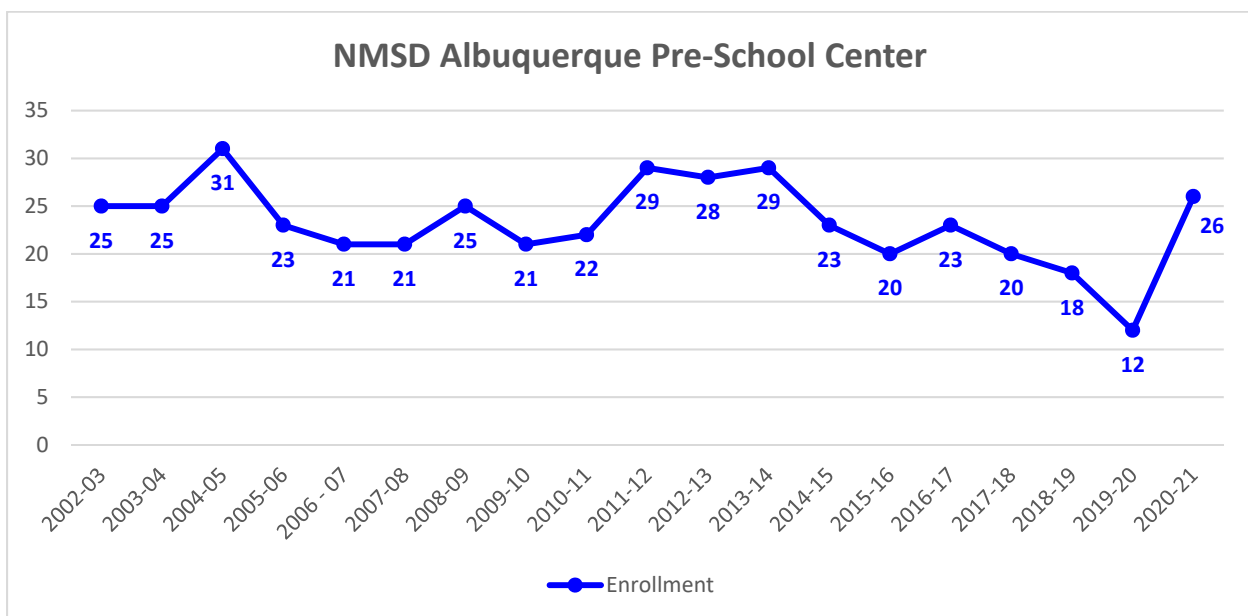
Planning Summary

Facilities Master Plan: Current

- The FMP identifies improvement, addition, renovation, and upgrades to its Pre-K facility as its #2 ranked priority. Specifically, the FMP states that existing classroom sizes present an issue for curriculum delivery.

ENROLLMENT

The following chart shows the New Mexico School for the Deaf School Albuquerque Pre-K center’s enrollment. The school’s enrollment has averaged 23 students over the last 20 years. The FMP projects the same trend will guide future enrollment at the school.



CAPACITY AND UTILIZATION

The table below summarizes capacity and utilization at the Albuquerque Pre-School.

Room	Square Footage	Pupil Teacher Ratio	Classroom Occupancy Rate	School Utilization Rate
126	459	4	175%	100%
128	464	4	175%	100%
129	452	4	150%	100%
121	458	0	0%	0%
105/Art	193		Scheduled	Scheduled
125/SSL		4	Scheduled	Scheduled

The FMP shows the school has a capacity of 20 students in five classrooms (not including the art room) with each room accommodating four students. At the time the school completed its FMP, there was one vacant/unassigned room in the facility. Room 125 is a pull out room scheduled as needed with an assigned FTE. As the table shows, the existing art room is undersized at 193 SF and does not adequately support the program.

Maintenance Summary

As of February 18, 2022, the New Mexico School for the Deaf maintenance status:

- **Preventive Maintenance Plan:** current, last updated on December 13, 2021, and rated Good (annual update required; 6.27.3.11 NMAC).
- **FIMS Proficiency Reports:** 1 historical year of use indicate the district is a Satisfactory to Good user of the State provided FIMS Maintenance resources (MD, PMD, UD) including the M3 data driven report feature to drive maintenance performance higher.
- **PM Completion Rate:** annual average of 100%, above the recommended 90% threshold.
- **Facility Maintenance Assessment Report (FMAR):** average of 70.81% indicates the district is maintaining their assets to a Satisfactory level, currently below the state average of 72%.

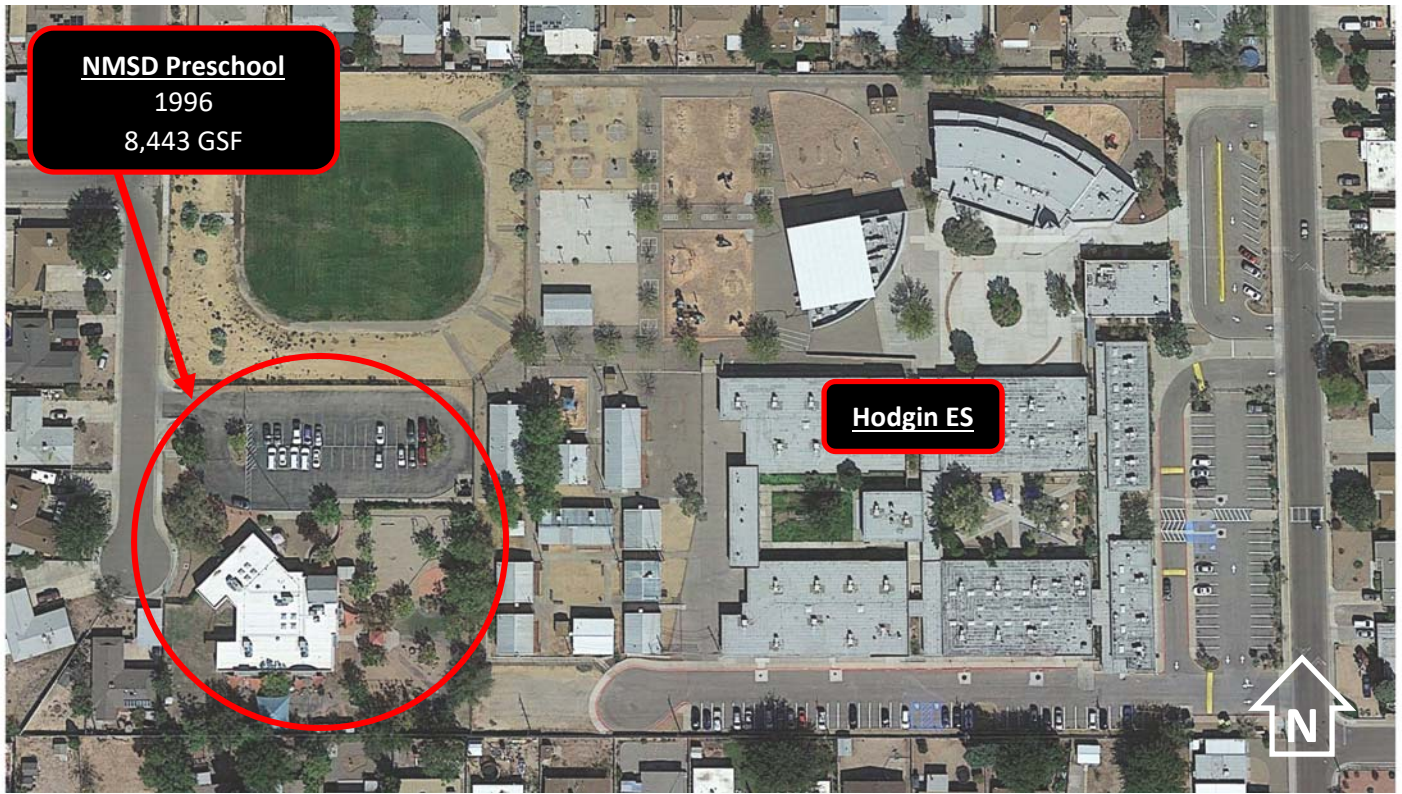
Staff recommends the district continue their diligence towards improved core maintenance to 80% (Good) ratings by continuing the use of the FIMS tools to drive district maintenance performance and responding to subsequent FMAR's within 60 days for improved performance ratings.

Photos





Maps





Dream! Explore! Achieve!

1060 Cerrillos Road
Santa Fe, NM 87505
(505) 476-6300 V
(505) 216-2000 VP
(505) 476-6315 Fax
www.nmsd.k12.nm.us

Jennifer Herbold, Ph.D.
Superintendent

2/22/2022

To: Public Schools Facilities Authority
From: Dr. Jennifer Herbold
Re: Request for Funds for the Renovation of the NMSD Albuquerque Preschool

Thank you for meeting with us and discussing the various possibilities and options with us. We have had internal conversations and we are in agreement that planning for the appropriate renovation of the preschool is of utmost importance.

As we discussed, we have a \$1.4 million commitment from the Higher Education Capital Outlay proposal passed by the legislature which goes to vote in November. This will serve as part of the current 50% match.

As the final amount needed will depend upon the final cost of the expansion/renovations we agree to do this project in two phases with planning/design as the first phase. Currently, we do not have funds for the planning/design phase. Depending on the result of the design process, we agree to request additional funds from the legislature to cover any additional costs hopefully with an expanded 50% match from PSFA.

We hope to begin the design phase shortly because this will help inform us of all anticipated costs and allow us to request additional funds as needed.

We also have submitted an updated application as per your request. Please let us know if there is anything else that we need to do and what the next steps are. Thank you so much for your continued support.

Sincerely,

Dr. Jennifer Herbold
New Mexico School for the Deaf

Vision: Children and students in New Mexico who are deaf/hard of hearing will become lifelong learners and contributing, well-rounded successful individuals in an increasingly global society.



Jennifer Herbold, Ph.D.
Superintendent

Dream! Explore! Achieve!

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Santa Fe, NM 87505
(505) 476-6300 V
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(505) 476-6315 Fax
www.nmsd.k12.nm.us

9/8/2021

Dear Members of the Public Schools Capital Outlay Council,

The New Mexico School for the Deaf (NMSD) is respectfully submitting a request for a brief and preliminary presentation regarding funds to renovate our Albuquerque Preschool building. The NMSD is amending its original request New Mexico Higher Education Capital Outlay by reducing it to \$2,805,259. The NMSD understands that statute allows the school to request up to half of the full cost of the project (\$1,402,629.50) from the Public School Capital Outlay Council.

The New Mexico School for the Deaf is a state agency that provides services for the education of Deaf and Hard of Hearing Children across the state. In addition to the statewide services, NMSD provides direct education services to children in various locations including Albuquerque and Santa Fe. Over the past 18 years, the 100+ year old Santa Fe campus has been renovated and is entering the final stages of completion.

NMSD's Albuquerque Preschool facility opened in 1996. The single-story facility has had regular maintenance but has never had a significant renovation. This small facility consists of 5 classrooms (4 general and 1 special use), a therapy room, multipurpose room, literacy/library space, speech and audiology testing facilities, and support spaces. Exterior spaces include a playground/outdoor learning area, storage sheds, and a parking lot.

The Albuquerque Preschool is NMSD's only dedicated, standalone preschool location. NMSD's preschools and kindergartens are places where fully accessible language and communication is used to assure that all students learn the wide array of information they need to develop to their potential - cognitively, socially, linguistically and emotionally. Services are individually tailored through the state and federally regulated Individual Educational Program (IEP) or Individual Family Service Plan (IFSP), in conjunction with each student's home school district to meet each child's strengths and needs. Any child, age 18 months through kindergarten, who resides in or near Albuquerque, Las Cruces, Farmington or Santa Fe and has a diagnosed hearing loss can be considered for enrollment. Services in all locations are offered at no cost to families.

Scope of Request: The 2017 NMSD Facilities Master Plan identified the following needs: Condition improvements and an addition to increase classroom capacity.

The original proposal in the New Mexico Capital Outlay Funding request included additions needed to address the size of the existing general classrooms, and the addition of 1 additional general classroom that includes an Art/STEM lab. The existing classrooms do not meet state adequacy standards which require 110sf/student. The existing classrooms are typically used for up to 8 students per classroom, but at approximately 450sf each (because construction predated the adequacy standards by many years) are only adequate for 4 students per classroom, which is insufficient to accommodate the typical enrollment.

Vision: Children and students in New Mexico who are deaf/hard of hearing will become lifelong learners and contributing, well-rounded successful individuals in an increasingly global society.

Scope of Amended Proposal: After receiving feedback from the New Mexico Higher Capital Outlay Funding Committee, the New Mexico School for the Deaf reviewed and revised the original request. Although the adequacy standards developed by the PSFA and NMSD found that 110 square feet per Deaf/Hard of Hearing preschool child is optimal, the NMSD currently finds that the high cost to expand current classrooms and the closing of the building for expansion are no longer practical.

The NMSD is amending its request by removing the expansion of current classrooms. The NMSD is still asking to add one large size STEM and Arts classroom and a small nursing area that would be utilized to meet the ever-changing needs of groups of students. This large classroom would be logistically utilized to compensate for the smaller classroom sizes throughout the rest of the building. Condition improvements include work to repair or replace kitchen equipment, doors and windows, playground equipment, and HVAC equipment; address safety issues including creating a safe/proper art therapy kiln room and correcting trip hazards and exterior lighting; and minor work to address deteriorated interior and site conditions are still needed.

Cost: A formal re-evaluation is still needed to determine the exact reduced cost of the construction project and what the NMSD currently proposes is an estimate. Any additional cost not calculated in this estimate for the additional classroom will be funded by the New Mexico School for the Deaf fund balance.

Original Proposal Total: \$4,174,034

Amended Proposal Total: \$2,805,259

Funding Sources: The New Mexico School for the Deaf is seeking to fund this project from the following sources: New Mexico Higher Education Capital Outlay and the Public Schools Facilities Authority PreK Funds.

Thank you for your consideration,



Jennifer Herbold

Superintendent

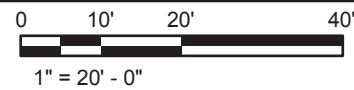
New Mexico School for the Deaf



- LEGEND**
- General Use Classroom
 - Special Use Classroom
 - Library / Media Center
 - Administration
 - Food Services
 - Tare Spaces
 - Faculty Workspace / Teacher's Lounge
 - General Storage
 - Misc Support Spaces



Albuquerque Preschool



OVERALL FLOOR PLAN



SITE/SCHOOL DETAIL: ALBUQUERQUE PRESCHOOL CAMPUS

The Albuquerque campus consists of 8,443sf of space on a site of approximately 5 acres at 3802 Hermosa Dr. NE in Albuquerque. This campus serves toddler, preschool, pre-K, and Kindergarten students. The single story building, built in 1996, is in relatively good condition, but in need of improvements as detailed in the condition assessment. A classroom expansion/addition is recommended to meet Adequacy Standards while maintaining the typical student enrollment. Per adequacy standards, classrooms should provide 110nsf/student and accommodate 8 students per classroom. The existing classrooms are typically used for up to 8 students per classroom, but at approximately 450sf each are only adequate for 4 students per classroom, which is insufficient to accommodate the typical enrollment. NMSD may pursue this work in phases depending on funding availability, to first address condition improvements and separately address classroom expansion.

Estimate of Probable Cost: ABQ Preschool

Total Project: (everything listed)

Construction Costs (in 2017 dollars)	\$	1,215,567
Construction Cost with Escalation (5 years)	\$	1,443,712
Total project budget (with soft costs)	\$	2,062,446

Existing Square footage		8843
Proposal Square footage		11843
Historic status	N/A	
Construction cost (per SF)	\$	121.90

Phase 1 (renewal/condition issues)

Construction Costs (in 2017 dollars)	\$	390,567
Construction Cost with Escalation (5 years)	\$	463,871
Total project budget (with soft costs)	\$	662,673

Phase 2 (classroom addition)

	\$	825,000
Construction Cost with Escalation (5 years)	\$	979,841
Total project budget (with soft costs)	\$	1,399,773

FCI Calculations:

Renovation cost:	\$	1,443,712
Replacement cost:	\$	3,261,255
FCI:		0.44

FCI Calculations:

Renovation cost:	\$	463,871
Replacement cost:	\$	3,261,255
FCI:		0.14

FCI Calculations:

Renovation cost:	\$	1,399,773
Replacement cost:	\$	3,261,255
FCI:		0.43



PSCOC REQUEST FOR CAPITAL FUNDING 2021-2022 FULL APPLICATION

School District:
Contact Person:

Address 1:

Address 2:

City:
State:
Zip:
Phone:

Funding Match	District Offsets
District Match <input type="text" value="50%"/>	<input type="text" value="\$0"/>
State Match <input type="text" value="50%"/>	

			A	B	C	D	E	F	G
Priority	Facility Name	Request Type	Estimated Total Project Cost Within the Allowable Funding	Estimated Cost Outside the Allowable Funding	District Match to Within the Allowable Funding	Offset	Total District Match (District Match + Offset+Outside the Allowable Funding)	State Match	Total State Match After Offset
1	New Mexico School for the Deaf	Standards-Based	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2		Systems-Based	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	-	Pre-K Classrooms	\$ 1,421,887	\$ -	\$ 710,944	\$ -	\$ 710,944	\$ 710,944	\$ 710,944
Total			\$ 2,800,000	\$ -	\$ 1,400,000	\$ -	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000

I certify that to the best of my knowledge, the information contained in this application is complete and accurate and that the district has the available funds to accommodate the Total District Match including Offsets as represented in Column E above:

Name of Signatory -- Dr. Jennifer Herbold
Superintendent of School District
 2/22/2022

Date

Name of Signatory -- Ms. Lynann Barbero
School Board President
 2/22/2022

Date

Full Application - Pre-K

Requested Project Priority 1

Pre-Kindergarten Classroom Facilities

STATEMENT OF ANTICIPATED PROJECT FUNDING/EXPENSES

This form is part of the district's facility planning process. The estimated costs shown on this sheet should include all costs associated with the Pre-Kindergarten **capital project at the proposed school site**, not for the whole district.

1. School Site:	NMSD Albuquerque, Preschool
Address:	3802 Hermosa Drive
	Albuquerque, NM 87505

1.1 Provide a full description of your project and the need:

To plan, design, construct, equip, furnish, landscape, and renovate the Albuquerque Preschool, including the associated site areas that comprise the NMSD Albuquerque Preschool campus. Renovate and expand the existing classrooms, repair or replace kitchen equipment, and install a proper kiln space. Construct 2000 SF. of new classroom space including art and STEM areas and a nurse's station. Correct safety issues, including exterior lighting and potential walkway and play area trip hazards. Install new playground equipment.

1.2 Does this facility have an active PSCOC project award?

No

2. FOR EXISTING PRE-K PROGRAMS:

2.1 Does this school site currently have a State-funded pre-k in operation?

Yes

2.2 Provide number of students for each year of state-funded pre-k operation at this site:

15-16	16-17	17-18	18-19	19-20	20-21
12	14	15	18	12	26

2.3 Is your pre-kindergarten program 1/2 day or full day?

Full Day

2.4 How many existing physical classrooms are used for your pre-k program?

4

2.5 If you have a waiting list, how many students are on the list?

2.6 Is this request to accommodate the transition from 1/2 day to full day pre-k?

No

3. FOR NEW PRE-K PROGRAMS:

3.1 Did you apply for 2021-2022 State-funded pre-k operational funding at this site?

3.2 If not, is the lack of facility space to house the program the reason you did not apply?

3.3 Was your program approved for this site?

3.4 If approved, provide number of students approved for this site.

3.5 Will your pre-kindergarten program be 1/2 day or full day?

3.6 How many existing physical classrooms will be used for your pre-k program?

4. FOR BOTH NEW & EXISTING PRE-K PROGRAMS:

4.1 What is the square footage of each existing classroom proposed or currently being used for pre-k?

	Net SF Area	Portable (Y/N)		Net SF Area	Portable (Y/N)
1	457	No	5	2,000	No
2	457	No	6		
3	457	No	7		
4	457	No	8		

STATEMENT OF ANTICIPATED PROJECT FUNDING/EXPENSES (Continued)

(A.) SITE WORK COST ESTIMATE:

Grading, drainage, and landscaping	\$	86,152
Utilities		
Paving, parking, sidewalks, etc.	\$	47,769
Other:		

(1) \$ 133,921

(B.) BUILDING CONSTRUCTION COST ESTIMATE:

	Number	Total Sq. Ft.	Cost/Sq. Ft.	
Permanent Classrooms (new)	1	2,000	\$ 385.00	\$ 770,000
Permanent Classrooms (renovate)	4	457	\$ 200.00	\$ 91,400
Restrooms (new)				\$ -
Restrooms (renovate)				\$ -
TOTAL BUILDING/RENOVATION COST:		2,457	\$ 350.59	(2) <u>\$ 861,400</u>

(C.) TOTAL CONSTRUCTION [sum of (1)+(2)]

(3) \$ 995,321

(D.) SOFT COSTS AND EXPENSES

(NMGRT, architect, consultants, and testing) (20% of Total Project Cost)

\$ 284,377

(Contingency) (10% of Total Project Cost)

\$ 142,189

TOTAL SOFT COSTS AND EXPENSES:

(4) \$ 426,566

(E.) TOTAL PROJECT COST [sum of (3)+(4)]

(5) \$ 1,421,887

2021-2022 PSFA Summary: School of Dreams Academy – Charter School

The state chartered charter school School of Dreams Academy is requesting a Pre-K award to construct a Pre-K addition on the existing portable campus. The charter school serves grades Pre-K through 12, in Los Lunas, NM. The charter school started a Pre-K program in the 2016-2017 school year, and has grown to serve the NM-pre-K and DD 3Y/ 4Y programs. The school reports they currently serve a total of 77 students in their preschool program, up from 63 when the school initially applied for funding in November. The school assumes they will grow to have 80 students by the end of the school year in May. The school’s enrollment projection anticipates 100 students in the upcoming school year.

The school currently has three Pre-K classrooms, and is requesting the addition of five classrooms (1,000 square feet each) and student restrooms. Three of the five new classrooms will be a 1 to 1 replacement of the existing portable Pre-K classrooms, resulting in a total of five Pre-K classrooms. The school has estimated \$400 per square foot for classrooms, and \$500 per square foot for restrooms. The school is also estimating \$1,050,000 for site work. This results in a total construction cost of \$3,200,000. Adding soft costs (NMGRT, architect fees, testing, consultants, and contingency) results in a total estimated project cost of \$4,571,429.

The charter school has indicated that it does not have available funds to accommodate the local match for this project, and has requested a local match reduction. The charter school has an existing offset of \$169,500, which the school has indicated that it has the funds to pay off this required amount.

	Total	State Match 56%	Local Match 44%
Estimated Project Cost	\$4,571,429	\$2,560,000	\$2,011,429
Offset	\$169,500	\$169,500	\$169,500
Adjusted State/Local Match	\$4,571,429	\$2,390,500	\$2,180,929

PSFA Staff Recommendation

The School of Dreams Academy is one of the three primary providers for Pre-K in the Los Lunas community (in addition to Los Lunas School District and Headstart). The charter school does not have a sufficient number of classrooms to support continued growth in Pre-K enrollment. The charter school’s request for a classroom addition is justified, due to the anticipated enrollment projections of 100 students.

PSFA does not fully agree with the charter school’s total estimated project cost. The charter school estimates \$400 per square foot for the construction of classrooms, which PSFA agrees with. However, PSFA believes that the \$500 estimated cost per square foot for restrooms is high, and recommends using \$400 per square foot, to remain consistent with the classroom cost, as well as other applicants for Pre-K funding. This results in a total construction cost of \$3,170,000. Adding soft costs (NMGRT, architect fees, testing, consultants, and contingency) results in a total estimated project cost of \$4,528,571.

The School of Dreams Academy has submitted a waiver request for a local match reduction. The PSFA is in the process of reviewing this request, given recently obtained information that the charter school is included in the Los Lunas School District’s Mil Levy. The school has an offset and has indicated that the offset amount can be accommodated.

Total Estimated Project Cost Per Application	Adjusted Project Cost	Phase 1	Local Match %	State Match %	Offset	Phase 1 Net Local Match After Offsets	Phase 1 Net State Match After Offsets	Out-Year Local Match	Out-Year State Match
\$4,571,429	4,528,571	\$452,857	44%	56%	\$169,500	\$368,757	\$84,100	\$1,793,314	\$2,282,400

Pre-K Eligibility Requirements

Requirement		School Meets
• FMP	Must be current	Expired. New document expected soon.
• Local Match	District must have at time of award	No – Requested waiver

Facility Description

School of Dreams Academy

- Original Construction Date: 2009 (portables from 1990)
- Total Gross Square Feet: 31,056*
 - Permanent Square Feet: 0 GSF
 - Number of Assets: 0
 - Portable Square Feet: 31,056 GSF*
 - Number of Portables: 33*

* To be verified

Planning Summary

Facilities Master Plan: *Expired* at the end of 2020, but the school is currently working on its new plan.

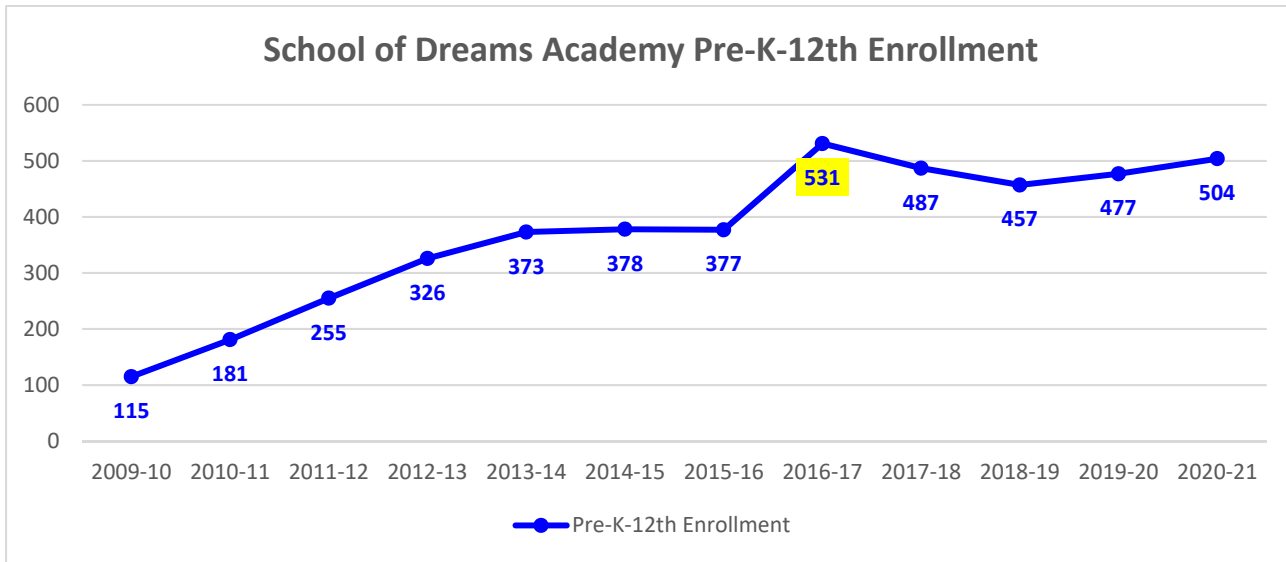
- The new plan will identify expansion of the Pre-K program as a priority.

Currently, School of Dreams Academy is comprised of a portable campus serving grades Pre-K-12th. The Elementary School section serves Pre-K-5th grade. It currently has three Pre-K classrooms, capable of serving 48 Pre-K Students in its full day program, based on classroom size and gross square foot/student.

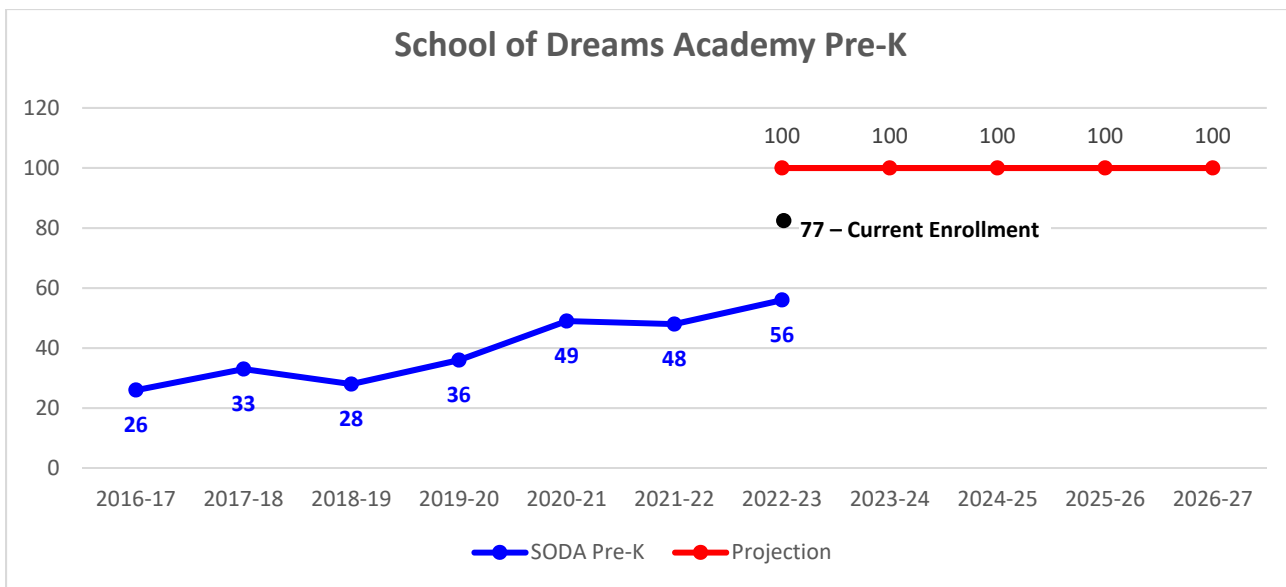
The school anticipates being able to serve 100 Pre-K full day in five classrooms at approximately 20 students per classroom. This request will replace the three existing pre-k classrooms with new space while adding two additional classrooms.

ENROLLMENT

School of Dreams Academy opened in 2009-10 as a middle school/high school model serving grades 7th-12th. In the 2016-17 school year, it added Pre-K-2nd grade students. The following year, it added grades 3rd-6th, eventually becoming a full PreK-12th grade school. The following chart shows the enrollment with the highlighted figure in 2016-17 the first year with Pre-K students.



The next chart shows the Pre-K enrollment trends since the school implemented the program.



The school currently serves 77 Pre-K students in its program with a Pre-K capacity of 42 students. The projection of 100 students represents an increase in program capacity enrollment or, the number of students the school will be able to accommodate with five Pre-K classrooms. Since Pre-K enrollment is difficult to project and not linked to births, we must rely on waiting list data and the proposed number of students the school commits to serve. The school’s request is for three additional Pre-K classrooms to complement the existing number. *The school did not indicate it has a waiting list on its application.* However, the 100 student target is only 23 students from the existing enrollment of 77.

PSFA planning staff recommends that the school provide enrollment numbers prior to construction and design remain flexible in case it does not reach the 100 student goal.

The Los Lunas Public School district recently completed a District Wide Enrollment and Boundary Study as part of the Gabaldon Elementary/West Side Pre-K Center. The Study does show some growth occurring in the district resulting from residential development and economic development initiatives such as the recently announced Amazon Fulfillment Center. While the Study's enrollment projection does not anticipate the projected growth will overwhelm the district, growth resulting from residential and economic development could be sufficient enough to support 100 Pre-K students at this site.

CAPACITY AND UTILIZATION

The table below summarizes capacity and utilization at the school, based on 2021-22 data from the draft FMP/Ed Specs.

Room Number	Grade Level	Clrm SF	2021-22 Enrollment	Room Functional Capacity	Available Capacity	CR Occupancy	School Utilization (per FMP)
35B	Pre-K	715	16	14	-2	114%	100%
35A	Pre-K	716	16	14	-2	114%	100%
34B	Pre-K	715	16	14	-2	114%	100%
34A	K	716	17	14	-3	121%	100%
30A	K	702	17	14	-3	121%	100%
30B	1st	694	19	22	3	86%	100%
22A	2nd	737	31	22	-9	141%	100%
26A	3rd	709	18	22	4	82%	100%
26B	4th	722	32	23	-9	139%	100%
23B	5th	516	22	16	-6	138%	100%
31A	ES Spec ED	707	0	22	22	0%	0%
22B	ES Spanish	752	0	24	24	0%	0%
21	ES Computer	356	0	11	11	0%	0%
TOTALS			204	175	-29	117%	100%

The school's elementary school grade levels uses its space at 100% utilization with most classrooms filled slightly above capacity. The high school also utilizes its spaces at a rate over 90%.

Maintenance Summary

The School of Dreams Academy does not have a Preventive Maintenance Plan and does not use FIMS (not required for charter schools).

Photos







November 17, 2021

Martica Casias, Interim director
Public School Facilities Authority
1312 Basehart Road SE, Suite 200
Albuquerque, NM. 87106

Dear Mrs. Casias,

Please accept this letter as an official request by the School of Dreams Academy (SODA) for consideration of a local match reduction as related to our application for a Pre-K school facility.

We have submitted our application for the Pre-K funds for a new facility on the grounds of the SODA campus. We have also prepared and attached a Statement of Financial Position reflecting our current financial status.

Pursuant to Chapter 22, Article 24, Section 5 (Capital Funding Waiver Criteria) and Title 6, Chapter 27, Part 3 (Public School Grant Assistance Procedures and Requirements), the School of Dreams Academy (SODA) hereby requests a local match waiver equal to 80% state match and 20% local match. Based on the criteria and the required qualifications for waiver consideration, the SODA offers the following statistical data related to our student population and resources to build a new Pre-K school facility.

- ✚ Soda does not have a cap on the Pre-K program. Currently the SODA serves 20 students in a NM PreK program. As allowed from the ECED, the SODA will apply for additional programs as space allows (currently we do not have space for another NM PreK program)
- ✚ SODA also serves another 43 students in our DD 3Y, 4Y programs. Since the DD program is tied to the Individuals with Disabilities Education Act (IDEA) we have ongoing child find activities and cannot have a cap on the 3Y and 4Y programs (note: the PreK programs ARE NOT included as part of our charter's approved K-12 enrollment cap of 625.
- ✚ Total PreK enrollment as of today is 63.

PreK enrollment history and projected growth:

SY 2019-2020	= 36
SY 2020-2021	= 48
SY 2021-2022	= 63
SY 2022-2023 (Projected)	= 84
SY 2023-2024 (Projected)	= 100

- ✚ The Pre-K enrollment growth is greater than 2.5% closer to 40%
- ✚ The percent of free or reduced lunch for Pre-K students is 100%. Our entire school qualified for free lunches under the CEP provision. All students at SODA eat two meals daily for free.

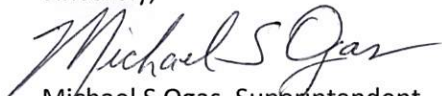
906 Juan Perea Rd.
Los Lunas, NM 87031
www.sodacharter.net

- ✦ Currently the state share as calculated for the Los Lunas School District is 44%
- ✦ The Mil Levy is greater than 7%
- ✦ Pursuant to the Five-Year Master Plan FMP, we will be building a Pre-K facility in the next 2 years

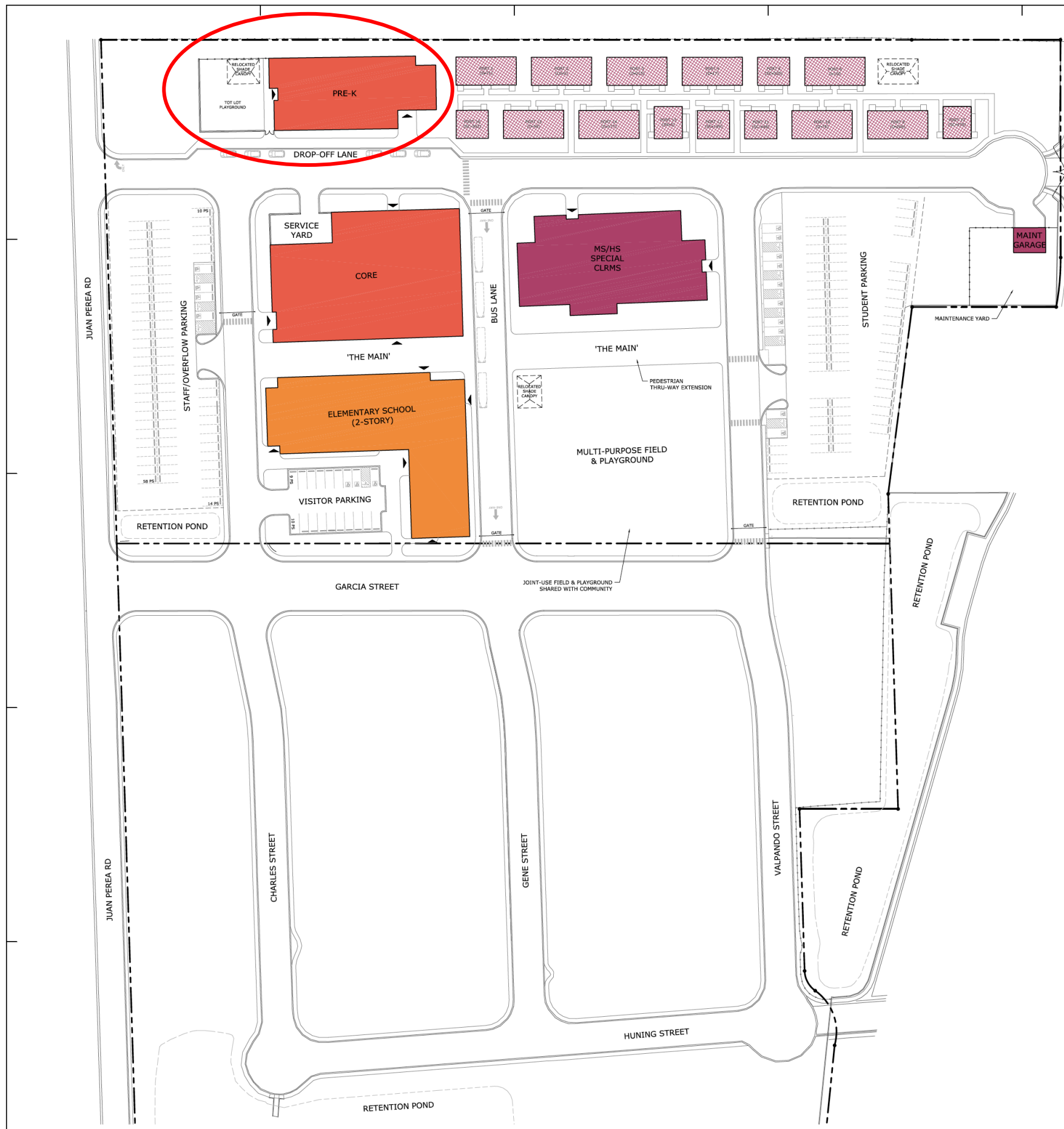
As we understand that in rule the calculation for our matching share is based on the Los Lunas School District, however being a smaller state-authorized charter school, this blanket calculation takes the SODA out of the financial universe as compared to the Los Lunas School District who has the financial ability to go out to the public bond market. Using this calculation places the SODA at a huge disadvantage when it comes to the ability to pay the local match for building a Pre-K facility.

Please feel free to contact me with any questions and/or clarification you or staff may have. As always we sincerely appreciate the hard work and assistance you and your staff have afforded the School of Dreams Academy.

Sincerely,


Michael S Ogas, Superintendent,
School of Dreams Academy

906 Juan Perea Rd.
Los Lunas, NM 87031
www.sodacharter.net



- PHASE 4.3 - PORTABLES RENO. / FIELD / MAINT. YARD**
- RENOVATE MS/HS PORTABLES
 - CONSTRUCT NEW MULTI-PURPOSE GRASS FIELD & ELEMENTARY PLAYGROUND
 - CONSTRUCT EAST END OF 'THE MAIN' PEDESTRIAN BOULEVARD
 - CONSTRUCT NEW MAINTENANCE GARAGE (APPROXIMATELY 800 GSF)
 - RELOCATE (2) SHADE STRUCTURES

GREER STAFFORD/SJCF ARCHITECTURE, INC.
 9771 CALIFORNIA, SUITE 208
 ALBUQUERQUE, NM 87116-2027
 (505) 821-0239 • FAX: (505) 821-0348

THIS DRAWING IS INCOMPLETE AND NOT TO BE USED FOR CONSTRUCTION UNLESS IT IS STAMPED, SEALED, AND DATED BELOW

NOT FOR CONSTRUCTION

FINAL

SCHOOL OF DREAMS ACADEMY
 SITE DEVELOPMENT PLAN
 906 JUAN PEREA RD
 LOS LUNAS, NM 87031

LEGEND

[Red Box]	PHASE 1
[Orange Box]	PHASE 2
[Yellow Box]	PHASE 3
[Purple Box]	PHASE 4
[Hatched Box]	PHASE 4 - RENO

A1 PHASE 4.3 SITE PLAN
 SCALE: 1" = 40'-0"



MARK	DATE	DESCRIPTION

PROJECT NO: 5444.01
 CAD/DWG FILE:
 DRAWN BY:
 CHECKED BY:
 © GREER STAFFORD / SJCF, INC.
 SHEET TITLE: PHASE 4.3 SITE PLAN
 DRAWING SHEET

A-4.3



PSCOC REQUEST FOR CAPITAL FUNDING

2021-2022 FULL APPLICATION

School District: School of Dream Academy Contact Person: Mike Ogas

Address 1: 906 Juan Perea Road

Address 2:

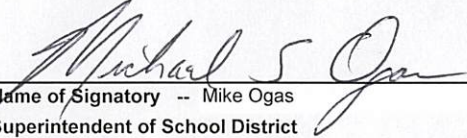
City: Los Lunas State: NM Zip: 87031 Phone: (505)550-6147

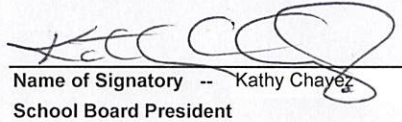
Funding Match
 District Match: 44%
 State Match: 56%

District Offsets
\$169,500

Priority	Facility Name	Request Type	A Estimated Total Project Cost Within the Allowable Funding	B Estimated Cost Outside the Allowable Funding	C District Match to Within the Allowable Funding	D Offset	E Total District Match (District Match + Offset+Outside the Allowable Funding)	F State Match	G Total State Match After Offset
1		Standards-Based	#VALUE!	\$ -	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
2		Systems-Based	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3		Pre-K Classrooms	\$ 4,571,429	\$ -	\$ 2,011,429	\$ 169,500	\$ 2,180,929	\$ 2,560,000	\$ 2,390,500
Total			#VALUE!	\$ -	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!

I certify that to the best of my knowledge, the information contained in this application is complete and accurate and that the district has the available funds to accommodate the Total District Match including Offsets as represented in Column E above:


 Name of Signatory -- Mike Ogas
 Superintendent of School District


 Name of Signatory -- Kathy Chavez
 School Board President

11/19/2021
 Date

11/19/21
 Date

Full Application - Pre-K

Requested Project Priority 1

Pre-Kindergarten Classroom Facilities

STATEMENT OF ANTICIPATED PROJECT FUNDING/EXPENSES

This form is part of the district's facility planning process. The estimated costs shown on this sheet should include all costs associated with the Pre-Kindergarten **capital project at the proposed school site**, not for the whole district.

1. School Site:

Address:

1.1 Provide a full description of your project and the need:

1.2 Does this facility have an active PSCOC project award?

2. FOR EXISTING PRE-K PROGRAMS:

2.1 Does this school site currently have a State-funded pre-k in operation?

2.2 Provide number of students for each year of state-funded pre-k operation at this site:

15-16	16-17	17-18	18-19	19-20	20-21
					60

2.3 Is your pre-kindergarten program 1/2 day or full day?

2.4 How many existing physical classrooms are used for your pre-k program?

2.5 If you have a waiting list, how many students are on the list?

2.6 Is this request to accommodate the transition from 1/2 day to full day pre-k?

3. FOR NEW PRE-K PROGRAMS:

3.1 Did you apply for 2021-2022 State-funded pre-k operational funding at this site?

3.2 If not, is the lack of facility space to house the program the reason you did not apply?

3.3 Was your program approved for this site?

3.4 If approved, provide number of students approved for this site.

3.5 Will your pre-kindergarten program be 1/2 day or full day?

3.6 How many existing physical classrooms will be used for your pre-k program?

4. FOR BOTH NEW & EXISTING PRE-K PROGRAMS:

4.1 What is the square footage of each existing classroom proposed or currently being used for pre-k?

	Net SF Area	Portable (Y/N)		Net SF Area	Portable (Y/N)
1	715	Yes	5		
2	715	Yes	6		
3	715	Yes	7		
4			8		

STATEMENT OF ANTICIPATED PROJECT FUNDING/EXPENSES (Continued)

(A.) SITE WORK COST ESTIMATE:

Grading, drainage, and landscaping	\$	450,000
Utilities	\$	250,000
Paving, parking, sidewalks, etc.	\$	350,000
Other:		

(1) **\$ 1,050,000**

(B.) BUILDING CONSTRUCTION COST ESTIMATE:

	Number	Total Sq. Ft.	Cost/Sq. Ft.	
Permanent Classrooms (new)	5	5,000	\$ 400.00	\$ 2,000,000
Permanent Classrooms (renovate)				\$ -
Restrooms (new)	5	300	\$ 500.00	\$ 150,000
Restrooms (renovate)				\$ -
TOTAL BUILDING/RENOVATION COST:		5,300	\$ 405.66	(2) \$ 2,150,000

(C.) TOTAL CONSTRUCTION [sum of (1)+(2)]

(3) **\$ 3,200,000**

(D.) SOFT COSTS AND EXPENSES

(NMGRT, architect, consultants, and testing) (20% of Total Project Cost)

\$ 914,286

(Contingency) (10% of Total Project Cost)

\$ 457,143

TOTAL SOFT COSTS AND EXPENSES:

(4) **\$ 1,371,429**

(E.) TOTAL PROJECT COST [sum of (3)+(4)]

(5) **\$ 4,571,429**

I. 2021-2022 Lease Assistance – Tierra Adentro – New Award**II. Presenter:** Alyce Ramos, Programs Manager**III. Potential Motion:**

Council approval of the Lease Assistance award to Tierra Adentro of New Mexico Charter School, in the amount of \$188,654.

Upon acceptance of the award by the applicant charter school or district, Council authorizes PSFA staff to distribute the award amounts quarterly, on a reimbursement basis, upon receiving proof of the actual lease payments. Council authorizes PSFA staff to make reductions to award amounts subject to PED and/or PEC written certification to PSFA that a condition exists that warrants an award adjustment or suspension due to a school closure, charter revocation, financial violation or irregularities, and or adjustments to certified attendance numbers (MEM counts). Adjustments to lease amounts may also be made due to a lease termination or amendment. Reimbursements are contingent on the submittal of an E-Occupancy certificate, current facility master plan, audit report, invoices and other statutory requirements, as set forth in the application.

IV. Executive Summary:**Request:**

Tierra Adentro of New Mexico Charter School is requesting a lease assistance award for the new facility the school has recently constructed and relocated into.

Staff Recommendation:

PSFA recommends granting Tierra Adentro of New Mexico Charter School Lease Assistance award, based MEM:

- \$762.24 per MEM rate
- 247.5 MEM

Combined with the awards made in September and November, the lease assistance awards will now total \$17,878,213.

Key Points:

Tierra Adentro of New Mexico Charter School recently obtained approval for an LPA, constructed a new facility and relocated.

SUPPLEMENTAL MATERIAL

2021-2022 Lease Assistance – Tierra Adentro – New Award

History:

- March 15, 2021 through April 23, 2021 - The lease assistance application cycle.
- September 13 2021 - 98 charter and district schools were awarded lease assistance.
 - 5 applications were not ready for an award in September due to incomplete or insufficient documentation and additional time needed to review resubmitted documents.
- November 8, 2021 – 4 remaining schools were awarded lease assistance.

Exhibits:

A – Tierra Adentro Lease Assistance Calculations Spreadsheet

B – Updated 2021-2022 Lease Assistance Program Spreadsheet – March 2022

EXHIBIT "A"

FY22 Lease Assistance - Tierra Adentro of New Mexico

MEM Rate: \$762.24 per MEM

20% Additional Square Footage Added for Tare

				MEM		Square Feet				Square Feet and Lease Calculations				Additional Square Footage Added for 20% Tare			FY22 Lease Assistance	
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
District	State / District	School	FY22 Number of MEM	Lease Assistance Calculation Based on MEM (\$762.24 per MEM)	Classroom Square Feet	Admin Square Feet	Total Square Feet Eligible for Lease Assistance (G+H)	Actual Total Building Square Feet	Percent of Lease Amount Eligible for Lease Assistance (I/J)	Actual Annual Lease Amount Paid by the School	Lease Assistance Calculation Based on Square Feet of Lease (K*L)	Lease Assistance without Tare (Lesser of Calculation Based on MEM or SF of Lease) (F or M)	Total Square Feet Eligible for Lease Assistance with Tare (G+H+20%)	Percent of Lease Amount Eligible for Lease Assistance with Tare (O/J)	Lease Assistance Calculation Based on Square Feet of Lease with 20% Added for Tare (L*P)	FY22 Lease Assistance Amount (Lesser of Calculation Based on MEM or SF of Lease with Tare) (F or Q)	FY22 Basis of Lease Assistance (MEM or SF of Lease)	
1	ABQ	S	Tierra Adentro of New Mexico	247.50	\$ 188,654	18,700	521.25	19,221.25	38,300	50.19%	\$ 380,281	\$ 190,848	\$ 188,654	23,066	60.22%	\$ 229,018	\$ 188,654	MEM

FY22 Lease Assistance Award - Tierra Adentro \$188,654

EXHIBIT "B"

FY22 Lease Assistance Program Detail Summary - March, 2022

MEM Rate: \$762.24 per MEM

20% Additional Square Footage Added for Tare

				MEM		Square Feet				Square Feet and Lease Calculations				Additional Square Footage Added for 20% Tare			FY22 Lease Assistance	
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
	District	State / District	School	FY22 Number of MEM	Lease Assistance Calculation Based on MEM (\$762.24 per MEM)	Classroom Square Feet	Admin Square Feet	Total Square Feet Eligible for Lease Assistance (G+H)	Actual Total Building Square Feet	Percent of Lease Amount Eligible for Lease Assistance (I/J)	Actual Annual Lease Amount Paid by the School	Lease Assistance Calculation Based on Square Feet of Lease (K*L)	Lease Assistance without Tare (Lesser of Calculation Based on MEM or SF of Lease) (F or M)	Total Square Feet Eligible for Lease Assistance with Tare (G+H+20%)	Percent of Lease Amount Eligible for Lease Assistance with Tare (O/J)	Lease Assistance Calculation Based on Square Feet of Lease with 20% Added for Tare (L*P)	FY22 Lease Assistance Amount (Lesser of Calculation Based on MEM or SF of Lease with Tare) (F or Q)	FY22 Basis of Lease Assistance (MEM or SF of Lease)
1	ABQ	D	Albuquerque Charter Academy	368.50	\$ 280,885	13,742	702.75	14,444.75	27,838	51.89%	\$ 211,498	\$ 109,743	\$ 109,743	17,334	62.27%	\$ 131,692	\$ 131,692	SF of Lease
2	ABQ	D	ACE Leadership High School	209.50	\$ 159,689	12,895	464.25	13,359.25	23,190	57.61%	\$ 404,034	\$ 232,755	\$ 159,689	16,031	69.13%	\$ 279,306	\$ 159,689	MEM
3	ABQ	S	ACES Technical Charter School	45.00	\$ 34,301	9,621	217.50	9,838.50	12,163	80.89%	\$ 173,225	\$ 140,120	\$ 34,301	11,806	97.07%	\$ 168,144	\$ 34,301	MEM
4	ABQ	S	Albuquerque Bilingual Academy	374.50	\$ 285,459	33,403	711.75	34,114.75	45,501	74.98%	\$ 585,929	\$ 439,305	\$ 285,459	40,938	89.97%	\$ 527,166	\$ 285,459	MEM
5	ABQ	S	Albuquerque Collegiate	129.50	\$ 98,710	9,814	344.25	10,158.25	14,114	71.97%	\$ 371,000	\$ 267,019	\$ 98,710	12,190	86.37%	\$ 320,423	\$ 98,710	MEM
6	ABQ	S	Albuquerque Institute for Math & Science	378.50	\$ 288,508	17,797	717.75	18,514.75	28,020	66.08%	\$ 478,772	\$ 316,358	\$ 288,508	22,218	79.29%	\$ 379,629	\$ 288,508	MEM
7	ABQ	S	Albuquerque School of Excellence - Main	448.00	\$ 341,484	28,497	822.00	29,319.00	44,164	66.39%	\$ 684,981	\$ 454,736	\$ 341,484	35,183	79.66%	\$ 545,683	\$ 341,484	MEM
8	ABQ	S	Albuquerque School of Excellence - ES	408.00	\$ 310,994	25,502	762.00	26,264.00	44,664	58.80%	\$ 602,652	\$ 354,381	\$ 310,994	31,517	70.56%	\$ 425,257	\$ 310,994	MEM
9	ABQ	D	Albuquerque Talent Development Academy	111.00	\$ 84,609	13,384	316.50	13,700.50	16,708	82.00%	\$ 264,000	\$ 216,479	\$ 84,609	16,441	98.40%	\$ 259,775	\$ 84,609	MEM
10	ABQ	D	Alice King Community School	462.50	\$ 352,536	32,753	843.75	33,596.75	50,908	66.00%	\$ 510,235	\$ 336,730	\$ 336,730	40,316	79.19%	\$ 404,076	\$ 352,536	MEM
11	ABQ	S	Altura Preparatory School	178.50	\$ 136,060	13,100	417.75	13,517.75	21,696	62.31%	\$ 298,763	\$ 186,145	\$ 136,060	16,221	74.77%	\$ 223,374	\$ 136,060	MEM
12	ABQ	S	Amy Biehl High School - Main Building	273.00	\$ 208,092	25,733	559.50	26,292.50	39,264	66.96%	\$ 220,841	\$ 147,883	\$ 147,883	31,551	80.36%	\$ 177,459	\$ 177,459	SF of Lease
13	ABQ	S	Amy Biehl High School - Simms Building	273.00		2,165	559.50	2,724.50	3,420	79.66%	\$ 24,720	\$ 19,693	\$ -	3,269	95.60%	\$ 23,631	\$ 23,631	SF of Lease
14	ABQ	S	Cesar Chavez Community School	204.50	\$ 155,878	19,392	456.75	19,848.75	26,987	73.55%	\$ 431,880	\$ 317,645	\$ 155,878	23,819	88.26%	\$ 381,174	\$ 155,878	MEM
15	ABQ	D	Christine Duncan's Heritage Academy	391.50	\$ 298,417	25,293	737.25	26,030.25	34,580	75.28%	\$ 420,000	\$ 316,157	\$ 298,417	31,236	90.33%	\$ 379,388	\$ 298,417	MEM
16	ABQ	D	Cien Aguas International School - Randolph	424.00	\$ 323,190	18,453	786.00	19,239.00	28,334	67.90%	\$ 464,399	\$ 315,330	\$ 315,330	23,087	81.48%	\$ 378,397	\$ 323,190	MEM
17	ABQ	D	Coral Community Charter School	208.50	\$ 158,927	12,315	462.75	12,777.75	18,880	67.68%	\$ 137,387	\$ 92,982	\$ 92,982	15,333	81.21%	\$ 111,578	\$ 111,578	SF of Lease
18	ABQ	D	Corrales International School	248.00	\$ 189,036	16,015	522.00	16,537.00	23,418	70.62%	\$ 378,480	\$ 267,270	\$ 189,036	19,844	84.74%	\$ 320,724	\$ 189,036	MEM
19	ABQ	D	Cottonwood Classical Preparatory School	771.50	\$ 588,068	28,600	1,307.25	29,907.25	47,141	63.44%	\$ 879,622	\$ 558,051	\$ 558,051	35,889	76.13%	\$ 669,661	\$ 588,068	MEM
20	ABQ	D	Digital Arts and Technology Academy HS	311.00	\$ 237,057	31,714	616.50	32,330.50	50,436	64.10%	\$ 171,894	\$ 110,187	\$ 110,187	38,797	76.92%	\$ 132,225	\$ 132,225	SF of Lease
21	ABQ	D	East Mountain High School	375.50	\$ 286,221	28,963	713.25	29,676.25	43,784	67.78%	\$ 392,200	\$ 265,828	\$ 265,828	35,612	81.33%	\$ 318,994	\$ 286,221	MEM
22	ABQ	D	El Camino Real Academy	279.00	\$ 212,665	40,677	568.50	41,245.50	66,121	62.38%	\$ 702,649	\$ 438,304	\$ 212,665	49,495	74.85%	\$ 525,965	\$ 212,665	MEM
23	ABQ	S	Explore Academy -Masthead **	110.00	\$ 83,846	21,866	315.00	22,181.00	35,700	62.13%	\$ 822,910	\$ 511,288	\$ 83,846	26,617	74.56%	\$ 613,545	\$ 83,846	MEM
24	ABQ	S	Explore Academy - Gulton (NEW) **	611.00	\$ 465,729	31,319	1,066.50	32,385.50	81,290	39.84%	\$ 790,917	\$ 315,097	\$ 315,097	38,863	47.81%	\$ 378,117	\$ 378,117	SF of Lease
25	ABQ	D	Gilbert L. Sena Charter HS	129.50	\$ 98,710	8,976	344.25	9,320.25	14,110	66.05%	\$ 228,000	\$ 150,604	\$ 98,710	11,184	79.27%	\$ 180,724	\$ 98,710	MEM
26	ABQ	D	Gordon Bernell Charter School	191.50	\$ 145,969	3,290	437.25	3,727.10	5,950	62.64%	\$ 168,319	\$ 105,435	\$ 105,435	4,473	75.17%	\$ 126,522	\$ 126,522	SF of Lease
27	ABQ	D	Health Leadership High School	186.00	\$ 141,777	10,509	429.00	10,938.00	16,124	67.84%	\$ 232,320	\$ 157,598	\$ 141,777	13,126	81.40%	\$ 189,118	\$ 141,777	MEM
28	ABQ	S	Horizon Academy West	399.25	\$ 304,324	29,387	748.88	30,135.88	42,347	71.16%	\$ 478,800	\$ 340,734	\$ 304,324	36,163	85.40%	\$ 408,881	\$ 304,324	MEM
29	ABQ	D	La Academia de Esperanza	247.00	\$ 188,273	19,331	520.50	19,851.50	28,402	69.89%	\$ 212,224	\$ 148,333	\$ 148,333	23,822	83.87%	\$ 178,000	\$ 178,000	SF of Lease
30	ABQ	D	Los Puentes Charter School	131.00	\$ 99,853	14,434	346.50	14,780.50	21,173	69.81%	\$ 170,874	\$ 119,284	\$ 99,853	17,737	83.77%	\$ 143,141	\$ 99,853	MEM
31	ABQ	D	Mark Armijo Academy	185.50	\$ 141,396	5,897	428.25	6,325.25	9,715	65.11%	\$ 151,477	\$ 98,624	\$ 98,624	7,590	78.13%	\$ 118,349	\$ 118,349	SF of Lease
32	ABQ	S	Media Arts Collaborative Charter - Main Bldg.	191.50	\$ 145,969	6,842	437.25	7,279.25	12,208	59.63%	\$ 104,314	\$ 62,199	\$ 62,199	8,735	71.55%	\$ 74,639	\$ 145,969	MEM
33	ABQ	S	Media Arts Collaborative Charter - Nob Hill Studios	191.50		7,458	437.25	7,895.25	11,015	71.68%	\$ 101,233	\$ 72,561	\$ 72,561	9,474	86.01%	\$ 87,073		
34	ABQ	S	Mission Achievement and Success 2.0 - Old Coors Road	575.00	\$ 438,288	10,523	1,012.50	11,535.50	16,748	68.88%	\$ 499,476	\$ 344,023	\$ 344,023	13,843	82.65%	\$ 412,828	\$ 412,828	SF of Lease
35	ABQ	S	Mission Achievement and Success 1.0 - Yale	1136.50	\$ 866,286	44,818	1,854.75	46,672.75	70,548	66.16%	\$ 882,842	\$ 584,066	\$ 584,066	56,007	79.39%	\$ 700,879	\$ 700,879	SF of Lease
36	ABQ	D	Montessori of the Rio Grande	218.00	\$ 166,168	18,291	477.00	18,768.00	27,997	67.04%			\$ 166,168	22,522	80.44%		\$ 166,168	MEM
37	ABQ	D	Mountain Mahogany Community School	193.50	\$ 147,493	14,133	440.25	14,573.25	16,114	90.44%	\$ 105,996	\$ 95,861	\$ 95,861	17,488	108.53%	\$ 115,033	\$ 105,996	SF of Lease

FY22 Lease Assistance Program Detail Summary - March, 2022

MEM Rate: \$762.24 per MEM
20% Additional Square Footage Added for Tare

				MEM		Square Feet				Square Feet and Lease Calculations				Additional Square Footage Added for 20% Tare			FY22 Lease Assistance	
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
	District	State / District	School	FY22 Number of MEM	Lease Assistance Calculation Based on MEM (\$762.24 per MEM)	Classroom Square Feet	Admin Square Feet	Total Square Feet Eligible for Lease Assistance (G+H)	Actual Total Building Square Feet	Percent of Lease Amount Eligible for Lease Assistance (I/J)	Actual Annual Lease Amount Paid by the School	Lease Assistance Calculation Based on Square Feet of Lease (K*L)	Lease Assistance without Tare (Lesser of Calculation Based on MEM or SF of Lease) (F or M)	Total Square Feet Eligible for Lease Assistance with Tare (G+H+20%)	Percent of Lease Amount Eligible for Lease Assistance with Tare (O/J)	Lease Assistance Calculation Based on Square Feet of Lease with 20% Added for Tare (L*P)	FY22 Lease Assistance Amount (Lesser of Calculation Based on MEM or SF of Lease with Tare) (F or Q)	FY22 Basis of Lease Assistance (MEM or SF of Lease)
38	ABQ	D	Native American Community Academy 1000 Indian School	298.50	\$ 227,529	23,296	597.75	23,893.75	38,178	62.59%	\$ 303,864	\$ 190,174	\$ 190,174	28,673	75.10%	\$ 228,208	\$ 227,529	MEM
39	ABQ	D	Native American Community Academy 1100 Indian School	298.50		2,634	597.75	3,231.75	4,463	72.41%	\$ 57,539	\$ 41,665	\$ -	3,878	86.89%	\$ 49,998		
40	ABQ	D	Native American Community Academy CNM	199.00	\$ 151,686	23,500	448.50	23,948.50	37,647	63.61%	\$ 171,561	\$ 109,136	\$ 109,136	28,738	76.34%	\$ 130,963	\$ 130,963	SF of Lease
41	ABQ	D	New Mexico International School	381.50	\$ 290,795	36,049	722.25	36,771.25	66,076	55.65%	\$ 494,059	\$ 274,943	\$ 274,943	44,126	66.78%	\$ 329,932	\$ 290,795	MEM
42	ABQ	S	North Valley Academy - Art Space	437.50	\$ 333,480	2,600	806.25	3,406.25	3,200	106.45%	\$ 45,315	\$ 48,236	\$ 48,236	4,088	127.73%	\$ 57,883	\$ 333,480	MEM
43	ABQ	S	North Valley Academy - Main Campus	437.50		32,706	806.25	33,512.25	40,496	82.75%	\$ 413,690	\$ 342,347	\$ 333,480	40,215	99.31%	\$ 410,816		
44	ABQ	D	Public Academy for Performing Arts **	445.50	\$ 339,578	28,683	818.25	29,501.25	46,709	63.16%			\$ 339,578	35,402	75.79%		\$ 339,578	MEM
45	ABQ	S	Robert F. Kennedy Charter HS	245.00	\$ 186,749	42,430	517.50	42,947.50	63,173	67.98%			\$ 186,749	51,537	81.58%		\$ 186,749	MEM
46	ABQ	S	Robert F. Kennedy Charter MS	82.00	\$ 62,504	5,647	273.00	5,920.00	7,313	80.95%			\$ 62,504	7,104	97.14%		\$ 62,504	MEM
47	ABQ	D	Siembra Leadership HS	176.50	\$ 134,535	5,618	414.75	6,032.75	7,166	84.19%	\$ 124,917	\$ 105,162	\$ 105,162	7,239	101.02%	\$ 126,195	\$ 126,195	SF of Lease
48	ABQ	S	Solare Collegiate Charter School	187.50	\$ 142,920	10,599	431.25	11,030.25	20,934	52.69%	\$ 479,988	\$ 252,909	\$ 142,920	13,236	63.23%	\$ 303,490	\$ 142,920	MEM
49	ABQ	D	South Valley Academy	621.50	\$ 473,732	48,933	1,082.25	50,015.25	66,507	75.20%			\$ 473,732	60,018	90.24%		\$ 473,732	MEM
50	ABQ	S	Southwest Aeronautics, Mathematics & Science Academy	227.50	\$ 173,410	27,923	491.25	28,414.25	41,393	68.65%	\$ 229,549	\$ 157,574	\$ 157,574	34,097	82.37%	\$ 189,089	\$ 173,410	MEM
51	ABQ	S	Southwest Preparatory Learning Center	175.00	\$ 133,392	21,632	412.50	22,044.50	29,285	75.28%	\$ 138,000	\$ 103,881	\$ 103,881	26,453	90.33%	\$ 124,657	\$ 124,657	SF of Lease
52	ABQ	S	Southwest Secondary Learning Center	158.00	\$ 120,434	13,775	387.00	14,162.00	17,159	82.53%	\$ 431,676	\$ 356,280	\$ 120,434	16,994	99.04%	\$ 427,535	\$ 120,434	MEM
53	ABQ	D	Technology Leadership High School	297.00	\$ 226,385	6,938	595.50	7,533.50	12,000	62.78%	\$ 200,004	\$ 125,561	\$ 125,561	9,040	75.34%	\$ 150,673	\$ 150,673	SF of Lease
54	ABQ	S	The Albuquerque Sign Language Academy	111.00	\$ 84,609	5,904	316.50	6,220.50	9,701	64.12%			\$ 84,609	7,465	76.95%		\$ 84,609	MEM
55	ABQ	S	The GREAT Academy	121.50	\$ 92,612	6,171	332.25	6,503.25	15,033	43.26%	\$ 219,605	\$ 95,001	\$ 92,612	7,804	51.91%	\$ 114,001	\$ 92,612	MEM
56	ABQ	S	The Montessori Elementary School	431.00	\$ 328,525	19,565	796.50	20,361.50	33,924	60.02%	\$ 700,392	\$ 420,382	\$ 328,525	24,434	72.03%	\$ 504,458	\$ 328,525	MEM
57	ABQ	D	The New America School - NM	217.50	\$ 165,787	18,307	476.25	18,783.25	25,439	73.84%	\$ 365,378	\$ 269,782	\$ 165,787	22,540	88.60%	\$ 323,738	\$ 165,787	MEM
58	ABQ	S	Tierra Adentro of New Mexico	247.50	\$ 188,654	18,700	521.25	19,221.25	38,300	50.19%	\$ 380,281	\$ 190,848	\$ 188,654	23,066	60.22%	\$ 229,018	\$ 188,654	MEM
59	ABQ	S	21 st Century Public Academy	350.50	\$ 267,165	27,587	675.75	28,262.75	52,374	53.96%	\$ 795,462	\$ 429,258	\$ 267,165	33,915	64.76%	\$ 515,110	\$ 267,165	MEM
60	ABQ	D	Voz Collegiate Preparatory Charter School (NEW)	32.00	\$ 24,392	3,714	198.00	3,912.00	14,393	27.18%	\$ 149,342	\$ 40,591	\$ 24,392	4,694	32.62%	\$ 48,709	\$ 24,392	MEM
61	ABQ	D	William W. & Josephine Dorn Charter Community	38.50	\$ 29,346	3,076	207.75	3,283.75	5,770	56.91%	\$ 39,600	\$ 22,537	\$ 22,537	3,941	68.29%	\$ 27,044	\$ 27,044	SF of Lease
62	Aztec	D	Mosaic Academy Charter School (Gym)	180.00	\$ 137,203	10,000	420.00	10,420.00	10,420	100.00%	\$ 6,000	\$ 6,000	\$ 6,000	12,504	120.00%	\$ 7,200	\$ 6,000	SF of Lease
63	Aztec	D	Mosaic Academy Charter School (Portables)	180.00	\$ 137,203	6,680	420.00	7,100.00	7,520	94.41%	\$ 59,760	\$ 56,422	\$ 56,422	8,520	113.30%	\$ 67,707	\$ 59,760	SF of Lease
64	Carlsbad	D	Jefferson Montessori Academy	245.50	\$ 187,130	30,706	518.25	31,224.25	17,591	177.50%			\$ 187,130	37,469	213.00%		\$ 187,130	MEM
65	Cimarron	D	Moreno Valley High School	63.00	\$ 48,021	13,297	244.50	13,541.50	20,432	66.28%	\$ 57,000	\$ 37,777	\$ 37,777	16,250	79.53%	\$ 45,333	\$ 45,333	SF of Lease
66	Deming	D	Deming Cesar Chavez Charter High School	131.00	\$ 99,853	17,470	346.50	17,816.50	23,667	75.28%			\$ 99,853	21,380	90.34%		\$ 99,853	MEM
67	Espanola	S	La Tierra Montessori School of the Arts and Sciences	54.50	\$ 41,542	8,974	231.75	9,205.75	14,482	63.57%	\$ 72,000	\$ 45,768	\$ 41,542	11,047	76.28%	\$ 54,922	\$ 41,542	MEM
68	Espanola	S	McCurdy Charter School	527.00	\$ 401,700	43,755	940.50	44,695.50	73,617	60.71%	\$ 507,588	\$ 308,175	\$ 308,175	53,635	72.86%	\$ 369,810	\$ 369,810	SF of Lease
69	GMCS	S	Dzil Diti'ooi School of Empowerment, Action & Perseverance	45.00	\$ 34,301	1,986	217.50	2,203.50	2,880	76.51%	\$ 18,622	\$ 14,248	\$ 14,248	2,644	91.81%	\$ 17,097	\$ 17,097	SF of Lease
70	GMCS	S	Hozho Academy	405.00	\$ 308,707	29,410	757.50	30,167.50	59,837	50.42%	\$ 1,260,000	\$ 635,243	\$ 308,707	36,201	60.50%	\$ 762,292	\$ 308,707	MEM
71	GMCS	S	Middle College High School	140.00	\$ 106,714	4,258	360.00	4,618.00	5,301	87.12%	\$ 26,969	\$ 23,494	\$ 23,494	5,542	104.54%	\$ 28,193	\$ 26,969	SF of Lease
72	GMCS	S	Six Directions Indigenous School	76.00	\$ 57,930	11,099	264.00	11,363.00	14,931	76.10%	\$ 120,000	\$ 91,324	\$ 57,930	13,636	91.32%	\$ 109,589	\$ 57,930	MEM
73	Jemez V.	D	San Diego Riverside Charter School	81.50	\$ 62,123	11,323	272.25	11,595.25	16,586	69.91%	\$ 45,482	\$ 31,796	\$ 31,796	13,914	83.89%	\$ 38,156	\$ 38,156	SF of Lease
74	Jemez V.	S	Walatowa High Charter School	52.50	\$ 40,018	11,320	228.75	11,548.75	13,062	88.41%			\$ 40,018				\$ 40,018	MEM

FY22 Lease Assistance Program Detail Summary - March, 2022

MEM Rate: \$762.24 per MEM
20% Additional Square Footage Added for Tare

				MEM		Square Feet				Square Feet and Lease Calculations				Additional Square Footage Added for 20% Tare			FY22 Lease Assistance	
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
District	State / District	School	FY22 Number of MEM	Lease Assistance Calculation Based on MEM (\$762.24 per MEM)	Classroom Square Feet	Admin Square Feet	Total Square Feet Eligible for Lease Assistance (G+H)	Actual Total Building Square Feet	Percent of Lease Amount Eligible for Lease Assistance (I/J)	Actual Annual Lease Amount Paid by the School	Lease Assistance Calculation Based on Square Feet of Lease (K*L)	Lease Assistance without Tare (Lesser of Calculation Based on MEM or SF of Lease) (F or M)	Total Square Feet Eligible for Lease Assistance with Tare (G+H+20%)	Percent of Lease Amount Eligible for Lease Assistance with Tare (O/J)	Lease Assistance Calculation Based on Square Feet of Lease with 20% Added for Tare (L*P)	FY22 Lease Assistance Amount (Lesser of Calculation Based on MEM or SF of Lease with Tare) (F or Q)	FY22 Basis of Lease Assistance (MEM or SF of Lease)	
75	LC	S	Alma d'arte Charter HS	132.50	\$ 100,997	30,519	348.75	30,867.75	47,308	65.25%		\$ 100,997				\$ 100,997	MEM	75
76	LC	S	Explore Academy - Las Cruces (NEW)	110.00	\$ 83,846	11,392	315.00	11,707.00	20,250	57.81%	\$ 173,250	\$ 83,846	14,048	69.37%	\$ 120,192	\$ 83,846	MEM	76
77	LC	S	J. Paul Taylor Academy	200.00	\$ 152,448	16,570	450.00	17,020.00	23,017	73.95%		\$ 152,448				\$ 152,448	MEM	77
78	LC	S	La Academia Dolores Huerta	72.00	\$ 54,881	12,197	258.00	12,455.00	21,832	57.05%		\$ 54,881				\$ 54,881	MEM	78
79	LC	S	Las Montanas Charter High School	154.00	\$ 117,385	14,126	381.00	14,507.00	30,409	47.71%	\$ 307,836	\$ 146,857	17,408	57.25%	\$ 176,228	\$ 117,385	MEM	79
80	LC	S	Raices del Saber Xinachtli Com. School	63.00	\$ 48,021	6,391	244.50	6,635.50	8,245	80.48%	\$ 103,385	\$ 83,204	7,963	96.57%	\$ 99,844	\$ 48,021	MEM	80
81	LC	S	The New America School - Las Cruces	182.50	\$ 139,109	14,695	423.75	15,118.75	24,366	62.05%	\$ 297,075	\$ 184,330	18,143	74.46%	\$ 221,197	\$ 139,109	MEM	81
82	Los Lunas	S	School of Dreams Academy	468.50	\$ 357,109	23,352	852.75	24,204.75	31,504	76.83%	\$ 687,774	\$ 528,422	29,046	92.20%	\$ 634,106	\$ 357,109	MEM	82
83	Moriarty	S	Estancia Valley Classical Academy	590.00	\$ 449,722	40,403	1,035.00	41,438.00	57,710	71.80%	\$ 954,212	\$ 685,161	49,726	86.16%	\$ 822,193	\$ 449,722	MEM	83
84	Questa	S	Red River Valley Charter	73.00	\$ 55,644	6,320	259.50	6,579.50	11,570	56.87%		\$ 55,644				\$ 55,644	MEM	84
85	Questa	S	Roots & Wings Community School	50.00	\$ 38,112	2,817	225.00	3,042.00	4,464	68.15%	\$ 42,739	\$ 29,124	3,650	81.77%	\$ 34,949	\$ 34,949	SF of Lease	85
86	RR	S	Sandoval Academy of Bilingual Education **	208.00	\$ 158,546	16,605	462.00	17,067.00	23,964	71.22%	\$ 235,500	\$ 167,722	20,480	85.46%	\$ 201,266	\$ 158,546	MEM	86
87	RR	S	The ASK Academy - Main	458.50	\$ 349,487	24,758	837.75	25,595.75	38,724	66.10%	\$ 551,352	\$ 364,432	30,715	79.32%	\$ 437,318	\$ 349,487	MEM	87
88	RR	S	The ASK Academy - 6th Grade Academy	100.00	\$ 76,224	4,128	300.00	4,428.00	5,622	78.76%	\$ 101,846	\$ 80,216	5,314	94.51%	\$ 96,259	\$ 76,224	MEM	88
89	Roswell	S	Early College High School	187.00	\$ 142,539	6,948	430.50	7,378.50	10,627	69.43%	\$ 164,180	\$ 113,993	8,854	83.32%	\$ 136,791	\$ 136,791	SF of Lease	89
90	Roswell	S	Sidney Gutierrez Middle School	66.00	\$ 50,308	13,269	249.00	13,518.00	20,185	66.97%	\$ 38,508	\$ 25,789	16,222	80.36%	\$ 30,947	\$ 30,947	SF of Lease	90
91	Roswell	S	Sidney Gutierrez - Elementary Component	130.00	\$ 99,091	7,265	345.00	7,610.00	11,520	66.06%	\$ 123,000	\$ 81,253	9,132	79.27%	\$ 97,503	\$ 97,503	SF of Lease	91
92	SF	S	Monte de Sol Charter School	360.00	\$ 274,406	23,357	690.00	24,047.00	31,661	75.95%	\$ 253,752	\$ 192,728	28,856	91.14%	\$ 231,274	\$ 231,274	SF of Lease	92
93	SF	S	New Mexico School for the Arts	281.00	\$ 214,189	37,954	571.50	38,525.50	69,306	55.59%	\$ 281,554	\$ 156,509	46,231	66.71%	\$ 187,811	\$ 187,811	SF of Lease	93
94	SF	D	The Academy for Technology & the Classics	378.00	\$ 288,127	28,793	717.00	29,510.00	47,900	61.61%	\$ 253,841	\$ 156,385	35,412	73.93%	\$ 187,662	\$ 187,662	SF of Lease	94
95	SF	S	The MASTERS Program	265.50	\$ 202,375	5,671	548.25	6,219.25	7,488	83.06%	\$ 117,363	\$ 97,478	7,463	99.67%	\$ 116,973	\$ 116,973	SF of Lease	95
96	SF	S	Tierra Encantada Charter High School	314.50	\$ 239,724	14,604	621.75	15,225.75	25,911	58.76%	\$ 270,000	\$ 158,657	18,271	70.51%	\$ 190,388	\$ 190,388	SF of Lease	96
97	SF	S	Turquoise Trail Charter School (ES)	457.00	\$ 348,344	46,411	835.50	47,246.50	75,731	62.39%		\$ 348,344				\$ 348,344	MEM	97
98	Silver	S	Aldo Leopold Charter HS	165.50	\$ 126,151	7,630	398.25	8,028.25	12,909	62.19%	\$ 120,000	\$ 74,629	9,634	74.63%	\$ 89,555	\$ 89,555	SF of Lease	98
99	Socorro	D	Cottonwood Valley Charter School	170.00	\$ 129,581	11,172	405.00	11,577.00	12,123	95.50%	\$ 121,275	\$ 115,813	13,892	114.60%	\$ 138,976	\$ 121,275	MEM	99
100	Taos	D	Anansi Charter School	189.50	\$ 144,444	13,082	434.25	13,516.25	17,808	75.90%	\$ 180,536	\$ 137,027	16,220	91.08%	\$ 164,432	\$ 144,444	MEM	100
101	Taos	S	Taos Academy Charter School	226.00	\$ 172,266	23,641	489.00	24,130.00	27,120	88.97%	\$ 180,536	\$ 160,632	28,956	106.77%	\$ 192,758	\$ 172,266	MEM	101
102	Taos	S	Taos Integrated School of the Arts	177.50	\$ 135,298	8,801	416.25	9,217.25	13,062	70.57%	\$ 199,320	\$ 140,651	11,061	84.68%	\$ 168,781	\$ 135,298	MEM	102
103	Taos	S	Taos International Charter School	189.00	\$ 144,063	16,031	433.50	16,464.50	24,416	67.43%	\$ 291,564	\$ 196,611	19,757	80.92%	\$ 235,933	\$ 144,063	MEM	103
104	Taos	D	Taos Municipal Charter School	216.00	\$ 164,644	6,923	474.00	7,397.00	9,973	74.17%	\$ 142,100	\$ 105,396	8,876	89.00%	\$ 126,475	\$ 126,475	SF of Lease	104
105	Taos	D	Vista Grande High School	77.00	\$ 58,692	6,237	265.50	6,502.50	11,906	54.62%		\$ 58,692				\$ 58,692	MEM	105
106	WLV	D	Rio Gallinas School ES/MS	67.00	\$ 51,070	13,034	250.50	13,284.50	17,899	74.22%	\$ 40,000	\$ 29,688	15,941	89.06%	\$ 35,625	\$ 35,625	SF of Lease	106

FY22 Total Lease Assistance \$17,878,213

Previous Total FY22 Lease Assistance Amount \$17,689,559

I. FY22 Lease Assistance Award Adjustments**II. Presenter:** Alyce Ramos, Programs Manager**III. Potential Motion:**

Council approval to adjust the Lease Assistance awards for Explore Academy (Masthead Facility), Voz Collegiate Preparatory, Explore Academy (Las Cruces), and Dzil Ditl'ooi School of Empowerment, Action & Perseverance Charter Schools, in the amounts specified in the accompanying spreadsheet entitled "FY22 Lease Assistance Program Detail Summary – Award Adjustments," to reflect MEM count updates for new charter schools and updated lease documentation.

