

About Think New Mexico

Think New Mexico is a solution-oriented think tank serving the citizens of New Mexico. We fulfill our mission by educating the public, the media and policy makers about some of the very serious problems facing New Mexico and by developing effective, comprehensive, long-term solutions to those problems.

Our approach is to perform and publish sound, non-partisan research. Unlike many think tanks, Think New Mexico does not subscribe to any particular ideology. Instead our focus is on promoting solutions. We use advocacy and, as a last resort, legal action but only within the constraints of Federal tax law.

Consistent with our non-partisan approach, Think New Mexico's Board is comprised of Democrats, Independents and Republicans. They are statesmen and stateswomen, who have no agenda other than to see New Mexico succeed. They are also the brain trust of this think tank. (Their brief biographies follow on pages two and three.)

As a solution-oriented think tank, Think New Mexico measures its success based on changes in law or policy that it is able to help achieve and which make New Mexico an even better place to live.

Think New Mexico began its operations on January 1, 1999. It is a nonprofit, tax-exempt organization under section 501 (c) (3) of the Internal Revenue Code. Contributions to Think New Mexico are tax-deductible.

Think New Mexico's Board of Directors



Edward Archuleta is the Director of the Santa Fe office of 1000 Friends of New Mexico, a not-for-profit organization that advocates responsible land-use planning, growth management and sustainable development. Edward previously served as the top assistant to New Mexico Secretary of State Stephanie Gonzales.



Paul Bardacke served as Attorney General of New Mexico from 1983-1986. Paul is a member of the American College of Trial Lawyers. He currently handles complex commercial litigation with the firm of Eaves, Bardacke, Baugh, Kierst & Kiernan.



David Buchholtz has served on a long list of New Mexico boards and commissions and has advised several New Mexico governors on fiscal matters. David recently served as Chairman of the Association of Commerce and Industry. He is a senior shareholder and former President of Sutin, Thayer & Browne.



Garrey Carruthers served as Governor of New Mexico from 1987-1990. Currently, Garrey is President and CEO of Cimarron Health Plan. He is a member of the Board of Directors of the U.S. Chamber of Commerce, Association of Commerce and Industry, the National Center for Public Policy and Higher Education, and the New Mexico Foundation for Educational Excellence.



Elizabeth Gutierrez was a marketing executive with IBM for nearly two decades. Liz has also served as Director of the Administrative Services Department for the City of Santa Fe. She is currently a doctoral student in educational administration and public policy.



LaDonna Harris is President of Americans for Indian Opportunity, a national not-for-profit organization that works to enhance the cultural, social, political and economic self-sufficiency of tribes and pueblos. LaDonna was a leader in the effort to return the Taos Blue Lake to Taos Pueblo. She lives on the Santa Ana Pueblo.

Rebecca Koch is the owner of Rebecca Koch & Associates which provides management consulting services to local and national not-for-profits. Rebecca was the organizational development consultant for the Santa Fe Business Incubator, Inc. She is a former President of the Board of New Mexico Literary Arts.



Fred Nathan founded Think New Mexico and is its Executive Director. Fred served as Special Counsel to New Mexico Attorney General Tom Udall from 1991 to 1998. In that capacity, he was the architect of several successful legislative initiatives and was in charge of New Mexico's lawsuit against the tobacco industry.



Frank Ortiz, a career Foreign Service Officer of the United States, has served as United States Ambassador to several countries, including Argentina, Guatemala and Peru. Frank serves on many other boards throughout New Mexico.



Roberta Cooper Ramo is the first woman elected President of the American Bar Association. Roberta is a former President of the Board of Regents of the University of New Mexico. She is a shareholder with the Modrall law firm and serves on many national boards.



Stewart Udall served as Secretary of the Interior under Presidents Kennedy and Johnson. Prior to that, Stewart served three terms in Congress. He is the author of [The Quiet Crisis](#) (1963), that tells the story of humankind's stewardship over the planet's resources and [To the Inland Empire: Coronado and Our Spanish Legacy](#) (1987), which celebrates Hispanic contributions to our history.



Photo Credit for Mr. Archuleta, Ms. Gutierrez and Ms. Koch: Kathleen Dudley

A THIRD WAY TO SYSTEMIC SCHOOL REFORM AND HIGHER STUDENT ACHIEVEMENT FOR NM

This policy report follows our successful campaign this past year to make full-day kindergarten accessible to every child in New Mexico. More than five thousand high at-risk children across New Mexico entered full-day kindergarten last week, as a result of the first phase of the law passed by the New Mexico Legislature and signed by Governor Gary Johnson earlier this year.

We believe that this landmark law can be a part of the foundation on which New Mexico can build the other reforms that are needed to improve our public schools.

For the last several years, however, New Mexico has been mired in a school reform debate dominated by two warring factions, pulling in opposite directions. The first faction wants to maintain the status quo with only minimum changes. The second faction is totally dissatisfied with public education in New Mexico and wants to provide taxpayer-funded vouchers for every public school student to attend a private school. Meanwhile, our public schools continue to drift and now New Mexico faces a massive teacher shortage crisis that requires immediate attention and action.

In this policy report, we propose a "third way" to achieve real school reform for New Mexico. Our approach seeks to tear out the plumbing of the current system and construct a more solid foundation based on the management principles of decentralization, competition and choice, while building on some of the positive current aspects of New Mexico's public schools (e.g. equity and local control).

We recognize that our "third way" approach will not be well-received by those who believe that New Mexico's public schools need no real repair and those who believe that the public schools are beyond repair. We hope, however, that our approach will appeal to those New Mexicans who are willing to focus on what is in the best interests of children, rather than political ideology.

In preparing this report, we interviewed dozens of New Mexicans who work in and with the public schools. We interviewed students, teachers, parents, principals, central office administrators, superintendents. We also interviewed union, business and not-for-profit leaders, local and state school board members, officials and staff with the New Mexico Department of

Education, the Legislative Education Study Committee and the Governor's Office. In addition, we interviewed people outside of the public school system, including educators and parents associated with Catholic schools, home schools and private schools in New Mexico. Finally we interviewed local, national and international school reform experts.

We spent time on public, private and Catholic school campuses in New Mexico.

We analyzed the New Mexico Public School Code and the New Mexico Constitutional provisions and State regulations governing the schools. We scrutinized dozens of budget documents. Finally, we read scores of articles and books on systemic school reform that are listed in the Bibliography.

Lew Wallace, Governor of Territorial New Mexico from 1878 to 1881, once observed, "[e]very calculation based on experience elsewhere, fails in New Mexico." We tried to be mindful of Governor Wallace's warning as we prepared this report. Indeed, we believe that we have developed, in the pages that follow, a better way of delivering public education that is specifically tailored to New Mexico's unique history, traditions and culture and, above all else, will increase student achievement.

Fred Nathan

Fred Nathan

August 31, 2000

P.S. We welcome your comments, suggestions and, naturally, any tax-deductible financial contributions that you might wish to make. ☺

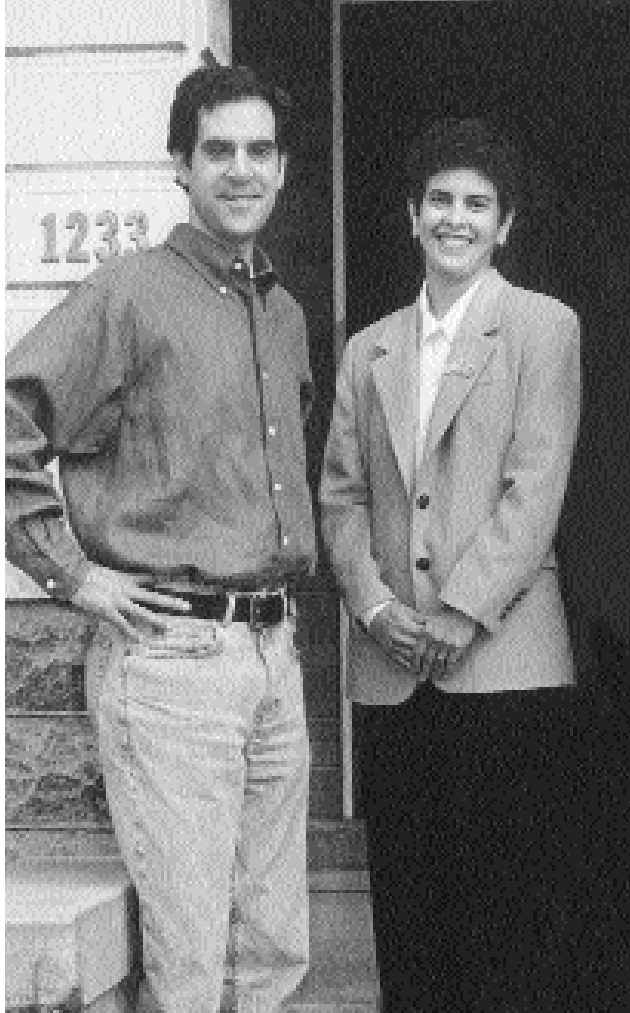


Photo Credit: Kathleen Dudley

Think New Mexico's Staff

*Fred Nathan, Founder and Executive Director, Carol Romero-Wirth, Assistant Director in front of the Headquarters of **Think New Mexico** in the Digne - Moore House, across the street from the New Mexico State Capitol in Santa Fe.*

THE CURRENT CONTEXT:

A REPORT CARD FOR NM'S PUBLIC SCHOOLS

The report card for public education in New Mexico is both good and bad.

