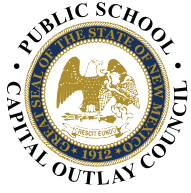


**STATE OF NEW MEXICO**  
**PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL**  
**PUBLIC SCHOOL FACILITIES AUTHORITY**

**Fiscal Year 2013 Annual Report**



State of New Mexico  
Public School Capital Outlay Council  
Public School Facilities Authority



## From the Chair

June 30, 2013



**PSCOC Chair**

David Abbey, LFC

**PSCOC Vice Chair**

Gene Gant, PEC

**PSCOC Members**

Paul Aguilar, PED

Raúl Burciaga, LCS

Tom Clifford, DFA

J. Dee Dennis, CID

Joe Guillen, NMSBA

Frances Maestas, LESC

Keith Gardner,  
Governor's Office

---

**PSFA Director**

Robert Gorrell

**PSFA Deputy Director**

Tim Berry

**Contact:**

410 Don Gaspar Ave.  
Santa Fe, NM 87501

(T) 505-988-5989

(F) 505-988-5933

[www.nmpsfa.org](http://www.nmpsfa.org)

### Why do we serve?

My experience of the excitement at the ribbon-cutting of the new Crownpoint Elementary School, standing with former legislators who attended the old school 40 years ago, and the additional excitement of kids from a disadvantaged area getting something great in their lives was a reminder that the work of the Legislature, the PSCOC and PSFA is to give all New Mexico students a chance to learn in well-designed, energy-efficient and sustainable schools.

Equally exciting was to go to Las Cruces to observe the Early College High School Program and to see the leadership between Las Cruces Public Schools and New Mexico State University dedicated to strengthening both institutions, especially when LCPS translated those lessons from the success of Arrowhead Park Early College High School to the new Centennial High School.

The rest of government is learning from PSFA on how to plan and phase capital projects. DFA Secretary Tom Clifford and his staff are working to take some of the best practices developed by PSFA and implement them in other areas of state funding. The goal is not a great building. It is learning. Legislators, agencies and school boards and administrators need to work together on better learning and completion outcomes.

Cordially,

David Abbey

---

**NEW MEXICO PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL (PSCOC)**

---

The PSCOC has been directed by the New Mexico Legislature to manage the allocation of state funding to public school facilities in New Mexico’s 89 school districts. The PSCOC consists of nine Council members, including one each from the Governor’s Office, the Department of Finance and Administration, the Public Education Commission, the Legislative Education Study Committee, the Public Education Department, the New Mexico School Boards Association, the Construction Industries Division, the Legislative Finance Committee, and the Legislative Council Service. The Public School Capital Outlay Act Section 22-24-5 (J) NMSA 1978 states, “No later than December 15 of each year, the Council shall prepare a report summarizing its activities during the previous fiscal year. The report shall describe in detail all projects funded, the progress of projects previously funded but not completed, the criteria used to prioritize and fund projects and all other council actions. The report shall be submitted to the Public Education Commission, the Governor, the Legislative Finance Committee, the Legislative Education Study Committee and the Legislature.”

---

**NEW MEXICO PUBLIC SCHOOL FACILITIES AUTHORITY (PSFA)**

---

The PSFA has been assigned by the Legislature to operate as staff for the PSCOC: to assist school districts in the planning, construction and maintenance of their facilities; to assist in training district facility and maintenance staff; and to implement systems and processes that establish adequate public school facilities throughout New Mexico via efficient and prudent use of funds. The PSFA consists of administrative staff in Santa Fe and Albuquerque with field staff who live in the school district regions in which they work.

**PSCOC and PSFA Contact Information**

---

**SANTA FE HEADQUARTERS:**  
410 Don Gaspar Avenue  
Santa Fe, NM 87501-4468  
Telephone: 505-988-5989  
Facsimile: 505-988-5933

**ALBUQUERQUE FIELD OFFICE:**  
1312 Basehart SE, Suite #200  
Albuquerque, NM 87106-4365  
Telephone: 505-843-6272  
Facsimile: 505-843-9681

# TABLE OF CONTENTS

**01 From the Chair**  
— *David Abbey, Chair, PSCOC*

**02 Title Page and Contact Information**  
— *Summary of Statutory Functions*

**03 Table of Contents**

**04 PSCOOTF and PSCOC Updates**  
*A discussion with members:*  
— *Representative Mimi Stewart*  
— *Senator William 'Bill' P. Soules*  
— *Leonard Haskie*  
— *Joe Guillen*