IV. Executive Summary:**Staff Recommendation:**

Adjust the Lease Assistance awards for the following charter schools and associated amounts:

- Explore Academy (Masthead Facility) = \$213,427 (increase of \$129,581)
 - Charter school expanded to include elementary school in a new facility; award adjustment is required to correct the MEM count, based on the 80th day enrollment.
- Voz Collegiate Preparatory = \$30,490 (increase of 6,098)
 - This is a new APS charter school; award adjustment is required to correct the MEM count, based on the 80th day enrollment.
- Dzil Ditl'ooi School of Empowerment, Action & Perseverance (DEAP) = \$30,451 (increase of \$13,354)
 - The charter school's original submitted lease expired October 31, 2021; the charter resubmitted the extended lease.
- Explore Academy (Las Cruces) = \$67,077 (decrease of \$16,769)
 - This is a new state chartered charter school; award adjustment is required to correct the MEM count, based on the 80th day enrollment.

Award adjustments total a difference of \$132,264.

Key Points:

Per statute and PSCOC policy, new charter school's MEM counts must be adjusted following the 80th day to reflect the PED certified full time equivalent enrollment.

SUPPLEMENTAL MATERIAL

FY22 Lease Assistance Award Adjustments

Background:

Per statute Section 22-24-4 (I) (6) (a) NMSA 1978: *“in the case of an approved charter school that has not commenced classroom instruction, the estimated full-time-equivalent enrollment that will use leased classroom facilities in the first year of instruction, as shown in the approved charter school application; provided that, after the eightieth day of the school year, the MEM shall be adjusted to reflect the full-time-equivalent enrollment on that date.”*

- PSFA will make a final adjustment to the award amount, as needed, based on the 80-day certified MEM count. Quarterly payments after the 80-day MEM count will be adjusted to equal the final, accurate total award amount for the fiscal year, based on the 80-day count.

History:

October 13, 2020 – PSCOC Approved Motion: Establish a policy to avoid over-payments of lease assistance to new charter schools by making a preliminary award, based on the estimated MEM provided by the school in the lease assistance application, followed by an adjustment based on actual MEM reported by the school to PSFA at the end of the first week of school, with an additional adjustment based on the 40-day MEM count reported to PED, and a final adjustment based on the 80-day certified MEM count.

Exhibits:

Exhibit A – Adjusted Lease Assistance Calculations Spreadsheet

Exhibit B – Updated 2021-2022 Lease Assistance Program Spreadsheet – March 2022

EXHIBIT "A"

FY22 Lease Assistance Program Detail Summary - Award Adjustments

MEM Rate: \$762.24 per MEM

20% Additional Square Footage Added for Tare

			MEM		Square Feet				Square Feet and Lease Calculations				Additional Square Footage Added for 20% Tare			FY22 Lease Assistance Amount					
A	B	C	D		E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	E
District	State / District	School	FY22 Number of MEM	Lease Assistance Calculation Based on MEM (\$762.24 per MEM)	Classroom Square Feet	Admin Square Feet	Total Square Feet Eligible for Lease Assistance (G+H)	Actual Total Building Square Feet	Percent of Lease Amount Eligible for Lease Assistance (I/J)	Actual Annual Lease Amount Paid by the School	Lease Assistance Calculation Based on Square Feet of Lease (K*L)	Lease Assistance without Tare (Lesser of Calculation Based on MEM or SF of Lease) (F or M)	Total Square Feet Eligible for Lease Assistance with Tare (G+H+20%)	Percent of Lease Amount Eligible for Lease Assistance with Tare (O/P)	Lease Assistance Calculation Based on Square Feet of Lease with 20% Added for Tare (L*P)	ORIGINAL FY22 Lease Assistance Award	UPDATED FY22 Lease Assistance Amount (Lesser of Calculation Based on MEM or SF of Lease with Tare) (F or Q)	FY22 Basis of Lease Assistance (MEM or SF of Lease)	DIFFERENCE (S-R)		
23	ABQ	S	Explore Academy -Masthead	280.00	\$ 213,427	21,866	570.00	22,436.00	35,700	62.85%	\$ 822,910	\$ 517,166	\$ 213,427	26,923	75.42%	\$ 620,599	\$ 83,846	\$ 213,427	MEM	\$ 129,581	
60	ABQ	D	Voz Collegiate Preparatory Charter School (NEW)	40.00	\$ 30,490	3,714	210.00	3,924.00	14,393	27.26%	\$ 149,342	\$ 40,716	\$ 30,490	4,709	32.72%	\$ 48,859	\$ 24,392	\$ 30,490	MEM	\$ 6,098	
69	GMCS	S	Dzil Dit'ooi School of Empowerment, Action & Perseverance	45.00	\$ 34,301	1,986	217.50	2,203.50	2,880	76.51%	\$ 33,167	\$ 25,376	\$ 25,376	2,644	91.81%	\$ 30,451	\$ 17,097	\$ 30,451	SF of Lease	\$ 13,354	
76	LC	S	Explore Academy - Las Cruces (NEW)	88.00	\$ 67,077	11,392	282.00	11,674.00	20,250	57.65%	\$ 173,250	\$ 99,878	\$ 67,077	14,009	69.18%	\$ 119,853	\$ 83,846	\$ 67,077	MEM	\$ (16,769)	

Total Difference **\$ 132,264**

EXHIBIT "B"

FY22 Lease Assistance Program Detail Summary - March 2022

MEM Rate: \$762.24 per MEM

20% Additional Square Footage Added for Tare

				MEM		Square Feet				Square Feet and Lease Calculations				Additional Square Footage Added for 20% Tare			FY22 Lease Assistance	
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
	District	State / District	School	FY22 Number of MEM	Lease Assistance Calculation Based on MEM (\$762.24 per MEM)	Classroom Square Feet	Admin Square Feet	Total Square Feet Eligible for Lease Assistance (G+H)	Actual Total Building Square Feet	Percent of Lease Amount Eligible for Lease Assistance (I/J)	Actual Annual Lease Amount Paid by the School	Lease Assistance Calculation Based on Square Feet of Lease (K*L)	Lease Assistance without Tare (Lesser of Calculation Based on MEM or SF of Lease) (F or M)	Total Square Feet Eligible for Lease Assistance with Tare (G+H+20%)	Percent of Lease Amount Eligible for Lease Assistance with Tare (O/J)	Lease Assistance Calculation Based on Square Feet of Lease with 20% Added for Tare (L*P)	FY22 Lease Assistance Amount (Lesser of Calculation Based on MEM or SF of Lease with Tare) (F or Q)	FY22 Basis of Lease Assistance (MEM or SF of Lease)
1	ABQ	D	Albuquerque Charter Academy	368.50	\$ 280,885	13,742	702.75	14,444.75	27,838	51.89%	\$ 211,498	\$ 109,743	\$ 109,743	17,334	62.27%	\$ 131,692	\$ 131,692	SF of Lease
2	ABQ	D	ACE Leadership High School	209.50	\$ 159,689	12,895	464.25	13,359.25	23,190	57.61%	\$ 404,034	\$ 232,755	\$ 159,689	16,031	69.13%	\$ 279,306	\$ 159,689	MEM
3	ABQ	S	ACES Technical Charter School	45.00	\$ 34,301	9,621	217.50	9,838.50	12,163	80.89%	\$ 173,225	\$ 140,120	\$ 34,301	11,806	97.07%	\$ 168,144	\$ 34,301	MEM
4	ABQ	S	Albuquerque Bilingual Academy	374.50	\$ 285,459	33,403	711.75	34,114.75	45,501	74.98%	\$ 585,929	\$ 439,305	\$ 285,459	40,938	89.97%	\$ 527,166	\$ 285,459	MEM
5	ABQ	S	Albuquerque Collegiate	129.50	\$ 98,710	9,814	344.25	10,158.25	14,114	71.97%	\$ 371,000	\$ 267,019	\$ 98,710	12,190	86.37%	\$ 320,423	\$ 98,710	MEM
6	ABQ	S	Albuquerque Institute for Math & Science	378.50	\$ 288,508	17,797	717.75	18,514.75	28,020	66.08%	\$ 478,772	\$ 316,358	\$ 288,508	22,218	79.29%	\$ 379,629	\$ 288,508	MEM
7	ABQ	S	Albuquerque School of Excellence - Main	448.00	\$ 341,484	28,497	822.00	29,319.00	44,164	66.39%	\$ 684,981	\$ 454,736	\$ 341,484	35,183	79.66%	\$ 545,683	\$ 341,484	MEM
8	ABQ	S	Albuquerque School of Excellence - ES	408.00	\$ 310,994	25,502	762.00	26,264.00	44,664	58.80%	\$ 602,652	\$ 354,381	\$ 310,994	31,517	70.56%	\$ 425,257	\$ 310,994	MEM
9	ABQ	D	Albuquerque Talent Development Academy	111.00	\$ 84,609	13,384	316.50	13,700.50	16,708	82.00%	\$ 264,000	\$ 216,479	\$ 84,609	16,441	98.40%	\$ 259,775	\$ 84,609	MEM
10	ABQ	D	Alice King Community School	462.50	\$ 352,536	32,753	843.75	33,596.75	50,908	66.00%	\$ 510,235	\$ 336,730	\$ 336,730	40,316	79.19%	\$ 404,076	\$ 352,536	MEM
11	ABQ	S	Altura Preparatory School	178.50	\$ 136,060	13,100	417.75	13,517.75	21,696	62.31%	\$ 298,763	\$ 186,145	\$ 136,060	16,221	74.77%	\$ 223,374	\$ 136,060	MEM
12	ABQ	S	Amy Biehl High School - Main Building	273.00	\$ 208,092	25,733	559.50	26,292.50	39,264	66.96%	\$ 220,841	\$ 147,883	\$ 147,883	31,551	80.36%	\$ 177,459	\$ 177,459	SF of Lease
13	ABQ	S	Amy Biehl High School - Simms Building	273.00	\$ 208,092	2,165	559.50	2,724.50	3,420	79.66%	\$ 24,720	\$ 19,693	\$ 19,693	3,269	95.60%	\$ 23,631	\$ 23,631	SF of Lease
14	ABQ	S	Cesar Chavez Community School	204.50	\$ 155,878	19,392	456.75	19,848.75	26,987	73.55%	\$ 431,880	\$ 317,645	\$ 155,878	23,819	88.26%	\$ 381,174	\$ 155,878	MEM
15	ABQ	D	Christine Duncan's Heritage Academy	391.50	\$ 298,417	25,293	737.25	26,030.25	34,580	75.28%	\$ 420,000	\$ 316,157	\$ 298,417	31,236	90.33%	\$ 379,388	\$ 298,417	MEM
16	ABQ	D	Cien Aguas International School	424.00	\$ 323,190	18,453	786.00	19,239.00	28,334	67.90%	\$ 427,683	\$ 290,400	\$ 290,400	23,087	81.48%	\$ 348,480	\$ 323,190	MEM
17	ABQ	D	Coral Community Charter School	208.50	\$ 158,927	12,315	462.75	12,777.75	18,880	67.68%	\$ 137,387	\$ 92,982	\$ 92,982	15,333	81.21%	\$ 111,578	\$ 111,578	SF of Lease
18	ABQ	D	Corrales International School	248.00	\$ 189,036	16,015	522.00	16,537.00	23,418	70.62%	\$ 378,480	\$ 267,270	\$ 189,036	19,844	84.74%	\$ 320,724	\$ 189,036	MEM
19	ABQ	D	Cottonwood Classical Preparatory School	771.50	\$ 588,068	28,600	1,307.25	29,907.25	47,141	63.44%	\$ 879,622	\$ 558,051	\$ 558,051	35,889	76.13%	\$ 669,661	\$ 588,068	MEM
20	ABQ	D	Digital Arts and Technology Academy HS	311.00	\$ 237,057	31,714	616.50	32,330.50	50,436	64.10%	\$ 171,894	\$ 110,187	\$ 110,187	38,797	76.92%	\$ 132,225	\$ 132,225	SF of Lease
21	ABQ	D	East Mountain High School	375.50	\$ 286,221	28,963	713.25	29,676.25	43,784	67.78%	\$ 392,200	\$ 265,828	\$ 265,828	35,612	81.33%	\$ 318,994	\$ 286,221	MEM
22	ABQ	D	El Camino Real Academy	279.00	\$ 212,665	40,677	568.50	41,245.50	66,121	62.38%	\$ 702,649	\$ 438,304	\$ 212,665	49,495	74.85%	\$ 525,965	\$ 212,665	MEM
23	ABQ	S	Explore Academy -Masthead	280.00	\$ 213,427	21,866	570.00	22,436.00	35,700	62.85%	\$ 822,910	\$ 517,166	\$ 213,427	26,923	75.42%	\$ 620,599	\$ 213,427	MEM
24	ABQ	S	Explore Academy - Gulton	611.00	\$ 465,729	31,319	1,066.50	32,385.50	81,290	39.84%	\$ 790,917	\$ 315,097	\$ 315,097	38,863	47.81%	\$ 378,117	\$ 378,117	SF of Lease
25	ABQ	D	Gilbert L. Sena Charter HS	129.50	\$ 98,710	8,976	344.25	9,320.25	14,110	66.05%	\$ 228,000	\$ 150,604	\$ 98,710	11,184	79.27%	\$ 180,724	\$ 98,710	MEM
26	ABQ	D	Gordon Bernell Charter School	191.50	\$ 145,969	3,290	437.25	3,727.10	5,950	62.64%	\$ 168,319	\$ 105,435	\$ 105,435	4,473	75.17%	\$ 126,522	\$ 126,522	SF of Lease
27	ABQ	D	Health Leadership High School	186.00	\$ 141,777	10,509	429.00	10,938.00	16,124	67.84%	\$ 232,320	\$ 157,598	\$ 141,777	13,126	81.40%	\$ 189,118	\$ 141,777	MEM
28	ABQ	S	Horizon Academy West	399.25	\$ 304,324	29,387	748.88	30,135.88	42,347	71.16%	\$ 478,800	\$ 340,734	\$ 304,324	36,163	85.40%	\$ 408,881	\$ 304,324	MEM
29	ABQ	D	La Academia de Esperanza	247.00	\$ 188,273	19,331	520.50	19,851.50	28,402	69.89%	\$ 212,224	\$ 148,333	\$ 148,333	23,822	83.87%	\$ 178,000	\$ 178,000	SF of Lease
30	ABQ	D	Los Puentes Charter School	131.00	\$ 99,853	14,434	346.50	14,780.50	21,173	69.81%	\$ 170,874	\$ 119,284	\$ 99,853	17,737	83.77%	\$ 143,141	\$ 99,853	MEM
31	ABQ	D	Mark Armijo Academy	185.50	\$ 141,396	5,897	428.25	6,325.25	9,715	65.11%	\$ 151,477	\$ 98,624	\$ 98,624	7,590	78.13%	\$ 118,349	\$ 118,349	SF of Lease
32	ABQ	S	Media Arts Collaborative Charter - Main Bldg.	191.50	\$ 145,969	6,842	437.25	7,279.25	12,208	59.63%	\$ 104,314	\$ 62,199	\$ 62,199	8,735	71.55%	\$ 74,639	\$ 145,969	MEM
33	ABQ	S	Media Arts Collaborative Charter - Nob Hill Studios	191.50	\$ 145,969	7,458	437.25	7,895.25	11,015	71.68%	\$ 101,233	\$ 72,561	\$ 72,561	9,474	86.01%	\$ 87,073	\$ 145,969	MEM
34	ABQ	S	Mission Achievement and Success 2.0 - Old Coors Road	575.00	\$ 438,288	10,523	1,012.50	11,535.50	16,748	68.88%	\$ 499,476	\$ 344,023	\$ 344,023	13,843	82.65%	\$ 412,828	\$ 412,828	SF of Lease
35	ABQ	S	Mission Achievement and Success 1.0 - Yale	1136.50	\$ 866,286	44,818	1,854.75	46,672.75	70,548	66.16%	\$ 882,842	\$ 584,066	\$ 584,066	56,007	79.39%	\$ 700,879	\$ 700,879	SF of Lease
36	ABQ	D	Montessori of the Rio Grande	218.00	\$ 166,168	18,291	477.00	18,768.00	27,997	67.04%	\$ 166,168	\$ 166,168	\$ 166,168	22,522	80.44%	\$ 166,168	\$ 166,168	MEM
37	ABQ	D	Mountain Mahogany Community School	193.50	\$ 147,493	14,133	440.25	14,573.25	16,114	90.44%	\$ 105,996	\$ 95,861	\$ 95,861	17,488	108.53%	\$ 115,033	\$ 105,996	SF of Lease

FY22 Lease Assistance Program Detail Summary - March 2022

MEM Rate: \$762.24 per MEM

20% Additional Square Footage Added for Tare

			MEM		Square Feet				Square Feet and Lease Calculations				Additional Square Footage Added for 20% Tare			FY22 Lease Assistance		
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
	District	State / District	School	FY22 Number of MEM	Lease Assistance Calculation Based on MEM (\$762.24 per MEM)	Classroom Square Feet	Admin Square Feet	Total Square Feet Eligible for Lease Assistance (G+H)	Actual Total Building Square Feet	Percent of Lease Amount Eligible for Lease Assistance (I/J)	Actual Annual Lease Amount Paid by the School	Lease Assistance Calculation Based on Square Feet of Lease (K*L)	Lease Assistance without Tare (Lesser of Calculation Based on MEM or SF of Lease) (F or M)	Total Square Feet Eligible for Lease Assistance with Tare (G+H+20%)	Percent of Lease Amount Eligible for Lease Assistance with Tare (O/J)	Lease Assistance Calculation Based on Square Feet of Lease with 20% Added for Tare (L*P)	FY22 Lease Assistance Amount (Lesser of Calculation Based on MEM or SF of Lease with Tare) (F or Q)	FY22 Basis of Lease Assistance (MEM or SF of Lease)
38	ABQ	D	Native American Community Academy 1000 Indian School	298.50	\$ 227,529	23,296	597.75	23,893.75	38,178	62.59%	\$ 303,864	\$ 190,174	\$ 190,174	28,673	75.10%	\$ 228,208	\$ 227,529	MEM
39	ABQ	D	Native American Community Academy 1100 Indian School	298.50	\$ 227,529	2,634	597.75	3,231.75	4,463	72.41%	\$ 57,539	\$ 41,665	\$ 41,665	3,878	86.89%	\$ 49,998	\$ 130,963	SF of Lease
40	ABQ	D	Native American Community Academy CNM	199.00	\$ 151,686	23,500	448.50	23,948.50	37,647	63.61%	\$ 171,561	\$ 109,136	\$ 109,136	28,738	76.34%	\$ 130,963	\$ 290,795	MEM
41	ABQ	D	New Mexico International School	381.50	\$ 290,795	36,049	722.25	36,771.25	66,076	55.65%	\$ 494,059	\$ 274,943	\$ 274,943	44,126	66.78%	\$ 329,932	\$ 333,480	MEM
42	ABQ	S	North Valley Academy - Art Space	437.50	\$ 333,480	2,600	806.25	3,406.25	3,200	106.45%	\$ 45,315	\$ 48,236	\$ 48,236	4,088	127.73%	\$ 57,883	\$ 339,578	MEM
43	ABQ	S	North Valley Academy - Main Campus	437.50	\$ 333,480	32,706	806.25	33,512.25	40,496	82.75%	\$ 413,690	\$ 342,347	\$ 333,480	40,215	99.31%	\$ 410,816	\$ 186,749	MEM
44	ABQ	D	Public Academy for Performing Arts	445.50	\$ 339,578	28,683	818.25	29,501.25	46,709	63.16%		\$ 339,578	\$ 339,578	35,402	75.79%		\$ 62,504	MEM
45	ABQ	S	Robert F. Kennedy Charter HS	245.00	\$ 186,749	42,430	517.50	42,947.50	63,173	67.98%		\$ 186,749	\$ 186,749	51,537	81.58%		\$ 126,195	SF of Lease
46	ABQ	S	Robert F. Kennedy Charter MS	82.00	\$ 62,504	5,647	273.00	5,920.00	7,313	80.95%		\$ 62,504	\$ 62,504	7,104	97.14%		\$ 142,920	MEM
47	ABQ	D	Siembra Leadership HS	176.50	\$ 134,535	5,618	414.75	6,032.75	7,166	84.19%	\$ 124,917	\$ 105,162	\$ 105,162	7,239	101.02%	\$ 126,195	\$ 473,732	MEM
48	ABQ	S	Solare Collegiate Charter School	187.50	\$ 142,920	10,599	431.25	11,030.25	20,934	52.69%	\$ 479,988	\$ 252,909	\$ 142,920	13,236	63.23%	\$ 303,490	\$ 173,410	MEM
49	ABQ	D	South Valley Academy	621.50	\$ 473,732	48,933	1,082.25	50,015.25	66,507	75.20%		\$ 473,732	\$ 473,732	60,018	90.24%		\$ 124,657	SF of Lease
50	ABQ	S	Southwest Aeronautics, Mathematics & Science Academy	227.50	\$ 173,410	27,923	491.25	28,414.25	41,393	68.65%	\$ 229,549	\$ 157,574	\$ 157,574	34,097	82.37%	\$ 189,089	\$ 120,434	MEM
51	ABQ	S	Southwest Preparatory Learning Center	175.00	\$ 133,392	21,632	412.50	22,044.50	29,285	75.28%	\$ 138,000	\$ 103,881	\$ 103,881	26,453	90.33%	\$ 124,657	\$ 150,673	SF of Lease
52	ABQ	S	Southwest Secondary Learning Center	158.00	\$ 120,434	13,775	387.00	14,162.00	17,159	82.53%	\$ 431,676	\$ 356,280	\$ 120,434	16,994	99.04%	\$ 427,535	\$ 84,609	MEM
53	ABQ	D	Technology Leadership High School	297.00	\$ 226,385	6,938	595.50	7,533.50	12,000	62.78%	\$ 200,004	\$ 125,561	\$ 125,561	9,040	75.34%	\$ 150,673	\$ 92,612	MEM
54	ABQ	S	The Albuquerque Sign Language Academy	111.00	\$ 84,609	5,904	316.50	6,220.50	9,701	64.12%		\$ 84,609	\$ 84,609	7,465	76.95%		\$ 328,525	MEM
55	ABQ	S	The GREAT Academy	121.50	\$ 92,612	6,171	332.25	6,503.25	15,033	43.26%	\$ 219,605	\$ 95,001	\$ 92,612	7,804	51.91%	\$ 114,001	\$ 165,787	MEM
56	ABQ	S	The Montessori Elementary School	431.00	\$ 328,525	19,565	796.50	20,361.50	33,924	60.02%	\$ 700,392	\$ 420,382	\$ 328,525	24,434	72.03%	\$ 504,458	\$ 188,654	MEM
57	ABQ	D	The New America School - NM	217.50	\$ 165,787	18,307	476.25	18,783.25	25,439	73.84%	\$ 365,378	\$ 269,782	\$ 165,787	22,540	88.60%	\$ 323,738	\$ 267,165	MEM
58	ABQ	S	Tierra Adentro of New Mexico	247.50	\$ 188,654	18,700	521.25	19,221.25	38,300	50.19%	\$ 380,281	\$ 190,848	\$ 188,654	23,066	60.22%	\$ 229,018	\$ 30,490	MEM
59	ABQ	S	21 st Century Public Academy	350.50	\$ 267,165	27,587	675.75	28,262.75	52,374	53.96%	\$ 795,462	\$ 429,258	\$ 267,165	33,915	64.76%	\$ 515,110	\$ 27,044	SF of Lease
60	ABQ	D	Voz Collegiate Preparatory Charter School (NEW)	40.00	\$ 30,490	3,714	210.00	3,924.00	14,393	27.26%	\$ 149,342	\$ 40,716	\$ 30,490	4,709	32.72%	\$ 48,859	\$ 6,000	SF of Lease
61	ABQ	D	William W. & Josephine Dorn Charter Community	38.50	\$ 29,346	3,076	207.75	3,283.75	5,770	56.91%	\$ 39,600	\$ 22,537	\$ 22,537	3,941	68.29%	\$ 27,044	\$ 59,760	SF of Lease
62	Aztec	D	Mosaic Academy Charter School (Gym)	180.00	\$ 137,203	10,000	420.00	10,420.00	10,420	100.00%	\$ 6,000	\$ 6,000	\$ 6,000	12,504	120.00%	\$ 7,200	\$ 187,130	MEM
63	Aztec	D	Mosaic Academy Charter School (Portables)	180.00	\$ 137,203	6,680	420.00	7,100.00	7,520	94.41%	\$ 59,760	\$ 56,422	\$ 56,422	8,520	113.30%	\$ 67,707	\$ 45,333	SF of Lease
64	Carlsbad	D	Jefferson Montessori Academy	245.50	\$ 187,130	30,706	518.25	31,224.25	17,591	177.50%		\$ 187,130	\$ 187,130	37,469	213.00%		\$ 99,853	MEM
65	Cimarron	D	Moreno Valley High School	63.00	\$ 48,021	13,297	244.50	13,541.50	20,432	66.28%	\$ 57,000	\$ 37,777	\$ 37,777	16,250	79.53%	\$ 45,333	\$ 41,542	MEM
66	Deming	D	Deming Cesar Chavez Charter High School	131.00	\$ 99,853	17,470	346.50	17,816.50	23,667	75.28%		\$ 99,853	\$ 99,853	21,380	90.34%		\$ 369,810	SF of Lease
67	Espanola	S	La Tierra Montessori School of the Arts and Sciences	54.50	\$ 41,542	8,974	231.75	9,205.75	14,482	63.57%	\$ 72,000	\$ 45,768	\$ 41,542	11,047	76.28%	\$ 54,922	\$ 308,175	MEM
68	Espanola	S	McCurdy Charter School	527.00	\$ 401,700	43,755	940.50	44,695.50	73,617	60.71%	\$ 507,588	\$ 308,175	\$ 308,175	53,635	72.86%	\$ 369,810	\$ 25,376	SF of Lease
69	GMCS	S	Dzil Ditl'ooi School of Empowerment, Action & Perseverance	45.00	\$ 34,301	1,986	217.50	2,203.50	2,880	76.51%	\$ 33,167	\$ 25,376	\$ 25,376	2,644	91.81%	\$ 30,451	\$ 308,707	MEM
70	GMCS	S	Hozho Academy	405.00	\$ 308,707	29,410	757.50	30,167.50	59,837	50.42%	\$ 1,260,000	\$ 635,243	\$ 308,707	36,201	60.50%	\$ 762,292	\$ 26,969	SF of Lease
71	GMCS	S	Middle College High School	140.00	\$ 106,714	4,258	360.00	4,618.00	5,301	87.12%	\$ 26,969	\$ 23,494	\$ 23,494	5,542	104.54%	\$ 28,193	\$ 57,930	MEM
72	GMCS	S	Six Directions Indigenous School	76.00	\$ 57,930	11,099	264.00	11,363.00	14,931	76.10%	\$ 120,000	\$ 91,324	\$ 57,930	13,636	91.32%	\$ 109,589	\$ 38,156	SF of Lease
73	Jemez V.	D	San Diego Riverside Charter School	81.50	\$ 62,123	11,323	272.25	11,595.25	16,586	69.91%	\$ 45,482	\$ 31,796	\$ 31,796	13,914	83.89%	\$ 38,156	\$ 40,018	MEM
74	Jemez V.	S	Walatowa High Charter School	52.50	\$ 40,018	11,320	228.75	11,548.75	13,062	88.41%		\$ 40,018	\$ 40,018					

FY22 Lease Assistance Program Detail Summary - March 2022

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20% Additional Square Footage Added for Tare

			MEM		Square Feet				Square Feet and Lease Calculations				Additional Square Footage Added for 20% Tare			FY22 Lease Assistance		
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
District	State / District	School	FY22 Number of MEM	Lease Assistance Calculation Based on MEM (\$762.24 per MEM)	Classroom Square Feet	Admin Square Feet	Total Square Feet Eligible for Lease Assistance (G+H)	Actual Total Building Square Feet	Percent of Lease Amount Eligible for Lease Assistance (I/J)	Actual Annual Lease Amount Paid by the School	Lease Assistance Calculation Based on Square Feet of Lease (K*L)	Lease Assistance without Tare (Lesser of Calculation Based on MEM or SF of Lease) (F or M)	Total Square Feet Eligible for Lease Assistance with Tare (G+H+20%)	Percent of Lease Amount Eligible for Lease Assistance with Tare (O/J)	Lease Assistance Calculation Based on Square Feet of Lease with 20% Added for Tare (L*P)	FY22 Lease Assistance Amount (Lesser of Calculation Based on MEM or SF of Lease with Tare) (F or Q)	FY22 Basis of Lease Assistance (MEM or SF of Lease)	
75	LC	S	Alma d'arte Charter HS	132.50	\$ 100,997	30,519	348.75	30,867.75	47,308	65.25%		\$ 100,997				\$ 100,997	MEM	75
76	LC	S	Explore Academy - Las Cruces (NEW)	88.00	\$ 67,077	11,392	282.00	11,674.00	20,250	57.65%	\$ 173,250	\$ 67,077	14,009	69.18%	\$ 119,853	\$ 67,077	MEM	76
77	LC	S	J. Paul Taylor Academy	200.00	\$ 152,448	16,570	450.00	17,020.00	23,017	73.95%		\$ 152,448				\$ 152,448	MEM	77
78	LC	S	La Academia Dolores Huerta	72.00	\$ 54,881	12,197	258.00	12,455.00	21,832	57.05%		\$ 54,881				\$ 54,881	MEM	78
79	LC	S	Las Montanas Charter High School	154.00	\$ 117,385	14,126	381.00	14,507.00	30,409	47.71%	\$ 307,836	\$ 117,385	17,408	57.25%	\$ 176,228	\$ 117,385	MEM	79
80	LC	S	Raices del Saber Xinachtli Com. School	63.00	\$ 48,021	6,391	244.50	6,635.50	8,245	80.48%	\$ 103,385	\$ 48,021	7,963	96.57%	\$ 99,844	\$ 48,021	MEM	80
81	LC	S	The New America School - Las Cruces	182.50	\$ 139,109	14,695	423.75	15,118.75	24,366	62.05%	\$ 297,075	\$ 139,109	18,143	74.46%	\$ 221,197	\$ 139,109	MEM	81
82	Los Lunas	S	School of Dreams Academy	468.50	\$ 357,109	23,352	852.75	24,204.75	31,504	76.83%	\$ 687,774	\$ 357,109	29,046	92.20%	\$ 634,106	\$ 357,109	MEM	82
83	Moriarty	S	Estancia Valley Classical Academy	590.00	\$ 449,722	40,403	1,035.00	41,438.00	57,710	71.80%	\$ 954,212	\$ 449,722	49,726	86.16%	\$ 822,193	\$ 449,722	MEM	83
84	Questa	S	Red River Valley Charter	73.00	\$ 55,644	6,320	259.50	6,579.50	11,570	56.87%		\$ 55,644				\$ 55,644	MEM	84
85	Questa	S	Roots & Wings Community School	50.00	\$ 38,112	2,817	225.00	3,042.00	4,464	68.15%	\$ 42,739	\$ 29,124	3,650	81.77%	\$ 34,949	\$ 34,949	SF of Lease	85
86	RR	S	Sandoval Academy of Bilingual Education **	208.00	\$ 158,546	16,605	462.00	17,067.00	23,964	71.22%	\$ 235,500	\$ 158,546	20,480	85.46%	\$ 201,266	\$ 158,546	MEM	86
87	RR	S	The ASK Academy - Main	458.50	\$ 349,487	24,758	837.75	25,595.75	38,724	66.10%	\$ 551,352	\$ 349,487	30,715	79.32%	\$ 437,318	\$ 349,487	MEM	87
88	RR	S	The ASK Academy - 6th Grade Academy	100.00	\$ 76,224	4,128	300.00	4,428.00	5,622	78.76%	\$ 101,846	\$ 76,224	5,314	94.51%	\$ 96,259	\$ 76,224	MEM	88
89	Roswell	S	Early College High School	187.00	\$ 142,539	6,948	430.50	7,378.50	10,627	69.43%	\$ 164,180	\$ 113,993	8,854	83.32%	\$ 136,791	\$ 136,791	SF of Lease	89
90	Roswell	S	Sidney Gutierrez Middle School	66.00	\$ 50,308	13,269	249.00	13,518.00	20,185	66.97%	\$ 38,508	\$ 25,789	16,222	80.36%	\$ 30,947	\$ 30,947	SF of Lease	90
91	Roswell	S	Sidney Gutierrez - Elementary Component	130.00	\$ 99,091	7,265	345.00	7,610.00	11,520	66.06%	\$ 123,000	\$ 81,253	9,132	79.27%	\$ 97,503	\$ 97,503	SF of Lease	91
92	SF	S	Monte de Sol Charter School	360.00	\$ 274,406	23,357	690.00	24,047.00	31,661	75.95%	\$ 253,752	\$ 192,728	28,856	91.14%	\$ 231,274	\$ 231,274	SF of Lease	92
93	SF	S	New Mexico School for the Arts	281.00	\$ 214,189	37,954	571.50	38,525.50	69,306	55.59%	\$ 281,554	\$ 156,509	46,231	66.71%	\$ 187,811	\$ 187,811	SF of Lease	93
94	SF	D	The Academy for Technology & the Classics	378.00	\$ 288,127	28,793	717.00	29,510.00	47,900	61.61%	\$ 253,841	\$ 156,385	35,412	73.93%	\$ 187,662	\$ 187,662	SF of Lease	94
95	SF	S	The MASTERS Program	265.50	\$ 202,375	5,671	548.25	6,219.25	7,488	83.06%	\$ 117,363	\$ 97,478	7,463	99.67%	\$ 116,973	\$ 116,973	SF of Lease	95
96	SF	S	Tierra Encantada Charter High School	314.50	\$ 239,724	14,604	621.75	15,225.75	25,911	58.76%	\$ 270,000	\$ 158,657	18,271	70.51%	\$ 190,388	\$ 190,388	SF of Lease	96
97	SF	S	Turquoise Trail Charter School (ES)	457.00	\$ 348,344	46,411	835.50	47,246.50	75,731	62.39%		\$ 348,344				\$ 348,344	MEM	97
98	Silver	S	Aldo Leopold Charter HS	165.50	\$ 126,151	7,630	398.25	8,028.25	12,909	62.19%	\$ 120,000	\$ 74,629	9,634	74.63%	\$ 89,555	\$ 89,555	SF of Lease	98
99	Socorro	D	Cottonwood Valley Charter School	170.00	\$ 129,581	11,172	405.00	11,577.00	12,123	95.50%	\$ 121,275	\$ 115,813	13,892	114.60%	\$ 138,976	\$ 121,275	MEM	99
100	Taos	D	Anansi Charter School	189.50	\$ 144,444	13,082	434.25	13,516.25	17,808	75.90%	\$ 180,536	\$ 137,027	16,220	91.08%	\$ 164,432	\$ 144,444	MEM	100
101	Taos	S	Taos Academy Charter School	226.00	\$ 172,266	23,641	489.00	24,130.00	27,120	88.97%	\$ 180,536	\$ 160,632	28,956	106.77%	\$ 192,758	\$ 172,266	MEM	101
102	Taos	S	Taos Integrated School of the Arts	177.50	\$ 135,298	8,801	416.25	9,217.25	13,062	70.57%	\$ 199,320	\$ 140,651	11,061	84.68%	\$ 168,781	\$ 135,298	MEM	102
103	Taos	S	Taos International Charter School	189.00	\$ 144,063	16,031	433.50	16,464.50	24,416	67.43%	\$ 291,564	\$ 196,611	19,757	80.92%	\$ 235,933	\$ 144,063	MEM	103
104	Taos	D	Taos Municipal Charter School	216.00	\$ 164,644	6,923	474.00	7,397.00	9,973	74.17%	\$ 142,100	\$ 105,396	8,876	89.00%	\$ 126,475	\$ 126,475	SF of Lease	104
105	Taos	D	Vista Grande High School	77.00	\$ 58,692	6,237	265.50	6,502.50	11,906	54.62%		\$ 58,692				\$ 58,692	MEM	105
106	WLV	D	Rio Gallinas School ES/MS	67.00	\$ 51,070	13,034	250.50	13,284.50	17,899	74.22%	\$ 40,000	\$ 29,688	15,941	89.06%	\$ 35,625	\$ 35,625	SF of Lease	106

FY22 Total Lease Assistance \$18,010,477

Previous Total FY22 Lease Assistance Amount \$17,689,559

Difference \$320,918

Notes:

I. P20-009 Clovis (Barry ES) – Out Year Design Phase Funding

II. Presenter(s): Martica Casias, Executive Director
Daniel Juarez, Senior Projects Coordinator

III. Potential Motion:

Council approval to amend the current Standards-based award to Clovis Municipal Schools for Barry ES to include out-year design phase funding, with an increase in the state match (68%) for \$324,375 and a corresponding increase in the local match (32%) of \$152,647 for a total of \$477,023. Upon completion of the design phase work, the district may return to the PSCOC for out-year construction phase funding.

IV. Executive Summary:

Request:

District is requesting \$3,243,754 in out-year design phase funding.

Staff Recommendation:

Staff recommends approval of out-year design phase funding for \$324,375 (68% state match).

Key Points:

- In August 2021, the PSCOC approved a district request to combine the Pre-Kindergarten and Standards based awards for Barry ES.
- Construction is in process for the awarded General and Pre-K classroom additions, re-roofing and interior ceiling finishes.
- Requested out-year funding will allow for the completion of interior, exterior renovations and site work improvements.

SUPPLEMENTAL MATERIAL

Clovis P20-009 (Barry ES) – Out Year Design Phase Funding

Background:

Facility Information at time of Award				
Rank	72	PM Plan	Current as of 8/9/21	Outstanding
Gross Square Footage	52,930			
Campus FCI	73.28%	FIMS Proficiency	Uses all 3 resources	Outstanding
wNMCI	39.64%	FMAR Avg.	88.77%	Good
Campus FMAR	84.57%	Facility FMAR as of	93.83%	
2020-2021 Enrollment	340		8/15/19	No deficiencies to report

History:

June 14, 2018: *Planning, design, and construction to provide 2 new classrooms and 1 new restroom. Funding excludes the purchase of portable buildings, playgrounds, and furniture, fixtures and equipment (FF&E). Construction/renovation shall meet the current kindergarten adequacy standards (6.27.30 NMAC).*

September 18, 2019: *Planning and design for the project, construction funding to complete roofing and HVAC replacement of \$1.8 million, and construction funding to complete the classroom addition for a design capacity of 400 students, grades K-5. The district may return to the PSCOC for out-of-cycle funding for the balance of the award for construction of the interior renovations and site work.*

August 2, 2021: *Council approval to rescind the Pre-Kindergarten award for Clovis – Barry Elementary School (K18-002) and reallocate the state share of \$667,714 Pre-Kindergarten award to the existing state share \$2,797,084 of the standards based award (P20-009) for Barry ES, for a total state share of \$3,464,798.*

Funding Summary			
	Total	State Match	Local Match
Total Pre-K & Standards-Project Costs	\$ 9,762,157	\$ 6,708,552	\$ 3,053,605
Pre-K Award - Combined Phases			
State-Local (76%/24%) Match	\$ 878,571	\$ 667,714	\$ 210,857
Standards Award - Combined Phases			
State-Local (68%/32%) Match	\$ 4,113,359	\$ 2,797,084	\$ 1,316,275
Out-Year State - Local Match	\$ 4,770,227	\$ 3,243,754	\$ 1,526,473

SUPPLEMENTAL MATERIAL
Clovis P20-009 (Barry ES) – Out Year Design Phase Funding

Funding Summary			
	Total	State Match	Local Match
K18-002 Combined Phase	\$ 878,571	\$ 667,714	\$ 210,857
P19-002 Phase 1 Standards Award	\$ 4,113,359	\$ 2,797,084	\$ 1,316,275
P19-002 Out-Year Funding	\$ 4,770,227	\$ 3,243,754	\$ 1,526,473
Total Combined Pre-K and Standards-based Project Costs	\$ 9,762,157	\$ 6,708,552	\$ 3,053,605
August 2nd, 2021 PSCOC Award			
	Total	State Match	Local Match
Pre-K Award - Combined Phases - (76%/24%)	\$ 878,571	\$ 667,714	\$ 210,857
Standards Award - Combined Phases - (68%/32%)	\$ 4,113,359	\$ 2,797,084	\$ 1,316,275
Total State/Local Funding	\$ 4,991,930	\$ 3,464,798	\$ 1,527,132
Phase 2 - Start of Design in Process			
	Total	State Match	Local Match
		68%	32%
Out-Year State Local Funding	\$ 4,770,227	\$ 3,243,754	\$ 1,526,473
Out Year State-Local Funding by Phase			
	Total	68%	32%
		State Match	Local Match
Design	\$ 477,023	\$ 324,375	\$ 152,647
Construction	\$ 4,293,204	\$ 2,919,379	\$ 1,373,825
Total Estimated Project Cost by Project Phase	\$ 4,770,227	\$ 3,243,754	\$ 1,526,473

Exhibits:

Exhibit A – District Letter Requesting Out Year Design phase funding

Exhibit B – Award and Phasing Summary

EXHIBIT "A"

Clovis Municipal Schools

P.O. Box 19000
1009 Main Street
Clovis, New Mexico 88102-9000
575.769.4300 FAX 575.769.4333
www.clovis-schools.org



Renee Russ, Superintendent
Joe Strickland, Deputy Superintendent of Employee Services
Mitzi Estes, Deputy Superintendent of Academic Services & Leadership
Shawna Russell, Deputy Superintendent of Finance

**Board
of
Education**

Paul Cordova, President
Shawn Hamilton, Vice President
Terry Martin, Secretary
Cindy Osburn, Member
Sharon Epps, Member

February 9, 2022

Martica Casias
Executive Director
Public School Facilities Authority

RE: Barry Elementary School Release of Phase II Funding

Dear Ms. Casias,

The Clovis Municipal School District respectfully requests the out of cycle release of Phase II funding for Barry Elementary School (K18-002 combined with P20-009). Phase II funding total \$4,770,227.00 with a state share of \$3,243,754.00 and a local match of \$1,526,473.00.

Barry Elementary School was a priority identified in the district's 5 year Facility Master Plan and the district began design for the Pre-K classrooms, kinder classrooms and four ancillary classrooms, roofing and HVAC replacement in October of 2017. The design was completed in July, 2019.

The district received an award during the 2017-2018 award cycle for two Pre-K classrooms. Cost to adequacy was \$878,571.00 with PSCOC participation at 76% for a total of \$667,714.00 in state funding.

The district received an award during the 2018-2019 award cycle for "Planning and design for the project, construction funding to complete roofing and HVAC replacement of \$1.8 million, and construction funding to complete the classroom addition for a design capacity of 400 students, grades K-5. The district may return to the PSCOC for out-of-cycle funding for the balance of the award for construction of the interior renovations and site work." Cost to adequacy for planning and design was \$4,113,359.00 with PSCOC participation at 68% for a total of \$2,797,084.00 in state funding.

As of January 31, 2022 phase I construction is 50% complete and the RFP selection process is completed for Phase II design with a projected completion of December 2022. Phase II construction is projected to begin March 2023.

Regards,

A handwritten signature in black ink, appearing to read 'John King', is written over a white background.

John King
Deputy Director of Operations
Clovis Municipal School District
PO Box 19000
Clovis, NM 88101
575-769-4300

CC:

Inspire.Innovate.Educate.

EXHIBIT "B"

P20-009 Barry ES

K18-002 Barry ES

Phase 1 - Work in current ODR submittal CD's dated 7/31/2020 by Huitt-Zollars	2 Classrooms + 4 offices w/in new construction	2 Classrooms within the new construction
	Re-roofing existing facility	
	HVAC upgrades of existing facility	
	Ceiling work of existing facility	
Phase 2 - Design & Construction TBD	Interior & Exterior renovations	<i>Not Applicable</i>
	Sitework improvements	

Note:

P20-009 award language: Planning and design for the project, construction funding to complete roofing and HVAC replacement of \$1.8 million, and construction funding to complete the classroom addition for a design capacity of 400 students, grades K-5. The district may return to the PSCOC for out-of-cycle funding for the balance of the award for construction of the interior renovations and site work.

K18-002 award language: Planning, design, and construction to provide 2 new classrooms and 1 new restroom. Funding excludes the purchase of portable buildings, playgrounds, and furniture, fixtures and equipment (FF&E). Construction/renovation shall meet the current kindergarten adequacy standards (6.27.30 NMAC).

I. S22-002 House Combined – Request for Increase in State Share

II. Presenter(s): Martica Casias, Executive Director
Daniel Juarez, Senior Projects Coordinator

III. Potential Motion:

Council approval to amend the current Systems-based (Demolition) award to House Municipal Schools for the Combined School with an increase in the state match of \$68,572 and a corresponding decrease in the local match. The revised project funding shall be a state match of \$134,233 and a local match of \$8,625, for a total of \$142,858 in design and construction phase funding.

IV. Executive Summary:

Request:

District request is for 100% state funding minus the offset (\$8,625) balance, which equals \$68,572.

Staff Recommendation:

Staff recommends amending the current Systems-based award with an increase in the state match of \$68,572 and a corresponding decrease in the local match. For a total state match of \$134,233 in planning, design and construction phase funding.

Key Points:

- This project was awarded prior to 2021-2022 second round Systems-based awards.
- At the January 2022 meeting, the PSCOC approved 100% state funding for all submitted demolition projects.
- At the time of the original award, the state match was \$74,286 and the local match was \$68,572.

SUPPLEMENTAL MATERIAL

S22-002 (House) Combined School – Request for Increase in State Share

Background:

- House Municipal Schools (HMS) was originally awarded design and construction phase funding in July 2021 for the combined school to complete design and construction for the demolition of 2,160 GSF of the 1952 building.
- In September 2021, PSFA received a letter from HMS informing staff that the district would like to request that the district’s current systems-based award be amended to include 100% state funding of the estimated total project cost.

Funding Summary				
	Total	State Match	Local Match	
Systems - Combined Phase award	\$ 142,858	\$ 65,661	\$ 77,197	
Per September 2021 District letter	\$ 68,572	\$ 68,572	\$ (68,572)	
Funding per District Request	\$ 142,858	\$ 134,233	\$ 8,625	

Facility Information at time of Award				
Rank	89		Current as of	Outstanding
Gross Square Footage	2,160	PM Plan	4/15/21	
Campus FCI	68.35%	FIMS Proficiency	District commitment to use FIMS	
wNMCI	59.34%	FMAR Avg.	65.02%	Marginal
Campus FMAR	77.29%	Facility FMAR as of 1/11/21	76.372%	Satisfactory
2020-2021 Enrollment	58		1 minor and 1 major Life, Health, Safety deficiency	

History:

July 12, 2021: *Design/Construction funding to complete abatement of lead/asbestos, demolition of 2,160 gross square feet of the 1952 building, and grading of site. Systems eligible for state funding are limited to: Demolition, as identified in the district's application. Costs for any work that may be required for other associated building systems will be the sole responsibility of the district.*

The district had a direct legislative appropriation offset balance totaling \$8,625. The offset balance revised the state match to \$65,661 (46%) and the local match to \$77,197 (54%).

Project Award History State - Local Match			
	Total	State Match	Local Match
Combined Phases -State-Local (52%/48%)	\$ 142,858	\$ 74,286	\$ 68,572
Direct Legislative Appropriation	\$ 8,625	\$ (8,625)	\$ 8,625
Combined Phases -State-Local (46%/54%)	\$ 142,858	\$ 65,661	\$ 77,197
Total Project Cost	\$ 142,858	\$ 65,661	\$ 77,197

SUPPLEMENTAL MATERIAL

S22-002 (House) Combined School – Request for Increase in State Share

Exhibits:

A – District Letter

B – Insurance Premium Summary

EXHIBIT "A"



HOUSE MUNICIPAL SCHOOLS

P.O.BOX 673
309 Apple Street
House, New Mexico 88121
575.279.7353

September 30, 2021

Ms. Martica Casias, Interim Director PSCOC
1312 Basehart Road SE Suite 200
Albuquerque, NM 87106

Dear Ms. Casias;

I am writing this letter in hopes that the PSCOC will convert the existing systems-based award for the demolition of our freestanding art building to a systems-based demolition award. This building was originally constructed in 1952 and it is substantially damaged and unsafe for staff and students to occupy. Further, it is excessive square footage the District can manage without. The total demolition of this building will enable the District to save on maintenance and insurance costs.

As I indicated in the application and presentation made to the PSCOC in June, our desire has always been the state pay 100% of this cost. I believe that was the desire of the legislature when they passed SB 43 during the 2021 Regular Legislative Session. I am grateful for the opportunity for the PSCOC to consider converting this award to a systems-based demolition award.

I respectfully request for this request to be considered and added to the PSCOC November meeting agenda.

Respectfully,


Bonnie Lightfoot
Superintendent

EXHIBIT "B"

DUFF & PHELPS

Building Inspection and Appraisal Report

As of September 19, 2018

**New Mexico Public Schools Insurance Authority
Santa Fe , New Mexico**

**MEMBER: 164 HOUSE MUNICIPAL SCHOOLS
SITE: 001 CAMPUS 1
BUILDING: 004 CLASSROOM BUILDING 1**

**309 NORTH APPLE STREET
HOUSE , NM 88121**



Valuation Summary

Date of Inspection: 09/19/2018

BUILDING COST OF REPRODUCTION NEW	\$246,138
BUILDING COST OF REPRODUCTION NEW LESS DEPR.	\$147,683
BUILDING COST OF REPRODUCTION NEW LESS EXCL	\$209,815
CONTENTS COST OF REPRODUCTION NEW	\$42,500

Construction Components

System ID: 1,842

ISO Class: 2 - JOISTED MASONRY (100 %)
Exterior Wall Type: STUCCO ON MASONRY (100 %)
Heating: ELECTRIC BASEBOARD OR WALL UNIT (100 %)
Cooling: THRU-WALL UNITS (100 %)
Roof Material: STEEL (100 %)
Roof Pitch: MEDIUM (8:12 TO 12:12 PITCH) (100 %)
Elevators: Passenger: 0 Freight: 0

Description

Year Built: 1940
Number of Stories: 1
Average Story Height: 10 FEET
Square Footage:
 Super Structure: 2,100
 Sub Structure: 0
 Total: 2,100

Construction Square Feet

JOISTED MASONRY 100 % 2,100

Premium = 0.005113 x 246,138
 ≈ 1,258.50

Protection

Manual Fire Alarm: Y
Automatic Fire Alarm: Y
Sprinklers: N
Entry Alarm: N
Fire Dept Paid/Volunt.:

Exposure

Latitude: N 34-38-53.7
Longitude: W 103-54-16.3

Additional Information

Building Condition:
Fire Hydrant within 500 FT: Y
Retrofitted for Earthquake N
Major Fire Walls: N
Minor Fire Walls: N

I. P22-002 Mosquero Combined Campus – Teacher Housing Design Phase Funding

II. Presenter(s): Martica Casias, Executive Director
Daniel Juarez, Senior Projects Coordinator

III. Potential Motion:

Council approval to amend the current 2021-2022 Standards-based award to Mosquero Municipal Schools for the Combined School (P22-002) to include five teacher housing units, beginning with design phase funding with an increase in the state match (100%) of \$393,200 for the design phase and a corresponding decrease in the local match. Upon completion of the design phase, the district may return to the PSCOC for out-of-cycle construction phase funding.

IV. Executive Summary:

Request:

District request is to amend the original award to include design phase funding for five individual teacher housing units.

Staff Recommendation:

- Amending the current Standards based award to include design phase funding for five housing units at 1,305 GSF and for a total GSF of 6,525.
- Expanding the current waiver to include this additional funding in the amount of \$393,200.

Key Points:

- The Maximum Allowable Construction Cost (MACC) is estimated at \$2,752,400.
- The Total project cost (TPC) is estimated at \$3,932,000.
- Staff analysis assumed \$375/SF based on site conditions, remoteness of the campus, availability and access to municipal utility services.

Teacher Housing	
Teacher Housing \$/SF (MACC)	\$ 375
Total GSF for teacher housing	6,525
Total Teacher Housing MACC	\$2,446,875
Demo \$/SF (\$15-\$25)	\$ 55
Total GSF for demo	5555
Total Demo MACC	\$ 305,525
Total Estimated MACC	\$ 2,752,400
Soft Costs (standard PSFA assumption)	\$ 1,179,600
Total Estimated Project Cost (Teacher Housing)	\$ 3,932,000

Estimated Teacher Housing Costs			
	Total	State Match 100%	Local Match 0%
Design	\$ 393,200	\$ 393,200	\$ -
Out- Year Construction Estimate	\$ 3,538,800	\$ 3,538,800	\$ -
Total Estimated Project Cost by Project Phase	\$ 3,932,000	\$ 3,932,000	\$ -

SUPPLEMENTAL MATERIAL

P22-002 (Mosquero) Combined Campus – Teacher Housing Design Phase Funding

Background:

- The current state-local match for Mosquero is 6%/94%.
- The district received a waiver of the local match in December 2021.
- Campus Master plan/Educational Specifications included an estimated total project cost for design and construction at \$2,250,286.

Facility Information				
Rank	39	PM Plan	Current as of 2/10/21	Outstanding
Gross Square Footage	TBD	FIMS Proficiency	Uses all 3 Resources	Good
Campus FCI	63.70%	FMAR Average	N/A	Good
wNMCI	43.07%	Facility FMAR	88.15%	
Campus FMAR	88.15%			
2020-2021 Enrollment	108			

History:

July 12, 2021: *Design phase funding deferred, pending completion of planning phase work funded by the district, including a feasibility study with cost/benefit and building systems analysis to determine options to renovate or replace the 1935 original building. Upon completion of the final planning phase work, the district may return to the PSCOC for design phase funding to include approval of the design enrollment, maximum gross square footage pursuant to the Adequacy Planning Guide, and an update to the total estimated project cost. PSCOC may make an award to fund a functional phase of a project without committing to funding future phases of proposed projects. The Council shall reevaluate each phase of a project and the capacity of the Public School Capital Outlay Fund before making an award for a subsequent phase of a project*

December 13, 2021: *Council approval to amend the current standards-based award for Mosquero Municipal Schools for the Combined Campus to include design phase funding for partial replacement, demolition and renovation of the existing facilities to construct a new campus with a design enrollment of 110 students of which, 54 students are projected to be in person grades PreK-12 up to 48,792 GSF, with an increase in the state match (100%) of \$2,252,708 for the design phase and a corresponding decrease in the local match. Review of design enrollment shall occur during the design phase with approval of the design enrollment prior to the out-of-cycle construction phase funding request.*

The district had a direct legislative appropriation offset balance totaling \$68,500. The offset balance revised the state match to \$54,923 (3%) and the local match to \$2,002,128 (97%).

SUPPLEMENTAL MATERIAL

P22-002 (Mosquero) Combined Campus – Teacher Housing Design Phase Funding

Funding Summary			
	Total	State Match	Local Match
Standards - Planning-State-Local (3%/97%)	\$ 2,057,051	\$ 54,923	\$ 2,002,128
District request for a Waiver of the Local Match	\$ 2,252,708	\$ 2,252,708	\$(2,252,708)
Funding per District Request	\$ 4,309,759	\$ 2,307,631	\$ -

Mosquero Combined - PSFA Analysis	
New \$/SF (MACC)	\$350
Total GSF	16,565
Total New Construction MACC	\$5,797,750
Reno \$/SF (MACC)	\$250
Total GSF Reno	32,227
Total Reno MACC	\$8,056,750
Estimated Site Costs MACC	\$700,000
Demo \$/SF (\$15-\$25)	\$55.00
Total GSF for demo	22,081
Total Demo MACC	\$1,214,455
Total Estimated MACC	\$15,768,955
Soft Costs (standard PSFA assumption)	\$6,758,124
Total Estimated Project Cost (School)	\$22,527,079

Estimated Combined Campus & Teacher Housing Costs			
	Total	State Match 100%	Local Match 0%
Design	\$ 2,645,908	\$ 2,645,908	\$ -
Out - Year Construction	\$ 23,813,171	\$ 23,813,171	\$ -
Estimated Total Project Cost	\$ 26,459,079	\$ 26,459,079	\$ -

SUPPLEMENTAL MATERIAL

P22-002 (Mosquero) Combined Campus – Teacher Housing Design Phase Funding Background:

June 30, 2021 Cash Balance	
Operational	\$104,405
Percent of Operational Budget (=Operational/Operational Budget)	5.74%
Operational Budget	\$1,818,901
SB9	\$263,217
Bonds	\$0
Total Cash	\$367,622
Amount of Waiver Request	\$393,200
Waiver as a percent of all Cash (=Waiver request amt./ sum of Operational, SB9 and Bonds)	106.93%
Staff Comments	Request will take all of the district's available cash balance. Does meet waiver criteria.

Capital Funding Waiver Criteria - 22-24-5 (B) (11)					
	Criteria	District Data			
OPTION 1	If the school district has insufficient bonding capacity over the next 4 years and the mill levy is equal to or greater than	10	the district is eligible	14	Eligible
OPTION 2	If the MEM count is equal to or less than	800	and	96	Eligible
	the percent of free or reduced fee lunch is equal to or greater than	70%	and	50%	
	the state share is less than	50%	and	6%	
	the mill levy is equal to or greater than	7	the district is eligible	14	
OPTION 3	If the school district has an enrollment growth rate over the previous school year of at least	2.50%	and		Eligible
	pursuant to its 5-year FMP, will be building a new school within the next	2 years	and	2	
	the mill levy is equal to or greater than	10	the district is eligible	14	

Exhibits:

Exhibit A – District Award Modification Request Letter

Exhibit B – December 13, 2021 PSCOC approved design phase motion

EXHIBIT "A"

MOSQUERO MUNICIPAL SCHOOLS

"Students are our Number 1 Priority!"

P.O. Box 258 • 43 McNeil Ave.
Mosquero, New Mexico 87733
Telephone: (575) 673-2271 Fax: (575) 673-2305

Johnna Bruhn, Superintendent
Pat Copeiland, Business Manager
Margaret Green, Secretary

February 15, 2022

Martica Casias
PSFA Director
1312 Basehart SE, Suite 200
Albuquerque, NM 87106

RE: Request for amendment to funding allocation for teacher housing

Mosquero Schools would like to thank the PSCOC for their participation in our project. We have come across an issue in the funding award language for project P22-002.

Throughout the planning and the funding requests, Mosquero Schools and PSFA have always intended that teacher housing was a part of our funding request. This was presented as a critical need in the ed spec and thoroughly discussed in our proposal, resulting in the award on July 12, 2021.

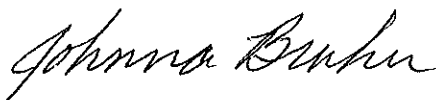
However, it appears that the language was not included in the award notification regarding the teacher housing. We believe that it was the intent of PSCOC to continue supporting the much-needed teacher housing at Mosquero, but it was perhaps inadvertently overlooked in the funding language.

Consequently, to proceed with this critical part of the project, we cordially request that the funding award be amended to include the recommendation for teacher housing as made from PSFA in the original request. The amendment will also need to include the local match reduction as represented with the entire project. Below is the chart as presented in the original request.

	Total	State Match 6%	Local Match 94%
Estimated Project Cost -- Teacher Housing	\$2,250,286	\$135,017	\$2,115,269

This award will include the demolition of four teacher houses and the new construction of four new houses as described in the proposal.

Thank you.



Johnna Bruhn
Superintendent
Mosquero Municipal Schools

BOARD OF EDUCATION

Victor R. Vigil	Boyd Hazen	Corey Bell	Amanda Culbertson	Jeremiah Moxley
3-14-2022 PSCOC Meeting	Vice-President	Secretary	Member	Member

EXHIBIT "B"

Item No. VI.A.

- I. PSCOC Meeting Date:** December 13, 2021
- II. Item Title:** P22-002 – Mosquero Combined – Additional Funding Request
- III. Name of Presenter(s):** Martica Casias, Interim Director
Daniel Juarez, Senior Projects Coordinator
- IV. Potential Motion:**

Council approval to amend the current standards-based award for Mosquero Municipal Schools for the Combined Campus to include design phase funding for partial replacement, demolition and renovation of the existing facilities to construct a new campus with a design enrollment of 110 students of which, 54 students are projected to be in person grades PreK-12 up to 48,792 GSF, with an increase in the state match (100%) of \$2,252,708 for the design phase and a corresponding decrease in the local match. Review of design enrollment shall occur during the design phase with approval of the design enrollment prior to the out-of-cycle construction phase funding request.

V. Executive Summary:

Summary:

- District has requested a waiver of the local match for the design and out year construction funding.
- The current state-local match for Mosquero is 6%/94%.
- Replacement campus will demolish 22,081 GSF, renovate 32,227 GSF of existing space and construct 16,565 GSF in new space.
- The district meets the criteria for a waiver of the local match.

Background:

In July 2021, the Mosquero Municipal School District (MMSD) had design phase funding deferred pending the completion of the district funded planning work. In order to determine options to renovate or replace the 1935 original building.

Facility Information	
Rank	39
Gross Square Footage (GSF)	TBD
Campus FCI	63.70%
wNMCI	43.07%
Campus FMAR	88.15%
2020-2021 Enrollment	108

In November 2021, Public School Facilities Authority (PSFA) received a letter from the district requesting design phase funding and a waiver of the local match. District notified staff that the district funded five year facility master plan and building systems analysis of the 1935 building are complete. And that the recommendation of both planning reports was to demolish and renovate several of the existing facilities with new construction of a new academic building.

PSCOC Award and Project History:

- Originally awarded in July 2021. The award for the planning phase totaled \$2,057,051 with a state share (6%) was \$123,423 and a corresponding local share (94%) was \$1,933,628.
 - The district had a direct legislative appropriation offset balance totaling \$68,500. The offset balance revised the state share to \$54,923 (3%) and the local share to \$2,002,128 (97%).

Award History State - Local Share per Phase	Total	State Share	Local Share
Planning Phase - State Share (6%) -Local Share (94%)	\$ 2,057,051	\$ 123,423	\$1,933,628
Direct Legislative Appropriation	\$ 68,500	\$ (68,500)	\$ 68,500
Planning Phase - State Share (3%) -Local Share (97%)	\$ 2,057,051	\$ 54,923	\$2,002,128

Current Request:

MMSD is requesting that the PSCOC amend the current standards-based award language to include design phase funding and approval of a waiver of the local match. The district is requesting the state fund 100% of the design phase costs that total \$2,252,708 with a corresponding decrease in the local match for a new combined campus with a 110 students of which 54 are projected to be in person, grades PreK-12 of 48,792 GSF.

Funding Summary	Total	State Match	Local Match
July 12, 2021 Standards-based award funding - State (3%)-Local Match (97%)	\$ 2,057,051	\$ 54,923	\$ 2,002,128
December 13, 2021 District request for a Waiver of the Local match	\$ 2,252,708	\$ 2,252,708	\$ (2,252,708)
Funding per District Request	\$ 4,309,759	\$ 2,307,631	\$ -

Mosquero Combined - Analysis	
New \$/SF (MACC)	\$350
Total GSF	16,565
Total New Construction MACC	\$5,797,750
Reno \$/SF (MACC)	\$250
Total GSF Reno	32,227
Total Reno MACC	\$8,056,750
Estimated Site Costs MACC	\$700,000
Demo \$/SF (\$15-\$25)	\$55.00
Total GSF for demo	22,081
Total Demo MACC	\$1,214,455
Total Estimated MACC	\$15,768,955
Soft Costs (standard PSFA assumption)	\$6,758,124
Total Estimated Project Cost (School)	\$22,527,079

Estimated Mosquero Costs and State - Local Match	Total	State Match	Local Match
		100%	0%
Design	\$ 2,252,708	\$ 2,252,708	\$ -
Construction	\$ 20,274,371	\$ 20,274,371	\$ -
Total Estimated Project Cost by Project Phase	\$ 22,527,079	\$ 22,527,079	\$ -

Award Language History:

July 12, 2021: *Design phase funding deferred, pending completion of planning phase work funded by the district, including a feasibility study with cost/benefit and building systems analysis to determine options to renovate or replace the 1935 original building. Upon completion of the final planning phase work, the district may return to the PSCOC for design phase funding to include approval of the design enrollment, maximum gross square footage pursuant to the Adequacy Planning Guide, and an update to the total estimated project cost. PSCOC may make an award to fund a functional phase of a project without committing to funding future phases of proposed projects. The Council shall reevaluate each phase of a project and the capacity of the Public School Capital Outlay Fund before making an award for a subsequent phase of a project.*

Project Schedule: (actual)

Planning Phase: September 2020 – November 2021

Maintenance Performance:

Maintenance Measures		
Preventative Maintenance (PM) Plan	Current as of February 10, 2021	Outstanding
Quarterly FIMS Proficiency	User of all 3 provided resources	Good
District FMAR Average	N/A	
Facility FMAR	88.150%	Good

Staff recommends the district continue their diligence towards improved core maintenance to 90% (Outstanding) ratings and continue using the FIMS tools to drive district maintenance performance.

Staff Recommendation:

Staff recommends amending the current standards-based award language for the combined Mosquero campus to include design phase funding for partial replacement, demolition and renovation of the existing facilities to construct a new campus with a design enrollment of 54 students, grades PreK-12 of 48,792 GSF. Staff also recommends granting a waiver of the local match, for an increase in the state match of \$2,252,708 for the design phase and a corresponding decrease in the local match.

Amended Award - GSF Analysis	New	Renovate	Demolish
New Construction	16,565	0	0
Main Building	0	10,747	0
Main Gym	0	9,840	0
Multi-Purpose Room	0	6,587	0
Media and Arts Building	0	5,053	0
East Building	0	0	4,164
Elementary School	0	0	5,016
Cafeteria Building	0	0	5,368
Vo-Ag Shops (Main Building)	0	0	2,799
Main Building 1997 East Addition (east of gym)	0	0	3,099
Main Building West Wing	0	0	1,635
Subtotal GSF	16565	32227	22081
Total GSF	48792		

Awards Subcommittee Update:

During the Planning phase, the Campus Master Plan recommended construction of a new facility totaling 17,350 GSF for 110 students, including the online/in-person students, grades PreK-12. The planning consultant, sized the spaces to the minimum allowable GSF for the projected 54 in-person students and provided the minimum number of programmed spaces. The Campus Master Plan programmed a total of six classrooms for grades PreK-12.

Number of Students	New Construction GSF Analysis	
110	29,558	Per Adequacy Planning Guide
	17,350	Per Campus Master Plan
54	22,852	Per Adequacy Planning Guide
	16,565	PSFA negotiated GSF

During the review of the Campus Master Plan, staff agreed with some spaces being minimally sized and in minimal quantities. For the remaining programmed spaces staff worked with the district to look for further reductions that allowed the school to continue to deliver its educational program but reduced the building size. During that process it was agreed to by staff and the district that new construction for 54 in person students grades PreK-12, would total 16,565 GSF.

Mosquero Combined - Analysis	54 Student - Total Project Cost	110 Student - Total Project Cost
New \$/SF (MACC)	\$350	\$350
Total GSF	16,565	17,350
Total New Construction MACC	\$5,797,750	\$6,072,500
Reno \$/SF (MACC)	\$250	\$250
Total GSF Reno	32,227	32,227
Total Reno MACC	\$8,056,750	\$8,056,750
Estimated Site Costs MACC	\$700,000	\$700,000
Demo \$/SF (\$15-\$25)	\$55.00	\$55.00
Total GSF for demo	22,081	22,081
Total Demo MACC	\$1,214,455	\$1,214,455
Total Estimated MACC	\$15,768,955	\$16,043,705
Soft Costs (standard PSFA assumption)	\$6,758,124	\$6,875,874
Total Estimated Project Cost (School)	\$22,527,079	\$22,919,579

I. BDCP – 2021 Cat 2 (Network Equipment) Awards

II. Presenter: Ovidiu Viorica, Broadband & Technology Program Manager

III. Potential Motion:

Make Broadband Deficiencies Correction Program (BDCP) awards of actual E-rate-approved project amounts to provide the state match for application funding year 2021 for Category 2 (Network Equipment) to fourteen districts/schools for a total of \$376,965.50 up to the amounts listed in column “O” of the award spreadsheet attached as Exhibit A. Award a \$38,000.00 contingency fund to account for potential equipment/chip shortage. Any unused contingency amounts will revert to the PSCOC fund. Each allocation is intended to fully complete the project, phase, or specified purpose.

IV. Executive Summary:

Request:
PSCOC to make state share awards to fifteen schools/districts who received their funding commitment decision letter (FCDL) from the E-rate program.

Staff Recommendation:
Fund state share to assist schools complete upgrades to their network equipment.

- Key Points:**
- The PSCOC awards totaling \$376,965.50 will assist schools in providing network equipment upgrades of ~3.15M.
 - Chip and equipment shortages can force contractors to cancel funded projects, with E-rate funding and all associated work being lost and school networks and connectivity being affected.
 - This award is the fifth group of Cat2 (Network Equipment) projects from the 2021 E-Rate cycle.
 - The fourteen additional projects would bring the total number of projects from the 2021 cycle to forty-five.

Exhibits:
Exhibit A – 2021 Category2 Equipment – March 2022.

EXHIBIT "A"



2021 Category 2 Equipment - March 2022

District	Budget Award Estimates								Final Award Requests								
	Estimated Project Cost	E-rate Ineligible Cost*	E-Rate Discount %	E-Rate Share	Non-Discount Portion Eligible for BDCP Funding	State Match %	State Share	District Share	FCDL Approved Amount	BDCP Ineligible Amount *	E-rate Discount %	E-rate Share	FCDL Approved LESS BDCP Ineligible	Non-Discount Amount	State Match %	Revised State Match	Revised District Match
1 Animas Public Schools	\$7,575.08		80%	\$6,060.06	\$1,515.02	43%	\$ 651.46	\$863.56	\$ 7,575.08		80%	\$ 6,060.06	\$ 7,575.08	\$ 1,515.02	43%	\$ 651.46	\$ 863.56
2 Carlsbad Municipal Schools	\$67,301.80		70%	\$47,111.26	\$20,190.54	7%	\$ 1,413.34	\$18,777.20	\$ 67,301.80		70%	\$ 47,111.26	\$ 67,301.80	\$ 20,190.54	7%	\$ 1,413.34	\$ 18,777.20
3 Deming Public Schools - 3 FCDL's	\$116,063.08		85%	\$98,653.62	\$17,409.46	66%	\$ 11,490.24	\$5,919.22	\$ 116,063.08		85%	\$ 98,653.62	\$ 116,063.08	\$ 17,409.46	66%	\$ 11,490.24	\$ 5,919.22
4 Estancia Municipal Schools	\$67,692.16		85%	\$57,538.34	\$10,153.82	48%	\$ 4,873.84	\$5,279.99	\$ 67,192.12	\$ 1,449.96	85%	\$ 57,113.30	\$ 65,742.16	\$ 9,861.32	48%	\$ 4,733.44	\$ 5,345.38
5 Hatch Valley Public Schools	\$144,761.51		85%	\$123,047.28	\$21,714.23	85%	\$ 18,457.09	\$3,257.13	\$ 144,761.51		85%	\$ 123,047.28	\$ 144,761.51	\$ 21,714.23	85%	\$ 18,457.09	\$ 3,257.13
6 Jemez Mountain Schools	\$113,825.89		85%	\$96,752.01	\$17,073.88	6%	\$ 1,024.43	\$16,049.45	\$ 9,046.42		85%	\$ 7,689.46	\$ 9,046.42	\$ 1,356.96	6%	\$ 81.42	\$ 1,275.55
7 Pojoaque Valley Schools	\$234,275.04		80%	\$187,420.03	\$46,855.01	73%	\$ 34,204.16	\$12,650.85	\$ 187,420.03		80%	\$ 149,936.02	\$ 187,420.03	\$ 37,484.01	70%	\$ 26,238.80	\$ 11,245.20
8 Red River Valley Charter	\$6,188.48		85%	\$5,260.21	\$928.27	6%	\$ 55.70	\$872.58	\$ 6,188.48		85%	\$ 5,260.21	\$ 6,188.48	\$ 928.27	6%	\$ 55.70	\$ 872.58
9 Rio Rancho Public Schools	\$1,500,789.69		60%	\$900,473.81	\$600,315.88	49%	\$ 294,154.78	\$306,161.10	\$ 1,500,789.69	\$ 22,986.72	60%	\$ 900,473.81	\$ 1,477,802.97	\$ 591,121.19	49%	\$ 289,649.38	\$ 310,666.49
10 Santa Fe Schools	\$843,450.36		80%	\$674,760.29	\$168,690.07	6%	\$ 10,121.40	\$158,568.67	\$ 843,450.36		80%	\$ 674,760.29	\$ 843,450.36	\$ 168,690.07	6%	\$ 10,121.40	\$ 158,568.67
11 Socorro Consolidated Schools	\$117,331.85		85%	\$99,732.07	\$17,599.78	71%	\$ 12,495.84	\$5,103.94	\$ 117,331.85		85%	\$ 99,732.07	\$ 117,331.85	\$ 17,599.78	71%	\$ 12,495.84	\$ 5,103.94
12 Vista Grande High	\$18,071.39		85%	\$15,360.68	\$2,710.71	6%	\$ 162.64	\$2,548.07	\$ 18,071.39		85%	\$ 15,360.68	\$ 18,071.39	\$ 2,710.71	6%	\$ 162.64	\$ 2,548.07
13 Wagon Mound Public Schools	\$50,000.00		85%	\$42,500.00	\$7,500.00	10%	\$ 750.00	\$6,750.00	\$ 50,000.00		85%	\$ 42,500.00	\$ 50,000.00	\$ 7,500.00	10%	\$ 750.00	\$ 6,750.00
14 Walatowa High	\$12,560.54		85%	\$10,676.46	\$1,884.08	36%	\$ 678.27	\$1,205.81	\$ 12,310.09		85%	\$ 10,463.58	\$ 12,310.09	\$ 1,846.51	36%	\$ 664.74	\$ 1,181.77
15 Contingency (Chip shortage ~10% of state share)				\$0.00	\$ -		\$ -	\$ -				\$ -	\$ -	\$ -		\$ 38,000.00	\$ -
TOTAL COUNCIL ACTION FOR CURRENT MEETING	\$ 3,299,887	\$ -		\$ 2,365,346	\$934,540.75		\$ 390,533.19	\$544,007.56	\$ 3,147,501.90	\$ 24,436.68		\$ 2,238,161.65	\$ 3,123,065.22			\$ 414,965.50	\$ 532,374.75

Notes:
* BDCP Ineligible Costs are non-infrastructure costs and will be divided between the District and USAC.

I. PSFA Employee Handbook

II. Presenter: Justin Owens, Human Resources Manager

III. Potential Motion:

Council approval of 2022 PSFA Employee Handbook.

IV. Executive Summary:

Staff Recommendation:

Staff recommends approval of updated 2022 PSFA Employee Handbook in order to provide the most up-to-date direction and clarity to staff.

Key Points:

The PSFA Employee Handbook was last updated in February of 2020. 2022 changes to the PSFA Employee Handbook involve organization based on similar topics and the removal of sections that were unnecessary due to inaccuracy or being part of an internal department process. Changes include:

- Removal of red-lining changes and sections regarding:
 - PSFA History;
 - Management Structure definitions;
 - Employment Categories;
 - Exempt/Nonexempt definitions;
 - Recruitment and Staffing Process;
 - New Employee Orientation process;
 - Probationary Period; and
 - Staff Meetings
- Modifications to previous sections including:
 - Elaboration on Conduct in the Workplace expectations;
 - Revision of the Grievance Policy Process;
 - Changing the Progressive Discipline Policy to a Corrective Action process; and
- Addition of a IT policy and ADA/ADAAA process

Exhibits:

A – 2022 PSFA Employee Handbook

EXHIBIT "A"

Public School Facilities Authority ♦ Employee Handbook ♦ 2022

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MESSAGE FROM THE EXECUTIVE DIRECTOR

Dear Team Member,

Welcome! Whether you have just joined our team or have been at the Public School Facilities Authority (PSFA) for a while, you play an important role in the PSFA's success and in serving New Mexico school districts.

My commitment to all of you is to assist and support your growth and development through empowerment and professional development. You are the strength of PSFA and only together can we realize our mission.

I hope you will take pride in being a member of the PSFA team and that your experience here will be challenging, enjoyable and rewarding.

Please stop by at any time to visit with me; my door is always open!

Sincerely,

Martica Casias

Executive Director

INTRODUCTION

This Employee Handbook (Handbook) is designed to make you aware of what you can expect from PSFA and what PSFA can expect from you. This Handbook is not a contract of employment or any part of a contract for employment, express or implied. NMSA 1978, Section 22-24-9 exempts all PSFA employees from the provisions of the Personnel Act. Exempt employment is on an at-will basis. No statements to the contrary, written or oral, made either before or during an individual's employment, will modify the at-will and exempt status of a PSFA employee. Nothing contained in this Handbook nor in any other material or information distributed by the State of New Mexico or by PSFA creates a contract of employment. This Handbook may be modified at the discretion of the Public School Capital Outlay Council (PSCOC) at any time, with or without notice to you in accordance with its terms.

This Handbook along with any updates will reside at the PSFA website within the Human Resources section under the Administration tab.

PSFA - WHO WE ARE

Vision - What PSFA aspires to become as the future unfolds: Leading New Mexico's public schools to national excellence in capital projects and their infrastructure systems.

Mission - What PSFA exists to accomplish as it serves its stakeholders: Through efficient use of State and local resources, PSFA will support our school communities in providing quality, sustainable, safe and adequately equipped facilities that enhance educational outcomes for students and staff.

Core Values - What PSFA commits to as it serves its stakeholders:

- Creating safe and sustainable schools.
- Demonstrating best practices in administering funds.
- Maintaining clarity and simplicity.
- Serving our customers' needs.
- Responding with transparency.
- Manifesting ethical behavior.

Our Promise - What PSFA strives for as it responds to its mission: We always remember that our employees are the strength of our agency and that only through their empowerment and development, can our mission be accomplished.