The good is actually quite good. For example, New Mexico ranks first in the nation on independent rankings of the states in two important areas: 1) educational equity and 2) standards and accountability.

Educational Equity

The Education Trust, a Washington D.C. not-for-profit that works to promote equity for low-income and minority students ranked New Mexico first of the 50 states and the District of Columbia on educational equity for all students in its most recent ranking of the states, completed in 1998.

This ranking is largely the by-product of the handiwork of the 1974 New Mexico Legislature that established the widely acclaimed New Mexico Public School Funding Formula, also known as the State Equalization Guarantee. The Formula or Guarantee ensures that all students are entitled to equal educational opportunity despite differences in local school district wealth.

Educational equity has a remarkably long tradition in New Mexico. New Mexico's Constitutional framers rejected the notion that separate education for different races was equal education more than four decades before the United States Supreme Court declared in Brown v. Board of Education (1954) that separate is not equal.

Article XII, Section 10 of New Mexico's Constitution, adopted on January 21, 1911, states, "[c]hildren of Spanish descent in the state of New Mexico shall . . . never be classed in separate schools, but shall forever enjoy perfect equality with other children in all public schools and educational institutions of the state, and the legislature shall provide penalties for the violation of this section. . ."

NM is #1 in the U.S. in Educational Equity.

Accountability and Standards

New Mexico also ranks first in the nation in accountability and standards, according to Education Week's Quality Counts 2000 report. Specifically, Education Week looked at how the states measure student performance through achievement tests. New Mexico was the only one of the 50 states to receive both an "A" and a perfect score of 100 in this category.

Student Achievement

The results of those student achievement tests, the National Assessment of Educational Progress (NAEP), however, ranked New Mexico more than 20% below the national average in all six of the reported categories. Math was a particular weak spot. Only 13% of 4th graders and 14% of 8th graders tested at or above "proficient" in math. As

the graph below shows, in all six of the reported categories, New Mexico scored below our peers and neighbors in Arizona, Colorado and Texas, except for 4th grade reading where we tied with Arizona.

School Performance

The State itself recently graded New Mexico public schools in four categories ranging from "probationary" to "exemplary." While 172 public schools, or about 29% of those ranked, received the lowest grade of "probationary," only 37 schools, or about 6% of those ranked, qualified as "exemplary." The State Board lowered the minimum score needed to avoid the probationary ranking which allowed an additional 160 public schools to escape the probationary ranking. Probationary schools will now need to show improvement or risk take over of their operations by the Department.

Student Achievement (% Scoring at or above "Proficient")

	4TH GRADE MATH (1996)	4TH GRADE READING (1998)	8TH GRADE MATH (1996)	8TH GRADE SCIENCE (1996)	8TH GRADE READING (1998)	8TH GRADE MATH (1998)
AZ	15	22	18	23	28	21
CO	22	34	25	32	30	27
NM	13	22	14	19	24	18
TX	25	29	21	23	28	31
US	20	29	23	27	31	24

Source: Education Week, "Quality Counts 2000," (January 13, 2000). All test scores are based on the National Assessment of Educational Progress Exams.

Dropout Rate

Another important performance indicator for the schools is the dropout rate. Beginning with the

1987-88 school year, the New Mexico Department of Education has collected and published data on

Dropouts in New Mexico: 1987-1988 to 1997-1998			
YEAR	GRADES	NUMBER	PERCENTAGE
1987-88	7-8	930	2.3%
	9-12	6,513	8.3%
1988-89	7-8	1,759	4.1%
	9-12	8,484	10.4%
1989-90	7-8	1,625	3.6%
	9-12	7,914	9.9%
1990-91	7-8	1,316	2.9%
	9-12	7,844	9.7%
1991-92	7-8	1,215	2.4%
	9-12	6,233	7.4%
1992-93	7-8	845	1.7%
	9-12	6,807	8.0%
1993-94	7-8	988	2.0%
	9-12	7,106	8.2%
1994-95	7-8	892	1.7%
	9-12	7,792	8.7%
1995-96	7-8	1,325	2.5%
	9-12	7,756	8.5%
1996-97	7-8	1,331	2.6%
	9-12	7,230	7.8%
1997-98	7-8	1,491	2.9%
	9-12	6,806	7.1%
TOTAL		94,202	

Sources: New Mexico Department of Education, Dropout Studies for 1987-88 (July, 1989), 1988-89 (May, 1990), 1989-90 (June, 1991), 1990-91 (August, 1992), 1991-92 (September, 1993), 1992-93 (September, 1994), 1993-94 (September, 1995), 1994-95 (September, 1996), 1995-96 (July, 1997), 1996-97 (July, 1998), 1997-98 (July, 1999). Compiled by Think New Mexico.

dropouts for both 7th through 8th grade and 9th through 12th grade.

The chart on page 8 provides that data, but it is important to recognize the limitations of those statistics. For example, the dropout rate varies among grades. For the last three years, the 9th grade has had the highest rates, according to the Department. The Department also changed the method it uses to collect and report data after the 1991-92 school year in order to meet the standards of the National Center for Educational Statistics (NCES) and to allow for comparisons between states. In the most recent comparison of the states by the NCES, 1996-97, New Mexico ranked 33 of 38 states on the dropout rate for the 9th through 12th grades. (There was no ranking for 7th through 8th grade dropouts.)

We calculated the total aggregate number of dropouts for 7th through the 12th grades for the school years 1987-88 to 1997-98, the most recent year for which numbers are available. **The total number of dropouts in New Mexico for this period is 94,202 or enough to fill the University Stadium at the University of New Mexico, with a capacity of 33,707, nearly three times.** We should not forget that behind these statistics are individual students and individual lives. No matter how the dropout rate is calculated, students who dropout of high school are more likely to be unemployed, to earn less when employed, and to raise a family in poverty, thus placing the next generation at greater risk to dropout, according to "No More Excuses: The Final Report of the Hispanic Dropout Project."

Enrollment Patterns

Perhaps, the most telling way to evaluate our public schools is to compare them to the competition in New Mexico using enrollment patterns. According to the New Mexico Department of Education, state-wide enrollment in New Mexico's public schools has increased from 287,239 students in the 1987-88 school year to 324,520 in the 1999-00 school year, an increase of 13.0%. Meanwhile, according to the Department's own numbers, enrollment in non-public schools (i.e. both independent private schools and religious schools) during the same period has jumped from 23,604 to 33,301, an increase of 41.1%. **Thus, for the past dozen years, non-public school enrollment has grown more than three times as fast as public school enrollment in New Mexico.**

Even more striking, as the graph on page 11 indicates, is that enrollment in public schools has actually fallen from a peak of 330,522 students in the 1996-97 school year to 324,520 in the 1999-00 school year. This exodus has been blamed on migration patterns, but during this same period enrollment has climbed in non-public schools from 31,780 to 33,301, according to the Department. Thus, since the 1996-97 school year public school enrollment has declined by 1.8%, while non-public school enrollment has increased by 4.8%.

(Moreover these enrollment numbers do not include students who attend school at home which by some accounts have exploded in New Mexico. The Department has maintained those numbers for two years but the Department concedes that its enrollment numbers are not reliable because many home school

parents do not register with their local school superintendent, as the law requires.)

Figures from the National Center for Education Statistics reveal that the percentage of New Mexico's 5 to 17 year old population attending public schools has dropped from 94% in 1990 to 90% in 1997. That knocked New Mexico down from 12th to 36th in the nation for the percentage of children attending public school.