**07 PSFA Updates**  
— *PSFA Looking Forward, a brief overview from Bob Gorrell*

**09 Major New School Projects in FY13**

**10 Ben Lujan Maintenance Awards**

**11 Financial and Operational Data**  
— *School District and Staff Achievements*

**15 Facility Maintenance Assessment Report**

**17 Maintenance Matters**  
— *Maintenance Management Costs in New Mexico*

**18 PSCOC and PSFA Milestones in FY13**



11

**Major New School Projects in FY13**  
*Los Lunas High School,  
Los Lunas Public Schools*

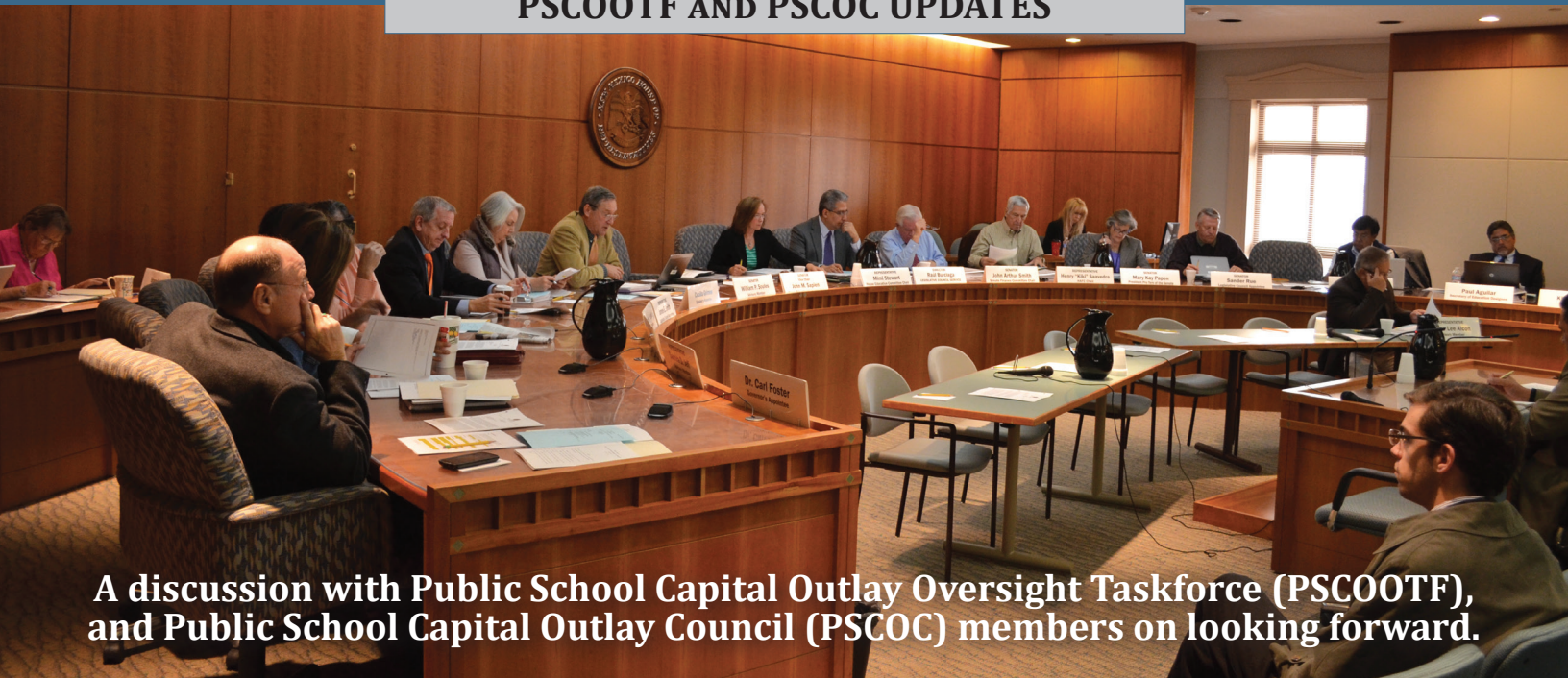


12

**FY13 Ben Lujan Maintenance Achievement Awards**  
*District Gold Award,  
Farmington Municipal Schools*

## CREDITS

**Front Cover:** Alcalde Elementary School, Española Public Schools. Photography courtesy of mattophoto architectural photography & FBT Architects. **Back Cover:** Crownpoint Elementary School, Gallup-McKinley County Schools. Photography courtesy of Patrick Coulie Photography Inc.



**A discussion with Public School Capital Outlay Oversight Taskforce (PSCOOTF), and Public School Capital Outlay Council (PSCOC) members on looking forward.**



**Representative Mimi Stewart**

Chair, House Education Committee

Going forward, I see the direction of capital outlay for our public schools shifting to reflect the steadily growing electronic requirements of the Public Education Department. Developing Adequacy Standards for hardware and software so school funding throughout the state is equitable is essential for the successful implementation of Common Core testing and Standards-Based Assessment mandated by the NM legislature. Because the gathering of this information affects every aspect of funding education by performance including

school rankings, teacher ratings and student graduation statistics, there must be a level-playing field across the state. Establishing a Common Core for curriculum will be meaningless without digital parity in every school.

At the same time, budgeting for hardware and software systems that must be upgraded regularly is going to require the work of many agencies and committees, including the resources of the NM Department of Information Technology. Fortunately, developing Adequacy Standards and implementing them for public school facilities has already been done successfully by PSFA. We are counting on their “Best Practices” to help shape responsible Adequacy Standards for the

digital needs of the state.

In the same way, bringing building systems into Adequacy Standards will accelerate a new cycle of upgrading systems to higher efficiency long before the building itself needs renewal. Referring to standards devel-

**Developing Adequacy Standards for hardware and software...is essential**

—Stewart

oped by USGBC (United States Green Building Council) such as LEED (Leadership in Energy and Environmental Design) and the DOE’s Energy Star, has resulted in incredible advancement in smart and sustainable building. A remarkable example is the Crown-

point Elementary School that opened this year. Because 20% of the entire population, students and adults, spend their days in these buildings, extending the life of our facilities is not only cost-effective, but most importantly—our students and teachers will have a physical environment with lighting, air-quality and design most conducive for optimum educational outcomes. ■



**Senator  
Bill Soules**

Vice-Chair, Senate  
Education Committee

I have the greatest admiration for the work that has been done to bring New Mexico's school facilities to adequacy standards in the last ten years by the Public School Facilities Authority with the Public School Capital Outlay Council and Public School Capital Outlay Oversight Task Force. Serving as Vice-chair of the Senate Education Committee and advisor to both the PSCOOTF and Legislative Education Study Committee, I would like to see New Mexico go forward in the

area of public school facilities with an eye to reduction in the size of schools that we build even up to considering building two high schools instead of a mega-campus.