Commitment to Ethical Business Practices - PSFA is committed to conducting its business with integrity underlying all relationships, including those with citizens, customers, suppliers and communities, and among employees. The highest standards of ethical business conduct are required of PSFA employees in performance of their responsibilities.

Employees shall not:

- Engage in conduct or activity that may raise questions as to the PSFA's honesty, impartiality or reputation or otherwise cause embarrassment to the PSFA.

- Engage in any action, whether or not specifically prohibited in the personnel policies, which might result in or reasonably be expected to create an appearance of:
 - Using public office or public position for private gain.
 - Giving preferential treatment to any person or entity.
 - Losing impartiality.
 - Adversely affecting the confidence of the public in the integrity of the PSFA.

Every employee has the responsibility to ask questions, seek guidance, report suspected violations, and express concerns regarding compliance with this policy. Employees should bring concerns or allegations of ethics violations to either the Executive Director or the Human Resources Department (HR).

PERSONNEL AND GENERAL EMPLOYEMENT CONDITIONS

Equal Employment Opportunity

The PSFA is an Equal Opportunity Employer. The PSFA does not discriminate in employment or the provision of services on the basis of race, national origin, color, religion, age, sex, sexual orientation, gender identity, mental or physical disability, genetic information, spousal affiliation, veteran status, or any other protected class identified in federal or State law. Equal employment opportunity includes but is not limited to recruitment, hiring, promotion, termination, compensation, benefits, transfers, education, tuition assistance, and social and recreational programs. If you believe that you have been discriminated against, you must contact HR or Executive Director. You also have the right to file a complaint or discuss the matter with either or both the US Equal Employment Opportunity Commission or the New Mexico Department of Workforce Solutions Human Rights Bureau. Please be advised that complaints must be filed within specific periods established by each entity:

New Mexico Department of Workforce Solutions Labor Relations Human Rights Bureau 1596 Pacheco Court #103 Santa Fe, NM 87505 1-800-566-9471 505-827-6838 (Within 180 days from the alleged act)	US Equal Employment Opportunity Commission Albuquerque Area Office 505 Marquette Avenue NW Albuquerque, NM 87102 1-800-669-4000 (Within 300 days from the date of alleged act).
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At-Will Arrangement

PSFA employees serve at the pleasure of the Executive Director, who serves at the pleasure of the PSCOC. Under this “at-will” arrangement, an employee is free to resign their employment at any time, for any or no reason, just as the Executive Director is able to terminate an employee’s employment at any time, for any or no reason other than race, color, religion, sex, sexual orientation, national origin, political affiliation, age or disability.

Employment of Family Members

The PSFA may permit members of the same family to work at the PSFA. The PSFA will not, however, offer employment to individuals whose employment would result in a supervisor/subordinate relationship or in a possible conflict of interest. PSFA employees may not hire, participate in the selection or promotion of, or directly supervise a family member or relative to the third degree. Managers and supervisors anywhere in the chain of command of any hiring, selection, or promotional decision involving a family member must recuse themselves from all aspects of that decision, including but not limited to serving on a hiring panel, providing a reference, providing signature authority, or being involved in making any decisions with regard to disciplinary action of the Family Member. A “Family Member” is any person related to an employee by blood or marriage within the third degree,

which includes a spouse, domestic partner, romantic partner, parent, mother-in-law, father-in-law, stepparent, children, domestic partner children, son-in-law, daughter-in-law, stepchild, brother, stepbrother, brother-in-law, sister, stepsister, sister-in-law, grandparent, grandchild, uncle, aunt, nephew, niece, great-grandchild, and great-grandparent. Questions regarding the possible or current employment of a Family Member should be directed to HR.

Pre- and Post-Employment Background Checks

To ensure that employees are qualified and that the PSFA maintains a safe and productive work environment, it is our policy to conduct pre- and post-employment background checks on candidates selected for employment, as well as current employees who will have access to public school property. Background checks will be in conformity with the New Mexico Criminal Offender Employment Act. HR will coordinate background checks and only the past seven years of history will be considered unless the governing statute of limitations is longer. Background reports will be kept confidential and will be viewed only by HR and the Executive Director. Background checks will be stored separately from employee files and will be retained for the period mandated by law. Employees may access their background check once they have submitted the required authorization for release forms. All PSFA positions posted for hire will reference this employment requirement. PSFA employees who change positions will be required to submit to an updated criminal background check as well as a New Mexico Motor Vehicle Division records check.

Specific Inquiries

Depending on the requirements of the position, the following background checks may include:

- Criminal background checks (State and federal)
- Confirmation of a person's identity to include e-verify
- Confirmation of education degree, license, or certificate required for the position
- Motor Vehicle Division (MVD) records
- Other background checks as required by law

A criminal history check includes any and all felonies and misdemeanors, but does not include minor traffic offenses for which the penalty is a fine. Records that have been expunged by a court, or have been dismissed by a court will not be considered in the review process. Any reports, which indicate a finding, will be reviewed on a case-by-case basis and the EEOC Green Factors will be applied in the consideration of employment with PSFA. All background checks will be conducted in accordance with applicable law; PSFA will not treat candidates or employees with similar criminal records differently based on their race, national origin, color, sex, religion, military status, or any other protected class. Criminal background checks will be run through the NM State Department of Public Safety and the Federal Bureau of Investigations.

CONVICTION OF A CRIMINAL ACT

Any PSFA employee convicted of a felony or misdemeanor criminal act, excluding minor traffic offenses, must notify HR within 72 hours of the conviction. Employees who fail to report convictions will be subject to disciplinary action, up to and including termination depending on the nature of the

conviction. PSFA reserves the right to conduct subsequent background checks on current employees as the need arises.

E-Verify

To comply with federal regulations of the Immigration Reform and Control Act (IRCA) all employees are required to complete an Employment Eligibility Verification (I-9) form. This law applies to all employees, regular, temporary, and student intern. All employees must provide required documentation and complete the I-9 within the first three days of employment or they will be terminated for failure to comply with IRCA. In addition, PSFA is an E-Verify employer. E-Verify is a web-based program administered by the U.S. Department of Homeland Security, USCIS Verification Division, and the Social Security Administration that supplements the current I-9 employment eligibility verification process. The program determines whether the information provided by the new hire matches government records and whether the new hire is authorized to work in the United States.

Personnel File

PSFA shall maintain a record of each employee's employment history in accordance with operational necessity and applicable State and federal law requirements. The official personnel file is the property of PSFA. Employees shall have access to their onboarding documents and performance evaluations. No materials shall be placed in an employee's personnel file without providing the employee with a copy. Employees may submit written rebuttal to any material placed in their personnel file.

Agencies shall transfer the employee's personnel file upon inter-PSFA transfer. All references, background checks, and medical information obtained outside of PSFA in the process of evaluating candidates for employment shall be privileged and are not part of the employee's personnel file or subject to public inspection.

Employee Evaluations

PSFA is committed to ensuring employees have an opportunity to succeed and will provide regular performance feedback in order to help the employee with their professional growth and development. Employee evaluations are coaching tools. Frequent communication between employees and their managers should occur throughout the year to ensure a culture of accountability and improved communication. Employees and managers share responsibility for the development of performance goals and professional development goals. PSFA employee evaluations will be conducted on an annual basis during December. The performance evaluation will address how an employee is achieving their performance goals and how those goals tie into the PSFA Strategic Plan. Employees will also be evaluated on how effectively they have embraced the PSFA Core Values.

Manager Responsibilities

- Providing the employee with the necessary resources and clear expectations to perform required duties and achieve performance standards.
- Meeting with the employee and discussing their performance at least quarterly.

- Identifying performance deficiencies in a timely manner.
- Employee Responsibilities
- Bringing concerns to their manager when they are unable to meet performance expectations and/or goals immediately so the manager has an opportunity to rectify the situation.
- Actively participating in performance meetings with their manager and providing input and feedback to their manager on their progress.

TIMELINE

At the beginning of the evaluation period, the manager and the employee should discuss current job duties and performance goals, identified as primary duties in their position description, that align with the PSFA Strategic Plan, for the upcoming evaluation year. The manager should also review the position description with the employee and discuss expectations. The employee will only be rated on Performance Goals and Commitment to PSFA Core Values.

Employees who disagree with their written evaluation have two (2) weeks to contest their evaluation in writing with HR. HR will provide a copy of the employee's statement to manager. The manager will have the opportunity to respond or correct the evaluation. If the manager chooses to leave the evaluation as is, HR will forward both the employee and manager responses to the Executive Director for a final determination.

PERFORMANCE-BASED SALARY INCREASE

Upon application to the Executive Director, and subject to budget availability and approval from the DFA Secretary, PSFA employees may be eligible for an extra-meritorious performance-based salary increase. To justify such an increase, a PSFA employee must continually demonstrate extraordinary job performance above expectations of the employee's position that adds value to the PSFA. Request for a salary increase must be a recommendation from the employee's immediate manager, reviewed by the Executive Director. All salary increase requests must be justified and shall be effective at the beginning of the pay period following approval of the DFA Secretary. HR must submit for approval justification on how the PSFA employee's performance adds value to the agency; how the employee's job performance surpasses other similarly situated agency employees, employee's salary history, and current budget projections along with the following year's budget projections to show the agency can sustain the salary increase.

Recognition

On a quarterly basis, the Executive Director, Deputy Director, and HR will discuss employee recognition as a whole, to ensure equal opportunity for all PSFA employees. Based on the PSFA's budget, recognition may or may not be monetary. Employees who are on a performance improvement plan, or who have received formal disciplinary action during the evaluation year are not eligible to receive recognition.

Direct Deposit & Electronic Funds Transfer

The State of New Mexico requires direct deposit into employees checking or savings account at the financial institution of their choice. Employee pay will be available the morning of payday. Employees are paid on a bi-weekly basis; pay periods begin on Saturday and end on the following Friday. Employees can access their paystub notices indicating their basic salary, additions, subtractions and deductions as well as the net amount deposited into their account and year-to-date earnings on the Employee Self Service portal of the SHARE online system. HR will submit the authorization request form to the SHARE vendor.

Separation of Employment

Resignation - Resignation is a voluntary act initiated by the employee to end employment with PSFA. Employees are expected to give a two-week notice of resignation from their position with the PSFA. PSFA may immediately accept an employee's voluntary resignation at the time given.

Transfers - Employees transferring from one agency to another within the State payroll system without a break in service must provide a minimum of two (2) weeks' notice prior to the transfer.

Exempt to Exempt - Separate branches of government exempt employees who separate from the executive branch, judicial branch, the legislative branch, the district attorney, or the State police, and who return to exempt service in the executive branch within 14 calendar days of separation. These employees may transfer all accrued sick leave and up to 240 hours of accrued annual leave, subject to the approval of the Governor's Office and/or DFA Secretary.

Reduction in Workforce (RIF) - An employee may be laid off because of changes in duties, organizational changes, lack of funds or lack of work. Employees who are laid off may not appeal the layoff decision through the Grievance process.

Termination/Dismissal – Termination or dismissal is the separation from employment initiated by PSFA.

Return of Property - The separating employee must return all PSFA property at the time of separation, including but not limited to cell phones, keys, PCs and identification cards. Upon receipt of the employee resignation letter, HR will schedule an exit interview. The interview will be on the employee's last day of work or other day, as mutually agreed upon.

Retirees Seeking Re-employment with PSFA

Statutory provisions (NMSA 1978, Section 10-11-8(C)) require that retirees not be eligible for employment by a Public Employees Retirement Association (PERA)-affiliated employer until after 90 consecutive days from the date of retirement. If a retiree returns to work with a PERA-affiliated employer before the 90-day waiting period elapses, the retiree must remove him or herself from retirement. The retiree will then become an employee and make PERA contributions. Any pension amounts received must be paid back to the fund. The employee must apply for re-retirement at the end of his or her employment to begin receiving a pension. The pension of a retiree who returns to work for

a PERA affiliate after 90 days is suspended. If a retiree has completed a 12-month break in service from their retirement date, neither the reemployed retiree nor the employer makes PERA contributions and the reemployed retiree does not accrue service credit. It is PSFA policy that the 90-Day Break in Service will also apply to reemployment by professional services contract subject to the Executive Director's discretion.

Outside Employment

There may be occasion for PSFA employees to seek outside employment or perform professional consulting services to maintain or enhance professional knowledge. PSFA employees may not work as a contractor, consultant or vendor, on State-funded projects that would create a conflict of interest with their PSFA employment. PSFA employees who are engaged in outside employment or professional consulting services must notify both HR and the Executive Director of this activity. PSFA employee's primary duties are to PSFA and any other employment may not conflict with the employees' duty to render services to PSFA. Employees shall not conduct any other duties for other employers on PSFA premises or at any time while employees are engaged in official PSFA business. PSFA employees may not use compensatory time, administrative leave, or sick leave to perform outside employment duties.

Media Policy

The Executive Director is the principal point of contact for news media and general public inquiries regarding the PSFA. Employees are to refer all news media requests and other general public inquiries/requests to the Executive Director. If the Executive Director is not able to respond, the Executive Director shall assign requests to the appropriate individuals as he or she sees fit. No PSFA employee may speak on behalf of the PSFA without prior approval from the Executive Director. PSFA employees authorized to speak on behalf of the PSFA shall comply with federal and State law regarding protection of confidential information. This policy does not address requests under the Inspection of Public Records Act (IPRA).

Inspection of Public Records Act (IPRA)

PSFA is committed to fully complying with IPRA with the understanding that IPRA is subject to exceptions. The right of public inspection is limited to existing public records and PSFA is not required to create a public record that does not exist. The PSFA Records Custodian is the point of contact for all IPRA requests. Any and all requests for public records should be referred to the PSFA Records Custodian.

Employee Debt Collection

As a public entity, PSFA is obligated to ensure all outstanding debt owed to PSFA is collected. Failure to attempt to collect may violate the Anti-Donation Clause of New Mexico. Employees are expected to repay overpayment of wages, travel advances, and any other debt as a result of lost or damaged assigned equipment. Employees who fail to repay debt owed to PSFA will be turned over to a collections agency.

Political Activities

PSFA recognizes the right of free speech and expression of opinion. All employees are encouraged to participate in community activities, promote good citizenship, and contribute to public service. PSFA employees who choose to participate in political activity must do so on their own time and not associate PSFA; political activity and opinions must clearly represent the individual and not PSFA. Campaigning for a political party or body on PSFA premises or at any time while employees are engaged in official business is prohibited. Under no circumstances shall any State property, equipment, supplies, or time on the job be used to conduct an election campaign or other political activities.

GENERAL POLICY STATEMENTS ON ETHICAL CONDUCT

Respect in the Workplace

It is the policy of the PSFA to maintain a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere, and in a workplace free from gossip, stalking, bullying, cyber bullying, mobbing, as well as retaliation against anyone who in good faith reports or participates in an investigation of negative, aggressive and inappropriate behavior. PSFA believes in a proactive approach to workplace respect and is committed to providing employees with a healthy and safe workplace, free from physical or psychological harassment and violence. A respectful work environment is a place where employees are actively living by PSFA's Core Values which include respect for all persons with whom we work/collaborate/partner.

Standards of Behavior and Conduct Guidelines

Rules of conduct for PSFA employees are intended to promote the orderly and efficient operation of PSFA, as well as protect the rights of all employees. These rules are published for the employees' information and protection. Ignorance of work rules is not an acceptable excuse for violation. It is each employee's responsibility to know the rules and follow them. These rules are not all-inclusive; PSFA employees are expected to comply with all applicable State regulations in the course of performing assigned duties. Violation of any of the following standards of behavior and conduct shall be grounds for disciplinary action up to and including dismissal.

ACTS OF VIOLENCE

Acts of violence or any other types of threatening behavior in the workplace or on PSFA property are not acceptable and will not be tolerated.

- Employees shall not engage in verbal or physical behavior that is, or may reasonably be perceived as, threatening, harassing, and/or intimidating in the workplace. Such behavior shall be reported through their manager and HR. If such behavior is substantiated, the employee who engaged in that behavior will be subject to discipline up to and including dismissal.
- Any employee who strikes or attempts to strike another person while the employee is engaged in official business for PSFA will be subject to dismissal.
- Vulgar, abusive or offensive language is not acceptable and will not be tolerated.

ATTENDANCE AND PUNCTUALITY

- Punctual and regular attendance is an essential responsibility of each employee at the PSFA. Employees are expected to report to their assigned workstation on time and be ready to work. It is the responsibility of every PSFA employee to report their absences in accordance with PSFA guidelines. Excessive absenteeism or tardiness is considered misconduct and shall not be permitted.

- Any employee who fails to report to work without notifying his or her manager for a period of three days or more shall be considered to have voluntarily terminated his or her employment.
- Employees are responsible for reporting all leave on Leave Request Forms and submitting them to both their manager and HR. Falsification of a time record is prohibited, considered time fraud, and may result in disciplinary action up to and including termination.

BREACH OF CONFIDENTIALITY

Releasing, gathering or accessing confidential information for personal use is prohibited. Any unauthorized disclosure or misuse of confidential information obtained in the course of or through PSFA-related business activities is prohibited and is sufficient cause for discipline up to and including termination. Unauthorized disclosure includes: distributing or sharing a confidential report or other confidential information orally, in writing, or electronically to an unauthorized party; or using confidential information acquired by virtue of an employee's position with PSFA for the employee's or another's private gain; or providing PSFA ID or password to unauthorized individuals.

CARELESSNESS AND NEGLIGENCE

Employees must perform their work in a careful, conscientious and diligent manner. Negligence is the failure to exercise ordinary care that a reasonable person would take in the performance of the job responsibilities particular to their employment.

CUSTOMER SERVICE

PSFA employees must provide services to the public without regard to race, gender, sexual orientation, veteran status, political affiliation, gender identity, color, religion, age, national origin, mental or physical disability, or medical condition. Employees are required to provide and maintain quality and professional customer service to those in need of PSFA assistance. Employees must treat all customers, visitors and each other with courtesy and respect.

DISCIPLINARY ACTIONS/WORKPLACE INVESTIGATIONS

All pending workplace investigations that may result in disciplinary actions are confidential and information regarding these matters shall be discussed only with those who have a need to know and whose input is necessary to resolve the issue. Any communications beyond those who have a need to know and whose input is necessary to resolve the issue are strictly prohibited and shall be subject to disciplinary action up to and including dismissal.

DISCRIMINATION/HARASSMENT

Employees shall refrain from engaging in unlawful harassment, unlawful discrimination and unlawful retaliatory actions. Employees shall not discriminate against other employees or members of the public on the basis of race, age, religion, color, national origin, ancestry, sex, physical or mental impairment or serious medical condition, spousal affiliation, sexual orientation, genetic information, or gender identity.

PSFA shall not allow retaliation against any individuals who make reports of discrimination or sexual harassment. Any retaliatory actions should be reported immediately to managers or other appropriate management. Violations involving unlawful discrimination, sexual harassment or retaliation for making a complaint regarding discrimination or sexual harassment shall be reported directly to HR. Any employee found to have retaliated against another employee for reporting discrimination or sexual harassment shall be subject to disciplinary action up to and including dismissal.

DRESS CODE

Employees are expected to maintain good personal hygiene and to dress appropriately for the tasks of their positions. Employees shall wear apparel that is appropriate for the work environment. For in office employees, the dress requirement is business casual. Additionally when an employee is attending council or school board meetings, professional attire, such as a jacket and tie, is highly recommended. Employees who work in the field must wear appropriate attire and closed-toe shoes, denim pants or shorts are acceptable for employees who work in the field. Sports team, university, and fashion brand names on clothing are generally acceptable on Fridays. Hats (ball caps and similar) are not permitted in the office setting; however, they may be worn in the field. Employees are not allowed to wear athletic clothing, shorts, beach wear, and/or clothing that is wrinkled, torn, frayed, dirty, or clothing that may be offensive to others, including but not limited to clothing with words or terms that refer to politics, religion, sexuality, race, age, gender, and ethnicity. Accommodation of religious beliefs in terms of clothing may be granted if a safety issue is not present. Contact HR to request accommodations.

DRINKING AND DRUGS

All PSFA premises and vehicles are drug free workplaces. All employees while engaged in official PSFA business are prohibited from being under the influence, use or possession of alcohol or any illegal drug or controlled substance. Employees who are experiencing an alcohol or drug problem should seek help before it begins to affect job performance. The State offers professional and confidential assistance through the State Employees' Assistance Program (EAP). Contact HR for more information. The decision to seek help is viewed as a responsible act and will be supported by your manager and PSFA. Efforts to obtain help will be respected and handled in utmost confidence. Because of the State's obligation to protect others, it is important to keep your workplace safe and healthy. As a result, employees who report to work under the influence of alcohol or drugs are subject to disciplinary procedures and may, at the Executive Director's discretion, be barred from the workplace.

DRUG TESTING

The PSFA will require an employee to undergo drug and/or alcohol testing if the PSFA has a reasonable suspicion that the employee has committed drug or alcohol abuse based on, but not limited to:

- direct observation of the physical symptoms or manifestations of being under the influence of a drug or alcohol while on duty such as liquor on breath, slurred or incoherent speech, abnormal behavior, unsteady walk, or impaired coordination; or
- direct observation of the use or possession of drugs, drug paraphernalia, or alcohol while on duty. Employees are subject to drug or alcohol testing at the discretion of the Executive Director. It is policy of the PSFA that any employee who tests positive for controlled substances or alcohol shall be immediately removed from work to protect themselves, their co-workers,

and the public, and will be deemed to have violated this policy. Any violation of this policy shall result in disciplinary action up to and including dismissal.

FALSIFICATION

Falsification or omission of any documents or information provided to, for, or conducted on behalf of PSFA related business activities is strictly prohibited.

FRATERNIZATION

Professional relationships between managers and their subordinates are encouraged. However, PSFA recognizes that involvement by managers in romantic, personal, or marital relationships with their subordinates may compromise or create perceptions that undermine managers' ability to perform their jobs. Any involvement in a romantic relationship between managers and anyone they directly supervise or evaluate is prohibited and shall result in disciplinary action up to and including dismissal.

GRATUITIES

PSFA employees, independent contractors, and consultants of PSFA shall not accept any favor or gratuity from any person, customer, client or their family member, firm or corporation that is engaged in or attempting to engage in business transaction with PSFA.

HONORARIUM

No employee may request or receive an honorarium for a speech or service that relates to the performance of their public duties. For the purposes of this section, "honorarium" means payment of money or any other thing of value, but does not include reasonable reimbursement for meals, lodging or actual travel expenses incurred in making the speech or rendering the service.

INEFFICIENCY

Inefficiency is grounds for discipline up to and including dismissal. Inefficiency means behavior causing lack of productivity; spending an excessive amount of time on personal matters during work hours; not completing assigned job tasks within established timeframes; minimal attention to work quality; and failure to complete the terms of a corrective action plan.

INSUBORDINATION

Insubordination is prohibited. Insubordination means the refusal to follow a clear manager's lawful instruction or order or exhibiting disrespectful behavior toward a manager. Insubordination is grounds for disciplinary action up to and including dismissal. If a management directive is perceived by the employee to be illegal, dishonest, or unethical, the employee must immediately inform HR of their concern. HR will investigate the management directive.

LICENSURE/CERTIFICATIONS

Employees who are licensed, registered, or certified members of any profession or occupation shall conduct themselves in accordance with the professional or ethical standards of that profession or occupation. Employees who are required to have a license or certification as a minimum requirement to perform their jobs shall maintain their good standing with the entities that issue the licenses or certifications.

MISCONDUCT

Misconduct is prohibited. Misconduct means, but is not limited to, conduct in which employee's actions demonstrate willful or wonton disregard of PSFA legitimate business interests, dishonesty, omission of material facts during a formal investigation, intimidating or hostile behavior toward individuals, deceptive willful or wanton disregard of PSFA policy and rules, misrepresentation of material facts or work product, falsification of documents, attempts to financially defraud PSFA, horse playing, rough housing, hazing, ignoring a manager's reasonable instruction, and use of offensive and foul language. Misconduct is grounds for disciplinary action up to and including dismissal.

OFF-DUTY MISCONDUCT

Any criminal behavior by an employee at any time adversely affects PSFA's ability to carry out its missions to the public and may be a reason for separation from employment with PSFA. Employees must report any arrest to HR within 72 hours after the arrest. Failure to report an arrest is misconduct and grounds for disciplinary action up to and including dismissal.

OFFENSIVE AND DISRESPECTFUL BEHAVIOR

PSFA prohibits all forms of offensive and disrespectful behavior, as defined herein, by management, managers, workers and visitors in the workplace. Violations of this policy will be investigated and if substantiated will be dealt with expeditiously to include formal disciplinary action up to and including termination. To support the objective of providing all employees with a healthy and safe workplace, managers, managers and workers are required to take preventative action to ensure that risks to individual's health and safety due to violations of respect are eliminated or reported. For purposes of this policy, "offensive and disrespectful behavior" is defined as negative acts aimed at one or more individuals and causing them to feel hurt, embarrassed, disrespected, anxious, or depressed. These types of behavior are recognized as having damaging consequences for their recipients, the observers of the behavior, and PSFA as a whole and therefore are not tolerated. Examples include, but are not limited to:

- Gossip – discussions involving other people, typically involving information that is not true or is sensationalized,
- Stalking – tracking others who are not in your line of supervision, time, attendance, emails, files, meetings, or other work products and/or services
- Bullying – abuse or mistreatment of others, including but not limited to spreading rumors and misstatements, name calling, disrupting their work environment, and creating discomfort in the workplace,

- Cyber Bullying – using computers, phones, email, instant messaging, or other electronic media to bully other employees,
- Mobbing – to participate in group aggression towards others; targeting employees and bullying or maligning those individuals
- Retaliation – abusive treatment towards those who report inappropriate behavior, participate in investigations, or who are performing their job in accordance with a State or federal law or statute.

PERSONAL PHONE CALLS

Employees may make and receive personal phone calls on PSFA phones, provided that such calls are kept to a minimum and do not interfere with their job responsibilities. Excessive personal telephone usage may result in disciplinary action including but not limited to termination.

PERSONAL PROJECTS

Use of PSFA material, computers, equipment, or time for activities that are not for conducting PSFA’s business is prohibited. Using State property or funds for personal gain is a violation of law and may result in disciplinary action up to and including dismissal. Prohibited use includes but is not limited to using phones, equipment, supplies, copiers, fax machines, cameras, computers and email. Employees may not sell or promote the sale of any goods or services for personal gain on State property or during normal work hours.

SECURITY

It is the employee's responsibility to be aware of and comply with security rules and regulations. Employees shall use their PSFA issued badges and business cards only for official and authorized PSFA purposes.

SMOKING

Smoking is prohibited in PSFA buildings and vehicles, except in areas or parts of buildings specifically designated and identified as smoking areas. Areas may be designated as smoking areas only if the Executive Director determines that the smoke cannot drift into a nonsmoking area.

THEFT

Theft of any PSFA issued equipment, supplies, or documents and misappropriation, embezzlement, fraud, or conversion of any money or funds collected by or administered by the PSFA is strictly prohibited and will constitute grounds for disciplinary action up to and including dismissal.

WEAPONS AND FIREARMS

PSFA employees shall not possess, carry and/or conceal any weapon or firearm on PSFA property or in any State vehicle.

WORKPLACE SAFETY

The protection of State employees and the public on State property is a responsibility we all share. If you know of any unsafe working conditions or improperly operating equipment, which could result in an accident, injury, illness or property loss, contact your manager immediately. Inform your manager about every accident, injury or near miss incident on the job immediately. For certain jobs, personal protective equipment must be worn. If you are required to use personal protective equipment, your manager will discuss its proper use, care, maintenance and storage.

STATE PROPERTY

All employees shall treat State property with proper care. Employees are not to directly or indirectly use or allow the use of State equipment or property of any kind, including equipment and property leased to the State for other than official activities. Using State property or funds for personal gain is prohibited, is a violation of law and may result in a disciplinary action up to and including dismissal. Prohibited use includes but is not limited to using phones, equipment, copiers, fax machines, cameras, computers and email.

COMPLAINTS, REPORTING, AND ANTI-RETALIATION

PSFA intends for all employees to be treated fairly and to receive timely responses to any problems or concerns. The purpose of this policy is to provide a grievance procedure to guide the prompt and equitable resolution of certain problems or concerns raised by an employee, except with respect to the employee's evaluation. It also includes any perceived unfair treatment with respect to a disciplinary action with the exception of dismissal. This grievance procedure may be used freely without fear of retaliation. This process was carefully designed to resolve internal grievances, thus all employees shall adhere to the process steps as they are stated below.

PROCESS

The PSFA's intent is to resolve all issues, complaints, or concerns at the lowest level possible.

Step one – PSFA encourages informal resolution of complaints. An employee must first discuss the issue, complaint, or concern with his or her immediate manager within three (3) business days of the event or situation whenever possible. If the issue is not resolved as a result of that discussion, or such a discussion is not appropriate under the circumstances, an employee may proceed to Step 2.

Step two – If the issue, complaint, or concern is not adequately resolved at Step 1 or the employee is dissatisfied with the Step 1 resolution, the employee may submit a written grievance to HR. The written grievance should summarize the relevant facts and, if appropriate, it should indicate how the grievance was resolved at Step 1, identify the PSFA policy that was violated, and state the resolution sought by the employee. HR will examine and/or investigate the Step 2 grievance and attempt to issue a written decision within seven (7) business days of HR's receipt of the Step 2 grievance. Alternatively, HR may refer the matter back to the manager for appropriate action if PSFA policy has not been followed, or refer the parties to mediation provided that the parties involved agree to participate in the mediation process. HR will arrange for outside mediation through the State ADR office.

Step three – If the issue, complaint, or concern is not adequately resolved at Step 2 or the employee is dissatisfied with the Step 2 resolution, the employee may submit a written grievance to the Executive Director for final decision. The Executive Director will attempt to issue a written decision within seven (7) working days of receiving HR's recommendation. The decision of the Executive Director is final and not subject to any further appeal.

Exception – If the issue, complaint, or concern is regarding the Executive Director, the employee may submit a written grievance to HR. The written grievance should summarize the relevant facts, identify the PSFA policy that was violated, and state the resolution sought by the employee. HR will first examine and/or investigate the grievance and discuss with the Executive Director for appropriate action if PSFA policy has not been followed. The Executive Director will attempt to resolve the grievance within seven (7) working days of such notice. If the grievant is not satisfied with the resolution, he or she may notify HR, who will refer to mediation provided that all parties involved agree to participate in the mediation process. If the issue, complaint, or concern is not adequately resolved, HR will communicate with the PSCOC Chair for guidance on how to resolve the grievance. The decision of the PSCOC Chair is final and not subject to further appeal. In the event the issue, complaint, or concern is regarding HR, the Executive Director, or designee, shall fulfill HR's responsibilities in the Complaints, Reporting, and Anti-Retaliation Process.

The time limits above are subject to modification by PSFA on a case-by-case basis due to operational requirements, travel away from the office, the need for an in-depth investigation, or any other exigent circumstances. Any investigation conducted at any step during the Complaints, Reporting, and Anti-Retaliation Process will be kept as confidential as possible under the circumstances. The Executive Director has the final authority to resolve any disputes regarding the implementation of this process, including determination of the appropriate decision-makers and investigators. The grievant's failure to comply with any of the deadlines will be considered a withdrawal of the grievance.

Sexual Harassment/Hostile Workplace

It is the policy of PSFA to maintain a working environment free from discrimination and to prohibit sexual harassment among its employees, including discriminatory sexual advances or harassment that adversely affect an employee's terms and conditions of employment, either directly or indirectly. Sexual harassment is defined as any unwelcome or unwanted sexual advance, request for sexual favors, or other verbal or physical conduct of a sexual nature from someone in the workplace that creates discomfort and/or interferes with the job. Any employee who believes they are a victim of sexual harassment must report any incident to his or her manager or HR. Conduct constitutes harassment when:

- Submission to such conduct is made, either explicitly or implicitly, a term or condition of an individual's employment;
- Submission to or rejection of such conduct by an individual is used as the basis for employment decisions and/or retaliation; or
- Such conduct has the purpose or effect of interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment.

Reporting Misconduct

PSFA employees are encouraged to report in good faith to a manager, HR, Executive Director, law enforcement, and/or other appropriate third party any and all information regarding alleged workplace misconduct. A report is made in good faith when a reasonable basis exists in fact as evidenced by the facts available to the reporting employee. The following examples include, but are not limited to:

- Unlawful discrimination or harassment;
- Fraud, corruption, or bribery;
- Misuse, mismanagement, or misappropriation of funds or PSFA property;
- Unethical or unprofessional business conduct;
- Falsification of documents or reports;
- Willful noncompliance with PSFA policies/procedures;
- Circumstances of substantial, specific, or imminent danger to any individual or to the public's health and/or safety;
- Violations of local, State, or federal laws and regulations; or
- Other illegal or improper practices or policies.

False Information

Any employee who knowingly makes a false report of suspected misconduct or who gives false answers or information in response to an investigation of suspected misconduct is subject to discipline up to and including termination.

Whistleblower Protection and Anti-Retaliation

PSFA strongly encourages its employees to report suspected misconduct occurring at PSFA or being engaged in by any PSFA employee. A major deterrent to such reporting is the fear that the person or persons against whom the report is made will retaliate against the employee making the report. PSFA prohibits any form of retaliation or reprisal against any employee who makes a good faith report of suspected misconduct. Any employee who retaliates against any employee who has reported suspected misconduct is subject to disciplinary action, up to and including discharge. No employee will be exempt from the consequences of misconduct or inadequate performance by reporting his or her own misconduct or inadequate performance. The types of retaliation that are prohibited by this policy include but are not limited to the following actions:

- Giving unwarranted negative performance evaluations to the reporting employee;
- Taking adverse action with respect to the reporter's work assignments, salary, vacation, and other terms of employment, without legitimate business justification;
- Reprimanding the employee, without legitimate business justification;
- Suspending, demoting, or terminating the employment of the reporting employee without legitimate business justification; and/or Intimidating, threatening, or creating a hostile work environment for the reporting employee.

Reporting suspected misconduct does not exempt an employee from legitimate personnel action taken during the normal course of business.

Reporting Retaliation

Any employee who believes that he or she has been retaliated against for reporting suspected misconduct, or who is aware of retaliation against another employee for reporting suspected misconduct, must report the retaliatory conduct immediately to the Executive Director and/or HR. When an employee reports retaliation, PSFA will undertake or cause to be undertaken a thorough and objective investigation. The report will be kept confidential and will only be disclosed as necessary to conduct a complete and thorough investigation or to take other appropriate action.

CORRECTIVE ACTION

PSFA intends for all employees to be treated fairly and to receive timely responses to any problems or concerns. PSFA reserves the right to utilize the following Corrective Action process when it deems it appropriate to improve and prevent recurrence of inappropriate employee behavior or performance issues. The Corrective Action process shall be administered equitably and consistently. PSFA reserves the right to not utilize this process or to combine or skip steps based on the nature of the situation, the impact to PSFA, or failure of the employee to follow or correct the warnings given during either the Verbal or Written Corrections. This process does not provide any contractual rights regarding employee discipline, nor should anything in this process be read or construed as modifying, altering or canceling the employment at-will relationship. All PSFA employees shall be familiar and comply with all policies as they serve as a basis for disciplinary action, to include dismissal.

Corrective Action procedure

- Step 1- Verbal Correction: The manager will bring attention to the existing issue with the employee. The manager will discuss the problem and potential policy violations or impacts to the PSFA, expectations of the employee, required actions to correct the problem, and timeliness for completion. This verbal discussion should be followed up with an email to document its occurrence.
- Step 2- Written Warning: The manager will formally document the behavior or performance issues, the expectations for improvement, provide a timeframe for improvement and outline the consequences if the employee fails to meet the outlined expectations. This document will be signed by both the manager and the employee. The manager will then provide HR with the original document to place in the employees personnel file, and provide a copy to the employee for their records.
- Step 3- Final Written/Disciplinary Action Up To and Including Termination: The manager will document the employee's failure to comply with the expectations outlined previously and make the recommendation for termination of employment. Recommendations to terminate employment must be approved by the Executive Director.
- Investigatory: If the behavior or employment issue is harmful to the PSFA and other employees, the employee may be temporarily removed to allow a proper investigation. Removing the employee will require notifying HR and obtaining approval from the Executive Director. Prior to removal, the employee will be notified in writing of the offense(s) being investigated and why he/she is being removed from the premises. The employee will be on paid Administrative Leave during the investigation. The employee will have the opportunity to review the investigative report and respond prior to any final decisions regarding disciplinary action.

Performance and Conduct Issues Not Subject to Corrective Action Process

Some workplace behavior is not subject to the corrective action process. Examples include but are not limited to theft, substance abuse, intoxication, fighting and other acts of violence in the workplace. PSFA has the discretion to determine on a case-by-case basis whether or not to utilize the corrective action process and whether termination is appropriate.

Performance Improvement Plans

Employees who are not performing their duties to PSFA expectations may not be subject to progressive discipline. It is in PSFA's best interest to develop employees through training and experience. PSFA may place employees who have been trained, coached, and notified about their poor performance on a Performance Improvement Plan (PIP). This does not provide any contractual rights regarding employee discipline, nor should anything in this PIP be read or construed as modifying, altering or canceling the employment at-will relationship. In these instances, the employee's manager will formally document the performance issues, the expectations for improvement, provide a timeframe for improvement and outline the consequences if the employee fails to meet the outlined expectations. This document will be signed by both the manager and the employee. PIP's will usually range from 30-days to 90 days. During this time, the employee will be expected to make regular progress on the plan outlined. Failure to meet or exceed these expectations, or any display of gross misconduct will result in further disciplinary action, up to and including termination. In addition, if there is no significant improvement to indicate that the expectations and goals will be met within the timeline indicated in the PIP, employment may be terminated prior to the end of the PIP. Furthermore, failure to maintain performance expectations after the completion of the PIP will be seen as misconduct and may result in additional disciplinary action up to and including termination.

Documentation

Employees will be provided copies of all Corrective Action documentation. The employee will be asked to sign copies of this documentation attesting to his or her receipt and understanding of the corrective action. Signed copies of these documents will be placed in the employee's personnel file.

ATTENDANCE

Attendance Standards

All employees are expected to arrive on time, ready to work, every day. If you are unable to arrive at work on time, or must be absent for an entire day, you must contact your manager as soon as possible (at least 30 minutes before the start of work). If possible, you must speak with your manager and not a co-worker. Voicemail and e-mail messages are acceptable when you are unable to reach your manager directly. Failure to show up or call in for a scheduled shift without prior approval or notice is considered “no call no show.” After three consecutive days of “no call no show”, the absence will be considered job abandonment and the employee may be terminated. Excessive absenteeism or tardiness may result in disciplinary action up to and including termination. The standard of what is excessive is determined by the needs of your particular department. As each situation arises, it is the manager's responsibility to promptly curtail any abuse of work hours such as tardiness or early departure. The manager will take immediate and appropriate corrective action to rectify these problems. Corrective action may include progressive discipline depending upon the gravity and/or frequency of the offense.

Any employee with a disability who needs an accommodation should request it. The PSFA will reasonably accommodate qualified individuals with disabilities through its flextime, part-time, job sharing, or similar programs, which are designed for the needs of the specific individual and their need for an accommodation. Employees eligible for leave under the federal Family and Medical Leave Act will be granted such leave. The employee must notify HR of the need for FMLA leave or an accommodation. (See FMLA Leave section of this Handbook)

Hours of Operation and Alternative Work Schedules

PSFA's regular office hours are from 8:00 a.m. to 5:00 p.m. Employees may request a flextime schedule that deviates from the normal 8 a.m. to 5 p.m. work schedule. The employee's manager must approve any deviations from the employee's work schedule in advance. Management may designate other work hours as appropriate for business purposes and may change an employee's permanent work schedule; however, seven-calendar days' notice must be provided to the employee prior to the beginning of a new or revised schedule.

All approved alternative work schedules must be submitted to HR prior to implementation so payroll records can be updated.

Employees who work an 8-hour workday are entitled to a one-hour lunch break and two (2) fifteen minute breaks per workday. The employee's manager may schedule the lunch break. Once scheduled, breaks may be subject to change based on the Department's business needs.

Flex Time

DEFINITIONS:

- **Staggered schedule** – arriving and departing at different times during the week; total work hours must equate to, at least, 40 per week. Staggering may be required to meet the needs of the PSFA or the clients.
- **Compressed schedule** – work more hours each day and less days within the week; total work hours must equate to, at least, 40 per week.
- **Flexing hours** – arriving to work early or leaving late to accommodate an appointment during the day; total work hours must equate to, at least, 40 per week.
- **Telecommute** – work from home. This requires advanced approval and would be an exception to normal work schedule. Only permitted based on medical needs and/or at the discretion of the Executive Director

The business needs of PSFA are the first consideration in any alternative work arrangement. PSFA recognizes the health and morale of exempt employees as essential in order to achieve its mission and therefore strives to maintain a balance between work and personal needs. With the advanced approval of the Executive Director, and employee's manager, employees may work an alternative workweek schedule as long as it is in the best interest of PSFA and the alternative schedule corresponds with actual work requirements. Flex time includes: staggered schedules, compressed workweek, flexing work hours within a week to accommodate personal needs, and telecommuting. PSFA exempt employees are responsible for ensuring they work the minimum required 40 hours each week or submit a leave request for hours not worked.

Compensatory Time

PSFA employees who are exempt from Fair Labor Standards Act (FLSA) overtime provisions are expected to work all hours necessary to perform their duties to the best of their abilities without additional compensation. Several hours added to a workday occasionally or even on a weekend are expected of professional employees. However, the Executive Director may approve compensatory time when it is recognized that the FLSA exempt employee has worked a significant amount of time beyond the normal workweek schedule to perform specific job requirements. Employees must first obtain advance approval prior to working excess hours. The employee's manager will be responsible for ensuring compensatory time is not reported for day-to-day workload. The employee will be responsible for ensuring the approved compensatory time and the compensatory time used is provided to HR in the pay period it is actually used and that the used compensatory time is recorded on a leave slip. FLSA exempt employees who separate from the PSFA will not be paid for any unused compensatory time.

Paid Holidays and Holiday Pay

When an authorized holiday falls on an employee's regularly scheduled workday and the employee is not required to work, the employee shall be paid at the employee's hourly rate of pay for the number of hours the employee would have normally worked.

The Executive Director may direct employees to work on a holiday. Exempt employees required to work on a holiday shall be compensated by compensatory time off at a rate of one and one half times the amount of hours actually worked on the holiday. No exempt employee shall be paid for unused holiday compensatory time upon separation or transfer.

New Year's Day	January 1
Martin Luther King, Jr. Birthday	Third Monday of January
Memorial Day	Last Monday of May
Juneteenth	June 19 th
Independence Day	July 4 th
Labor Day	First Monday in September
Indigenous Peoples Day (Columbus Day)	Second Monday of October
Veteran's Day	November 11 th
Thanksgiving and Day After	Fourth Thursday and Friday in November
Christmas Day	December 25

Inclement Weather

In the event of inclement weather, employees are directed to stay tuned to the local news and/or radio stations to determine if an official delay, closure or early dismissal has been issued by the school district within which they reside. (The PSFA's delay, closure or early dismissal will not be on the news or radio).

If such an official announcement of a delay, closure or early dismissal has been made for the school district within which the employee resides, the employee will be placed on Administrative Leave for the time announced. An employee will not be entitled to Administrative Leave at the time of the announcement if on other, previously approved leave.

When a school district has not announced an official delay, closure or early dismissal, the Executive Director, or designee, may authorize a delay, closure or early dismissal for PSFA employees located at PSFA's main office in Albuquerque or for specific locations throughout the State while requiring other employees not affected by the inclement weather to report to their respective offices.

Employees are to use their own discretion when driving to and from work. If the roads are bad between the employee's home and assigned work location but no official delay, closure or early dismissal has been announced, and no Administrative Leave has been granted, the employee may request discretionary approval from their direct manager or the Executive Director or designee to:

- Flex work schedule to make up for the time lost within the same work week; or
- Work at home or remote location (with direct manager's approval) but only to the extent that the employee has the means to do so and the work can be verified by their manager.

Unauthorized Absences: Absences Without Leave (AWOL)

An employee who is absent from work without prior approval of the manager will be considered absent without authorized leave. Such leave will be subject to disciplinary action up to and including termination.

- Employees shall not be paid for any periods of absence without leave and shall not accrue annual or sick leave.
- Unauthorized absence may be grounds for disciplinary action. Any employee who is on an unauthorized absence will be charged Absent Without Leave for the time absent.
- Absence Without Leave is initiated by the employee's manager. The employee will be notified of the action in writing and a copy will be provided to HR for placement into the employee's personnel file. This memorandum is to be considered a written reprimand and will indicate to the employee that future unauthorized absences may result in corrective action including dismissal. It is the manager's responsibility to maintain documentation reflecting any such action.
- If an employee is away from work on unauthorized absence, the manager must promptly send an Email including read receipt to both the employee's personal and work email, informing the employee that unless he/she reports to work by a specified date or requests approval for leave by that date, a recommendation will be made for dismissal. A copy of this email will be placed in the employee's personnel file. Note: The date specified for return to work or by which leave must be requested should be no more than five (5) working days after the email is sent.
- Employees who are AWOL on the workday prior to or directly following a holiday may not be paid for the holiday.

LEAVE

Leave Requests

It is the employee's responsibility to request and complete leave forms within a timely manner. Annual or personal leave requests must be submitted electronically (email) and approved through the employee's manager prior to use. If the employee is unavailable to submit their leave forms timely, the manager is responsible for submitting their leave forms. Additionally, all leave must be reported on the PSFA's Outlook Agency calendar. In the event an employee is unable to add the leave to the calendar, the manager is responsible to update the calendar. An absence that is not scheduled and approved in advance may be cause for disciplinary action. All employees will utilize the following procedures for requesting leave and reporting absences:

- All leave must be requested from and approved by the employee's manager at least 24 hours in advance, except as noted below.
- All employees will complete a Leave Request Form indicating their name, the dates and timeframe of the leave, the type of leave requested, the number of hours of accrued leave that will be used, the date of the request, and their signature.
- Employees will submit the completed Leave Request Form to their manager via email and copy HR.
- The employee's manager shall approve the leave by E-signing the document or responding "Approved" in an email to both the employee and HR. Managers may deny requested Annual or Personal Leave based on business need. If a manager denies leave, they shall provide justification as to why they denied the leave to both the employee and HR.
- Employees shall indicate their approved leave on the Agency Calendar. If the employee is unable to do so, the responsibility falls on the manager who approved the leave.
- In the case of emergencies or unanticipated leave, the employee will contact his/her manager as close to the start of the normal workday as possible, but not later than 30 minutes beyond the starting time of the leave.
- Absences will not be reported to co-workers under any circumstances, nor will telephone calls be accepted from any person other than the employee, unless the employee is unable to place the call.
- Employees will communicate with their manager each day that they are absent unless the absence has been pre-approved.
- All requests for unanticipated leave will be considered by the manager in line with the Department's business needs. The manager may grant tentative approval of the leave requested pending receipt of appropriate documentation of the emergency.
- Employees directed to provide verification or a doctor's certification shall provide such immediately upon return to work.
- The Department will approve requests for sick leave for personal medical treatment or illness and for medical treatment or illness of a relation by blood or marriage within the third degree or of a person residing in the employee's household.
- If a manager suspects an abuse of sick leave, they will discuss the situation with the HR Manager. If a determination is made to require a completed NMDOL Medical Certification form), the employee will be notified at the time of request for sick leave that certification is required before final approval can be granted.

- If an employee approaching retirement requests approval for sick leave and HR determines that confirmation of the medical necessity is required, the employee may be asked to provide a completed NMDOL Medical Certification form prior to final approval of the sick leave.
- If an employee requests approval for sick leave and does not have enough accrued and unused sick leave to cover the period requested, annual leave may be substituted for sick leave.
- Failing to report annual, sick or personal time is considered time theft and is subject to disciplinary action up to and including termination.

Annual Leave

Employees shall accrue annual leave at a rate determined by the employee's cumulative years of service to the State. Accrual rates are prorated for part-time employees and employees who have utilized LWOP. Cumulative years of service shall include any combination of service as an exempt or classified employee in the executive branch, and as an employee of the legislative branch, the judicial branch, the district attorney's office, or the State police. Annual leave balances can be viewed in the Timesheet balances option in SHARE. Each agency shall be responsible for calculating, adjusting, and paying out the total amount of annual leave due for the exempt employee at the time of separation of employment with the State.

A maximum of 240 hours will be carried forward into the next calendar year after the last pay period beginning in December. Employees shall not be paid for more than 240 hours of annual leave upon separation or transfer. Annual leave hours will be paid on the pay period after the employee's effective separation date. The estate of an employee who pass away while in Governor Exempt service shall be paid for the employee's total accrued annual leave. Employees shall accrue annual leave as follows:

Years of Service		Per Pay Period
At Least	Less Than	(in hours)
0	3	4.62
3	7	5.54
7	14	6.46
14.0 and over		7.39

Sick Leave

Employees, except those on full time educational leave with pay, absent without leave, leave without pay, unpaid FMLA leave, or suspension without pay, shall accrue sick leave at the rate of 4.00 hours per pay period. Sick leave shall not be used before it is accrued. Leave is not accrued until the end of the pay period and cannot be used until after the pay period in which it is earned.

Employees employed on a part-time basis and employees on furlough who work at least eight (8) hours in a pay period shall accrue sick leave on a prorated basis.

Employees may use sick leave for personal medical treatment or illness, or for medical treatment or illness of a Family Member, or person residing in the employees' household. Such leave should be requested for approval at least twenty-four (24) hours in advance whenever possible.

Employees affected by pregnancy, childbirth, and related medical conditions must be treated the same as persons affected by other medical conditions.

Employees may use accrued sick leave to attend the funeral of a relation by blood or marriage, which does not fall under the bereavement leave policy.

Employees taking sick leave must use all reasonable efforts to contact their manager within thirty (30) minutes of the beginning of the business day, requesting approval of sick leave use. If the employee is at work when they get ill, the employee shall notify their manager prior to leaving work and obtain leave approval.

Managers or HR may require an employee to furnish a doctor's certificate for sick leave taken.

There is no limit to the amount of sick leave that may be accrued. For emergencies not listed, the Executive Director may allow sick leave usage when deemed appropriate on a case-by-case basis.

Payment of accumulated unused sick leave shall only be made as provided by State law. As of the date of this Handbook, NMSA 1978, Section 10- 7-10 states: " ... *an employee of the state who has accumulated six hundred hours of unused sick leave shall be entitled to be paid for additional unused sick leave at a rate equal to fifty percent of their hourly wage multiplied by the number of hours of unused sick leave over six hundred hours, not to exceed one hundred twenty hours of such sick leave in any one fiscal year ...* " and Section 10-7-11 NMSA 1978 which states: " ... immediately prior to retirement from State service, an employee of the State who has accumulated six hundred hours of unused sick leave shall be entitled to be paid for additional unused sick leave at a rate equal to fifty percent of their hourly wage multiplied by the number of hours of unused sick leave over six hundred hours, not to exceed four hundred hours of such sick leave." . Accrued sick leave will be forfeited at the time of involuntary or voluntary separation.

Personal Leave Day

Exempt employees are eligible for one eight-hour personal leave day per year upon hire. The personal leave will be prorated for employees working less than an eight-hour day. The personal leave day must be taken in one consecutive block. The personal leave day shall be taken at any time between the date of hire and December 31 of any calendar year or it will be forfeited. Exempt employees will not receive payment for an unused personal leave day upon separation.

Administrative Leave

The Executive Director may authorize exempt employee's administrative leave with pay for up to five consecutive workdays when it is in the best interest of the PSFA to do so. Administrative leave in excess of five consecutive workdays must have prior written approval from the DFA Secretary. Employees shall not be paid for unused administrative leave upon separation or transfer. Administrative leave shall not

be transferred when an exempt employee transfers to another agency or a classified position. HR shall be responsible for calculating, adjusting and tracking administrative leave for employees.

Emergency Medical Leave

The intended recipient of the donated leave must have exhausted all sick, annual leave, and personal day leave, and must be absent from work due to a *medical emergency* of the employee or a member of the employee's immediate family or the death of a member of the employee's immediate family and shall only receive leave in accordance with this section.

Employees may donate accrued annual leave to or receive accrued annual leave from another employee within or between agencies. Prior to any transfers of annual leave, agencies shall submit a written request to the DFA Secretary via the Governor Exempt Pay Plan Director with the information set out below. The requesting agency will receive written approval/disapproval from the Governor Exempt Pay Plan Director of such transfers of leave. The transferred leave will be designated for the medical emergency leave account of the specified employee. Funds to cover the leave will not be transferred.

The donors may not transfer more hours than they have accrued at the time of the request. Donated leave will be prorated when transferred to the recipient. Donated leave shall revert to the employees who donated the leave on a prorated basis when the medical emergency ends or the leave recipient separates from employment. Supporting documentation shall be kept confidential and will not be subject to public inspection without the written consent of the donor(s) and recipient.

The agency of the recipient shall submit a letter of request to the DFA Secretary via the Governor Exempt Pay Plan Director containing the following information:

1. The name, position title and hourly rate of pay of the proposed leave recipient;
2. A description of the nature, severity, and anticipated duration of the medical emergency involved and a statement that the recipient is unable to work;
3. A list of donors, hours of annual leave donated, and hours of annual leave to be transferred; and
4. Any other information the employing agency may reasonably require.

Upon approval by the DFA Secretary, the Governor Exempt Pay Plan Director will assist the agency with the transfer of donated annual leave to the donated leave account of the recipient, converting the dollar value of the donor's annual leave based on the donor's hourly rate of pay to hours of leave based on the recipient's hourly rate of pay.

Leave Without Pay (LWOP)

Employees must have exhausted all annual and sick leave prior to requesting Leave Without Pay. A written request for Leave Without Pay must be submitted to the employee's manager to the Executive Director. If the leave period is more than 40 consecutive hours for employees in any status, a request for

Leave Without Pay is processed stating the reason for the leave, through all management levels, and must be approved by the HR.

When considering a request for Leave Without Pay, Executive Director will evaluate the request based on the employee's attendance record, the impact on the work unit and any other relevant factors. Such leave, especially for an extended period, is only considered for reasons of personal health or family health. Leave Without Pay will not be approved for an employee to take another position while on leave.

Leave Without Pay may be approved when:

- the agency can assure a position of like status and pay, at the same geographic location, upon the return of the employee from Leave Without Pay; or
- The employee agrees in writing to waive that requirement; at the Executive Director's discretion, the waiver may be required as a condition of approving Leave Without Pay.

Employees who have been granted Leave Without Pay and who need additional leave must submit their written request for this additional leave to their manager at least two weeks prior to the expiration of their initial approved leave, except under emergency circumstances. Leave Without Pay may be granted to employees in an emergency for a period not to exceed 30 consecutive calendar days.

Bereavement Leave

PSFA employees may request up to three (3) days of administrative leave to attend the funeral arrangements for the death of a relation by blood or marriage within the third degree. Relation by blood or marriage within the third degree includes spouse, domestic partner, parent, mother-in-law, father-in-law, stepparent, children, domestic partner children, son-in-law, daughter-in-law, stepchild, brother, stepbrother, brother-in-law, sister, stepsister, sister-in-law, grandparents, grandchild, uncle, aunt, nephew, niece, great-grandchild, and great-grandparent. The Executive Director will approve or disapprove all requests for bereavement leave.

Domestic Abuse Leave

In accordance with the State's Promoting Financial Independence for Victims of Domestic Abuse Act, NMSA 1978, §50-4A-2, PSFA employees may be granted up to 14 days of domestic abuse leave in any calendar year, and up to eight hours in any one day. Employees may use accrued sick leave, annual leave, or approved leave without pay for domestic abuse leave. Employees must notify both their manager, and HR when taking domestic abuse leave. Employees are to provide HR with either a police report, copy of an order of protection, or a letter from the district attorney, victim advocate, or law enforcement official. All information relating to the domestic abuse leave will be treated as confidential. Domestic abuse leave may be used to attend court hearings, meet with law enforcement and/or attorney, and/or interact with other State agencies concerning the domestic abuse. In the event threats have been made against the employee, PSFA reserves the right to take appropriate action to protect PSFA and its employees.

General Public Activities

PSFA recognizes certain activities that are conducted by outside organizations for the benefit of the general public. Employees asked by organizations to work on behalf of such activities may qualify for administrative leave on a case-by-case basis if approved by the Executive Director and the activity is in the best interest of the PSFA.

PROCEDURE

An employee who intends to participate in public activities must submit a request in writing to the Executive Director explaining the nature of the leave and the benefit to PSFA. The Executive Director will determine if administrative leave shall be granted or annual leave hours shall be used. The employee will attach the approved request to a Leave Request Form and submit to HR through their manager.

Civic Duty (Voting) Leave

Employees who are registered voters may absent themselves from work for two hours for voting between the time of the opening of and the time of the closing of the polls. PSFA divisions may specify the hours during the period of which the voter may be absent. This leave is not available to employees whose workday begins more than two hours subsequent to the time of opening the polls or ends more than three hours prior to the time of closing the polls. Voting time may not be used consecutively with annual or sick leave. Falsification of Voting Leave is in violation of the Election Code, which permits a voter to absent him/herself from employment for “two hours for the purpose of voting.” Any violation of this policy shall result in disciplinary action up to and including dismissal.

Jury Duty / Court Leave

PSFA recognizes that jury duty is a civic duty. Employees, who are called upon to participate in this process, must inform their manager immediately. In addition, they must submit a leave slip for any missed time due to jury duty and attach the court notice to the leave slip. Employees will be on paid jury / court duty leave while they are serving their civic duty. Any monies received in exchange for their services to the courts must be turned in to HR for submission to the Department of Finance & Administration.

Military Leave

In accordance with Title 28 U.S.C. 4301-4335, the Uniformed Service Employment and Reemployment Rights Act (USERRA), PSFA will grant a leave of absence for military or related service to employees. Under New Mexico State law, this benefit provides service members up to fifteen (15) days of paid leave per federal fiscal year (October – September). Employees who receive notice to report for military service must notify their manager and HR within 24 hours as well as provide HR with a copy of official military orders.

Return to Work Memo

Managers must notify HR when an employee returns to work from:

- Leave Without Pay (if longer than 40 hours)
- Suspension
- Absences Without Leave
- Family and Medical Leave
- Military Leave

FMLA, ADA, AND WORKERS COMPENSATION

Family Medical Leave (FMLA)

Eligible employees are entitled to leave in accordance with the Family and Medical Leave Act (FMLA) of 1993 [29 U.S.C. Section 2601 et seq.]. Employees who have been employed by PSFA for at least 12 months and who have worked, as defined by Section 7 of the Fair Labor Standards Act [29 U.S.C. Section 201 et seq.], at least 1250 hours during the 12 month period immediately preceding the start of FMLA leave are eligible employees. Time spent on Military Leave is counted as hours worked for purposes of calculating FMLA eligibility.

TYPES OF FMLA

Eligible employees are entitled to a total of twelve (12) weeks of unpaid job-protected leave in a 12-month period, for the following reasons:

- For incapacity due to pregnancy, prenatal medical care or child birth;
- To care for the employee's child after birth, or placement for adoption or foster care;
- To care for the employee's spouse, son or daughter, or parent, who has a Serious Health Condition; or
- For a Serious Health Condition that makes the employee unable to perform the employee's job.
- Any qualifying exigency arising out of the fact that the spouse, son, daughter or parent of the employee is on active duty, or has been notified of an impending call to active duty status, in support of a contingency operation as defined in the FMLA.

An eligible employee who is the spouse, son, daughter, parent, or next of kin of a covered service member who is recovering from a serious illness or injury sustained in the line of duty on active duty is entitled to up to 26 weeks of unpaid FMLA leave in a single 12-month period to care for the service member. This military caregiver leave is available during a single 12-month period during which an eligible employee is entitled to a combined total of 26 weeks of all types of FMLA leave.

NOTICE REQUIREMENTS

- As with any type of leave, an employee must give advance notice requesting leave and obtain approval, except in emergencies. An employee must give at least thirty (30) days written notice before leave starts. If thirty (30) days' notice is not possible, notice is expected as soon as practical. "As soon as practical" means at least verbal notice within two (2) business days of learning of the need for leave followed by written confirmation. If an employee fails to give thirty (30) days' notice for foreseeable leave with no reasonable excuse for the delay, HR, (as applicable) or designee may delay the taking of FMLA leave until at least thirty (30) days after the date the employee provided notice.
- Request for leave must be submitted on a Family Medical Leave Certification Form. HR will determine if the requested leave qualifies as FMLA leave. It is the employee's responsibility to provide enough information, including the reason for requesting leave, so that HR or designee can make this determination. Any FMLA-qualifying absence will be designated as FMLA leave by

HR, and will be applied to the twelve (12) weeks entitlement, even if not requested by the employee.

- In any case in which the necessity for leave due to Active Duty of a Family Member is foreseeable, whether because the spouse, or a son, daughter, or parent of the employee is on active duty, or because of notification of an impending call or order to active duty in support of a contingency operation, the employee shall provide such notice to PSFA as is reasonable and practicable. HR, the Executive Director or designee will notify the employee within two (2) workdays, if possible, of the approval or disapproval of their FMLA request.
- If PSFA has reason to question the adequacy of a medical certification, a health care provider representing PSFA may contact the employee's health care provider, with the employee's permission, for purposes of clarification and authenticity of the medical certification. PSFA has the right to require, at its own expense, a second medical opinion and is permitted to designate the health care provider to furnish the second opinion. If the second opinion and the original certificate conflict, PSFA has the right to require a third opinion by a health care provider upon whom PSFA and the employee agree. The third opinion is final and binding.

SUBSTITUTION OF PAID LEAVE

FMLA leave may be comprised of any combination of sick leave, annual leave, or leave without pay. Employees shall not accrue sick or annual leave nor be paid for "observed" holidays while on unpaid FMLA leave. If a paid holiday occurs within a week of FMLA leave, the holiday is counted towards the FMLA entitlement. However, if an employee is using FMLA leave in increments of less than one week, the holiday does not count against the employee's FMLA leave entitlement unless the employee was otherwise scheduled and expected to work during the holiday. Employees shall not accrue annual and sick leave while on unpaid FMLA leave. The 12-month period is calculated forward from the date an employee's first FMLA leave begins.

BENEFITS DURING FMLA

PSFA will maintain the employee's health coverage on the same terms as if the employee had continued to work. If an employee does not return to work after the leave entitlement has expired, the employee may be required to reimburse PSFA for any health insurance premiums paid by PSFA during the period the employee was on FMLA leave if the failure to return to work is not due to the continuation, recurrence, or onset of a serious health condition entitling the employee to leave or other circumstances beyond the employee's control.

RELEASE

Employees returning to work from a serious health condition must submit to HR a release from their health care provider. If an employee requires an accommodation under ADA, a request must be submitted to HR.

PROHIBITIONS AND ENFORCEMENT

FMLA makes it unlawful for an employer to:

- Interfere with, restrain, or deny the exercise of any right provided under FMLA; and
- Discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.
- Request additional information from the employee's health care provider if the employee has already submitted a complete certification signed by a health care provider.

Paid Parental Leave

In order to assist and support new parents in balancing work and family, PSFA provides eligible employees with a period of paid Parental Leave for activities related to the bonding, care, and well-being of their newborn or newly adopted child(ren). Domestic Partners as defined by the State Personnel Board rules are eligible for the Paid Parental Leave benefit when a new child joins the household via birth or adoption. PSFA will provide up to twelve (12) workweeks of paid Parental Leave for all eligible employees following the birth or adoption of a child. Paid Parental Leave shall be paid based upon the eligible Employee's base salary (excluding temporary increases of pay, such as temporary promotion increases, temporary recruitment differentials, temporary retention differentials, or temporary salary increases) determined by the employee's regularly scheduled work hours. If both parents or adoptive parents, including a Domestic Partner of a parent or adoptive parent, of a newborn or a newly adopted child are eligible Employees, each parent or partner is eligible to receive Paid Parental Leave under the terms of this policy.

Eligible employees must take Paid Parental Leave during the first six (6) months following the birth or adoption of a child. Any unused leave at the end of this 6-month period will be forfeited. Paid Parental Leave will have no cash value and will not result in a payout benefit. Paid Parental Leave may not be donated to another employee. Paid Parental Leave can be taken all at once or intermittently during this six-month period. Eligible employees may utilize up to twelve (12) workweeks per birth or adoption event. For purposes of this policy, an event is defined as a delivery or adoption of a child(ren). For example, if an eligible Employee has a delivery of multiple newborns or adopts multiple children at the same time, the employee would be eligible for up to twelve (12) workweeks of Paid Parental Leave for that event. An employee cannot receive short-term disability benefits and paid parental leave benefits at the same time. If an employee is eligible for short-term disability benefits after giving birth to a child, the employee should complete the short-term disability and then may take paid parental leave within the six-month period above.

If an official holiday occurs during the eligible Employee's Paid Parental Leave, the eligible Employee will receive holiday pay in lieu of paid leave, provided the Eligible Employee is in paid status the day before and the day after the official holiday.

Paid Parental Leave taken under this policy shall run concurrently with leave under the FMLA. This means that, for example, when Paid Parental Leave taken under this policy falls under the definition of circumstances qualifying for leave under the FMLA, the Paid Parental Leave will be counted against the employee's 12-week FMLA leave entitlement. Employees should refer to PSFA's Family and Medical Leave policy for further guidance and information on the FMLA. An employee shall be eligible for Paid Parental Leave even if the employee has otherwise exhausted their FMLA leave.

In all circumstances in which federal or State law provides for greater family and medical leave rights than this policy, PSFA will comply with those laws.

PROCEDURES

To apply for Paid Parental Leave, an eligible Employee shall:

- Notify and discuss with the employee's manager and HR verbally or in writing the employee's request for Paid Parental Leave at least thirty (30) days in advance of the birth or adoption of a child. When thirty (30) days' notice is not possible, the employee must provide this notice as soon as practicable.
- Complete the Request for Paid Parental Leave form and submit the form to HR and the employee's manager for review and approval. The form is available at the HR Office.
- Notify the employee's manager and HR verbally or in writing upon the birth or adoption of a child. This obligation is for any employee requesting Paid Parental Leave under this policy.
- Provide legal documentation of the birth or the adoption of a child to HR within thirty (30) days of the birth or the adoption or as soon as it is available. Situations where a legal document cannot be provided at the time of birth or adoption, or within the required timeframe or a reasonable time thereafter will be considered on a case-by-case basis. Examples of legal documents that will be considered are a report of birth, a birth certificate, adoptive placement agreement, or an adoption order. The legal documents provided shall at a minimum show the date of birth or date of adoption, the age of the child at the time of adoption when applicable, and the name of the parent(s).

HR shall:

- Communicate available leave options with the employee upon receipt of a request for Paid Parental Leave, including FMLA leave if the employee is eligible for such leave.
- Provide the requesting employee acknowledgement of the Request for Paid Parental Leave form and respond to the request once it has been reviewed by HR and the employee's manager.
- Keep the employee's manager apprised of any revisions in a Paid Parental Leave request.
- Keep completed and signed forms in the employee's personnel file.

Failure to comply with procedures listed in this section may result in delay or denial of an employee's request for Paid Parental Leave.

Americans with Disabilities Act (ADA)

The Americans with Disabilities Act (ADA) and the Americans with Disabilities Amendments Act (ADAAA) are federal laws that require employers with 15 or more employees to not discriminate against applicants and individuals with disabilities and, when needed, to provide reasonable accommodations to applicants and employees who are qualified for a job, with or without reasonable accommodations, so that they may perform the essential job duties of the position.

It is the policy of PSFA to comply with all federal and State laws concerning the employment of persons with disabilities and to act in accordance with regulations and guidance issued by the Equal Employment Opportunity Commission (EEOC). Furthermore, it is the PSFA policy not to discriminate against qualified individuals with disabilities in regard to application procedures, hiring, advancement, discharge, compensation, training or other terms, conditions and privileges of employment.

PROCEDURES

When an individual with a disability requests accommodation and can be reasonably accommodated without creating an undue hardship or causing a direct threat to workplace safety, they will be given the same consideration for employment as any other applicant. Applicants who pose a direct threat to the health, safety and well-being of themselves or others in the workplace when the threat cannot be eliminated by reasonable accommodation will not be hired.

As required by law, PSFA will reasonably accommodate qualified individuals with a disability so that they can perform the essential functions of a job unless doing so causes a direct threat to these individuals or others in the workplace and the threat cannot be eliminated by reasonable accommodation or if the accommodation creates an undue hardship to PSFA. Contact HR with any questions or requests for accommodation.

Individuals using illegal drugs are excluded from coverage under the PSFA ADA policy.

HR is responsible for implementing this policy, including the resolution of reasonable accommodation, safety/direct threat and undue hardship issues.

DEFINITIONS

As used in this ADA policy, the following terms have the indicated meaning:

- **Disability:** A physical or mental impairment that substantially limits one or more major life activities of the individual, a record of such an impairment, or being regarded as having such an impairment.
- **Major life activities:** Term includes caring for oneself, performing manual tasks, seeing, hearing, eating, sleeping, walking, standing, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, communicating and working.
- **Major bodily functions:** Term includes physical or mental impairment such as any physiological disorder or condition, cosmetic disfigurement or anatomical loss affecting one or more body systems, such as neurological, musculoskeletal, special sense organs, respiratory (including speech organs), cardiovascular, reproductive, digestive, genitourinary, immune, circulatory, hemic, lymphatic, skin and endocrine. Also covered are any mental or psychological disorders, such as intellectual disability (formerly termed “mental retardation”), organic brain syndrome, emotional or mental illness and specific learning disabilities.
- **Substantially limiting:** In accordance with the ADAAA final regulations, the determination of whether an impairment substantially limits a major life activity requires an individualized assessment, and an impairment that is episodic or in remission may also meet the definition of disability if it would substantially limit a major life activity when active. Some examples of these types of impairments may include epilepsy, hypertension, asthma, diabetes, major depressive disorder, bipolar disorder and schizophrenia. An impairment, such as cancer that is in remission but that may possibly return in a substantially limiting form, is also considered a disability under EEOC final ADAAA regulations.
- **Direct threat:** A significant risk to the health, safety or well-being of individuals with disabilities or others when this risk cannot be eliminated by reasonable accommodation.

- **Qualified individual:** An individual who, with or without reasonable accommodation, can perform the essential functions of the employment position that such individual holds or desires.
- **Reasonable accommodation:** Includes any changes to the work environment and may include making existing facilities readily accessible to and usable by individuals with disabilities, job restructuring, part-time or modified work schedules, telecommuting, reassignment to a vacant position, acquisition or modification of equipment or devices, appropriate adjustment or modifications of examinations, training materials or policies, the provision of qualified readers or interpreters, and other similar accommodations for individuals with disabilities.
- **Undue hardship:** An action requiring significant difficulty or expense by the employer. In determining whether an accommodation would impose an undue hardship on a covered entity, factors to be considered include:
 - The nature and cost of the accommodation.
 - The overall financial resources of the facility or facilities involved in the provision of the reasonable accommodation, the number of persons employed at such facility, the effect on expenses and resources, or the impact of such accommodation on the operation of the facility.
 - The overall financial resources of the employer; the size, number, type and location of facilities.
 - The type of operations of the company, including the composition, structure and functions of the workforce; administrative or fiscal relationship of the particular facility involved in making the accommodation to the employer.
- **Essential functions of the job:** Term refers to those job activities that are determined by the employer to be essential or core to performing the job; these functions cannot be modified.

The examples provided in the above terms are not meant to be all-inclusive and should not be construed as such. They are not the only conditions that are considered to be disabilities, impairments or reasonable accommodations covered by the PSFA ADA policy.

Workers' Compensation

PSFA employees are covered under the New Mexico Workers' Compensation laws. These laws provide payment for lost time due to disability and medical attention at State expense for a work-related injury or occupational illness.

WORK-RELATED INJURY

Work-Related Injury includes an illness, injury or occupational disease arising out of and in the course of an employee's employment with PSFA, and caused at least in part by such employment, and otherwise compensable under the Worker's Compensation Act. It is the policy of PSFA to comply with all provisions of the New Mexico Worker's Compensation Act, the Americans with Disabilities Act, and the Rehabilitation Act of 1973 and to ensure that all employees are aware that they are covered under the provisions of these Acts. If a conflict arises with the interpretation of the Worker's Compensation Policy and any provision of the federal laws, or with the New Mexico Worker's Compensation Act, federal and then State law will prevail.

MEDICAL BENEFITS, COMPENSATION RATE AND DISABILITY BENEFITS

An employee is entitled to timely medical benefits after an injury or illness, continuing for as long as medical or medical-related treatment is determined to be reasonable and necessary by the employee's, authorized treating health care provider. The amounts of such medical and related benefits are not limited to any specific monetary amount. The weekly compensation rate for disability as a result of an injury, illness or disease is determined pursuant to the New Mexico Worker's Compensation Act. Employees may make up for the portion of their pay not compensated by Worker's Compensation by using annual or sick leave. An employee cannot receive dual compensation, which exceeds 100% of his or her average weekly wage, as calculated by the Workers' Compensation Administration. For specifics on current Worker's Compensation rates, waiting period, medical and medical-related benefits, limitations on such benefits, and on selection and determination of health care providers, employees may contact HR, the State Personnel Office, the Worker's Compensation Bureau, or the Worker's Compensation Administration. The Worker's Compensation Bureau investigates all claims. Fraudulent claims will be reported to appropriate authorities. Employees who report a false claim and/or falsify required documents under this policy may be subject to disciplinary action up to and including dismissal.

PROCEDURE: REPORTING ACCIDENTS

Employees are responsible for reporting their accident/injury/illness for workers' compensation. Employees must notify their manager and HR about an accident or occupational disease by completing a Notice of Accident (NOA) form within 15 days after their accident or sooner if possible, whether or not medical care is needed. HR, as the workers' compensation administrator, will then complete the Employers' First Report of Accident form on-line with the Workers' Compensation Bureau. All forms are then uploaded to the PSFA's insurance carrier or third party administrator within seventy-two (72) hours from the managers and HR's first knowledge of the accident.

RETURNING TO WORK

Employees returning to work from a Workers' Compensation related accident shall:

1. Submit a written medical statement from the authorized treating physician to the workers' compensation administrator that they are physically able to return to perform the essential job functions of the original position; and
2. If physically unable to return to performance of the essential job functions of the original position, the employee shall submit a written medical statement from the treating physician for review by HR detailing what specific functions of the original position that they are physically able to perform and what they cannot. The Workers' Compensation Bureau has a form available "Doctor Visit/Modified Work Assignment" on their website (<https://www.generalservices.state.nm.us/uploads/FileLinks/14722b99ade249a0be048d9ed832fafa/ModifiedWorkAssignment.pdf>). Such written medical statement shall specify the employee's physical capacity in the terms outlined by §52-1-26.4, NMSA 1978. Within five(5) days of receiving this written notification, the employer shall advise the employee in writing of the availability of accommodating work and the start date on which the employee is expected to fill the accommodating position; and

3. If physically unable to perform even marginal job duties, the employee will submit a written medical statement from the authorized treating physician to HR, as the workers' compensation administrator, to that effect for review by their manager and HR, and
4. Present themselves for work within one (1) working day after being released to return to work by his or her treating physician, or being notified of accommodating work by their manager and/or HR.

Vacant positions resulting from a work-related injury, illness or disease shall not be filled except by temporary employment unless and until it is determined that the injured or ill employee will not return to work.

INVOLUNTARY OR VOLUNTARY SEPARATION

Employees who have suffered a work-related injury, illness or disease shall not be terminated unless:

1. Advance notice is given and provided to the Worker's Compensation Bureau and the employee.
2. There is documented medical diagnosis or evidence that the employee has reached maximum medical improvement or that the employee's impairment or condition is permanent and that the employee cannot perform the essential functions of the particular job.
3. A position may be permanently filled if there is a critical need and that need cannot be satisfied with temporary employment, and the PSFA has made a "good faith" effort to do so and conditions (1) and (2) of this paragraph have been satisfied.

For additional information:

Workers' Compensation Administration Office
2410 Centre Ave SE
P O Box 27198
Albuquerque NM 87125-7198
(505) 841-6000
Toll Free 1-800-255-7965
<http://www.workerscomp.state.nm.us/>

EDUCATIONAL / PROFESSIONAL DEVELOPMENT

The work performance of an employee is a vital key to the success of PSFA. Providing education and professional development, that is related to core duties, to our employees, is an investment in their careers and PSFA's future. Professional development can be obtained through attendance at conferences, seminars, educational courses, and degree programs that once completed will assist the employee in performing his or her essential job functions and increase the employee's contribution to PSFA. The Education/Professional Development benefit is subject to budget availability and is granted at the discretion of the Executive Director.

PROCEDURE

An employee shall request pre-approval by submitting a Training Request form to their manager and copy HR. A Training request form shall be completed by the employee and submitted to their manager explaining the purpose, benefit to PSFA and to the employee, the cost, and an itemization of all-educational/conference courses, seminar, or sessions employee anticipates attending. Upon approval by the manager, HR shall request budget approval from the Chief Financial Officer and shall submit all the above-required information to the Executive Director for final approval. The **Training Request form is not approved until it has received approval signatures from the Employee, Manager, HR, the Chief Financial Officer, and the Executive Director.**

DEFINITIONS:

- Educational Leave – employee has received advanced approval by their manager to pursue either a higher education degree with an accredited university or college that is related to the employee's position or to the employee's professional development plan.
- Professional Development Leave – employee has received advanced approval by their manager to pursue a certification and/or license, or pursuing a goal stated in their professional development plan that is directly related to their current position or to a career ladder professional development plan at PSFA.
- Advance Approval – All educational and/or professional development leave requests require the advance approval of the employee's manager, HR, CFO, and the Executive Director.

Educational or Professional Leave

Employees may be granted a total of four (4) hours of Educational or Professional leave each week to pursue professional development and/or educational leave upon prior approval. Leave variances can be made (up to 16 hours each month) provided the variance is approved in advance and it is beneficial to the PSFA. Time away from work must be arranged through the employee's manager and cannot adversely affect expected work performance or production by the employee. Leave will not take precedence over PSFA functions and the employee must maintain satisfactory performance and attendance to participate in this benefit.

Tuition Reimbursement

In some cases, an employee may be eligible for tuition reimbursement or paid time off to take courses. Upon the Executive Director's approval, the PSFA will cover the cost of up to three (3) credit hours per semester. Reimbursement shall not exceed nine (9) credit hours per calendar year. The Executive Director retains the discretion to approve payment for additional credit hours in special circumstances. PSFA will only reimburse the cost of courses taken with a passing grade of "C" or better (or Pass on a Pass/Fail grading metric.). Class must be associated to the work of the employee. Textbook purchases are the responsibility of the employee and are not covered by PSFA. The Executive Director may grant the employee up to four (4) paid hours away from work to attend classes and travel each week. Time away from work must be arranged through the manager and cannot adversely affect expected work performance or production by the employee. The Training and Development benefit is subject to budget availability and is granted at the discretion of the Executive Director.

PROCEDURE

An employee shall request approval by submitting a Training Request form to their manager. Training Request Forms can be found on PSFA Website under Administration > Human Resources. Upon the manager's approval, a signed training request form shall be submitted to HR to coordinate with the Chief Financial Officer (CFO) to ensure budget availability. The CFO will submit request to the Executive Director for final approval. Course tuition will be reimbursed at the end of the semester when an employee has provided a copy of a passing grade, proof of payment and a copy of the approved Training Request form to HR.