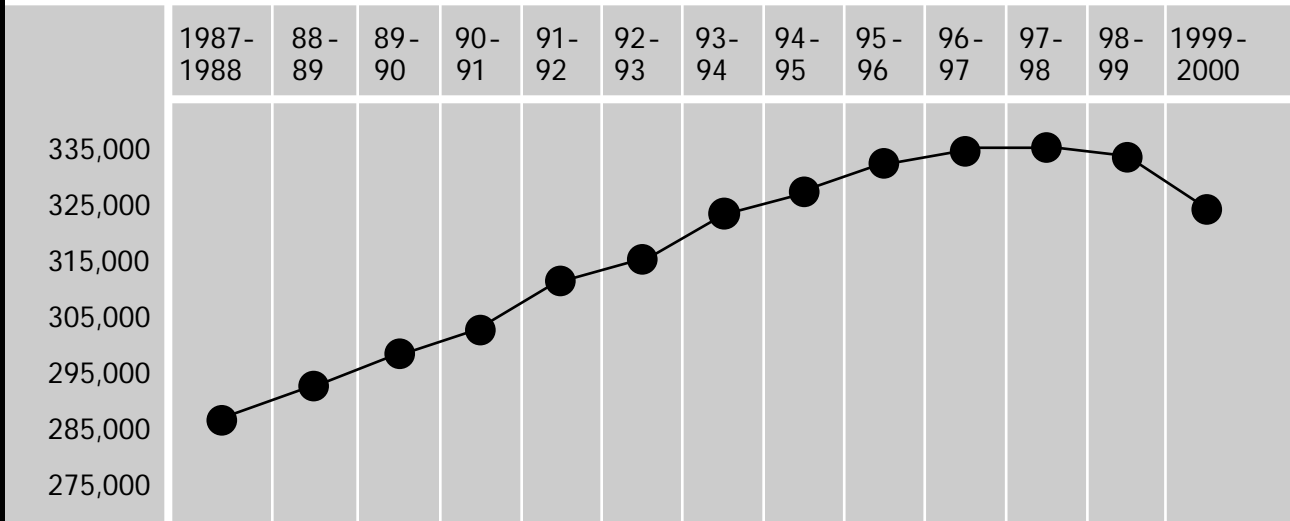
This enrollment data is mirrored by a University of New Mexico Institute for Public Policy poll of 1033 New Mexicans and 867 people nationwide, conducted in October and November of 1999. **The Institute concluded that "New Mexicans are much less satisfied with their local public schools than are most Americans."** It found that 50% of New Mexicans give local schools a grade of C or D. In the national sample, 36% assigned those grades to their local schools. Likewise, it found that only 45% of New Mexicans give local schools an A or B. In the national sample, 60% assigned those grades to their local schools.

Conclusion

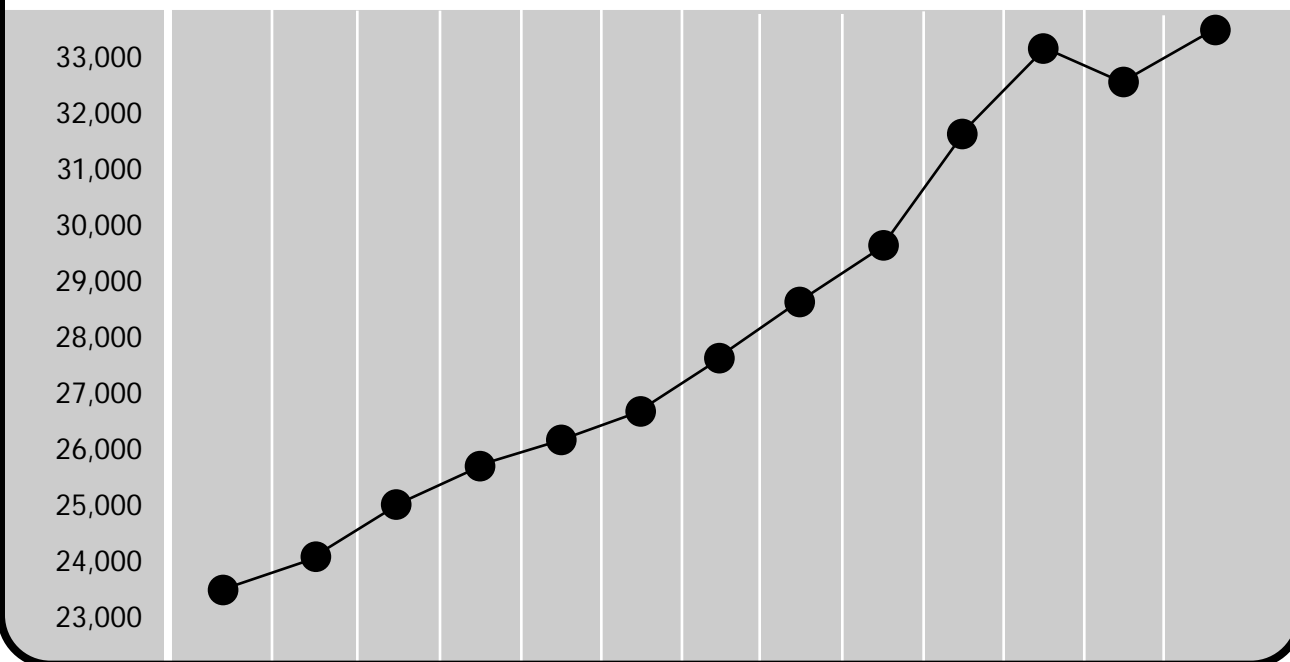
While the good parts of New Mexico's Report Card are quite good, the bad parts of the Report Card are, unfortunately, quite bad. Student achievement is in the bottom tier of states. Only 22% of New Mexico fourth graders are "proficient" in reading. More than 8,000 students dropout each year. The fact that enrollment is declining in the public schools while increasing in non-public schools, indicates that parents in New Mexico have begun to vote with

their feet. The bottom line is that despite some pockets of success, New Mexico's Report Card for its public schools is simply not good enough. The consequences for our children, our economy and our quality of life are obvious – and serious.

NM Public Schools 1987-1988 to 1999-2000



NM Non-Public Schools 1987-1988 to 1999-2000



Source: New Mexico Department of Education, Data Collection and Reporting Unit (8/15/00).

WHY VOUCHERS ARE NOT THE SOLUTION FOR NM

The results, in terms of student achievement, are not in yet on the small, experimental voucher initiatives taking place across the United States. In the meantime, there are a variety of legal, practical, and policy reasons why publicly funded vouchers for private schools are not a viable solution for New Mexico on a large-scale basis any time in the near future.

A recent Attorney General's Opinion (No. 99-01) concludes that a "school voucher program involving the use of public money to provide parents of private school children with tuition assistance raises serious and substantial state constitutional questions." The Attorney General's Opinion identified five specific conflicts or potential conflicts with separate provisions of the New Mexico Constitution.

For example, Article XII, Section 3, states, in pertinent part, "no part of the proceeds arising from the sale or disposal of any lands granted to the state by Congress, or any other funds appropriated, levied or collected for educational purposes, shall be used for the support of any sectarian, denominational or private school, college or university."

Likewise, the Anti-Donation Clause of Article IX, Section 14 declares that "(n)either 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. . ." Thus, tuition grants and scholarships for private school education would likely violate the Anti-Donation Clause.

In addition, there are three other provisions of the New Mexico Constitution that could conflict with a school voucher program, according to the Attorney General's Opinion. Article II, Section 11 prohibits the State from giving any special preferences to religion and Article IV, Section 31 prohibits appropriations for educational purposes to persons and educational institutions not controlled by the State. A voucher program could compromise these provisions if the private schools involved are primarily sectarian.

Article XII, Section 1 provides for "a uniform system of free public schools"

and could support a constitutional challenge if a voucher program harmed the State's ability to meet this fundamental obligation.

Aside from the legal issues, vouchers raise practical and policy concerns. The voucher program for 100,000 New Mexico children that has been debated the last several years is about three times larger than the entire private and religious school enrollment of 33,301 in New Mexico during the 1999-2000 school year. Further, the vast majority of private and religious schools in New Mexico are located along the Rio Grande Corridor. We counted only eight such schools on the entire East Side of New Mexico. Voucher proponents argue that "private operators will enter the New Mexico market to build and operate schools." But what if the \$3,000 vouchers that are being debated are not sufficient to attract quality private operators?

It has often been said about the public schools that there is something strongly democratic about children of all races, religion, ethnicity and economic backgrounds learning side by side. That alone is reason enough to identify ways to improve and preserve New Mexico's public schools. Vouchers would fund an exodus from them.