So much research supports the academic advantage of smaller schools as well as the enhanced community-building a smaller school inspires. I find myself concerned about the effects of schools so big that students can be overlooked; that they just go to school, they are not "going" to their school. I would like to see future capital outlay for new schools go to construction of elementary schools with a capacity for 200-300 students and high schools of 800-1200 maximum. These new schools would be small enough for a sense of community and parent involvement, and yet large enough to support AP programs and other enrichment possibilities. The opportunity for every student to participate in extra-curricular activities that appeal to them has been recognized as a valuable way to build strength in academics, a key issue in NM education.

Another area in which I would like to see expansion is the ability for NM schools to prepare students for high-paying jobs that do not require them to go to college. Vocational programs developing mastery of rapidly changing technology in every field will require

**So much research supports the academic advantage of smaller schools as well as the enhanced community-building...**

—Soules

facilities with special equipment and work areas, but this investment will see a change in the number of students who must leave the state to find work.

Building on vocational training offered in high school is an opportunity to create a skills-ready local work-force in nursing and health care, digital technology, solar and wind energy, aviation and culinary arts. Funding vocational programs in well-designed, energy-conscious facilities is a direct investment in the success of New Mexico's economy. ■



**Leonard Haskie**

Asst. Supt., Student Support Services  
Gallup-McKinley County Schools

The evolution of PSFA is absolutely essential, as the state of many public school facilities in NM remain deplorable and unsafe. The statewide use of adequacy standards was pivotal, making a tremendous impact in identifying health and safety deficiencies. As technical research and consultation continued, new findings included the New Mexico Condition Index (NMCI) that provided a priority-funding formula. Several add-ons resulted in stabilization of the capital outlay program.

Several new legislative proposals have been introduced at the Task Force meetings. I am glad that technology education is one of them. The other is recognizing building systems separately from the condition of an entire campus. These two proposals have the potential to resolve some of the long-standing facility component deficiencies. Basically, with a minimum standard across the state, the cost of reliable and functional technology in a school

complex would be far less and more effective. A building system standard would work in the same way. Systems would be replaced or redesigned as a system, rather than with Band-Aid repairs. Once the new design is implemented, the problem would be corrected, eliminating frustrations. I think the work that PSFA assumes on an annual basis is heavy and challenging. I am extremely proud to be part of a program that promotes safe and comfortable new school buildings. The voyage continues with progressive technology being instilled into new school facilities across the state of New Mexico. I cannot emphasize highly enough the importance of working together. I extend my congratulations to all New Mexicans as we embark into a new horizon with dedication and competence. ■



**Joe Guillen**

Executive Director,  
New Mexico School Board Association

The New Mexico Public School Capital Outlay Program has come a long way in the last 10 years! The Program has met many chal-

lenges and has been tremendously successful in improving public school facilities for many of our students, teachers, administrators and staff.

The next 10 years will be equally as challenging. Limited resources, new teaching techniques and innovations, and greater demands for accountability at the local and state levels will undoubtedly influence public school facility policy decisions. New Mexico's school boards will continue to serve as lead advocates for new and improved school facilities and work hard to secure voter approval on school bond questions with assurances that maintenance of existing facilities is a priority, new facilities are planned and designed with a vision for the future and all transactions are transparent and appropriate.

With continued sound advice and guidance from the PSFA staff and policy guidance and funding from the PSCOC, we will continue to see more and more schools with highly conducive learning environments throughout our great state. ■

## PSFA LOOKING FORWARD

*A brief overview from Bob Gorrell*



**Bob Gorrell**  
Director, PSFA

Using the Facilities Condition Index [FCI] as a measure, the state-wide average condition of schools in New Mexico has improved. FCI is the nationally accepted comparable facility condition metric and the improvement overall is heartening. Dropping from a 2001 average FCI of 71% (\$710 needed repairs for \$1000 replacement value) to 35% (\$350/\$1000) in 2013 is a great improvement, yet schools in New Mexico remain far from pristine.

Going into the future we must learn how to sustain what we have gained and even improve the conditions with fewer resources than we have enjoyed in the past. We have to plan more effectively, spend more efficiently, and make what we have last longer. Our success in bringing school facilities in New Mexico to measurable adequacy is also recognized nationally as providing an equitable means to prioritize projects. Yet with the

continuing reduction in local and state funding for capital projects, we will need new strategies to provide the best possible educational environment for our children and teachers in the coming years.

The deteriorating condition of school facilities is a national prob-

lems and with the ability to share complex information nationwide gives legislators, school boards and administrators tools to better plan expenses without jeopardizing safety, health or future funding.