In-State or Out-of-State Travel Expenses Related to Education/Professional Development

Expenses eligible for payment by PSFA will be in accordance with the State Mileage and Per Diem Act. For any professional development training opportunities and any necessary educational requirements or certifications that are not deemed PSFA-business related, the employee will be responsible for travel and related expenses.

Professional Affiliations

Employees are encouraged to seek membership in professional organizations that are related to their PSFA work. Reimbursement of membership dues will be considered based on available budget and must be approved by the manager and the Executive Director. Employees shall submit a Training Request form when requesting reimbursement or payment for professional organization memberships and fees.

BENEFITS

PSFA employees are eligible to receive the State of New Mexico's competitive employee benefit package provided to State employees that includes Employer-paid medical insurance contributions, pension contributions, paid leave allowances for vacation days, sick days, and paid holidays. Additionally, PSFA employees may take advantage of a Section 457, Deferred Compensation Plan that allows for contributions to a tax-deferred savings program that can be used to supplement their retirement plan.

Each PSFA employee is required to meet with HR upon hire to complete the new hire orientation. This orientation gives in-depth details about employee benefits. Employees **are required to complete an online enrollment form within 31 days of your hire, regardless of whether or not you are participating in the NM State Benefits Plan.** For more information visit www.mybenefitsnm.com

ERISA Administrative Services, Inc. (EASI) is the State's Third Party Administrator. EASI provides benefits administration to all plan participants, and offers knowledgeable employees to answer questions.

Administrative Office:

Erisa Administrative Services, Inc.
Albuquerque: (505) 244-6000
Toll free: (855) 618-1800
Fax: (505) 244-6009
SONM@easitpa.com.

The State's General Services Department Risk Management Division, Employee Benefits Bureau (EBB), is responsible for the procurement and oversight of PSFA employee benefits - including Medical, Pharmacy, Dental, Vision, Short & Long Term Disability, and Life Insurance.

For eligible employees paid on a bi-weekly basis, medical, dental and vision insurance coverage will be effective on the first day of the third pay period following their date of employment. Pay periods begin on Saturday.

GROUP HEALTH CARE PLANS

The State of New Mexico offers a choice of several statewide voluntary health care plans to State employees, which is also available to PSFA employees. The cost of the program is subject to change from year to year.

DENTAL CARE PLANS

A statewide voluntary dental program is offered to PSFA employees. The cost of the program is subject to change from year to year.

Option: **Delta Dental**

VISION CARE PLANS

A statewide voluntary vision program is offered to employees. This provides vision care services including eyeglasses, contact lenses and eye examinations.

Option: **EyeMed Vision**

DISABILITY BENEFITS

The non-occupational Disability Plan is comprehensive coverage available to employees. The non-occupational Disability Plan is a comprehensive plan containing features such as Short-Term Disability (STD) and Long-Term Disability (LTD) programs with rehabilitation benefits built right into the plan.

The State of New Mexico Disability Policy is a self-insured plan, which was created to provide financial assistance to those that are unable to work for a period of time and lose income due to a sickness or injury (if not receiving Workers Compensation). This Disability Plan is not available to dependents. Participation in this Plan is voluntary. The premium is 100% paid by the employee after-tax.

The State of NM offers the following Disability programs to PSFA employees:

- Short Term Disability (STD)
- Long Term Disability (LTD)
- Maternity Leave

To be eligible for the Disability Benefit, an employee must:

- Be enrolled in the SoNM Disability Plan
- Have paid disability premiums for at least 12 consecutive months; and
- Have suffered a disabling, non-work related illness or injury which prevents the employee from working in any capacity

THE DISABILITY POLICY IS COMPRISED OF TWO BENEFITS:

- Short Term Disability (60% of weekly wages up to \$500/week, for a maximum of 24 weeks, after a 28 day waiting/elimination period. Once waiting/elimination period is completed, Short Term Disability benefits are paid weekly)
- Long Term Disability (2 years maximum or until approved for social security or retirement, 40% of wages up to \$2,000/month paid monthly via direct deposit, one month in arrears.)

Option: **Offered by State of New Mexico & administered by Erisa Administrative Services**

TERM LIFE INSURANCE

Option: **The Hartford -Employee Supplemental and Dependent Coverage.**

Retirement

Public Employees Retirement Association of New Mexico (PERA) is a defined benefit plan available to PSFA employees. Both the employee and PSFA contribute a certain percentage (the employee from their salary, PSFA from its funds) towards the employee's retirement. Benefits are paid when certain age and service credit eligibility requirements are met, regardless of the amount of member contributions paid into the plan. The employee's benefit will also increase if you are eligible for a Cost-of-Living Adjustment (COLA).

MEMBERSHIP REQUIRED: All PSFA employees are required to be members of PERA, except for those employees excluded by statute. Within thirty (30) days of hire, job change, or change to a part-time, seasonal or student employee, HR shall file with PERA an executed PERA membership application form or PERA exclusion from membership form on all employees.

Employees who are vested and wish to retire are required to notify the Executive Director and HR in writing at least three (3) months before the planned retirement date. PERA membership is a condition of employment, required for employees of the State and of affiliated public employers. Employees who anticipate that their term of employment will be less than nine months may elect to not contribute to the PERA retirement plan. However, after nine months of uninterrupted employment with the State or PSFA, employees are required to contribute to PERA at the rates set forth in the State statutes governing the retirement plan. The following changes are effective July 1, 2013:

- Employees are in TIER 1 if they are a current, active member employed by a PERA affiliate on or before June 30, 2013.
- Employees are in TIER 2 if they are first hired on or after July 1, 2013, refunded their employee contributions on or before June 30, 2013 or return to work for a PERA affiliate on or after July 1, 2013. Five or More Years of Service – Vested Membership

If an employee separates from employment with at least 5 years of service credit and leaves their accumulated member contributions on deposit with the Association, they are eligible to receive a deferred pension when they meet the age and service requirements for normal retirement.

Age and Service Credit Eligibility Requirements- Tier 1

- Any age with 25 or more years of service credit; or
- Age 60 or older with 20 or more years of service credit; or
- Age 61 or older with 17 or more years of service credit; or
- Age 62 or older with 14 or more years of service credit; or
- Age 63 or older with 11 or more years of service credit; or
- Age 64 or older with 8 or more years of service credit; or
- Age 65 with 5 or more years of service credit.

Age and Service Credit Eligibility Requirements- Tier 2

Rule of 85 (members must have eight or more years of service credit and age at time of retirement and years of service credit must equal 85); or Age 65 with 8 or more years of service credit. For more information, please refer to Member Handbook at www.pera.state.nm.us.

*Different plan benefits are applied to each tier.

*Beyond normal retirement requirements PERA also provides benefits for members who must leave service before retirement age because of a disability.

DEFERRED COMPENSATION PROGRAM

A voluntary Deferred Compensation program is offered to State of New Mexico employees and PSFA employees through a third party. Contact HR for the most current information or visit www.nmpera.org.

Option: **PERA (<https://www.nmpera.org/deferred-compensation/>)**

POP: PREMIUM ONLY PLAN

Option: **Offered by the State of New Mexico Benefits are deducted from pay as a pre-tax deduction**

EMPLOYEE ASSISTANCE PROGRAM

The State Employees' Assistance Program (EAP) is there to help employees live and work more productively by providing professional guidance in overcoming problems, especially when those problems may be affecting job performance. The State EAP provides confidential and professional services to both employees and their family members for a wide range of personal, medical, financial and job related problems. EAP is a free benefit offering support to employees and their family members, managers, HR and Benefits and Disability Managers. By using EAP, employees and their family members will receive an assessment including an organized approach to help resolve the problems as well as linking them with other professional resources. All PSFA employees and their dependents are automatically enrolled in the Employee Assistance Program (EAP). No enrollment is necessary. The Solutions Group EAP offers consultation with experienced, licensed behavioral health professionals, who are also experts in resolving workplace problems. For more information about wellness and EAP service call 505.254.3555 or email wellness@phs.org

Option: **Well-Beings Solutions**

FLEX SPENDING ACCOUNTS

If employees decide to set up a Flex Spending Account for health care, they may choose to contribute a set amount to their account each month through payroll deductions. This money is taken out of their pay before taxes and may be used for various out-of-pocket health expenses ranging from co-payments and prescription medicine to braces and contact lenses.

Option: **Offered by State of New Mexico & administered by Erisa Administrative Services**

CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT (COBRA)

When you lose coverage due to termination, death, divorce, or a dependent no longer being eligible, you may continue your health, dental, vision, and flex benefits through COBRA. You must notify your PSFA group representative within 60 days of loss of coverage for yourself or dependents to be eligible. Your coverage continues for 18 months (29 or 36 months in some cases) at 102% of the premium and you pay the full premium. Visit <http://www.cobrahealth.com/> for more information.

USE OF STATE VEHICLE AND COMMUTER POLICY

The use of a State vehicle for personal business is prohibited. Failure to obey State laws when operating or occupying a State vehicle, or failure to comply with established rules, may result in disciplinary action up to and including termination. Only authorized drivers shall operate a State vehicle and only for official PSFA business. Authorized drivers are responsible for the safekeeping and return of a State vehicle and its assigned equipment. All State vehicles are to be secured and legally parked near the department or worksite of the user to whom it is assigned. If a driver needs to attend an out-of-town meeting, the driver may take the vehicle home to facilitate an early departure, but no personal use of the vehicle is permitted.

PSFA recognizes that certain PSFA employees have unique needs with respect to State-owned vehicles. These employees are authorized to take a State issued vehicle to their domicile, as needed, to facilitate PSFA business responsibilities. Because of the nature of PSFA's business responsibilities to all 91 school districts, charter schools, and multiple PSFA offices throughout the State, employees who drive State-owned vehicles during the course of official business are not considered commuters, as they do not consistently travel post-of-duty to domicile on a daily basis. PSFA employees have been informed that they are to park their State vehicle at a worksite. In accordance with Chapter 15, Article 8 NMSA 1978, and TSD Rule, Section 1.5.3.20.B, "Authorization to Commute: Commuting is defined as the consistent use of a State vehicle from assigned post-of-duty to domicile and from domicile to assigned post-of-duty." When conducting official State business, PSFA shall reimburse employees for commercial or municipal parking fees when a receipt is provided. An employee who receives a traffic citation while in a State vehicle must report the citation to the manager; however, PSFA shall not pay or reimburse employees for parking tickets or other traffic violation fines while using a State or personal vehicle. Only authorized passengers may occupy a State vehicle.

THE GENERAL SERVICES DEPARTMENT TRANSPORTATION SERVICES DIVISION

The General Services Department Transportation Services Division Director may suspend or revoke the State vehicle operator privileges of any PSFA employee who permits a State vehicle to be driven by an unauthorized driver. Such PSFA employee may be held personally liable to the extent permitted by law for any liability, personal injury, and death or property damage arising out of the unauthorized use or occupancy of the State vehicle. If involved in an accident resulting in bodily injury or property damage, the authorized driver of a State vehicle or private vehicle (if on official State business) shall notify their manager immediately, and submit required accident, on-the-job injury (if appropriate), and official police accident reports. Nothing in this Policy shall be construed to prohibit the use or occupancy of a State vehicle to render emergency aid or assistance to any person or by private sector automobile mechanics or maintenance and repair personnel performing required maintenance or repairs.

Loss of Driver's License

The loss of a valid driver's license shall be reported by the employee to the manager when the employee knows of or should have known of the revocation or suspension. An employee who fails to notify the manager prior to the performance of any task which requires possession of a valid license shall be subject to disciplinary action up to and including dismissal. If an employee's driver's license is suspended or revoked and is required as a condition of employment, a reasonable effort will be made to allow the

employee to work in a capacity which does not require the driver's license, provided such work is available.

Use of Personal Vehicle

All PSFA employees must successfully complete a 6-hour National Safety Council Defensive Driving Course prior to operating any State vehicle or privately owned vehicle for PSFA business. PSFA employees may obtain mileage reimbursement for use of private vehicle used for official PSFA business when a State vehicle is not immediately available, or upon approval by employee's manager and the Chief Financial Officer.

If a PSFA employee is involved in a vehicle accident using their personal vehicle while performing official PSFA business, the employee must file a claim with their personal insurance carrier before any determination of coverage can be made under the State's liability coverage. Neither the State nor PSFA carries insurance to cover loss or damage to the employee's personal vehicle or personal property inside a personal vehicle. In the event of an accident causing injury to an employee, worker's compensation will only be in effect if the employee is performing duties within the scope of their employment. While transacting PSFA business with use of a personal vehicle, employees are required to comply with all applicable laws. An employee cited for a violation of law is responsible for paying any applicable fine or complying with any sentence imposed by the court having jurisdiction over the offense. If involved in an accident resulting in bodily injury or property damage, the authorized driver of the private vehicle (if on official State business) shall notify their manager directly, not later than 24 hours after the accident, and submit a completed vehicle accident report and official police accident report.

Fuel Card

PSFA and authorized drivers are required to use the General Services Department issued fuel credit card for authorized purchases. If an authorized driver uses the fuel credit card to purchase an unauthorized item or service, PSFA shall collect such costs from the authorized driver. PSFA or the Transportation Services Division Director (TSD) may suspend or revoke the State vehicle operator privileges of an authorized driver for misuse of a fuel credit card. Further, appropriate disciplinary action may be taken by PSFA. All employees are required to comply with TSD's policies and procedures:

- A single fuel credit card shall be assigned to each vehicle using the State issued license plate number or a unique fixed asset number that is tied back to the vehicle that the card is assigned to.
- Credit card shall be kept with the assigned vehicle and not with the driver.
- Card is stored in the protective sleeve and out of direct sunlight or other heat sources.
- When purchasing items enter exact current mileage (no tenths).
- If a problem is encountered at the time of purchase, the driver should contact the PSFA's Fleet Coordinator for assistance.
- Lost, damaged, or stolen credit cards need to be reported to the PSFA Fleet Coordinator within one working day of the discovery. Card will be suspended and a new card ordered at that time.
- A personal identification number (PIN) shall be assigned to each authorized driver.
- Authorized drivers shall not share the PIN with anyone else or let someone else use the PIN.

The fuel credit card may be used for roadside service, or emergency service or repairs not to exceed \$250 per occurrence. Under no circumstance shall State fuel credit cards be used for personal vehicles, even if using a personal vehicle to conduct PSFA business. Misuse of State vehicle fuel credit cards will result in disciplinary action. Disciplinary actions include, but are not limited to, administrative, disciplinary, and may also include criminal action by the State PSFA, the director, or designee, up to and including termination.

Traffic Laws and Operator Conduct

- No PSFA employee shall operate a State vehicle while under the influence of intoxicating alcohol, controlled substances or illegal drugs.
- No PSFA employee shall transport intoxicating alcohol or illegal drugs of any type, whether in open or unopened containers.
- No PSFA employee shall operate a State vehicle when impaired by a legal drug that may render them incapable of operating a motor vehicle in a safe and responsible manner.
- No PSFA employee shall smoke or use smokeless tobacco products of any type in any State vehicle.
- No PSFA employee shall possess a weapon while operating a motor vehicle.
- No PSFA employee shall allow pets in a State vehicle.
- Authorized drivers shall only utilize a cell phone with a hands-free device while operating a State vehicle.
- At no time will the authorized driver be allowed to text or type on any other device(s) such as a smartphone and laptop computer while driving. At no time is reading from any electronic device or paper source permissible while operating a State vehicle.
- All drivers and occupants of State vehicles shall wear seat belts.
- Authorized drivers shall obey all applicable traffic laws while operating a State vehicle.
- Authorized drivers shall not engage in discourteous behavior or inappropriate conduct while operating a State vehicle.
- Authorized drivers shall not use State vehicles for inappropriate or illegal activities, including, personal use.
- Authorized drivers shall minimize distractions while operating State vehicles. These distractions include but are not limited to eating and playing with the radio/cd player.
- Authorized drivers shall operate State vehicles at or below posted speed limits.
- The driver shall be personally responsible for any costs (cost of ticket, late fees, court fees or administrative fees) associated with a citation or ticket.
- Authorized drivers involved in a traffic accident while operating a State vehicle that are found at fault are required to immediately register for a six-hour TSD approved instructor NSC/DDC certification class.

WAIVERS

PSFA may request permission from TSD to drive a State-owned vehicle prior to taking a Defensive Driving Course if the purpose of the travel is essential, and the employee is officially scheduled to take the Defensive Driving Course in the near future. PSFA must request permission from TSD at least five working days prior to the travel, to drive a State-owned vehicle out of State. PSFA must request permission from TSD, at least five working days prior to the travel, to transport non-PSFA and non-State employee(s) in a State-owned vehicle.

INFORMATION TECHNOLOGY (IT)

The purpose of this Information Technology (“IT”) policy and procedures is to establish guidelines for the use and management of IT equipment (workstations, servers, printers, etc.) by PSFA and for the implementation of a level of security which will provide for the protection of data and information technology resources from accidental or intentional unauthorized disclosure, modification, or destruction by persons within or outside the agency. The procedures listed in this document establish the methods PSFA will use to protect the confidentiality, integrity, availability, and reliability of all information technology resources used to support the needs of our clients and the mission of the agency.

This policy applies to all PSFA employees, to non-PSFA employees performing work on behalf of PSFA and to all IT resources whether owned, leased, or contracted by PSFA. PSFA’s IT Chief Information Officer (CIO) is responsible for implementing and monitoring the procedures described in this policy. The IT Department (ITD) may install software to monitor or enforce the policies and procedures described herein.

User Access

While the ITD desires to provide a reasonable level of freedom and privacy, users should be aware that all PSFA owned equipment, network infrastructure, and software applications are the property of PSFA and therefore are to be used for official use only. Also, all data residing on PSFA owned equipment is also the property PSFA and therefore, should be treated as such, and protected from unauthorized access.

Access to PSFA’s server and system resources by PSFA or outside sources will be determined by the CIO in coordination with department leadership. Existing State regulations position requirements will be taken into consideration in determining level of access. An electronic log will be kept listing those individuals that have access and a list of the authorizations they have been granted. Access audits will be performed by designated IT employees to ensure appropriate levels are assigned.

PASSWORD MANAGEMENT

The following policies apply regarding user accounts and passwords:

- Unless specifically indicated otherwise, passwords are established by each user, and should not be disclosed to anyone, including the user’s managers or the PSFA IT department. In the case of external systems, they are administrated by third-party system policies regarding accounts and password requirements.
- Passwords should not be written down, nor posted in an unsecure location (such as on a computer monitor).
- The PSFA IT department, depending on technology used, may set specific rules for the construction of passwords.
- Passwords should never be easy to guess by other employees members. Examples of easy-to-guess passwords: your user ID, the name of a pet or a family member, your date of birth, etc.
- The PSFA IT department may enforce additional rules for password conditions.

If it is suspected that a password has been compromised, the ITD will need to disable the account or change a user's passwords, suspending user access to the account(s). This enables the ITD to prevent the loss of any data from unauthorized access. In such cases, the user's manager and the user will be notified as soon as possible.

SOFTWARE INSTALLATION AND MANAGEMENT

It is PSFA's policy that the members of the ITD are the only persons authorized to install, update or remove software from a workstation, or server, to add or remove printers or, in general, to change workstation and server settings. On a case-by-case basis, other employees, or third party providers, may be authorized by the ITD to perform these tasks. Software is the property of PSFA and must either have been obtained from the public domain, or legally purchased or leased by PSFA. The ITD employees will periodically review software installed on agency workstations to ensure that all the software has been legally obtained. The ITD tracks software installed on every computer asset to ensure the number of licenses purchased or leased is not exceeded. Software that does not meet the above requirements may be deleted.

SAVING USER DATA TO SERVER

In cases where several users or a workgroup require common access to files, the ITD will create shared network folders for that purpose. User's Network Folders have been limited to 20GB each. Only important files that must not be lost should be saved to an employee's designated Network Folder.

SECURITY INCIDENT AND RESPONSE REPORTING

Security incidents, such as any suspected or real events that may adversely affect the security of PSFA information or the systems that process, store, or transmit that information will be tracked by ITD and will subsequently generate reports as requested by the Executive Director, CIO, or HR regardless of transmittal type.

PC SECURITY AND VIRUS/ADWARE PROTECTION

All servers and workstations have anti-virus and anti-malware software installed. IT employees periodically verify the virus-free status of each system. Daily virus scans are scheduled to run off hours, or at the time the workstation is turned on. All computers residing on the internal PSFA network, whether owned by the employee or PSFA, shall be continually executing approved virus-scanning software with a current, up-to-date virus database.

DATA STORAGE

Each computer user will be provided with a personal folder in one of the PSFA's servers to store all their files. Users will be advised to save their files only to their designated network drives. If several users need common access to specific files, the ITD employees will create special folders for that purpose and implement the corresponding access rights.

DATA BACKUP AND RESTORATION

Regular backup schedules are in place within the group drive storage device to ensure that backups occur at regular intervals and over a time span to provide ample opportunity for the ITD to recover a file, folder, or group of such. It should be noted that the ITD does require immediate notification in the event a file, folder, or collection of either is found to be missing, corrupt, or otherwise damaged. Waiting to inform the ITD decreases the probability of successful recovery.

It is PSFA's policy to protect the information contained in its servers by means of periodic backups. Backups are normally scheduled to run at the end of the day during non-working hours. Incremental and Differential backups will be overwritten at the end of the seven-day cycle. Full backups will be overwritten after four weeks. An electronic backup log will be maintained by the backup software. User's Network Folder is backed up daily and it is recommended that all-important work be saved here. Any work saved on the computer's hard drive is not backed up and liable to be lost in the event of a power failure or similar incident.

Specific information regarding backup restoration on an institution scale can be found in the ITD's Disaster Recovery Plan (DRP). These deal with catastrophic recovery needs that affect multiple departments or PSFA as a whole.

DATA BACKUP STORAGE

To guarantee that backups are not destroyed along with the server(s) in case of a natural disaster data will be stored in a cloud-based location determined by the CIO and the ITD. The CIO will also determine a method for data collection and retrieval.

TROUBLESHOOTING AND MAINTENANCE

The ITD performs periodic inspection of agency hardware with the purpose of detecting potential problems and to perform such tasks as scheduled maintenance and software updates. PSFA will attempt to perform routine maintenance on its equipment at least twice a year or as needed. Maintenance will include tasks such as system checkups, hard drive checks, deletion of temporary and Internet cache files, hard drive defragmentation and installation of software updates and patches. In addition, all agency servers, workstations and laptops or notebooks will be programmed to automatically upload and install critical updates and security patches. The schedule for such maintenance will be determined by the ITD. An electronic log will be kept of such maintenance. Whenever possible, ITD employees will try to perform maintenance tasks off regular hours in order not to interfere with regular equipment use. PSFA employees may be instructed to leave their workstations on in order to be remotely accessed by the IT employees when such maintenance is required.

E-mail and Internet Access

It is PSFA's policy that both Internet access from PSFA property and PSFA e-mail should be used exclusively for work-related purposes, and that neither can be used in a way that is offensive to an individual or a group of individuals. Therefore, the "acceptable use policy" will be delivered/ housed by

HR. In order to guarantee the above, both Internet access and the use of agency e-mail can be monitored by the IT employees.

Employees must use extreme caution when opening e-mail attachments received from unknown senders. If employees have any questions on a suspicious email that has been sent, they should contact the PSFA IT Department. Emails over 20MB will not be able to send or received over email and will need to be transmitted via the PSFA's FTP.

ACCEPTABLE USE

All employees will be assigned an electronic mail account, which will be used to receive and send e-mail, both interoffice and external. Employees will:

- Use the agency's e-mail program exclusively for sending agency mail.
- Be made aware that the agency may be liable for any e-mail originating from its email server.
- Be made aware that the agency reserves the right to monitor e-mail use by its employees.
- Employees will be made aware that PSFA may monitor Internet access at any time.

Internet Security

In order to provide maximum security all access in and out of the agency's intranet will be made through a single router performing network address translation (NAT) through a firewall. That provides for a single point of access and control. The router will be programmed to block all ports not required by PSFA's operations.

Information Technology Code of Conduct

"Information Technology Resources" (IT Resources) means computer hardware, software, databases, electronic message systems, communications equipment, computer networks, telecommunications circuits and any information used to support programs or operations generated by, transmitted within, or stored on any electronic media. IT Resource data may be subject to the New Mexico Inspection of Public Records Act.

USE OF PUBLIC SCHOOL FACILITIES AUTHORITY (PSFA) INFORMATION TECHNOLOGY RESOURCES

Employee's shall use PSFA IT Resources only to conduct agency business, except for occasional and incidental personal use, that shall not interfere with their duties, and are not inconsistent with the policies expressed in this Code of Conduct.

Electronic Instant Messaging (EIM) Systems are defined and differentiated from email as any information technology approved software-messaging system that enables PSFA employees to casually, or informally communicate with each other:

- Employees shall use EIM systems only in the normal course of conducting PSFA business;

- Employees shall not use EIM systems for purposes that violate any other section, or subsection of this Technology Code of Conduct;
- Employees shall not invite outside (external) parties to use, or otherwise participate in, PSFA EIM conversations;
- Participants in EIMS must possess an active and legitimate PSFA email address as assigned and controlled, by PSFA Department of Information Systems and Technologies (IST);
- Managers shall oversee appropriate use of IM channels created by direct reports, both public and private, and allow additional channels to be created only in cases where it is reasonable for the purposes of conducting business.
- Employees shall not intentionally violate any software licensure agreement entered into by PSFA or the State of New Mexico.
- Employees shall not access or attempt to access IT Resources for which they do not have authorization by means of user accounts, valid passwords, file permissions, or other legitimate access and authentication methods. "Access" means the ability to read, change, or enter data using a computer or an information system.
- Employees shall not use IT Resources to reveal information protected by State or federal privacy or confidentiality laws, regulations, rules, policies, procedures, or contract terms.
- Employees shall not have any expectation of privacy with respect to IT Resource usage.
- Employees shall not use IT Resources to download or distribute pirated software or data, including music or video files. "Pirated software" means licensable software for which a license has not been purchased or legally obtained.
- Employees shall not use IT Resources to knowingly propagate any type of code intended to damage, destroy, or delete a computer system, network, file or data.
- Employees shall not use IT Resources to knowingly disable or overload any computer system or network or to circumvent any system intended to protect the privacy or security of IT Resources.
- Employees shall not access, display, distribute, edit or record pornographic or offensive material using IT Resources except in order to fulfill legitimate job responsibilities and with the written permission of your manager. The unsolicited receipt of pornographic or offensive material, such as might be received through e-mail, shall not constitute a violation of this provision. "Pornographic or offensive materials" includes but is not limited to images, documents, or sounds that are:
 - discriminatory or harassing;
 - obviously defamatory or libelous;
 - obscene or pornographic ; and/or
 - threatening to an individual's physical or mental well-being.
 - Employees shall not use IT Resources to override or circumvent any security mechanisms belonging to PSFA or the State or to any other government agency, organization, company or individual. "Security mechanism" means a firewall, proxy, Internet address screening or filtering program, or other system installed to prevent the disruption or denial of services or the unauthorized use, damage, destruction, or modification of data and software.
- Employees shall not use IT Resources to knowingly visit websites that are likely to compromise network security.
- Employees shall not use IT Resources to encourage, aid, or engage in any illegal activity.

Consequences for Violating this Code of Conduct

This Code of Conduct governs the conduct of all PSFA employees. Any violation of this Code of Conduct may result in disciplinary action including but not limited to dismissal. In addition, violating some provisions of this Code of Conduct may result in civil enforcement actions and criminal penalties under the law.

EMPLOYEE ACKNOWLEDGEMENT AND RECEIPT

I, _____ (print name) have received my copy of the Public School Facilities Authority (PSFA) Employee Handbook (Handbook). The Handbook describes important information about PSFA, and I understand that I should consult Human Resources regarding any questions not answered in the Handbook. The Handbook and the policies and procedures contained in it supersede any and all-prior practices, oral or written representations, or statements regarding the terms and conditions of your employment with PSFA. By distributing the Handbook, PSFA expressly revokes any and all previous policies and procedures, which are inconsistent with those contained herein. I understand that any and all policies and practices may be changed at any time by PSFA, and PSFA reserves the right to change my hours, wages and working conditions at any time. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies. Only the Executive Director of PSFA has the ability to adopt any revisions to the policies in the Handbook.

I understand and agree that nothing in the Handbook creates, or is intended to create, a promise or representation of continued employment. I also understand and agree that my employment with PSFA may be terminated by either PSFA or me at any time and for any reason. Furthermore, I acknowledge that the Handbook is neither a contract of employment nor a legal document. I have received the Handbook, and I understand that it is my responsibility to read and comply with the policies contained in the Handbook and any revisions made to it.

Signature

Date

V. Awards Cycle

A. 2022-2023 Pre-Application Received for Standards, Systems, and Pre-K

I. 2022-2023 Pre-Applications Received for Standards, Systems, and Pre-K**II. Presenter:** Alyce Ramos, Programs Manager**III. Executive Summary (Informational):****Key Points:**

- The 2022-2023 wNMCI Ranking and Capital Funding Applications were released January 11, 2022.
- The applications will remain open throughout 2022, allowing districts to apply at any time.
- The Pre-Application process consists of submitting a Letter of Intent.
- PSFA will review pre-applications, analyze the requests, and work with the districts to complete their final applications.

Eligibility:

- The eligibility is defined for each program as follows:
 - Standards: Top 150, or campus FCI greater than 70%.
 - Systems: Top 350, campus FCI greater than 70%, or systems identified as Category 1, 2, or 3 in the Facilities Assessment Database (FAD).
 - Demolition: abandoned facilities.
 - Pre-K: all school facilities.
- Applicant schools' eligibility is determined by ranking at the time the school applies for an award.

Pre-Applications received as of February 25th, 2022:

- Standards-based:
 - Farmington – Heights MS
 - Farmington – Mesa Verde ES
 - Albuquerque Sign Language Academy (charter school)
- Systems-based:
 - Springer MS/HS- roofing
 - Tularosa – Tularosa ES: HVAC
 - Tularosa – Tularosa HS: demolition
- Pre-K:
 - Farmington – Preschool Academy East
 - NMSBVI – Albuquerque Preschool

Awards Schedule:

- April 25 – Systems-based awards
- June 6 – District presentations for Standards and Pre-K applications
- July 18 – Standards-based, Systems-based, Pre-K awards
- October 11 – Systems-based awards
- November 21 – District presentations for Standards and Pre-K applications
- January 9, 2023 - Standards-based, Systems-based, Pre-K awards

Exhibits:

A – Pre-Applications Summary

B – Farmington – Heights MS - Pre-Application Letter

C - Farmington – Mesa Verde ES - Pre-Application Letter

D – Albuquerque Sign Language Academy - Pre-Application Letter

E – Springer – Springer MS/HS – Pre-Application Letter

F – Tularosa – Tularosa ES & Tularosa HS – Pre-Application Letter

G - Farmington – Preschool Academy East - Pre-Application Letter

H – NMSBVI – Albuquerque Preschool – Pre-Application Letter

EXHIBIT "A"

Combined List of 2022-2023 Pre-Applications (as of February 25, 2022)

Within the Preliminary Funding Pool, Sorted by Rank

	A	B	C	D	E	F	G	H	I	J	K	L
Standards	District	School	2021-2022 wNMCI Rank	2021-2022 wNMCI	2021-2022 FCI	Project Type	Local Match %	State Match %	Offset	Total Estimated Project Cost	FY22 Local Match (after offsets) *	FY22 State Match (after offsets) *
1	State Charter	Albuquerque Sign Language Academy	5	64.81%	46.62%	Replacement	77%	23%	\$234,000	\$23,000,000	\$ 17,944,000	\$ 5,056,000
2	Farmington	Heights MS	65	39.86%	67.12%	Replacement	56%	44%	\$0	\$58,623,190	\$ 32,828,986	\$ 25,794,204
3	Farmington	Mesa Verde ES	59	40.95%	74.46%	Replacement	56%	44%	\$0	\$30,807,573	\$ 17,252,241	\$ 13,555,332
	2	2							Subtotal	\$89,430,763	\$50,081,227	\$39,349,536
Systems-Based	District	School	2021-2022 wNMCI Rank	2021-2022 w/NMCI	2021-2022 FCI	Project Type	Local Match %	State Match %	Offset	Total Estimated Project Cost	FY22 Local Match (after offsets) *	FY22 State Match (after offsets) *
4	Springer	Springer MS / HS	89	37.66%	76.50%	Roof	68%	32%	\$64,125	\$154,097	\$ 168,911	\$ -
5	Tularosa	Tularosa ES	240	27.90%	74.47%	HVAC	33%	67%	\$0	\$420,000	\$ 138,600	\$ 281,400
6	Tularosa	Tularosa MS				Demolition	33%	67%	\$0	\$350,000	\$ 115,500	\$ 234,500
	14	24							Subtotal	\$924,097	\$423,011	\$515,900
Pre-K	District	School				Project Type	Local Match %	State Match %	Offset	Total Estimated Project Cost	FY22 Local Match (after offsets) *	FY22 State Match (after offsets) *
7	Farmington	Preschool Academy East				Pre-K	56%	44%	\$0	\$6,866,166	\$ 3,845,053	\$ 3,021,113
8	NMSBVI	Albuquerque Preschool	611	8.01%	38.26%	Pre-K	50%	50%	\$0	\$150,000	\$ 75,000	\$ 75,000
	5	8							Subtotal	\$7,016,166	\$3,920,053	\$3,096,113
									TOTAL	\$97,371,026	\$54,424,291	\$42,961,549

NOTES:

- * School is in not eligible for an award based on eligibility requirements for programs.
- ** School is in "Previously Funded" section of ranking. wNMCI and Rank shown are from time of original award.
- District is requesting additional funding or a waiver.



EXHIBIT "B"

ADMINISTRATIVE OFFICES

3401 E. 30th Street, Suite A
Farmington, NM 87402
district.fms.k12.nm.us
Office: (505) 324-9840
Fax: (844) 833-2819

17 May 2022

Public School Capital Outlay Council
c/o Public School Facilities Authority
1312 Basehart Road, SE, Suite 200
Albuquerque, NM 87106

Dear Public School Capital Outlay Council;

Please accept our application for the replacement of **Heights Middle School**.

Introduction:

The following application is for the complete replacement of the existing Heights Middle School at 3700 College Blvd., Farmington, NM 87402. This is a Standards-Based project that includes the replacement of the school, and exterior facilities such hardscaping, landscaping and a regulation running track.

Eligibility:

Heights Middle School is presently ranked No. 65 with a NMCI of 39.86% and a Campus FCI of 67.12%. Attached to this Letter of Intent is a Program of Spaces for Education Specifications and Program Statement which shows a need for a total GSF of 93,914 Square Feet for 728 students (129 Square Feet / Student).

Scope of Work:

This application entails construction of a new school on the existing site, by utilizing open spaces presently occupied by the existing running track and playfield. We have prepared three options for this new facility, one of which could be completed in a single phase and the other two which may need two phases. The reason for the two phases would be because of keeping the existing Gym and Cafeteria until the first phase is completed. The preferred method of construction would be to complete the entire construction before the student population moves out of the existing facility into the new one.

The present facility consists of the original structure constructed in 1969 with additions completed in 1976, 1983, 1989 and a renovation in 2003. Furthermore, the campus consists of two portables at the rear of the school, both of which are being utilized at this time. Deficiencies include, but are not limited to, the following: significant roof leaks, outdated HVAC equipment,

inadequate hallway size, single pane windows, uninsulated exterior walls and inadequate electrical service.

Estimated Costs:

A detailed breakdown of all of the costs anticipated for the replacement of a new Heights Middle School on the existing site can be seen on our Project Budget Sheet which is attached. Maximum hard costs for construction are estimated at \$45,817,385 with total soft costs of \$4,557,000 combined with NMGR of \$4,218,855 and an 8% contingency of \$4,029,951. We would anticipate a total project cost between \$53,567,926 and \$58,623,190.

Project Schedule:

We would anticipate a time frame of two years and two months from the issuance of a RFP for a design professional through substantial completion of the school itself in the single-phase scenario. A two-phase scenario would increase the time frame to approximately three years and two months. In either case, this would not include demolition of the existing facility, due to the fact that it would remain open for an additional 18 months while it houses the students from Mesa Verde Elementary School which is directly across College Boulevard from Heights MS. It would house these students while the new Mesa Verde ES is being constructed, a separate application being submitted at this time. At the completion of the new Mesa Verde ES the existing Heights MS would be demolished and that area would become the new track and play area, depending on which method of construction is utilized for the new school facility.

Financing:

Due to the following factors Farmington Municipal Schools, hereby requests a waiver of all phases of this project from design through final closeout due to the following financial conditions:

1. We are at 100% of our bonding capacity with the latest election in Nov., 2021 for a total of \$8,000,000. Furthermore, that election was predicated on a breakdown of exactly how all of that \$8,000,000 would be spent through 2026. A detailed breakdown of those prioritized bond actions is attached. It shows a commitment of \$7.95M of the \$8M. Finally, this \$8M bond will be sold in approximately \$2M increments each year from 2022 through 2025. The first \$2M to be sold in March, 2022 is committed to playground replacements and improvements through May, 2023.
2. We are in the early stages of the award that was received in December, 2021 from the PSCOC for Special Systems upgrades in 6 schools in our district. This award was for \$12M from the PSCOC to be matched by \$15M from Farmington Municipal Schools. FMS will be using \$15M of the \$19M that was awarded to the district through the American Rescue Plan (ARP) for the purpose of matching the state award. The balance of \$4M must be spent on curriculum and direct educational activities.
3. The balance of the funds remaining from the 2017 bond are essentially zero due to the fact that the \$1.9 remaining is committed to the purchase of a new facility for our transportation and plant operations activities. After the purchase in the next 30-60 days the balance remaining in those bond funds will be approximately \$150K.

In conclusion, we greatly appreciate all of the assistance that the PSCOC has given us in the past and we believe we have been the best stewards of public funds possible. We have consistently maintained our facilities in the best condition possible, regardless of age, as evidenced by the numerous Ben Lujan awards we have received as well as the high scores received from the PSFA for regular maintenance, preventative maintenance and utility savings.

With a history of on-time utilization of PSCOC awards without the necessity of requesting additional funds for awarded projects, we believe that we will, once again, be able to construct a project that meets the highest standards required by the PSCOC in the expenditure of state and district funds.

Respectfully,



Ted Lasiewicz
Chief of Operations



ADMINISTRATIVE OFFICES

3401 E. 30th Street, Suite A
Farmington, NM 87402
district.fms.k12.nm.us
Office: (505) 324-9840
Fax: (844) 833-2819

EXHIBIT "C"

17 February 2022

Public School Capital Outlay Council
c/o Public School Facilities Authority
1312 Basehart Road, SE, Suite 200
Albuquerque, NM 87106

Dear Public School Capital Outlay Council;

Please accept our application for the replacement of **Mesa Verde Elementary School**.

Introduction:

The following application is for the complete replacement of the existing Mesa Verde Elementary School at 3801 College Blvd., Farmington, NM 87402. This is a Standards-Based project that includes the replacement of the school, and exterior facilities such as hardscaping, landscaping and a new playground.

Eligibility:

Mesa Verde Elementary School is presently ranked No. 59 with a NMCI of 40.95% and a Campus FCI of 74.46%. Attached to this Letter of Intent is a Program of Spaces for Education Specifications and Program Statement which shows a need for a total GSF of 58,443 Square Feet for 416 students (140 Square Feet / Student).

Scope of Work:

This application entails construction of a new school on the existing site, by utilizing open spaces presently occupied by the existing running track and playfield. We have prepared a single option for this new facility, which utilizes the present facility site, after demolition has been completed.

The present facility consists of the original structure constructed in 1963 with additions completed in 1980, 1984, and 1987. Furthermore, the campus consists of six portables at the rear of the school, all of which are being utilized at this time. Deficiencies include, but are not limited, to the following: significant roof leaks, outdated HVAC equipment, inadequate hallway size, single pane windows, uninsulated exterior walls and inadequate electrical service.

Estimated Costs:

A detailed breakdown of all of the costs anticipated for the replacement of a new Mesa Verde Elementary School on the existing site can be seen on our Project Budget Sheet which is attached. Maximum hard costs for construction are estimated at \$23,802,050 with total soft costs of \$2,670,623 combined with NMGRT of \$2,217,401 and an 8% contingency of \$2,117,814. We would anticipate a total project cost between \$27,317,962 and \$30,807,573.

Project Schedule:

We would anticipate a time frame of one year and ten months from the issuance of an RFP for a design professional through substantial completion of the school itself in a single-phase scenario. In order to accomplish this tight schedule we would move the students from the existing Mesa Verde ES to the old Heights MS as students occupy the new Heights MS.

Financing:

Due to the following factors Farmington Municipal Schools, hereby requests a waiver of all phases of this project from design through final closeout due to the following financial conditions:

1. We are at 100% of our bonding capacity with the latest election in Nov., 2021 for a total of \$8,000,000. Furthermore, that election was predicated on a breakdown of exactly how all of that \$8,000,000 would be spent through 2026. A detailed breakdown of those prioritized bond actions is attached. It shows a commitment of \$7.95M of the \$8M. Finally, this \$8M bond will be sold in approximately \$2M increments each year from 2022 through 2025. The first \$2M to be sold in March, 2022 is committed to playground replacements and improvements through May, 2023.
2. We are in the early stages of the award that was received in December, 2021 from the PSCOC for Special Systems upgrades in 6 schools in our district. This award was for \$12M from the PSCOC to be matched by \$15M from Farmington Municipal Schools. FMS will be using \$15M of the \$19M that was awarded to the district through the American Rescue Plan (ARP) for the purpose of matching the state award. The balance of \$4M must be spent on curriculum and direct educational activities.
3. The balance of the funds remaining from the 2017 bond are essentially zero due to the fact that the \$1.9 remaining is committed to the purchase of a new facility for our transportation and plant operations activities. After the purchase in the next 30-60 days the balance remaining in those bond funds will be approximately \$150K.

In conclusion, we greatly appreciate all of the assistance that the PSCOC has given us in the past and we believe we have been the best stewards of public funds possible. We have consistently maintained our facilities in the best condition possible, regardless of age, as evidenced by the numerous Ben Lujan awards we have received as well as the high scores received from the PSFA for regular maintenance, preventative maintenance and utility savings.

With a history of on-time utilization of PSCOC awards without the necessity of requesting additional funds for awarded projects, we believe that we will, once again, be able to construct

a project that meets the highest standards required by the PSCOC in the expenditure of state and district funds.

Respectfully,



Ted Lasiewicz
Chief of Operations

EXHIBIT "D"



The Albuquerque Sign Language Academy

children. family. community. possibility.

February 23, 2022

Public School Capital Outlay Council
Public School Facilities Authority
1312 Basehart Road, SE, Suite 200
Albuquerque, NM. 87106

Dear Public School Capital Outlay Council:

Please accept this letter as official notice of our intention to apply for Standards Based funding for a new school facility. Under the current guidelines of the Public-School Facilities Authority, the Albuquerque Sign Language Academy (ASLA) meets the eligibility requirements and is currently ranked number five (5th) on the wNMCI 2022-2023 Final Ranking with a score of 64.81% and a Campus FCI score of 46.62%.

The Albuquerque Sign Language Academy (ASLA) is seeking to build a new school facility to address the adequacy and capacity restrictions of their current facility. The ASLA serves students who are deaf/hard of hearing, and hearing students - many of whom having severe physical impairments requiring equipment like wheelchairs, walkers, and standers. Additionally, the need for physical therapy and occupational therapy facilities are imperative for our student population. Our adequacy requirements for space are akin with what the PSFA defines as "Special Purpose Schools" in that the majority of our student population are considered "students with disabilities". We serve a similarly situated student population as the state's special purpose school (NMSD), with many students of our students having not been allowed to attend the state school due to severe and profound disability. Our current facility restricts us to 100 students while having an additional 40 students on our waiting list. The ASLA is certified by the Public Education Commission as a K-12 state-authorized public charter school. We are in our thirteenth year of existence with a current 200-student enrollment cap. The ASLA anticipates a new facility would allow for an increased enrollment cap in the future based on the needs of the region.

Office (505) 247-1701 ~ Video Phone (505) 435-9680 ~ Fax (505) 247-1704

620 Lomas Blvd. NW ~ Albuquerque, New Mexico 87102

www.ASLAcademy.com



The Albuquerque Sign Language Academy

children. family. community. possibility.

The proposed new school facility includes classrooms, learning labs, mixed use multipurpose facility for cafeteria, gymnasium and performing arts, physical therapy and occupational therapy dedicated space as well as a nursing station and hearing evaluation lab that is appropriate for deaf/hard of hearing and special needs students.

The planned facility is approximately 59,000 sq. ft. at a cost of \$325/sf for a total estimated cost of \$23,000,000 which includes a 20% contingency cost for NMGRT and rising construction costs. The plan & programming, architectural drawings and site plans, site tests and studies are anticipated to be completed by August 2022.

As the ASLA is a small, state-authorized, public charter school, the current rule that bases the school's match requirement on the Albuquerque Public School (APS) District creates an unfair funding scenario. Being a very small, specialized school, this blanket calculation makes it impossible for our nationally-recognized and acclaimed program to come up with a comparable match to the APS District and their ability to go out to the public bond market. Due to this, the ASLA has a pending request for a waiver to the district match requirement.

As always, we sincerely appreciate all the hard work and assistance you and the PSFA staff have afforded the Albuquerque Sign Language Academy.

Sincerely,



Raphael Martinez
Executive Director

Office (505) 247-1701 ~ Video Phone (505) 435-9680 ~ Fax (505) 247-1704

620 Lomas Blvd. NW ~ Albuquerque, New Mexico 87102

www.ASLAcademy.com

EXHIBIT "E"



"... Along the Santa Fe Trail ..."

Springer Municipal Schools

February 10, 2022

Dear Public School Capital Outlay Council,

The Springer Municipal Schools would like to take this opportunity to apply for system-based funding for the Springer High School Campus. The Springer High School currently has a ranking of 89 with a wNMCI score of 37.66%.

At this time the Springer School District is requesting funding to support the repair of two roofs and replacement of one roof at the Springer MS/HS Site. We currently have quotes from RoofCare.

The Springer High School Main Roof is a Metal R Panel Roof, over 15 years old, approximately 13,415 sq. ft. with many active leaks. The recommendation for this roof is a 10-year full system roof renovation to include, sealing all pipe penetrations, remove loose fasteners and replace with larger ones, seal horizontal and vertical laps, replace missing Fascia Metal, apply 1 layer of base coat and 2 layers of topcoat.

The Springer High School Gym Roof is a Metal R Panel Roof, over 15 years old, approximately 13,986 sq. ft. The condition is in good condition overall. The recommendation for this roof is a thorough roof inspection be performed to replace missing fasteners and replace ones that are backing out with thicker fasteners and replace 2 missing Fascia Metal sections that have blown off.

The Springer High School Annex Roof is a Metal R Panel Roof, over 15 years old, approximately 13,148 sq. ft. in overall good condition for its age. The recommendations for this roof seal all penetrations, replace missing fasteners with larger ones and replace deteriorated wood blocks at the gas line to keep the gas line off the roof.

Cost estimates that the district has been provided for these items are: Springer High School Main Roof - \$138,097.59, Springer High School Gym Roof - \$5,327.05, Springer High School Annex Roof - \$10,762. Total Costs of all projects - \$154,096.64.

Currently the districts local match percentage is 68% which would be \$104,785.72 for the districts share. At this time the district does not have the funds to complete the project on its own nor do we have the funds to fully match PSCOC based on our 68% local match. The district has secured funds in the amount of \$75,000 to put towards these critical roof repairs.

I appreciate your consideration and help with replacing/repairing our roofs so that we can continue to maintain a safe and healthy learning environment for our students and staff. I look forward to hearing from you soon.


Julie Crum
Springer Municipal Schools
Superintendent
juliecrum@springerschools.org
(575)483-3434

EXHIBIT "F"

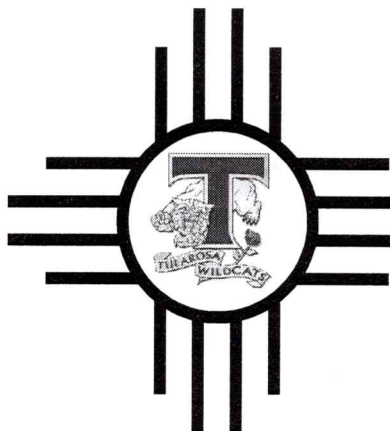
TULAROSA MUNICIPAL SCHOOLS

504 First Street

Tularosa, New Mexico 88352

Phone (575) 585-8800

Fax (575) 585-4439



Wesley Todd Lindsay, Superintendent

TO: PSCOC

Date: 2-10-2022

From: Tularosa Schools

Ref: Letter of intent for Capital Funding

This is a letter of intent for two projects within the Tularosa Municipal School District. We are looking for a Demolition of abandoned building on the high school campus where the new middle school will be built. And a system based HVAC upgrade on the Tularosa Elementary School. The Middle school meets eligibility with a 50.44% and the elementary School meets eligibility with a 27.90%.

Demolition of the performing arts center for new site of Tularosa Middle School, the building has been abandoned for many years and now a catch all for junk. Rodents have taken over and it is important to demolish this building. The building is a metal building making the construction materials good for resale if needed. The building is a 1977 model with 7,394 square foot. Price tag Approximately \$350.000

Tularosa Elementary School is in need of an upgrade to the HVAC system. The system was upgraded in 2003. With the temperatures here in the summer and the rapid changes in the winter the system is worn out. The system will be over 20 years old by the time this RFP gets to the construction phase. Price tag Approximately \$420.000

Tularosa Municipal Schools maintenance department does a great job of maintaining our facilities and systems and this upgrade stay with the district mission in maintaining our facilities to serve this student in Tularosa.

The District does have funds to pay our share in the cost sharing.

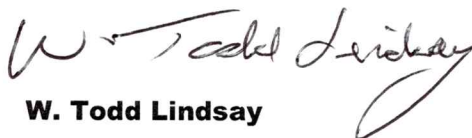

W. Todd Lindsay



EXHIBIT "G"

ADMINISTRATIVE OFFICES

3401 E. 30th Street, Suite A
Farmington, NM 87402
district.fms.k12.nm.us
Office: (505) 324-9840
Fax: (844) 833-2819

17 February 2022

Public School Capital Outlay Council
c/o Public School Facilities Authority
1312 Basehart Road, SE, Suite 200
Albuquerque, NM 87106

Dear Public School Capital Outlay Council;

Please accept our application for the replacement of **Preschool Academy East**.

Introduction:

The following application is for the complete replacement of the existing Preschool Academy East at 5840 Fortuna Dr., Farmington, NM 87402. This is a Standards-Based project that includes the replacement of the school, and exterior facilities such as hardscaping, landscaping and a new playground. This school will also absorb all of the students presently located at Preschool Academy West. This will allow the facility which presently houses Preschool Academy West to be repurposed as part of the rest of the CATE (Career and Technology Education) for other high school career-oriented programs.

Eligibility:

Preschool Academy East is not presently ranked since it functions totally as a preschool. Attached to this Letter of Intent is a Program of Spaces for Education Specifications and Program Statement which shows a need for a total GSF of 51,929 Square Feet for 720 students (102 Square Feet / Student). This includes regular Pre-K students plus those that are part of the 619 program for 3-5 year old / special needs students.

Scope of Work:

This application entails construction of a new school on the existing site, by utilizing open spaces presently occupied by the existing playground, as well as utilizing some land presently used by Country Club Elementary School for their Kindergarten playground. The Country Club ES Kindergarten playground will be repositioned as part of the new Preschool project. The project would be constructed in two phases, allowing for the continuing operations of the existing Preschool while the classroom section of the new school is constructed. Upon completion of the

classroom wing the old facility would be demolished and the new Kitchen, Multi-purpose Room and Administration area would be constructed.

The present facility consists of the original structure constructed in 1991 with a 2008 addition. Although these structures are relatively new, they do not meet the needs of the newly updated requirements for full day Preschool encouraged by the New Mexico PED. The original designs consist of extremely small classrooms with two common areas, having the capability for only ½ day students. The new design would incorporate the updated requirements of 1,200 sf classrooms allowing for full day preschool.

Estimated Costs:

A detailed breakdown of all of the costs anticipated for the replacement of a new Preschool Academy East Project Budget Sheet which is attached. Maximum hard costs for construction are estimated at \$20,701,280 with total soft costs of \$2,384,577 combined with NMGRT of \$1,933,441 and an 8% contingency of \$1,846,869. We would anticipate a total project cost between \$25,086,639 and \$6,866,166.

Project Schedule:

We would anticipate a time frame of two years and ten months from the issuance of an RFP for a design professional through substantial completion of the school itself in a two-phase scenario. Another alternative would be to relocate the students to our CATE facility while construction takes place over a period of 1 year and 8 months, however, that would entail some additional costs related to bathroom modifications for the preschool students.

Financing:

Due to the following factors Farmington Municipal Schools, hereby requests a waiver of all phases of this project from design through final closeout due to the following financial conditions:

1. We are at 100% of our bonding capacity with the latest election in Nov., 2021 for a total of \$8,000,000. Furthermore, that election was predicated on a breakdown of exactly how all of that \$8,000,000 would be spent through 2026. A detailed breakdown of those prioritized bond actions is attached. It shows a commitment of \$7.95M of the \$8M. Finally, this \$8M bond will be sold in approximately \$2M increments each year from 2022 through 2025. The first \$2M to be sold in March, 2022 is committed to playground replacements and improvements through May, 2023.
2. We are in the early stages of the award that was received in December, 2021 from the PSCOC for Special Systems upgrades in 6 schools in our district. This award was for \$12M from the PSCOC to be matched by \$15M from Farmington Municipal Schools. FMS will be using \$15M of the \$19M that was awarded to the district through the American Rescue Plan (ARP) for the purpose of matching the state award. The balance of \$4M must be spent on curriculum and direct educational activities.

3. The balance of the funds remaining from the 2017 bond are essentially zero due to the fact that the \$1.9 remaining is committed to the purchase of a new facility for our transportation and plant operations activities. After the purchase in the next 30-60 days the balance remaining in those bond funds will be approximately \$150K.

In conclusion, we greatly appreciate all of the assistance that the PSCOC has given us in the past and we believe we have been the best stewards of public funds possible. We have consistently maintained our facilities in the best condition possible, regardless of age, as evidenced by the numerous Ben Lujan awards we have received as well as the high scores received from the PSFA for regular maintenance, preventative maintenance and utility savings.

With a history of on-time utilization of PSCOC awards without the necessity of requesting additional funds for awarded projects, we believe that we will, once again, be able to construct a project that meets the highest standards required by the PSCOC in the expenditure of state and district funds.

Respectfully,



Ted Lasiewicz
Chief of Operations

New Mexico
School for the Blind
and Visually Impaired

1900 North White Sands Boulevard
Alamogordo, New Mexico 88310
Telephone (575) 437-3505
Fax (575) 439-4411

EXHIBIT "H"



February 7, 2022

Mr. Joe Guillen, Chairman
New Mexico Public Schools Capital Outlay Council
State Capitol Building
Santa Fe, NM

Dear Mr. Guillen and Council Members,

The New Mexico School for the Blind and Visually Impaired (NMSBVI) requests the Public Schools Capital Outlay Council's (PSCOC) consideration to apply for Pre-K Funding for the NMSBVI Preschool at the Albuquerque Campus. The NMSBVI Albuquerque Preschool is eligible for Public Schools Capital Outlay funding per the Pre-K Funding eligibility requirements.

At this time, NMSBVI is requesting consideration for an early pre-planning award to assist in determining much needed site work corrections, and a fully functional kitchen, as well as future additions to the Pre-K facility at the Albuquerque campus. The NMSBVI has full support from the Board of Regents in presenting this request for the Council's consideration.

A pre-planning award will assist with defining the following needs and sequencing of the project to include several phases:

- **PHASE 1 (Priority 1); SITE WORK** – Expansion of the present bus loop and parking lot. These two areas are considered a life & safety concern as they are currently not separated from one another with traffic flowing freely between the two. The existing bus loop does not accommodate the number of buses currently serving the needs of the school, and at times, requiring buses to park outside of the fenced area. To expand the bus loop, the parking lot would need to be relocated to another area separating ongoing parking lot traffic from the bus loop traffic.
- **PHASE 2 (Priority 1); NEW ADDITION** – Construction of a fully functional kitchen to include cafeteria space. Currently, NMSBVI contracts with a food service company that delivers meals on a daily basis, and the meals are served in the classrooms. Many students have specialized diets, due to feeding/swallowing concerns, that would be best addressed in an in-house kitchen.

BOARD OF REGENTS

Cathy Gray
Albuquerque

Robyn Holmes
Alamogordo

Gary Smethurst
Albuquerque

Agnes Vallejos
Los Lunas

Mary Willows
Albuquerque

TO: Public Schools Capital Outlay Council

DATE: February 7, 2022

RE: Pre-K Funding Request

-page 2-

- **PHASE 3 (future); NEW ADDITION** – Construction of an additional pod of classrooms for preschool students as student numbers increase.
- **PHASE 4 (future); EXPANSION** – Possible expansion of early elementary grades to include the essential requirements such as a gymnasium, playground for older students, classrooms and a technology lab.

The Albuquerque Preschool (known as the Early Childhood Program Facility) has been on NMSBVI's Facilities Master Plan (FMP) since 2012. In the FMP, under the building review for the Early Childhood Program Facility, the summarized conclusions note *"the facility is reaching capacity and projected to outgrow its current space in about five years"*. It further notes the NMSBVI's interest in obtaining adjoining acreage of land west of the current property for future expansion.

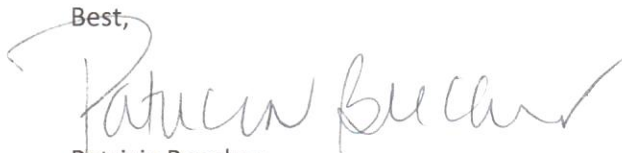
Additionally, it is noted in the FMP that additional property would also allow for parking and drop off expansion. Page two of the FMP notes *"the bus loop accommodates only six buses but should hold 12. The parent drop-off area could also be double the size. Without additional land for the campus, these issues will probably not be resolved"*.

NMSBVI is seeking an award of **\$150,000** for pre-planning to assist with determining the size of the plot of land needed to accommodate the proposed phases, the approximate cost of each phase, a proposed timeline for each phase and the steps required to solicit funding consideration for each proposed phase.

The NMSBVI's local match is 50%. The NMSBVI does have funding to support the local match for this application request.

The Council's consideration is very much appreciated.

Best,



Patricia Beecher
NMSBVI Superintendent

VI. Out-of-Cycle Funding/Award Language Requests

A. P21-002 Carrizozo Combined Campus – Request for Waiver of Design Phase Local Match*

* Denotes potential action by the PSCOC

I. P21-002 Carrizozo Combined Campus – Request for Waiver of Design Phase Local Match

II. Presenter(s): Martica Casias, Executive Director
Daniel Juarez, Senior Projects Coordinator

III. Potential Motion:

Council approval to amend the current Standards-based award for Carrizozo Municipal Schools for the Combined Campus to include a waiver of the \$3,357,607 local match for the previously awarded design phase funding. The revised project funding for the Carrizozo Combined Campus shall be a state match of \$3,571,922 (100%) and a local match of \$00.00 (0%). Approval is contingent upon the district utilizing the district’s available bonding capacity prior to returning to the PSCOC for out-of-cycle Construction phase funding.

IV. Executive Summary:

Request:

The District has requested a waiver of the \$3,357,607 local match for the previously awarded design phase funding.

Staff Recommendation:

Staff recommends granting a waiver of the local match, for an increase in the state match of \$3,357,607 for the design phase, and a corresponding decrease in the local match.

Key Points:

- The district meets the criteria for a waiver of the local match.
- In January 2022, the PSCOC awarded design phase funding at the current state \$214,315 (6%) and \$3,357,607 (94%) local match for a total of \$3,571,922.

SUPPLEMENTAL MATERIAL

P21-002 (Carrizozo) Combined Campus – Request for Waiver of Design Phase Local Match

Background:

- The current state-local match for Carrizozo is 6%/94%.
- The new combined campus will accommodate:
 - 138 students
 - Grades PreK-12
 - 49,515 GSF.

Funding Summary			
	Total	State Match	Local Match
Standards-Planning	\$ 75,000	No State Match-Offset	\$ 75,000
Standards-Design	\$ 3,571,922	\$ 214,315	\$ 3,357,607
Standards-Design w Waiver	\$ -	\$ 3,357,607	\$ (3,357,607)
Funding per District Request	\$ 3,646,922	\$ 3,571,922	\$ 75,000

Facility Information at time of Award					
Rank	6		PM Plan	Current as of 10/20/21	Outstanding
Gross Square Footage	TBD		FIMS Proficiency	User of all 3 resources	Marginal
Campus FCI	69.69%		FMAR Avg.	-5.67%	Poor
wNMCI	53.02%		Facility FMAR	-4.340%	Poor
Campus FMAR	-3.02%			1 Minor and 16 Major, Life, Health deficiencies	
2020-2021 Enrollment	136				

History:

August 18, 2020: *Planning phase funding to complete a feasibility study to determine options to renovate or replace the existing school buildings on the combined campus, with demolition of excess square footage, including a building systems analysis, followed by a campus master plan and educational specification for the new grades Pre-K-12 campus. Upon completion, the district may return to the PSCOC for the next out-of-cycle funding phase to include approval of the design enrollment, maximum gross square footage pursuant to the Adequacy Planning Guide, and an update to the total estimated project cost. PSCOC may make an award to fund a functional phase of a project without committing to funding future phases of proposed projects. The Council shall reevaluate each phase of a project and the capacity of the Public School Capital Outlay Fund before making an award for a subsequent phase of a project.*

SUPPLEMENTAL MATERIAL

P21-002 (Carrizozo) Combined Campus – Request for Waiver of Design Phase Local Match

January 10, 2022: Council approval to amend the current Standards-based award for Carrizozo Municipal Schools for the Combined Campus to include design phase funding for partial replacement, demolition and renovation of the existing facilities, to construct a new campus with a design enrollment of 138 students grades Pre-K-12 up to 49,515 GSF, With an increase in the state share \$214,315 (6%) and a corresponding increase in the local share of \$3,357,607 (94%) for a total of 3,571,922 for the design phase. Review of design enrollment shall occur during the design phase with approval of the design enrollment prior to the out-of-cycle construction phase funding request.

The district has a direct legislative appropriation offset balance totaling \$198,182. The offset balance revised the state share to \$0 (0%) and the local share to \$75,000 (100%).

Carrizozo Combined - PSFA Analysis	
New \$/SF (MACC)	\$435
Total GSF	38,281
Total New Construction MACC	\$16,652,235
Reno \$/SF (MACC)	\$255
Total GSF Reno	11,234
Total Reno MACC	\$2,864,670
Estimated Site Costs MACC	\$1,000,000
Demo \$/SF (\$15-\$25)	\$50.00
Total GSF for demo	89,731
Total Demo MACC	\$4,486,550
Total Estimated MACC	\$25,003,455
Soft Costs (standard PSFA assumption)	\$10,715,766
Total Estimated Project Cost (School)	\$35,719,221

Estimated Project Costs by Phase			
	Total	State Match	Local Match
		6%	94%
Design	\$ 3,571,922	\$ 214,315	\$ 3,357,607
Out-Year Construction	\$ 32,147,299	\$ 1,928,838	\$ 30,218,461
Total Estimated Total Project Cost	\$ 35,719,221	\$ 2,143,153	\$ 33,576,068

SUPPLEMENTAL MATERIAL

P21-002 (Carrizozo) Combined Campus – Request for Waiver of Design Phase Local Match

Background:

June 30, 2021 Cash Balance	
Operational	\$149,243
Percent of Operational Budget (=Operational/Operational Budget)	5.86%
Operational Budget	\$2,546,203
SB9	\$83,919
Bonds	\$97,185
Total Cash	\$330,347
Amount of Waiver Request	\$3,571,922
Waiver as a percent of all Cash (=Waiver request amt./ sum of Operational, SB9 and Bonds)	1016.39%
Staff Comments	Request will take over 10 times district's available cash. Does meet waiver criteria

Capital Funding Waiver Criteria - 22-24-5 (B) (11)					
Criteria				District Data	
OPTION 1	If the school district has insufficient bonding capacity over the next 4 years and the mill levy is equal to or greater than	10	the district is eligible	7.5	Not eligible
OPTION 2	If the MEM count is equal to or less than	800	and	152	Eligible
	the percent of free or reduced fee lunch is equal to or greater than	70%	and	100%	
	the state share is less than	50%	and	6%	
	the mill levy is equal to or greater than	7	the district is eligible	7.5	
OPTION 3	If the school district has an enrollment growth rate over the previous school year of at least	2.50 %	and		Not Eligible
	pursuant to its 5-year FMP, will be building a new school within the next	2 years	and	2	
	the mill levy is equal to or greater than	10	the district is eligible	7.5	

Exhibits:

Exhibit A – District Letter

Exhibit B – January 10, 2022 PSCOC approved design phase motion

Exhibit C – Statement of Financial Position

EXHIBIT "A"



Carrizozo Municipal Schools

P.O. BOX 99, CARRIZOZO, NM 88301
Phone: (575)648-2348 * Fax: (575)648-2216

Cody Patterson
Superintendent

Eli Barela - Principal
Cathy Barela - Dean of Students

February 28, 2022

Public School Facilities Authority
1312 Basehart SE, Suite 200
Albuquerque, NM 87106
FAX: (505) 843-9681

Dear Members of the Council:

Thank you for the opportunity to submit an application for funding regarding the planning and building of new school in Carrizozo. We are requesting a full waiver for the design funds along with a full waiver for construction funds. We are a school with 151 students. The substantial aging and conditions of our current buildings is impacting our ability to ensure basic necessities. The cost to build or reconstruct a new school is beyond the financial capabilities of our district.

Our high school, which was built in the 1940's has been condemned for several years. The New Gym was built in 1975. During our most recent evaluation and Facilities Master Plan, most of the HVAC systems are in critical stages as well as the other facets of the buildings. The district is planning to utilize the bond proceeds that have been allotted to us to repair and replace our stadium lights, heating, cooling, and HVAC systems, and to patch roof holes. The new school will facilitate the Elementary, Middle, and High School. The cost will also include demolishing the existing buildings being used to house the students of Carrizozo Municipal Schools.

The need for financial assistance is tied to this unplanned and growing challenge that we did not budget for in 2022-2023. Our current cash balance was built upon the savings from a hiring shortage and is dedicated to keeping our facilities operational, maintaining our Activity Bus, and ensure that the district can meet the new salary requirements for returning staff.

We appreciate this opportunity and the ability to partner on such an important project.

Thank You,

A handwritten signature in cursive script that reads "Cody Patterson".

Cody Patterson
Superintendent

EXHIBIT "B"

Item No. VI.C.

I. PSCOC Meeting Date: January 10, 2022

II. Item Title: P21-002 Carrizozo Combined – Design Funding Request

III. Name of Presenter(s): Martica Casias, PSFA Director
Daniel Juarez, Senior Projects Coordinator

IV. Potential Motion:

Council approval to amend the current Standards-based award for Carrizozo Municipal Schools for the Combined Campus to include design phase funding for partial replacement, demolition and renovation of the existing facilities, to construct a new campus with a design enrollment of 138 students grades Pre-K-12 up to 49,515 GSF, With an increase in the state share \$214,315 (6%) and a corresponding increase in the local share of \$3,357,607 (94%) for a total of 3,571,922 for the design phase. Review of design enrollment shall occur during the design phase with approval of the design enrollment prior to the out-of-cycle construction phase funding request.

V. Executive Summary:

Summary:

- District has requested a waiver of the local match for the design and out year construction funding.
- The district meets the criteria for a waiver of the local match.
- The current state-local match for Carrizozo is 6%/94%.
- Replacement campus will demolish 89,731 GSF, renovate 11,234 GSF of existing space and construct 38,281 GSF in new space.
- District has agreed to the PSFA recommended 49,515 GSF in lieu of the master plan area established at 79,799 GSF.

Background:

The Carrizozo Municipal School District (CMSD) was originally awarded planning phase funding in 2020 for the Combined Campus to complete feasibility study to determine options to renovate/replace the existing school buildings on the combined campus, with demolition of excess square footage.

Facility Information	
Rank	6
Gross Square Footage (GSF)	TBD
Campus FCI	69.69%
wNMCI	53.02%
Campus FMAR	-3.02%
2020-2021 Enrollment	136

In December 2021, Public School Facilities Authority (PSFA) received a letter from the district requesting design phase funding and a waiver of the local match. The district also informed PSFA that at its December 14, 2021 school board agreed to up to 49,515 GSF for a replacement combined campus.

PSCOC Award and Project History:

- Originally awarded in August 2020. The planning phase award totaled \$75,000 with a state-local match of \$4,500/\$70,500 (6%/94%).
 - The districts direct legislative appropriation offset balance totaling \$198,182. The offset balance revised the state share to \$0 (0%) and the local share to \$75,000 (100%).

Award History State - Local Share per Phase	Total	State Share	Local Share
Planning Phase – State/Local Match (6%/94%)	\$ 75,000	\$ 4,500	\$ 70,500
Direct Legislative Appropriation	\$198,182	\$ (198,182)	\$ 198,182
Planning Phase - State Local Match (0%/100%)	\$ 75,000	\$ (193,682)	\$ 268,682

Current Request:

CMS is requesting that the PSCOC amend the current Standards-based award language, to include design phase funding and approval of a waiver of the local match. The district is requesting the state fund 100% of the design phase costs that total \$3,571,922 for a new combined campus with 138 students, grades PreK-12 of 49,515 GSF.

The Master Plan/Ed Specs proposed a 16,104 GSF in newly constructed combined Elementary/Middle School, renovation of the 1940 High School building, 1975 Gym, offsite Agricultural building and Vocational building and partial renovation of Clegg Hall. Demolition included Manire Hall, High School storage building and partial demolition of Clegg Hall. Which would result in a combined campus totaling 79,799 GSF. However, PSFA recommends up to 49,515 GSF.

Funding Summary	Total	State Match	Local Match
August 2020 Standards-based award - State/Local Match (0%/100%)	\$ -	\$ -	\$ 75,000
December 2021 Request for a Local match Waiver	\$ 3,571,922	\$ 3,571,922	\$ (3,571,922)
Funding per District Request	\$ 3,571,922	\$ 3,571,922	\$ -

Carrizozo Combined - PSFA Analysis	PSFA negotiated GSF	Per Campus Master Plan/Ed Specs
New \$/SF (MACC)	\$435	\$435
Total GSF	38,281	16,104
Total New Construction MACC	\$16,652,235	\$7,005,240
Reno \$/SF (MACC)	\$255	\$255
Total GSF Reno	11,234	63,695
Total Reno MACC	\$2,864,670	\$16,242,225
Estimated Site Costs MACC	\$1,000,000	\$1,000,001
Demo \$/SF (\$15-\$25)	\$50.00	\$50.00
Total GSF for demo	89,731	37,270
Total Demo MACC	\$4,486,550	\$1,863,500
Total Estimated MACC	\$25,003,455	\$26,110,966
Soft Costs (standard PSFA assumption)	\$10,715,766	\$11,190,414
Total Estimated Project Cost (School)	\$35,719,221	\$37,301,380

Costs by Phase and State - Local Match	Total	State Match	Local Share
		6%	94%
Design	\$ 3,571,922	\$ 214,315	\$ 3,357,607
Out-Year Construction	\$ 32,147,299	\$ 1,928,838	\$ 30,218,461
Total Estimated Project Cost by Project Phase	\$ 35,719,221	\$ 2,143,153	\$ 33,576,068

Award Language History:

August 18, 2020: *Planning phase funding to complete a feasibility study to determine options to renovate or replace the existing school buildings on the combined campus, with demolition of excess square footage, including a building systems analysis, followed by a campus master plan and educational specification for the new grades Pre-K-12 campus. Upon completion, the district may return to the PSCOC for the next out-of-cycle funding phase to include approval of the design enrollment, maximum gross square footage pursuant to the Adequacy Planning Guide, and an update to the total estimated project cost. PSCOC may make an award to fund a functional phase of a project without committing to funding future phases of proposed projects. The Council shall reevaluate each phase of a project and the capacity of the Public School Capital Outlay Fund before making an award for a subsequent phase of a project.*

Project Schedule:

Planning Phase: September 2020 – November 2021 (actual)
 Design Phase: February 2022 – February 2023 (tentative)
 Construction Phase: March 2023 – October 2024 (tentative)

Maintenance Performance:

Maintenance Measures		
Preventative Maintenance (PM) Plan	Current as of October 20, 2021	Outstanding
Quarterly FIMS Proficiency	User of all 3 provided resources	Marginal
District FMAR Average	-5.67%	Poor
Facility FMAR as of 8.13.19	-4.340%	Poor
	1 Minor and 16 Major, Life, Health deficiencies	

Staff recommends continued diligence towards improved core maintenance to a minimal 70% (Satisfactory) ratings, continue updating their Preventive Maintenance Plan, consider using the FIMS tools to drive district maintenance performance and responding to subsequent FMARs through the 60-day response period.

Staff Recommendation:

Staff recommends amending the current Standards-based award language for the combined Carrizozo campus to include design phase funding for partial replacement, demolition and renovation of the existing facilities to construct a new campus with a design enrollment of 138 students, grades PreK-12 of

49,515 GSF. Staff recommends granting a waiver of the local match, for an increase in the state match of \$3,571,922 for the design phase.

Through discussions with district staff, the district and school board (at the board meeting held on December 14, 2021) agreed to the PSFA recommended GSF for a replacement combined campus totaling 49,515 GSF in lieu of the campus master plan area of 79,799 GSF. This includes construction of a new 38,281 GSF Pre-K-12 school, renovation of the 11,234 GSF Vocational building, and demolition of 89,731 GSF.

Carrizozo Combined GSF Analysis		GSF	PSFA negotiated GSF	Per Campus Master Plan
New Construction	ES/MS	16104	0	16104
	K-12 School	38281	38281	0
	Subtotal	54385	38281	16104
Renovation	1940 HS	27470	0	27470
	1975 Gym	16496	0	16496
	Ag Building	2965	0	2965
	Clegg Hall (partial)	5530	0	5530
	Vocational	11234	11234	11234
	Subtotal	63695	11234	63695
Demolition	1940 HS	27470	27470	0
	1975 Gym	16496	16496	0
	Ag Building	2965	2965	0
	Clegg Hall (all)	17424	17424	11894
	Vocational	11234	0	0
	Manire Hall	22296	22296	22296
	HS Storage	3080	3080	3080
Subtotal	25376	89731	37270	
Total GSF		49515		79799
GSF over Max allowable		16345		46629

EXHIBIT "C"
STATEMENT OF FINANCIAL POSITION
(thousands of dollars)

School District

Carrizozo Municipal School District

= Cells are calculated to obtain a carry forward projected cash balance (Sources less Uses)

	TY2019	Growth Rate	TY20	TY21	TY22	TY23	TY24
Current & Projected Assessed Valuation:	\$72,210,355.0	4%	\$75,382,248.3	\$78,693,469.3	\$82,150,138.2	\$85,758,643.8	\$89,525,655.7
Bonding Capacity (6% of AV):	\$ 4,332,621.30	6%	\$4,522,934.90	\$4,721,608.16	\$4,929,008.29	\$5,145,518.63	\$5,371,539.34
Outstanding Debt as of 6/30 of each FY Including Future Sales (GOBs & ETNs):			3,030,000.0	3,630,000.0	3,630,000.0	3,630,000.0	3,630,000.0
Available Bonding Capacity (\$):			\$1,492,934.9	\$1,091,608.2	\$1,299,008.3	\$1,515,518.6	\$1,741,539.3
% Bonded to Capacity:			67.0%	76.9%	73.6%	70.5%	67.6%
GO Bond Authorization + Ed Tech Notes:							

Next Bond Election Date and Amount:

Date	Amount

SOURCES:	Previous Years			FY21 Budget Approved on 7/1/20	Current YR	YEAR 1	YEAR 2	YEAR 3	YEAR 4
	FY18 Actuals	FY19 Actuals	FY20 Actuals		FY21	FY22	FY23	FY24	FY25
Projected/Actual Beginning Cash Balance	\$ 297,463.60	\$ 238,985.3	\$ 540,538.3		\$ 842,499.9	\$ 351,979.6	\$ 718,200.0	\$ 705,850.2	\$ 788,033.2
Totals of Operational, SB9, HB33 and Bonds	2108930.64	2623572.55	3128530.04		\$ 2,469,540.9	\$ 3,164,812.6	\$ 2,597,728.0	\$ 2,646,458.1	\$ 2,684,447.8
				\$ -					
Other:				Left Blank Intentionally					
Total:	\$ 2,406,394.2	\$ 2,862,557.8	\$ 3,669,068.3		\$ 3,312,040.8	\$ 3,516,792.3	\$ 3,315,928.1	\$ 3,352,308.3	\$ 3,472,481.0

USES:									
Total of Operational, SB9, HB33 and Bonds	2167408.97	2322019.56	2826568.4		\$ 2,960,061.2	\$ 2,798,592.2	\$ 2,610,077.9	\$ 2,564,275.1	\$ 2,635,244.5
Project Funded Brief Description (add additional lines if necessary): This area is for future projects. Please list budget totals above. These figure will not be included in totals.	Left Blank Intentional			Left Blank Intentionally					
Total Projected Commitment Needs/Uses:	\$ 2,167,409.0	\$ 2,322,019.6	\$ 2,826,568.4		\$ 2,960,061.2	\$ 2,798,592.2	\$ 2,610,077.9	\$ 2,564,275.1	\$ 2,635,244.5

CERTIFICATION OF STATEMENT OF FINANCIAL POSITION

School District

Carrizozo Municipal School District

TO BE COMPLETED BY SCHOOL DISTRICT

Statement of Financial Position prepared for completeness and accuracy by:

(Signed)

Zach Kirchgessner

(Print Name)

Zachary Kirchgessner

Date 2/24/2022

(Title)

Business Manager

TO BE COMPLETED BY SCHOOL DISTRICT BOND ADVISOR

Statement of Financial Position reviewed for completeness and accuracy by:

(Signed)

Regina Gaysina

(Print Name)

Regina Gaysina

Date 2/24/2022

(Title)

Director

(Company)

RBC Capital Markets

TO BE COMPLETED BY PUBLIC EDUCATION DEPARTMENT (PED)

Statement of Financial Position reviewed for completeness and accuracy by:

(Signed)

(Print Name)

(Title)

Date

PED noted differences or variances from District or Charter School reported amounts:

Four empty horizontal lines for reporting differences or variances.

TO BE COMPLETED BY PUBLIC SCHOOL FACILITIES AUTHORITY (PSFA)

Statement of Financial Position reviewed for completeness and accuracy by:

(Signed)

(Print Name)

(Title)

Date

It is intended that the review of the Statement of Financial Position be completed within 10 calendar days of receipt.

VII. Other Business

- A. BDCP – Adoption of Statewide Technology Infrastructure Network Guidelines*
- B. BDCP – Phase 1 of Statewide Education Technology Network Infrastructure*

* Denotes potential action by the PSCOC

I. BDCP -Adoption of Statewide Technology Infrastructure Network Guidelines

II. Presenter(s): Martica Casias, Executive Director
Ovidiu Viorica, Broadband & Technology Program Manager

III. Potential Motion:

Adoption of Statewide Education Technology Network Guidelines for a Statewide Education Technology Network, with future guidelines addressing educators and student's home connectivity gap.