On the other hand, we agree with voucher proponents about the importance of educational choice. Parents in New Mexico with the financial means, or able to make the necessary sacrifices, can choose their children's schools by enrolling them in a variety of private schools or by moving to a neighborhood with the best performing public schools. Too many poor and middle income

families in New Mexico, however, do not have these choices. That denies their children the same opportunity for success.

Likewise, we like the idea that competition could be a force to improve all schools in New Mexico and make them more responsive to the needs of students, as voucher proponents suggest. They are right that the monopoly nature of New Mexico's public schools is not in the best interests of the children whom they serve. Indeed, competition encourages innovation. That can only help improve New Mexico's public schools.

DECENTRALIZATION, COMPETITION & CHOICE

What if New Mexico took the positive attributes of vouchers, namely choice and competition, and used them to improve the public schools, rather than to weaken them? We support in essence marrying what is best about New Mexico's public schools (educational equity, accountability and standards) with what is best about vouchers (choice and competition) and combining them in a public educational system with stronger, decentralized local control. We believe that this is the surest path to world class public schools for New Mexico.

In developing this new approach to the public schools, we weighed every decision by a single standard: whether it will lead to higher student achievement. For too long in New Mexico, we have resisted bringing change to our public schools because it would inconvenience adults. Now it is time in New Mexico that we focus on what is in the best interests of children and producing higher student achievement.

I. DECENTRALIZATION: STRENGTHENING LOCAL CONTROL AND ACCOUNTABILITY

A. Local School Districts and Boards

1. History and Problems

The concept of local school districts and boards is not a New Mexico invention. They actually date back to 1640 and New England, according to the American Association of School Administrators (AASA). The Puritans selected a few men who served on the Town Committee to tend to education. These committees later became local school boards. State legislatures, meanwhile, created districts for the rural areas of New England and gave them the power to hire teachers and establish a curriculum.

The AASA found that this organizational pattern "fit the circumstances perfectly at a time when the population was sparse, travel was difficult, the obligations of state government were small and educational aspirations were low."

The first New Mexico school law was passed in 1855-1856, more than a half century before statehood. Among other things, these laws created County Boards of Education. The County Boards' chief function was to spend property taxes collected exclusively for public education, according to former Professor and Dean of the College of Education at UNM, S.P. Nanniga, in his 1942 book, The New Mexico School System: A Textbook for Problems of Education in New Mexico.

The members of the County Boards of Education were to be composed of one person of the "greatest ability, learning and integrity from each precinct" and the local probate judge was to preside over the Board, according to the law. The boards established schools and set policy. Board members could be fined for absences unless they offered a sufficient excuse.

Professor Nanniga notes that by the 1935-1936 school year, New Mexico had developed five different types of local school boards in addition to state and county school systems. These were 1) rural school districts, 2) independent rural school districts, 3) municipal school districts, 4) union high school districts and 5) interstate school districts.

The rural school districts were under the control and jurisdiction of the 31 county boards of education and a county school superintendent. In addition, there were eight independent rural school districts.

There were also scores of municipal school districts. Incorporated cities, towns and villages in New Mexico could form a municipal school district, once it could show that it had an average daily attendance of 100 or more students for two or more consecutive years.

Union high districts were created when two or more contiguous school districts merged for the purpose of establishing and maintaining a high school. The merging districts could be rural, independent rural or municipal.

Finally, New Mexico and Texas created interstate school districts to serve contiguous communities in the two states in order to eliminate duplication in the expense of maintaining and operating schools. (Unfortunately, Professor Nanniga's textbook does not disclose how many of these interstate school districts were established, if any, and how long they survived.)

New Mexico's motto, "Crescit Eundo" ("it grows as it goes") certainly seems to describe the growth of

Education Level of Local School Board Members in New Mexico

No high school degree, high school graduate or some college	56%
At least a college degree	44%

Source: New Mexico School Boards Association, Results of "School Board/Member Survey" (1999) (69% of School Board Members Responding.)

school districts in New Mexico. However, while the governance system that developed by the mid-1930s may seem to us now to be clumsy and unwieldy, it was consistent with the Puritans' idea of having schools governed by local people and small districts. In fact, the vast majority of the various school districts in New Mexico in the mid-1930s appeared to supervise the education of only a few hundred students each. The largest school district in the 1935-1936 school year listed in Nanniga's textbook was the Bernalillo County system which had only 4,295 students. For a sparsely populated state like New Mexico in the mid-1930s, this model of many small districts probably made sense.

From 1940 to 1970, there was rapid consolidation of school districts in New Mexico apparently to reduce duplication and to achieve efficiencies. There were 947 school districts in New Mexico in 1940, according to Tom Wiley's 1968 book, Politics and Purse Strings in New Mexico's Public Schools. In 1950 the number of school districts had dropped to 463, according to figures maintained by the New Mexico Department of Education. By 1960, the number of school districts had dwindled to 157 and then to 89 in 1970, according to the Department's numbers. It has generally stayed constant thereafter and remains at 89 today.

Today, as the chart on page 17 demonstrates, New Mexico's 89 school districts range in size from the 85,381 students in the Albuquerque Public Schools to the 56 students at Mosquero Public Schools. Fifteen New Mexico school districts now have over 5,000 students. Twenty-six school districts have 1,000 to 5,000 students and 48 districts have less than a thou-

sand students, according to figures that we compiled based on the Department's numbers.

There seems to be an increasing level of dissatisfaction with many, although not all, local school boards and districts in New Mexico.

The largest districts, in particular are beset by a variety of problems. The larger the district, the more students and schools to supervise and the tendency to impose one-size-fits-all educational policies and cookie-cutter curricula that may not work for all schools and all students within a district.

Some communities and schools within larger districts feel neglected and isolated. For instance, disgruntled community leaders in the South Valley of Albuquerque

Number of School Districts in New Mexico	
1940	947
1950	463
1960	157
1970	89
1980	87
1990	89
2000	89

Sources: New Mexico Department of Education, "New Mexico Public School Finance Statistics: Fiscal years 1998 - 1999" page A6; Tom Wiley, Politics and Purse Strings in New Mexico's Public Schools (1968); Compiled by Think New Mexico.

Source to the chart on the right: New Mexico Department of Education, "Total Student Enrollment by District" (January 20 2000). Compiled by Think New Mexico.

Size of School Districts in NM by Enrollment

OF DISTRICTS ENROLLMENT

15	≥ 5,000
26	≥ 1,000 < 5,000
48	< 1,000

10 Largest School Districts in NM by Enrollment

DISTRICT ENROLLMENT

<i>Albuquerque</i>	85,381
<i>Las Cruces</i>	22,306
<i>Gallup</i>	14,036
<i>Santa Fe</i>	13,534
<i>Gadsden</i>	12,989
<i>Farmington</i>	10,381
<i>Roswell</i>	10,304
<i>Rio Rancho</i>	9,998
<i>Los Lunas</i>	8,515
<i>Clovis</i>	8,470

10 Smallest School Districts in NM by Enrollment

<i>Wagon Mound</i>	172
<i>Maxwell</i>	162
<i>Des Moines</i>	162
<i>Hondo</i>	161
<i>Grady</i>	136
<i>Vaughn</i>	120
<i>Roy</i>	117
<i>Elida</i>	105
<i>Corona</i>	84
<i>Mosquero</i>	56

have recently been seeking their own South Valley school district, independent from Albuquerque Public Schools. The leaders of this movement charged in a recent Albuquerque Journal article that they could not "do any worse" on their own. They point to low student achievement and high dropout rates.

Local school board members are part-time positions in New Mexico. However, the job is becoming increasingly complex and time consuming, particularly for those school board members in the larger districts. Perhaps, as a result, fewer candidates run in school board elections which routinely go uncontested with only a single candidate seeking the office. Too often, we learned from a variety of interviews, local school board candidates no longer have children in the public schools, or are former district personnel with a personal agenda or both.

Smaller New Mexico school districts, meanwhile, struggle with their administrative overhead because they have many fewer students to spread that cost across. For instance, using 1998-99 data from the New Mexico Department of Education's 1999 Accountability Report, we calculated that Mosquero Public Schools' administrative costs are nearly six times New Mexico's statewide average. Similarly, the administrative costs of Grady Public Schools are more than five times the statewide average and Vaughn and Corona are more than four times the statewide average.