There could be no better time to be making these new complex stra-

## Our success in bringing school facilities in New Mexico to measurable adequacy is also recognized nationally as providing an equitable means to prioritize projects.

lem. In December 2012, the National Council on School Facilities in Washington DC set its goal to gather comparable facilities' information from every state to offer demonstrable best practices to policy makers. Gathering information in a way that allows useful compari-

son and with the ability to share complex information nationwide gives legislators, school boards and administrators tools to better plan expenses without jeopardizing safety, health or future funding. There could be no better time to be making these new complex strategies. In 2013, we have the technology to assess and project scenarios that were only concepts ten years ago. Using tools such as the FCI and FMAR [Facility Maintenance Assessment Report], factors that were purely anecdotal can now be charted and compared for





equitable allocation of resources extending the life of current facilities and systems.

In 2012, the Public School Capital Outlay Council began the process of long term change by enacting a constraint of square-footage to reduce present operating costs and future capital replacement expenditure.

In 2013, the PSCOC approved a budget to support statewide use of FMAR, a comparable measure of maintenance effectiveness. By the end of 2014, PSFA will report not only the current conditions of each school, but also how well the facility is being maintained. These comparable measures can be the basis for better understanding of facilities spending and foster decisions based on best practices needed for high-performing schools.

One area that has been backlit by the data of the last few years is the urgency to retool preventive maintenance practices. Having an accurate comparative assessment was an important development in supporting a three-part strategy that includes:

**- PLANNING**

*(Preventive Maintenance Plans),*

**- IMPLEMENTATION**

*(Facility Information Management System),*

**- OBSERVATION**

*(Facilities Maintenance Assessment Report).*

By definition, every day brings wear and tear to school facilities. Meeting that fact with a sustainable plan is simply good stewardship. Scheduling of regular maintenance using FIMS not only prevents failure by neglect, but also provides a more consistent way to budget for personnel and parts. FMAR measures maintenance effectiveness

challenges facing school districts including regulatory roadblocks and insufficient maintenance skill sets of available personnel.

Helping communities meet education needs with ever decreasing funds includes both effective long-range sustainable planning and preventive maintenance schedules that encourage responsible stewardship of school facilities. Deferred maintenance as a short-term protection of local operating budgets resulted

**It took \$3.5 billion of state and local spending over eleven years to gain the modest but welcome “average” school condition of 35 percent FCI.**

allowing leadership the data they need to make knowledgeable decisions and best prioritize resources. Deferred maintenance results in premature failure with remediation at a cost three times that of preventive maintenance. PSFA is dedicated to supporting communities and school districts to use every possible means to extend the lives of the buildings in their care. Implementation of maintenance plans has revealed a lack of awareness of their importance. There are also many other implementation

in the 71% FCI. It took \$3.5 billion of state and local spending over eleven years to gain the modest but welcome “average” school condition of 35% FCI. To bring all New Mexico public schools to the level that every parent and child, teacher and administrator would be proud to have in their community is doable, but a sea change is necessary in how to prioritize and define school facility spending. ■

## MAJOR NEW SCHOOL PROJECTS IN FY13

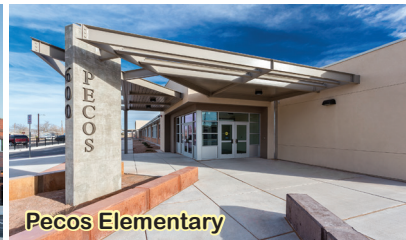
Working closely with the Governor and the Legislature, the PSCOC awarded \$256.1 million during FY13 for 178 school construction, facilities, and facility planning needs in 48 school districts throughout New Mexico.



Tibbetts Middle School



Missouri Avenue Elementary



Pecos Elementary



Colinas del Norte Elementary



W.D. Gattis Middle School



Monterrey Elementary



Lockwood Elementary



Cubero Elementary

### 18 New Schools or Schools with Major Renovations Completed in FY13

DISTRICT	SCHOOL
Clovis Municipal Schools .....	Bella Vista ES
Clovis Municipal Schools .....	Lockwood ES
Clovis Municipal Schools .....	Marshall Junior HS
Clovis Municipal Schools .....	W.D. Gattis MS*
Española Public Schools.....	Alcalde ES
Farmington Municipal Schools.....	Tibbetts MS*
Gadsden Independent Schools.....	Berino ES
Gallup-McKinley Schools .....	Crownpoint ES*
Grants-Cibola County Schools .....	Cubero ES

DISTRICT	SCHOOL
Las Cruces Public Schools .....	University Hills ES
Los Lunas Public Schools.....	Los Lunas HS Phase I*
Rio Rancho Public Schools.....	Colinas del Norte ES
Rio Rancho Public Schools.....	Vista Grande ES
Roswell Independent Schools.....	Missouri Avenue ES
Roswell Independent Schools.....	East Grand Plains ES
Roswell Independent Schools.....	Monterrey ES
Roswell Independent Schools.....	Pecos ES
West Las Vegas Public Schools .....	Union ES

\*AGC-NM 2014 Award Winner

### 24 Schools with Roof Awards in FY13

DISTRICT	SCHOOL
ABQ-State Charter.....	La Promesa Early Learning Center
Albuquerque-Charter .....	Nuestros Valores Charter School
Belen.....	Gil Sanchez ES
Belen.....	Belen HS
Bernalillo .....	Bernalillo MS
Bernalillo .....	Placitas ES
Central .....	Kirtland Central HS
Central .....	Kirtland MS
Española.....	Chimayo ES
Española.....	Dixon ES
Española.....	Hernandez ES
Española.....	Española Valley HS
Estancia .....	Estancia Combine ES
Floyd.....	Floyd Combined School
Gallup .....	Thoreau HS
Grants.....	Los Alamitos MS
Grants.....	Mesa View ES
Hatch .....	Rio Grande ES
Las Cruces .....	Zia MS