IV. Executive Summary:**Request:**

AMS Subcommittee approval of the previously reviewed draft Statewide Education Technology Network Guidelines;
See Exhibit A

Staff Recommendation:

AMS Subcommittee approval of the proposed Statewide Education Technology network guidelines based on the language in SB144, *“the council shall develop guidelines for statewide education technology infrastructure network that integrates regional hub locations for network services and the installation of maintenance and equipment”*

Key Points:

The Statewide Education Technology Network Guidelines contain the following:

- Technology neutral
- Set minimum requirements for a Statewide Education Technology Infrastructure Network
- Indicate review of the Statewide Education Technology Network Guidelines at least annually

Per language in SB144, the Council may fund Education Technology Infrastructure projects or items that the Council determines are in accordance with the guidelines.

SUPPLEMENTAL MATERIAL

BDCP Adoption of Statewide Technology Infrastructure Network Guidelines

Background:

SB144:

B. The council shall develop guidelines for a statewide education technology infrastructure network that integrates regional hub locations for network services and the installation and maintenance of equipment. The council may fund education technology infrastructure projects or items that the council determines are in accord with the guidelines and necessary to education for:

- 1) Students;*
- 2) School buses;*
- 3) internet connectivity within a school district;*
- 4) multi-district regional education;*
- and*
- 5) statewide education network*

History:

The PSFA provided draft guidelines to the PSCOC on January 14, 2022

Exhibits:

Exhibit A – Statewide Education Technology Network Guidelines

Guidelines for the PSCOC Statewide Education Network

Background:

Senate Bill 144 (2021) requires the Public Schools Capital Outlay Council (PSCOC) to develop guidelines for a Statewide Education Technology Infrastructure Network (SEN). Further, the PSCOC may fund education technology infrastructure projects or items that the council determines are in accordance with the guidelines.

“Amending the definition of “Education Technology Infrastructure” in the Public School Capital Outlay Act to include the interconnection between students and teachers to support remote learning; requiring the Public School Capital Outlay Council to establish guidelines, and may fund, education technology infrastructure to ensure that those expenditures are in accord with the development of a statewide education technology infrastructure network; ...”

The vision for the SEN is to provide scalable and reliable connectivity to public schools, and to serve as a foundation for other New Mexico broadband efforts by providing the backbone for high-speed Internet service. This not only supports the students and teachers in rural and underserved areas of New Mexico, it supports the economic development, rural public health, telehealth, and New Mexico’s agricultural industry.

These guidelines specify the speed of connection and the reliability percentages, among other parameters. This approach sets minimum requirements for the users of the SEN.

Goals:

- Offer Affordable, reliable, sufficient and scalable access to all educational organizations
- Provide safe and secure technology through best practices, hardware, and software
- Eliminate the homework gap by providing Internet access to all NM students and educators wherever they work or study

General Guidelines:

- SEN Hub locations will be developed in a cost-effective way at strategic places to leverage expertise, improve collaboration with K12, tribal, and facilitate broadband expansion regionally. Multi-agency collaboration will leverage state resources to help these locations meet the necessary technical specifications.
- The SEN will be based on a technology-neutral approach, to allow existing and emerging technologies to compete for the most effective solution (and as required by the E-rate program rules).

- The SEN will meet minimum specifications or specification ranges to support the full use of digital instructional resources and tools, while ensuring cost-effectiveness.

Technical Specifications (Guidelines):

The SEN will be composed of backbone nodes in strategic locations throughout New Mexico. The backbone nodes will be connected through a network consisting of uniform links. The backbone networks must be resilient with minimal points of failure with reliable connection(s) to Tier 1 Internet providers. The intent is to grow the SEN backbone in both capacity and locations to support additional state broadband priorities. Each SEN backbone node should be strategically located. The SEN backbone nodes must also be capable of supporting multiple last mile connections for participating members with various needs.

Below are listed high level specifications for the SEN:

1. The SEN model for network capacity planning assumes 1-3Mbps (depending on need and school size) per end user
2. Capacity to be scalable and symmetrical, or asymmetrical with an adequate upload speed to support all necessary applications used for instruction
3. The network capacity levels for each of the categories can be scaled up to meet the increased needs of the SEN and its participating members
4. Additional members may be added to the network by adding last mile connectivity to new participating members
5. Reliability of the SEN backbone will be 99.99% or better 99.9% or better for last mile connections
6. Network latency commitment 5-90 milliseconds round trip, or adequate to support all schools' digital tools and instructional material
7. Network Jitter commitment <10 milliseconds or better
8. Packet Loss Rate commitment <1% between circuit endpoints or better

Services offered for all participants:

- IP Addressing
- BGP Routing
- Network Management
- Cybersecurity services

Prioritization of projects:

The projects to be approved by the PSCOC will be prioritized based on the following requirements:

1. The SEN is planned, designed, and implemented using E-rate and federal/state funding.
2. The school is motivated to use Internet access and related services from the SEN, and
3. The project is necessary because of current low connectivity speed, high Internet cost and the school is unable to keep the connection running and secure, AND
4. The school is eligible to receive Internet access and other related services without penalties related to existing service agreements, AND
5. The school will rely on the SEN consortium to apply for E-rate Category 1 funding (Internet Access only)

Costs:

E-rate funding will be maximized.

The costs not covered by E-rate will be shared between the participating public schools and Capital Outlay Fund awards, as approved by the Council, within the available funding (up to \$10M).

The remaining costs will be covered from federal grants and/or New Mexico state appropriations.

These broadband guidelines, especially technical specifications (capacity, up-time, latency, packet loss, and jitter), necessary to support evolving school-related technology, will be reviewed by the SEN Advisory Committee and approved by the PSCOC on a regular basis, a minimum of annually.

I. BDCP –Phase 1 of Statewide Education Technology Network Infrastructure

II. Presenter(s): Martica Casias, Executive Director
Ovidiu Viorica, Broadband & Technology Program Manager

III. Potential Motion:

Awards Subcommittee recommendation to allow PSFA staff to accept the highest ranked Offerors' proposals, and enter into contract negotiations for the backbone, last mile and commodity internet services.

IV. Executive Summary:**Staff Recommendation:**

To initiate the Pilot phase of the Statewide Education Network (SEN), allow PSFA staff to enter into contract negotiations with the highest rated Offerors for the different components of the SEN. Additionally, for Phase II, consider increased involvement from the Office of Broadband.

Key Points:

- PSFA staff conducted extensive review of the RFP bids for backbone, last mile, and commodity internet
- The contracts will be reviewed by the Council for approval once negotiated
- Cost up to \$3M for Phase I and Phase II
- Cost is low
- Infeasible to seek school cost share in Phase I
- Phase II will include E-rate funding
- E-rate deadline for Phase I is March 22, 2022
- Phase 1
 - Backbone
 - One vendor for 9 nodes
 - 100% state funding
 - Last Mile
 - Multiple vendors for approximately 41 schools
 - Variety of technologies
- Phase II
 - Backbone
 - Same vendor complete remaining nodes, if any
 - Last Mile
 - Additional schools connect; lower cost per student (economy of scale)

- New RFP issued August/September 2022
- eRate funding, state and local share
- The SEN is essential to establishing the foundation for safe and equitable access to technology for New Mexico students and educators.
- This coordinated approach will effectively provide sustainability and scalability for school district connectivity.
- In addition, the SEN will leverage the buying power and the schools' access to federal funding to facilitate broadband expansion by local providers to students and teachers, as envisioned by SB144.
- The SEN, through collaboration with Higher-Education, other state agencies, stakeholders and the private industry, will provide the foundation for broadband growth for all New Mexicans, providing a roadmap for other broadband state investments, including federal dollars.

SUPPLEMENTAL MATERIAL

BDCP –Phase 1 of Statewide Education Technology Network Infrastructure

Background:

At the January 2022 PSCOC meeting the following concerns were raised regarding implementation, management and PSCOC ability to own/coordinate the SEN :

- PSFA staffing (potential increase),
 - Manager (1) – existing position filled
 - Project Managers (3)
 - Two existing filled positions,
 - One additional existing position (to be filled)
 - Project Coordinator / Financial specialist: (2)
 - One existing position filled,
 - One new position
 - Contracts Administrator (1) – new position
 - IT/Broadband Attorney (1) (contract)
- Management of the SEN
 - RFP needed to hire external vendor to manage SEN

The following solutions were offered for consideration:

- Increase staffing
- Collaborate with the Office of Broadband
- Delay one year

History:

SB144:

B. The council shall develop guidelines for a statewide education technology infrastructure network that integrates regional hub locations for network services and the installation and maintenance of equipment. The council may fund education technology infrastructure projects or items that the council determines are in accord with the guidelines and necessary to education for:

- 1) *Students;*
- 2) *School buses;*
Internet connectivity within a school district;
- 3) *Multi-district regional education;*
- 4) *Statewide education network.*

C. The council may approve allocations from the fund pursuant to Subsection M of Section 22-24-4-NMSA 1978 and this section for projects in or affecting a school district committing to pay its share of the projects costs. The Council may adjust the school district's share of the projects costs in accordance with Paragraph (11) of Subsection B of Section 22-

SUPPLEMENTAL MATERIAL

BDCP –Phase 1 of Statewide Education Technology Network Infrastructure

24-5-NMSA 1978 or the methodology for determining the school districts share of the project costs.

Exhibits:

Exhibit A – Anti-Donation Clause Summary

Exhibit B – SEN Map without the names of the providers recommended for awards

Exhibit C – Evaluation Committee Award Summary

Exhibit D – RFP Summary

EXHIBIT "A"

State of New Mexico Public School Facilities Authority

Martica Casias, Executive Director

1312 Basehart Road, SE, Suite 200, Albuquerque, NM 87106
(505) 843-6272 (Phone); (505) 843-9681 (Fax)
Website: www.nmpsfa.org



To: Martica Casias, Director, Public School Facilities Authority

From: Mona Martinez, PSFA Staff Attorney

Date: January 14, 2022

Re: Article IX, Section 14 of the New Mexico Constitution (the "Anti-donation Clause") and the use of Public School Capital Outlay Funds (PSCOF) to acquire the services in the PSFA, Statewide Education Network Request for Proposals (SEN RFP) for the Statewide Education Network (SEN).

Question: Whether the use of funds from the PSCOF to acquire the Backbone Nodes, Last Mile Connections and Internet Service as proposed in the SEN RFP violate the Anti-donation Clause?

Answer: As set forth below, funds from the PSCOF for the Backbone Nodes will not violate the Anti-donation Clause; however, the Last Mile Connections may be contrary to the Anti-donation Clause depending on the ownership of the facilities that will connect to the Last Mile.

The Anti-donation Clause, Article IX, Section 14 of the New Mexico Constitution

The "anti-donation clause," provides: "Neither the state, nor any county, school district or municipality, except as otherwise provided in this constitution, shall directly or indirectly lend or pledge its credit, or make any donation to or in aid of any person, association or public or private corporation...." It prohibits the state, or any of its municipalities, from making any donation to or in aid of any person, association or public or private corporation. *Harrington v. Atteberry*, 21 N.M. 50, 54, 153 P. 1041, 1047 (1915). A state agency cannot give gifts, allocations or appropriations of any value without consideration, see *Village of Deming v. Hosdreg Co.*, 62 N.M. 18, 28, 303 P.2d 920, 927 (1956), and the consideration must consist of a tangible, material and economic benefit to the state agency.

Backbone Nodes

The chart below identifies the nine (9) backbone node locations identified in the SEN, RFP which are

institutions of higher learning with the exception of the Santa Fe Indian School which is tribally owned and operated.

Facility	Location
UNM 505 Marquette	Albuquerque
Santa Fe Indian School	Santa Fe
NM Highland University	Las Vegas
Clovis Community	Clovis
NMSU	Las Cruces
ENMU	Roswell
WNMU	Silver City
NM Tech	Socorro
UNM	Gallup

These locations are public institutions¹ and because of their public designation, the Public School Capital Outlay Council (PSCOC) will not be making a donation to aid any person, association or public or private corporation in violation of the Anti-donation Clause when using PSCOCF monies for the acquisition of the infrastructure required for the backbone nodes. The PSCOC, will, however; need to enter into Intergovernmental Agreements with each of the owners of each site to address, at a minimum, access to, maintenance of and consideration for the infrastructure provided by the PSFA.

Last Mile Connections

The SEN RFP identifies fifty-six (56) participants who will be making connections from the backbone nodes with either Dark Fiber (DF) or Indefeasible Right of Use (IRU) to the facilities of the SEN Participants. Of the fifty-six (56) SEN Participants, fourteen (14) are district chartered charter schools (charter schools). The Last Mile Connections in which fiber will be connected from the Backbone Node to the SEN Participants in some instances may violate the Anti-donation Clause because of the nature of the ownership of the facility in which the SEN Participant is housed.

The Public School Capital Outlay Act at Section 22-24-10 D NMSA 1978 defines a “public facility” used by a charter school as a building owned by a charter school, the school district, the state, an institution of the state, another political subdivision of the state, the federal government or a tribal government. The Public School Lease Purchase Act at Section 22-26A-5 H NMSA 1978 provides that any if state, school district or charter funds are used for improvements to the property, the cost of the improvements shall constitute a lien in favor of the charter school on the real property at the time of termination. Consequently, charter schools housed in a public facility or in an approved² lease purchase arrangement are eligible for state funding.

¹ New Mexico Higher Education Department, Your Guide to New Mexico Colleges & Universities, <https://hed.state.nm.us/nm-college-guide/>

² Section 22-26A-4 NMSA 1978 Subparagraph B requires the New Mexico Education Department’s approval for a lease purchase arrangement.

The chart below identifies the fourteen (14) charter schools and the type of lease.³

Charter School	Facility Type
21 st Century Public Academy	Lease Purchase Arrangement (LPA)
Albuquerque School of Excellence	LPA
Coral Community Charter School	Private
Dzil Diti' ooi School of Empowerment & Perseverance (DEAP)	Government/Tribal
Health Leadership High School	Private
La Academia de Esperanza	Private
Mark Armijo Academy	LPA
Monte Del Sol Charter School	LPA
Mosaic Academy Charter School	Private
Mountain Mahogany Community School	Private
New America School (Las Cruces)	LPA
Taos Academy	Foundation
Vista Grande high School	Government/Tribal
Dorn Charter School	Foundation

Based on the chart above, five (5) of the fourteen (14) charter schools identified as SEN Participants are housed in private facilities for FY22. To avoid violation of the Anti-donation Clause, it will be essential that the PSFA obtain the appropriate consideration from the charter school either through an Intergovernmental Agreement or Memorandum of Understanding.

SB144 Funding Requirements for Statewide Education Technology

In addition to the Anti-donation Clause, the PSCOC must take into consider the requirements of Section 22-24-4.5 NMSA 1978. In pertinent part, SB144 amended Section 22-23-4.5 to allow the PSCOC to fund infrastructure projects it determines are in accordance with the statewide education technology guidelines and clarified at Subparagraph C, that expenditures from the fund for education technology infrastructure cannot exceed ten million dollars (\$10,000,000) per year. Therefore, in the event the SEN RFP results in costs exceeding ten million dollars (\$10,000,000), the Council may not make use of the PSCOF to cover the excess costs.

SB 144 also further clarified the use of the education technology infrastructure fund at Subparagraph C requiring that, “the Council may approve allocations from the fund ... and this section for projects in or affecting a school district committing to pay its share of the project cost.” Therefore, the Council will be required to make awards subject to the requirements of Section 22-24-4 NMSA 1978⁴ to each of the SEN Participants (school districts) that will benefit from the SEN RFP to ensure compliance with the local and state share provisions.

³ PSFA Lease Assistance Data Compiled for FY22

⁴ Section 22-24-4 NMSA 1978 requires an application for grant assistance from the fund and as a condition of eligibility for grant assistance, Subparagraph A requires “a school district to have a current five-year facilities plan, which shall include a current preventive maintenance plan to which the school adheres for each public school in the school district.”

EXHIBIT "B"

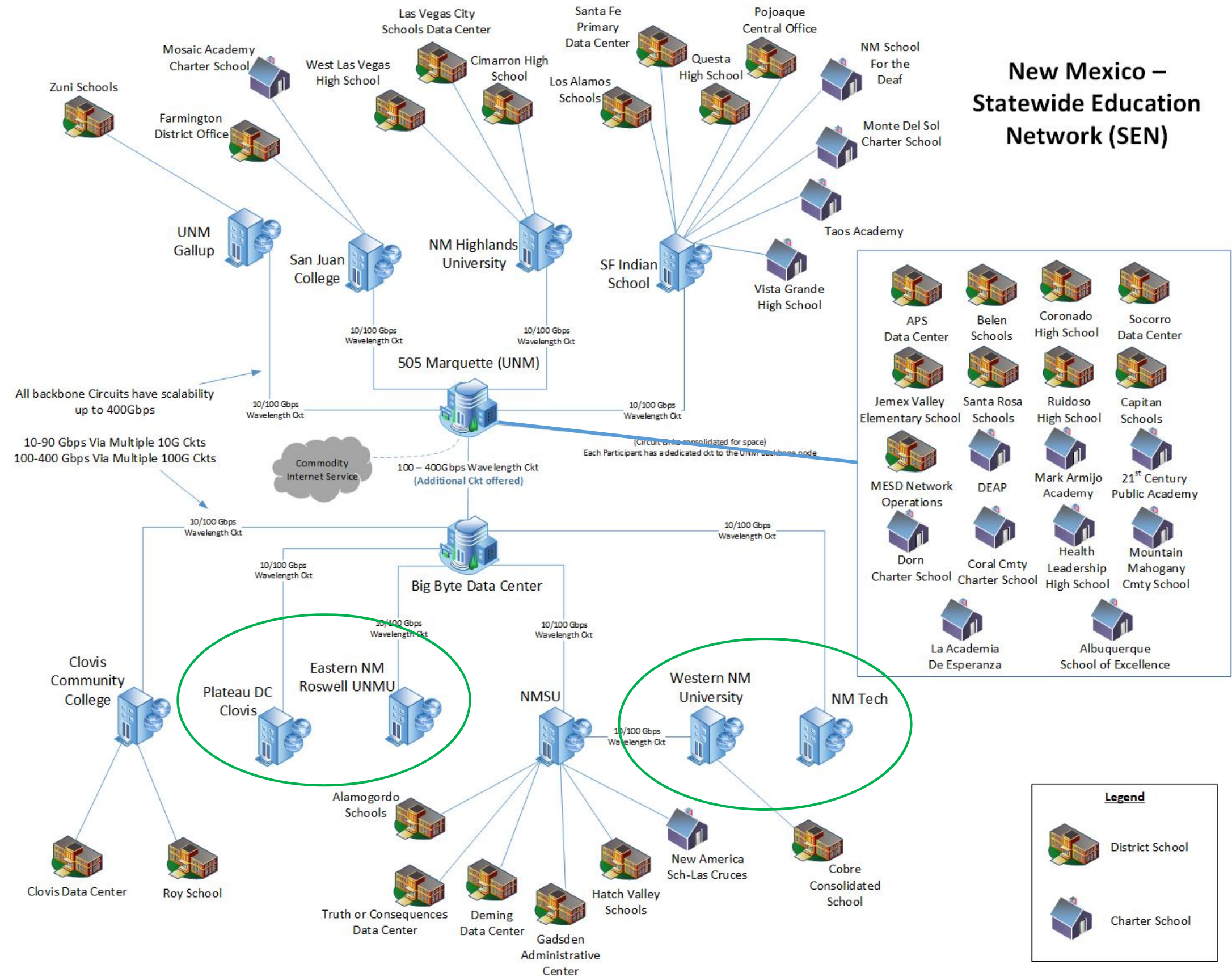


EXHIBIT "C"

Evaluation Committee Award Summary
RFP 2022-005-MG
New Mexico Statewide Education Network
Section 1 Backbone

Recommended Award

Offeror	Score Including Cost Points
Lumen	82.3
SWC Telesolutions	74.5
Conterra	50.5
Maximum Points	100

Evaluation Committee Award Summary
RFP 2022-005-MG
New Mexico Statewide Education Network
SECTION 2: LAST MILE

Recommended Award by Site

District	Offeror	Score
Albuquerque School of Excellence	Comcast	66.29
La Academia De Esperanza	Comcast	66.29
MESD Network Operations	Comcast	66.29
Belen Schools	Conterra	82.13
Dorn Charter School	Conterra	82.13
Gadsden Administrative Center	Conterra	74.41
Hatch Valley Schools	Conterra	72.63
Monte Del Sol Charter School	Conterra	67.21
New America Sch-Las Cruces	Conterra	77.24
NM School for the Deaf	Conterra	66.33
Santa Fe Primary Data Center	Conterra	82.13
Socorro Data Center	Conterra	76.13
Truth or Consequences Data Center	Conterra	76.13
Alamogordo Schools	Lumen	83.25
APS Data Center	Lumen	78.11
Clovis Data Center	Lumen	83.25
Cobre Consolidated School	Lumen	83.25
Deming Data Center	Lumen	83.25
Farmington District Office	Lumen	76.20
Los Alamos Schools	Lumen	83.25
Mosaic Academy Charter School	Lumen	83.25
Pojoaque Central Office	Lumen	83.25
Questa High School	Lumen	83.25
Taos Academy	Lumen	83.25
Vista Grande High School	Lumen	83.25
West Las Vegas High School	Lumen	83.25
Zuni Schools	Lumen	74.65
Cimarron High School	Plateau	74.80
Las Vegas City Schools Data Center	Plateau	74.80
Roy School	Plateau	74.80
Santa Rosa Schools	Plateau	74.80
DEAP	SWC	90.64
Jemez Valley Elementary School	SWC	69.76
21st Century Public Academy	UPN	76.41
Coral Cmty Charter School	UPN	76.41
Health Leadership High School	UPN	76.41

Evaluation Committee Award Summary
RFP 2022-005-MG
New Mexico Statewide Education Network
SECTION 2: LAST MILE

Recommended Award by Site

District	Offeror	Score
Mark Armijo Academy	UPN	76.41
Mountain Mahogany Cmty School	UPN	76.41
Capitan Schools	Windstream	61.60
Coronado Middle High School	Windstream	61.60
Ruidoso High School	Windstream	61.60
Points Maximum		100

Award Summary

Offeror	High Proposer at # of Sites
Comcast	3
Conterra	10
Lumen	14
Plateau	4
SWC	2
UPN	5
Windstream	3

**Evaluation Score Analysis
RFP 2022-005-MG
New Mexico Statewide Education Network
SECTION 3: COMMODITY INTERNET**

TOTALS

Location	1st - Score		2nd - Score		3rd - Score		4th - Score			
UNM 505 Marquette ABQGIG	Zayo	75.8	Lumen	65.56	Conterra	62.61	Comcast	31.7		
NM Tech	Conterra	62.61								
NMSU Las Cruces	Conterra	62.61								
Santa Fe Indian School	Lumen	65.56							Conterra	62.61
Bigbyte Data Center	Lumen	65.56								
Maximum Points including Cost Points:									100	

EXHIBIT "D"

RFP SUMMARY

RFP 2022-005 MG, New Mexico Statewide Education Network

PURPOSE AND SCOPE OF PROCUREMENT:

To obtain qualified proposals for the following:

Backbone Nodes

- The RFP identified up to fourteen (14) potential backbone node locations for Offerors to consider as potential solutions. As part of the solution, the Offerors were required to consider the facility's environment along with any necessary infrastructure requirements.
- Award to only one Offeror to allow for a collaboration of multiple Offerors. (Scope of Work page 13, 2.2).

Last Mile Connections

- The last mile connections connect from the backbone nodes to the SEN Participants. A list of fifty-six (56) SEN Participants was provided in the RFP which included schools and libraries.
- The RFP allowed the Offerors to submit proposals for either fully managed may range from 100 megabits per second (MBPS) up to 100 gigabits per second (GBPS), for a term of thirty-six (36) months to seventy-two (72) months. Offerors were also allowed to propose on Dark Fiber (DF) or Indefeasible Right of Use (IRU).
- The last mile connections for each SEN participant site of this scope of work will be awarded independently of each other.

Commodity Internet Access

- In the RFP, PSFA noted it has a strong preference for internet service that connects to multiple backbone nodes, but will accept service to one node if it is the most cost-effective resilient service offering. As a result, there is a possibility for many awards.

RFP TIMELINE AND PERTINENT DATES:

Dates:

- RFP Issued Date: November 21, 2021
- RFP Closing Date: January 19, 2022
- PSCOC Meeting: March 14, 2022 (to approve contracts)
- E-Rate Form 471 Due: March 22, 2022 (which requires proof of a legally binding agreement with the application)

EVALUATION:

- Three (3) separate evaluation committees were formed to evaluate the proposals for each area of service.

- **Qualifications of Evaluators:** Evaluators are highly qualified, experienced professionals in the technology field, holding positions as Chief Technology Officers, Chief Information Security Officers, Directors of Technology, Directors of Security and Networks, Broadband Program Managers, and System Administrators.

RESULTS

Highest Ranking

- Backbone 1st place: Lumen (with exceptions)
- Last Mile 1st place per site: Comcast, Conterra, Lumen, Plateau, Sacred Wind, Unite Private Network, Windstream. (See attached award recommendation for list by site.)
- Internet 1st place per site: Zayo, Conterra, Lumen (See attached.)

Cost Proposals

- **See attached**

POST RFP WORK

- 1. Contract Negotiations with all Offerors in ranking the highest in the evaluation**
- 2. JPAs with the Backbone owners**
- 3. MOUs with the SEN Participants**

VIII. Informational

- A. PSFA Process Improvements Update
- B. Unrestricted Revenue Update
- C. FY21 Audit Report
- D. Project Status Report
- E. Legislative Session Update
- F. Semi-Annual HR Staffing Report
- G. BDCP – Review of Broadband Technology Options for a
Statewide Education Technology Network Infrastructure
- H. Quarterly Maintenance Report

I. PSFA Process Improvements Update**II. Presenter:** Martica Casias, Executive Director**III. Executive Summary (Informational):****Key Points:****Current Status:**

Vendor under contract to work on process improvement:

- Initial Stage: Mid-March to end of April, work to include overall project schedule, staff questionnaire, stakeholder survey, interviews with key staff, validate business processes, current communication plan.
- Second Stage: April to end of July, work to include review of initial findings, in-house meetings and recommendations.

Common Recommendations from all three groups (Districts, Design Professionals and Contractors) for Process Improvement:

- Simplification
- Consistency
- Expedition of projects
 - Reduction of time frames for PSFA review and approvals
 - Removal of redundancies
- Stakeholder training/on-going meetings regarding PSFA and PSCOC
- PSFA staff training

Potential Policy Change:

- Updates to the Adequacy Standards
- How offsets are addressed
- State/local match formula

Potential Process Improvements Recommended by Districts:

- Revisit the Adequacy Standards to address the following:
 - Small rural districts needs
 - Federal laws, ancillary services for Special Education
 - Larger classrooms
 - Increased storage space
- Simplify the RFP process, provide a final document for districts to use
- Training on e-Builder

- Reduction of bureaucracy
- Reduction of duplicative processes in e-Builder
- Reflect the needs of 21st Century Schools
- Increased transparency
- Eliminate duplication in FMP and enrollment/utilization/early planning studies
- PSCOC funding of off-site utilities
- Recognition of school district CPO's/ district experience
- Removal of offsets and permit eligibility for waiver or advances when an offset is in place
- PSFA response time

Potential process improvements recommended by Design Professionals:

- Removal of redundancies in the Request for Proposal (RFP) process
- Reduction in time for design professional agreements
- Reduction in time for Construction Document review and issuance of RFP
- Reduction of duplicative processes in e-Builder
- Revisit the Adequacy Standards
- Training on PSFA processes
- Timing of Owner Design Process (ODR) to be more efficient
- Request for Proposal process is redundant and timing is off; it should occur simultaneously with Construction Document review process
- Addendums take too long to get through CID; Permit set must match
- Recommended pre-submission review with CID
- Modification Change Request (MCR) take too long to go through the process
- Consider LEED Certification, the current Energy Star compliance is outdated
- Systems installed should be such that maintenance staff can maintain
- In-person plan reviews (page-by-page) with PSFA, prior to and or including final review
- Introduction to new staff members

Potential process improvements recommended by Contractors:

- Consistency with PSFA Regional Managers in regards to skill sets, knowledge about PSFA and project approach
- Improve turnaround time for Request for Information (RFI)
- Improve turnaround time for Change Orders (CO)
- Improve turnaround time for Pay Applications

- More usage of Construction Manager at Risk (CMAR), to allow contractors to be involved earlier in the project
- Provide more guidance to school districts in regards to setting the schedule

Internal process improvements underway:

- Incorporation of Educational Specifications (programming) into design phase – reduction of 6 months to 9 months in the planning and design process. (to address District concerns)
- Communication between SHARE and e-Builder (for expediency / accuracy)
- Web-based PSCOC Applications (for ease of use and to expedite projects)
- Scheduled training for PSFA Staff (to create understanding and consistency)
- Removal of redundant processes in e-Builder (to expedite projects)
- Request for Proposal Review(RRP) and 100% Construction Document review to run concurrently – reduction of 4 to 6 months (to expedite projects)

Process improvements implemented since October 2022:

- Letter of Intent Pre-Application process (simplification and expediency for districts and internally)
- Actively meeting with districts who are in the top 150, standards) or top 350, systems. (creates relationships with districts and cultivates projects)
- Actively meeting with stakeholders (education internally and externally)

Background and Future Meetings:

In October 2021, the PSFA started working on internal process improvement.

- In November 2021, the PSCOC instructed staff to hire a vendor to assist with process improvement
- In November 2021, PSFA met with districts to hear their concerns and suggestions related to potential improvements
- In January 2022, PSFA met with architects to hear their concerns and suggestion related to potential improvements
- March 2022, bring feed-back from stake holders to PSCOC
- March 2022, begin Process Improvement work with External Vendor
- July 2022, complete work with Process Improvement Vendor
- August, September, October, November;
 - Meetings with school districts and other stakeholders regarding changes to the Adequacy Standards
 - Present updates to PSCOC at each PSCOC meeting
 - Public hearings
 - Present to the Public School Capital Outlay Oversight Taskforce
 - Adoption

Exhibits:

A – Meeting minutes with School Districts

B – Meeting minutes with Design Professionals

C – Meeting minutes with General Contractors

EXHIBIT "A"

Meeting Minutes

Date: Friday, November 19, 2021 | **Time:** 1:00 PM – 2:30 PM
“Go-To” Meeting Video Conference

Attendees:

- Dr. Kenneth Moore, Superintendent, Alamogordo
- John Dufay, Executive Director, Albuquerque
- Ted Lasiewicz, Chief of Operations, Farmington
- Jvanna Hanks, Deputy Superintendent, Gallup-McKinley
- Albert Martinez, Superintendent, Mesa Vista
- Johnna Bruhn, Superintendent, Mosquero
- Stan Rounds, Executive Director, NMCEL
- David Robbins, Public Education Commission, PSCOC
- Martica Casias, Interim Director, PSFA
- Randy Evans, CFO, PSFA
- Mona Martinez, Staff Attorney, PSFA
- Ryan Parks, Senior Facilities Manager, PSFA
- Larry Tillotson, Maintenance & Operations Manager, PSFA
- Alyce Ramos, Programs Manager, PSFA
- Jason Gauna, IT Systems Specialist, PSFA
- Hayley Johnson, Research Analyst, PSFA

I. Overview – Martica Casias, PSFA Director (Interim)

II. Introductions - New Mexico School Districts/PSFA in attendance

III. Common Goals:

- Enhancing collaboration with districts and PSFA

IV. PSFA Time-line: meetings will continue bi-annually and regionally

- **November 19, 2021:** Meet with District Superintendents and District Representatives
- **December 6 & 13, 2021:** PSFA report back to the PSCOC and discuss viable suggestions resulting from November meeting
- **January 2022:** Meet with Architects, Engineers and Design Professionals
- **February 2022:** Meet with Contractors
- **March 2022:** PSFA report back to the PSCOC and discuss viable suggestions resulting from January and February meeting.

V. Open Forum

a. Dr. Kenneth Moore, Superintendent, Alamogordo Public Schools

Dr. Moore mentioned their list of extensive concerns and recommendations, and suggested that the PSFA consider to participate in the full cost of building a real school that is a learning environment rather than a facility built at a certain square footage to code. They are in the process of designing a new middle school, and they do not want to have to shrink classrooms to get enough space to store a zamboni to clean floors. Mr. Moore would like to see the PSFA participate in many things that seem arbitrary on their end, examples include: outdoor classrooms, shade landscaping beyond three trees, and connections to sewage systems. They believe they are a part of an adequate school and the adequacy standards as they stand seem very outdated and very arbitrary. They just went through a page-by-page design review with the architect and the PSFA and the district is challenging everything and asking the PSFA to provide references for legislation or rules that say you can't participate in certain things. Alamogordo cannot build a school without state participation. Dr. Moore said like many other districts around New Mexico, we need the PSFA to participate in the full actual cost of building a real school. Mr. Moore is collecting input from other superintendents to join this team here so we can present very specific citations of references, and offered to provide in writing specific examples and experiences they've had in the past.

b. Johnna Bruhn, Superintendent, Mosquero Municipal Schools

Ms. Bruhn started off by saying that the PSFA has been an outstanding partner to her school district from the time she walked through the door as the superintendent at Mosquero, and the PSFA has provided a multitude of resources and information for the school district that has been extremely valuable. Ms. Bruhn recognized the guidelines of the adequacy standards and suggested making efforts to loosen those guidelines up as it would make it remarkably helpful; Ms. Bruhn agreed to the extent that the adequacy standards seem antiquated for the types of educational outcomes that districts are expected to provide this day in age. The district has had situations when they have had to provide students a multitude of tools and those things you cannot leave outside of the classroom. Storage is a remarkable issue, and you end up shrinking educational space in order to store the tools needed to complete education. Storage is a huge concern particularly when we all thought we would be moving passed COVID-19, and a little more space in the classroom is something they may be stuck with considering the pandemic. Ms. Bruhn recommended a base square footage for small districts to be considered because if the adequacy standards are based on a specific number of students, there should be a negotiation process, because with the current standards you reach a place where you barely have the facilities that you need to conduct the business expected of you as a school, and becomes significantly under par. The Mosquero School District has negotiated a number of good places in their projects, and the PSFA had been great to work with, but Ms. Bruhn thinks if the adequacy standards were looked at in a more current fashion in regards to what is required in state and federal law. As pertaining to ancillary services and space, districts are required to have these spaces for special education students. That is not provided in the adequacy standards at all, and that seems remarkably remiss given that it is federal law. So we have to have places for those students to meet, but yet there is no room for that in regards to square footage of the adequacy standards. The same thing regarding the mental health and wellbeing of students and staff, the adequacy standards say that they cannot fund a weight room. A weight and workout room is an integral part of any school this day in age. Weight rooms are used by staff for mental and physical health and students are required to be properly conditioned for athletics, and it doesn't matter whether you have five or thirty students on a team, those kids deserve the same right to have a set minimum of facility standards as anybody. The Superintendent's office and administrative space is minimally included in the adequacy standards, and those spaces are required. Districts need to be able to conduct business of the school in a professional manner in order to bring a proper level of education, and all of that is appearance based. It adds to the mental wellness of the school in general, and this adds to the school culture. When districts are getting ready to build a facility and they are fighting for every square inch, it is a struggle. Ms. Bruhn does not think it is a shot at the PSFA, they have been fabulous to work with, and she appreciates everything they have done. Ms. Bruhn thinks it is the Adequacy Standards and guidelines within what the PSFA has to work with that is presenting these issues.

c. Martin Romine, CFO, Zuni Public School District

Mr. Romine echoed what Ms. Bruhn was saying and presented an example of when the Zuni School District built their last elementary school, and the adequacy standards for classroom size changed and decreased the size of classrooms and the biggest complaint from their teachers are that the classrooms are not big enough and in addition, storage has been a big issue. When the elementary school building was completed, they still wanted to bring a portable in to have room for more storage.

Mr. Romine has had issues with how long it takes for projects to get moving once the project is awarded and there seemed to be a lack of communication within the PSFA when projects are started and what it turned into, and what the district needed to do. It seemed like everyone at the PSFA was not on the same page as the district, and as a result the projects took a lot longer to get off the ground, and it seemed to have taken much longer than it should. In addition, having to use RFPs created by the PSFA that were constantly going through revisions causes the district to end up publishing the RFP for the same project multiple times, and it makes it really difficult. Lastly, eBuilder can be a bear to deal with at times, which may just be a training issue.

d. Ted Lasiewicz – Chief of Operations, Farmington Municipal Schools

Mr. Lasiewicz agreed with most of the comments presented previously, and what he really was looking for, was to hear more about how the standards were developed. Mr. Lasiewicz said he was aware that they are based on national surveys that were completed years ago, and they have been somewhat updated over the years. Mr. Lasiewicz concurs that they really do not reflect twenty-first century needs in the learning environment, and some of the problems that districts might have are related to the different regional managers. Mr. Lasiewicz was happy with all of his interactions with the PSFA and the projects they have completed, they pushed them quickly. They hadn't had a lot of blow back, but he thinks they owe a lot to their district representatives and regional managers helping the district push things through, everything from being able to work well with eBuilder and that is a problem for a lot of districts. There are a lot of smaller districts that have superintendents or assistant superintendents wearing many hats, where as in the Farmington school district is larger, Mr. Lasiewicz is devoted to dealing with all of the capital expenditures and construction. Mr. Lasiewicz said they do need to look at the areas that have already been mentioned, such as, minimal amount of landscaping that is approved, security cameras and access control, IT, equipment versus just the wiring to get to the locations. There are improvements that need to be made, but Mr. Lasiewicz asked how these standards were developed, and why they have remained firm through many years.

Ms. Casias replied with a brief timeline, mentioning that the adequacy standards were first developed in 2001, and per statute, the PSFA had to work with PED, and at that time they had the PED Standards of Excellence, and the PSFA had to make sure every single space in the adequacy standards were educational spaces supported by PED. Ms. Casias clarified that the adequacy standards are minimums used to measure deficiencies. You can never build a school to adequacy standards, they are just a measuring tool and those are just the minimums. For example, back in 2001 PED said you needed 25 square feet per student with a maximum number of students per classroom which gave the minimum class size of 650. However, you know that classrooms expand and contract and enrollment increases and decreases, so the PSFA always tries to build classrooms to the maximum allowable number of students per PED. The PSFA follows PED's Educational Standards, and the schools must accommodate those. In regards to special education, there were different classroom categories, and these standards had been updated at least three times, and the last update included more items related to IT. As a result of these meetings being held over the next six months, the PSFA will work with PED to see what they have updated, and see what the PSFA needs to update in the adequacy standards. For example, the outdoor classrooms are permissible, based on the adequacy planning guide and what the PSCOC has funded in the past. A final recap, the standards are following PED and there are minimum sizes to measure with, and from there the school is built around these guidelines. Mr. Lasiewicz asked how does PED have input on the landscaping issue, and Dr. Moore asked who the PSFA works with at PED. Ms. Casias clarified the PSFA works directly with Antonio Ortiz & Dr. Steinhaus. Dr. Moore said he hadn't seen any documents with references from PED limiting the district to these standards and guidelines, and that is what he is trying to clarify so they can get specific on what needs to be changed. Ms. Casias offered to schedule a phone call with Dr. Moore and PED to discuss and review the adequacy standards. At the beginning of the standards, there is a reference to the statute regarding the PED Standards of Excellence, because this agency is about funding and building schools, PED is the drive behind the PSFA as well.

e. John Dufay, Executive Director, Albuquerque Public Schools

Mr. Dufay reiterated that everything being discussed needs to be looked at, and the standards need to be adjusted as needed. We need to review and look at it from a future standpoint, not necessarily a pandemic, hoping this isn't the wave of the future, but considering the current events and the future with open classrooms and outside classrooms. Mr. Dufay said APS has had a great relationship with the PSFA and shared kudos, and felt Mr. Larry Tillotson (Maintenance and Operations Manager) has been fantastic to work with in many ways helping the district provide information and working with

FMAR and the School Dude platform that the district is moving forward with. The PSFA Albuquerque office has been great to work with, and Mr. Tillotson has done a great job. Mr. Dufay said the assessment program and ranking system is very helpful, and it becomes a good standard for everything and it has some credibility to it and it is somewhat robust. The FMAR system works well and they have been working with Larry to adjust some things to improve it. Mr. Dufay shared concern for the construction side of things, and there is a lot of red tape and road blocks, and a lot of it is bureaucracy, and they understand that, and Mr. Dufay said we are all trying to do the right thing. It just takes a lot when you have to get a lot of items processed and approved and it becomes a daunting task. Mr. Dufay likes the idea of funding for systems and system replacement. He wasn't sure if we were still in that mode instead of just replacing, APS had been able to get more bang for their buck looking at full system replacement scenarios. Mr. Dufay understands things have been changing and also put on hold because of the past two years considering the pandemic.

f. Jvanna Hanks, Deputy Superintendent, Gallup-McKinley School District

Ms. Hanks shared her concerns that have been echoed by her colleagues, but she also wanted to share that it is not a very transparent system for the most part. Ms. Hanks would be very happy if duplicated processes could be sheared-off. For example, things like enrollment trends or space size, there seems to be a lot of duplicated processes in the feasibility studies and suggested that the process could be facilitated better. She agrees there are a lot of interesting buildings built that have some frankenstein things that happened due to the lack of funding, such as an example when a new building was built, they couldn't afford a new HVAC system so the district had to use an HVAC system from an old building and transfer it for use at the new building because they did not have enough funding. The district has units that are so old that they do not make parts for anymore. When there are things that are above adequacy like outside utilities and things of that nature you can't think about adding any additional space; offsite utilities being above adequacy, that if you look at the most above adequacy things the district did most of what they did were the offsite utilities. Ms. Hanks would like the electronic systems that are used to actually talk to each other, so if School Dude and eBuilder and those types of activities, because when you think about it, when you build a building you want to make sure you build it for a low long term maintenance cost, and that is what their district is trying to do by looking at systems that are going to be long term and low maintenance that will last for the building. On the inverse side, you want all your maintenance stuff to talk to each other, so making sure when the facility is built, the district would be able to maybe import the systems into school dude. Ms. Hanks' district is expansive and has over one hundred mile distance from the central office. Ms. Hanks' district upgraded to the new school dude plan, and shared her frustration with trying to understand where to look or, what the process is, or getting trained on how to participate. Ms. Hanks mentioned the PSFA regional managers, and how she wasn't sure what their job duties were, but she would like to know because sometimes it is the nature of the beast and you get response that they are not responsible for things and/or things are processing through other individuals, etc. From the school district perspective they don't know what is going on and months pass and nothing happens. It is a not very easy to use system and it is not a very transparent system, and Ms. Hanks believes we really need to look at the twenty first century aspect of those things. As far as the procurement process, adequacy standards came before districts and charters were required to have certified procurement officers (CPO). Every district is required to have a CPO; maybe those templates are not as necessary as they used to be. Ms. Hanks asked that we take a look at these processes and assess whether or not if it is in the same circumstance now as when these first processes were implemented. Ms. Casias thanked Ms. Hanks for her statements and appreciated her comments. Ms. Casias did not want to comment on everything because the main purpose of the forum was to get feedback.

g. Albert Martinez, Superintendent, Mesa Vista Consolidated Schools

Mr. Martinez shared his unique situation and he feels the same way, and some of the things they see in the Mesa Vista Consolidated School District that relates to the PSFA are interesting because when he arrived to the district they had actually just built a central office and new elementary school and it

is a beautiful facility, but they ran out of money during the process of building it. Their district has a building much like other districts who spoke before, with systems that do not talk to the rest of the school district which create problems and when they want to make adjustments they have to contact one of the three vendors to adjust systems or address any issues they might have, and they would like to see more consistency there because it would put less wear and tear on their maintenance and facility staff. Something else that is interesting is that there is a debt on this building because of the fact that they ran out of money during the process of building in order to meet the adequacy standards. So the district is not unable to pursue future planning. Mr. Martinez was looking at the list of the ranking for their building and he has a high school on that list that needs to be addressed. In order to build something in the future they have to consider the existing debt and wherever they were bonded at there would be a portion of that removed because of the debt the district has incurred. This new building has a swamp cooler in it because they ran out of money, and it leaked and ruined ceiling tiles and flooded an area of the building every so often, and so this beautiful building now has an eyesore. Regarding the regional managers, the district reached out to several individuals listed on the website to get information, and they got a response back, and they are in the process of following-up with them, as they have some projects coming up. The Mesa Vista District is also interested in demolishing multiple old buildings that they currently have to invest in to secure so people do not live and vandalize these vacant buildings. Mr. Martinez shared his excitement about what the future holds because forums like this produce a lot of great information to share. Mr. Martinez brought up cannabis money, and he is not sure how it is going to look with this entity, but he knows he was an administrator in Colorado when it was legalized and there was a lot of funding for new construction. Mr. Martinez is interested in seeing how the process will unfold in this state as this continues, and he is excited to see the big push with solar energy and outdoor learning environments as they need to be considered with the current circumstances.

h. Stan Rounds, Executive Director, NMCEL

Mr. Rounds shared his feedback from what he has heard from the discussion there are some major issues with the adequacy standards, and they have evolved overtimes, as he has been involved with the oversight taskforce he's realized a lot of the standards has been relaxed and included more of facility including playing fields and gymnasiums. When the adequacy standards first came out it was just strictly classroom space and that was it. The question is, what is the functionality of schools and how do you serve instruction the best. The state's school standards are published, they are on the PED website, and they are informative, but Mr. Rounds wasn't sure if they are aligned with current practice. Mr. Rounds was also painfully aware that a lot of districts deal with certain situational things, for example, some smaller districts have large buildings that are oversized according to current standards. How do you fit that together with the new landscape of the buildings that would be supported by the PSFA. Since this is not a bottomless pit of money, and a lot of consideration has been given to determine how much to spend where and where are the best investments. One of MR. Rounds suggestions was to really dig in to the adequacy standards and involve these other entities in the discussion can make it really informative, because it is all about instruction and all about have adequate opportunity to provide that to the kids no matter where they are in New Mexico and no matter what condition they are under. It is not easy to come up with all of those because there is no one size fits all, we need to think about flexibility to go above standards in planning. Mr. Rounds suggested to the group to consider what kind of things unique to each district and their circumstances. Mr. Rounds thanked the group for letting him be a part of this forum and suggested to the group to stay carefully involved and thoughtful about where they go and he is happy to work with everyone on these efforts.

i. David Robbins, Commissioner, Public Education Commission, PSCOC

Mr. Robbins introduced himself and mentioned he had been listening and he is cognizant of the desire to update the standards. Mr. Robbins mentioned he appreciated Mr. Rounds comments, especially that one about that they do not have a bottomless pit of money. The PSCOC and the PSFA try to balance the funding for schools with the available money so that we do not run out of all of the money for a

few years because we build such large expansive schools. The Council wants to do it in such a way that the students' needs are being met. Obviously adequacy standards change overtime, and they do need to be looked at, and one thing Mr. Robbins does when he works with the PSFA to ensure that the minimum standards are met. It comes down to the education of the students and special programs need to be considered for the unique districts across the state. The long term of enrollment projections are difficult because of the economic fluctuations. There needs to be development of ways in which we can build schools to close off or reduce operating expenses of oversized schools when populations decrease without tearing down ten to fifteen year old buildings is very important. Mr. Robbins was on the APS board of Education for four years and he served as the finance chair for two years, and as capital chair for two year along with an extensive background in construction. Mr. Robbins said he is listening and he is not pre-judging and everything said today, because everything that has been said is very valuable. The Council really wants to work with the school districts to 100% fund the school district says, the thing is there are dollar limits because the needs of all the districts have to be considered and Mr. Robbins believes nobody wants it to be first come first serve to apply for funding. Instead the Council tries to balance the inquiries, though the Council does want to be open to the needs of the students and school districts. After all, the needs of the students are paramount considering the building, maintenance and planning of schools with their future needs.

j. Martica Casias, Interim Director, PSFA

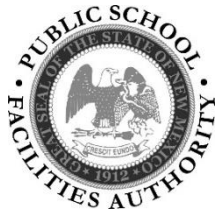
Ms. Casias provided a summary of the meeting, and acknowledged that education is different than it was in the past, and revisiting the adequacy standards is something the PSFA will take up to the Council as well as all of the other constructive items heard in this meeting. Ms. Casias said that we can't be perfect without input from the school districts, and that is the only way we can improve and get better and become more efficient. Ms. Casias thanked the group for all of their comments and mentioned that the PSFA will look at them all and see what they can do along with visiting with the Council and move forward. Ms. Casias provided a brief closing statement with the outstanding timeline, and mentioned it takes time and it might be discouraging, but there are multiple partners and stakeholders that need to be considered in these efforts to improve processes. Ms. Casias shared a couple of improvements that have already been modified with web-based lease assistance, web-based FMP applications, and the next cycle of standards-based awards will also be web-based. Along with electronic school assessments, eBuilder will have a reduction in steps and redundancies. Ms. Casias thanked the group for their participation.

k. Ending Statements

Mr. Robbins followed-up with Mr. Martinez's comments about his school district's vacant buildings the district's interest in demolishing the buildings. Mr. Robbins stated that the legislature approved funding for demolition, and the PSCOC and the PSFA are using the same application that they use for standards projects to apply for demolition projects. Mr. Robbins mentioned the difficulty to track all of the types of project the PSFA is approving and funding, and that comes down to the communication issue. That is where Mr. Robbins is suggesting to develop a manual with standards and having resources readily available on the website, announcing the types of projects that the Council has approved and are available funding. It is very important to use that because overtime it changes, and Mr. Robbins mentioned to Mr. Rounds point as he mentioned the standards were initially set in 2001 and they have been modified overtime, but if communication hasn't kept up with those modifications and updates we need to do a better job in that, and that is an area that needs to be communicated to the districts. Superintendents have an awful lot on their plate, and the work of the PSCOC and the PSFA will try to improve the communication to make it easier to make it aware in the processes as they are streamlining those currently. Ms. Casias mentioned initial inquiries with four different vendors to hire as a third party to assess the PSFA's current processes and consult with the agency to make improvements.

END OF MINUTES

EXHIBIT "B"



PSFA PROCESSES MEETING WITH DESIGN PROFESSIONALS Meeting Minutes

Date: Thursday, January 20, 2022 | **Time:** 2:00 PM – 3:00 PM
“Go-To” Meeting Video Conference

Attendees:

- AKS Architecture – Myles Kraenzel
- DPS Design – Benjamin Gardner, Sanjay Kadu
- FBT Architects – Jeremy Trumble, Sanjay Engineer
- Greer Stafford Architecture – Steve Alano
- NCA Architects – John Layman
- SMPC Architects – Erik Mease, Peggy Favour
- Studio Southwest – Andy Benson, Donna Marion, Jeremy Dreskin
- Martica Casias, Director, PSFA
- Ryan Parks, Senior Facilities Manager, PSFA
- Mona Martinez, Staff Attorney, PSFA
- Alyce Ramos, Programs Manager, PSFA
- Jason Gauna, CIMS Program Manager, PSFA
- Hayley Johnson, Research Analyst, PSFA

I. Overview – Martica Casias, PSFA Director

II. Introductions – Architects / PSFA in attendance

III. Common Goals:

- Enhancing collaboration with Stakeholders and the PSFA

IV. PSFA Time-line: meetings will continue bi-annually and regionally:

- **November 19, 2021:** Meet with District Superintendents and District Representatives
- **December 3 & 13, 2021:** PSFA report back to the PSCOC and discuss viable suggestions resulting from November meeting
- **January 2022:** Meet with Architects, Engineers and Design Professionals
- **February 2022:** Meet with Contractors
- **March 2022:** PSFA report back to the PSCOC and discuss viable suggestions resulting from January and February meeting

V. Open Forum – Comments from Design Professionals:

Sanjay Engineer - FBT Architects

The overall goal would be to create an efficient project lifecycle plan. There is a lot to talk about from the funding and procurement side, design processes and construction processes. Mr. Engineer suggests to approach it in a manner to make the project successful in a shorter amount of time, which benefits everybody involved.

PSCOC Funding and Procurement

Improvements and streamlining have helped with the RFP Design Professional services process, though there are still some redundancies, such as the reference questionnaire that the design professionals must have district representatives fill out every time the design professional submits RFPs; there is a lot of burden on the district representatives to be issuing questionnaires for each project. Maybe there is a better way where the design professional can just list references and the selection committee can take the initiative to call those references rather than the district representative fill out the questionnaire every time. The design professionals are usually unaware of when the questionnaires are turned in, the design professional is usually under the discretion of the district representative.

Design Professional Agreement Timing

The Design Professional Agreement Process can take 3+ months for review and approval. Suggesting to reduce the timing as it impacts school district projects, especially if there is sensitive construction phasing during the summertime, and you lose three months right up front after the project award is made.

Owner Reviews

Owner reviews are getting better overall in the eBuilder System. There are some items that districts can learn to expedite decisions to reduce project delays.

PSFA 100% Construction Document Review Process and Issuance of the RFP

It takes 3-4 months (from the time of the 100% document review, prepares RFP for construction, the General Contractor is selected, and by the times the General Contractor Agreement is in place) from start to finish to get to that point, and that is a huge amount of time, Mr. Engineer suggests to reduce that time, as benefit the Owner as costs are sometimes changing monthly. Develop a more efficient lifecycle, the longer the project takes it ends up costing more money.

Jeremy Dreskin - Studio Southwest

Contract Time

Contract time can be just as long as the design time for the architects and contractors, it can be up to six added months for that contract time. With prices continually going up the timing could add 5-10% onto a project.

eBuilder Redundant Processes

eBuilder is a good platform for file sharing and saving documents for the whole process, but many times the design professional ends up going directly to the SFM or RFM. Suggests streamlining the process and utilize eBuilder as a file sharing platform, and maybe use e-mail to simply get conversations across.

Standards

Raise the bar in education and look at the current standards as far as meeting current pedagogy and making the square footage count for spaces that do not exist in the current standards today as well as high performance buildings. Promote healthy educational environments across New Mexico.

Funding

Support the higher benchmark for better designs, better buildings and healthier environments. How does the funding happen? There is no transparency determining the cost per square foot per student. Mr. Dreskin suggests that could be better designed to push above adequacy so we can get good schools in our programs and raise the bar for education ultimately.

Benjamin Gardner – DPS Design

Adequacy Standards

By saying that adequacy is the minimum, are you suggesting that there are things that may be considered as enhancements that the funding would be shared by the PSFA or typically in the past would that fall back on the district to fund anything that is over adequacy?

Martica Casias - PSFA

The Adequacy Standards were created to use as a measuring tool so the Council could go out and look at every school and see which schools were deficient. The Adequacy Standards are minimum spaces, but you cannot build a school to adequacy because it doesn't function, and that's not the intent. Early on when the Adequacy Standards were developed, Ray Vigil designed a school to Adequacy Standards minimums to show it doesn't work. At that time, Andre Larroque and Senator Nava created the Adequacy Planning Guide and the Council said at that time that it is not effective to look at every single space. Rather, give a gross square foot print, and anything inside that foot print cannot be below the Adequacy Standards. So when you are talking about an excellent efficient school, the intent from the Council is to give this space and put what you need to into it to educate these students, but do not go

below these minimums. The Council has decided that if there is an educational need, if there is an FTE and if it is a program approved by PED, and it causes the footprint to grow, then it is certainly permitted.

Mr. Gardner would like to hear more about the process with PED approving the Adequacy Standards in a timely manner. The districts and design professionals have to make a really strong case as to why it is a part of their curriculum or cultural need, etc.

Erik Mease – SMPC Architects

PSFA Resources – Educational Workshops on Processes

You have to be a part of a project in order to learn the process and understand how the Adequacy Standards are approached, funded and defined. Regular workshops that overview Adequacy Standards, reviewing how the PSFA is structured, project processes and time frames might be helpful for design professionals, school districts and charter schools.

Myles Kraenzel - AKS Architecture

Timing on Reviews

With the ODR process, a lot of projects are dependent on hitting school schedules, and when those things happen and delay projects it makes it difficult on the construction and procurement side.

New Process to Review the RFP

The RRP process seems redundant with the 100% document review because the design professionals already have all those documents submitted at that time so that process seems to take place after the 100% document review and then there is the RRP process specifically for the RFP portion of it, and that has caused an issue on the timing some projects.

Permit Review Process

We all want to avoid addendums during the bid process, but it is very rare that happens. It has been difficult when the documents have been approved and then we have addendums that modify getting that back through, and then understanding how we get that back through CID. If there is a preliminary review, and then after you get through the bid process you can update the documents with all of the addendums and have that be the permit set so that matches and has all of the addendums included and there is not confusion for CID of trying to review those changes after they have reviewed the initial documents.

MCR Process

Allow the Regional Managers more authority in that process to keep things moving because it tends to get bottlenecked when every MCR has to go through the Central Coordinator and that has brought some issues during construction.

Andy Benson - Studio Southwest

High Performance Schools

City of Albuquerque (COA) was talking about their goals and what they have been able do with their energy savings and photovoltaics. COA has been able to save 85% compared to what they were using in energy before. The PSFA is still using an antiquated benchmark of Energy Star 75, which is the lowest level of energy savings you can get to say that your facility is Energy Star. Mr. Benson was talking to Matt Higgins, and that benchmark is now actually below code once the 2018 Energy Code is adopted. Considering standards, that is a very important one and that requirement should be moved up. Consider LEED certification again; in 2006 and the executive order required LEED requirements to higher education facilities and K-12 had Energy Star Requirements only. It would be great to revisit that again. As designers, meeting code is the worst you can do, they are not allowed to do worse than code, so that is a pretty low benchmark and if you really high performing schools we need to raise the bar.

Steve Alano - Greer Stafford Architecture

High Performance Schools

Around 2009, the PSFA had a High Performance Pilot Program with several schools to try to understand the benchmarking, and out of curiosity, was there any discussion on bringing that back and updating that with new performance benchmarking for school facilities? It might be a nice way to bring up the level of performance in all of the buildings and truly understand that, it doesn't have to take place across all of the PSFA Projects, but there might be again some selected projects to understand the cost difference in those and see if it is something that aligns with the State's goals.

Martica Casias - PSFA

The PSFA hadn't thought about that until this discussion, so that is something the PSFA will consider and share with the Council as well.

Benjamin Gardner – DPS Design

Maintaining High Performance Buildings

The problem we have faced in the past, is the district's ability to maintain and understand and record keep the information around their operations and maintenance to keep things functioning. I know that several schools did ground source systems, which is a simple system to operate and maintain; it has great energy efficiency, but schools struggled to do it. So a lot of time the schools end up going back to having roof top units or something simpler. There are two sides to the discussion, and in terms of when the design professionals get the call backs and questions from the owners and operators on how to maintain the systems and equipment, there is something along those lines to explore more with the PSFA as far as maintenance and ongoing operations of these facilities and look at how to improve those processes because it is not where it should be.

Andy Benson - Studio Southwest

Maintaining High Performance Buildings

Maintainability is sustainability. If you cannot maintain it, it is not sustainable. High performance is not just about energy consumption, it is about the high performing learning environment (acoustics, lighting, ventilation, fresh air, pedagogy, exterior learning environments) Maintenance is key and just to meet the 2018 energy code there are ways to make improvements (roof type, insulation and other methods).

Donna Marion - Studio Southwest

Maintaining High Performance Buildings

Ms. Marion is interested in the high performance aspect specifically, and in particular, not only for the energy savings and attainability, creating the learning environments for the students and elevating those standards considering the teaching pedagogy is changing, and we are trying to work with the existing standards, but it feels like they are catching up in order to be able to really provide the environments these students need.

Sanjay Kadu – DPS Design

eBuilder Efficiency Process

Are there any ways to increase the efficiencies in the overall eBuilder submission process? It seems there are certain elements that design professionals have to complete and there are things the regional manager and school district has to do, and if one of the boxes are unchecked in error the whole process comes to a standstill. For example, a recent project had a delay on the review period, a schedule was not updated and just because that schedule was not uploaded the whole process had come to a standstill. Are there any abilities for the Regional Managers to have more flexibility or more authority to allow the process to move on to the next step? Many education projects are tied to June-July completion dates and any delays during the review process starts affecting the crucial deadlines so the school can begin in August of any specific year.

Jason Gauna - PSFA

The PSFA is looking at the processes and trying to figure out ways we can streamline while still having the accountability in order to move these projects along quicker. The PSFA will have a meeting with their eBuilder Technical Advisor in February 2022.

Jeremy Dreskin – Studio Southwest

In-Person Page Turns

Have really helped the process move quickly in order to get feedback from the PSFA and sit down and have a conversation about how the drawings are looking and how the design are going, it has helped the design professionals streamline their process and the reviews are going pretty smoothly.

Ryan Parks - PSFA

A Studio Southwest Project was used as a test project for one of the eBuilder process improvements. The PSFA is trying to cut the ODR and the RESC processes in half. As an example, this group got together and they took the RASC (Request for Approval of School Construction) process out of the equation for Programming, Schematic Design and Design Development because it is only needed for the 100% Construction Documents Phase. So if you have a process started, they had to go through the old method, but moving forward if you have a program statement and you submit for an ODR, that is done once it is approved. Once Mr. Troy Levesque approves it and issues the approval letter through that process, you will go through the same process with the 100%, and when Mr. Levesque approves it, it then spawns an RASC process. These are just a few examples of how the PSFA has cut out repetitive steps out of these processes.

Ending Remarks

PSFA New Expanded Programs

Ms. Alyce Ramos (PSFA Programs Manager) reviewed all the new types of programs, (Standards, Systems, Pre-K, Teacher Housing) guidelines and timeline with those upcoming opportunities.

Teacher Housing Workshops

Data is going to be compiled and a draft of the potential guidelines will be shared with the Design Professional group.

New eBuilder Processes

Will a draft of these new processes be shared with the design professionals and school districts? A better dialogue about everything and allowing for the stakeholders to provide input and have the opportunity to help out.

The eBuilder technical advisor plans to meet with the PSFA, and initially they will talk about opportunities to redesign processes and how to make them efficient. Then to follow-up, the PSFA will also provide suggestions on specific existing processes to fix and update.

Timeframe of Approvals

If there are things being held up in eBuilder, please e-mail Ryan Parks and he will get items unstuck.

Adequacy Standards

Is the PSFA going to put a PDAG again? There will be an Adequacy Standards Committee that will be developed in the future to review them.

CID Pre-Reviews

Why are there no pre-reviews with CID? In the private sector that helps things move faster. Is that something we can do whether it is independent from the PSFA or is this something that maybe the PSFA could facilitate and get comments back? Usually a pre-review occurs around 50% DDs – 100% DDs so that CID is familiar with the project when it gets to them with the final review.

Martica Casias - PSFA

That is something that the PSFA will look into, that would be a helpful process.

Introduction of New PSFA Staff Members

It would be helpful to make connections with the new PSFA staff if the PSFA could introduce the new staff members

Martica Casias - PSFA

The PSFA website is being updated, and Ms. Casias said she can send out an e-mail with the new staff contacts.

Contractor Meeting

Design Professionals requested to attend the Contractor Meeting in February 2022.

Suggestion to Meet Again Regularly in the Future

Engage with the PSFA, Design Professionals, Contractors and School Districts to talk out improving from all sides.

END OF MINUTES

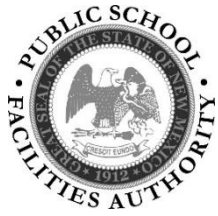


EXHIBIT "C"

PSFA PROCESSES

Meeting with Contractors

Meeting Minutes

Date: Wednesday, February 16, 2022 | **Time:** 10:00 AM – 11:00AM
“Go-To” Meeting Video Conference

Attendees:

- Bradbury Stamm Construction – Lawrence Peterson
- Franken Construction Company – Brent Franken
- Franken Construction Company – Phillip Martinez
- HB Construction - Heith Carver
- Weil Construction – Chris Weil
- Martica Casias, Executive Director, PSFA
- Ryan Parks, Deputy Director, PSFA
- Mona Martinez, Staff Attorney, PSFA
- Alyce Ramos, Programs Manager, PSFA
- Jason Gauna, CIMS Program Manager, PSFA
- Hayley Johnson, Research Analyst, PSFA

I. Overview – Martica Casias, PSFA Director

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V. Open Forum – Comments from General Contractors:

Phillip Martinez – Franken Construction

Mr. Martinez shared his personal history working with the PSFA as a young project manager, and said it was the worst thing ever, and that the PSFA was aggressive towards Contractors. Mr. Martinez said that there could've been a reason for that because it is hard to find good construction companies. Mr. Martinez felt that the PSFA was holding Contractors to a different standard than what they were holding themselves to, the Owners and the Design Team, and believed that they were pushed to get things accomplished, but they would run into certain road blocks, such as, schedules, getting paid, and getting answers from design professionals. Later on, they completed a couple more jobs and they were pretty good, and a gentleman by the name of Karl Sitzberger became a Regional Manager, and he seemed to be a lot more understanding and user friendly than some of the other Regional Managers that Mr. Martinez worked with previously. Mr. Martinez managed a couple jobs that he was in charge of, and they went well because Mr. Sitzberger would find a way to facilitate the communication lines and find out a way to reach out to the Contractor, Owner and the Design Team. Mr. Martinez mentioned working with public money could be difficult because it is not the same as being a private Contractor. Mr. Martinez said that being a private Contractor, if you need something you just go write a check and go purchase it. In comparison, Mr. Martinez said being a private Contractor and working for public entities can be a challenge, and Mr. Sitzberger was an individual you could trust. Once Mr. Sitzberger left, there was a turnover with Regional Managers, and Mr. Martinez felt there was aggressiveness with the PSFA RFMs, and said it made him aggressive. Mr. Martinez was saying that it wasn't just the PSFA, but it was also Owners and Architects, and Mr. Martinez thought they were up to the same challenges and the managers at the

PSFA were up to the same challenges. Mr. Martinez recalled a middle school project at West Las Vegas Schools, and the project got to a point where they ended up hiring an attorney and so did the PSFA and the Owners. The project got into a gridlock that they couldn't solve, and they had never actually solved it. There was another project Franken Construction was wrapping up, and Mr. Martinez noticed they were going through the same thing, and Mr. Martinez said he spoke with the Regional Manager about their differences, the way they were handling things and the way they were presenting themselves in front of the Owner, and eventually quit arguing over the silly things. Mr. Martinez said lately things had changed and they have been able to sit down and talk a little bit better. Mr. Martinez suggested that the Regional Managers could use training on how to treat Contractors, and not to think that Contractors are not out there to get them.

Brent Franken – Franken Construction

Mr. Franken mentioned that lot of issues arise based on how an Owner puts their project out to bid and their procurement method, and Mr. Franken proposed that the PSFA should look at the option of pursuing projects as CMARs as opposed to RFPs. Mr. Franken said part of that is because the Contractors get involved in the project early and they become stakeholders in the project with you, and they work with any issues with the design team and owner and there is a lot less finger pointing when the project gets started. It would be a total change in the way the PSFA procures projects, but Mr. Franken had already seen that happen on recent things that have come out. Mr. Franken believed that would help solve issues based on whenever projects start and the Contractor says “well we didn't have that information on the bid day” or the “the drawings weren't clear”. Mr. Franken believed that getting the Contractor involved early on would help that. Mr. Franken mentioned if you do it as an RFP, you make Subcontractors and Contractors get all of their questions in 7-10 days before the job bids so that way an addendum can be issued, Subcontractors do not look at projects until 2-3 days before they are bid. So you don't get the questions and they do not get clarified and so there is always finger pointing there, and so maybe shrinking that timeline down would help, though it would take an agreement from the design team also. Mr. Franken said that they had bid projects through bid depository, and it is a great tool to for estimators on bid day as it is a plug and play with the number, but Mr. Franken mentioned there are some issues with coordinating the scope through bid depository; there is stuff that gets missed in the bid depository scope that may or may not be included in the drawings, but you have to bid it on the bid depository scope and coordinating that work on the front end would certainly help with issues. When it comes to doing the work, we need a way for the PSFA to streamline the answer because you cannot wait to get the RFI answered from the designer, price it, submit it to eBuilder, wait for it to go through all the channels on eBuilder, and then get direction. Then on top of that you get push back from the PSFA. Mr. Franken says there has to be a way to streamline that process because people aren't willing to budge on the schedule in certain instances and Mr. Franken doesn't think they take into account the amount of time it takes to review things through eBuilder. So if an answer is being caught up in eBuilder for a week while they are hashing out a thousand dollars of general conditions, it is really impacting a lot more on the schedule than the dollars. Mr. Franken believed collaborating on how to streamline that process would be very helpful because that is probably one of the biggest things. A lot of the projects coming up are remodels, and you run into unforeseen issues, there is no way around it. Mr. Franken said we need to figure out how we can work together to maybe at least get a notice of approval from the PSFA and/or the Owner. Going back and forth negotiating price for something unforeseen or something that gets added and then the schedule is what ends up suffering. It gets combative towards the end when you are down to the wire. Lastly, pay applications take more than 30 days typically to get processed and pushed through and that makes it difficult when they have to keep the Subcontractors moving forward, so the Contractor ends up paying out of their pocket to their Subcontractors while they wait to get paid from the PSFA, and that puts a strain on things. Mr. Franken suggested improving the time it takes to process and approve pay applications, and believed the designers should be held to a better standard of timing as well. MCRs are an issue as well; sometime there could be 10 MCRs before it goes into a Change Order, but in the meantime the General Contractor has to pay the Subcontractors for those MCRs for them to do the work, so there is a big lag in what the General Contractor has to finance a lot of these things, including the pay application and the MCRs or the project would basically come to a standstill if they didn't finance these. If you do not have a financially strong General Contractor, the project could stop.

Lawrence Peterson – Bradbury Stamm Construction

Mr. Peterson mentioned the importance of the Regional Managers. In a lot of ways the General Contractors success on a project is tied to the Regional Managers on a project, and it has been interesting over the years to see the different

personalities and experience and approaches to management with Contractors. Mr. Peterson mentioned they have had some incredible experiences and some other experiences where the team didn't mesh as well.

Mr. Peterson mentioned the difficulty of finding qualified staffing and managers. Mr. Peterson believes that the PSFA should find the best people they can, though usually you have to pay for the best people. Mr. Peterson believed that everyone's success is going to be tied to that Regional Manager's Competency, experience, attitude and approach. Mr. Peterson believed that the PSFA could find the right people to attract and pay them well, and they could do great things for the agency. Mr. Peterson believed the change order process is tricky for the Contractors because Change Orders are not necessarily a good thing for Contractors, but they are a part of the business and we are going to have to find a way to do them more effectively. If the Contractor stops a project and doesn't keep the project moving forward, that would be the worse outcome than keeping the project going knowing that the Change Order is not approved yet. Mr. Peterson said they consistently find themselves doing that to their own detriment, and it takes so long to get that process worked out; there has to be a better way. Mr. Peterson said with so many involved, and it takes forever, and Mr. Peterson believed there could be a way to streamline that process somehow. Mr. Peterson suggested giving signature authority to the Regional Managers or somehow find a method to respond quicker on approvals. Mr. Peterson mentioned his company had been involved in some of the adequacy disagreements that had happened from time to time on projects and it is tricky when the negotiations are happening, and the Contractor is just trying to get paid and sometimes the school district and the PSFA are arguing about who is going to pay for what, and the Contractor gets stuck in the middle, and Mr. Peterson did not think that was fair because it is not the Contractor's disagreement they are just doing the work and they expect to be paid in a reasonable amount of time for that work. Mr. Peterson also mentioned reasonableness of construction schedules. Typically the school district drive the procurement in a large part on the projects on whatever delivery method they choose, and they drive the schedule that is expected. Mr. Peterson suggested that the PSFA could have a larger role on creating the schedule and determine if it is reasonable. The team is all in it together once the schedule is set, and Mr. Peterson saw consistently that school Districts are asking for less and less time to build projects and it puts significant pressure on the Regional Manager, Construction Team, Design Team and the School District Team. Mr. Peterson proposed to check on what is reasonable to deliver a new elementary school or what is reasonable to renovate a new high school and the PSFA should review the schedule beforehand so they are aware of what they are about to embark on.

Heith Carver – HB Construction

Mr. Carver mentioned this was a great opportunity to have a feedback loop going with everyone, now occurring several times a year moving forward. Mr. Carver mentioned he spoke with all of his staff that had past experience working with the PSFA, including HB Construction's COO Travis Coker who used to work with the PSFA. The main feedback Mr. Carver received across the board was that the Regional Managers were hit-or-miss and there were some inconsistencies between personalities, management style, aggressiveness, and really not all of them had been team players, and not all had been willing to move the project forward with a timely or fair response to RFIs, Change Orders or Pay Applications. The biggest road block had been Regional Manager Inconsistency. Whenever HB Construction goes after a project one of their first discussions asks if it is a PSFA project because it does add an element of risk from their perspective depending on who the Regional Manager is. Other than that they are looking for partners who are timely and can respond. Mr. Carver provided potential resolution when projects kick-off establish a chain of command from the Regional Manager so when there is a conflict you can establish where it goes next and in what amount of time. Otherwise there are issues that are sitting out for weeks at a time and that puts the Contractors at risk. Regarding the procurement process, Mr. Carver encouraged the PSFA to work with their owners to make those a little more specific to the projects and the challenges on hand rather than throwing out stock RFPs for every project. Mr. Carver suggested making projects easier to bid, and encourage owners to go online as it could be pretty straightforward to institute. It could be a good change for the PSFA and everyone involved. Mr. Carver mentioned the stakeholders' meeting schedule and how Contractors came in last. Mr. Carver felt that Contractors are in the last position a lot of the time on projects. Mr. Carver mentioned CMAR projects would be great to see establishing the Contractor as a true stakeholder in the project rather than be hired. Getting the Contractor involved earlier they could help with developing the schedule and project plan, and things could go a lot smoother.

Chris Weil – Weil Construction

Mr. Weil agreed with Mr. Carver and mentioned the feedback loop is important. Mr. Weil mentioned his company had been building schools across the state of New Mexico for thirty years, prior to PSFA existing, and his company

has seen the changes and it seemed that the Regional Managers are key. That is the Contractor's interaction with the PSFA and they have seen recently when projects were supposed to be awarded so work can start over the summer and months go by and they do not get the award because they are waiting on the Regional Manager to process their paperwork and that throws the schedule off from the get-go. It seemed to Mr. Weil that some of the Regional Managers may had not had any construction experience or they may be their experience was all on the architectural design side, and Mr. Weil believed having experience from a Contractor side is important so they know what the Contractors do and why they do it and how they do it. Mr. Weil said finding staff that has that understanding could go a long way. Recently, Mr. Weil noticed an unusual request from a Regional Manager, asking for schedule of values by labor and material for every line item. Mr. Weil said experienced Regional Managers are key so everyone can work together as a team and not confrontational because once it turns confrontational it affects the whole project. Mr. Weil spoke about partnering relationships are also key, and being open and professional as everyone is trying to do a go job and earn a living. Moving forward in the next couple of years, Mr. Weil said that they are seeing delays in materials, getting man power in the market is something they have never seen before when they have to wait 9+ months on product. Mr. Weil said it is going to be key to have an open relationship with the Regional Manager and the Contractor.

Ending Remarks

Mr. Peterson mentioned years back the PSFA had an open forum with everyone in the same room with the Contractors, Architects and School Districts. Mr. Peterson suggested that process was very beneficial. It was an all-day event and it was more of a collaborative discussion rather than being compartmentalized. Mr. Peterson suggested when the time is right, that is something the PSFA could consider hosting again.

Ms. Casias mentioned collectively, the PSFA staff finds it really important to create relationships with the Districts, the Architects and the Contractors where the PSFA is seen as a partner and somebody you would want to work with. Ms. Casias mentioned her new role and the changes and goals. Ms. Casias mentioned the meeting with School Districts, Architects and Contractors, was intended to get individual views from each perspective so that the PSFA could assess the feedback. Ms. Casias mentioned all stakeholders valued and encouraged inclusiveness and working together. The long term goal after the individual meetings was to have meetings Bi-annually or quarterly, and include all stakeholders to participate in the same meeting all at once. The PSFA is going to respond, make changes (with PSCOC approval) and be efficient because, when it is easier for all stakeholders it is easier for the PSFA as well. The PSFA will present to the Council in March 2022 and discuss the way forward, the PSFA will send out the changes to stakeholders so they can see what the changes will be and when they will happen. Ms. Casias closed the discussion with all of the internal improvements and the available funding coming through, and stakeholders on board, indicating the goal to move projects expeditiously forward and benefit all of the students across New Mexico. Ms. Casias thanked all attendees and mentioned the PSFA plans to meet again in the middle of summer 2022.

END OF MINUTES

I. Unrestricted Revenue Update**II. Presenter:** Martica Casias, Executive Director**III. Executive Summary (Informational):****Key Points:****HB6 Unrestricted Revenue:**

- In October 2021, PSCOC assigned the PSFA to facilitate the initial unrestricted revenue (URR) meetings with select districts, PED, LFC and LESC staff in regards to defining and creating rules for recommendation to the PSCOC, for unrestricted revenue and its usage.
- HB6; Local funding capacity based on taxation of assessed land valuations + amount of unrestricted revenue used for capital expenditures = total local funding capacity

Potential Definition provided by districts in attendance (received 3-1-2022):

Unrestricted revenue used for capital expenditures shall be defined as revenue that is not budgeted for Operational Expenditures, expenditures made on a building constructed prior to NMPSFA adequacy standards and used to bring that building up to adequacy, projects that the PSCOC will not fund, i.e. non-school buildings, and any emergency project not funded by PSCOC."

These Key Points are results of three meetings with districts, PED, LFC and LESC:

- HB6 is an additional revenue source for all districts.
- HB6 gives Impact Aid Districts more access to capital dollars than districts who do not receive Impact Aid; with an offset added to maintain equalization with districts who do not receive Impact Aid.
- Unrestricted revenue amounts received by districts will be added to the local funding capacity based on taxation of assessed land valuation
- HB6 revenue uses:
 - Operational
 - Capital
- HB 6 Restrictions:
 - 75% is restricted:
 - At risk students
 - Implementing Indian Education Act

- Capital (when used for capital, it becomes unrestricted)
 - 25% is unrestricted in fund 1100
 - State / Local Share:
 - Capital projects for educational facilities (as recognized by PSCOC) - local share increases and the state share decreases because HB6 funding is considered part of districts local funding capacity.
 - If not used for capital, but used for operational, it is recommended not to count as revenue for districts, nor count as an offset.
 - If not used for educational facilities, but used as capital for non-educational facilities, it is recommended not to count as and offset.
 - Suggestion for PED’s role Chart of Accounts:
 - Separate Revenue
 - Separate Expenditure
 - Capital expenditures used for match (educational facilities)
 - Capital expenditures not counted as match (non-educational facilities)
 - SB9 and Teacherage money excluded as expenditures

Summary:

All participants agreed the funds could be used for construction, understood the effects on the state local match, the need PED charts of accounts to have separate revenue and separate expenditures. However, on March 1, 2022 we received a draft recommendation regarding rules was not yet achieved.

We will have another meeting in March with the districts to continue the discussion.

Background:

HB6, Section K, to Section 22,24,5 NMSA 1978;

“As used in this section, “unrestricted revenue used for capital expenditures” means the amount of revenue certified by the department that was not restricted for a particular purpose and used by a school district to make capital outlay expenditures, as defined by the council’s rules. No later than July1, 2024, the council shall adopt rules identifying the procedure for calculating unrestricted revenue used for capital expenditures after consulting with school districts, including school districts with limited bonding capacity for capital projects, the department, the public school capital outlay oversight taskforce, the legislative education study committee and the legislative finance committee; provided that the rules shall provide for the exclusion of revenue raised pursuant to the Public School Capital Improvements Act and the Public School Buildings Act and expenditures related to teacher housing.