A related problem is duplication of school district administration in New Mexico's public schools. This is best illustrated by the case of the city of Las Vegas (population: approximately 18,000). Until the con-

New Mexico Public School Demographics

GENDER	STUDENTS	SCHOOL BOARD MEMBERS
Male	51.5%	71.3%
Female	48.5%	28.7%
ETHNICITY		
Hispanic	48.8%	30.6%
Anglo	37.2%	60.9%
Native American	10.8%	6.8%
African American	2.3%	1.4%

Sources: New Mexico School Boards Association, "School Board/Member Survey." (1999); (69% of school board members responding) New Mexico Department of Education, "New Mexico Facts About Education (1994-1999)." Compiled by Think New Mexico.

solidation of the City of Las Vegas and West Las Vegas in 1968, Las Vegas had two city halls, two Mayors, two fire departments, two police departments etc. Three decades later, however, Las Vegas still has two school districts: one for the City of Las Vegas and one for West Las Vegas, even though municipal consolidation is now considered a success by virtually everyone in Las Vegas, according to former Las Vegas Mayor Matt Martinez.

There also appears to be an enormous amount of administrative duplication when viewing the school districts as a whole. For example, New Mexico has 89 school superintendents. Their salaries alone (i.e. not including benefits) totaled more than \$6.5 million in the 1999-2000 school year, according to the New Mexico Department of Education's Finance Statistics book. That, however, is just the tip of the iceberg. We counted some of the administrative

positions listed in the 1999-2000 New Mexico Educational Personnel Directory. The results are summarized in the first chart on page 19.

To place this issue in a national context, we looked at figures from the National Center for Education Statistics. We discovered that New Mexico ranks third highest in the ratio of central office administrators to staff in the schools (i.e. teachers, principals, instructional aides, librarians, guidance counselors, janitors etc.) at a rate of 7.1%. Only Massachusetts, Ohio and New York had a higher ratio of central office administrators to school staff.

Finally, both large and small school districts in New Mexico suffer from high turnover of district superintendents, who have an average tenure of 4.2 years, according to a recent survey by the New Mexico Coalition of School Administrators (NMCSA). Moreover, nearly half of the 89 school superinten-

Some Central Office Administrative Positions in New Mexico

Assistant Superintendent	49
Associate Superintendent	32
Athletics Director	9
Facilities and Maintenance Director	15
Federal Programs Director	19
Finance and Budget Director	64
Food Service Director	73
Health & Human Relations Director	11
Information Technology Director	16
Special Education Director	40
Transportation Director	20
Testing Coordinator	57

Source: New Mexico State Department of Education, "New Mexico Educational Personnel Directory 1999-2000" Compiled by Think New Mexico.

Top Three College Majors of New Mexico School Superintendents

Physical Education	30%
Elementary Education	18%
English	10%

Source: New Mexico Coalition of School Administrators (1998 - 1999) (68 of 89 superintendents responding).

2. Solutions

We believe that many local school districts in New Mexico are at once too big and too small to perform their jobs in a way that will best serve students. In sum, districts are generally too big in that they have too many schools to adequately supervise and at the same time they are too small to efficiently obtain products and services for the schools.

A better model would split apart these two very different functions: 1) making educational policy and 2) administering the financial aspects of running the schools. Education policy (e.g. curriculum, budget and hiring decisions) would be made better by principals on a school-by-school basis with guidance from democratically elected local advisory councils made up of stakeholders (i.e. teachers, parents and community members) in each public school. The financial aspects of running the schools (e.g. purchasing supplies, food services, transportation and payroll), on the other hand, would be better provided by a single, statewide purchasing consortium that could achieve economies of scale, while avoiding duplication of effort and administration. That is simply not possible with 89 separate school districts.

dents have been in their job for one year or less. There were 24 new superintendents in New Mexico in the 1999-2000 school year and there are 19 new superintendents scheduled to begin the 2000-2001 school year, according to NMCSA .

It appears that too often many of New Mexico's local school boards believe that the solution to troubled schools is to fire the superintendent. It is difficult to raise student achievement, however, when the superintendent's job becomes a revolving door.

Given all of these problems, we strongly question whether the current model of governing public schools, which has its roots in very different circumstances more than three and half centuries ago, is still the best model for New Mexico in 2000.

By moving to this model, New Mexico could both strengthen local control by making the school, rather than the school district, the governance unit and obtain a better return on each dollar invested in the public schools.

a. **Make School - Based Management Available to All New Mexico Public Schools by Local Option Election**

School-based or site-based management is an education reform strategy that is designed to dramatically decentralize decision-making from the central administrative office to the school. It seeks to strengthen local control, boost morale, stimulate improvements in the schools and in this way produce higher student achievement.

Specifically, school-based management delegates the authority to make decisions in the areas of budget, hiring and curriculum to the school site, where a democratically elected local advisory council led by the principal has wide discretion, responsibility and flexibility. The local advisory council is made up of the school's stakeholders: the principal, teachers and in many instances, parents and community members. Elections are held annually at each school so that teachers and parents can choose their own representatives to the local advisory council.

School-based management recognizes that all children learn in different ways and cookie-cutter curricula and top-down, one-size-fits-all approaches often do not work well for students. It transfers power to professionals, principals and teachers, who are in the best position to know and respond to the

unique needs of students. In our view, school-based management is particularly well suited to New Mexico because of our diverse student population.

New Mexico public schools must generally adhere to a central office formula for supplies, equipment and staff. That may not be the best way to allocate resources for each individual school. School-based management would mean school-based budgeting which would permit principals and democratically elected local advisory councils to allocate the resources. School-based budgeting would result in less principal time spent getting approvals, sign-offs and filling out paperwork and more time planning, managing and allocating school resources to support student success.

Several New Mexico public school principals complained to us that they are expected to produce results in their school but, for the most part, they lack the necessary tools in the form of real control over budgets, curriculum and hiring. School-based management, when done correctly, would give principals the flexibility, responsibility and resources they need to do their job, but then hold them accountable for results. We were impressed that the New Mexico public school principals whom we interviewed were more than willing to strike that bargain and welcomed more responsibility.

It should be noted that in the public school context, school-based management is appropriately limited by, among other things, federal and state statutes and regulations relating to academic content standards, licensing certification requirements, and Special Education rules.

Further, under the accountability system in place in New Mexico, the Department of Education essentially has the authority to take over "probationary" schools or schools that have failed to meet the requirements of laws, rules and standards. This power would also serve as an important check on site-based management schools.

School-based management is not a new concept, nor is it new to schools in New Mexico. Most importantly, it has met with success where it has been implemented. Perhaps, the best example of school-based management in New Mexico is the Catholic school system.

There are 32 Catholic schools in New Mexico within the Archdiocese of Santa Fe, serving more than 8,000 students this school year, according to Sister Michelle Micek, who serves as Superintendent of Schools for the Archdiocese of Santa Fe. Only five full-time and one half-time central office employees in the archdiocese administer these 32 Catholic schools.

How are the Catholics schools able to serve so many students with such a small central office staff? School-based management. They do it through Advisory School Councils, generally composed of parents and up to two community members, appointed by the local pastor. (The community members tend to have expertise in an area that the school could benefit from, like finance or construction.) The councils operate by consensus led by the local principal. The councils and the principals make their own budget, curriculum and hiring decisions. "It's important that the schools make budget decisions because they know what they need," Micek told us.

Micek states that Catholic schools in New Mexico are "healthy and growing" and she describes the Advisory School Councils as "very committed and dedicated." The academic results are outstanding. According to their "1999-2000 Fact Sheet," Catholic high schools had a 99.3% graduation rate and of those who graduated, 99.7% went on to post-secondary education. (It should be noted that Catholic schools do not admit all that apply, whereas public schools are legally required to admit everyone.)

Private schools in New Mexico also operate on a school-based management approach. In the private school context, principals are granted wide discretion in the areas of hiring, curriculum and budget, under the direction of a board of directors, which is generally composed of parents and community members. Private schools, of course, are autonomous and do not report to a central office hierarchy.

In addition, there is precedent in New Mexico's public schools for school-based management, but it has not been the type of school-based management discussed here in that much authority remains at the district level central office, particularly with regard to budgets.

Local school boards and districts are naturally opposed to real school-based management because it means giving up power and control over budgets and hiring. It also tends to make their roles somewhat irrelevant. Thus, we believe it would be very difficult for real school-based management to co-exist with local school boards and districts.

We believe that the decision to decentralize should be decided locally from the bottom up rather than

imposed from the top down, consistent with the long tradition of local control in New Mexico as well as New Mexico's rich diversity.

Citizens in New Mexico have the right to vote in local school board elections and we would add to that privilege, the right to disband local school boards and districts and replace them with decentralized school-based management through a local option election.

The New Mexico Legislature already permits many communities in New Mexico the right to hold local option elections in a wide variety of contexts. They range from elections to impose a tax on liquor in McKinley County to local option elections to impose gross receipts tax.