W.D. Gattis Middle School and Dedication

Los Lunas.....	Manzano Vista MS
Mesa Vista .....	District Wide
NMSD.....	Albuquerque Preschool
Peñasco .....	Peñasco MS
Peñasco .....	Peñasco ES

# BEN LUJAN MAINTENANCE ACHIEVEMENT AWARDS

## **GOLD AWARD**

FOR SIGNIFICANT PROGRESS

■ FARMINGTON

■ LOS LUNAS

## **SILVER AWARD**

FOR CONTINUED DEVELOPMENT

■ WAGON MOUND

## **BRONZE AWARD**

FOR BEGINNING DEVELOPMENT

■ ROSWELL

## **HONORABLE MENTIONS**

NM SCHOOL FOR THE DEAF

GALLUP-MCKINLEY

BELEN

LOS ALAMOS

GADSDEN

## **NEW PARTICIPANTS**

GOLD: TUCUMCARI

SILVER: ELIDA

BRONZE: LOVING

## **MOST IMPROVED**

MOST IMPROVED: MESA VISTA

RUNNER-UP: BERNALILLO

## Mesa Vista Consolidated Schools "Most Improved"



L to R: Representative Rick Miera, Supt. Tracie Phillips, and Bob Gorrell (PSFA)

In FY13, the PSCOC and the PSFA awarded 49 Maintenance Achievement Awards to 14 school districts and 35 staffers who have demonstrated progress in developing effective maintenance management practices and programs. Some Districts have made great strides towards better school building maintenance. Investments in preventive maintenance as a percentage of total maintenance expenditures is now at about 21 percent—a 16.5 percent improvement over FY12.

## **INDIVIDUAL AWARDS**

RECOGNITION FOR SKILLS AND COMMITMENT

BELEN- Florentino (Tino) Jiron

CENTRAL- Lorenzo Laphie

CENTRAL- Tom Smith

CENTRAL- Michael Moss

ELIDA- Andy Jasso

ELIDA- Custodial Team

FT. SUMNER- Benny Segura

GADSDEN- Jimmy Carabajal

LAS CRUCES- Ruben Amezola

LOS ALAMOS- Ted Galvez

LOS ALAMOS- H.S. Custodial Team

LOVING- Serrapio Parraz

LOVING- Henry Armendariz,

LOVING- Cruz Ornelas

LOVING- Dennis Onsurez

LOVING- Rosa Onsurez

LOVING- Carlos Martinez

LOVING- Fausto Montes

LOVING- Arcadio Orona

NMSD- Gary Valencia

PEÑASCO- Annette Sanchez

POJOAQUE- Jason Suazo

POJOAQUE- Fred Vigil

POJOAQUE- Robert Espinoza

POJOAQUE- John Valdez

POJOAQUE- Carlos Martinez

POJOAQUE- Ray Santos

ROSWELL- Darrel Evans

TUCUMCARI- Steve Newman

TUCUMCARI- Cody Ryen

TUCUMCARI- Ted Lucero

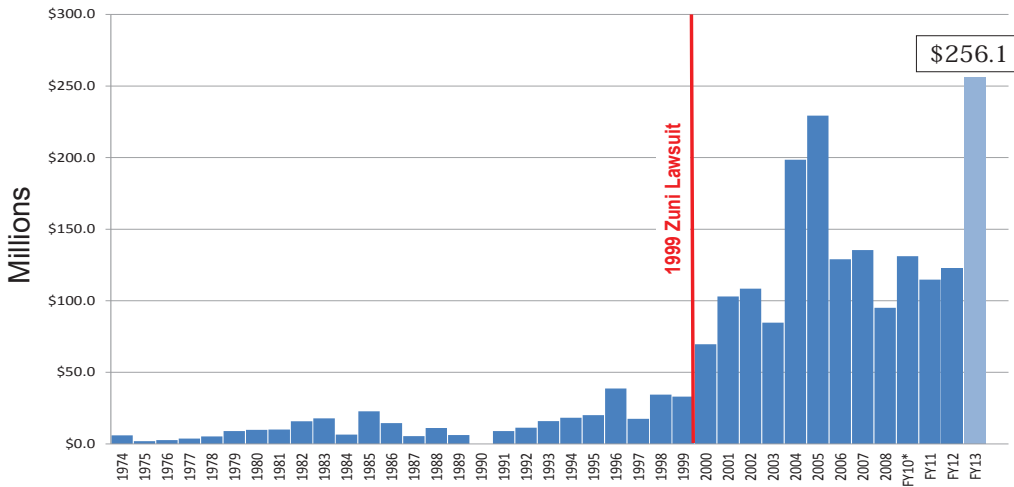
TUCUMCARI- Darvan Strand

TUCUMCARI- Jesus Carrera

TUCUMCARI- Joe Lopez

TUCUMCARI- Will Horton

## PSCOC Awards History 1975-2013



In FY13, standards-based capital outlay awards totaled \$256.1 million for 178 school construction project, facilities, and facility planning needs in 48 school districts\*\*, an increase of 106 percent over FY12.

