

**NEW MEXICO PUBLIC EDUCATION DEPARTMENT
REVISED IMPACT AID DISPARITY FOR 2020-2021
Inclusion Method on a Revenue Basis
Traditional New Mexico Calculation**

Note: NM PED reserves the right to appeal the FY2020 USDE Determination and this narrative reflects PED's treatment of all SB 9 funds as capital funds.

TABLE 1 - NARRATIVE

REVISED 2020-2021 DISPARITY COMPUTATION BASED ON 2018-19 REVENUE PER WEIGHTED PUPIL

<u>COLUMN</u>	<u>DESCRIPTION</u>
A	SCHOOL DISTRICT – Lists the local educational agencies (LEAs) in New Mexico, including authorized state charters, ranked from highest to lowest revenue per weighted pupil.
B	REVENUE PER WEIGHTED PUPIL – Shows the 2018-2019 adjusted revenue per weighted pupil from Table 2, Column D.
C	WEIGHTED PUPIL COUNT – Shows the 2018-2019 weighted pupil count for the school district or state charter school.
D	CUMULATIVE WEIGHTED PUPIL – Shows the cumulative weighted pupil count from the highest and lowest revenue per weighted pupil until the 95 th and 5 th percentiles are reached.
E	REV. PER WEIGHTED PUPIL AT 95/5 PERCENTILE –Shows the high and low revenue per mem to be compared for disparity based on the 95 th and 5 th percentiles.

METHODOLOGY FOR CALCULATING DISPARITY

The disparity computation is performed as required by 34 CFR 222.162.

1. The revenue per weighted pupil is ranked from high to low.
2. The 95th and 5th percentiles are identified as follows:
 - a. The 2018-2019 statewide final funded membership of 546,752.80 is multiplied by 5% to arrive at the target number, 27,337.64, which are used to determine the 95th and 5th percentiles of cumulative weighted pupil.
 - b. Weighted pupils are cumulated from the top until 5% of statewide membership is reached somewhere within the Montessori elementary School. Since LEA's are eliminated and not students, Montessori Elementary Schools is included as the highest revenue per weighted pupil.
 - c. Weighted pupils are cumulated from the bottom until 5% of statewide membership is reached somewhere within the Estancia School District. Since LEA's are eliminated and not students, Estancia School District is included as the lowest revenue per weighted pupil.
 - d. The lowest revenue per weighted pupil is then subtracted from the highest revenue per weighted pupil to determine the difference between these two amounts. The difference is then divided by the lowest revenue per weighted pupil to show the disparity percentage.

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TABLE 2 - NARRATIVE

REVENUE PER WEIGHTED PUPIL COMPUTATION

<u>COLUMN</u>	<u>DESCRIPTION</u>
A	SCHOOL DISTRICT – Lists the local educational agencies (LEAs) in New Mexico, including authorized state charters.
B	2018-2019 RVSD. REVENUE FOR DISPARITY – Shows the revenue to be used for the disparity calculation from Table 4, Column L, and as adjusted by the required revenues from the recent 2020 determination.
C	WEIGHTED PUPIL COUNT – This is the membership that was used to calculate the state aid for the LEAs, then weight adjusted by only those weights associated with special cost differentials.
D	REVENUE PER WEIGHTED PUPIL– This is the revenue per weighted pupil calculation to be used for the calculation of disparity only and is an adjusted revenue per mem for the LEAs since there have been weight adjustments made in accordance with 34 CFR 222.161 and 222.162. It is the product of Column B divided by Column C.

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TABLE 3 - NARRATIVE

WEIGHTED PUPIL COUNT CALCULATION

<u>COLUMN</u>	<u>DESCRIPTION</u>
A	SCHOOL DISTRICT – Lists the local educational agencies (LEAs) in New Mexico, including authorized State Charters.
B	2018-2019 FINAL FUNDED MEM – This is the membership that was used to calculate the state aid for the LEAs.
<i>The following adjustments in Column C through Column L are based on cost differentials for the special educational needs of students or special characteristics of the school district:</i>	
C	BILINGUAL UNITS – These are the units generated by pupils in state approved bilingual programs.
D	A/B UNITS – These are the units generated by pupils in level 1 and 2 state approved special education programs.
E	RELATED SERV. UNITS – These are the units generated for ancillary staff required to meet the special education needs of pupils in special education programs.
F	3Y/4Y DD UNITS – These are the units generated by 3 and 4 year old developmentally disabled pupils.
G	C UNITS – These are the units generated by pupils in level 3 state approved special education programs.
H	D UNITS – These are the units generated by pupils in level 4 state approved special education programs.
I	SAVE HARMLESS – These are the units generated by school districts that have a membership of 200 or less. Units are based on the better of the prior year 40 th day units or the current year 40 th day units in order to protect very small districts from a precipitous decline in revenue.
J	TOTAL SIZE – These are units generated by the various size adjustment factors in the state aid formula for small and rural schools and districts, and includes micro-district adjustments.
K	GROWTH – These are units generated by districts that have a 1% or higher growth in membership.
L	MODELED AT-RISK UNITS – These are units generated for at-risk youth programs and have been adjusted up for recent changes to the at-risk index.
M	TOTAL SPECIAL COST DIFFERENTIAL WEIGHT – This the total amount of weights associated with special cost differentials, and reflects all units for these differentials in the state. It is the sum of columns C through M.
N	WEIGHTED PUPIL COUNT – This is the state’s calculation of weighted pupil, and includes the sum of membership used to calculate state aid as adjusted by those weights associated with the special cost differentials. It is the sum of columns B and N.