Here, we recommend that the local option election coincide with local school board elections, which occur in February in odd numbered years.¹ Under our proposal, proponents of school-based management would collect petition signatures from voters within the district to place a school-based management option on the ballot. A majority of citizens in the community would then decide.

¹ *The timing of local school board elections in New Mexico has its roots in early statehood when women could vote in local school board elections, but not the General or Primary elections, according to the Report of the Constitutional Revision Commission of 1967. School board elections, therefore, had to be held at a different time. Even though women won the right to vote more than eight decades ago, school board elections have remained separate elections in New Mexico.*

We recognize that citizens in school districts like Alamogordo, Cimarron, Cloudcroft and Los Alamos that have consistently high student achievement and consistently low dropout rates are quite likely satisfied with the public schools in their community. The local option would be unnecessary for them.

On the other hand, citizens in other school districts may opt for decentralization and school-based management as a way to improve their schools and student achievement. The citizens of every school district should be allowed to choose whether to disband their school board and district. If nothing else, it would serve as a check on complacent school boards and districts.

The bottom line is that school-based management provides a proven education reform strategy for communities with failing schools. A local option election would provide those New Mexico communities with a choice between a centralized and decentralized method of delivering public educational services, without harming those school districts that are functioning well.

b. Establish a Statewide Service and Purchasing Consortium for all New Mexico Site-Based Managed Public Schools

New Mexico school districts that elect to disband in favor of decentralization and school-based management will need an organization to support the non-learning activities of students (e.g. food services, transportation and payroll). We recommend a service and purchasing consortium that would be open to

individual New Mexico site-based managed public schools as well as school districts where the voters choose not to disband.

One competitive advantage that the New Mexico Public Schools have over non-public schools is the sheer volume of students who attend them.

One jurisdiction that thinks this way about its education spending is Edmonton Public Schools in Alberta, Canada. Edmonton has more than two decades of successful experience with school-based management that has resulted in consistently high student achievement. A key component of Edmonton's success is that it allows the schools to not only budget, but to decide from whom to purchase. Edmonton's service and purchasing consortium offers its services to the schools, but the schools can choose instead to buy from a local store or service provider if it can get better service, more timely delivery or a better price. For example, if a computer is broken in a public school in Edmonton, the school can "rent" an information technology specialist from its consortium at a set fee or it can hire a specialist from outside the system.

This encourages competition, which the Edmonton Public Schools embrace. Angus McBeath, who leads the consortium explained to us, "[w]e, of course, want the business of our schools, but more importantly we want the schools to get the best value for their money." Through this type of competition, the Edmonton's consortium guards against becoming a monopoly or a government bureaucracy.

The focus in Edmonton is always on the schools and increasing student achievement. (Ninety-two cents

of every dollar spent on education in Edmonton is spent in the schools.) McBeath recognizes that "[s]chool-based management by itself does not raise student achievement," but he told us, "it allows the schools to control enough of the variables that it gives the principal and the staff the opportunity to be successful."

One very good vehicle to provide non-learning services and products to site-based managed schools in New Mexico is the New Mexico Research and Study Council (NMRSC). The NMRSC, founded in 1959 is a not-for-profit that is administered at the College of Education at the University of New Mexico. As its name implies, it was originally formed to conduct research and studies for New Mexico's school districts. In 1961 it began a cooperative purchasing program and now claims 30% savings on products and services for its member school districts.

However, NMRSC's purchasing cooperative program is small, with only a single employee. On the other hand, the NMRSC has several strengths including the fact that it is an independent organization that is fairly well insulated from politics and under highly capable leadership at the University of New Mexico.

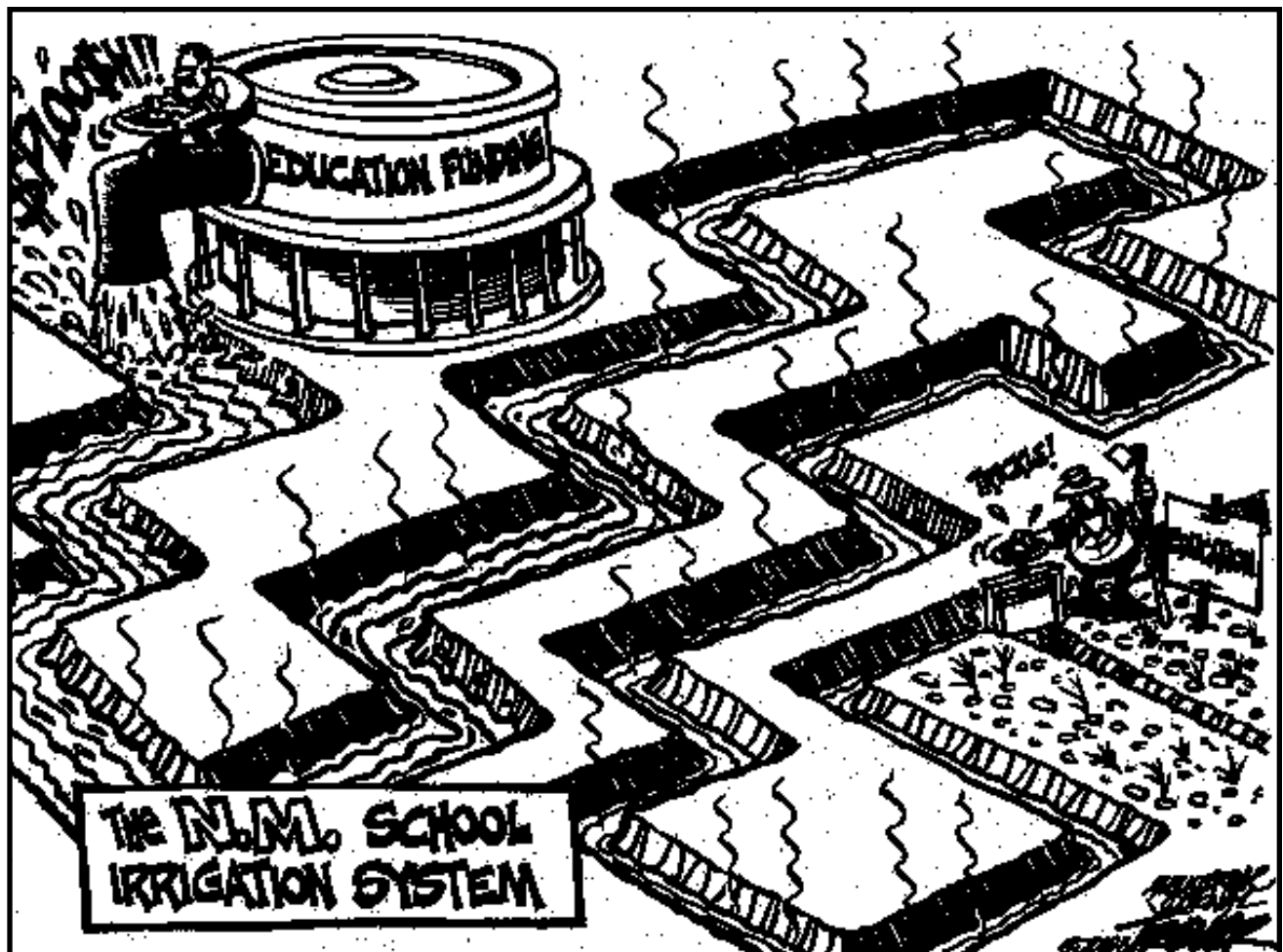
Another potential source to provide non-learning services and products to site-based managed schools in New Mexico is Cooperative Education Services (CES) which operates through joint powers agreements with all 89 school districts. Among other things, CES does some bulk purchasing of computers and software for the districts as well as contract for food services for rural school districts.

A third source to provide non-learning services and products to site-based managed schools are the three regional educational centers and seven regional cooperative centers created by the New Mexico Legislature through the Regional Cooperative Education Act. These are essentially purchasing cooperatives set up by local school districts to more effectively provide technical assistance and development opportunities.

We would like to see the NMRSC, the CES, the

regional centers or some combination evolve into as broad an organization as Edmonton's service and purchasing consortium and with the same student achievement-focused approach.

The purchasing consortium idea, like school-based management, shifts power and resources from central offices to principals and democratically elected local advisory councils. That would also mean a shift in jobs from central administrative offices to the public schools. It may also mean the elimination of



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some central office jobs like those for lobbyists and public relations specialists who contribute very little in the way of boosting student achievement.

We find it obscene that school districts continue to contract with and employ lobbyists and public relations specialists when New Mexico teachers must take money from their own pockets to buy student supplies that these same school districts say they cannot afford. Further, lobbying only slices the education budget pie differently without expanding it. This places small New Mexico school districts at the mercy of larger districts that can afford lobbyists, which in turns militates against educational equity, one of the bedrock strengths of the current system.