\*Crossover reporting to fiscal year basis. FY10 includes (\$12,166,179—the first six months of CY09 or 1/2 FY09 "Out of Cycle" Awards).

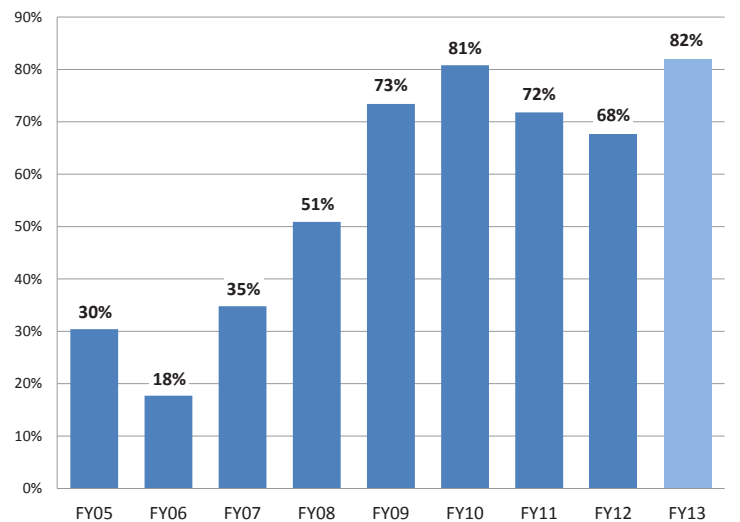
\*\*State Chartered Charter schools not included

## Percent of Award Dollars Under Contract From Time of Award

The PSCOC practices "just-in-time" (JIT) funding, with 82 percent of project funds under contract within 15 months from date of award—a 14 point improvement over FY12.

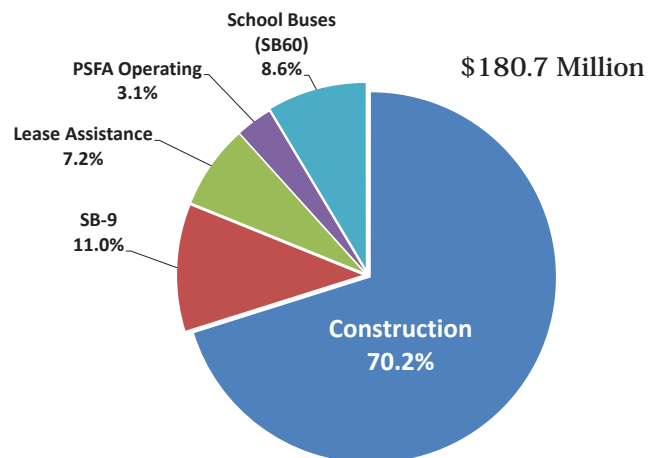
PSCOC's innovative two-phase funding system is designed to reduce construction costs while completing projects in a timely manner.

HIGHER IS BETTER



## Supplemental Severance Tax Bond (SSTB) Uses by PSCOC in FY13

Since 1999, SSTB proceeds have been the principal source of funding for the various programs administered by the PSCOC, including the initial Deficiencies Correction Program and the current standards-based capital outlay process. The SSTB as a source was enacted as a result of the Zuni Lawsuit. The PSCOC programs funded annually are: SB-9 (11 percent—a state guarantee for capital asset purchases, facility maintenance and construction), Lease Assistance (7.2 percent—primarily used by charter schools), and Public School Construction (70.2 percent). PSFA's operating budget and school buses (SB60) were also funded from SSTBs.