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TABLE 4 - NARRATIVE

REQUIRED REVENUE FOR DISPARITY COMPUTATION

<u>COLUMN</u>	<u>DESCRIPTION</u>
A	SCHOOL DISTRICT – Lists the local educational agencies (LEAs) in New Mexico, including authorized State Charters.
B	2018-2019 LOCAL PROPERTY TAX – Shows the actual receipts from the half-mill property tax levy that is for operational purposes and other Operational tax receipts.
C	2018-2019 OTHER LOCAL REVENUE – Shows the actual receipts from other local revenue sources (such as fees, rents and leases, and interest earned) that are for operational purposes. Revised submission does <u>not</u> include new funds identified by the USDE for inclusion as other local revenue, including: Instructional Materials, and Spaceport Gross Receipts, and local Capital Improvements Act funds.
D	2018-2019 TOTAL LOCAL REVENUE – This product is the sum of Column B and Column C.
E	2018-2019 STATE AID FUNDING – This is the amount of state aid funding received, in revised data it has been adjusted to reflect changes to add-in revenues from FY21’s proposed increased units for at-risk using the 2018-19 unit value.
F	2018-2019 OTHER STATE REVENUE – Shows the actual receipts from other state sources (such as state flow-through grants, state emergency supplemental funding, and intergovernmental contract revenue) that are for operational purposes. Revised submission does <u>not</u> include new funds identified by the USDE for inclusion as other state revenue, including: Transportation (less site characteristic revenues), Dual Credit Instructional Materials, NM Reads to Lead, Wind Farm Projects, and Tax Infrastructure Financing.
G	2018-2019 TOTAL STATE REVENUE – This product is the sum of Column E and Column F.
H	6/1/18 TO 5/31/19 OPERATIONAL IMPACT AID – Shows impact aid basic payments (without the Indian Education or Special Education set-asides) received by the districts from June 1, 2018 to May 31, 2019, which is the period that the state takes impact aid payments into consideration when calculating state aid. <u>This column is not used in the calculation but is acknowledged as reference use only.</u>
I	OPERATIONAL IMPACT AID STATE CREDIT WITH PROPORTIONALITY – In calculating state aid, the operational portion of Impact Aid receipts are considered as “credits” has been capped at the amounts calculated in Table 5.
J	2018-2019 OTHER FEDERAL REVENUE – Shows the actual receipts from other federal revenue sources (such as funds from Forest Reserve, Department of Defense, and indirect costs for federal grants) that are for operational purposes.
K	2018-2019 TOTAL FEDERAL REVENUE – This product is the sum of Column I and Column J.
L	2018-2019 REQUIRED REVENUE FOR DISPARITY – The required revenue to be used for the disparity calculation is the sum of Column D, Column G, and Column K.

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TABLE 5 - NARRATIVE

PROPORTIONALITY OF LOCAL PROPERTY TAX REVENUE

<u>COLUMN</u>	<u>DESCRIPTION</u>
A	SCHOOL DISTRICT – Lists the local educational agencies (LEAs) in New Mexico, including authorized state charters.
B	2018-2019 LOCAL PROPERTY TAX – Shows the actual receipts for all local tax revenues attributable to current expenditures for free public education. These tax revenues are the half-mill property tax levy that is for operational purposes. The levy is imposed on residential and non-residential property and production, and equipment used for production, of copper, oil and gas.
C	LOCAL PROPERTY TAX FOR STATE CREDIT – Shows the property tax receipts that are considered as “credits” when calculating state aid funding.
D	PROPORTION FOR STATE AID – Shows the proportion of local property tax receipts that are considered in the calculation of state aid. It is the product of Column C divided by Column B.