NM School Districts Represented by Registered Lobbyists in 2000

1. Albuquerque
2. Artesia
3. Gallup
4. Hatch Valley
5. Las Cruces
6. Los Alamos
7. Los Lunas
8. Rio Rancho
9. Santa Fe
10. Taos

*Source: Secretary of State's Office,
"Organizations Represented by Lobbyists, 2000."
Compiled by Think New Mexico.*

B. The New Mexico State Board of Education

New Mexico's State Board of Education is composed of 15 members. The people of New Mexico elect ten and five are appointed by the Governor and approved by the New Mexico Senate. The Board appoints a State Superintendent of Instruction and determines public school policy through regulation.

The voters of New Mexico have repeatedly displayed ambivalence about the structure and size of the State Board. Under the original State Constitution, the State Superintendent of Public Instruction was an elected position, selected by the voters at each general election. There were five appointed board members, plus the Governor and the State Superintendent.

In 1958, the voters reversed course and changed the language of the New Mexico Constitution to provide for ten elected State Board members, who would then appoint the State Superintendent.

In 1986 the New Mexico voters shook up the State Board once again and moved to a quasi-elected, quasi-appointed system.

Now there is a proposal pending to give the Governor the authority to appoint a State Board of seven members, which would unintentionally bring the State Board full circle to essentially its original structure.

Meanwhile, the elected State Board positions are hardly ever contested. In the 1996 and 1998 elections, four of the five staggered State Board positions had only a single candidate run. That is true again this year.

We believe that the debate as to whether the Board should be elected or appointed and how many members there should be misses the point. We recommend instead that a constitutional amendment be placed on the ballot to allow the people of New Mexico to decide whether to abolish the State Board of Education and give the Governor the power to appoint a State Superintendent of Public Instruction who would also serve in the Governor's Cabinet. We would further suggest that the amendment be placed on the ballot to coincide with the election of the next Governor in New Mexico in 2002.

In addition, we recommend the appointment of a task force, with a majority of principals and teachers, to study the current regulations and make recommendations to the Legislature and Governor about specific regulations that could be eliminated. By our count, there are more than 744 pages of education regulations in New Mexico. Even State Superintendent Michael Davis agrees that the paperwork requirements that these regulations generate are enormous.

We wonder how some of the superintendents of the smaller school districts can be expected to read and comply with 744 pages of regulations when they also hold teaching positions and drive the district's school bus.

Although these recommendations will no doubt be controversial, we believe that they are consistent with a dramatically decentralized public school system that emphasizes flexibility and local autonomy. Of course, more flexibility and local autonomy requires

the State, with the exception of statewide accountability standards, to place as few top-down, one-size-fits-all regulations on the schools as possible.

The Governor, the Department of Education, the Legislature and the Legislative Education Study Committee could subsume all of the functions now performed by New Mexico's State Board of Education. In some cases, those functions already have been largely subsumed. For example, The Legislature and the Governor already make most, if not all, of the major educational policy decisions in New Mexico. Recently, these have included some very positive reforms like the reduction of class sizes in 1986, the original charter school law in 1993 and the full-day kindergarten law in 2000. Likewise, the Department of Education already does most of the major accreditation and standards work that is then essentially rubber-stamped by the State Board.

By allowing the Governor to appoint the State Superintendent of Instruction who would serve in the Governor's Cabinet, the need to have the Department of Education and the State Superintendent of Public Instruction under the control of an elected official is satisfied. Except that it would be a governor, elected in a contested race in which approximately 60-70 percent of eligible voters participate rather than 10 state board members elected by a tiny fraction of the electorate. In addition, allowing the Governor to select a State Superintendent would have the beneficial feature of making the Governor more accountable and responsible for higher student achievement in New Mexico.

This, in turn, would create a governance structure

with strong checks and balances over the State's education agenda. Under our model, none of the major actors (i.e. the Governor, the Legislature and the educators at the school and district level) would have dominant control of that agenda. Local control of the schools would be strengthened with fewer statewide mandates placed on the schools, but the Governor and the Legislature would have the lead role in funding, setting standards and holding the schools accountable for results. At the same time, there would be much clearer lines of responsibility, particularly relating to the Governor's role.

Some may argue that making education policy is too big a task for a citizen's legislature like New Mexico's Legislature. However, since 1965 the New Mexico Legislature has had a permanent committee, the Legislative Education Study Committee (LESC), now composed of 22 legislators or nearly one fifth of the entire body, working on education policy. The Committee's mission is set out by statute to "conduct a continuing study of all education in New Mexico, the laws governing such education and the policies and costs of the New Mexico educational system..." The LESL is also supported and staffed by 10 year-round, full-time employees with a budget approaching \$1,000,000.00. They analyze legislation relating to education and advise the Legislature about education budgets.

Others may argue that delegating statewide education policy solely to the Governor and the Legislature would make education policy subject to partisan politics. The reality, however, is that education policy already is a partisan issue and it always has been in

New Mexico, dating to at least 1884, more than a quarter century before statehood, when the County Superintendents of Education first ran for election in partisan contests.

Is a state board of education necessary for high levels of student achievement? Wisconsin ranks at or near the top of a variety of national education indicators, including first in the nation in ACT scores. Yet Wisconsin has never had a state board of education in its history. (Perhaps influenced by its neighbor, Minnesota allowed its state board of education to expire last year as the result of a statutory change.)

Of course, New Mexico's State Board of Education could only be abolished by a vote of the people. It is appropriate, in our view, that the citizens of New Mexico should have the final word on New Mexico's State Board of Education.

II. CHOICE AND COMPETITION

We believe that creating an environment within the public schools in which parents and students have more educational choices will lead to higher student achievement. That is because more choices for parents and students lead the schools to compete in a healthy way for students. That, in turn, encourages innovation.

We would like to see every New Mexico public school compete for students on the basis of quality. The 37 schools rated "exemplary" by the State probably need to only continue what they are doing. For others, there are a growing number of school overhaul strategies that have demonstrated higher student achievement in New Mexico and elsewhere.

For example, approximately 50 New Mexico elementary public schools and about 1,500 elementary schools nationwide have adopted a strategy, Success for All, which places an intensive emphasis on reading on a school-wide basis and a family support program that involves parents.

We are also impressed with the potential of the Knowledge is Power Program (KIPP), which has received strong reviews for its success with urban children from under-privileged backgrounds in Houston and New York. Other highly respected education reform strategies that may appeal to New Mexico parents and students are Theodore Sizer's Coalition of Essential Schools and E. D. Hirsch's Core Knowledge approach.

There are many ways to promote educational choice without resorting to publicly funded vouchers for private schools. We describe below three specific recommendations that will foster greater choice for New Mexico parents and students within the public schools.

A. Increase Educational Choice by Removing Obstacles to "Conversion" Charter Schools

Charter schools are semi-autonomous public schools that operate under a written contract that must be approved by a local school district or the State. Under New Mexico law the contract or charter documents the curriculum, what students will be expected to achieve, how success will be measured and how the school will be organized and managed. As long as they meet the terms of the charter, charter

schools enjoy freedom from state and local rules and regulations affecting other public schools, such as the length of the school day. There are ten charter schools scheduled to be operating in New Mexico during the 2000-2001 school year.

According to New Mexico law, the purposes of charter schools, among other things, is to: "encourage the use of different and innovative teaching methods that are based on reliable research and effective practices or have been replicated successfully in schools with diverse characteristics...improve student achievement...create new, innovative and more flexible ways of educating children within the public school system...and develop and use site-based budgeting." These are purposes that we heartily endorse.

There are two types of charter schools. "Start-Up Charter Schools" are public schools developed by parents, teachers and community members. Less well-known are "Conversion Charter Schools" which are existing public schools that become charter schools.

Unfortunately, New Mexico's charter school law restricts the number of Conversion Charter Schools to five per year. At that rate, it would take 149 years for each of the 743 public schools in New Mexico to become a Conversion Charter School. We recommend the repeal of this arbitrary restriction to forming Conversion Charter Schools.

Conversion Charter School candidates already face an impressive array of obstacles, not least of which is the need to obtain a petition of support from at least 65% of the school employees as well as a

majority of the households whose children are enrolled in the school. In addition, local school boards have the authority to approve Conversion Charter Schools, in their districts which may discourage some public schools from applying to become Conversion Charter Schools.