Exhibits:

A – HB6 URR Meeting 1

B – HB6 URR Meeting 2

C – HB6 URR Meeting 3

D – Impact and Implementation of HB6 on the Capital Funding Formula –
presentation to PSCOOTF in September 2021

EXHIBIT "A"

October 13, 2021

Our task is to create definitions for Unrestricted Revenue as it related to HB6

HB6 – URR definitions:

- Unrestricted Revenue – used for capital expenditures*
- Restricted Revenue – preordained, specific reporting purposes (state, tribe)

*any money used for capital effect operational, use the money for operational and there is not effect on capital

75% of HB 6 is restricted revenue

25% of HB 6 is unrestricted revenue

HB6 can be used for the following purposes - Impact Aid 22-8-25.C specifically puts SEG (75%) to specific categories:

- 1) At risk students
- 2) Implementing Indian Education Act
- 3) Capital

When HB6 revenue is used for capital it becomes unrestricted

HB6 pertains to 75% credit

25% is in fund 1100 (remove from the conversation)

When unrestricted revenue is used for capital the local share increases and the state share decreases.

SEG is kept for operating budget

Suggestion for simplified tracking of Unrestricted Revenue:

- 1) Separate Revenue
- 2) Separate Expenditure

All monies are restricted, based on direction of categories; exempt from local and state match breakouts

When used for operational funding = local share remains the same

When used for capital funding = local share increases

Why unrestricted revenue and not amount of money expended?

Expenditures effects it, not Revenue (per Randy Evans)

Summary of discussion with LFC

Use uncredited amount for capital purposes

HB6 Gives impact aid districts more access to capital dollars. An offset was added to make it more equal to districts that are tax poor who do not receive Impact Aid. (offset added to keep equalization)

Unrestricted revenue to include an identifier so when formulas starts it can be tracked

EXHIBIT "B"

HB6 URR Meeting Minutes

November 16, 2021

2:00 pm, Virtual Go-To Meeting

Our task is to create definitions for Unrestricted Revenue as it related to HB6

Attendees:

- Tami Coleman, CFO, APS
- Stan Rounds, Executive Director, NMCEL
- Jvanna Hanks, Deputy Superintendent, GMCS
- Ludym Martinez, Associate Superintendent for Finance, GISD
- Claire Cieremans, CFO, LLS
- Martin Romine, CFM, ZPS
- Joseph Simon, Fiscal Analyst, LESC
- Martica Casias, Interim Director, PSFA
- Randy Evans, CFO, PSFA
- Alyce Ramos, Programs Manager, PSFA
- Hayley Johnson, Research Analyst, PSFA

Ms. Casias reviewed notes from the previous meeting held on October 13, 2021 and highlighted key aspects of the potential intent from when the bill was written. Mr. Romine (Zuni) mentioned he had read through Section K of House Bill 6 again, and he had a better understanding, but asked to hear from Mr. Simon (LESC) first. Mr. Simon shared his comments discussing the legislative intent and conversations drafting the particular language, and broadly reflected on the complicated issue. There is a new chunk of revenue that could be available for capital outlay at local discretion if the local school boards choose to allocate revenue towards capital outlay. Bringing that additional revenue into the entire capital outlay system, but only if it is actually used for capital. You don't want to count it against someone if they are not using it for capital outlay, essentially. When the language started initially, the feedback presented questions about what was in the bill, and at that time it did not work. What ended up passing, was more of an opportunity to allow experts who manage the chart of accounts develop a definition that recognizes a potential new source for capital outlay, and allowing for a little bit of reality and time to consider and avoid unintended consequences, and to get feedback from everyone on what should be included and excluded. Mr. Romine shared his understanding of all the money being discussed that 75% credit is from half mill, forest reserve and impact aid comes in as unrestricted revenue. The charge here is to figure out what portion of the revenue would be considered as capital expenditures used to reduce the state match and increase the district match. Mr. Simon said one of the things they heard is that this needs to be fair; we are not just talking about impact aid, forest reserve funds or the half mill levy, a historic concern has been other sources of revenue that maybe some districts get and others don't; we've heard about wind farm dollars and other revenue. There was a recognition that the fact that this isn't just a couple defined sources, it is broader than that. At the same time, there was an acknowledgement that there are some sources used for capital outlay that are required to be spent in a particular way, and if you are required to spend those dollars in a particular way those dollars shouldn't be counted against you. It is broader than the specific revenue sources, but there is a little bit of flexibility for experts to weigh in on if this is an appropriate source.

Mr. Romine thanked Mr. Simon for the explanation, and shared his thoughts on projects, and how their district has extra capital. One of those projects Zuni is planning on building is a maintenance shop, because over the years their maintenance crew really hasn't had a place to get their work done. Mr. Romine questioned if that is not something PSCOC would fund, it would have to be funded by the district, and so should that be counted against districts when calculating the state-local match. Mr. Romine did not think it should, but thinking further if PSCOC funds it now, then perhaps it should be a capital expenditure, but if PSCOC doesn't fund it then it should probably be excluded and then you consider over adequacy and how that affects it. Obviously districts have a lot of capital expenditures for example, a back hoe, but they wouldn't want to include equipment when you are calculating a state-local share just because they have nothing to do with school building construction. Pondering on rules, we first have to limit capital expenditures for things that specifically have to do with construction of a school building, also understanding certain things would be excluded, which are capital outlay for teacherages, and any money spent by SB9 dollars or HB33 dollars. When we come up with these rules they need to be fair all around, and there are not going to be penalties to one district and benefits to another. Ms. Casias (PSFA) clarified what Mr. Romine stated, saying that if you are spending capital dollars on things that PSCOC would fund there would be a change, and things that are outside of what the PSCOC would fund your state-local share wouldn't change.

Mr. Simon asked Mr. Romine how does that work if you have 100% PSCOC match, because by definition, if PSCOC is participating they are covering 100% of the cost. It probably makes sense for districts with a lower match, it doesn't seem like there would be any possibility for those dollars. Mr. Romine clarified that he was not talking about the percentages they participate in, but just strictly talking about types of construction projects they participate in. For example, if you were to start construction on a school building and the district is now contributing money because in the past their district hadn't had to, than all of that money the district contributed would be considered as part of the match. It's the type of project and how much money the district is contributing to that project, it doesn't have anything to do with what the current matches are. Mr. Simon clarified what Mr. Romine was talking about with an example saying in regards to a project that doesn't go through the PSCOC process, you would not get the state match on that project, but instead you would use local dollars on that project as long as it is a type of project that if you wanted to get PSCOC funding districts would be able to. If a district was building a maintenance shop or re-roofing a central office, the district would not be getting funding from PSCOC so why should that count against your state-local match.

Mr. Evans (PSFA) indicated to Mr. Romine that what was discussed may be easy to write, but hard for districts to actually capture, and somehow figure out a way to report that to PED because they are the ones who are ultimately responsible for giving the PSFA the numbers of what the district expenditures are and they give those numbers back to PSFA to put into the formula. That is where the difficulty comes because how are districts going to report to PED so they can see those dollars that would normally be a PSFA qualified project, but the mechanics are a little difficult. Mr. Romine agreed with Mr. Evans' statements, and said that may require modification of a chart of accounts and a different level of reporting.

Ms. Coleman (APS) agreed with the direction Mr. Romine was going with the discussion because every district does have expenditures that are very necessary that the PSCOC does not

cover. Part of what had been discussed is the possibility of an additional fund for this 75% of revenue that is being discussed, there are more for some districts and less for others, but that might pare down a little bit of the reporting complexities with a couple new object codes and it wouldn't be that bad of reporting requirement if you just had a few minor adjustments in the reporting. Ms. Hanks (GMCS) announced that she was present and was listening in to the conversation. Ms. Cieremans (LLS) apologized for missing the first meeting, but brought up a discussion they had in Santa Fe with something that was unknown at that particular time, and the main questions and comments were related to knowing exactly what revenue is being spoken about and how it is ultimately going to affect the district-matched funds. Ms. Cieremans was unsure on how this will affect the Los Lunas School District. There are a whole lot of factors here considering the districts that receive impact-aid and other districts that receive bond fund matches with very little impact aid. She understood what Mr. Romine was saying, but Mr. Simon was saying not only impact-aid and forest reserve funds would be affected, but possible other revenues. Ms. Cieremans asked what other revenues are these specifically, because this will play a factor on how it affects all the different school sites, and again, probably related to Los Lunas bond fund probably only 50% of the money received goes to projects that are matched with the PSFA so if other projects being selected at the district level are going to affect their match fund then they definitely need to know what that looks like. Ms. Cieremans mentioned in other words, if the district is going to build an athletic facility and the PSFA is not going to participate what does that do to the state-local match. Ms. Cieremans' main question and comments were related to knowing exactly what revenues are being spoken of and how it is ultimately going to affect the district match funds. Mr. Simon said the revenue question was really left up for discussion on what revenue should be included, Ms. Cieremans brought up the topic of bond fund and Mr. Simon clarified those are restricted revenues, not unrestricted. That is why the unrestricted term was used, but there are possibly other sources that could be appropriate to use if that was something identified. Ms. Cieremans wanted to understand how this will ultimately affect the district matched funds and if the district is going to have to keep track of a portion of those funds for capital outlay expenditures separate from operational than that really is the best way to capture those expenditures and having it be semi-equal across the state. Ms. Coleman was curious about what areas are specifically being looked at, and as other potential revenues could be considered restricted that would be a part of the equation. Mr. Simon thought that capital outlay expenditures from restricted sources shouldn't be a part of the equation, and it was his understanding as an example of that, the bond funds, and again it was left to this discussion process to identify the sources of what is restricted and unrestricted and the thought at the time when the bill was drafted was an understanding that there is going to be different amounts of capital expenditures from bond funds that are already factored into the state-local match. How much you have the ability to raise in bonds is sort of already reflected in the state-local match, but potentially other sources haven't been.

Mr. Romine commented that discussion was getting off track because HB6 requires to define rules for how this 75% credit that districts are getting back is going to be defining the rules to count this as part of capital project expenditures that would affect the match. We just need to focus on the 75% as it was outlined in HB6. We need to come up with the rules on how this money will be defined as capital project money that will then be added to any of the capital money we use to set the district match. Determining what part of this money can be used to be

shown as going toward a capital project, and what is spent that is not being counted as capital without having to bring in all the other funds with all the other sources of revenue. Ms. Martinez (GISD) clarified what Mr. Romine said, and said if the expenses do not count towards your percentage match than if it were to count than it would be a reduction, but if it is a project that is not funded through the PSFA than it shouldn't count. Mr. Romine agreed that is the direction he was thinking and said that the smaller districts will be impacted more, and suggested to maximize the use of dollars and minimize the change in the state-local matches, this bill only talks about the 75% credit. It is however you use your 75% credits that was discussed before by putting this all into a new fund so it can be accounted for, and obviously the cash will just stay there because it will all be local or federal money. So it is whatever you spend from year-to-year that will be counted towards that match.

Mr. Rounds (NMCEL) reiterated the 75% is the money they are talking about exclusively. Mr. Rounds asked Mr. Romine because we are taking into account for the matches, the SB9, which is also a local revenue source. Mr. Rounds was just trying to be sure they are not getting dissimilar approaches as far as taxes. Mr. Romine clarified on the bill itself provided that the rules shall provide for the exclusion of revenue raised pursuant of the Public School Capital Improvements Act, which is SB9, and the Public School Building Acts and expenditures related to teacher housing. We are automatically excluding SB9, HB33 and money spent for teacherages. Mr. Rounds questioned concern about the match and whether or not SB9 and HB33 would be included. Mr. Romine said for the purpose of using these funds, he didn't know about HB33, but he did not believe SB9 went into the match. Zuni Public Schools does not have a match, so Mr. Romine was not exactly sure. Ms. Cieremans brought up SB30, which would only take into consideration the five year prior assessed valuation calculation. Mr. Rounds wants consistency to lay it out to those that are only gaining the half mill as an example, in small numbers so they are not boxed in to their ability or inability to do projects. Mr. Rounds was in agreement with Mr. Romine's discussion, recognizing what a capitalized project would fall under the PSFA, but that really isn't what you do right now for the PSFA match because of bonds. For example, with Mr. Rounds' time in Las Cruces, Mr. Rounds said that they spent 40% of their bonds on non-educational facilities. So you're changing a trajectory with that which Mr. Rounds didn't mind if they did it for all of them, but that is a key component that would be a difference between those who are leaning on their bonding capacity versus those that are leaning on their local revenue sources, and this is a change in direction. Mr. Romine said as these rules are being developed, we need to make sure to concentrate on incentivizing the districts to use these for non-capital expenditures so it doesn't affect their matches.

Mr. Romine asked Ms. Hanks for her thoughts on excluding anything that would not be a capital school building that PSCOC would fund. Ms. Hanks commented that people who are not as immersed in the topic as her district is, to maybe write out some scenarios and discuss what would actually happen. Ms. Hanks thinks that activity would be useful to people who are not fully immersed in the situation. Ms. Cieremans asked about the district match, and wanted clarification on the purpose of HB6 in order to help districts define or come up with their match portion to the PSFA projects. Ultimately, what are they trying to establish here; for example, if you do not have a bond in place and you don't have the 2 mil and SB9 or HB33 that you are still able to identify dollars to match to the projects for PSFA. Ms. Casias' understanding was that

you can still use that money as a match, but if you use that money as a match the district share increases and the state share decreases. Mr. Evans responded that Ms. Cieremans hit a really complicated question because you want to say you get to keep that 75% so that you can use some of that for matching projects, but when you do that, if it is not one of the excluded type of things like Mr. Romine talked about, such as teacher housing, then it gets added to the formula for calculating your match. It seems to have circular thinking, but ultimately what Mr. Romine is saying is we need to truly define what those exclusions are, and that is what it boils down to, it is unrestricted revenue except for teacher housing, non-PSFA projects, and things that would be classified as capital, but they are not facilities. Mr. Evans said you do not want to count that as available revenue when calculating the state-local match. Ms. Cieremans asked about looking at the chart of accounts, are we looking specifically at operational revenue, and how we decide whether it is unrestricted or restricted revenue and based off of that determines the state-local match. Mr. Evans said that, yes, it would be operational money because they have already excluded SB9, HB33 and like Mr. Rounds mentioned the bonds are already included into the calculation so that doesn't really factor into the calculation. Ms. Cieremans said it will only be the five years prior assessed valuation.

Mr. Romine clarified to Ms. Cieremans his situation with the Zuni School District, and how they have had 100% state match because they have no bonding capacity, and now all of a sudden they are going to get \$6M a year, and it will not be fair for the rest of the state for Zuni to stay at 100% state match. Some of the money being put into capital projects will have to be figured in there so Zuni will have a more equitable state-local match. Gallup and Central's matches are already pretty high, but Zuni's match is at zero, so in the future their local match is going to change significantly. Ms. Casias shared as an interesting point from the previous meeting that they thought the intent was to encourage districts to use URR for operational funding because the local share would remain the same. Because it does seem to be an encouragement to use it for operational funding in Ms. Casias' opinion. Mr. Rounds also agreed, and said if it is used for operational, it is outside of consideration for this purpose and using it for capital funding that would be eligible for PSCOC funding, and the local share would increase accordingly. Mr. Rounds questioned if there is still a fairness aspect when you have others that have to bond to get to the same place. Mr. Romine thought about creating a new fund, and you open it to every function and object code and every program code available and any current fund they have available so they can spend the money anyway, and you wouldn't be restricted at all. Mr. Rounds then said if you put in the capital outlay side you would become a player in the match calculation. Mr. Romine said it may require two different program codes or it may require some adjustments to the chart of accounts in order to distinguish between capital expenditures that are used for the match versus capital expenditures that are not counted against the match. Mr. Rounds said it would not apply just to impact-aid, but it would apply to the district half mill dollars as they come in under the same process, and so that would create extensive fairness in that aspect and it can be tracked, though there may some questions about that. Mr. Evans said the only thing he sees to be difficult is who is going to be looking at some of these projects to determine if it is a PSFA fundable project or not. Mr. Evans said who is going to be the stamp of approval to clarify that is not something that would be funded by the PSFA so it can be excluded by PED when PED sends back the amount to use for the calculation.

Mr. Rounds said this is a budget process question, and it is defined by distinct codes, one is a capital expenditure that is applicable, and one that is not applicable. From Mr. Rounds' experience in Hobbs, they did not apply for any PSFA funding because they didn't get enough of a match, and so all capital projects would not be applied for through PSFA, and therefore they could use all of the funds without changing their percentage. Mr. Rounds suggested figuring out how to look at projects and budget allocation for those projects considering items that are bondable like activity vehicles and technology. Ms. Coleman asked the group if they really need a new fund based on the discussion; Ms. Coleman suggested that if you define a couple of object codes that specifically differentiate construction, which is countable for this purpose. Ms. Coleman asked if you really need another fund because the rest of the money outside of that can be spent wherever you feel is necessary within local districts. Mr. Romine said from his perspective his district's 75% credit is equal to 50% of their SEG. Being able to track it, he prefers a separate fund. Ms. Coleman said perhaps the other fund is created, but the use could be optional per district. Mr. Rounds said he would vote for a separate fund because he would like to track the revenue in and the expenditure out overtime. Mr. Rounds asked Ms. Coleman if it were included in current revenue, and expenditure line items it could lose its definition once it came and once it's gone. Ms. Coleman said yes, before this when they would receive the credit it would simply come in as a portion of their operational fund, but there was no tracking for how exactly it was expended, it was just part of the resource that was necessary to build their budget. Mr. Romine shared his concern from 2016 when the state took back money from the district's operation fund, and Ms. Coleman agreed and said it should be separate so the school district could still save up for a project.

Mr. Romine told the group to please write down any questions so we can clarify these guidelines and assess the upside and downside of scenarios and the trade-offs. Ms. Casias said the group can share and review questions collectively at the next meeting. Mr. Romine said he would share his notes to everyone involved in the discussion and requested a reply, and to provide any feedback from his notes. Mr. Romine suggested in the next meeting the group can begin to narrow down what needs to be accomplished. Mr. Rounds requested to have PED attend the next call to discuss how they would get involved with managing some of these processes. Ms. Casias said PED was invited to this call, but they had an unexpected hearing with LFC and they were unable to attend, but they definitely plan to attend the next meeting. The group came to agreement that the next meeting will reconvene the first week of January 2022.

END OF MINUTES

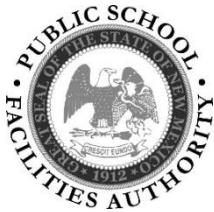


EXHIBIT "C"

HB6 URR Meeting Minutes

Date: Wednesday, January 5, 2022 | **Time:** 2:00 PM – 3:00 PM
“Go-To” Meeting Video Conference

Our task is to create definitions for Unrestricted Revenue as it related to HB6

Attendees:

- Chad Cole, Superintendent, RISD
- Jvanna Hanks, Deputy Superintendent, GMCS
- Martin Romine, CFM, ZPS
- Antonio Ortiz, Director of Capital Outlay, PED
- Scott Wright, Director of Operations, PED
- Sunny Liu, Fiscal Analyst, LESC
- Martica Casias, Director, PSFA
- Alyce Ramos, Programs Manager, PSFA
- Hayley Johnson, Research Analyst, PSFA

Ms. Casias reviewed notes from the previous meeting held on November 19, 2021, and highlighted key takeaways from the discussion: To define and state the purpose for the unrestricted revenue and the use for non-capital expenditures. It was determined if you use these revenues for state-local share, the local share would increase and the state share would decrease. The group discussed the fact that the intent might have been to use this money for operational. We all determined that we can use for district facilities, and what we were concerned with at the last meeting how do we interact with PED and the chart of accounts, and identify the money and spend the money easily and identify where it goes.

Mr. Romine asked where they could find out what the maximum allowable sq. ft. per student is. Ms. Casias offered to provide the square footage amount to Mr. Romine as the PSFA develops the formulas when they enter the enrollment, and they use the square foot per student to get that total figure. Ms. Casias said that the square foot per student varies by grade level. Mr. Romine mentioned he shared his thoughts from the last meeting, but did not hear back from anyone. Mr. Romine wanted to talk about what they are going to include in unrestricted revenue and what they are not going to include in the unrestricted revenue. Mr. Romine mentioned that one place to begin would be to define what a capital project is regarding these new funds, new construction, renovation, equipment purchase, replacement, etc. Mr. Romine said that we need to determine that first before we can determine what revenues are going to be included. When you look at the formula and the revenue streams you have with the districts– In regard to the formula, Mr. Romine asked what would happen if a district is funded above capacity.

Ms. Hanks said Gallup-McKinley School district is very close to being above capacity, and the district has been at maximum capacity for a couple decades now. They have lost an assessed valuation due to a closure of some energy plants. She was not sure when the original formula was calculated, but bonding capacity was never taken into consideration, and so what happened was for those school districts that were really limited, they had pretty high debt with property taxes. Gadsden was even worse than Gallup-McKinley. That is already a circumstance for Gallup-McKinley, it is already a reality. The last four year GO Bond was \$25M over four years, and they will be lucky to do \$4M over four years if they get any capacity at all. Mr. Romine asked how we would factor that into the unrestricted revenue conversation because it will be a big issue with some districts, especially going forward with everything going on with oil and gas as everyone is trying to get away from carbon based resources, and it will heavily impact the southeastern districts the northwestern districts. That is something that we need to make sure to consider when we talk about this definition, and everything that goes along with what we are talking about.

Mr. Romine said that there needed to be an option for the revenue to be placed into a separate fund, and the fund must allow all function/object/program code combinations allowed by any other fund. There may need to be new object codes created in order to properly report capital expenditures that should be included/excluded. Mr. Romine continued to question, and asked that if the PSCOC funds it now, then should it be included as a capital expense or if the PSCOC does not fund it now, should it be excluded? An example of that would be a central office building. If the district were to build a central office building, the district would use these new funds, but that is not something the PSCOC would fund so because the district has no choice to fund it should that or should that not factor in to the definition of unrestricted revenue, and should it or should it not affect the district's state and local percentages? Should things that are above capacity fall into that category? Mr. Romine asked how is over adequacy treated now. Also, old school buildings that were not built to adequacy will now need to be renovated. Should the expenditures that have to happen to bring them up to adequacy impact the state and local shares? Should that impact the percentages of the state or the district? Ms. Casias provided that assuming if the PSCOC were to fund now it would be included as an expenditure, and if it is not funded currently, it is excluded from the PSCOC award and it would be the districts responsibility as well as adequacy. Ms. Hanks stated that Gallup-McKinley School District has five schools that are preparing for full rebuild, and they have several more that are going to become due. On top of that, not having things because of the adequacy issue and the limited bonding capacity, it is a difficult concept for individuals to understand who have not been in that circumstance. These are questions that we need to ask. How are we going to consider HB6 funds, operational funds and donations?

Mr. Ortiz said ultimately PED was not going to make the decision, and said PED's involvement pertains to setting-up the fund and helping school districts separate what will be used with capital and what will not, and what will be included in the formula. Mr. Ortiz shared his personal thoughts, and agreed the group was making some valid points by saying that if you use it for above adequacy or use it for an administration building, Mr. Ortiz said that you have got to think about the formula worked currently at that time, the school districts are including their total land valuation which is basically everything. Mr. Ortiz said school districts had to do that on their own as well, and that is a part of the formula in FIMS. Mr. Ortiz was not sure if those would be expenditures excluded from the formula. Ms. Hanks asked if it was the Phase 2 formula that came into practice in 2018 with the five year phases and the 85% assessed valuation. Mr. Ortiz clarified that he was talking in general about the Phase 1 formula. The Phase 1 Formula is a school district's total land valuation, their membership and total mills. Mr. Ortiz presented an argument from the other side, stating an example such as if the Santa Fe school district wanted to build an administration building, they would have to raise their own dollars and their own taxes to do that, but because they have the capability to do that, the way the formula is set-up, you have to include those expenditures as part of the capital expenditures. Mr. Ortiz assumed that the formula would have to be adjusted and they are going to have to create a new formula to include how these expenditures are going to affect the state-local match percentage.

Ms. Casias mentioned PSFA's task was to facilitate and contribute, but not make the decisions, the intent was to hear from the school districts. Ms. Casias suggested where the group should go from now since they still had a lot of questions, however, the group did all unanimously understand that it can be used for construction projects although there was consideration for vehicles as well. Ms. Casias said that the PSFA would summarize what had been heard from all three meetings, and since this was assigned to the PSFA by the Council the PSFA will summarize and bring it back to the Council and see what the next steps are.

Ms. Hanks suggested that the school districts could get together and talk to each other and hash out some specific definitions. Ms. Casias agreed and asked if they could share the results of the discussion so the PSFA could report back to the Council with the information. Mr. Romine agreed also, and suggested that the districts that are truly going to be impacted by the legislation should take some time to sit down and talk amongst themselves and discuss some scenarios and internal issues that are going on in their districts, and how this is going to impact them and look at some future plans a few years out. Mr. Romine thought the districts would then be able to come up with a definition that they could present to everybody and see if they agree with it.

Ms. Casias asked about the questions to PED and the chart of accounts. Mr. Romine shared his thoughts saying that PED needs to create a new fund exclusively for the credit that the districts are keeping that the state is not taking. When this is created, districts are going to have to have access to all expenditure codes that have been created, whether they are capital codes, professional development, supplies/materials, etc. The districts will need a full array of object and program codes so districts can use the money like the legislation had intended to use. The districts need this as soon as possible because they already have money that they need to put in a separate fund so that they can track how the money is being spent. One of the issues is the cash carried forward, especially if you have a large capital project, PED trying to determine the cash balance with everything stuck in operational is going to be difficult for some school districts.

Mr. Cole asked about certifying the various components whether it is Impact Aide or Forest Reserve funds, and mentioned there are some timing issues when you receive the funds. Ms. Hanks clarified that it is an annual appropriation at the federal level. Mr. Cole asked how you are going to certify that because there is a timing issue. Mr. Cole was wondering why you would want it in a separate fund as opposed to calculating it in the formula so you could see it and track it that way. Anytime you use operational for capital outlay as its currently defined in the state of New Mexico statutes, you have to write a letter to the Secretary of Education through PED, and get their blessing before you can actually move that into a function code 4000 for whatever capital outlay, and that is another thing you have to make all of these functions and objects work with a capital outlay account. Mr. Cole gave an example of his school district and if they spent operational dollars on construction or capital outlay type expenditures they would have to write a letter to PED and receive permission to use the unrestricted revenue cash balance in that capacity before they could put it in a budget. Ms. Hanks also said that school districts have to ask for permission, and the districts have to be bonded as defined to practical capacity, and PED hadn't been checking that for several districts for a while. Ms. Hanks asked if a motor vehicle would be considered capital outlay, and shared an example about weight capacity of some bridges within their school district that cannot withstand school buses as another issue. Mr. Cole mentioned he read through Mr. Romine's questions, and one question struck Mr. Cole; Mr. Cole asked why would you move revenue to a separate fund if part of the district's current certifying process for Forest Reserve and Impact Aid and the timing of the actual receipts of that is dependent on when you receive that and the final unit value adjustment you would go in and calculate Forest reserve if you received it that year (actual vs projected). Ms. Hanks also brought up the cash balance issue and provided a scenario. Mr. Romine said that the credit dollars are federal dollars, not state dollars. Mr. Cole believed that you would lose a certification piece by moving revenue, though he was not opposed to it, and Mr. Cole was just wondering the rationale. Ms. Hanks said that PED will not calculate the 75% anymore for districts, and the school districts will now have to figure it out for themselves. Mr. Romine mentioned to Mr. Cole since they are Federal Dollars he wants them in a separate fund because if the state gets into financial difficulty like they did a number of years ago, and want to take

back cash, Mr. Romine does not want them to think they can take their federal dollars because they were not raised by the state. Mr. Romine said his SEG every year is between \$12-13M and their Impact Aid is almost half of that, almost \$6M.

Mr. Romine stated that he will put outreach to other districts and sit down and talk with them about this and see what they can come up with as a group. Ms. Casias said after they meet, the group could reconvene and share what was discussed at the meeting and bring forward the definition. Mr. Romine said the school district group will plan to meet again in February as the majority of school district managers will be meeting at a winter conference with New Mexico Association of School Business Officials NMASBO. The conference will be held on February 16th-18th in Albuquerque. Ms. Casias suggested the whole group to meet again at the end of February or the beginning of March 2022 to touch base and revisit discussions.

Mr. Liu asked if the group had discussed the current unrestricted cash balance fund that is currently in OBMS, and how it applied to all of this. Ms. Hanks asked Mr. Liu if it was the account 1111 and the 1112 account, and said PED is particular about what they code things into, and the majority of those do not match accounting, PED tells the districts where they have to put things through for the budget analysts, and Ms. Hanks said that is a discussion they should have. Mr. Liu said when this Bill was originally drafted and the subsequent amendments happened, there was a perception that would be sort of a defacto fund or a proxy to how much would be counted towards the unrestricted revenue definition. Certainly there are all those other funds that flow into those other accounts, but sort of as a holding place for the initial calculation would come from that number. There were a lot of changes added because of concerns from legislators in different quadrants, and that is part of the reason why the bill asked for a definition to come from Stakeholders. Mr. Cole asked as the Bill was currently presented if it referred to unrestricted cash or unrestricted revenue. Ms. Hanks clarified that the expenditures are originating out of unrestricted cash. Mr. Cole said that unrestricted and restricted are audit dependent, and you have to define that within the audit and school board. Ms. Hanks said HB6 restricted the uses of these funds to the multiple categories that are listed, so the 75% within itself is restricted due to the nature of the legislation. Mr. Liu asked if it would be difficult to move the portion of the revenue from the credit, the SEG portion of that, into restricted cash balances. Ms. Hanks said then any expenditures originating out of there would not count towards a credit in capital outlay considerations. Mr. Liu said for the next few years at least, and Ms. Hanks said that would be in perpetuity because HB6 considers expenditures out of unrestricted revenue. Mr. Liu said to Ms. Hanks based on what she said previously, that in effect are restricted revenues, even though in the statute they are called unrestricted revenues, they are just functionally restricted, but called unrestricted. Ms. Hanks said they weren't called anything in statute, and the starting point of the discussion was to define what funds were restricted or unrestricted. Ms. Hanks said from an accounting standpoint, these are restricted, districts have been specifically told the categories that they can spend; they were not for the general fund, they cannot spend them on salaries however they want to, these are specific to restricted uses. Mr. Liu said when these revenues come through in the form of the SEG payments they are unrestricted to begin with. Ms. Hanks said they do not come through the SEG, they come from the Federal Government. Mr. Liu said districts still get their SEG payments and those are unrestricted, and there is a piece of that SEG payment that used to be in the form of a credit that is now unrestricted, but could be restricted for capital outlay. Ms. Hanks said it was restricted, and districts could only use it for capital outlay, construction, maintenance or native or heritage language. Mr. Liu did not believe that was the intent, and the idea was that the school would get their full SEG without the credits anymore, and if they chose to use SEG for those specified purposes such as capital improvements, community schools, etc.

Then that would be counted towards their local capacity and determining their local match rate. Ms. Hanks said it is not an option, you can't use it for anything else, and you can only use it for the specific purposes as defined in the legislation. Mr. Liu read statements from HB6 stating, "*The schools that receive Federal Impact Aid, Forest Reserve Revenues or Half-Mills will describe how they use it to improve outcomes for students or to improve the condition of a school building.*" Mr. Liu said that in that regard, they can use their SEG for operational dollars to improve outcomes for students or they may choose to use it on capital expenditures as well. Mr. Cole asked Ms. Hanks if that sounded right to her, because when he read the bill he didn't think it was required for capital projects. Ms. Casias mentioned that the group will revisit after the legislative session and to meet again in early March of 2022.

END OF MINUTES

EXHIBIT "D"

Impact and Implementation of HB6 on the Capital Funding Formula

Public School Capital Outlay Oversight Task Force (PSCOOTF)

September 3, 2021

Presenter:

Jonathan Chamblin, Executive Director



New Mexico Public School Facilities Authority

Agenda

- Capital Funding for Schools in NM
- House Bill 6 Changes to Phase 2 Capital Funding Formula
- Defining Unrestricted Revenue Used for Capital Expenditures
- Implementation of URR in the Capital Funding Formula
- Next Steps

Capital Funding Formula for Schools in NM

Public school capital outlay funding is both a local and state responsibility in NM.

- Protects local autonomy and authority of school districts.
- State funds supplement local funding to ensure uniformity.

Between 1999-2004, in response to the Zuni lawsuit and the need to create a uniform system for capital improvements, the State formulated a new “Standards-Based” capital funding program by:

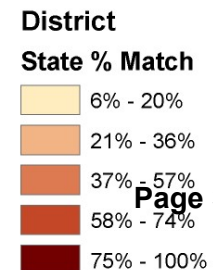
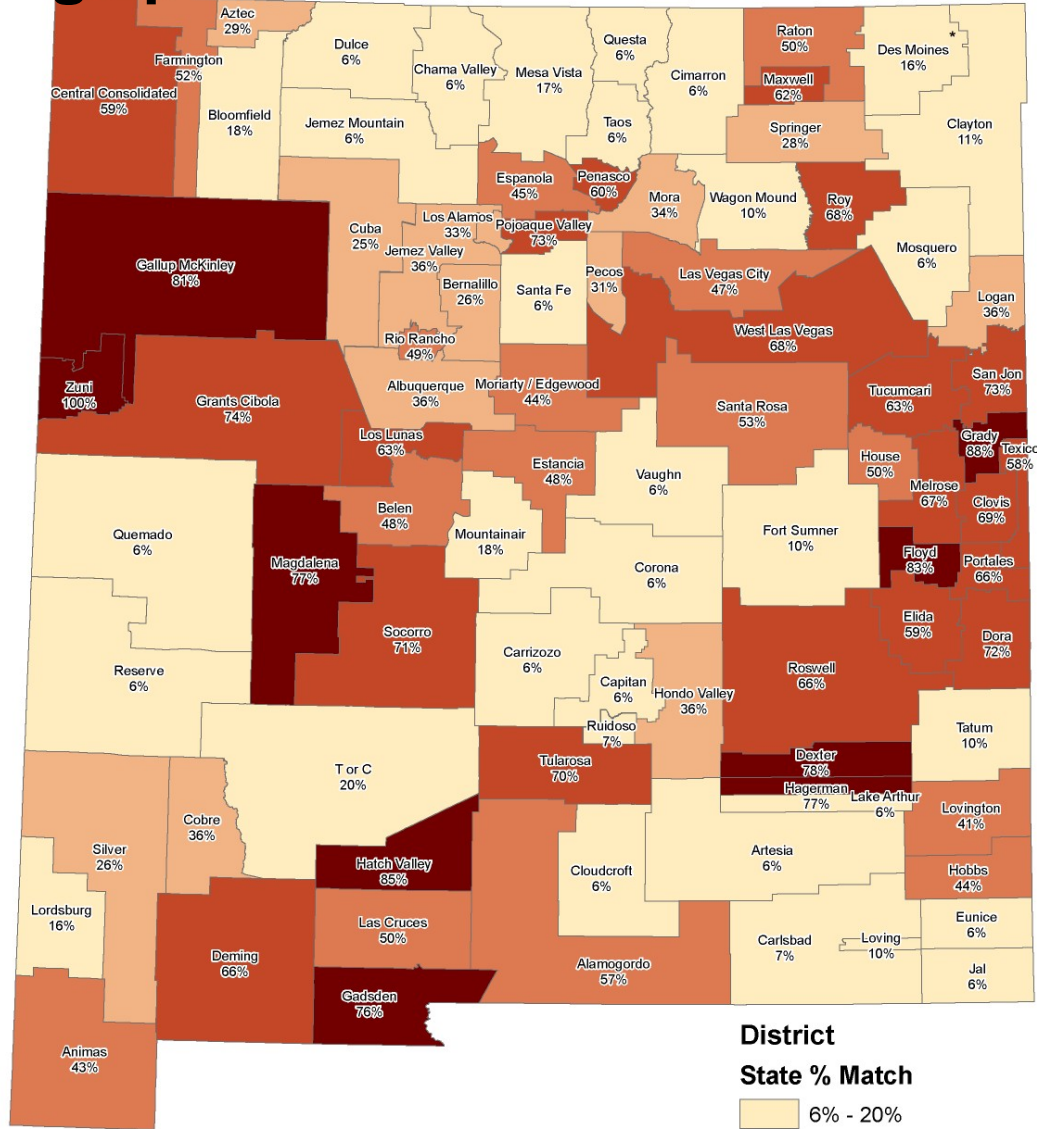
1. Assigning the source for the Public School Capital Outlay Fund, supplemental severance tax bond proceeds.
2. **Formulating the State/Local match calculation.**
3. Designating the administrative and oversight bodies.
4. Creating the Statewide Adequacy Standards.



State Funding Percentage per District

Darker red districts = higher state match %

- 100% – Zuni
- 88% – Grady
- 85% – Hatch Valley
- 83% – Floyd
- 81% – Gallup
- 78% – Dexter
- 77% – Magdalena
- 76% – Gadsden
- 6% – 18 Districts
 - Artesia
 - Mosquero
 - Reserve



House Bill 6 Changes to Capital Funding Formula

- Requires PSCOC to develop rules that will change the capital funding formula (Phase 2 formula), to include a new local revenue source.
- Excerpt from House Bill 6, Section K:

“As used in this section, “unrestricted revenue used for capital expenditures” means the amount of revenue certified by the department that was not restricted for a particular purpose and used by a school district to make capital outlay expenditures, as defined by the council’s rules. No later than July 1, 2024, the council shall adopt rules identifying the procedure for calculating unrestricted revenue used for capital expenditures after consulting with school districts, including school districts with limited bonding capacity for capital projects, the department, the public school capital outlay oversight taskforce, the legislative education study committee and the legislative finance committee; provided that the rules shall provide for the exclusion of revenue raised pursuant to the Public School Capital Improvements Act and the Public School Buildings Act and expenditures related to teacher housing.”

Rule Making to Change the Phase 2 Capital Funding Formula

- PSCOC will develop rules that will determine how PED annually gathers revenue and expenditure data, calculates and certifies a defined revenue amount for each district, delivers the revenue amounts to PSFA, to be integrated into the capital funding formula as a local source of capital funding beginning in FY25.

- PSCOC Rule Making Process:
 1. Select a group of school districts that will be consulted.
 2. Consult with districts, PED, PSCOOTF, LESC and LFC.
 3. Adopt the rules no later than July 1, 2024.

Unrestricted Revenue (URR)

HB 6 modifies the procedure for calculating the state/local match percentages for capital funding through PSCOC funding programs beginning in FY25:

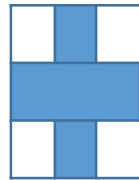
- *“the council shall adopt rules identifying the procedure for calculating unrestricted revenue used for capital expenditures after consulting with school districts, including school districts with limited bonding capacity for capital projects,” PED, PSCOOTF, LESC and LFC.”*
- Unrestricted revenue (URR) used for capital expenditures will be considered part of a district’s local funding capacity for capital projects.
- URR will be added to the local funding capacity based on taxation of assessed land valuation.

Illustration of New Revenue Value

Capital funding formula that defines state and local share percentages will still be based on the basic comparison of local funding capacity vs local facility cost:

Larger numerator = higher local funding capacity = lower state match %

Local funding capacity
based on taxation of
assessed land
valuations
(sum of prior 5 years)



Amount of unrestricted
revenue used for
capital expenditures
(average of prior 5
years)



Total Local
Funding
Capacity



Annual estimated district cost of facility
renewal and replacement over a 45
year period
(needed annual capital investment)

District Use of URR: Capital vs Operational

- Districts that use unrestricted revenues for capital expenditures may be viewed as having a larger local funding capacity for capital projects.
 - Change in the state/local match calculation as required by HB6 may reduce the state match percentage for districts that use URR for capital expenditures.
 - Districts that regularly use URR over a 5 year period will experience a larger reduction in their state match percentage.
 - URR values will be phased in gradually through FY29, with the average of the previous 5 years' URR as the final value.
- Encourages districts to use unrestricted revenues for non-capital expenditures, such as operational expenditures to improve or expand educational program offerings.
- Districts may use URR for capital expenditures in FY22 and FY23, assuming that these years may not be included in state/local match calculation in the future.

District Use of URR: Other Issues

- Districts that do not need PSCOC funding to complete major capital projects, may use URR for capital expenditures, without regard to the reduction in their state match percentage.
- Districts that receive the minimum state match (6%) may choose to use URR, with less concern about the impact on their state match percentage.
- Districts with larger state match percentages may be more inclined to limit the use of URR for capital expenditures, especially if they intend to initiate a large capital project and apply for funding through PSCOC funding programs.
- Districts that do not have large capital projects planned within the next 10 years may use URR for capital expenditures, without regard to the impact of a reduced state funding match.
- Districts that receive large amounts of URR may be able to use the URR for large capital expenditures and simultaneously participate with a larger local match (reduced state funding percentage) on PSCOC funded projects with excess URR supplementing local funds.

District Use of URR: Teacher Housing

- PSCOC rules to identify the procedure for calculating unrestricted revenues “shall provide for the exclusion of revenue raised pursuant to SB-9 and HB-33 and expenditures related to teacher housing.”
- SB-9 and HB-33 revenues are excluded from URR.
- Encourages districts to use URR for teacher housing projects, without impact on the state funding percentage.
- Beginning in 2020, PSCOC began funding teacher housing projects through standards-based awards for large capital projects.
- PSCOC is also formulating a funding program to make awards for teacher housing projects, outside of the standards-based program.
- Districts that use URR to fund teacher housing projects will be able to apply for PSCOC funding for teacher housing as well.

Exclusions from URR

- Revenues excluded from being part of the calculation of unrestricted revenue used for capital expenditures, regardless of whether the revenue is used for operational or capital expenditures:
 - SB-9 (Public School Capital Improvements Act) revenue.
 - HB-33 (Public School Buildings Act) revenue.
- Unrestricted revenues used for operational expenditures (non-capital expenditures).
- Any revenue that is used for teacher housing capital expenditures.

Certification of URR Amounts by PED

In order for PSCOC to develop the procedure for PED to calculate and certify the amount of unrestricted revenues used for capital expenditures, the new rules will need to:

- Distinguish unrestricted revenues vs restricted revenues that may be received/used by any district for capital expenditures.
- Distinguish capital expenditures vs any non-capital expenditures as reported by each district.
 - Items with purchase price greater than \$5,000 = capital expenditure (fixed, depreciating assets).
- Define the process that PED will use to calculate and certify the amount per district.
- PED may need to establish a new fund within OBMS, with a new code for districts to enter URR amounts and track expenditures, separate from existing operational revenue and expenditure reporting.

Next Steps

- PSCOC/PSCOOTF will begin consultation with selected school districts, PED, LESC, and LFC.
- By June 30, 2022, PSCOC may develop the rules that PED will use to distinguish URR used for capital expenditures, as reported by each district within PED's Operating Budget Management System (OBMS).
- Beginning in FY23, PED may begin to collect data through OBMS and calculate the amount of URR that is used for capital expenditures for each district.
- Prior to July 1, 2024, PSCOC implements the change to add certified URR values to the capital funding formula, using the most recent prior fiscal year data.

Questions

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I. FY21 Audit Report**II. Presenter:** Martica Casias, Executive Director**III. Executive Summary (Informational):****Key Points:**

- Financial Statement Opinions – unmodified
- Total number of Findings: (2)
- Number of material weakness findings: (1)
- Number of other noncompliance findings: (1)
- Findings are located on page 68-69
- Finding #1:
 - Close out procedures not performed in a timely manner
 - Adjustments to trial balances necessary
 - Reconciliations not provided to Auditor
 - Individual budgets not reconciled
 - Accrued compensation report late
- PSFA Solutions to Finding #1:
 - PSFA received in-person and written training from DFA regarding processes and submissions required for submitting budgets
 - PSFA sought out training from past CFO regarding processes
 - PSFA hired a Financial Contractor to assist with bond and project reconciliations
 - PSFA will establish and adhere to written closeout processes
 - PSFA will implement additional controls regarding journal entries, and project participation worksheets
- Finding #2:
 - Work performed prior to a P.O. being in place
- PSFA solutions to findings #2:
 - No work to be performed prior to P.O. issuance
 - Education of staff regarding the necessity of a P.O. in place prior to work being performed.

Exhibits:

A - Letter from the Auditor

B - FY21 PSFA Audit

EXHIBIT "A"

BRIAN S. COLÓN, ESQ. CFE
STATE AUDITOR

NATALIE CORDOVA, CPA
DEPUTY STATE AUDITOR



State of New Mexico Office of the State Auditor

CONSTITUENT SERVICES
(505) 476-3821

Via: Email

1/6/2022
Ramona C. Martinez, Staff Attorney
mmartinez@nmopsfa.org
NM Public School Facilities Authority

OSA Ref No. 940

Re: Authorization to Release 2021 NM Public School Facilities Authority Audit Report

The Office of the State Auditor (OSA) received the audit report for your agency on 10/29/2021. The OSA has completed the review of the audit report required by Section 12-6-14(B) NMSA 1978 and any applicable provisions of the Audit Rule. This letter is your authorization to make the final payment to the Independent Public Accountant (IPA) who contracted with your agency to perform the financial and compliance audit. In accordance with the audit contract, the IPA is required to deliver to the agency the number of copies of the report specified in the contract.

Pursuant to Section 12-6-5 NMSA 1978, the audit report does not become a public record until five days after the date of this release letter, unless your agency has already submitted a written waiver to the OSA. Once the five-day period has expired, or upon the OSA's receipt of a written waiver:

- the OSA will send the report to the Department of Finance and Administration, the Legislative Finance Committee and other relevant oversight agencies;
- the OSA will post the report on its public website; and
- the agency and the IPA shall arrange for the IPA to present the report to the governing authority of the agency, per the Audit Rule, at a meeting held in accordance with the Open Meetings Act, if applicable.

The IPA's findings and comments are included in the audit report on page 68-69. It is ultimately the responsibility of the governing authority of the agency to take corrective action on all findings and comments.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. Colón".

Brian S. Colón, Esq. CFE
State Auditor

cc. Cordova CPAs, LLC

EXHIBIT "B"

New Mexico Public School Facilities Authority

Financial Statements
For the Year Ended June 30, 2021



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INTRODUCTORY SECTION

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STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
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 June 30, 2021

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STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Official Roster
June 30, 2021

<u>Name</u>	<u>Public School Capital Outlay Council</u>	<u>Title</u>
Debbie Romero		Department of Finance & Administration
Antonio Ortiz		Public School Education Department
Mariana Padilla		Office of the Governor
David Robbins		Public Education Commission
Joe Guillen		NM School Board Association
David Abbey		Legislative Finance Committee
Clay Bailey		Construction Industries Division
Rachel Gudgel		Legislative Education Study Committee
Raul Bruciaga		Legislative Council Service

Administration

Jonathan Chamblin	Executive Director
Martica Casias	Deputy Director
Randall Evans	Chief Financial Officer
Ramona Martinez	Staff Attorney and Chief Procurement Officer
Justin Owens	Human Resources Officer
Nadine Baca	Program Support Manager
Kerry Gray	IT Business Process Manager
Larry Tillostson	Facilities Maintenance & Operations Support Manager

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Brian S. Colón, Esq
New Mexico State Auditor
Members of the Public School Capital Outlay Council
State of New Mexico Public School Facilities Authority
Albuquerque, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the budgetary comparisons for the general fund and major special revenue funds of the New Mexico Public School Facilities Authority ("the Authority") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Opinion

In our opinion, the financial statements, referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major funds of the Authority as of June 30, 2021, and the respective changes in financial position thereof, and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Authority are intended to present the financial position, and the changes in financial position of only that portion of the governmental activities that are attributable to the transactions of the Authority. They do not purport to and do not present fairly the financial position of the State of New Mexico as of June 30, 2021, and the changes in its financial position, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 14 through 19 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements and the budgetary comparisons. The introductory section and Supporting Schedule I required by 2.2.2 NMAC are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The introductory section and Schedule I have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2021, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

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Cordova CPAs LLC
Albuquerque, New Mexico
November 1, 2021

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STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Management Discussion and Analysis
June 30, 2021

Public School Facilities Authority's discussion and analysis is designed to (a) provide an overview of the Agency's financial activities, its mission and function, (b) provide a description of significant capital assets, (c) provide a brief discussion of the basic financial statements, including the relationships of the statements to each other, and the significant differences in the information they provide, and (d) provide an analysis of the agency's financial position.

Public School Facilities Authority Mission Statement

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

The Public School Facilities Authority is an adjunct agency of the State of New Mexico, created in 2004 under Section NMSA 22-24-9.

Financial Highlights

- The Public School Facilities Authority's net position at June 30, 2021 was \$11,345,888, which is a decrease of \$17,619,232 from the fiscal year ended June 30, 2020. The decrease is a result from Project expenditures exceeding bond proceeds related to total change in net position and expenditures from 93100 General Fund that exceeded revenue.
- As of the close of the fiscal year 2021, the agency's government wide financial statements showed current assets of \$12,289,910 and net capital assets of \$1,616,407.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to The Public School Facilities Authority's basic financial statements. The Public School Facilities Authority's basic financial statements consist of three components: government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of The Public School Facilities Authority's finances, in a manner similar to the private-sector business. These statements consist of the statement of net position and the statement of activities.

The statement of net position presents information on all of the agency's assets and liabilities, with the difference between the two reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the Public School Facilities Authority is improving or deteriorating.

The statement of activities presents information showing how the agency's net positions changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The government-wide Statement of Activities of the agency reflects the activities of the agency by its governmental functions. The Statement of Activities identifies financial resources that are directly related to the governmental function. Financial resources that are not specifically related to the governmental functions are shown as general resources in the bottom portion of this statement. The Statement of Activities also shows the change in net position for the fiscal year.

The government-wide financial statements can be found on pages 22-23 of this report.

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Management Discussion and Analysis
June 30, 2021

Fund Financial Statements - Governmental Funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The agency, like other agencies, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the agency are considered Governmental Funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements and resources.

The governmental funds use the modified accrual basis of accounting whereby revenues are recognized when they become available and measurable as net current assets. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the governmental fund financial statements and the government-wide financial statements.

In addition to the General Fund, the agency maintains the Public School Capital Outlay Fund, considered a major fund. (A fund is considered to be a major fund depending on the amount of its assets, liabilities, revenues, or expenditures.)

The Public School Facilities Authority adopts an annual appropriated budget for all of its funds. Budgetary comparison statements have been provided for the governmental funds to demonstrate budget compliance.

The basic governmental fund financial statements can be found on pages 24-27 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to the financial statements can be found on pages 31-53 of this report.

Budgetary Comparisons. GASB 34 requires budgetary comparison schedules for the general fund and for each major special revenue fund that has a legally adopted annual budget. The budgetary comparison schedules present both the original and the final approved budgets for the reporting period as well as the actual inflows, outflows and balances, stated on the agency's budgetary basis (modified accrual). Budgetary information is provided at the approved budget level to demonstrate compliance with legal requirements.

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Management Discussion and Analysis
June 30, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the agency, assets exceeded liabilities by \$11,345,888 as of June 30, 2021. Comparative net position is shown below:

	Governmental Activities June 30, 2021	Governmental Activities June 30, 2020
Assets:		
Current assets:		
Investment in State General Fund Investment Pool	\$ 1,052,392	\$ 29,699,884
Other current assets	<u>11,237,518</u>	<u>2,245,059</u>
Total current assets	12,289,910	31,944,943
Capital assets, net	1,616,407	2,019,274
Other noncurrent assets	<u>2,743,940</u>	<u>3,292,728</u>
Total noncurrent assets	<u>4,360,347</u>	<u>5,312,002</u>
 Total assets	 <u>16,650,257</u>	 <u>37,256,945</u>
 Liabilities:		
Current liabilities	5,304,369	8,291,825
Non-current liabilities	<u>-</u>	<u>-</u>
Total liabilities	<u>5,304,369</u>	<u>8,291,825</u>
 Net position:		
Net investment in capital assets	1,616,407	
Restricted for Special Appropriations	9,141,912	26,428,537
Unrestricted	<u>587,569</u>	<u>517,309</u>
Total net position	<u>\$ 11,345,888</u>	<u>\$ 28,965,120</u>

The decrease of \$17,619,232 in net position from the previous year is due to the recognition of current assets and liabilities for receivables and payables related to bond expenditures for capital projects. The Authority processed all goods and services received by June 30, 2021 within the fiscal year thus, resulting in a reduction of the due to/from other state agencies.

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Management Discussion and Analysis
 June 30, 2021

Changes in Net Position: The overall decrease/increase in the agency's net position is shown in the following schedule:

	Governmental Activities June 30, 2021	Governmental Activities June 30, 2020
Expenses		
Education	\$ 88,144,857	\$ 80,953,366
General Government	<u>4,415,589</u>	<u>4,409,607</u>
Total expenses	<u>92,560,446</u>	<u>85,362,973</u>
General revenues		
Severance tax bond proceeds	74,823,856	77,236,977
State General Fund appropriation	95,000	-
Loss on disposal of capital assets	(20,168)	-
Other miscellaneous revenues	<u>42,526</u>	<u>212,225</u>
Total revenues	<u>74,941,214</u>	<u>77,449,202</u>
Change in net position	(17,619,232)	(7,913,771)
Beginning net position, July 1	<u>28,965,120</u>	<u>36,878,891</u>
Ending net position, June 30	<u>\$ 11,345,888</u>	<u>\$ 28,965,120</u>

FINANCIAL ANALYSIS OF THE AGENCY'S FUNDS

Governmental Funds

The focus of the agency's governmental funds is to provide information on near-term inflows, and balances of expendable resources. Such information is more useful in assessing the agency's financial position than the government-wide statements, because the fund financial statements better reflect the reality that certain revenues are legally restricted for specific purposes and cannot be used to cover the costs of other operations.

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Management Discussion and Analysis
June 30, 2021

Budgetary Highlights

The agency's General Fund budget for fiscal year 2021 was \$5,252,300 (\$4,315,900 Personnel Services and Employee Benefits; \$109,700 Contractual Services; \$826,700 Other Services). At fiscal year end, the agency expended \$4,435,879 reverting the balance of the fiscal year approved budget to the PSCOC fund \$816,421, which will be recorded in the FY22 fiscal year audit.

In FY21, the agency's major fund, the Bond Proceeds Capital Projects Special Revenue Fund saw a decrease in budgeted inflows of \$2,318,122 from reduced proceeds Supplemental Severance Tax Bonds related to reduced capital awards.

Throughout the course of FY21, the Bond Proceeds Capital Projects Fund saw outflows totaling \$64,078,196 for project expenditures.

Changes in Assets and Long-Term Liabilities of the Agency

The PSCOC Capital Asset value of \$1,616,407 is the depreciated value of portable classrooms purchased in 2004. Financial Assets are proceeds from the sale of Supplemental Severance Tax Bonds (SSTBs). Although the Authority oversees and funds various construction projects, the Authority does not maintain ownership; ownership is turned over to the respective school district upon completion of the project.

The Authority also does not carry any of the debt obtained to fund the construction project; the debt resides with the New Mexico Board of Finance.

Long term commitments of the agency are future construction (phase 2) awards as identified in the Public School Capital Outlay Council Financial Plan "Project Awards Schedule". At June 30, 2021, unexpended balances in the fund were \$432,549,097. It is the policy goal of the PSCOC to reduce balances. In FY21, awards totaled approximately \$202.9 million for 7 school construction projects, and 5 systems-based awards in 12 school districts. The Public School Capital Outlay Council awarded 103 charter schools in 21 districts \$16.5 million in lease assistance awards.

Economic Factors and Budget Outlook

Background of Program Funding

In 1998, the Zuni school district brought a capital funding/facility suit against the state, Zuni School District v. State, CV-98-14-II (Dist. Ct., McKinley County Oct. 14, 1999), claiming that the funding system for capital items was unconstitutional. The trial court granted partial summary judgment in favor of plaintiffs and ordered the state to "establish and implement a uniform funding system for capital improvements". In response, the Legislature amended the Severance Tax Bonding Act to create a new category of bonds to be funded by severance taxes termed "Supplemental Severance Tax Bonds (SSTB's). Proceeds of SSTB's are earmarked by the Public School Capital Outlay Act to be utilized for public school improvements. Currently 45% of prior fiscal year Bonding Fund revenue can be used for SSTB's. Since 1999, SSTBs have provided \$2.56 billion for public school construction statewide. As a result of this significant investment, the New Mexico average Facilities Condition Index (FCI) for school buildings has decreased from 70.6% to 50.24% from FY03 to FY19. Substantial progress has been made in equalizing the condition of facilities across the state. Pre-kindergarten classroom program funding was transferred from the Public Education Department to PSFA as a \$5.0M appropriation in FY19. HB306 and SB239 are legislative appropriations for FY18 – FY22 for the purpose of making improvements to security systems at public schools statewide.

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Management Discussion and Analysis
June 30, 2021

Revenue Volatility

Severance tax revenues are derived from the production of oil, natural gas, and other minerals. The value of these products is inherently volatile. Hurricanes, pipeline constraints, new extraction technologies and geopolitical events affect domestic and global supply and demand, causing commodity prices, and hence the valuation base of severance tax collections to fluctuate widely, causing revenue volatility in the public school capital outlay fund. Since 1999, the majority of the revenues generated for the public school capital outlay fund are from the issuance of supplemental severance tax notes – short term notes (1-3 day maturity) sold to the State Treasury. The short term nature of these obligations reduces risk in the Severance Tax Bond program, but a side effect is a more volatile revenue stream to the public school capital outlay fund since long-term issuances are not typically used to stabilize funding. Five-year revenue projections from Sources and Uses of Bonding Capacity Available for Authorization published by the Board of Finance forecasts an aggregate increase in revenue of 28.3%.

New Mexico Average Facilities Condition Index (FCI) for School Buildings

A key performance measure for public school building condition is the average facilities condition index (FCI). FCI is a ratio of needed repairs, including life cycle renewal requirements divided by replacement value. For example, assume you own a \$100,000 house that needs a new \$15,000 roof. The FCI is reached by dividing the cost of repair by the cost of the house $\$15,000/\$100,000 = 15\%$ FCI.

Request for Information

This financial report is designed to provide a general overview of the agency's finances. Questions concerning any of the information provided in this report or any request for additional financial information should be addressed to Randall C. Evans, CFO, 1312 Basehart, Suite 200, Albuquerque, NM 87116. Email: revans@nmpsfa.org. (505)-843-6272.

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**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Statement of Net Position
 June 30, 2021

Exhibit A-1

	<u>Governmental Activities</u>
Assets	
Current assets	
Investment in State General Fund Investment Pool	\$ 1,052,392
Advances receivable	1,677,957
Due from other governments	9,559,561
Total current assets	<u>12,289,910</u>
Noncurrent assets	
Advances receivable	2,743,940
Capital assets, net of accumulated depreciation	1,616,407
Total noncurrent assets	<u>4,360,347</u>
Total assets	<u><u>\$ 16,650,257</u></u>
Liabilities	
Current liabilities	
Accounts payable	\$ 4,744,929
Accrued salaries payable	121,578
Due to other local governments	171,621
Compensated absences	266,241
Total current liabilities	<u>5,304,369</u>
Total liabilities	<u>5,304,369</u>
Net Position	
Investment in capital assets	1,616,407
Restricted for special appropriations	9,141,912
Unrestricted	587,569
Total net position	<u>11,345,888</u>
Total liabilities and net position	<u><u>\$ 16,650,257</u></u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Statement of Activities
 For the Year Ended June 30, 2021

Exhibit A-2

Expenses	<u>Governmental Activities</u>
Education	\$ 88,144,857
General Government	
Personnel services and employee benefits	3,825,371
Contractual services	108,434
Other costs	<u>481,784</u>
<i>Total expenses</i>	<u>92,560,446</u>
General revenues and transfers	
State general fund appropriation	95,000
Inter-agency transfers	74,823,856
Miscellaneous	42,526
Loss on disposal of capital assets	<u>(20,168)</u>
<i>Total general revenues and transfers</i>	<u>74,941,214</u>
Change in net position	(17,619,232)
Net position, beginning	<u>28,965,120</u>
Net position, ending	<u><u>\$ 11,345,888</u></u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Balance Sheet
 Governmental Funds
 June 30, 2021

Exhibit B-1
 Page 1 of 2

	General Fund Appropriation 93100	General Fund 94300	Bond Proceeds Capital Projects 94700	Total
ASSETS				
Investment in State General Fund Investment Pool	\$ 382,489	\$ 1,041,497	\$ -	\$ 1,423,986
Advances receivable, current	-	-	1,677,957	1,677,957
Advances receivable, long-term	-	-	2,743,940	2,743,940
Due from other governments	-	-	9,559,561	9,559,561
<i>Total assets</i>	<u>\$ 382,489</u>	<u>\$ 1,041,497</u>	<u>\$ 13,981,458</u>	<u>\$ 15,405,444</u>
LIABILITIES AND FUND BALANCES				
<i>Liabilities</i>				
Investment in State General Fund Investment Pool	\$ -	\$ -	\$ 371,594	\$ 371,594
Accounts payable	-	66,109	4,678,820	4,744,929
Accrued salaries payable	-	121,578	-	121,578
Due to local governments	-	-	171,621	171,621
<i>Total liabilities</i>	<u>-</u>	<u>187,687</u>	<u>5,222,035</u>	<u>5,409,722</u>
<i>Fund balances</i>				
Restricted for special appropriations	382,489	-	8,759,423	9,141,912
Unassigned	-	853,810	-	853,810
<i>Total fund balances</i>	<u>382,489</u>	<u>853,810</u>	<u>8,759,423</u>	<u>9,995,722</u>
<i>Total liabilities and fund balances</i>	<u>\$ 382,489</u>	<u>\$ 1,041,497</u>	<u>\$ 13,981,458</u>	<u>\$ 15,405,444</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Reconciliation of the Balance Sheet to the Statement of Net Position
Governmental Funds
June 30, 2021

Exhibit B-1
Page 2 of 2

Fund Balance - Governmental Funds (Exhibit B-1)	\$ 9,995,722
Amounts reported for governmental activities in the Statement of Net Position is different because:	
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and, therefore, are not reported in the funds	1,616,407
Long-term liabilities, including compensated absences payable are not due and payable in the current period and therefore, are not reported in the funds	<u>(266,241)</u>
Total net position (Exhibit A-1)	<u><u>\$ 11,345,888</u></u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Statement of Revenues, Expenditures and Changes in Fund Balance
 Governmental Funds
 For the Year Ended June 30, 2021

	<u>General Fund Appropriation 93100</u>	<u>General Fund 94300</u>	<u>Bond Proceeds Capital Projects 94700</u>	<u>Total</u>
REVENUES:				
Miscellaneous income	\$ -	\$ -	\$ 42,526	\$ 42,526
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>42,526</u>	<u>42,526</u>
EXPENDITURES:				
Current:				
Education	23,617,511	-	64,078,196	87,695,707
General Government:				
Personnel services and employee benefits	-	3,775,210	-	3,775,210
Contractual services	-	108,434	-	108,434
Other costs	-	481,784	-	481,784
Capital Outlay	-	70,451	-	70,451
<i>Total expenditures</i>	<u>23,617,511</u>	<u>4,435,879</u>	<u>64,078,196</u>	<u>92,131,586</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(23,617,511)</u>	<u>(4,435,879)</u>	<u>(64,035,670)</u>	<u>(92,089,060)</u>
OTHER FINANCING SOURCES (USES):				
State general fund appropriation	-	-	95,000	95,000
Proceeds from sale of capital assets	-	4,000	-	4,000
Internal transfers (out)	-	4,552,300	(4,552,300)	-
Inter-agency transfers	-	-	74,823,856	74,823,856
<i>Total other financing sources and (uses)</i>	<u>-</u>	<u>4,556,300</u>	<u>70,366,556</u>	<u>74,922,856</u>
<i>Net change in fund balance</i>	(23,617,511)	120,421	6,330,886	(17,166,204)
<i>Fund balance - beginning of year</i>	<u>24,000,000</u>	<u>733,389</u>	<u>2,428,537</u>	<u>27,161,926</u>
<i>Fund balance - end of year</i>	<u>\$ 382,489</u>	<u>\$ 853,810</u>	<u>\$ 8,759,423</u>	<u>\$ 9,995,722</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balance of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2021

Net change in fund balance - governmental funds	\$ (17,166,204)
The change in net position reported for governmental activities in the statement of activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	
Capital Outlay additions reported in capital outlay expenditures	70,451
Depreciation expense	(449,150)
Book value of assets removed	(24,168)
Expenses in the Statement of Activities that do not consume current financial resources are not reported as expenditures in the funds:	
Increase in compensated absences	<u>(50,161)</u>
Change in Net Position (Exhibit A-2)	<u><u>\$ (17,619,232)</u></u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 General Fund Appropriation (93100) Special Revenue Fund
 For the Year Ended June 30, 2021

	Budgeted Amounts		Actual (Modified Accrual) Basis	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Miscellaneous revenue	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Education	24,000,000	24,000,000	23,617,511	382,489
<i>Total expenditures</i>	<u>24,000,000</u>	<u>24,000,000</u>	<u>23,617,511</u>	<u>382,489</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(24,000,000)</u>	<u>(24,000,000)</u>	<u>(23,617,511)</u>	<u>382,489</u>
<i>Other financing sources (uses)</i>				
State general fund appropriation	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ (24,000,000)</u>	<u>\$ (24,000,000)</u>	<u>\$ (23,617,511)</u>	<u>\$ 382,489</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 General Fund (94300)
 For the Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual (Modified Accrual) Basis</u>	<u>Variances favorable (Unfavorable) Final to Actual</u>
	<u>Original</u>	<u>Final</u>		
<i>Revenues:</i>				
Miscellaneous revenue	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Personnel services	4,315,900	4,315,900	3,775,210	540,690
Contractual services	109,700	109,700	108,434	1,266
Other costs	826,700	826,700	552,235	274,465
<i>Total expenditures</i>	<u>5,252,300</u>	<u>5,252,300</u>	<u>4,435,879</u>	<u>816,421</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(5,252,300)</u>	<u>(5,252,300)</u>	<u>(4,435,879)</u>	<u>816,421</u>
<i>Other financing sources (uses)</i>				
<i>Transfers in:</i>				
Interfund transfers	4,552,300	4,552,300	4,552,300	-
Proceeds from the sale of capital assets	-	-	4,000	4,000
<i>Total other financing sources (uses)</i>	<u>4,552,300</u>	<u>4,552,300</u>	<u>4,556,300</u>	<u>4,000</u>
<i>Net change in fund balances</i>	<u>\$ (700,000)</u>	<u>\$ (700,000)</u>	<u>\$ 120,421</u>	<u>\$ 820,421</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Bond Proceeds Capital Projects Special Revenue Fund (94700)
 For the Year Ended June 30, 2021

	Budgeted Amounts		Actual (Modified Accrual) Basis	Variances favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Miscellaneous revenue	\$ -	\$ -	\$ 42,526	\$ 42,526
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>42,526</u>	<u>42,526</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Education	70,635,719	70,635,719	64,078,196	6,557,523
<i>Total expenditures</i>	<u>70,635,719</u>	<u>70,635,719</u>	<u>64,078,196</u>	<u>6,557,523</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(70,635,719)</u>	<u>(70,635,719)</u>	<u>(64,035,670)</u>	<u>6,600,049</u>
<i>Other financing sources (uses)</i>				
State general fund appropriation	-	95,000	95,000	-
<i>Transfers in:</i>				
Inter-agency transfers	74,918,855	74,918,855	74,823,856	94,999
<i>Transfers out:</i>				
Interfund transfers	<u>(4,552,300)</u>	<u>(4,552,300)</u>	<u>(4,552,300)</u>	<u>-</u>
<i>Total other financing sources (uses)</i>	<u>70,366,555</u>	<u>70,366,555</u>	<u>70,366,556</u>	<u>94,999</u>
<i>Net change in fund balances</i>	<u>\$ (269,164)</u>	<u>\$ (269,164)</u>	<u>\$ 6,330,886</u>	<u>\$ (6,505,050)</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Notes to Financial Statements
June 30, 2021

NOTE 1 - DEFINITION OF REPORTING ENTITY

The Deficiencies Correction Unit (DCU) of the Public Schools Capital Outlay Council was created under Senate Bill 167 of the 2001 laws and was budgeted for the first time for the year ended June 30, 2002. Under Senate Bill 513 of the 2003 laws, the DCU became the State of New Mexico Public School Facilities Authority (the "Authority"). The new Authority consists of the staff, contracts, and equipment of the DCU and various staff, contracts, and equipment of the State Department of Education Capital Outlay Unit. Currently, the Authority is a fully independent agency vouchering through the State of New Mexico Department of Finance and Administration (DFA).

The State of New Mexico Legislature created the Authority to administer a state-wide program in which the deficiencies in the facilities of each public school district in the State of New Mexico were corrected on a school by school basis.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Authority is presented to assist in the understanding of the Authority's financial statements. The financial statements and notes are the representation of the Authority's management who is responsible for their integrity and objectivity. The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below:

During the year ended June 30, 2021, the Authority did not have a GASB Statement No. 77 disclosure requirement.

Financial Reporting Entity

In evaluating how to define the Authority for financial reporting purposes, management has considered all potential programs and operations of the Authority. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 14, as amended by GASB Statement No. 39, GASB Statement No. 61. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency.

Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of the governing board by the Authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion is the scope of public service.

Application of this criterion involves considering whether the activity benefits the Authority and/or its residents and participants, or whether the activity is conducted within the geographic boundaries of the Authority and is generally available to its residents and participants.

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Notes to Financial Statements
June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the Authority is able to exercise oversight responsibilities.

Based upon the application of these criteria, the Authority has no component units, is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards, however will be included in a state-wide Annual Comprehensive Financial Report (ACFR).

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The Authority's estimates include the useful lives of depreciable assets and the current portion of accrued compensated absences.

Basic Financial Statements - Government-wide Statements

The Authority's basic financial statements include both information on a government-wide basis and information presented on a fund basis. Government-wide financial statements include two basic financial statements: a statement of net position and a statement of activities. These statements do not include the fiduciary activities as they do not represent resources available to fund the Authority's programs. The Authority has no fiduciary fund activity.

Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental funds or business-type. In the government-wide statement of net position, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on a full accrual, economic resources basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. The Authority does not have any business-type activities at year end June 30, 2021.

The Authority's net position is reported in three parts: invested in capital assets; restricted net position and unrestricted net position. When applicable, the effect of interfund activity is removed from the statement of net position in order to avoid a grossing-up effect on assets and liabilities within the statements.

The objective of the statement of activities is to report the relative financial burden of each of the reporting government's functions on its taxpayers. The format identifies the extent to which each function of the government draws from the general revenues of the government or is self-financing through fees or intergovernmental aid.

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Notes to Financial Statements
June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The government-wide Statement of Activities reflects both the gross and net cost per functional category which is otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function or a business-type activity. The Authority had no program revenues during the year ended June 30, 2021. The Authority includes two functions (general government and education).

Basic Financial Statements - Fund Financial Statements

The governmental funds in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. The presentation is deemed more appropriate to demonstrate legal and covenant compliance, to demonstrate the source and use of liquid resources and to demonstrate how the Authority's actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements governmental column, a reconciliation is presented on the page following each statement, which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental column of government-wide presentation.

The fund financial statements are similar to the financial statements presented in the previous accounting model. Emphasis here is on the major funds in either the governmental or business-type categories. Non-major funds (by category) or fund type are summarized into a single column. The General Fund is required to be a major program, and the Special Revenue Fund also is required to be a major fund. Therefore, there are no non-major funds. The Authority has no fiduciary funds, but if the Authority did, they would not be included in the government-wide financial statements.

The financial transactions of the Authority are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, expenditures or expenses and other financing sources or uses. Government resources are allocated to, and accounted for, in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The reporting model under GASB 34 sets forth the minimum criteria (percentage of the assets, liabilities, revenues or expenditures of either fund category or the governmental and enterprise combines) for the determination of major funds. Due to the fund structure of the Authority, all funds are considered major funds and are included under as governmental funds. The Authority classifies all of its funds as major funds.

The following fund types are used by the Authority:

Governmental Funds - All governmental fund types are accounted for on a spending or financial flow measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of available spendable resources.

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Notes to Financial Statements
June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental fund operating statements present increases (revenues and, other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

Due to their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as government fund type expenditures of fund liabilities.

The General Fund Appropriation Special Revenue Fund is a Legislative Appropriation for Outside Adequacy - Impact Aid Districts coming to the authority to be used to fund projects of districts with tribal lands that would not normally fall under the Standards and Systems Based projects. The General Fund Appropriation (SHARE FUND # 94000-93100) is non-reverting in accordance with NMSA 22-24-5, 1978.

The General Fund is the general operating fund of the Authority and is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund (SHARE FUND # 94000-94300) is non-reverting in accordance with NMSA 22-24-5, 1978.

The Bond Proceeds Capital Projects Special Revenue Fund (SHARE FUND # 94000-94700) is the program fund of the Authority. It is used to account for all funding received and for all expenditures made for the operation of the deficiency's correction program. This fund is a non-reverting fund in accordance with NMSA 22-24-5, 1978.

Measurement Focus, Basis of Accounting and Financial Reporting Presentation

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions should be recognized when the exchange takes place.

All governmental fund statements are presented on a current financial resource and modified accrual basis of accounting. Under this method, revenues and other governmental fund financial resource increments are recognized in the accounting period in which they become susceptible to accrual – that is, when they become both measurable and available to finance expenditures of the fiscal period ("available" meaning collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, typically 60 days).

Expenditures are recorded as liabilities when incurred. An exception to this general rule is that accumulated unpaid annual, compensatory and certain sick leave are not accrued as current liabilities but as non-current liabilities. However, in the government-wide financial statements, both current and long-term are accrued. Expenditures charged to federal programs are recorded utilizing the cost principles described by the various funding sources.

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB 33, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements, including time requirements, are met.

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Notes to Financial Statements
June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Resources transmitted before the eligibility requirement are met, under most circumstances, should be reported as advances by the provider and deferred inflow by the recipient.

Budgets and Budgetary Accounting

These procedures are followed in establishing the budgetary data reflected in the financial statements:

1. No later than September 1, the Authority prepares a budget appropriation request by category to be presented to the next Legislature.
2. The appropriation request is submitted to the New Mexico Department of Finance and Administration's Budget Division (DFA) and to the Legislative Finance Committee (LFC).
3. DFA makes recommendations and adjustments to the appropriation request, which then becomes the Governor's proposal to the Legislature.
4. The LFC holds hearings on the appropriation request, also submitting recommendations and adjustments before presentation to the Legislature.
5. Both the DFA's and LFC's recommended appropriation proposals are presented to the Legislature for approval of the final budget plan.
6. Budget hearings are scheduled before the New Mexico House Appropriations and Senate Finance Committees. The final outcome of these hearings is incorporated into the General Appropriations Act.
7. The Act is signed into law by the Governor of the State of New Mexico within the legally prescribed time limit.
8. The Authority submits, no later than May 1, to DFA an annual operating budget by category and line item based upon the appropriations made by the Legislature. The DFA Budget Division reviews and approves the operating budget which becomes effective on July 1.
9. All subsequent budget adjustments must be approved by the Authority and the Director of the DFA Budget Division. The budget for the current year was properly amended.
10. Legal budget control for expenditures and encumbrances is at the appropriation unit level.
11. Formal budgetary integration is employed as a management control device during the fiscal year for the General Fund and the Special Revenue Fund.
12. The budget is adopted on a modified accrual basis of accounting that is consistent with counting principle generally accepted in the United States of America. This change was implemented with the Laws of 2004, Chapter 114, Section 3 Paragraph N and Paragraph O. It is effective for fiscal years beginning July 1, 2004. However, there is a statutory exception per General Appropriation Act, Laws of 2006, Chapter 109, Section 3, Subsections N and O. The budget is adopted on the modified accrual basis of accounting except for accounts payable accrued at the end of the fiscal year that do not get paid by the statutory deadline per Section 6-10-4 NMSA. 1978. Those accounts payable must be paid out of the next year's budget. A reconciliation has been provided that reconciles differences between the budgetary basis and the modified accrual basis.

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Notes to Financial Statements
June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

13. Each year the Legislature approves multiple appropriations, which the State considers as continuing appropriations. The Legislature authorizes these appropriations for two to five years; however, it does not identify the authorized amount by fiscal year. Consequently, the appropriation is budgeted in its entirety the first year the Legislature authorizes it. The unexpended portion of the budget is carried forward as the next year's beginning budget balance until either the project period has expired or the appropriation has been fully expended. The budget presentations in these financial statements are consistent with the budgeting methodology.

The Authority's General Fund and Special Revenue Fund are non-reverting funds.

Capital Assets

Property, plant and equipment including software, purchased or acquired, are carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market values as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The State's capitalization policy, i.e., the dollar value above which asset acquisitions including software are added to the capital accounts, is \$5,000 which is a change in policy effective July 1, 2005. However, all capital outlay purchases may not necessarily be capitalized. Old inventory items that do not meet the new capitalization threshold will remain on the inventory list and continue to be depreciated. The Authority does not capitalize any interest in regards to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. The Authority utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Equipment	8 years
Computer Equipment	4 to 8 years
Portable Classrooms	20 years
Vehicles	5 years

Encumbrance Accounting

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary control in the General Fund and the Special Revenue Funds. Encumbrances not recorded as vouchers payable at year end lapse.

Accrued Compensated Absences

Vacation and sick leave earned and not taken is cumulative; however, upon termination of employment, sick pay for such leave hours accumulated up to 600 hours is forfeited and vacation pay is limited to payment for 240 hours. Vacation leave up to the maximum of 240 hours is payable upon separation from service at the employee's current hourly rate. Sick leave is payable semiannually to qualified employees for hours accumulated above 600 hours at a rate equal to 50 percent of their hourly rate, not to exceed 120 hours each semi-annual period. Upon retirement, payment for sick leave is limited to 400 hours accumulated in excess of 600 hours at the 50 percent hourly rate. The compensated absences payable is included in the government-wide financial statements. Authority general fund resources have been used to liquidate accrued compensated absences.

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Notes to Financial Statements
June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

The Authority, as part of the primary government of the State of New Mexico, is a contributing employer to a cost-sharing multiple employer defined benefit pension plan administered by the Public Employees Retirement Association (PERA). Disclosure requirements for governmental funds apply to the primary government as a whole, and as such this information will be presented in the Component Appropriation Funds Annual Financial Report General Fund and the Annual Comprehensive Financial Report (ACFR) of the State of New Mexico.

Information concerning the net pension liability, pension expense, and pension-related deferred inflow and outflow of resources of the primary government will be contained in the General Fund and the ACFR and will be available, when issued, from the Office of the State Controller, Room 166, Bataan Memorial Building 407 Galisteo Street, Santa Fe, New Mexico, 87501.

For purposes of measuring the net pension liability, deferred outflow of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New Mexico Public Employees Retirement Association (PERA) and additions to /deductions from PERA's fiduciary net position, have been determined on the same basis as they are reported by PERA, on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Mexico Retiree Health Care Authority (NMRHCA) and additions to and deductions from NMRHCA's fiduciary net position have been determined on the same basis as they are reported by NMRHCA. For this purpose, NMRHCA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value. As with items related to pensions, disclosure requirements for governmental funds apply to the primary government as a whole, and as such this information will be presented in the Component Appropriation Funds Annual Financial Report General Fund) and the Annual Comprehensive Financial Report (ACFR) of the State of New Mexico.

The net OPEB liability is a long-term liability that is not directly related to or expected to be paid from the Authority's enterprise funds and therefore not reported in the Department's Statement of Net Position. Information concerning the net OPEB liability, OPEB expense, and OPEB-related deferred inflow and outflow of resources of the primary government will be contained in the General Fund and the ACFR and will be available, when issued, from the Office of the State Controller, Room 166, Bataan Memorial Building 407 Galisteo Street, Santa Fe, New Mexico, 87501.