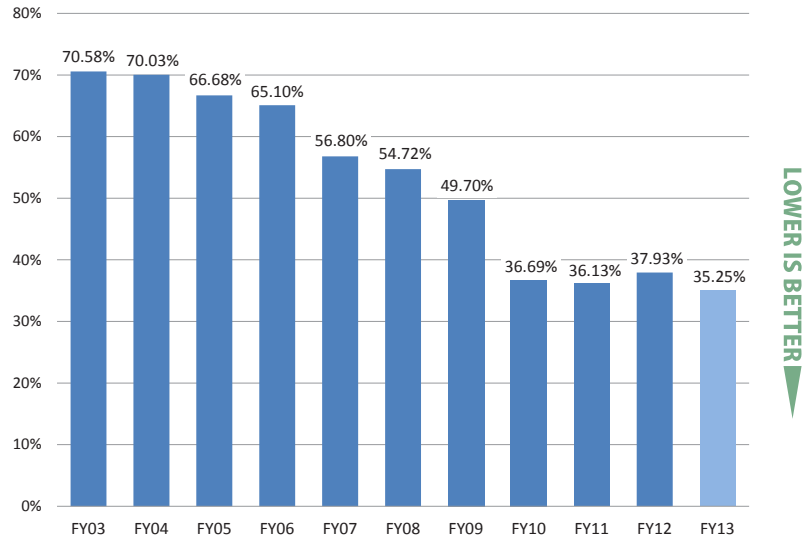
# FINANCIAL AND OPERATIONAL DATA

## New Mexico Average Facilities Condition Index (FCI)\* for School Buildings

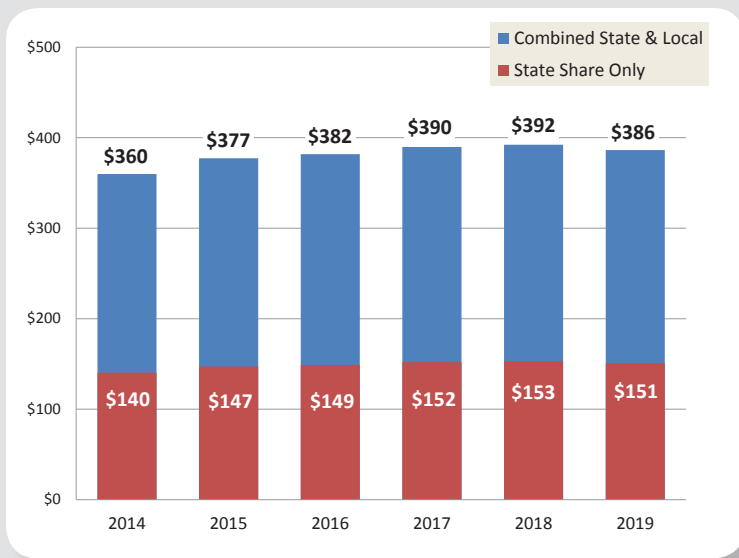
A key performance measure for public school building condition is the average Facilities Condition Index (FCI). The current FCI stands at 35.25 percent, improving by 50 percent since FY03.

FCI indicates the level of repair needed for a facility. If a building costs \$100,000 and has an FCI of 35 percent, that building needs \$35,000 in repairs. Despite significant progress, school facilities in New Mexico remain in less than ideal condition.

\*FCI = brick and mortar facility condition only.



## Funds Required to Maintain the Current FCI

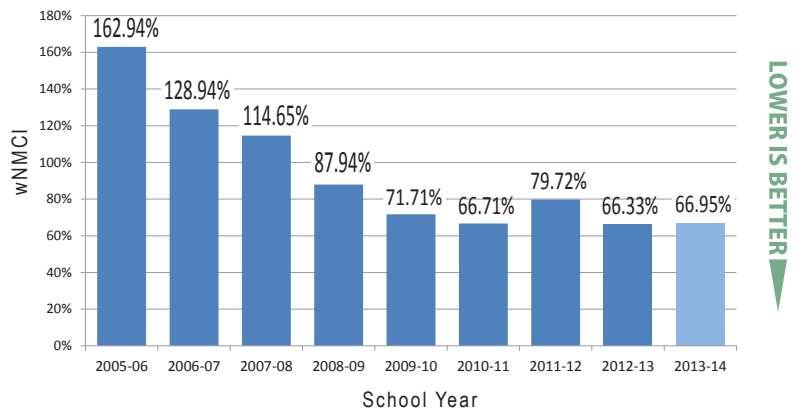


To maintain the current FCI over the next six years, an average of \$381 million annually would need to be invested in school facilities. State funding currently represents 39% of school construction, so funds from the state share needs require an average of \$149 million per annum over the next six years.

At lower funding levels, degradation exceeds renovation/repair and facilities start to decline. Funding by school districts is anticipated to remain at 61 percent of the total.

## Average Weighted New Mexico Condition Index (wNMCI)\*\* for Top 30 Schools on Ranked List

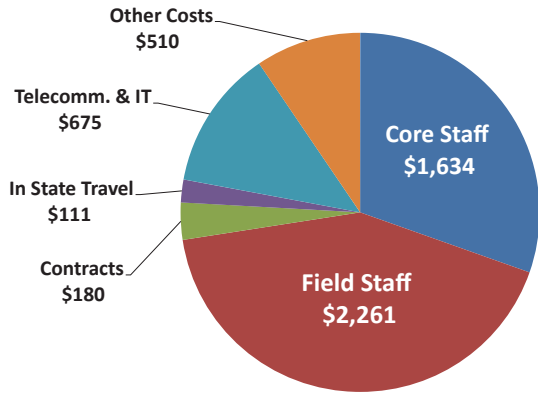
The wNMCI is a measure not just of the physical condition of the school but also of whether the physical environment meets the educational needs of the students. Like with FCI, the figure reflects the cost of repair or replacement compared with the value of the building; however, it includes the cost of repairs and the cost of improvements to meet educational needs (the addition of a science lab, for example) weighted for the urgency of the need for repair or improvement. Also like FCI, the assessment is expressed as a percentage and a lower number reflects a building in better condition.



\*\*wNMCI = FCI + FACILITY'S ABILITY TO SUPPORT EDUCATIONAL FUNCTIONS.

## FINANCIAL AND OPERATIONAL DATA

### PSFA Operational Uses of Funds (Dollars 000's)



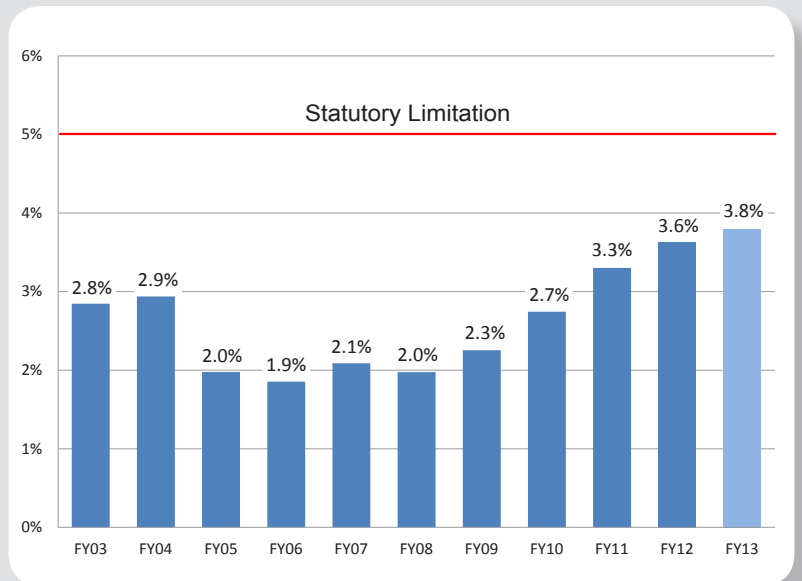
The PSFA's largest line-item cost is the specialized staff based throughout the state who assist in management of school district facility needs and training of district staff (budgeted amounts, not actual expenditures).