The ability to create more Conversion Charter

Number of Public Schools in New Mexico	
GRADE LEVELS	TOTALS
Pre-Kindergarten	10
Elementary	447
Middle	124
Junior High	15
Senior High	113
Alternative Schools	34
Total	743

Source: New Mexico Department of Education, Data Collection and Reporting Unit, "Number of Public School Sites Reporting Teachers and Students, 1999-2000." (1/11/00)

Schools could also serve as a check on central office complacency and arrogance. After the Santa Fe Public School District discovered it had overspent its budget by \$2.6 million, the school board and central administration essentially froze teacher salaries last year and cut programs and jobs, including five and a half teaching positions at DeVargas Middle School. A poll of the school staff

at DeVargas last year found that one hundred percent of the school staff supported converting to a charter school, according to the Santa Fe New Mexican. Becky Kalstad, an art teacher at DeVargas, said that, "[I]t will empower [DeVargas] to do more and have more options, so kids come first regarding ...expenditures and programs." DeVargas Principal Debbie Carden, said, "I think parents need a choice."

Sixty-five percent of parents in a nationwide study rated their child's charter schools better than their former public school while less than six percent rated them worse, according to David Osborne, a member of the National Commission on Governing America's Schools. That Commission, a nonpartisan group of governors, legislators and educators endorsed the expansion of charter schools as one of two strategies to improve the Nation's public schools.

In our view, charter schools are one of the best hopes for New Mexico public schools. Placing unnecessary and arbitrary restrictions on charter schools only serves to build support for publicly funded vouchers for private schools.

B. Expand Educational Choice through Increased Open Enrollment Opportunities

Many states, including New Mexico, have recently passed open enrollment laws that allow parents and students to choose public schools across and within district boundaries. This allows parents and students the freedom from being restricted to the neighborhood public school.

We believe that more students could take advantage of intra-district open enrollment if every student could be provided school bus transportation to the school of their choice. Currently, local school boards set the bus routes and regulate the distances from school that students will not be served by a bus route. **We recommend guaranteeing by statute that students can attend any public school within their school district and receive bus service to their chosen school. We believe that this is consistent with Article XII, Section 1 of the New Mexico Constitution that provides for "a uniform system of free public schools" for all of New Mexico's school age children.** (We recognize that there are certain rules relating to athletic participation in high schools that will have to be addressed too.)

C. Allow Education Dollars to Follow Individual Public School Students, not School Districts

Under current school budgeting guidelines, the Legislature's appropriations for the public schools are distributed by the State directly to the local school districts on the basis of prior year enrollment in the district and weightings determined by grade level and other factors, such as Special Education participation. The local school boards then allocate that funding to each of the schools in their district, as they see fit.

We recommend instead that public taxpayer dollars in New Mexico should be attached to students, not to school districts. Schools and school districts will become more responsive to parents

and students when students can migrate to other school districts or charter schools and take their money with them, just like parents and students who pay tuition at private and religious schools in New Mexico. This would cause the public schools to focus on each individual student and their unique needs or risk losing funding to other districts or to charter schools.

This competition would be healthy for the public schools, but it would also benefit students. For example, Special Education students would be especially coveted because more money would attach to them.

Likewise, if money were attached to the student, there would be a financial incentive to keep kids in school, which could reduce New Mexico's dropout problem. This is not our idea. We borrowed it from State Senators Richard Romero and Cynthia Nava who introduced a very innovative bill, in 1997, entitled the "Dropout Prevention Schools Act" that attempted to use this approach to address the dropout problem. Under their thoughtful legislation, if Johnny dropped out, the funding attached to him would then revert to the Department of Education where it would be targeted to dropout prevention programs. This legislation ultimately did not become law, but we believe that it deserves another chance.

HOW A DECENTRALIZED PUBLIC SCHOOL SYSTEM WOULD BENEFIT NEW MEXICO'S TEACHERS

We believe that decentralizing New Mexico's public schools would be especially beneficial to teachers. It would not only bolster the profession by giving teachers a greater voice in school decisions, but it would also raise teacher salaries and address the teacher shortage crisis that is threatening to further harm the quality of public education in New Mexico.

New Mexico's average teacher salary of \$32,398 in the 1998-99 school year ranked 45th in the nation, according to the National Education Association. Moreover, teacher salaries in New Mexico have actually declined by 2.8 percent in constant dollars between 1979-80 and 1997-98, according to the National Center for Education Statistics 1999 Digest. Only three states had a larger decline, while the national rate increased 18.4 percent during the same period.

Some blame the Legislature for this state of affairs but, contrary to the popular perception, teacher salaries in New Mexico are not set by the Legislature. Teacher salaries are set instead by local school boards and local superintendents. While the Legislature does appropriate about three out of every four dollars spent to operate the public schools, it is only able to make recommendations as to teacher pay raises.

Local school boards have near total discretion on how to spend their budgets and can ignore the Legislature's recommendation on teacher pay raises. Indeed, they often do, preferring to spend the money according to their own priorities. For example, in 1998, the Legislature approved a state budget that provided enough money for a 9 percent pay raise for teachers, but two thirds of the local boards failed to raise salaries by that amount, according to the Legislative Finance Committee (LFC). Likewise in the 1999 session, the Legislature appropriated enough money for a 5.25 percent salary increase for teachers, but teachers only received a statewide average pay raise of 4.6 percent according to the LFC.

Meanwhile, the need to raise teacher salaries is particularly important now because New Mexico is in the midst of a teacher shortage crisis that is expected to get worse. A study by David Coltron, Director of the Bureau of Educational Planning at the College of Education at UNM estimates that New Mexico will need 1,850 new teachers each year for the next ten years. Unfortunately, New Mexico's public and private teacher preparation institutions only produce 900-1000 teachers per year who remain in New Mexico.

The best solution to increasing teacher salaries and confronting the teacher shortage problem is to dramatically decentralize New Mexico's public schools through school-based management. That would address both of these issues by reallocating money and positions from central office administration to the classroom, where they are most needed.

CONCLUSION

In these pages, we have pursued a "third way" to systemic school reform and higher student achievement. Our desired approach is to marry what is best about New Mexico's public schools (e.g. educational equity) with what is best about vouchers (e.g. choice and competition) and combine them in a public educational system with stronger, decentralized local control. We believe that this is the surest path to world class public schools for New Mexico.

Critics may argue that we cannot point to another jurisdiction that has implemented all of the reforms that we have recommended here. They would be right, but our goal was never to transplant another public education system here. Instead, mindful of Governor Lew Wallace's warning that "[e]very calculation based on experience elsewhere, fails in New Mexico," we wanted to identify a route to reform that took into account New Mexico's diversity and unique traditions as well as New Mexico's experience with public, private and religious education.

What we discovered on our journey toward world class schools for New Mexico can be grouped around the themes of decentralization, competition and choice. We summarize them here:

Decentralization

- Assign an independent task force, with a majority membership of principals and teachers, the job of recommending ways to reduce the 744 pages of state regulations governing the public schools.
- Allow New Mexico voters the opportunity to abolish the New Mexico State Board of Education.
- Make the Governor more accountable for higher student achievement by giving the Governor greater responsibility for public education through the authority to appoint the State Superintendent of public instruction who would also be a member of the Governor's Cabinet.
- Give communities the opportunity to decentralize their public schools by

disbanding their local school boards and districts in favor of school-based management through local option elections.

- Strengthen local control and accountability by transferring decision-making authority with regard to hiring, curriculum and budgets from the central administrative offices to principals and democratically elected school advisory councils made up of teachers and parents, like those in Catholic and private schools. Then hold them accountable for results.
- Establish a statewide consortium to support the non-learning activities of students at site-based managed schools (e.g. food services and transportation) or arrange for an existing organization like the New Mexico Research and Study Council or Cooperative Education Services to serve those schools.

Choice and Competition

- Create an environment within the New Mexico public school system where there are more educational choices for students and where schools productively compete on the basis of quality for those students, thereby encouraging more innovation in the schools.
- Increase educational choices by removing obstacles to New Mexico public schools becoming "Conversion" Charter Schools.
- Expand educational choices under New Mexico's Open Enrollment law by guaranteeing under statute that students can receive school bus service to any school within their district to which they are admitted.

- Allow public educational funding to follow individual public school students, instead of flowing directly to New Mexico school districts based on last year's enrollment numbers.

If all of these reforms were to be adopted, we believe that there would be important net savings that should be dedicated to increasing teacher salaries. The teacher shortage crisis in New Mexico demands higher salaries to stop the exodus of quality teachers to higher paying states.

We look forward to working with others who are involved in the school reform issue and are hopeful that this report will help to move the public debate in New Mexico from "whether" to "how" to change our public schools and make them world class.

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