Net Position/Fund Equity

In the government-wide financial statements, net position consists of three components: net investment in capital assets; restricted; and unrestricted. The Authority has no debt related to capital assets; therefore, net position invested in capital assets equal the capital assets, net of accumulated depreciation.

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Notes to Financial Statements
June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net position is reported as restricted when constraints placed on net position use are externally imposed by creditors such as through debt covenants, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Enabling legislation includes a legally enforceable requirement that resources be only for the specific purposes stipulated in the legislation.

Legal enforceability means the government can be impelled by an external party - such as citizens, public interest groups or the judiciary - to use resources for the purposes specified by the legislation.

These resources remaining in net position were received or earned with the explicit understanding between the Authority and the resource provider (grantor, contributor, other government or enabling legislation) that the funds would be used for a specific purpose.

Unrestricted net position consists of net position that does not meet the definition of restricted or net investment in capital assets.

In the governmental fund financial statements, fund balances are classified as non-spendable, restricted, committed, assigned or unassigned.

Restricted represents those portions of fund balance where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation. As of June 30, 2021, in fund 93100, \$382,489 was restricted for future construction projects approved by the State Legislature. Also, \$8,759,423 is restricted in the fund 94700 for funding the capital needs of school districts in the State of New Mexico. Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches of the State. Assigned fund balance is constrained by the Legislature's and Executive Branch's intent to be used for specific purposes or, in some cases, by legislation.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the State's policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the State's policy to spend committed resources first.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority did not have any items that qualified for reporting in this category as of June 30, 2021.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Authority did not have any items that were required to be reported in this category as of June 30, 2021.

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Notes to Financial Statements
June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Balances and Transactions

Interfund transactions are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Revenues, Expenditures, and Expenses

Substantially all governmental fund revenues are accrued. No allowance for doubtful accounts for the Due from Other State Agencies was necessary because this amount was due from bond proceeds held by another state agency and it is considered fully collectible by management.

Expenditures are recognized when the related fund liability is incurred.

NOTE 3 - STATE GENERAL FUND INVESTMENT POOL

The Authority does not have a separate bank account. For cash management and investment purposes, funds of various state agencies are deposited in the State General Fund Investment Pool (the Pool), which is managed by the Office of the New Mexico State Treasurer. Claims on the Pool are reported as assets by the various agencies investing in the Pool.

As provided for in Chapter 8-6 of the New Mexico Statutes Annotated 1978, the State Treasurer shall receive and keep all monies of the State, except when otherwise provided, and shall disburse the public money upon lawful warrants. The State Treasurer's Organization (STO) acts as the state's bank when agency cash receipts are deposited and later pooled into a statewide investment fund, as referred to as the State General Fund Investment Pool (SFGIP). In times when cash amounts are greater than immediate needs, the amounts are placed into short-term investments. When agencies make payments to vendors and employees, they are made from this pool and their claims on the pool are reduced.

The comprehensive cash reconciliation model which compares aggregated agency claims on the State General Fund Investment Pool to the associated resources held by the State Treasurer's Office has been completed for fiscal year 2021. This process has been previously reviewed by the IPAs performing audits of the General Fund, the Department of Finance and Administration and the State of New Mexico's Annual Comprehensive Financial Report. The reviews have deemed the process sound and the Authority fully compliant with the requirements.

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Notes to Financial Statements
 June 30, 2021

NOTE 3 - STATE GENERAL FUND INVESTMENT POOL (CONTINUED)

The Authority has established daily and monthly procedures that mitigate the risk of misstatement of the Authority's balances within the Pool. In addition, as required by Section 6-5-2.1 (J) NMSA 1978, DFA/FCD is to complete, on a monthly basis, reconciliation with the balances and accounts kept by the state treasurer and adopt and promulgate rules regarding reconciliation for state agencies. At June 30, 2021, the Authority had the following invested in the State General Fund:

<u>Fund</u>	<u>Type of Account</u>	<u>SHARE Fund No.</u>	<u>Reconciled Balance</u>
General Fund Appropriation	Investment	93100	\$ 382,489
General Fund	Investment	94300	1,041,497
Bond Proceeds Capital Projects	Investment	94700	<u>(371,594)</u>
			<u>\$ 1,052,392</u>

Interest Rate Risk: The State Treasurer's General Fund Investment Pool does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changes in interest rates.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The New Mexico State Treasurer's General Fund Investment Pool is not rated for credit risk.

For additional GASB 40 disclosure information regarding the investment in the New Mexico State Treasurer's General Fund Investment Pool, the reader should see the separate audit report for the State Treasurer's Office for the fiscal year ended June 30, 2021.

NOTE 4 - DUE TO LOCAL GOVERNMENTS

The Bond Proceeds Capital Project Special Revenue Fund was liable for \$171,621 to various School Districts within the State of New Mexico for construction cost incurred and not yet paid to the school districts.

NOTE 5 - ACCOUNTS RECEIVABLE

Advanced Accounts Receivable- At June 30, 2021, the Authority had \$4,421,897 in advances receivable. Advances receivables are approved by resolution through the Public School Capital Outlay Council to award districts a local match advance. Once the Authority awards an advance, the District has four years to repay the advance, unless specifically approved by council to extend the repayment terms due to financial hardship.

Due from New Mexico Board of Finance- At June 30, 2021, the Authority was owed \$9,240,300 from the New Mexico Board of Finance. This receivable is due to the Authority to cover fiscal year 2020 and 2021 operating costs that were transferred from fund 94700 to 94300.

Due from Other School Districts- At June 30, 2021, the Authority was owed \$319,261 from other School Districts as part of the project closeout process.

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Notes to Financial Statements
 June 30, 2021

NOTE 6 - CAPITAL ASSETS

The capital assets activity for the year ended June 30, 2021 is as follows:

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Balance June 30, 2021</u>
Capital assets depreciated				
Equipment	\$ 51,595	\$ -	\$ -	\$ 51,595
Computer equipment	134,528	70,451	-	204,979
Portable classrooms	8,481,100	-	(161,130)	8,319,970
Vehicles	197,652	-	16,471	181,181
Total assets depreciated	<u>8,864,875</u>	<u>70,451</u>	<u>(144,659)</u>	<u>8,757,725</u>
Less accumulated depreciation for:				
Equipment	51,595	-	-	51,595
Computer equipment	126,763	25,095	-	151,858
Portable classrooms	6,469,591	424,055	(136,962)	6,756,684
Vehicles	197,652	-	16,471	181,181
Total accumulated depreciation	<u>6,845,601</u>	<u>449,150</u>	<u>(120,491)</u>	<u>7,141,318</u>
Capital assets, net	<u>\$ 2,019,274</u>	<u>\$ (378,699)</u>	<u>\$ (24,168)</u>	<u>\$ 1,616,407</u>

Depreciation expense for the year ended June 30, 2021 was \$449,150. All depreciation expense was allocated to the Authority's education function.

NOTE 7 - CHANGES IN LONG-TERM LIABILITIES

A summary of changes in long-term liabilities for the year ended June 30, 2021 is as follows:

	<u>Balance June 30, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2021</u>	<u>Due Within One Year</u>
Compensated absences	<u>\$ 216,080</u>	<u>\$ 290,573</u>	<u>\$ 240,412</u>	<u>\$ 266,241</u>	<u>\$ 266,241</u>

Compensated absences payable - The liability at June 30, 2021 has been recorded in the basic financial statements and represents the Authority's commitment to fund accrued vacation, sick leave and personal time off costs from future operations. The compensated absence liability of the governmental fund is expected to be liquidated by the General Fund.

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Notes to Financial Statements
 June 30, 2021

NOTE 8 – SPECIAL APPROPRIATIONS

Appropriations below are from the unexpended proceeds of inter-agency transfers of taxable supplemental severance tax bonds that are not needed for the projects for which the bonds were issued. Therefore, for the identified special appropriations there is not a budget to actual financial statement. These appropriations require an amended certification and resolution to start the project and create a budget. The following is a summary of special appropriations still outstanding at June 30, 2021:

Laws	Applicable Fiscal Year Period	Description	Original Balance	Amount Spent	Amount Returned to State of New Mexico General Fund	Unexpended Balance at 6/30/21
		New Mexico School for the Blind and Visually Impaired Projects - Appropriations from the Public School Capital Outlay Fund. Appropriations are from the unexpended proceeds of taxable supplemental severance tax bonds that are no longer needed for the projects for which the bonds were issued. Projects are:				
2014 HB55						
Section 45	2014-2018					
		Ditzler Auditorium and recreation center and the library building, including demolition of the Bert Reeves Learning Center (plan, design, construct, renovate, equip and furnish).				
	P14-021		\$ 4,403,371	\$ 4,373,308	\$ -	\$ 30,063
		Quimby gymnasium and natatorium (plan, design, construct, renovate, equip and furnish).				
	P14-019		2,362,006	2,121,399	-	240,606
		Sacramento Dormitory (plan, design, construct, renovate, equip and furnish residential cottages, including demolition)				
	P14-020		2,294,411	169,143	-	2,125,268
		Subtotal	9,059,788	6,663,850	-	2,395,937

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Notes to Financial Statements
 June 30, 2021

NOTE 8 – SPECIAL APPROPRIATIONS (CONTINUED)

Laws	Applicable Fiscal Year Period	Description	Original Balance	Amount Spent	Amount Returned to State of New Mexico General Fund	Unexpended Balance at 6/30/21
		New Mexico School for the Deaf Project - Appropriations from the Public School Capital Outlay Fund. Appropriations are from the unexpended proceeds of taxable supplemental severance tax bonds that are no longer needed for the projects for which the bonds were issued. Projects are:				
2014 HB55 Section 46	2014-2018	Cartwright Hall (plan, design, construct, renovate, equip and furnish).	5,460,741	5,276,627	-	184,114
		Subtotal	5,460,741	5,276,627	-	184,114

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Notes to Financial Statements
 June 30, 2021

NOTE 8 – SPECIAL APPROPRIATIONS (CONTINUED)

Laws	Applicable Fiscal Year Period	Description	Original Balance	Amount Spent	Amount Returned to State of New Mexico General Fund	Unexpended Balance at 6/30/21
		<p>Public Education Department Projects - Appropriations from the Public School Capital Outlay Fund.</p> <p>Appropriations are from the unexpended proceeds of taxable supplemental severance tax bonds that are no longer needed for the projects for which the bonds were issued.</p>				
2014 HB55 Section 47	2014-2018	<p>Projects are:</p> <p>School buses (purchase statewide).</p> <p>Educational technology infrastructure at public schools (minimum network speed of less than five kilobytes per second per student to ensure these schools are able to administer computer-based assessments by the 2014- 2015 school year.</p>	32,900,000	32,900,000	-	-
			2,500,000	2,500,000	-	-
		Subtotal	35,400,000	35,400,000	-	-

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
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 June 30, 2021

NOTE 8 – SPECIAL APPROPRIATIONS (CONTINUED)

Laws	Applicable Fiscal Year Period	Description	Original Balance	Amount Spent	Amount Returned to State of New Mexico General Fund	Unexpended Balance at 6/30/21
		New Mexico School for the Deaf Project - Appropriations from the Public School Capital Outlay Fund, contingent upon approval of the public school capital outlay council				
2013 SB60 Section 52	2013-2017					
	P13-008	NMSD - Site Improvements	4,153,688	4,153,688	-	-
		Subtotal	4,153,688	4,153,688	-	-
		Public Education Department - Appropriations from the Public School Capital Outlay Fund, contingent upon approval of the public school capital outlay council				
2013 SB60 Section 53	2013-2017					
SSTB13SB 13-1937		Pre-K (renovate and construct)	2,500,000	1,507,102	992,898	-
SSTB13SB 13-1938		School Busses (purchase statewide)	13,000,000	12,999,351	649	-
			15,500,000	14,506,454	993,546	-

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Notes to Financial Statements
 June 30, 2021

NOTE 8 – SPECIAL APPROPRIATIONS (CONTINUED)

Laws	Applicable Fiscal Year Period	Description	Original Balance	Amount Spent	Amount Returned to State of New Mexico General Fund	Unexpended Balance at 6/30/21
		New Mexico School for the Blind and Visually Impaired - Appropriations from the Public School Capital Outlay Fund, contingent upon approval of the public school capital outlay council				
2013 SB60 Section 54	2013-2017					
	P13-016	NMSBVI - Jack Hall and the Health Services Buildings (relocate the library)	614,899	614,899	-	-
SSTB13SB 13- 1939	P13-016	NMSBVI - Jack Hall and the Health Services Buildings (relocate the library)	335,008	335,008	-	-
	P13-015	NMSBVI - Site Improvements to the campus	-	-	-	-
SSTB13SB 13- 1940	P13-015	NMSBVI - Site Improvements to the campus	1,486,180	1,486,180	-	-
SSTB13SB 13- 1941	P14-025	NMSBVI - Watkins Eduction Center (renovate and equip and to demolish San Andres Building)	5,500,000	5,180,542	-	319,458
			<u>7,936,087</u>	<u>7,616,629</u>	-	<u>319,458</u>

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Notes to Financial Statements
 June 30, 2021

NOTE 8 – SPECIAL APPROPRIATIONS (CONTINUED)

Laws	Applicable Fiscal Year Period	Description	Original Balance	Amount Spent	Amount Returned to State of New Mexico General Fund	Unexpended Balance at 6/30/21
		Public Education Department - Appropriations from the Public School Capital Outlay Fund, contingent upon approval of the public school capital outlay council				
2015 SB1 Section 75	2015-2019	Pre-K (renovate and construct)	1,000,000	1,000,000	-	-
		School Busses (purchase statewide)	4,000,000	4,000,000	-	-
			5,000,000	5,000,000	-	-
		Public Education Department - Appropriations from the Public School Capital Outlay Fund, contingent upon approval of the public school capital outlay council				
2016 HB219 Section 40	2016-2020	Pre-K (renovate and construct)	5,000,000	-	-	5,000,000
		School Busses (purchase statewide)	7,000,000	7,000,000	-	-
			12,000,000	7,000,000	-	5,000,000

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Notes to Financial Statements
 June 30, 2021

NOTE 8 – SPECIAL APPROPRIATIONS (CONTINUED)

Laws	Applicable Fiscal Year Period	Description	Original Balance	Amount Spent	Amount Returned to State of New Mexico General Fund	Unexpended Balance at 6/30/21
2016 SB4 Section 2 Paragraph N	2018-2022	Instructional Material or Transportation Distribution Fund - Appropriations from the Public School Capital Outlay Fund, declaring an emergency.				
		Instructional Material Fund or Transportation				
		2018 Distribution Fund	25,000,000	25,000,000	-	-
		Instructional Material Fund or Transportation				
		2019 Distribution Fund	25,000,000	7,000,000	-	18,000,000
		Instructional Material Fund or Transportation				
		2020 Distribution Fund	25,000,000	25,000,000	-	-
		Instructional Material Fund or Transportation				
2021 Distribution Fund		-	-	-	-	
Instructional Material Fund or Transportation						
2022 Distribution Fund		-	-	-	-	
2016 SB4 Section 3	2017	Instructional Material or Transportation Distribution Fund - Appropriations from the Public School Capital Outlay Fund, declaring an emergency.				
		Instructional Material Fund or Transportation				
		2017 Distribution Fund	12,500,000	12,500,000	-	-
			87,500,000	69,500,000	-	18,000,000

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Notes to Financial Statements
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NOTE 8 – SPECIAL APPROPRIATIONS (CONTINUED)

Laws	Applicable Fiscal Year Period	Description	Original Balance	Amount Spent	Amount Returned to State of New Mexico General Fund	Unexpended Balance at 6/30/21
		General Fund Restore Allotments- Appropriations from the Public School Capital Outlay Fund from the unexpended proceeds of supplemental severance tax bonds that are no longer needed for the projects for which bonds were issued.				
2016 SB8 Section 6	2017	General Fund Restore Allotments - Project				
	2017	Reversions	12,368,629	12,368,629	-	-
			12,368,629	12,368,629	-	-
		Security Appropriation from the Public School Capital Outlay Fund to plan, design and install school security systems and for repairs, renovations or replacement of school security systems statewide.				
2018 HB306 Section 46	2018-2022	2018 School Security	6,000,000	6,000,000	-	-

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Notes to Financial Statements
 June 30, 2021

NOTE 8 – SPECIAL APPROPRIATIONS (CONTINUED)

Laws	Applicable Fiscal Year Period	Description	Original Balance	Amount Spent	Amount Returned to State of New Mexico General Fund	Unexpended Balance at 6/30/21
		Security Appropriation from the Public School Capital Outlay Fund to develop guidelines for a school security system project grant initiative to include an assessment of a school's security system and a statement of opinion by the school district that the project would improve the security of the school's buildings, property and occupants. Grants made by the Council to school districts that the council determines are willing and able to pay for the portion of the total project cost not funded with grant assistance from the fund and according to those applicants' ranking.				
2018 SB239						
Section 2	2019-2022					
	2019	School Security	10,000,000	10,000,000	-	-
	2020	School Security	8,500,000	8,500,000	-	-
			<u>18,500,000</u>	<u>18,500,000</u>	<u>-</u>	<u>-</u>
TOTALS			\$ 218,878,933	\$ 191,985,877	\$ 993,546	\$ 25,899,509

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Notes to Financial Statements
June 30, 2021

NOTE 9 - PENSION PLAN - PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

General Information about the Pension Plan

Compliant with the requirements of Government Accounting Standards Board Statement No. 68 Accounting and Financial Reporting for Pensions, the State of New Mexico has implemented the standard for fiscal years ending June 30, 2019 and 2018. The Authority, as part of the primary government of the State of New Mexico, is a contributing employer to a cost-sharing multiple employer defined benefit pension plan administered by the Public Employees Retirement Association (PERA).

Disclosure requirements including schedules of required supplementary information and related notes for governmental funds apply to the primary government as a whole, and as such this information will be presented in the Component Appropriation Funds Annual Financial Report General Fund and the Annual Comprehensive Financial Report (ACFR) of the State of New Mexico. The net pension liability is a long-term liability that is not directly related to or expected to be paid from the Authority's enterprise funds and therefore not reported in the Department's Statement of Net Position. Information concerning the net pension liability, pension expense, and pension-related deferred inflow and outflow of resources of the primary government will be contained in the General Fund and the ACFR and will be available, when issued, from the Office of the State Controller, Room 166, Bataan Memorial Building 407 Galisteo Street, Santa Fe, New Mexico, 87501.

NOTE 10 - POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN

Compliant with the requirements of Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State of New Mexico has implemented this standard for the fiscal years ended June 30, 2018.

The Authority, as part of the primary government of the State of New Mexico, is a contributing employer to a cost-sharing multiple-employer defined benefit postemployment health care plan that provides comprehensive group health insurance for persons who have retired from certain public service positions in New Mexico. The other postemployment benefits (OPEB) Plan is administered by the Retiree Health Care Authority of the State of New Mexico. Overall, total OPEB liability exceeds OPEB Plan net position resulting in a net OPEB liability. The State has determined the State's share of the net OPEB liability to be a liability of the State as a whole, rather than any agency or department of the State and the liability will not be reported in the department or agency level financial statements of the State. All required disclosures will be presented in the Annual Comprehensive Financial Report (ACFR) of the State of New Mexico.

Information concerning the net liability, benefit expense, and benefit-related deferred inflows and deferred outflows of resources of the primary government will be contained in the State of New Mexico Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2021 and will be available, when issued, from the Office of the State Controller, Room 166, Bataan Memorial Building, 407 Galisteo Street, Santa Fe, New Mexico, 87501.

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Notes to Financial Statements
 June 30, 2021

NOTE 11 - COMMITMENTS AND CONTINGENCIES

Operating Leases

The Authority leased its office space in Santa Fe and in Albuquerque under operating leases. The Santa Fe lease was renewed in May 2011 for an indefinite amount of time and since it is in a State owned building, there are no lease payments. The Authority is responsible for the building's maintenance and utility costs. The Albuquerque lease was entered as of July 1, 2008 for an initial term of five years. In July 2013, the Authority renewed for a second five-year term and renewed this lease again as of July 1, 2018 for another five-year term. Total rental expenditures for the year ended June 30, 2021 for operating leases were \$205,810.

The following is a schedule by years of future minimum lease rental payments required under operating leases that have initial or remaining non-cancellable lease terms in excess of one year as of June 30, 2021.

<u>Year Ending</u> <u>June 30,</u>	<u>Amount</u>
2022	\$ 207,900
2023	<u>207,900</u>
	<u>\$ 415,800</u>

Risk Management

The Authority obtains coverage through the Risk Management Division of the State of New Mexico General Services Department. This coverage includes liability and civil rights, property, vehicle, employer bond, workers' compensation, group insurance and state unemployment. The coverages are designed to satisfy the requirements of the State Tort Claims Act. All employees of the Authority are covered by blanket fidelity bond up to \$5,000,000 with a \$1,000 deductible per occurrence by the State of New Mexico for the period through June 30, 2021. There have been no settlements in excess of insurance coverage as of June 30, 2021.

NOTE 12 - INTERFUND TRANSFERS

Operating transfers are for the allocation of administrative and payroll costs and consist of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund (94300)	Bond Proceeds Capital Projects Special Revenue Fund (94700)	<u>\$ 4,552,300</u>

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Notes to Financial Statements
 June 30, 2021

NOTE 13 - TRANSFERS FROM OTHER STATE OF NEW MEXICO AGENCIES

<u>Authority Fund</u>	<u>Agency</u>	<u>Agency Number</u>	<u>Fund Number</u>	<u>Purpose</u>	<u>Amount</u>
Bond Proceeds Capital Projects Fund (94700)	NM Department of Finance & Administration	34100	85300	General Fund Appropriation	\$ 95,000
Bond Proceeds Capital Projects Fund (94700)	NM Board of Finance	34103	Various	Severance Tax Bonds	<u>\$ 74,823,856</u>
					<u>\$ 74,918,856</u>

NOTE 14 – OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

- The Authority did not have deficit fund balance at year end June 30, 2021.
- The Authority did not have any fund’s expenditures in excess of the budgeted appropriations for the year ended June 30, 2021.
- The Authority did not have any funds in which designated cash appropriations were in excess of available budget.

NOTE 15 - SUBSEQUENT EVENTS

The date to which events occurring after June 30, 2021, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosures is November 1, 2021, which is the date on which the financial statements were available to be issued. No events were noted for disclosure.

NOTE 16 – FUTURE PROJECTS

The PSCOC certifies to the Board of Finance the need to issue bonds for projects and other uses provided for under the Public School Capital Outlay Act. Bond proceeds therefore support funding needs of project commitments identified on a priority basis by the PSCOC and made on behalf of the State of New Mexico for public school capital improvements statewide. Reallocation of revenue in the fund by the Legislature that is not supplanted by other replacement sources within a short period of time will delay commencement or completion of public school facility improvements the State has committed to participate in. Engineering, architecture, and construction contracts relating to construction or major repairs of educational facilities aggregated approximately \$397,945,177 as of June 30, 2021. The remaining commitment on these contracts was approximately \$34,603,920. These contracts will be paid in future periods as work is performed. Payment will be made with proceeds from inter-agency transfers of severance tax bonds and contributions from respective school districts. At June 30, 2021, the Authority had approximately \$432,549,097 of certified and issued Severance Tax Bonds that remain unspent.

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SUPPORTING SCHEDULES

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Schedule of Joint Powers Agreements
 Year Ended June 30, 2021

District Responsibility	Responsible Party	Beginning (DFA Approval)	Ending	Amount Applicable	Amount Contributed	Audit
Academy Trades Technology	PSFA Director	10/8/2010	Indefinitely	N/A	N/A	School District
Ace Leadership Charter	PSFA Director	8/16/2011	Indefinitely	N/A	N/A	School District
Alamogordo	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
Albuquerque	PSFA Director	2/4/2011	Indefinitely	N/A	N/A	School District
Albuquerque Sign Language	PSFA Director	8/23/2010	Indefinitely	N/A	N/A	School District
Aldo Leopold	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
Alma darte	PSFA Director	1/10/2001	Indefinitely	N/A	N/A	School District
Amy Biehl	PSFA Director	4/10/2013	Indefinitely	N/A	N/A	School District
Animas	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District
Aztec	PSFA Director	11/8/2010	Indefinitely	N/A	N/A	School District
Belen	PSFA Director	2/9/2016	Indefinitely	N/A	N/A	School District
Bernalillo	PSFA Director	8/19/2011	Indefinitely	N/A	N/A	School District
Bloomfield	PSFA Director	11/8/2010	Indefinitely	N/A	N/A	School District
Capitan	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
Carlsbad	PSFA Director	11/3/2010	Indefinitely	N/A	N/A	School District
Carrizozo	PSFA Director	8/27/2010	Indefinitely	N/A	N/A	School District
Central	PSFA Director	2/2/2011	Indefinitely	N/A	N/A	School District
Cesar Chavez	PSFA Director	2/2/2011	Indefinitely	N/A	N/A	School District
Chama	PSFA Director	11/3/2010	Indefinitely	N/A	N/A	School District
Cien Aguas Internationa	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
Clayton	PSFA Director	10/6/2017	Indefinitely	N/A	N/A	School District
Cloudcroft	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District

See independent auditors' report.

District Responsibility	Responsible Party	Beginning (DFA Approval)	Ending	Amount Applicable	Amount Contributed	Audit
Clovis	PSFA Director	4/10/2012	Indefinitely	N/A	N/A	School District
Cobre	PSFA Director	2/16/2016	Indefinitely	N/A	N/A	School District
Coral Community Charter	PSFA Director	6/21/2016	Indefinitely	N/A	N/A	School District
Corona	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
Cottonwood Charter	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District
Cuba	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District
Deming	PSFA Director	2/4/2016	Indefinitely	N/A	N/A	School District
Des Moines	PSFA Director	6/24/2011	Indefinitely	N/A	N/A	School District
Dexter	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District
Dora Consolidated	PSFA Director	12/16/2010	Indefinitely	N/A	N/A	School District
Dulce	PSFA Director	4/7/2016	Indefinitely	N/A	N/A	School District
East Mountain	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District
Elida	PSFA Director	8/24/2001	Indefinitely	N/A	N/A	School District
Española	PSFA Director	2/2/2011	Indefinitely	N/A	N/A	School District
Estancia	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
Eunice	PSFA Director	3/16/2011	Indefinitely	N/A	N/A	School District
Farmington	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District
Floyd	PSFA Director	7/13/2015	Indefinitely	N/A	N/A	School District
Fort Sumner	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District
Gadsden	PSFA Director	1/26/2016	Indefinitely	N/A	N/A	School District
Gallup	PSFA Director	1/5/1900	Indefinitely	N/A	N/A	School District
Gilbert Sena Charter	PSFA Director	4/24/2013	Indefinitely	N/A	N/A	School District
Grady	PSFA Director	11/8/2010	Indefinitely	N/A	N/A	School District
Grants	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District

See independent auditors' report.

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Schedule of Joint Powers Agreements
 Year Ended June 30, 2021

District Responsibility	Responsible Party	Beginning (DFA Approval)	Ending	Amount Applicable	Amount Contributed	Audit
Hagerman	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
Hatch	PSFA Director	1/31/2011	Indefinitely	N/A	N/A	School District
Hobbs	PSFA Director	2/15/2011	Indefinitely	N/A	N/A	School District
Hondo	PSFA Director	10/26/2010	Indefinitely	N/A	N/A	School District
Horizon Academy West	PSFA Director	2/2/2011	Indefinitely	N/A	N/A	School District
House	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District
International School	PSFA Director	4/15/2013	Indefinitely	N/A	N/A	School District
J. Paul Taylor	PSFA Director	2/2/2011	Indefinitely	N/A	N/A	School District
Jal	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District
Jemez Mountain	PSFA Director	11/8/2010	Indefinitely	N/A	N/A	School District
Jemez Valley	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
La Promesa	PSFA Director	12/24/2012	Indefinitely	N/A	N/A	School District
Lake Arthur	PSFA Director	2/2/2011	Indefinitely	N/A	N/A	School District
Las Cruces	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
Las Vegas City	PSFA Director	6/19/2012	Indefinitely	N/A	N/A	School District
Logan	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
Lordsburg	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District
Los Alamos	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
Los Lunas	PSFA Director	11/8/2010	Indefinitely	N/A	N/A	School District
Loving	PSFA Director	3/5/2012	Indefinitely	N/A	N/A	School District
Lovington	PSFA Director	11/8/2010	Indefinitely	N/A	N/A	School District
Magdalena	PSFA Director	11/8/2010	Indefinitely	N/A	N/A	School District
Master Program	PSFA Director	2/2/2011	Indefinitely	N/A	N/A	School District
Maxwell	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District

See independent auditors' report.

District Responsibility	Responsible Party	Beginning (DFA Approval)	Ending	Amount Applicable	Amount Contributed	Audit
McCurdy	PSFA Director	6/2/2016	Indefinitely	N/A	N/A	School District
Media Arts	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District
Melrose	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
Mesa Vista	PSFA Director	3/20/2012	Indefinitely	N/A	N/A	School District
Montessori	PSFA Director	4/10/2013	Indefinitely	N/A	N/A	School District
Mora	PSFA Director	2/2/2011	Indefinitely	N/A	N/A	School District
Moriarty	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District
Mosquero	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District
Mountainair	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
NM School for the Arts	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District
NMBVI	PSFA Director	10/16/2009	Indefinitely	N/A	N/A	School District
NMSD	PSFA Director	10/20/2011	Indefinitely	N/A	N/A	School District
North Valley Academy	PSFA Director	11/22/2011	Indefinitely	N/A	N/A	School District
Pecos	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
Peñasco	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District
Pojoaque	PSFA Director	4/2/2013	Indefinitely	N/A	N/A	School District
Portales	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District
Questa	PSFA Director	4/14/2013	Indefinitely	N/A	N/A	School District
Raton	PSFA Director	11/8/2010	Indefinitely	N/A	N/A	School District
Reserve	PSFA Director	2/18/2016	Indefinitely	N/A	N/A	School District
Rio Rancho	PSFA Director	11/8/2010	Indefinitely	N/A	N/A	School District
Roswell	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District
Roy	PSFA Director	3/7/2011	Indefinitely	N/A	N/A	School District
Ruidoso	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District

See independent auditors' report.

STATE OF NEW MEXICO
 New Mexico Public School Facilities Authority
 Schedule of Joint Powers Agreements
 Year Ended June 30, 2021

District Responsibility	Responsible Party	Beginning (DFA Approval)	Ending	Amount Applicable	Amount Contributed	Audit
San Jon	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District
Santa Fe	PSFA Director	11/8/2010	Indefinitely	N/A	N/A	School District
Santa Rosa	PSFA Director	2/2/2011	Indefinitely	N/A	N/A	School District
School of Dreams	PSFA Director	2/2/2011	Indefinitely	N/A	N/A	School District
Silver	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District
Socorro	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District
South Valley Prep	PSFA Director	2/2/2011	Indefinitely	N/A	N/A	School District
Springer	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District
SW Intermediate Learning Center	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District
SW Primary Learning Center	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District
SW Secondary Learning Center	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District
Truth or Consequences	PSFA Director	2/3/2016	Indefinitely	N/A	N/A	School District
Taos Integrated School for the Arts	PSFA Director	11/15/2010	Indefinitely	N/A	N/A	School District
Taos Academy	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
Taos	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District
Tatum	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District
Texico	PSFA Director	2/2/2011	Indefinitely	N/A	N/A	School District
The ASK Academy	PSFA Director	10/21/2010	Indefinitely	N/A	N/A	School District
Tierra Adentro	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District
Tucumcari	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
Tularosa	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District
Vaughn	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District

See independent auditors' report.

District Responsibility	Responsible Party	Beginning (DFA Approval)	Ending	Amount Applicable	Amount Contributed	Audit
Village Academy	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District
Wagon Mound	PSFA Director	9/14/2010	Indefinitely	N/A	N/A	School District
West Las Vegas	PSFA Director	10/14/2010	Indefinitely	N/A	N/A	School District
Zuni	PSFA Director	10/4/2010	Indefinitely	N/A	N/A	School District

See independent auditors' report.

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COMPLIANCE SECTION

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Brian S. Colón, Esq
New Mexico State Auditor
Members of the Public School Capital Outlay Council
State of New Mexico Public School Facilities Authority
Albuquerque, New Mexico

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the budgetary comparisons for the General Fund and major special revenue funds of the New Mexico Public School Facilities Authority (the "Authority") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 1, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2021-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matter that are required to be reported under *Government Auditing Standards*.

We noted a certain matter that is required to be reported per section 12-6-5 NMSA 1978 that we have described in the accompanying schedule of findings and responses as item 2021-002.

The Authority's Responses to the Findings

The Authority's responses to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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Cordova CPAs LLC
Albuquerque, New Mexico
November 1, 2021

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STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Schedule of Findings and Responses
June 30, 2021

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditors’ report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| c. Noncompliance material to the financial statements noted? | None noted |

SECTION II – FINANCIAL STATEMENT FINDINGS

2021-001 Deficiencies in Internal Controls over Trial Balance, Financial Reconciliations, and Financial Reporting (Material Weakness)- (2020-001) Repeat/ Modified

Condition: During our audit process, we noted the following:

- A proper close out process over the financial statement account balances was not performed in a timely manner. The following account balances required adjustments subsequent to the trial balance being asserted to the auditors:
 - \$1,721,562 adjustment in order to properly disclose cash and accounts payable.
 - \$9,240,300 adjustment to properly account for the receivable related to the transfer of monies from fund 94700 to 94300 fund in order to cover the operations of the Authority for fiscal year 2020 and 2021.
 - \$576,565 adjustment to post accounts receivable at year end that was not posted to the general ledger.
- A complete and accurate trial balance was not able to be generated by the Authority at the time of the scheduled audit.
- Other critical reports, reconciliations, and schedules were not able to be provided by the Authority at the time of the scheduled audit including the bond project reconciliation.
- The Authority is not properly reconciling the budgets related to the individual projects approved by Council for the full year, and was not completed and used as a tool during the close out of the Authority's books. Expenditures and project transactions are not being reviewed and reconciled in a timely manner to ensure the "Project Participation Worksheet" is updated and additional monies if needed, is being communicated with Council.
- The Authority was not able to produce a proper accrued compensation report until 3 months after year end.

The Authority has not made progress on this finding as of June 30, 2021.

Criteria: The Committee of Sponsoring Organizations (COSO) COSO Internal Control – Integrated Framework, consists of five critical elements that must be present in carrying out the achievement objectives of an organization. These elements are known as the control environment, risk assessment, control activities, information and communication and monitoring, which includes the implementation of internal controls with financial close functions to produce accurate and timely financial information in accordance with generally accepted accounting principles.

Effect: The Authority is susceptible to errors or fraud not being timely detected and corrected due to the weaknesses in the internal control structure related to the year-end close function of the Authority. In addition, material misstatements are required to be corrected as part of the audit process after year end.

Cause: Management did not properly perform close out procedures in a timely manner.

Auditors' Recommendations: We recommend a review of the financial close be performed and management derive financial close procedures that allow for an accurate and timely financial close which includes all reconciliations to support balances in SHARE.

Agency's Response: Management will derive financial close procedures to ensure that accurate and timely financial information is available. The CFO will also implement additional controls to ensure all journal entries are reviewed on a monthly basis, and the project participation worksheets are updated on a monthly basis. The CFO will be responsible for this and will create these procedures before year end FY 2022.

SECTION III – SECTION 12-6-5 NMSA 1978 FINDINGS

2021-002 Procurement Noncompliance (Other Matter)- (2020-002) Repeat/ Modified

Condition: During our review of procurement transactions by the Authority during fiscal year 2021, we noted the Authority received services before a proper purchase order was in place in the amount of \$90.

Also, from procedures performed over the WEX cards, we noted that a purchase was made that was against policy for paying for services for a flat tire repair. This type of purchase is not allowed by the Authority with this type of card. This transaction totaled \$16.60.

Lastly, during our procedures over disbursements, 3 out of 10 transactions did not have the proper “received” stamps on them to track when they were received by the Authority.

The Authority has not made progress on this finding as of June 30, 2021.

Criteria: Per NMSA 13-1-30 “Except as otherwise provided in the Procurement Code [13-1-28 NMSA 1978] that code shall apply to every expenditure by state agencies and local public bodies for the procurement of items of tangible personal property, services and construction ... When a procurement involves the expenditure of federal funds, the procurement shall be conducted in accordance with mandatory applicable federal law and regulations.”. Also, DFA’s Model Accounting Practices FIN 4.4 “Encumbrances” (“MAPs”).

Effect: Noncompliance with state procurement requirements.

Cause: The Authority did not properly ensure that an approved purchase order from the New Mexico Department of Finance and Administration, was valid and in place before the services were rendered.

Auditors’ Recommendation: We recommend the Authority ensure that all procurement goes through the proper procurement method and that no services are provided to the Department until a proper method/amendment of procurement is achieved.

Agency’s Response: Management will ensure that all procurement will go through the proper procurement procedures. This was a result of urgent needs and a miscommunication between the vendor and Staff. The Chief Financial Officer will be responsible for this finding and will implement the recommendations immediately.

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Schedule of Findings and Responses
June 30, 2021

Schedule II

SECTION IV – PRIOR YEAR AUDIT FINDINGS

2020-001 Deficiencies in Internal Controls over Trial Balance, Financial Reconciliations, and Reporting (Material Weakness)- (2021-001) Repeat/ Modified

2020-002 Procurement Noncompliance (Other Matter)- (2021-002) Repeat/ Modified

2020-003 Human Resources Noncompliance- Personnel Action Forms (Other Matter) Resolved

STATE OF NEW MEXICO
New Mexico Public School Facilities Authority
Other Disclosures
June 30, 2021

OTHER DISCLOSURES

Exit Conference

An exit conference was held on October 28, 2021. The following individuals were in attendance.

Representing New Mexico Public School Facilities Authority

David Robbins	Council Member
Martica Casias	Interim Director
Randy Evans	CFO

Representing Cordova CPAs LLC

Robert Gonzales, CPA	Engagement Principal
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Auditor Prepared Financial Statements

Cordova CPAs LLC prepared the GAAP-basis financial statements and footnotes of the Authority from the original books and records provide to them by the management of the Authority. The responsibility for the financial statements remains with the Authority.

I. Project Status Report**II. Presenter(s):** Martica Casias, Executive Director
Daniel Juarez, Senior Projects Coordinator**III. Executive Summary (Informational):****Key Points:****Projects that are behind, based on MOU schedule, but making progress:**

- **Bernalillo Public Schools (BPS)**
 - S19-004– Bernalillo MS – In Construction, Notice to Proceed (NTP) issued February 2022.

- **Gallup-McKinley County Schools (GMCS)**
 - K18-006/P15-006– Thoreau ES – Project is in Closeout.

- **Las Cruces Public Schools (LCPS)**
 - S19-010 – Lynn MS – In Design.

 - S19-012 – Rio Grande Preparatory Institute – In Construction.

 - S19-019 – Highland ES – In Construction.

 - S19-021 – Mayfield HS – In 11 month warranty correction period.

 - S19-022 – Oñate HS – In Construction.

- **Las Vegas City Public Schools (LVCPS)**
 - P19-006– Sierra Vista ES – In Design.

 - S18-003– Los Niños ES – In 11 month warranty correction period.

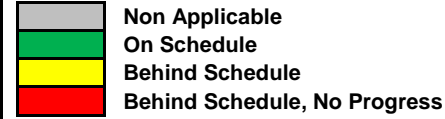
 - S18-003– Los Niños ES Ph. II – Project has Substantial Completion.

- **Roswell (RISD)**
 - P20-003– Mountain View MS – District is currently in the process of updating the Facilities Master Plan and procuring Educational Specification services.

- P20-006– Washington Avenue ES – In Planning.
- S20-001– Roswell HS – Start of Construction.
- **San Jon Municipal Schools (SJMS)**
 - S20-005– San Jon Combined School – In Design.
- **Socorro Consolidated School District (SCSD)**
 - S19-016– Socorro HS – Remaining work on hold due to District readiness.
- **West Las Vegas Public Schools (WLVPS)**
 - S19-018– Tony Serna Jr. ES – PSFA in process of reviewing Planning reports.

PSCOC Project Status Report

Monday March 14, 2022

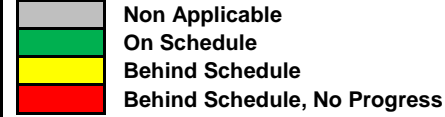


PP = Project Planning - Developing RFP/Contracts for Ed Spec Writer, Development and Approval of Ed Spec.
DD = Design Development - Project design development through construction Documents (plans and specs, bidding/proposal phase)
C = Construction - Project Under Construction
FC = Final Completion - All closeout documentation submitted and approved. Final payment approved.
PC = Project Closeout - 11 month correction period completed. Financial closeout completed.

School District	Project #	Project Name	PP	DD	C	FC	PC	Manager Report	AWARD TOTAL	COMMITTED	EXPENDED	AWARD BALANCE
Alamogordo Public Schools	P19-001	P19-001 Holloman ES (Alamogordo)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 59%; background-color: green;">59%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Construction.	\$21,208,809.00	\$16,425,948.04	\$6,994,997.63	\$4,782,860.96
			0 mo.	0 mo.	2 mo.	5 mo.	20 mo.					
Alamogordo Public Schools	P20-001	P20-001 Chaparral MS (Alamogordo)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 40%; background-color: green;">40%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Design.	\$2,162,755.00	\$1,087,548.69	\$204,998.06	\$1,075,206.31
			0 mo.	6 mo.	24 mo.	26 mo.	38 mo.					
Alamogordo Public Schools	S19-002	S19-002 Buena Vista ES (Alamogordo)	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	Project on hold due to district readiness.	\$664,286.00	\$0.00	\$0.00	\$664,286.00
			0 mo.	0 mo.	0 mo.	0 mo.	3 mo.					
Belen Consolidated Schools	P19-002	P19-002 Jaramillo ES (Belen)	<div style="width: 94%; background-color: green;">94%</div>	<div style="width: 0%; background-color: green;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Planning. Project on hold due to ongoing Facilities Master Plan	\$42,750.00	\$15,765.05	\$12,835.49	\$26,984.95
			0 mo.	9 mo.	26 mo.	35 mo.	37 mo.					
Belen Consolidated Schools	S19-003	S19-003 Dennis Chavez ES (Belen)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 10%; background-color: green;">10%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Design	\$1,457,542.00	\$102,337.28	\$31,701.75	\$1,355,204.72
			0 mo.	1 mo.	13 mo.	15 mo.	24 mo.					
Bernalillo Public Schools	S19-004	S19-004 Bernalillo MS (Bernalillo)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 2%; background-color: yellow;">2%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Construction	\$1,641,697.00	\$214,793.24	\$159,272.70	\$1,426,903.76
			0 mo.	0 mo.	11 mo.	20 mo.	30 mo.					
Carrizozo Municipal Schools	P21-002	P21-002 Carrizozo Combined School (Carrizozo)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 2%; background-color: green;">2%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Design	\$0.00	\$0.00	\$0.00	\$0.00
			0 mo.	10 mo.	29 mo.	35 mo.	38 mo.					
Central Consolidated Schools	P20-002	P20-002 Newcomb ES (Central)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 21%; background-color: green;">21%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Design	\$1,087,543.00	\$721,657.40	\$22,144.12	\$365,885.60
			0 mo.	18 mo.	37 mo.	43 mo.	63 mo.					
Clovis Municipal Schools	P20-009 & P20-009 & K18-002 Barry ES Combined (Clovis)		<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 54%; background-color: green;">54%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Construction.	\$3,464,798.00	\$3,362,930.01	\$832,346.78	\$101,867.99
			0 mo.	0 mo.	5 mo.	0 mo.	0 mo.					
Clovis Municipal Schools	S20-003	S20-003 Clovis HS (Clovis)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 50%; background-color: green;">50%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Construction.	\$546,382.00	\$241,667.00	\$241,667.24	\$304,715.00
			0 mo.	0 mo.	8 mo.	12 mo.	18 mo.					
Clovis Municipal Schools	S21-002	S21-002 Clovis HS (Clovis)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 98%; background-color: green;">98%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Construction.	\$967,357.00	\$345,189.37	\$345,173.15	\$622,167.63

PSCOC Project Status Report

Monday March 14, 2022

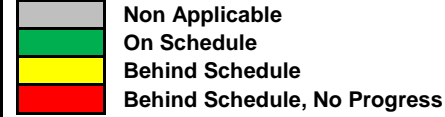


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FC = Final Completion - All closeout documentation submitted and approved. Final payment approved.
PC = Project Closeout - 11 month correction period completed. Financial closeout completed.

School District	Project #	Project Name	PP	DD	C	FC	PC	Manager Report	AWARD TOTAL	COMMITTED	EXPENDED	AWARD BALANCE
			0 mo.	0 mo.	3 mo.	1 mo.	11 mo.					
Des Moines Public Schools	P20-007	P20-007 Des Moines Combined School (Des Moines)	90%	0%	0%	0%	0%	Start of Design in process.	\$0.00	\$0.00	\$0.00	\$0.00
			2 mo.	0 mo.	0 mo.	0 mo.	0 mo.					
Dexter Consolidated Schools	S18-006	S18-006 Dexter ES (Dexter)	100%	100%	100%	100%	99%	11 Month Warranty Correction Period.	\$673,256.00	\$667,292.79	\$654,240.26	\$5,963.21
			0 mo.	0 mo.	0 mo.	0 mo.	2 mo.					
Floyd Municipal Schools	S22-004	S22-004 Floyd Combined Schools (Floyd)	100%	10%	0%	0%	0%	Start of Design in process.	\$57,622.00	\$0.00	\$0.00	\$57,622.00
			0 mo.	11 mo.	0 mo.	0 mo.	0 mo.					
Gadsden Independent Schools	S18-009	S18-009 Loma Linda ES (Gadsden)	100%	100%	100%	100%	99%	11 Month Warranty Correction Period.	\$6,431,950.00	\$3,565,201.93	\$3,522,453.69	\$2,866,748.07
			0 mo.	0 mo.	0 mo.	0 mo.	1 mo.					
Gallup McKinley County Schools	P21-003	P21-003 Gallup HS (Gallup-McKinley)	20%	0%	0%	0%	0%	In Planning.	\$101,250.00	\$0.00	\$0.00	\$101,250.00
			0 mo.	0 mo.	0 mo.	0 mo.	0 mo.					
Gallup McKinley County Schools	P21-005	P21-005 Crownpoint HS (Gallup-McKinley)	100%	0%	0%	0%	0%	In Planning.	\$411,674.00	\$0.00	\$0.00	\$411,674.00
			0 mo.	0 mo.	0 mo.	0 mo.	0 mo.					
Gallup McKinley County Schools	P21-006	P21-006 Navajo Pine HS (Gallup-McKinley)	75%	0%	0%	0%	0%	In Planning.	\$14,250.00	\$0.00	\$0.00	\$14,250.00
			5 mo.	0 mo.	0 mo.	0 mo.	0 mo.					
Gallup McKinley County Schools	S20-002	S20-002 Gallup HS (Gallup-McKinley)	100%	7%	0%	0%	0%	In Design	\$3,777,627.00	\$0.00	\$0.00	\$3,777,627.00
			0 mo.	11 mo.	0 mo.	0 mo.	0 mo.					
Gallup McKinley County Schools	S20-004	S20-004 Crownpoint MS (Gallup-McKinley)	100%	7%	0%	0%	0%	In Design	\$1,684,658.00	\$0.00	\$0.00	\$1,684,658.00
			0 mo.	11 mo.	0 mo.	0 mo.	0 mo.					
Gallup McKinley County Schools	S20-006	S20-006 Tse Yi Gai HS (Gallup-McKinley)	100%	2%	0%	0%	0%	In Design	\$452,937.00	\$29,478.26	\$0.00	\$423,458.74
			0 mo.	11 mo.	0 mo.	0 mo.	0 mo.					

PSCOC Project Status Report

Monday March 14, 2022

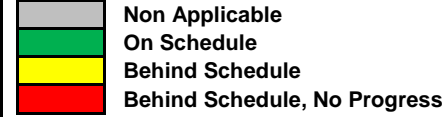


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School District	Project #	Project Name	PP	DD	C	FC	PC	Manager Report	AWARD TOTAL	COMMITTED	EXPENDED	AWARD BALANCE
Gallup McKinley County Schools	S21-004	S21-004 Tohatchi MS (Gallup-McKinley)	100% 0 mo.	2% 11 mo.	0% 0 mo.	0% 0 mo.	0% 0 mo.	In Design	\$777,474.00	\$0.00	\$0.00	\$777,474.00
Gallup-McKinley County Schools	K18-006	K18-006 Thoreau ES (Gallup-McKinley)	100% 0 mo.	100% 0 mo.	100% 0 mo.	100% 0 mo.	99% 0 mo.	In 11 month warranty correction period.	\$268,031.00	\$0.00	\$0.00	\$268,031.00
Gallup-McKinley County Schools	P15-006	P15-006 Thoreau ES	100% 0 mo.	100% 0 mo.	100% 0 mo.	100% 0 mo.	98% 0 mo.	In 11 month warranty correction period.	\$15,514,837.00	\$12,968,845.36	\$12,747,281.13	\$2,545,991.64
Gallup-McKinley County Schools	P19-003	P19-003 Rocky View ES/Red Rock ES (Gallup-McKinley)	100% 0 mo.	58% 3 mo.	0% 20 mo.	0% 26 mo.	0% 30 mo.	In Design.	\$2,521,437.00	\$1,133,240.58	\$80,445.91	\$1,388,196.42
Gallup-McKinley County Schools	P19-004	P19-004 Tohatchi HS (Gallup-McKinley)	100% 0 mo.	8% 10 mo.	0% 20 mo.	0% 26 mo.	0% 30 mo.	In Design.	\$3,261,142.48	\$17,473.16	\$17,473.16	\$3,243,669.32
Grants Cibola County School District	P20-008	P20-008 Bluewater ES (Grants)	100% 0 mo.	85% 2 mo.	0% 15 mo.	0% 27 mo.	0% 52 mo.	In Design.	\$548,021.00	\$307,936.76	\$113,528.63	\$240,084.25
Grants-Cibola County Schools	P21-007	P21-007 Mesa View ES (Grants)	100% 0 mo.	25% 8 mo.	0% 19 mo.	0% 20 mo.	0% 31 mo.	In Design.	\$1,796,022.00	\$803,496.09	\$28,002.45	\$992,525.91
Hatch Valley Public Schools	K21-001	K21-001 Garfield ES (Hatch Valley)	100% 0 mo.	77% 3 mo.	0% 0 mo.	0% 0 mo.	0% 0 mo.	In Design.	\$403,550.00	\$23,261.10	\$16,282.27	\$380,288.90
Hatch Valley Public Schools	S21-005	S21-005 Hatch Valley MS (Hatch Valley)	100% 0 mo.	84% 2 mo.	0% 0 mo.	0% 0 mo.	0% 0 mo.	In Design	\$220,397.00	\$14,698.28	\$10,288.81	\$205,698.72
Hobbs Municipal Schools	P20-004	P20-004 Southern Heights ES (Hobbs)	100% 0 mo.	87% 3 mo.	0% 15 mo.	0% 20 mo.	0% 26 mo.	In Design.	\$1,354,716.00	\$623,749.39	\$380,758.09	\$730,966.61
								In Planning.				

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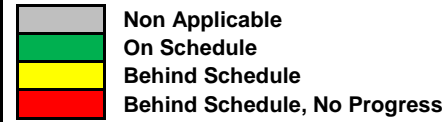


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School District	Project #	Project Name	PP	DD	C	FC	PC	Manager Report	AWARD TOTAL	COMMITTED	EXPENDED	AWARD BALANCE
Hobbs Municipal Schools	P21-004	P21-004 Heizer MS (Hobbs)	35%	0%	0%	0%	0%		\$33,000.00	\$0.00	\$0.00	\$33,000.00
			7 mo.	0 mo.	0 mo.	0 mo.	0 mo.					
Hobbs Municipal Schools	S20-007	S20-007 Hobbs HS (Hobbs)	100%	100%	0%	0%	0%	Start of Construction in process.	\$29,728.00	\$0.00	\$0.00	\$29,728.00
			0 mo.	0 mo.	12 mo.	3 mo.	9 mo.					
Hobbs Municipal Schools	S20-010	S20-010 Mills ES (Hobbs)	100%	91%	0%	0%	0%	In Design.	\$334,286.00	\$0.00	\$0.00	\$334,286.00
			0 mo.	2 mo.	9 mo.	13 mo.	20 mo.					
House Municipal Schools	S22-002	S22-002 House Combined (House)	100%	50%	0%	0%	0%	In Design.	\$74,286.00	\$0.00	\$0.00	\$74,286.00
			0 mo.	6 mo.	0 mo.	0 mo.	0 mo.					
Las Cruces Public Schools	P19-005	P19-005 Desert Hills ES (Las Cruces)	100%	84%	0%	0%	0%	In Design.	\$366,400.00	\$350,832.84	\$110,141.89	\$15,567.16
			0 mo.	4 mo.	0 mo.	0 mo.	0 mo.					
Las Cruces Public Schools	P20-005	P20-005 Columbia ES (Las Cruces)	100%	30%	0%	0%	0%	In Design	\$4,105,206.00	\$30,278.84	\$29,435.30	\$4,074,927.16
			0 mo.	8 mo.	0 mo.	0 mo.	0 mo.					
Las Cruces Public Schools	S19-009	S19-009 Fairacres ES (Las Cruces)	100%	100%	100%	3%	0%	In 11 month warranty correction period.	\$314,515.00	\$314,515.00	\$39,741.24	(\$0.00)
			0 mo.	0 mo.	0 mo.	9 mo.	36 mo.					
Las Cruces Public Schools	S19-010	S19-010 Lynn MS (Las Cruces)	100%	100%	5%	0%	0%	In Construction.	\$2,718,886.00	\$275,204.77	\$171,914.41	\$2,443,681.23
			0 mo.	0 mo.	11 mo.	8 mo.	37 mo.					
Las Cruces Public Schools	S19-012	S19-012 Rio Grande Preparatory Institute (Las Cruces)	100%	100%	33%	0%	0%	In Construction.	\$695,031.00	\$695,031.00	\$49,908.83	(\$0.00)
			0 mo.	0 mo.	9 mo.	11 mo.	41 mo.					
Las Cruces Public Schools	S19-019	S19-019 Highland ES (Las Cruces)	100%	100%	77%	0%	0%	In Construction.	\$229,869.00	\$225,066.10	\$23,155.57	\$4,802.90
			0 mo.	0 mo.	3 mo.	11 mo.	41 mo.					
Las Cruces Public Schools	S19-020	S19-020 Hillrise ES (Las Cruces)	100%	100%	100%	34%	25%	In 11 month warranty correction period.	\$39,110.00	\$39,110.00	\$11,517.92	(\$0.00)

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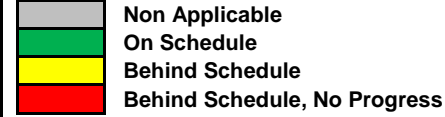


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School District	Project #	Project Name	PP	DD	C	FC	PC	Manager Report	AWARD TOTAL	COMMITTED	EXPENDED	AWARD BALANCE
			0 mo.	0 mo.	0 mo.	9 mo.	41 mo.					
Las Cruces Public Schools	S19-021	S19-021 Mayfield HS (Las Cruces)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 30%; background-color: red;">30%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In 11 month warranty correction period.	\$245,368.00	\$245,368.00	\$245,368.00	\$0.00
			0 mo.	0 mo.	3 mo.	9 mo.	41 mo.					
Las Cruces Public Schools	S19-022	S19-022 Onate HS (Las Cruces)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 29%; background-color: red;">29%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Construction.	\$329,147.00	\$329,147.00	\$41,153.87	(\$0.00)
			0 mo.	0 mo.	3 mo.	11 mo.	41 mo.					
Las Cruces Public Schools	S19-023	S19-023 Picacho MS (Las Cruces)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 32%; background-color: yellow;">32%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In 11 month warranty correction period.	\$141,238.00	\$141,238.00	\$124,428.68	(\$0.00)
			0 mo.	0 mo.	3 mo.	11 mo.	41 mo.					
Las Cruces Public Schools	S19-024	S19-024 Vista MS (Las Cruces)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 56%; background-color: yellow;">56%</div>	<div style="width: 10%; background-color: yellow;">10%</div>	In 11 month warranty correction period.	\$58,807.00	\$39,431.17	\$38,472.07	\$19,375.83
			0 mo.	0 mo.	3 mo.	5 mo.	38 mo.					
Las Cruces Public Schools	S20-009	S20-009 Valley View ES (Las Cruces)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 15%; background-color: green;">15%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Design.	\$764,008.00	\$43,216.69	\$18,619.13	\$720,791.31
			0 mo.	8 mo.	0 mo.	0 mo.	0 mo.					
Las Cruces Public Schools	S21-001	S21-001 Tombaugh ES (Las Cruces)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 15%; background-color: green;">15%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Design.	\$165,548.50	\$0.00	\$0.00	\$165,548.50
			0 mo.	8 mo.	0 mo.	0 mo.	0 mo.					
Las Cruces Public Schools	S21-003	S21-003 Onate HS (Las Cruces)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 88%; background-color: green;">88%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Design	\$139,862.00	\$0.00	\$0.00	\$139,862.00
			0 mo.	4 mo.	0 mo.	0 mo.	0 mo.					
Las Vegas City Schools	P19-006	P19-006 Sierra Vista ES (Las Vegas City)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 12%; background-color: yellow;">12%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Design.	\$218,119.00	\$0.00	\$0.00	\$218,119.00
			0 mo.	10 mo.	0 mo.	0 mo.	0 mo.					
Las Vegas City Schools	S18-003	S18-003 Los Ninos ES (Las Vegas City)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 98%; background-color: yellow;">98%</div>	In 11 month warranty correction period.	\$588,076.29	\$578,148.38	\$564,602.40	\$9,927.91
			0 mo.	0 mo.	0 mo.	0 mo.	2 mo.					
Las Vegas City Schools	S18-003	S18-003 Los Ninos ES Ph.II (Las Vegas City)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 60%; background-color: yellow;">60%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In 11 month warranty correction period.	\$3,349,834.74	\$3,063,996.85	\$3,336,589.76	\$285,837.89
			0 mo.	0 mo.	0 mo.	4 mo.	9 mo.					

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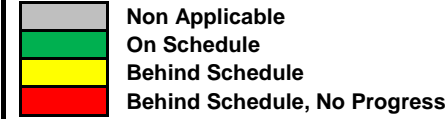


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School District	Project #	Project Name	PP	DD	C	FC	PC	Manager Report	AWARD TOTAL	COMMITTED	EXPENDED	AWARD BALANCE
Las Vegas City Schools	S22-011	S22-011 Paul D. Henry (Las Vegas City)	<div style="width: 50%; background-color: green;">50%</div>	<div style="width: 2%; background-color: green;">2%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Planning.	\$385,000.00	\$0.00	\$0.00	\$385,000.00
			0 mo.	11 mo.	0 mo.	0 mo.	0 mo.					
Los Alamos Public Schools	P22-003	P22-003 Chamisa ES (Los Alamos)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 8%; background-color: green;">8%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Design.	\$409,195.00	\$0.00	\$0.00	\$409,195.00
			0 mo.	11 mo.	0 mo.	0 mo.	0 mo.					
Los Alamos Public Schools	P22-005	P22-005 Pinon Elementary (Los Alamos)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 5%; background-color: green;">5%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Design.	\$501,411.00	\$0.00	\$0.00	\$501,411.00
			0 mo.	11 mo.	0 mo.	0 mo.	0 mo.					
Los Lunas Schools		P19-008 & K21-002 Peralta ES (Los Lunas)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 8%; background-color: green;">8%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Design.	\$2,246,400.00	\$0.00	\$0.00	\$2,246,400.00
	P19-008 & K21-002		0 mo.	11 mo.	29 mo.	35 mo.	36 mo.					
Los Lunas Schools	K21-003	K21-003 Raymond Gabaldon ES (Los Lunas)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 0%; background-color: green;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Planning.	\$2,805,660.00	\$0.00	\$0.00	\$2,805,660.00
			0 mo.	11 mo.	29 mo.	35 mo.	40 mo.					
Los Lunas Schools	P22-004	P22-004 Ann Parish ES (Los Lunas)	<div style="width: 60%; background-color: green;">60%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Planning.	\$42,000.00	\$0.00	\$0.00	\$42,000.00
			9 mo.	22 mo.	41 mo.	52 mo.	53 mo.					
Los Lunas Schools	S19-013	S19-013 Los Lunas MS (Los Lunas)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 10%; background-color: green;">10%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Construction.	\$5,964,611.00	\$5,580,524.33	\$1,590,719.03	\$384,086.67
			0 mo.	0 mo.	2 mo.	5 mo.	13 mo.					
Magdalena Municipal Schools	S19-014	S19-014 Magdalena Combined School (Magdalena)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 1%; background-color: green;">1%</div>	In 11 month warranty correction period.	\$403,925.00	\$377,032.23	\$342,511.09	\$26,892.77
			0 mo.	0 mo.	0 mo.	0 mo.	8 mo.					
Mosquero Municipal Schools	P22-002	P22-002 Mosquero Combined (Mosquero)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 0%; background-color: green;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Design.	\$54,923.00	\$0.00	\$0.00	\$54,923.00
			0 mo.	0 mo.	0 mo.	0 mo.	0 mo.					
New Mexico School for the Blind and Visually Impaired	P14-019	P14-019 NMSBVI Quimby Gymnasium	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 77%; background-color: yellow;">77%</div>	In 11 month warranty correction period	\$2,589,459.45	\$2,293,143.10	\$2,260,108.69	\$296,316.35
			0 mo.	0 mo.	0 mo.	0 mo.	1 mo.					
New Mexico School for the	P14-020	P14-020 Sacramento Dormitory	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 13%; background-color: red;">13%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Construction.	\$229,442.00	\$173,719.22	\$121,341.36	\$55,722.78

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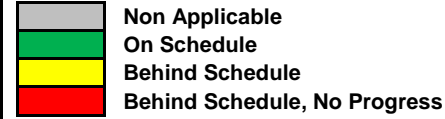


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Blind and Visually Impaired												
			0 mo.	0 mo.	11 mo.	0 mo.	0 mo.					
New Mexico School for the Blind and Visually Impaired	P15-009	P15-009 Garrett Dormitory	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 27%; background-color: green;">27%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Construction.	\$11,337,490.50	\$3,812,749.35	\$652,402.90	\$7,524,741.15
			0 mo.	0 mo.	8 mo.	0 mo.	14 mo.					
New Mexico School for the Deaf	P15-010	P15-010 Cartwright Hall	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: yellow;">100%</div>	In 11 month warranty correction period.	\$6,164,578.00	\$5,899,065.30	\$5,877,596.97	\$265,512.70
			0 mo.	0 mo.	0 mo.	0 mo.	1 mo.					
Portales Municipal Schools	K18-011	K18-011 Brown Early Childhood Center (Portales)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 67%; background-color: green;">67%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Construction.	\$1,665,294.00	\$1,665,293.97	\$610,821.14	\$0.03
			0 mo.	0 mo.	4 mo.	5 mo.	16 mo.					
Portales Municipal Schools	S20-008	S20-008 Brown Early Childhood Center (Portales)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 68%; background-color: green;">68%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Construction.	\$2,997,513.00	\$1,959,712.64	\$521,532.93	\$1,037,800.36
			0 mo.	0 mo.	6 mo.	13 mo.	19 mo.					
Portales Municipal Schools	S22-003	S22-003 Portales HS (Portales)	<div style="width: 25%; background-color: green;">25%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Planning.	\$0.00	\$0.00	\$0.00	\$0.00
			8 mo.	0 mo.	0 mo.	0 mo.	0 mo.					
Raton Public Schools	S22-001	S22-001 Longfellow ES (Raton)	<div style="width: 12%; background-color: yellow;">12%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Planning.	\$162,081.00	\$0.00	\$0.00	\$162,081.00
			8 mo.	0 mo.	0 mo.	0 mo.	0 mo.					
Raton Public Schools	S22-005	S22-005 Raton HS (Raton)	<div style="width: 12%; background-color: yellow;">12%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Planning.	\$280,339.00	\$0.00	\$0.00	\$280,339.00
			8 mo.	0 mo.	0 mo.	0 mo.	0 mo.					
Raton Public Schools	S22-010	S22-010 Columbian ES (Raton)	<div style="width: 10%; background-color: yellow;">10%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Planning.	\$386,050.00	\$0.00	\$0.00	\$386,050.00
			8 mo.	0 mo.	0 mo.	0 mo.	0 mo.					
Roswell Independent Schools	P19-009	P19-009 Mesa MS (Roswell)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 31%; background-color: green;">31%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Construction.	\$15,672,121.00	\$14,361,464.07	\$583,261.12	\$1,310,656.93
			0 mo.	0 mo.	9 mo.	13 mo.	27 mo.					
Roswell Independent Schools	P19-010	P19-010 Nancy Lopez ES (Roswell)	<div style="width: 100%; background-color: green;">100%</div>	<div style="width: 28%; background-color: yellow;">28%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	<div style="width: 0%; background-color: grey;">0%</div>	In Design.	\$1,547,738.00	\$0.00	\$0.00	\$1,547,738.00
			0 mo.	10 mo.	4 mo.	5 mo.	7 mo.					

PSCOC Project Status Report

Monday March 14, 2022



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School District	Project #	Project Name	PP	DD	C	FC	PC	Manager Report	AWARD TOTAL	COMMITTED	EXPENDED	AWARD BALANCE
Roswell Independent Schools	P20-003	P20-003 Mountain View MS (Roswell)	<div style="width: 50%; background-color: yellow; border: 1px solid black;">50%</div> 5 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 10 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 19 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 24 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 30 mo.	In Planning.	\$1,807,637.00	\$0.00	\$0.00	\$1,807,637.00
Roswell Independent Schools	P20-006	P20-006 Washington Avenue ES (Roswell)	<div style="width: 82%; background-color: yellow; border: 1px solid black;">82%</div> 3 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 13 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 27 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 32 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 38 mo.	In Planning.	\$51,000.00	\$0.00	\$0.00	\$51,000.00
Roswell Independent Schools	S20-001	S20-001 Roswell HS (Roswell)	<div style="width: 100%; background-color: green; border: 1px solid black;">100%</div> 0 mo.	<div style="width: 22%; background-color: yellow; border: 1px solid black;">22%</div> 10 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 6 mo.	In Planning.	\$234,600.00	\$0.00	\$0.00	\$234,600.00
San Jon Municipal Schools	S20-005	S20-005 San Jon Combined School (San Jon)	<div style="width: 100%; background-color: green; border: 1px solid black;">100%</div> 0 mo.	<div style="width: 20%; background-color: yellow; border: 1px solid black;">20%</div> 8 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	In Design	\$152,006.00	\$102,186.84	\$0.00	\$49,819.16
Santa Rosa Consolidated Schools	E18-001	E18-001 Anton Chico (Santa Rosa)	<div style="width: 80%; background-color: green; border: 1px solid black;">80%</div> 2 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	Start of Design in process.	\$150,000.00	\$85,363.40	\$74,664.90	\$64,636.60
Socorro Consolidated Schools	P19-015	P19-015 Sarracino MS (Socorro) (Formerly S19-015)	<div style="width: 100%; background-color: green; border: 1px solid black;">100%</div> 0 mo.	<div style="width: 5%; background-color: green; border: 1px solid black;">5%</div> 11 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 23 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 29 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 34 mo.	Start of Design in process.	\$10,931,229.00	\$30,811.69	\$30,345.67	\$10,900,417.31
Socorro Consolidated Schools	S19-016	S19-016 Socorro HS (Socorro)	<div style="width: 100%; background-color: green; border: 1px solid black;">100%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 6 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 12 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 17 mo.	Project on hold due to District readiness.	\$184,875.88	\$23,221.14	\$0.00	\$161,654.74
Truth or Consequences Municipal Schools	S22-006	S22-006 Sierra ES (Truth or Consequences)	<div style="width: 100%; background-color: green; border: 1px solid black;">100%</div> 0 mo.	<div style="width: 0%; background-color: yellow; border: 1px solid black;">0%</div> 10 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	Start of Design in process.	\$26,712.00	\$0.00	\$0.00	\$26,712.00
Tularosa Municipal Schools	S19-017	P19-017 Tularosa MS (Orig. S19-017)	<div style="width: 100%; background-color: yellow; border: 1px solid black;">100%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	In Planning.	\$53,250.00	\$33,307.28	\$7,505.58	\$19,942.72
Tularosa Municipal Schools	S22-009	S22-009 Tularosa Intermediate (Tularosa)	<div style="width: 50%; background-color: green; border: 1px solid black;">50%</div> 5 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	<div style="width: 0%; background-color: grey; border: 1px solid black;">0%</div> 0 mo.	In Planning.	\$394,619.00	\$0.00	\$0.00	\$394,619.00

In 11 month warranty correction period.

PSCOC Project Status Report

Monday March 14, 2022

	Non Applicable
	On Schedule
	Behind Schedule
	Behind Schedule, No Progress

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School District	Project #	Project Name	PP	DD	C	FC	PC	Manager Report	AWARD TOTAL	COMMITTED	EXPENDED	AWARD BALANCE
West Las Vegas Public Schools	P13-009	P13-009 West Las Vegas Middle School	100%	100%	100%	100%	100%		\$6,717,738.00	\$6,100,442.08	\$5,963,290.20	\$617,295.92
			0 mo.	0 mo.	0 mo.	0 mo.	1 mo.					
West Las Vegas Public Schools	S19-018	S19-018 Tony Serna Jr. ES (West Las Vegas)	100%	0%	0%	0%	0%	In Planning.	\$619,202.00	\$201,686.62	\$17,733.61	\$417,515.38
			0 mo.	0 mo.	0 mo.	0 mo.	0 mo.					
Zuni Public Schools	P19-011	P19-011 Zuni MS (Zuni)	100%	0%	0%	0%	0%	Start of Design in process.	\$75,000.00	\$58,650.00	\$58,650.00	\$16,350.00
			0 mo.	0 mo.	0 mo.	0 mo.	0 mo.					
Zuni Public Schools	P21-001	P21-001 Twin Buttes HS, Zuni HS (Zuni)	20%	0%	0%	0%	0%	In Planning.	\$75,000.00	\$73,417.78	\$0.00	\$1,582.22
			0 mo.	0 mo.	0 mo.	0 mo.	0 mo.					

\$165,773,195.84	\$91,874,885.49	\$49,933,425.59	\$73,898,310.35
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I. Legislative Session Update

II. Presenter: Ramona C. Martinez, Staff Attorney & Chief Procurement Officer

III. Executive Summary (Informational):

Key Points:

The following legislative bills from the 2022 regular session were analyzed by the PSFA, or if passed may have an impact on the PSCOC and/or PSFA.

- HB43 – Charter School Facility Improvements
 - Lease Assistance formula will no longer require measurement of “classroom space” in charter facilities to calculate the potential awards
 - Will increase total Lease Assistance award amount
- HB119 – Adjust Certain School Distribution
 - Increase state match proposed will result in additional funding to school districts who qualify for matching funds
- HB122 – School Cyber Security (did not pass)
- HB2 – General Appropriations
 - Establishes PSFA operating budget for FY23
- SB 212 – Capital Outlay Projects
 - Increase funds for Pre-K facilities
 - Increases repair and maintenance for schools

Exhibits:

A – Legislative Updates – 2022 Regular Session

EXHIBIT "A"

Legislative Updates- 2022 Regular Session

Bill No. and Title	Purpose	Impact to PSFA	Status
HB43 Charter School Facility Improvements	<p>1). New material for the NM Finance Authority. The NMFA shall adopt rules to govern and to make loans to charter school facilities for the purchase, construction, expansion or renovation of facilities or to pay for the purchase, construction, expansion or renovation of facilities or to pay off lease purchase arrangements.</p> <p>2). Creates a new requirement of districts to charter schools at Section 22-8B-4; Charter Schools' Rights and Responsibilities in which each school district shall notify charter schools within their districts of available land or one or more available facilities currently not in use no later than May 1 of each year. The PSFA shall annually ensure that each school district with available land or one or more available facilities has provided that notification. Each district may develop a prioritization plan for such properties.</p> <p>3). Changes to Public School Capital Outlay Act pertaining to lease assistance. The formula for lease assistance funding to be based on the gross square footage of "facilities," rather than "classroom space." The bill defines "facilities as "the space needed, for school activities."</p>	<p>Creates an administrative requirement for PSFA that it may not be able to effectively carry-out as it pertains to ensuring that school districts notify charter schools of available land or one or more available facilities.</p> <p>The lease assistance formula will no longer require PSFA to measure "classroom space" in charter facilities to calculate the lease assistance grant awards. It is possible that the new calculation may increase the lease assistance amount from the fund to charter schools.</p>	Passed in the Senate Y:41 N:0, /Not Signed.
HB119 Adjust Certain School Distribution	This Bill 119 amends the Public School Capital Improvements Act, commonly known as "SB9," state funding calculation to increase capital outlay funding for all school districts. The bill changes the formula for the program guarantee, a level of "guaranteed" funding that districts generate through a combination of local SB-9 revenues and state SB-9 funds. Section 4 of the Bill repeals Section 22-24-4.4, Serious Roof Deficiencies.	The increased state match proposed in HB119 will result in additional funding to school districts who qualify for state matching funds. This increase will benefit school districts for the purposes stated in Section 22-25-9 NMSA 1978.	Passed in the Senate Y:34 N:0, /Not Signed.
HB122 School Cybersecurity	The purpose of this Bill proposed an appropriation of \$45M from the General Fund to the Department of Information Technology between FY23 and FY26 to hire 3 FTE who will develop a cybersecurity program that meets federal standards for public schools, state special schools, and the statewide education technology infrastructure network.	Until it is determined if the PSFA is the responsible agency for the statewide education network, this would not have any impact on the PSFA.	HEC Do Not Pass but with a Do Pass Recommendation on Committee Substitution
HB2 General Appropriations	Operational budget- \$6,074,000 section 4 (line 25) and \$ 478,600 in section 5; for a total of 6,552,600 See line 113	HB 2: Establishes the agency operating budget for FY23; starting July 1, 2022.	Passed in the Senate Y:37 N:3, /Not Signed.
	Section 5, Item 112: \$1,000,000 Transfer to PED for Panic Buttons	Transfer to PED for Panic Buttons	
	Section 5, Item 113: \$ 478,600 Special for personal services & employee benefits (PS & EB)	Increase for PS & EB category	
SB 212 Capital Outlay Projects	Section 49: \$ 5,526,500 transfer to PED for buses and alternatively fuel (charging stations)	Transfer to PED for buses and alternatively fueled schools buses	Passed in the House Y:64 N:0, / Not Signed.
	Section 50: \$ 5,000,000 Prek K building & renovation	Increases funds for Pre-K buildings	
	Section 51: \$ 75,000,000 Repair and maintenance	Increases repair and maintenance for Schools	

I. Semi-Annual HR Staffing Report

II. Presenter: Justin Owens, Human Resources Manager

III. Executive Summary (Informational):

Key Points:

PSFA has historically maintained a double-digit turnover and vacancy rate, which has continued over the past two fiscal years.

Key Issues:

- Since FY18, PSFA’s budget and funded FTE have been reduced, yet the program demand has increased three-fold while anticipating a significant increase in awards in the new cycle.
- Vacancy rate remains high due to scarcity of quality applicants in rural areas, noncompetitive compensation.
- Majority of turnover resulting from retirement and staff leaving for other public sector competitors.

94000 Annualized Vacancy Rates by Fiscal Year															
Fiscal Year	# of FTE Approved		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Average
2018	56	Filled Positions	50	50	50	48	48	48	48	48	48	48	47	46	48.25
		Vacancy %	12%	12%	12%	17%	17%	17%	17%	17%	17%	17%	17%	19%	22%
2019	50	Filled Positions	49	49	48	45	42	45	45	44	42	42	41	39.5	44.3
		Vacancy %	2%	2%	4%	11%	19%	11%	11%	14%	19%	19%	22%	27%	13%
2020	50	Filled Positions	40.5	39.5	41.5	40.5	39.5	39.5	38.5	39.5	38.5	41.5	40.5	39.5	39.9
		Vacancy %	23%	27%	20%	23%	27%	27%	30%	27%	30%	20%	23%	27%	25%
2021	50	Filled Positions	39.5	39.5	39.5	41.5	42.5	42.5	40.5	40.5	42.5	44.5	42.5	41.5	41.4
		Vacancy %	27%	27%	27%	20%	18%	18%	23%	23%	18%	12%	18%	20%	21%
2022*	50* (changed to 56 late Dec.)	Filled Positions	41.5	42.5	46.5	43.5	43	43	41	42					42.9
		Vacancy %	20%	18%	8%	15%	16%	16%	37%	33%					20%

* FTE approved increased from 50 to 56 on December 20, 2021.

- Total # of Data Collection Months in FY22: 8
- Total # of staff separations during the past 12 months: 14 (3 retirement, 9 resignation, 2 terminations)
- Average FTE during the past 12 months: 42.5
- Average Vacancy Rate for FY 2022: 20%

I. BDCP – Review of Broadband Technology Options for a Statewide Education Technology Infrastructure**II. Presenter(s):** Martica Casias, Executive Director
Ovidiu Viorica, Broadband & Technology Program Manager**III. Executive Summary (Informational):****Key Points:**

- Fiber optics are the preferred medium where feasible.
- Wireless communications can be suitable for filling broadband service gaps.
 - Terrestrial microwave
 - Satellites (Geosynchronous)
 - Satellites (Low Earth Orbit - LEO)
 - High Altitude Platform Systems (HAPS)
- Wireless may be more cost-effective and may be deployed faster, yet the Total Cost of Ownership (TCO) has to be evaluated, because it has higher maintenance cost and the equipment replacement rate is higher.
- Wireless presents certain technical limitations and is susceptible to negative effects from environmental factors.
- A technology-neutral approach ensures the most effective and cost-effective solution is selected.
- The private industry, Internet Service Providers (ISPs) are best positioned to provide the most cost-effective solution.
- The Government can provide coordination and expertise to help entities develop viable projects that the private sector can provide proposals on.
- The Federal Government is providing subsidies for high cost areas where deployment of infrastructure and providing affordable service is cost-prohibitive.
 - Example: It may cost \$100,000 to reach ten households in a rural area. The affordable rate for a (lower income) family is estimated to be around \$20/month (out of pocket). Even with a \$30/month federal subsidy (Affordable Connectivity Program), the potential revenue, if the families sign up for service, is \$50/month (or \$600/year or \$6,000/10 years). For the 10 households, the total potential revenue for 10 years is a maximum of \$60,000. This amount will not cover the initial build. It may or may not cover the operational cost (depending on a variety of factors).
- For the reasons outlined in the report, each technology represents a tool to deliver broadband service for a particular set of circumstances or for a

particular project. It is very difficult to determine the most appropriate technology to be used without defining/establishing these circumstances.

Exhibits:

Exhibit A – Broadband Technology Comparison Summary

Exhibit B – Broadband Technology Comparison Report

EXHIBIT "A"

Executive Summary

Broadband Technology Alternatives Analysis

NMPSFA Broadband Team

February 2022

Columbia Telecommunications Corporation (CTC) provided the "Broadband Technology Alternatives Analysis" to New Mexico Public Schools Facilities Agency (PSFA) as part of the Statewide Education Network (SEN) engineering and design effort.

