

NM Public Education Department's Family Income Index

SUPPLEMENT

PURPOSE OF FUNDING

This award is for the purpose of providing student supports and services to schools serving the highest concentration of students living in poverty. The funds are statutorily required to be spent on literacy interventions, math interventions, and other student supports and services.

Research has found that, “Concentrated **poverty in schools creates and sustains disparities in academic outcomes**. High concentrations of students living in poverty complicate learning and teaching in schools, and reduce the effectiveness of other educational interventions designed to address gaps in academic outcomes.”¹ Furthermore, studies “demonstrate that students who attend schools that have high concentrations of disadvantaged students are less likely to score well on tests, earn high grades, graduate from high school, and succeed in college than their otherwise comparable peers who attend socioeconomically diverse schools.”¹ Additional financial support has been found to lead to improvement in performance and analyses have found, “the robustness of the patterns across a variety of settings is compelling evidence of **a real positive causal relationship between increased school spending and student outcomes** on average.”¹

Qualifying districts designated to receive funds were based on those districts/state charter schools with a demonstrated significant population of homeless/migrant students and that are current McKinney-Vento Homeless Education Program and/or PED Migrant Program subgrantees. Awards were calculated based upon the student count for each of these populations in the 18-19 school year. **While homeless and migrant student populations were a determining factor in these awards, the funding is not exclusive to homeless and migrant student populations.**

ALLOWABLE USES OF FUNDING

Per Section 5 of SB 17, pgs. 7-8:

A. “a public school shall use its family income index allocation as follows:

- (1) at least one-third for evidence-based, structured literacy interventions that have been shown to improve reading and writing achievement of students;
- (2) at least one-third for evidence-based mathematics instruction and interventions, including educational programming intended to improve career and college readiness of at-risk students, dual or concurrent enrollment, and career and technical education; and
- (3) no more than one-third on the following interventions:
 - (a) case management, tutoring and after-school and summer enrichment programs that are delivered by social workers, counselors, teachers or other professional staff;
 - (b) culturally relevant professional and curriculum development, including those necessary to support language acquisition and bilingual and multicultural education;
 - (c) whole school interventions, including social and emotional learning programs, multi-layered systems of support, student nutrition programs, school-based health centers and community schools;
 - (d) instructional resources and materials;

¹ Jackson, C. K. (2018). *Does School Spending Matter? The New Literature on an Old Question* (No. w25368). National Bureau of Economic Research

- (e) services to engage and support parents and families in the education of students; and
- (f) services to engage and support tribal communities in the education of Native American students.

B. A public school that receives an allocation that is less than forty thousand dollars (\$40,000) may use any portion of that allocation on any of the uses specified in Subsection A of this section.

C. A school district shall use distributions received for allowable uses specified in Subsection A of this section to expand or improve services provided as part of a public school's existing academic program, but not to replace existing services."

Indirect Cost Rate

Indirect costs are NOT ALLOWED

FISCAL REQUIREMENTS

Reporting Requirements

Per Section 6 of SB 17, pgs. 8-9:

“A school district shall establish, within its department-approved educational plan, the interventions identified in Section 5 of the Family Income Index Act that will be used in each of its eligible public schools. Each school district that receives a distribution shall provide a report to the department by August 1 after the fiscal year in which it receives a distribution that includes a description of the services the school district has provided for each public school that received an allocation to improve the academic success of students. The report shall include a detailed description of how each public school has used its allocation and the way in which the additional funding has impacted student academic outcomes.”

On August 1, 2022, each awardee receiving funding during FY22 through the Family Income Index distribution shall submit their report to NMPED, Policy Initiatives, the method by which these reports are to be collected will be detailed in future correspondence. The department will release guidance by January 2022.

This award is designated to fund the following school(s) at the respective funding level as identified on Exhibit A. ***Financial reporting of expenditures at the cost center level per school location is required.***

Please adhere to the following timelines and cited statutory regulations, required for budgeting, obligation, and RfR submission:

- Submit your BAR, and a copy of this letter, including Exhibit A, through OBMS by October 15, 2021.
- Pursuant to NMSA 6-5-3, the appropriate fund shall be encumbered prior to the issuance of vouchers or purchase orders or the engagement of contracts.
- NMAC 6.20.2.10 BUDGET MAINTENANCE STANDARDS:

1. Budget adjustment requests shall be submitted on the most current form prescribed by the department. The school district shall maintain a log of all budget adjustment requests to account for status, numerical sequence, and timely approval at each level. The log is to be retained for audit purposes.
2. School districts shall submit budget adjustment requests for the operating budget to the department for budget increases, budget decreases, transfers between functional categories, and transfers from the emergency reserve account. Expenditures shall not be made by the school district until budget authority has been established and approval received from the department. Budget adjustments shall not be incorporated into the school district's accounting system until approval is received by the department.
3. School districts shall submit periodic financial reports to the department using the department-approved format. Reporting shall be either monthly or quarterly. Required reporting frequency may be changed by the department at any time during the year. Reports are due at the department by the last working day of the month following the end of the required reporting period, unless extended to a later date by the secretary of education.

[02-03-93, 11-01-97, 01-15-99; 6.20.2.24 NMAC - Rn, 6 NMAC 2.2.1.24, 05-31-01; A, 10-15-03; A, 11-30-06]

- REQUESTS FOR RIEMBURSEMENT:

1. Fiscal documentation in the form of a detailed expenditure report, as required by the PED, must be submitted with each request for reimbursement that provides: 1) time/date; 2) original, adjustments and current budget amounts; 3) current and year-to-date expenditures; 4) budget balance (budget minus expenditures); 5) encumbrances; 6) budget balance that represents the budget, minus the expenditures, plus encumbrances; and 7) remaining budget balance percentage.

Submissions should also include (as appropriate):

2. Pre-approved subcontracts and invoices with detailed breakdown of services provided; and
3. Supporting documentation for the following expenditure categories:
 - a. In-Person Professional Development
 - i. Agenda
 - ii. Itemized Travel Expenditure Summary
 - iii. Receipts if Traveling Based on Actuals
 - iv. Attendance Sign-In Roster (if applicable)
 - b. Virtual Professional Development
 - i. Agenda – Identifies course, providing description, dates and time of course
 - ii. Certificate of Completion from provider containing
 1. company logo or letterhead authenticating service provider
 2. Identifies professional development course, dates and time
 3. Prints full name of attendee
 - iii. **If** Certificate not available -
 1. Electronic Sign In Roster
 2. Lists each attendee by full name, date and time of log in and log out, course time duration
 - c. Supplies
 - i. Invoices, packing slips (upon request)

- d. Equipment > \$5K
 - i. Signed PED Pre-Approval Equipment Form
 - ii. Invoice
<https://webnew.ped.state.nm.us/bureaus/administrative-services/fiscal-grants-management/>

Items purchased or expenditures for deliverables must be traceable to line items included in the original, PED-approved budget.

Closeout Procedures

- The final day to submit RFRs in OBMS for FY22 is **July 7, 2022**.