What: This report reviews current and expected future wireless technologies and platforms with respect to their potential use in New Mexico's Statewide Education Network (SEN).

Findings: While fiber optics are the preferred medium, wireless technology may be suitable for extending connectivity to remote locations that cannot be cost-effectively served by fiber. Satellite technology has an expensive initial cost and continues to be expensive on a monthly-service basis.

Background:

Fiber

Fiber optics is an ideal high-capacity transmission medium and the technology of choice for communications links in short, medium, and long-haul applications. The unrivaled transmission capacity of optical fibers, combined with a projected lifespan that far exceeds 30 years, makes construction of fiber optic infrastructure a future-proof investment that will meet the SEN's current and next-generation requirements.

Fiber has low operations and maintenance costs. The medium is practically immune to environmental factors such as material corrosion, lightning, sun spots, or radio wave interference that commonly impact conventional coaxial cable, twisted-pair copper, satellite, and other wireless transmission systems.

Wireless

Wireless communications may be suitable for filling broadband service gaps. While wireless solutions have limitations in terms of bandwidth and reach, the technologies have undergone dramatic innovations in recent years and continue to evolve.

Terrestrial microwave solutions

Microwave point-to-point transmission links have been and remain an integral part of modern communications infrastructures. Microwave links are widely employed where fiber is not

Executive Summary
Broadband Technology Alternatives Analysis
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Microwave point-to-point transmission links have been and remain an integral part of modern communications infrastructures. Microwave links are widely employed where fiber is not

practical or not available. While microwave links cannot match fiber capacity, do not have the bandwidth augmentation flexibility of fiber, and are susceptible to environmental factors, they may meet the capacity requirements of a specific project at a lower cost.

Satellite-based communications

Satellite-based communication, facilitated by geostationary and low earth orbiting satellites (LEOS), provide the distinct advantage over terrestrial communication of nearly ubiquitous coverage of a large area of up to thousands of square miles. The mostly unencumbered line of sight with the satellite—apart from local obstructions by vegetation or built structures—means service availability is high. The large distance between transmitter and receiver requires fixed antennas and is not suitable for mobile broadband service.

Overview of technology and service providers

Satellite communications via geostationary platforms has been offered for years by several companies in North America, most notably by Viasat, HughesNet, and Telesat. Their satellites are positioned at a distance of 36,000 km from earth, orbiting in synchronization with the earth's rotation. The high latitudes provides the ability for coast-to-coast coverage with one or a few satellites.

A drawback shared by all geostationary communication is the high signal latency, which is on the order of 330 ms. Data-only applications are not as much impacted by the delay as interactive services or voice communication. In areas of high take-rates (i.e., many subscribers) the user experience tends to be diminished.

In contrast to geostationary satellites, Low Earth Orbit Satellites (LEOS) have a much-improved broadband potential. As their orbits are at an altitude of 500 km to 650 km, signal delays are an order of magnitude shorter. More importantly, the signal path loss is drastically reduced, allowing higher order modulations in the support of higher data rates. Due to the lower orbits, LEOS provide a smaller wireless coverage area on earth. But because LEOS travel at a faster angular speed than the earth's rotation, more satellite stations are required to guarantee continuous connectivity on the ground.

Starlink is making final preparations for the launch of a "Premium" service, scheduled for availability in the second quarter of this year (2022).

Starlink's residential service is priced at \$100 per month and requires the purchase of the antenna and customer premises equipment—which Starlink prices at \$500, although the equipment has a reported manufacturing cost of \$1,000.

Starlink's Premium service subscription is currently priced at \$500 per month. The customer premises equipment, including antenna, has a price tag of \$2,500.

Middle-mile in the sky

Telesat, a Canadian satellite operator of 15 geostationary satellites with yearly revenue of \$700 million, is working on Lightspeed, a LEOS-based service with an investment of \$5 billion and plans to be operational by 2025. Unlike Starlink and Kuiper, which primarily serve the residential and small business markets, Lightspeed is targeting enterprise customers with data rate requirements from 100 Mbps guaranteed bandwidth to gigabit speeds with carrier-grade availability. In that role within the communications market, Lightspeed is the equivalent of a middle-mile fiber provider in the sky providing lit point-to-point and point-to-multipoint services, although with lower capacity.

High-altitude platform systems (blimps)

In light of the high capital investments and operations costs of satellite communications, the concept of lower-cost high-altitude platform systems (HAPS) has gained much attention in the communications community in recent years.

The most significant advantages of HAPS over terrestrial and satellite communications cited by industry experts include:

- Capital investment and cost of operations is expected to be drastically lower for HAPS than for satellite systems.
- HAPS provide flexibility in serving remote areas and in filling terrestrial wireless coverage gaps (white spots).
- Services provided from HAPS may be possible with off-the-shelf customer equipment.
- Signal latency from HAPS platforms of approximately 0.3 ms is comparable to terrestrial wireless communication and therefore suitable for voice communication and interactive applications.
- HAPS have short deployment time: HAPS can be brought into position within hours, which may be in high demand in disaster recovery scenarios.
- Easy payload and transponder customization allow HAPS to support a variety of service models, including backhaul service.

Status of HAPS development

Sceye, a company that has concentrated its efforts on blimp technology development, claims to be close to a final prototype that could be put into service by 2024, assuming that the test flights in the next two years validate the expected long-term integrity of the blimp's skin material, solar cell capacity, and the flight control system of the airship.¹ The company has developed and tested nine blimp prototypes in eight years.

Sceye estimates that their blimps will be able to hold payloads of several hundred kilograms and stay in designated positions for up to a year before they would have to be returned to ground for maintenance.

Outlook for HAPS

Sceye, among other HAPS developers, views its role in the broadband service industry moving forward as a service facilitator—a tower in the sky. Analogous to tower owners that lease tower real estate to wireless carriers, Sceye intends to lease or to rent their blimps to service providers, which in turn will define their service models.

No communications provider has signed up for a contract or publicly articulated a clear service plan for HAPS-based communication at this time.

Conclusion

Modern wireless communications systems lend themselves to new connectivity options including the designs of hybrid fiber networks supporting gigabit speeds with carrier-grade reliability. Wireless technologies are most often integrated with fiber networks at locations of fiber scarceness, or when the price of lit-fiber service outweighs the implementation cost of a microwave link.

While wireless technology is not suitable for New Mexico's SEN backbone based on the SEN's capacity requirements, the interconnections with remote anchor institutions could be comprised of a combination of fiber and wireless technologies for routes where fiber is not contiguous or is unaffordable.

Alternatives to terrestrial wireless broadband communications in the form of satellite communications are on the horizon. Satellites have an advantage over terrestrial systems in being able to bridge much larger geographic connectivity gaps on earth with high levels of service agility. Low earth orbiting satellites (LEOS) suitable for broadband service are currently in various phases of development or deployment and in some cases are already operational. Services that may be usable for private network access of smaller scale could become available (e.g., the SpaceX Starlink service) within months.

The use of high-altitude platform systems (HAPS) as communications platforms closer to earth could offer similar versatility as LEOS. Service availability from those platforms is speculative at this time as use cases and business services have yet to be defined by interested carriers.

Sky and space-based communications platforms may be viewed as one of the next revolutionary technologies for broadband for all. Although it is almost certain that these wireless platforms will not replace fiber infrastructure where available, their potential benefits and opportunities for use in the broadband landscape should be evaluated in due time.

EXHIBIT "B"

ctc technology & energy

engineering & business consulting



Broadband Technology Alternatives Analysis

New Mexico Public School Facilities Authority

March 2022

Columbia Telecommunications Corporation

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3-14-2022 PSCOC Meeting

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1 Executive summary

This report reviews current and expected future wireless technologies and platforms with respect to their potential use in the New Mexico Statewide Education Network (SEN). While fiber optics are the preferred medium, wireless technology may be suitable for extending connectivity to remote locations that cannot be cost-effectively served by fiber.

1.1 Overview of SEN

The proposed New Mexico SEN is designed as a hybrid star network with a fiber-optic backbone that passes nine educational institutions. Additional participants are planned to be connected in a hub-and-spoke fashion off the backbone node locations. The PSFA's request for proposals (RFP) identified 56 anchor institutions for network access.¹

The SEN RFP presented an estimated capacity of 1 Mbps per student as a guideline, which is appropriate for educational usage. (By comparison, a household consumes on average approximately 3.5 Mbps downstream at peak times, which is the aggregate of multiple devices and accounts for video streaming applications.)

Based on the list of schools that have expressed interest in participating in the SEN (Appendix A), 36 locations require network capacities of less than 1 Gbps on day one. Given that level of demand, the analysis of technology options presented in this report assumes a benchmark capacity of 1 Gbps per location. That is not to say that lower bitrate systems may be insufficient for some locations, nor would it suggest that higher bitrates would not be desirable for others at some time in the future.

1.2 Why fiber is the preferred medium

Fiber optics is an ideal high-capacity transmission medium and the technology of choice for communications links in short, medium, and long-haul applications. The unrivaled transmission capacity of optical fibers, combined with a projected lifespan that far exceeds 30 years, makes construction of fiber optic infrastructure a future-proof investment that will meet the SEN's current and next-generation requirements.

In contrast to other wire-based and wireless transmission technologies, fiber has low operations and maintenance costs. The medium is practically immune to environmental factors such as material corrosion, lightning, or radio wave interference that commonly impact conventional coaxial cable, twisted-pair copper, and wireless transmission systems.

¹ <https://www.nmpsfa.org/wordpress/contract-opportunities/>

1.3 Why wireless technologies should be considered for some SEN connections

Unfortunately, due to its high capital costs, fiber infrastructure is not ubiquitously available, particularly in remote regions with low population densities. Projects lag or are not even considered by the private sector where there would be insufficient return on investment.

For those regions, wireless communications may potentially be suitable for filling broadband service gaps. While wireless solutions have limitations in terms of bandwidth and reach, the technologies have undergone dramatic innovations in recent years and continue to evolve—as exemplified by the proliferation of broadband mobile service.

In addition to terrestrial-based wireless network access, new concepts of satellite communications and flying platforms that are in latter phases of development or even at early stages of test deployments could become viable communications vehicles for communities where fiber construction is and will remain cost-prohibitive.

Wireless connectivity may even be contemplated as a substitute of fiber segments where the cost of leasing fiber capacity is deemed too high or where the cost of new construction cannot be justified based on the bandwidth requirements. A wireless implementation also offers a timeline that typically is much shorter than new fiber construction.

1.4 Wireless technologies could meet SEN bandwidth requirements in some locations

The evaluation of alternatives to fiber connectivity must take into account the current bandwidth demand and the scalability of envisioned technologies to meet future requirements.

As the analysis in this report illustrates, modern wireless communications systems lend themselves to new connectivity options including the designs of hybrid fiber networks supporting gigabit speeds with carrier-grade reliability. Wireless technologies are most often integrated with fiber networks at locations of fiber scarcity, or when the price of lit fiber service outweighs the implementation cost of a microwave link.

Between proven conventional microwave technologies and emerging new generations of fixed wireless concepts, terrestrial wireless solutions offer a range of options from long-distance trunking to low-cost regional access. While wireless technology is not suitable for New Mexico's SEN backbone based on the SEN's capacity requirements, the interconnections with remote anchor institutions could be comprised of a combination of fiber and wireless technologies for routes where fiber is not contiguous or is unaffordable.

Alternatives to terrestrial wireless broadband communications in the form of satellite communications are on the horizon. Satellites have an advantage over terrestrial systems in

being able to bridge much larger geographic connectivity gaps on earth with high levels of service agility. Low-Earth orbit (LEO) satellites suitable for broadband service are currently in various phases of development or deployment and in some cases are already operational. Services that may be usable for private network access of smaller scale could become available (e.g., the SpaceX Starlink service) within months.

The use of high-altitude platform systems (HAPS) as communications platforms closer to earth could offer similar versatility as LEO satellites. Due to their lower altitude the wireless coverage area would be smaller but could afford higher data capacity. HAPS are for the most part still in various phases of engineering development and testing. Service availability from those platforms is speculative at this time as use cases and business services have yet to be defined by interested carriers. If HAPS deployments become viable, they could be strategically placed in areas of need or opportunity.

Sky and space-based communications platforms may be viewed as one of the next revolutionary technologies for delivering broadband to all. Although it is almost certain that these wireless platforms will not replace fiber infrastructure where available, their potential benefits and opportunities for use in the broadband landscape should be evaluated in due time.

2 Overview of wireless spectrum and propagation characteristics

Wireless technologies have become pervasive in recent years with innovations that enable faster data rates on smaller and lower-cost devices for consumers and the commercial market alike. The ongoing technology improvements and developments have had significant impacts on throughput and performance of access technologies (such as Wi-Fi equipment operating at 2.5 GHz to 5 GHz) and short and long-haul transmission technologies.

Capacity enhancements have been made possible through innovations of concurrent use of multiple frequency channels that are bonded to form an aggregate data stream. More importantly, new modulation formats, higher orders of modulation, and advanced error correction algorithms have been incorporated in transmission technologies that permit higher information rates within the spectrum constraints of the allocated frequency bands (i.e., more bits per Hz) and thus improved spectrum efficiencies.

Wireless beam forming techniques have become essential elements of modern wireless broadband communications. Beam forming is achieved by means of phased array antennas and massive multiple input-multiple output antennas (MIMO) that permit to focus the radiated energy from the transmitter to the communicating target devices. Because beam forming reduces the spread of the transmitted signals spatially, it also provides the means of frequency re-use, which raises the number of devices the transmitter can serve at any given time. Beam forming is the quintessential technology for many high-performance transmission platforms, including 5G, millimeter wave (mmWave) distributed networks, Wi-Fi access points, and satellite broadband systems.

Irrespective of the antenna designs, the physics of electromagnetic propagation laws apply—so the path loss between transmitter and receiver is proportional to $[1/(distance*frequency)^2]$. As a result of that relationship, high frequency domains are more suitable for short distances and lower frequencies are preferable for long-haul systems.

The wireless communications spectrum spans a wide range from a few hundred MHz to mmWaves of over 80 GHz. The spectrum is subdivided in frequency bands with allocations for specific telecommunications use cases, such as mobile service, satellite communications, radar, and public safety.

Common spectrum bands used for wireless terrestrial broadband networks are operating in unlicensed parts of the spectrum of 2.4 GHz, 5.3 GHz, 5.8 GHz, 24 GHz, or 60 GHz, or in licensed bands at 2 GHz, 6 GHz, 11 GHz, 18 GHz, 23 GHz, or 80 GHz.

Unlicensed spectrum provides the convenience of ad-hoc usability and the ease of uncomplicated set-up of communications infrastructures. On the downside, communications in unlicensed

spectrum are at risk of interference from third-party wireless sources. Radio frequency (RF) congestion tends to degrade the reliability and capacity of wireless communications to the point of temporary unavailability.

In general, high availability (i.e., 99.99 percent or higher) requires the use of licensed spectrum, which is practically guaranteed to be interference-free. The Federal Communications Commission (FCC) administers the licenses and assigns specific frequencies to new licensees based on spectrum availability.

Aside from electromagnetic interference, wireless communication is susceptible to environmental factors including atmospheric absorption and rain or snowfall. Rain causes signal attenuation at a myriad of narrow frequency slots throughout the communications spectrum but generally has a stronger impact in higher frequency bands. For that reason and because of the physics of propagation path loss mentioned above, low frequency bands are preferable for long-range communications systems while low frequencies are used in applications of shorter distances.

3 Characteristics of current and emerging wireless technologies

The sections below describe the key characteristics of terrestrial microwave solutions (i.e., fixed wireless networks using unlicensed or licensed spectrum), satellite-based communications, and emerging high-altitude platform systems.

3.1 Terrestrial microwave solutions

Microwave point-to-point transmission links have been and remain an integral part of modern communications infrastructures. Even with the proliferation of fiber infrastructure, microwave links are widely employed where fiber is not practical or not available. They allow for rapid installation and service turnup; incur relatively low planning costs; and are not affected by disruptions caused by groundwork along the transmission path. While microwave links cannot match fiber capacity, do not have the bandwidth augmentation flexibility of fiber, and are susceptible to environmental factors, they may meet the capacity requirements of a specific project at a lower cost.

3.1.1 Long-haul point-to-point links

The capacity of terrestrial microwave links depends on link distance and available spectrum. Microwave links are particularly an option for consideration for backhaul of locally aggregated traffic where fiber is unavailable or where time to market may be a relevant factor. Thus, microwave links may be complementary to fiber builds and serve as substitutes in portions of middle-mile fiber builds for institutions, enterprises, or last-mile service providers.

Microwave point-to-point links for distances exceeding 10 miles are typically operated in frequency bands at 6 GHz, 11 GHz, 18 GHz, or 23 GHz of licensed spectrum. For longer link lengths, the lower frequency bands are usually chosen because of the inherently lower path loss. Depending on capacity and distance, one or several frequencies may be required to obtain the desired throughput. Microwave links that connect stations 20 to 30 miles apart are typically operating in the 6 GHz and 11 GHz spectrum.

New generations of microwave technologies can maintain availability of 99.99 percent to 99.999 percent even in adverse weather conditions, due to adaptive modulation techniques. Older-generation equipment with rigid modulation schemes (which were optimized for maximum performance) dropped connectivity when the signal power was attenuated by rain or snow and reached a certain low threshold. Adaptive modulation is a mitigating mechanism that dynamically tunes the transmitter to lower bitrates—which require lower signal-to-noise ratios for successful signal transmission.

3.1.1.1 Sample point-to-point deployment to connect a remote location

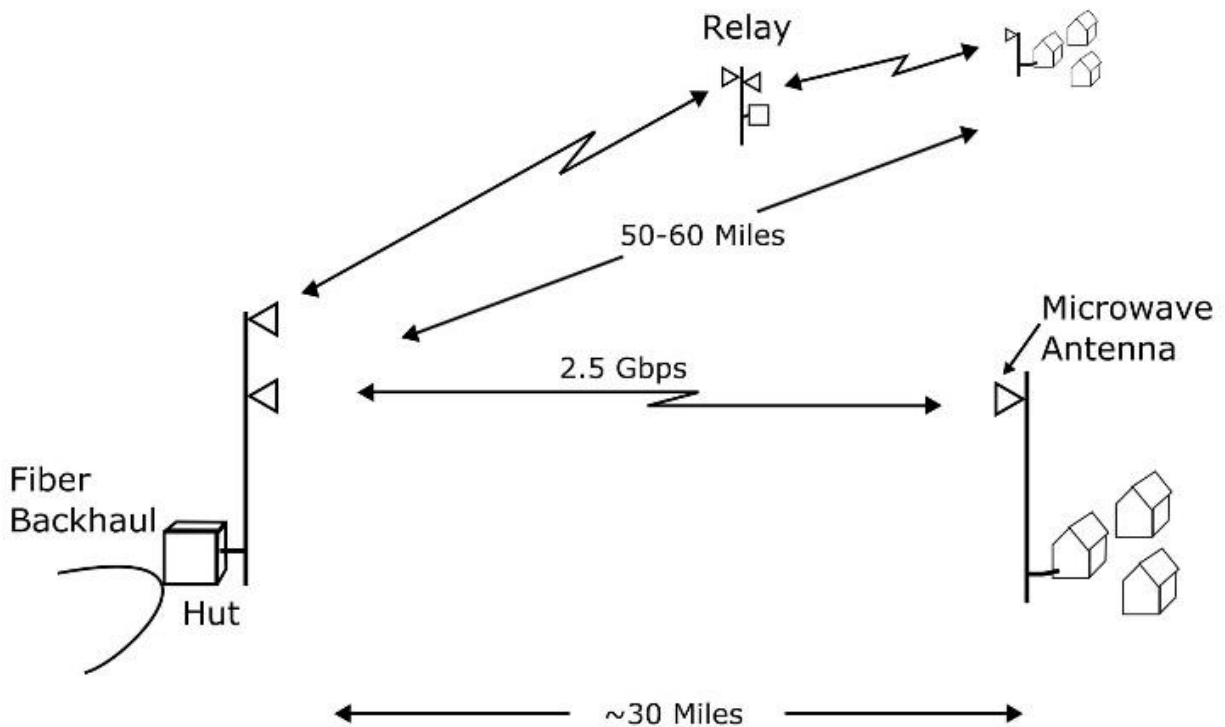
A sample microwave point-to-point deployment scenario for establishing connectivity with an unserved remote location is illustrated in Figure 1 (below). Based on industry practice and

experience, links of up to 30 miles can be implemented with a data throughput of up to 2.5 Gbps. Longer distances are achievable, but at the expense of the transmittable data rate. As an example, a 1 Gbps transmission link in Utah on mostly flat terrain measures 66 miles. The longest known microwave link measures close to 120 miles over water and still provides 1 Gbps of capacity.²

Because line of sight between the microwave stations is an absolute requirement and the direct visual line between the microwave radios must have considerable lateral clearance (i.e., with no obstructions along its path), antennas for long-distance communications are required to be positioned at high elevations. Depending on the station’s surroundings and link distance, elevation between 30 feet to 200 feet may be required; 90 feet is a typical and average mounting height for a microwave antenna operating at 6 GHz or 11 GHz. The height might also be dictated by topological situations such as the need to clear a structure in the immediate vicinity of the tower.

Implementation of longer microwave links can be facilitated by using repeaters or relays (Figure 1). Repeater stations are also deployed if the end points are not in sight of each other, in which case even a cascade of repeater stations may be needed.

Figure 1: Microwave point-to-point long-haul links for interconnection of remote sites



² BTSA Broad Telecom, <https://www.bteas.com/2021/06>

The design and planning of microwave-based communications links require detailed onsite analysis. The project starts with an RF survey that clarifies spectrum availability and potential interference that need to be taken into account in the engineering design. Depending on the RF environment, certain frequency bands may have to be excluded from the spectrum plan. Authorization for the wireless operator’s exclusive use of a frequency band at specific locations is granted by the FCC when interference-free operation has been verified and documented.

The feasibility study of a planned microwave link includes a topological and propagation analysis to determine the link-loss budget, the required antenna gain (dish size), the necessary antenna elevation, and the potential need for a relay station—which together determine the network’s specific design and expected performance.

3.1.1.2 High-level cost estimate for sample point-to-point deployment

The installation cost of microwave equipment varies by location. If towers are available, leasing tower space is the best option. Lease rates vary but typically are in the range of \$1,000 to \$2,000 per year. If the structure must be erected, a budget of \$250,000 likely would cover the build cost of a 90-foot tower, land preparations, and hut for the accommodation of power supplies, backhaul electronics, radio equipment, and land-line interconnections. Tower construction costs rise quickly with tower height and can reach twice that price for structures of 200 feet. The cost of constructing repeater stations may also be higher if power from the grid is not readily available or if the repeater station is situated in a location where construction work is difficult to perform.

To put the implementation cost of a microwave link in perspective, Table 1 presents a comparison with aerial fiber construction. The cost of aerial fiber optic cable installation is roughly within a range of \$6 to \$21 per foot, which includes the cost of the fiber cable, engineering associated with the construction, and make-ready expenses. Make-ready costs can vary greatly by location and depend on requirements for pole replacements or reorganization of existing cables; this comparison assumes an average cost of \$9 per foot of fiber construction. As fiber routes follows roads, the actual fiber link length is usually longer than the direct line of the microwave link. The assumed fiber length here is 30 percent longer than the straight line between the end points.

Notwithstanding the disparity in capacity between the two systems, for many applications a business case can be made for the microwave option as it is substantially less expensive.

Table 1: Estimated cost of a microwave link vs. new aerial fiber construction

	Link length 30 miles	Link length 60 miles (with repeater)
Microwave pt-pt link		
Tower construction (new)	\$500,000	\$750,000
Engineering	\$10,000	\$13,000
RF licensing	\$4,000	\$7,000
Transmission electronics	\$39,000	\$78,000
Total	\$553,000	\$848,000
Fiber construction (aerial)	\$1,853,280	\$3,706,560

3.1.2 Short-haul wireless links

In communities where points of presence exist (i.e., facilities for peering between fiber broadband backhaul and the internet), a wider array of short-haul wireless technology solutions as alternatives to fiber are available. For the implementation of private networks within a community, spectrum-efficient standards-based and proprietary implementations operating in unlicensed 5.8 GHz and 60 GHz spectra, as well as of licensed 3.5 GHz (CBRS) and “lightly” licensed 70 GHz to 80 GHz bands, come into focus.

While operation in unlicensed spectrum always bears the risk of interference from other wireless equipment, the use of mmWave technology mitigates the exposure. Unlicensed bands at 60 GHz are regarded as mostly interference-free because of their short-range reach and their less common use by the public. In comparison with long-distance links that require large dishes of 3- to 5-foot diameter, antennas for short-range microwave links have a much-reduced size on the order of a foot, which allow for low-cost mounting on rooftops or utility poles.

The development of short-range, high-capacity point-to-point, point-to-multipoint, and mesh network microwave technology has been driven by market opportunities in local access and by the growing demand for fixed wireless access (FWA) as a last-mile connection method for homes and small businesses. FWA solutions are often more economical in regions of low population density, where the cost of constructing a fiber-to-the-home architecture can be as high as \$5,000 per passing. On the other hand, FWA also has applicability in dense urban settings for new entrants competing with incumbent fiber or coaxial broadband providers.

3.1.3 Local connection of an anchor institution

Figure 2 shows an example of a low-cost point-to-point mmWave application for establishing a connection between an anchor institution and a local telecommunications hub. Table 2 presents an estimated cost for the link. The link of approximately 1 mile operates at 60 GHz and delivers

1 Gbps symmetrical speed. The simulated availability generally is 99.999 percent but can drop to 99.99 percent during periods of inclement weather and heavy rain. The hub itself may be connected to the internet or to a private enterprise network with fiber or with a long-haul microwave link.

Figure 2: Wireless local broadband loop connecting anchor institution with local hub location

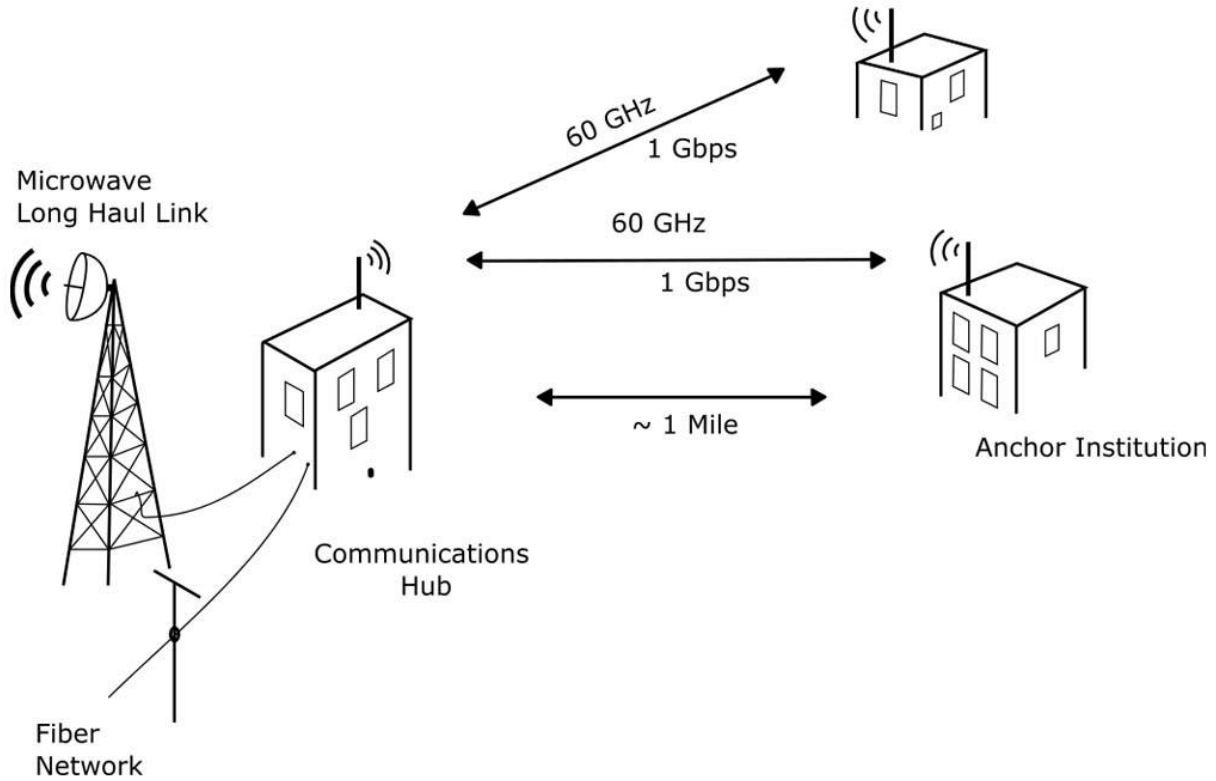


Table 2: Estimated cost of a local mmWave point-to-point wireless connection

Material type	Cost
60 GHz Microwave node with high gain antenna	\$ 2,910
Antenna mounting material	\$ 290
Pole mount enclosure	\$ 145
Power supplies	\$ 320
Wiring	\$ 280
Surge protection	\$ 130
Management software	\$ 650
Total	\$ 4,725

60 GHz technologies lend themselves to low-cost solutions supporting 1 Gbps to 2 Gbps of data transmission within a 1-mile radius. Longer distances can be achieved with lower frequency bands. Advertised distances at 5.8 GHz with comparable antenna sizes and power may bridge 1 to 2 miles, although at the expense of slightly lower data rates.

Developments of FWA technologies are continuing industry-wide. As a general rule, wireless links at frequencies above 5 GHz require line of sight between corresponding endpoints for good performance. Some emerging products for regional access that are optimized for 5.8 GHz operation may overcome the line-of-sight requirement; applications of massive MIMO antenna technology may allow the links to also perform under near-line-of-sight conditions up to 1 mile—or more than 10 miles without any obstructions between the transmitter and receiver.

3.2 Satellite-based communications

Satellite-based communication, facilitated by geostationary and low-Earth orbit (LEO) satellites, provide the distinct advantage over terrestrial communication of nearly ubiquitous coverage of a large area of up to thousands of square miles. The mostly unencumbered line of sight with the satellite—apart from local obstructions by vegetation or built structures—means service availability is high. The large distance between transmitter and receiver requires fixed antennas and is not suitable for mobile broadband service.

3.2.1 Overview of technology and service providers

Satellite communications via geostationary platforms has been offered for years by several companies in North America, most notably by Viasat, HughesNet, and Telesat. Their satellites are positioned at a distance of 36,000 km from earth, orbiting in synchronization with the earth's rotation. The high latitudes provides the ability for coast-to-coast coverage with one or a few satellites.

Viasat, for example, has two satellites in orbit to blanket the U.S. While the service availability is claimed to be nearly ubiquitous with some caveats based on geography, the available data rate is typically in the sub-hundred Mbps range due to the large number of customer access points the satellite serves and because of the fixed capacity of the transponder electronics in space. A drawback shared by all geostationary communication is the high signal latency, which is on the order of 330 ms. Data-only applications are not as much impacted by the delay as interactive services or voice communication.

Typical data rates from geostationary satellites range in tiers from 18 Mbps to 100 Mbps downstream and 3 Mbps upstream. The availability of the higher speed tiers is dependent on the subscriber location. In areas of high take-rates (i.e., many subscribers) the user experience tends to be diminished.

In contrast to geostationary satellites, LEO satellites have a much-improved broadband potential. As their orbits are at an altitude of 500 km to 650 km, signal delays are an order of magnitude shorter. More importantly, the signal path loss is drastically reduced, allowing higher order modulations in the support of higher data rates. Due to the lower orbits, LEO satellites provide a smaller wireless coverage area on earth. Unlike geostationary systems that are bound to an equatorial path, LEO satellite constellations can orbit the earth in any direction, thereby forming a contiguous stellar communications network. But because LEO satellites travel at a faster angular speed than the earth's rotation, more satellite stations are required to guarantee continuous connectivity on the ground.

LEO satellites have been in use since 1997 when Iridium launched 66 satellites that have been providing voice and low speed data service worldwide to handheld devices. The LEO satellite concept has gained renewed and significant momentum in recent years with new entrants that put forward ambitious projects, such as SpaceX with its Starlink program, which started operations in 2019. Further contenders include, among others, the British company OneWeb; Amazon's Kuiper project, which is scheduled to launch production in 2022; and Telesat's Lightspeed, projected to go live in 2025.

Starlink currently has more than 2,000 satellites in operation as part of their phase-one deployment of a total of 4,400 planned satellites. The company has also received FCC approval for an additional 7,500 satellites in coming years. With every launch of 60 satellites, the aggregate data capacity is augmented by 1 Tbps.

Residential and small business customers signing up for Starlink service today may receive data speeds of 100 to 150 Mbps downstream and 20 to 40 Mbps upstream. In rarer cases, speeds exceeding 400 Mbps have been measured. It is the company's goal to increase the data rate to 1 Gbps for residential use, although required technologies enabling those bitrates are still in the development and testing phase.

Starlink is making final preparations for the launch of a "Premium" service, scheduled for availability in the second quarter of this year. The Premium service is expected to have higher throughput and allow multiple concurrent sessions. The envisioned use case is internet access at community centers or libraries in underserved regions supporting as many as 40 to 60 concurrent users.

The aggregate bandwidth on the subscriber side is undetermined at this time but expected to be on the order of 500 Mbps downstream. If those numbers hold true, Starlink Premium could be a potential solution for remote school locations with fewer than 500 students. As Starlink allows

the customer to select the internet service provider of their choice,³ arrangements for internetworking Starlink-connected sites with a private enterprise network such as the SEN may be a possibility. The implementation plans and ramifications of such an approach would need to be explored in greater detail.

Starlink's residential service is priced at \$100 per month and requires the purchase of the antenna and customer premises equipment which Starlink prices at \$500, although the equipment has a reported manufacturing cost of \$1,000.

Starlink's Premium service subscription is currently priced at \$500 per month. The customer premises equipment, including antenna, has a price tag of \$2,500.

3.2.2 Middle-mile in the sky

Telesat, a Canadian satellite operator of 15 geostationary satellites with yearly revenue of \$700 million, is working on Lightspeed, a LEO satellite-based service with an investment of \$5 billion and plans to be operational by 2025. Unlike Starlink and Kuiper, which primarily serve the residential and small business markets, Lightspeed is targeting enterprise customers with data rate requirements from 100 Mbps guaranteed bandwidth to gigabit speeds with carrier-grade availability. Their service is strictly based on a layer 2 connection model in line with a Metro-Ethernet type private network service. In addition, Telesat plans interconnection options with major data centers and carrier connection exchange points. In that role within the communications market, Lightspeed is the equivalent of a middle-mile fiber provider in the sky providing lit point-to-point and point-to-multipoint services, although with lower capacity.

The first 78 Telesat LEO satellites will be launched into polar orbits to provide coverage of the northern American continent. Ultimately a constellation of 298 satellites with a total capacity of 15 Tbps transmitting in the KA band (26 to 40 GHz) with beam forming antennas will provide what the company calls seamless connectivity to its customers. The company claims high service availability will be achieved through redundancy with inter-satellite free-space optic links. At any given time, end users' antennas will have at least two satellites in sight, which the company says will translate to an estimated service availability of 99.999 percent.

The customer site will require a 1-meter-diameter satellite tracking dish antenna for a 100 Mbps symmetrical link; 1 Gbps data rates are possible with antennas of 2.4-meter diameter. Satellite communications systems are notoriously expensive; the smaller antenna system will be available at an introductory price of \$10,000, while the larger antenna may be as high as \$200,000. Telesat estimates that the prices will be drastically reduced once the service gains traction and the antennas and electronics can be produced in large quantities.

³ Rebecca Hunter, Account Manager at SpaceX, private discussion, February 14, 2022.

The cost of Telesat’s service is currently undisclosed. Prices reportedly will vary by sales volume, location, and contract terms. However, Telesat predicts that the cost per megabit will be orders of magnitude lower than what the geostationary communications demand. On the other hand, Telesat also states very clearly that they do not intend to compete with fiber providers and that they will not be able to match the price of fiber-based services.⁴

At this point, the federal government of Canada is the first and only contracted customer for Lightspeed service.

One can speculate that Starlink, with a fully populated constellation of 12,000 satellites—which the company says will grow to 30,000 spacecraft with a capacity of about 17 Tbps per satellite—will have sufficient bandwidth to entertain different service models (including wireless backhaul with connection speeds exceeding 1 Gbps). When asked about that prospect, a representative of Starlink did not rule out such service plans but was reticent about sharing any vision for the company’s plans beyond the Premium service.

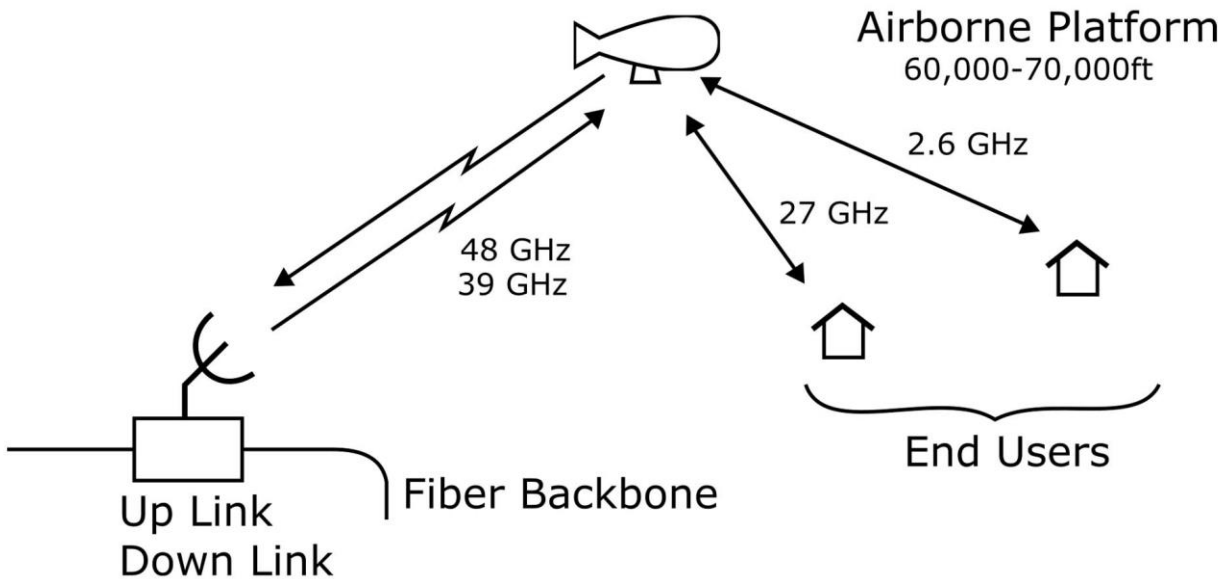
3.3 High-altitude platform systems

In light of the high capital investments and operations costs of satellite communications, the concept of lower-cost high-altitude platform systems (HAPS) has gained much attention in the communications community in recent years. Aside from the economics aspect, HAPS promise to provide operational advantages over satellites in terms of deployment flexibility and service customization.

HAPS are quasi-stationary airborne communications platforms in the stratosphere outside the commercial traffic airspace between 60,000 feet and 70,000 feet (Figure 3). That altitude appears to be particularly suitable for the positioning of aircraft as atmospheric turbulences are rare and average wind speeds are light (5 mph to 40 mph). Air movement is somewhat dependent on the region with lower latitudes typically exhibiting less air movement.

⁴ Jeffrey Gardiner, Director of Sales, Telesat, private communication, February 14, 2022.

Figure 3: HAPS concept of a wireless communications tower in the sky



Compared to LEO satellite service the transmitters on HAPS are much closer to the end user, thus reducing the latency to a range comparable to terrestrial wireless communication and allowing for better signal strengths between earth and aircraft. The most significant advantages of HAPS over terrestrial and satellite communications cited by industry experts include:

- Capital investment and cost of operations is expected to be drastically lower for HAPS than for satellite systems.
- HAPS provide flexibility in serving remote areas and in filling terrestrial wireless coverage gaps (white spots).
- Services provided from HAPS may be possible with off-the-shelf customer equipment.
- Signal latency from HAPS platforms of approximately 0.3 ms is comparable to terrestrial wireless communication and therefore suitable for voice communication and interactive applications.
- HAPS have short deployment time: HAPS can be brought into position within hours, which may be in high demand in disaster recovery scenarios.
- Easy payload and transponder customization allow HAPS to support a variety of service models, including backhaul service.

3.3.1 Status of HAPS development

HAPS concepts are currently in a research and development phase. The idea of using flying platforms for communications purposes dates back to 1996 when the International Telecommunication Union initiated a use case study. The practical exploration and development of suitable prototypes started much later in 2011, when Google launched its balloon-based version of a HAPS, called Loon LLC. Many approaches to HAPS have been envisioned and prototyped since then.

Experimental HAPS have been implemented in the forms of fixed-wing lightweight drones powered by solar cells and blimps of various sizes. The list of stakeholders and participants in HAPS projects today includes well-known names in the communications industry (Google, Facebook, Deutsche Telecom) and aircraft industry (Airbus), among many others, which is evidence of the broad interest in airborne communications platforms.

Most of the ongoing testing has the primary goal of finalizing a design of unstaffed communications aircraft that have the capability to stay aloft for weeks or months, to maintain the desired position, and to be safely returned to earth for maintenance. Several projects initiated in early years have been terminated as the experiments did not yield the results required for practical high-altitude internet platforms. Google's Loon project was eventually terminated after six years when it was concluded that the balloons' positioning by means of altitude control was not feasible. Aquila, launched by Facebook in 2016, was also cancelled just two years later after a failed flight test landing exposed both design and control flaws.

Much of current development efforts of high-altitude flying platforms seem to be focused on aircraft designs, materials, vehicle control algorithms, and the challenging power management associated with solar cell fueled motors. Some contenders are further along than others. In late 2021, Airbus's Zephyr concluded a successful test flight of a solar-powered glider with a flight time of 36 days at an altitude of over 70,000 feet. Thales Alenia Space's Stratobus blimp prototype is taking shape but will not be available before 2024.

Sceye, a company that has concentrated its efforts on blimp technology development, claims to be close to a final prototype that could be put into service by 2024, assuming that the test flights in the next two years validate the expected long-term integrity of the blimp's skin material, solar cell capacity, and the flight control system of the airship.⁵ The company has developed and tested nine blimp prototypes in eight years. With every subsequent blimp version, lessons learned from previous tests were incorporated in the aeronautic engineering design, material compositions, and remote and autonomous flight control algorithms.

⁵ Alfredo Serrano, VP Marketing and Sales, Sceye, private communication, February 9, 2022.

Sceye estimates that their blimps will be able to hold payloads of several hundred kilograms and stay in designated positions for up to a year before they would have to be returned to ground for maintenance.

3.3.2 Communications test results to date

Most communications tests with HAPS to date have had the primary objective of demonstrating the viability of specific aircraft concepts and designs that could act as a wireless tower in the sky. Communications tests have been conducted with off-the-shelf 4G LTE and 5G technologies using 3D beam forming transmitters mounted on the airships. Sceye has reported successful two-way communications on a 5 MHz band within the AWS band (2.6 GHz); in that scenario, Sceye reported connecting with mobile handsets on the ground at bitrates of 27 Mbps downstream and 1.25 Mbps upstream within a radius of 100 miles. Tested as a fixed wireless access service with outdoor antennas, bitrates of up to 40 Mbps downstream and 6 Mbps upstream were demonstrated within a range of 30 miles.

While these results are preliminary and do not necessarily represent limitations of future implementations, they provide a point of reference. Expanding the wireless spectrum to 40 MHz could enable rates for the end user that could exceed 100 Mbps downstream and 20 Mbps upstream.

Facebook's Aquila test flight reached an important milestone in 2017 when it successfully tested transmission of 20 Gbps within a 60-mile radius, thus demonstrating the feasibility of a high-capacity networking via sky platforms.

Extending the transmission spectrum to mmWave bands (> 26 GHz) can be viewed as the most efficient way to improve transfer rates. As with terrestrial 5G networks, multigigabit communication is achievable at higher frequencies. Furthermore, due to the shrinking size of the antennas with increasing frequency, a larger number of antennas could potentially be mounted on aerial platforms and thus serve multiple purposes, including the backhaul of private circuits.

3.3.3 Outlook for HAPS

Sceye, among other HAPS developers, views its role in the broadband service industry moving forward as a service facilitator—a tower in the sky. Analogous to tower owners that lease tower real estate to wireless carriers, Sceye intends to lease or to rent their blimps to service providers, which in turn will define their service models.

While at present no communications provider has signed up for a contract or publicly articulated a clear service plan for HAPS-based communication, it is widely assumed that wireless services (e.g., LTE or 5G) in remote and underserved areas might be the most promising initial primary applications. Whether HAPS will be used by carriers to facilitate backhaul services or private network implementations is an open question at this point. The industry has yet to develop

business cases for the various service scenarios. Nippon Telegraph and Telephone (NTT) of Japan, Airbus, and SKY Perfect have recently joined forces in developing use cases for HAPS that involve 5G wireless and future-generation wireless technologies.⁶

Irrespective of ongoing communications development refinements, it is conceivable that fixed wireless access and high-capacity private networks facilitated by HAPS could be a viable solution and alternative to terrestrial wired and wireless access in the near future. As Facebook's trial demonstrated, multi-gigabit backhaul service for service providers or even interconnection of private networks may well be an option.

⁶ <https://group.ntt/en/newsrelease/2022/01/17/220117a.html>, January 17, 2022

Appendix A: SEN participating locations

Locations in red have not received any bids for interconnection with SEN.

Site Name	Street Address	City	Zip Code	Latitude	Longitude	Total Users	Included in RFP Response	Aggregate Capacity at 1Mbps/user (Mbps)	Aggregate Capacity at 3 Mbps/ user (Mbps)	Capacity Requirement >1Gbps
Reserve Library	15 Jake Scott St.	Reserve	87830	33.7083	-108.7629	0	no	0	0	no
Glenwood Library	14 Menges Lane	Glenwood	88039	33.3133	-108.8846	0	no	0	0	no
Magdalena Library	108 N Main St.	Magdalena	87825	34.1183	-107.2435	0	no	0	0	no
Wagon Mound Public School	300 Park Ave	Wagon Mound	87752	36.0094	-104.7011	63	no	63	189	no
Reserve Schools	24 Mountaineer Rd.	Reserve	87830	33.7102	-108.7629	124	no	124	372	no
Carrizozo High School	800 D Ave	Carrizozo	88301	33.6442	-105.8787	133	no	133	399	no
Hondo Valley Public Schools	111 Don Pablo Lane	Hondo	88336	33.3788	-105.2575	147	no	147	441	no
Quemado Schools	3484 Highway 60	Quemado	87829	34.3408	-108.4928	167	no	167	501	no
Magdalena Elementary School	201 Duggins Dr SE	Magdalena	87825	34.1179	-107.2352	321	no	321	963	no
Cloudcroft Schools	10 Swallow Place	Cloudcroft	88317	32.9579	-105.7426	419	no	419	1257	yes
Hagerman Elementary School	406 Cambridge Ave	Hagerman	88232	33.1188	-104.3252	428	no	428	1284	yes
R.V. Taylor Elementary	500 Ownby St	Lordsburg	88045	32.3451	-108.7010	482	no	482	1446	yes
Tularosa Schools	504 1st St	Tularosa	88352	33.0736	-106.0131	832	no	832	2496	yes
Dexter Schools	100 N Lincoln	Dexter	88230	33.1980	-104.3716	887	no	887	2661	yes
Hobbs New Data Center (March 2022)	801 Mariand	Hobbs	88240	32.7081	-103.1160	10324	no	10324	30972	yes
West Las Vegas High School	157 Moreno St.	Las Vegas	87701	35.5894	-105.2241	0	yes	0	0	no
Mark Armijo Academy	6800 Gonzales Rd SW	Albuquerque	87121	35.0728	-106.7109	0	yes	0	0	no
NM School for the Deaf	1060 Cerrillos Road	Santa Fe	87507	35.6758	-105.9575	0	yes	0	0	no
Dzil Diti'ool School of Empowerment, Action	Indian Service Rte 109	Navajo	87328	35.9082	-109.0314	40	yes	40	120	no
Roy School	525 Roosevelt St	Roy	87743	35.9462	-104.1934	51	yes	51	153	no
Dorn Charter School	1119 Edith Blvd SE	Albuquerque	87102	35.0721	-106.6429	54	yes	54	162	no
Vista Grande High School	213 Paseo Del Canon E	Taos	87571	36.3783	-105.5854	95	yes	95	285	no
Mosaic Academy Charter School	721 South Main	Aztec	87410	36.8133	-107.9998	180	yes	180	540	no
Mountain Mahogany Cmty School	5014 4th St NW	Albuquerque	87107	35.1330	-106.6406	191	yes	191	573	no
La Academia De Esperanza	7311 Glenrio Rd. NW	Albuquerque	87121	35.0981	-106.7195	193	yes	193	579	no
Coronado Middle High School	Highway 96	Gallina	87017	36.2298	-106.8231	203	yes	203	609	no
Taos Academy	110 Paseo Del Canon W	Taos	87571	36.3816	-105.5951	217	yes	217	651	no
Health Leadership High School	1900 Randolph Rd. SE	Albuquerque	87106	35.0534	-106.6250	240	yes	240	720	no
New America Sch-Las Cruces	207 S Main St	Las Cruces	88001	32.3088	-106.7781	240	yes	240	720	no
Coral Cmty Charter School	4401 Silver Ave., SE	Albuquerque	87108	35.0780	-106.5947	253	yes	253	759	no
Jemez Valley Elementary School	8501 Highway 4	Jemez Pueblo	87024	35.6582	-106.7368	266	yes	266	798	no
Questa High School	57 Sage Brush Rd.	Questa	87556	36.7278	-105.5858	277	yes	277	831	no
21st Century Public Academy	4300 Cutler Ave NE	Albuquerque	87110	35.1054	-106.5993	351	yes	351	1053	no
Cimarron High School	165 North Collison	Cimarron	87714	36.5131	-104.9214	353	yes	353	1059	no
Monte Del Sol Charter School	4157 Walking Rain Rd	Santa Fe	87507	35.6246	-106.0101	364	yes	364	1092	no
Capitan Schools	519 Smokey Bear Boulev	Capitan	88316	33.5439	-105.5828	486	yes	486	1458	yes
Albuquerque School of Excellence	13201 Lomas Blvd NE	Albuquerque	87112	35.0872	-106.4990	524	yes	524	1572	yes
Santa Rosa Schools	344 South 4th Street	Santa Rosa	88435	34.9400	-104.6846	684	yes	684	2052	yes
Cobre Consolidated School	900 Central Ave.	Bayard	88023	32.7607	-108.1312	1199	yes	1199	3597	yes
Zuni Schools	10 N Sandy Springs Rd	Zuni	87327	35.0769	-108.8244	1231	yes	1231	3693	yes
Hatch Valley Schools	204 Foster St.	Hatch	87937	32.6669	-107.1500	1254	yes	1254	3762	yes
Truth or Consequences Data Center	910 Date Street	Truth or Consequenc	87901	33.1411	-107.2510	1285	yes	1285	3855	yes
Las Vegas City Schools Data Center	901 Douglas Ave.	Las Vegas	87701	35.6151	-105.2357	1462	yes	1462	4386	yes
Socorro Data Center	201 Fisher Ave.	Socorro	87801	34.0568	-106.8956	1649	yes	1649	4947	yes
Pojoaque Central Office	1574 State Road 502	Santa Fe	87506	35.8739	-106.0643	2018	yes	2018	6054	yes
Ruidoso High School	125 Warrior Dr.	Ruidoso	88345	33.3483	-105.6474	2258	yes	2258	6774	yes
MESD Network Operations	200 Center Ave.	Moriarty	87035	34.9884	-106.0439	2277	yes	2277	6831	yes
Los Alamos Schools	Pajarito Cliffs, 101 Entra	Los Alamos	87544	35.8770	-106.2532	3599	yes	3599	10797	yes
Belen Schools	19383 New Mexico 314	Belen	87002	34.6861	-106.7672	3828	yes	3828	11484	yes
Deming Data Center	500 W. Florida	Deming	88030	32.2541	-107.7630	5188	yes	5188	15564	yes
Alamogordo Schools	1211 Hawaii Ave	Alamogordo	88310	32.9031	-105.9506	6374	yes	6374	19122	yes
Clovis Data Center	1009 Main St.	Clovis	88101	34.4084	-103.2044	7918	yes	7918	23754	yes
Farmington District Office	3401 E. 30th St.	Farmington	87402	36.7587	-108.1607	10972	yes	10972	32916	yes
Santa Fe Primary Data Center	610 Alta Vista St.	Santa Fe	87505	35.6699	-105.9520	12439	yes	12439	37317	yes
Gadsden Administrative Center	4950 McNutt Rd.	Sunland Park	88063	31.8424	-106.6196	12885	yes	12885	38655	yes
APS Data Center	930 Oak Street SE	Albuquerque	87106	35.0741	-106.6347	81546	yes	81546	244638	yes

I. Quarterly Maintenance Status Report**II. Presenter:** Larry Tillotson, Maintenance & Operations Manager**III. Executive Summary (Informational):****Key Points:****Current New Mexico School District Performance
Status as of December 31, 2021**

- **Preventive Maintenance Plan Status:**
 - **56.04%** (51) of NM districts have a current and approved preventive maintenance plans (down from 65.93%, previous reporting period).
 - **43.95%** (40) have outdated/non-current plans. Opportunity for Improvement.
 - This performance metric has declined from the previous 3rd Qtr. 2021 reporting period. PSFA staff continues outreach and marketing methods in an effort to improve this rating.

- **Facility Information Management System (FIMS) District Use Status (Goal 70% statewide use):**
 - **Maintenance Direct: 64.84%** (59) of NM districts are utilizing this tool to manage reactive maintenance activities.
 - **Preventive Maintenance Direct: 69.23%** (63) of NM districts are utilizing this tool to manage preventive maintenance activities.
 - **Utility Direct: 56.04%** (51) of NM districts are utilizing this tool to collect utility data driving energy management opportunities.
 - **FIMS use State average: 67.03%** of NM school districts use the state provide FIMS tools and resources to manage maintenance performance.

- **Facility Maintenance Assessment Report (FMAR F6). Cumulative Performance Summary as of December 31, 2021 (Statewide Goal: 70% Satisfactory performance):**
 - **FMAR F6 current statewide average performance rating: 72.272%, Satisfactory** Performance with 771 of 784 schools completed for a **98.34%** statewide completion rate spanning 89 districts and 41 State Charters. **Previous Quarter: 72.198%**.

- **FMAR F6 current state charter school performance rating:**
72.199%, Satisfactory Performance with 41 schools completed.

Percentage rate of districts responding to the FMAR within 60 days:
Hobbs, Los Lunas

- **1st Qtr.:** 31.5% | **2nd Qtr.:** 29.16% | **3rd Qtr.:** 19.44% | **4th Qtr.:** 15.38%
 - **2021 Response Rate:** 26.22% **This cycle:** 17.63%
 - **Highest rating:** 94.205%, Outstanding | **Lowest rating:** 59.47%, Poor.
 - **FMAR F6 statewide district Avg. highest rating:** 93.55% | **lowest rating:** -5.673%
- **FMAR Minor and Major Deficiency Summary:**
 - 82 (51 minor & 31 major) accumulated deficiencies recognized in 4th Qtr. 2021 (December 31, 2021). The top 5 category ranking remained the same as the previous quarter:
 - #1 – Life (Fire) Safety Systems
 - #2 – Electrical Distribution Systems
 - #3 – Roof/Flashing/Gutter Systems
 - #4 – Walls/Floors/Ceilings/Stairs
 - #5 – Housekeeping Systems
 - **Meaningful Maintenance Metrics (M3):**
 - 12.1% of NM Districts use this data driven report feature to communicate maintenance performance to district leadership.

Exhibits:

A – Maintenance Program Definitions 2022

B – Maintenance Program Status Report

C – Statewide FMAR quarterly performance (pie-chart), 4th Quarter 2021

EXHIBIT "A"

Maintenance Program Definitions 2022

Preventive Maintenance Plan: a statute driven (annually updated) written plan on how districts manage maintenance and operations. NM State Statute (22-24-5.3 NMSA 1978, Preventive Maintenance Plans; Guidelines; Approval and 6.27.3.11 NMAC).

Facility Information Management System (FIMS): A Computerized Maintenance Management Software System to assist in managing both reactive and preventive maintenance work order tasks and collect basic utility bill data supporting district energy management processes. (NM State Statute 22-24-5.5).

Facility Maintenance Assessment Report (FMAR F6). Definition: An evaluation/assessment tool used to determine the effectiveness of a districts maintenance efforts (combines a Facility Maintenance Assessment, Preventive Maintenance Plan and FIMS use). The final FMAR is used to assist in identifying areas of improvements for educational environments through district maintenance programs.

FMAR Minor and Major Deficiency Summary: Definition: A report compiled from FMAR F6 data articulating the number of FMAR Minor and Major Deficiencies (life, health safety, and/or property loss identifiers). This summary report is currently used to develop categorical maintenance training topics and courses through the Facility Managers Training Program in an effort to impact the deficiencies.

Meaningful Maintenance Metrics (M3): Definition: a data driven FIMS report used to articulate maintenance performance using industry standard performance metrics and KPI's:

Exhibit "B"

Maintenance Program Status 1-14-2022

District Name	PM Plan_Status NM Statute 22-24-5.3	Last PM Update <small>Note: Required annual</small>	Maintenance Direct (MD) Score	Preventive Maintenance (PMD) Score	Utility Direct (UD) Score	* District Avg F6 Score	District Using M ³	Measurement & Verification	PM Schedules Running	PM Schedule Types <small>(Goal:10>)</small>	PM Completion Rate <small>(Goal > 90%)</small>	PM Cost Ratio <small>(Goal > 20%)</small>	Work Order Backlog Rate <small>(Goal < 25%)</small>	Transaction Percentage <small>(Goal > 100%)</small>	E-Builder Project Status	Staffing Model
ALAMOGORDO	NOT UPDATED	11/13/2020	2.25	2.25	2	77.88%	Yes		134	6	100	9	0.67	209.12		
ALBUQUERQUE	CURRENT	12/13/2021	2.75	2.25	3	71.69%	Yes		5,583	81	95.54	35	1.15	163.06		
ANIMAS	CURRENT	4/29/2021	1.75	2	2	74.79%			39	14	39.47	50	82.5	122.5		
ARTESIA	CURRENT	10/14/2021	1.75	2	2	70.32%			46	10	100	0	0.54	0		
AZTEC	CURRENT	10/26/2021	2.75	2.5	2	91.26%			351	24	98.42	12	0.27	147.94		
BELEN	CURRENT	10/21/2021	2.5	2.5	2	82.14%	Yes		137	16	98.67	12	2.82	120.16		
BERNALILLO	NOT UPDATED	12/5/2020	1.75	2.25	1	79.98%	Yes		138	15	99.39	73	0.62	68.73		
BLOOMFIELD	CURRENT	5/4/2021	2.25	2.75	2	70.05%			180	26	100	33	0.12	143.16		
CAPITAN	CURRENT	11/22/2021	1.75	1.75	2	63.53%			11	6	100	0	2.27	25		
CARLSBAD	NOT UPDATED	11/9/2020	1.75	2	1	68.39%			115	13	97.97	5	1.39	67.24		
CARRIZOZO	CURRENT	10/20/2021	1.5	1.75	1	-4.34%			7	5	100	0	7.14	0		
CENTRAL CONS.	NOT UPDATED	12/20/2020	2.75	2.5	2	86.17%	Training		372	26	99	6	0.46	141.5		
CHAMA	NOT UPDATED	6/24/2019	1.5	1.75	2	60.01%			44	16	0	0	0	0		
CIMARRON	NOT UPDATED	9/6/2006	1	1.25	1	63.50%			0	0	0	0	0	0		
CLAYTON	CURRENT	4/21/2021	1.25	1	1	67.12%			0	0	0	0	44.44	0		
CLOUDCROFT	CURRENT	11/16/2021	1.75	1.75	2	63.29%			19	9	100	0	8.7	0		
CLOVIS	CURRENT	8/9/2021	2.5	2.5	1	88.77%	Yes		190	14	100	15	0.07	152.11		
COBRE CONS.	CURRENT	5/17/2021	1.5	1.5	2	57.39%			44	6	0	0	98.59	4.23		
CORONA	CURRENT	3/15/2021	1	1	1	55.17%			0	0	0	0	0	0		
CUBA	CURRENT	5/4/2021	1.5	1.75	2	81.85%			161	25	0	0	0	0		
DEMING	CURRENT	9/27/2021	2.25	2.75	2	80.85%	Yes		470	22	100	22	0.11	159.75		
DES MOINES	CURRENT	12/21/2021	1	1	1	75.17%			0	0	0	0	0	0		
DEXTER	CURRENT	7/1/2021	1.75	1.75	2	71.28%			23	10	93.75	0	21.74	313.04		
DORA	NOT UPDATED	11/10/2020	1.75	2	2	69.46%			99	26	100	0	3.23	0		
DULCE	NOT UPDATED	7/3/2012	2	1.75	1	57.45%			111	39	8.19	2	181.99	17.39		
ELIDA	NOT UPDATED	11/3/2020	1.5	1.75	1	82.58%			65	21	0	0	0	0		
ESPANOLA	NOT UPDATED	9/9/2020	1.5	1	1	55.24%			0	0	0	0	39.87	137.97		
ESTANCIA	CURRENT	1/9/2022	1.75	1.75	2	72.35%			60	10	44.44	3	17.2	82.8		
EUNICE	CURRENT	4/19/2021	1.75	1.5	1	69.16%			18	5	85	0	8.96	0		
FARMINGTON	CURRENT	10/11/2021	2.75	2	2	87.53%	Yes		1,048	41	96.85	10	4.22	132.1		
FLOYD	CURRENT	5/17/2021	1.75	2	2	86.16%			44	23	100	0	0	33.33		
FT SUMNER	NOT UPDATED	6/29/2016	1.5	1	1	64.32%			0	0	0	0	0	0		
GADSDEN	CURRENT	1/25/2022	2.25	2.75	2	76.25%	Yes		460	18	97.89	30	4.68	97.3		
GALLUP MCKINLEY	NOT UPDATED	10/23/2020	2	1.75	1	62.39%			163	9	100	0	0.74	154.05		
GRADY	CURRENT	5/24/2021	1.25	2	1	79.57%			61	17	100	0	0	14.29		
GRANTS-CIBOLA	CURRENT	5/25/2021	2.5	2.25	2	65.21%	Yes		86	10	97.81	21	11.95	154.72		
HAGERMAN	NOT UPDATED	8/17/2020	1.5	1.75	2	0.00%			42	17	58.93	0	38.78	2.04		
HATCH VALLEY	CURRENT	12/6/2021	2.25	2.25	2	69.16%			87	9	100	0	4.27	166.19		
HOBBS	CURRENT	5/19/2021	2.5	2.75	2.5	86.19%	Yes		29	12	100	88	0.16	82.05		
HONDO VALLEY	NOT UPDATED	11/16/2020	1.5	1.5	1	76.05%			22	13	0	0	0	0		
HOUSE	CURRENT	4/15/2021	1	1	1	67.37%			0	0	0	0	0	0		
JAL	NOT UPDATED	3/1/2006	1.25	1.25	1	69.39%			10	8	0	0	0	0		
JEMEZ MOUNTAIN	NOT UPDATED	5/10/2016	1.5	1.75	1	56.43%			25	11	0	0	52.63	0		
JEMEZ VALLEY	CURRENT	9/21/2021	1	1	1	64.66%			0	0	0	0	0	0		
LAKE ARTHUR	NOT UPDATED	6/1/2008	1	1	1	68.16%			0	0	0	0	0	0		
LAS CRUCES	CURRENT	7/1/2021	2	1.5	2	76.06%	No		187	4	56.78	4	111.27	374.82		
LAS VEGAS CITY	NOT UPDATED	11/30/2020	1.75	1.75	2	66.31%			31	9	90.32	65	3.48	38.33		
LOGAN	CURRENT	1/31/2022	2	2.25	2	72.22%			54	19	100	100	1.25	50		
LORDSBURG	NOT UPDATED	1/20/2021	1.75	2.25	1	70.18%			56	16	100	64	1.25	96.25		
LOS ALAMOS	CURRENT	9/24/2021	2.5	2.25	2	82.36%	No		188	20	100	35	1.4	149.3		
LOS LUNAS	NOT UPDATED	1/19/2021	2.75	2	2	82.39%	No		351	21	97.61	17	0.75	135.37		
LOVING	NOT UPDATED	6/10/2016	1.75	2	2	67.79%			44	13	88.06	21	9.09	95.45		
LOVINGTON	NOT UPDATED	4/1/2020	2.75	2.25	1	85.17%	Training		157	17	99.54	77	0.61	209.02		
MAGDALENA	CURRENT	10/18/2021	1.25	1.5	2	82.69%			7	5	0	0	233.33	0		
MAXWELL	NOT UPDATED	3/17/2020	1	1.5	1.5	76.74%			2	2	0	0	0	0		
MELROSE	NOT UPDATED	7/7/2018	1.75	2.25	2	57.13%			136	17	98.84	100	1.14	94.32		
MESA VISTA	CURRENT	2/9/2021	1.5	1.5	1	75.52%			22	9	31.82	0	0	0		
MORA	NOT UPDATED	1/30/2019	1.5	1.5	1	48.99%			29	7	0	0	11200	0		
MORIARTY	NOT UPDATED	1/25/2021	1	1	2	81.23%			0	0	0	0	0	0		
MOSQUERO	CURRENT	2/10/2021	1.75	2	2	66.77%			17	10	100	0	1.25	125		
MOUNTAINAIR	NOT UPDATED	5/17/2016	1.75	2	2	0.00%			43	10	100	0	1.92	0		
NMSBVI	NOT UPDATED	12/14/2020	2.25	2.25	2	87.19%	Yes		107	17	100	72	0.38	103.01		
NMSD	CURRENT	12/13/2021	1.75	2.25	2	70.81%	No		71	14	100	91	0.07	97.13		
PECOS	NOT UPDATED	7/29/2020	2	2.25	1	59.94%			31	14	100	33	3.57	114.29		

Maintenance Program Status 1-14-2022

District Name	PM Plan Status NM Statute 22-24-5.3	Last PM Update <small>Note: Required annual</small>	Maintenance Direct (MD) Score	Preventive Maintenance (PMD) Score	Utility Direct (UD) Score	* District Avg F6 Score	District Using M ³	Measurement & Verification	PM Schedules Running	PM Schedule Types <small>(Goal:10>)</small>	PM Completion Rate <small>(Goal > 90%)</small>	PM Cost Ratio <small>(Goal > 20%)</small>	Work Order Backlog Rate <small>(Goal < 25%)</small>	Transaction Percentage <small>(Goal > 100%)</small>	E-Builder Project Status	Staffing Model
PENASCO	CURRENT	10/25/2021	1.5	1.5	1	68.50%			36	9	0	0	0	0		
POJOAQUE VALLEY	CURRENT	12/29/2021	2	1.75	2	67.45%			35	10	87.5	15	2.83	154.72		
PORTALES	CURRENT	12/13/2021	2	1.75	1	79.08%			22	5	100	7	0	109.44		
QUEMADO	NOT UPDATED	10/1/2006	0	0	0	71.47%			0	0	0	0	0	0		
QUESTA	NOT UPDATED	3/16/2016	2	2	1.5	71.43%			96	27	81.66	97	7.69	481.54		
RATON	CURRENT	2/22/2021	1.75	1.75	2	76.13%			66	23	2.33	0	1466.67	100		
RESERVE	NOT UPDATED	9/23/2016	1	1	1	74.30%			0	0	0	8	0	0		
RIO RANCHO	NOT UPDATED	10/15/2019	2.5	1.75	2	74.83%			411	30	92.45	17	4.31	108.57		
ROSWELL	NOT UPDATED	1/19/2021	1.75	1	0.5	83.29%	Yes		0	0	0	0	3.38	0		
ROY	NOT UPDATED	8/30/2010	1.25	1	1	67.98%			0	0	0	0	50	0		
RUIDOSO	NOT UPDATED	12/28/2019	1.75	1.75	2	70.42%			37	12	66.67	4	1.9	55.19		
SAN JON	CURRENT	5/24/2021	1.5	1.25	2	84.84%			0	0	0	100	5.56	93.06		
SANTA FE	CURRENT	6/18/2021	2	2.25	2	77.04%			554	22	99.68	29	1.54	82.19		
SANTA ROSA	CURRENT	11/8/2021	2	2	2	73.97%			97	15	100	14	0.88	41.52		
SILVER CITY	CURRENT	10/6/2021	1.75	2.25	1	69.21%			101	20	100	21	0.43	35.05		
SOCORRO	CURRENT	6/14/2021	2.5	2.25	2	80.35%	No		143	18	100	100	0.43	133.33		
SPRINGER	NOT UPDATED	12/14/2020	1	1.25	1	59.91%			1	1	0	0	0	0		
TAOS	CURRENT	11/15/2021	1.75	1.75	1	65.94%			32	5	14.93	77	1087.5	237.5		
TATUM	NOT UPDATED	2/17/2010	2.75	2.25	2	71.71%			69	15	100	72	0.52	219.9		
TEXICO	NOT UPDATED	6/29/2016	1.5	1.75	1	74.11%			25	15	0	0	0	0		
TRUTH OR CONS.	CURRENT	3/10/2021	1.75	2	2	73.56%			111	26	100	0	0.38	0		
TUCUMCARI	CURRENT	10/13/2021	1.5	1.75	2	90.61%			204	35	0	0	307.48	2.8		
TULAROSA	CURRENT	7/21/2021	2	2	1	70.38%	No		38	10	100	5	1.43	114.29		
VAUGHN	NOT UPDATED	3/21/2014	1.75	1.5	2	53.75%			3	2	66.67	0	18.18	50		
WAGON MOUND	NOT UPDATED	10/27/2014	1.75	2	2	67.98%			23	13	97.22	0	1.69	0		
WEST LAS VEGAS	CURRENT	11/18/2021	2.25	1.5	1	71.76%			86	8	79.31	1	13.82	136.59		
ZUNI	CURRENT	9/28/2021	2.5	2.5	2	69.30%			39	15	100	13	0.31	172		

KPI Topic	Threshold	% Users	% Non-Users
PM Plans	Updated Annually	59	32
FIMS Score	Greater than 1.5	64.84%	69.23%
FMAR Score	Greater than 70%	56.04%	35.16%
Schedule Types	Greater than 10	54.95%	59.91%
PM Completion rate	Greater than 90%	45.05%	45.05%
PM Cost Ratio	Greater than 20%		
Work Order Backlog rate	Less than 25%		
Transaction rate	Greater than 100%		

* FMAR Average Scores are calculated using data from the F6 Cycle (May 1, 2017) to present (6/30/21)

NOTE: New - Highlighted Districts with

Maintenance Program Status Report (MPSR-this document): A data driven performance summary of NM School Districts Key Performance Indicators (KPIs) in PM Planning, the state provided FIMS tools and overall FMAR performance.

Preventive Maintenance (PM) Plan: A statute driven (annually updated) written plan on how NM districts plan to manage Maintenance and Operations from year to year supporting the educational environment through formal means. All public and charter school district must have a current and PSCOC approved preventive maintenance plan. (Incremental changes can be made to the current plan, or if numerous updates are necessary, the entire plan should be revised). Performance ratings are as follows:

- CURRENT:** Districts have updated their plan within the last 12 months (+30 day grace period). **PM Plan Ratings:** Poor, Marginal, Satisfactory, Good and Outstanding.
- NOT UPDATED:** Districts that have not updated their PM Plan components = Poor Performance rating.

Facility Information Management System (FIMS): A Computerized Maintenance Management System provided by Dude Solutions to assist districts in managing both reactive & preventive work tasks through asset inventories, improved processes and reporting and utility bill collection activities. **Note:** a number of NM districts have used FIMS to significantly improve their maintenance performance by reducing work orders, planning/tracking preventive maintenance processes and reducing unnecessary expenditures through proactive inspection and maintenance of building systems. FIMS has proven effective in generating actionable facilities information for district policy makers. FIMS is inclusive of the following modules:

Maintenance Direct (MD): a module in FIMS/Dude Solutions used to process reactive work orders. (rating scale below). Key Performance Indicators include:

- Work Order Backlog (goal: <25%): The backlog percentage rate identifies the number of open work orders vs. the number of closed work orders.
- Transaction Rate (goal >100%): The percentage rate of costs recorded for completed work orders (both reactive and preventive) on transactions (labor, materials, and contract costs).

Preventive Maintenance Direct (PMD): a module in FIMS/Dude Solutions used to process preventive maintenance work orders. (rating scale below).

- PM Cost Ratio (goal: >20%): The percentage of preventive maintenance costs vs. total costs expended on all work orders.
- PM Completion Rate (goal: > 90%): The percentage of closed Preventive Maintenance (PM) work orders vs. the number of total generated PM work orders.

Utility Direct (UD): a module in FIMS/Dude Solutions used to collect & monitor utility billing data towards development of an energy management program. (rating scale below).

Level 0 ----- Level 2.0 ----- Level 3.0
Implementation Stage (0-1.5) Execution Stage (1.51-2.0) Data Analysis Stage (2.1-3.0)

FMAR: Facility Maintenance Assessment Report (FMAR): a tool used to evaluate NM school facilities conditions / appearance and determine and verify the implementation level of the maintenance management program. The final FMAR (F6) report combines a Facility Maintenance Assessment (FMA) in 22 important maintenance system categories, Preventive Maintenance Planning status (statute driven), and the State provided FIMS Performance status (as measured through industry standard KPI's and statute driven). The results are used to establish a benchmark rating for the individual schools/districts maintenance programs in an effort towards continuous performance improvements and implementation of cost effective maintenance strategies.

FMAR Performance Level Ratings: Poor (0-59.9%) ----- Marginal (60.0-69.9%) ----- Satisfactory (70.0-79.9%) Recommended ----- Good (80.0-89.9%) ----- Outstanding (90.0-100%)

Meanful Maintenance Metrics (M³): a monthly maintenance report developed from data directly out of the districts FIMS / Dude Solutions account used to communicate monthly activities through industry standard KPI's in the district's maintenance programs to school leaders. KPI's include: Vandalism, Work Order Completion rate, Work Order Backlog rate, PM Completion Rate, PM Cost Ratio, Maintenance Cost per Student and Square Ft.

PM Schedules Types/Running: The number of PM schedule types and PM schedules running in the districts FIMS Preventive Maintenance Direct account. (Note: the recommended minimum is 10 covering critical building systems).

EXHIBIT "C"

New Mexico Public Schools Maintenance Performance Summary / FMAR F6

FMAR

4th Qtr. 2021
56 months into F6 cycle

High FMAR:

- This Qtr. site: **94.205%**
- This Cycle (F6): **98.48%**
- Highest Dist Avg: **91.26%**

Low FMAR:

- This Qtr. site: **59.47%**
- This Cycle (F6): **-5.673%**
- Lowest Dist. Avg: **-5.673%**

60-day Response Rate: F6: **17.63%**

CY21 Q1: 31.5% | Q2: 29.16% | Q3: 19.44% | Q4: 15.38%

Quarterly Performance Rate CY21:

Q1: 72.116% | Q2: 72.16% | Q3: 72.198% | Q4: 72.272%

NM State Charter School Average:

72.20% Satisfactory

Quarterly Performance Rate CY21:

Q1: 72.612% | Q2: 72.218% | Q3: 72.199% | Q4: 72.20%

Statewide Historical Performance Average

Cycle 1 (2011-2015): **57% Poor**

Cycle 2 (2015-2017): **65% Marginal**

Cycle 3 (2017-current F6): **72.272% Satisfactory**

Districts using FIMS to manage work orders and utility tasks:

MD Reactive: **64.84%**

PMD Preventive: **69.23%**

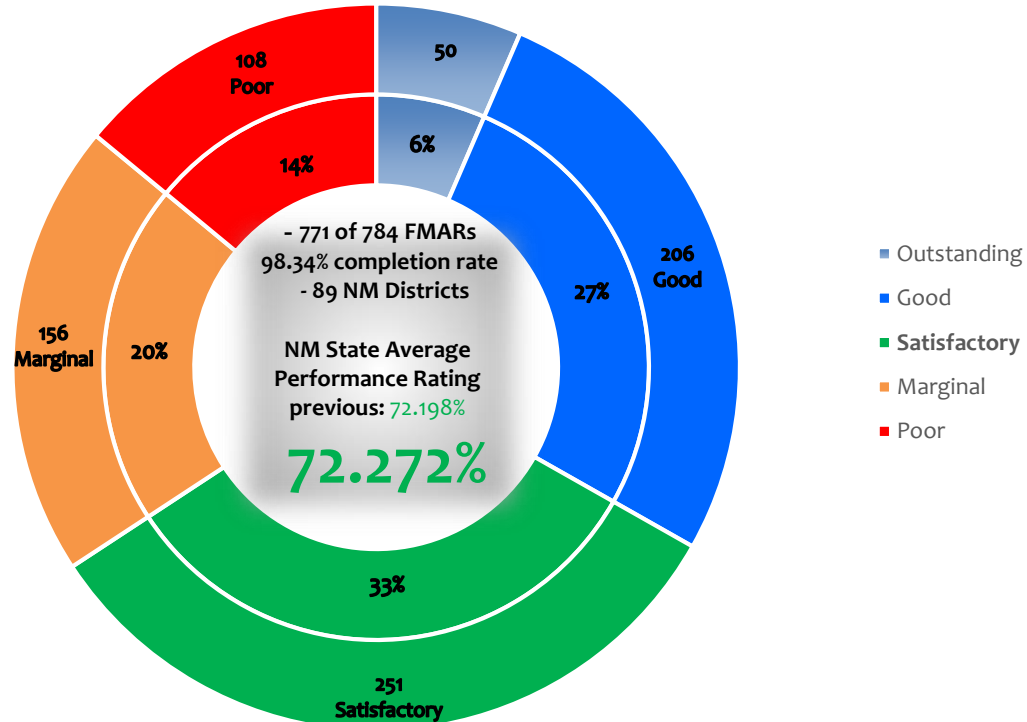
UD Utilities: **56.04%**

PM Plan Currency: **60.44%**

Facility conditions are important to a quality educational environment (lighting, HVAC, fire safety etc.). PSFA measures NM school facility conditions using the FMAR as a measure to determine the effectiveness of NM school district maintenance programs which is inclusive of PM Planning, FIMS use and a 22 category facility assessment. The chart identifies current performance ratings of NM schools with **70%** as a quality and recommended minimum threshold. **NOTE:** Data and values are subject to incremental change due to the 60-day response process.

NM Public Schools FMAR F6 / Statewide Maintenance Performance

reflecting 4th Qtr. 2021 data (End of December 31, 2021)



Report Summary: This summary reflects data beginning May 1, 2017 to December 31, 2021 during the FMAR F6 Cycle (56 months). **771** school site FMARs have been completed covering **89** NM school districts. Of the published FMAR assessments, the statewide maintenance performance average is **72.272%** (previously **72.198%**) reflecting Satisfactory performance where **70%** is recommended. A slight increase in performance from last quarter is recognized. **66%** of assessed school districts are performing above the threshold with **6%** (**50**) driving Outstanding performance ratings. Districts performing above Satisfactory (minimum) are recognized as driving quality educational environments, dedicated to maintaining facility conditions with good potential for building systems to meet their life expectancy. **Quarterly Cycle Rate F6:** 4 years, 9 months. (Previous Qtr.: 4 years, 5 months) with current staff and process.

IX. Next PSCOC Meeting

(Proposed for April 25, 2022- *tentative*)

X. Adjourn