**TOTAL FY13 PSFA Operating Budget: \$5.4 Million**

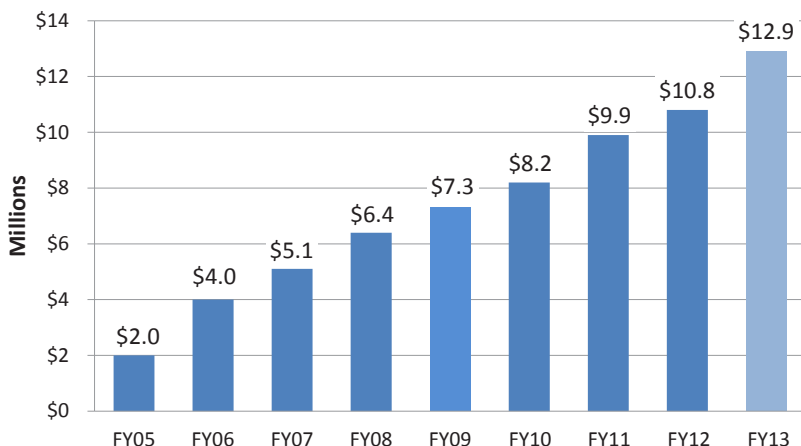
### PSFA Operational Budget as a Percent of Annual Capital Outlay Awards

PSFA's current budget of 3.8 percent is well below the statutory limit of five percent.

Public School Capital Outlay Act Section 22-24-4 NMSA: (1) states, "the total annual expenditures from the fund for the core administrative functions pursuant to this subsection shall not exceed five percent of the average annual grant assistance authorized from the fund during the three previous fiscal years."



### Lease Payment Assistance Awards for Charters and Public Schools

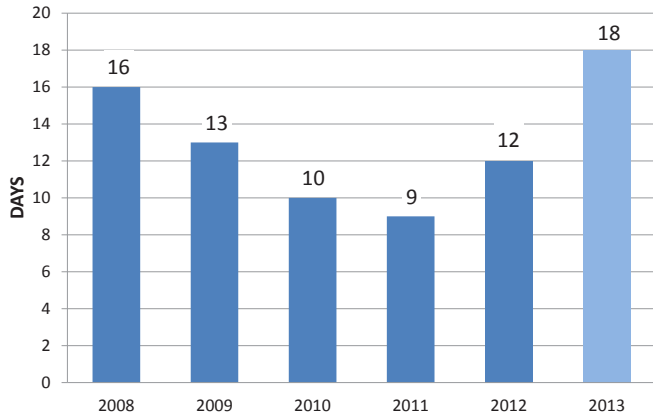


In FY13, the PSCOC awarded \$12.9 million for lease assistance to 92 charters and 6 public schools in 21 districts. Lease payment assistance has increased 19.4 percent from FY12 (545 percent since FY05).

The NM legislature has mandated that all charter schools be in publicly owned buildings by FY15.

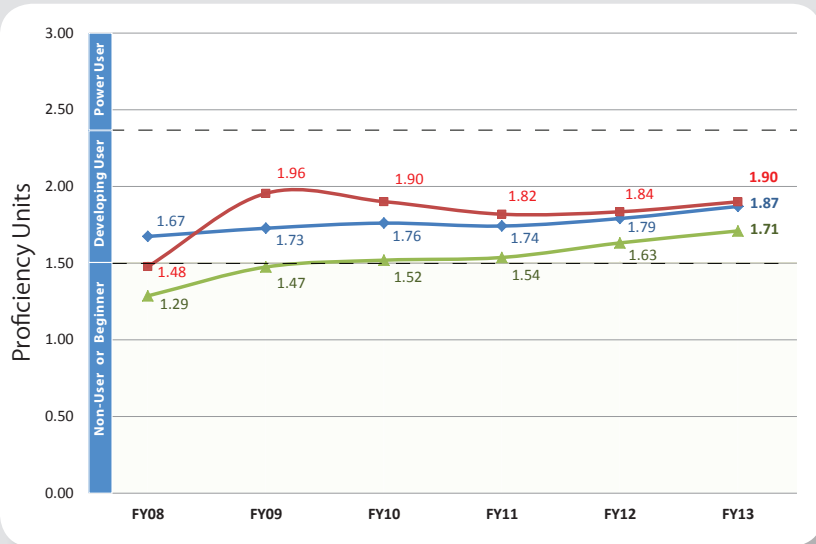
# FINANCIAL AND OPERATIONAL DATA

## Plan Review Processing Time



The PSFA's unique rapid Plan Review process allows school construction projects to qualify for building permits more quickly. By maintaining project schedules and avoiding delays, state and district costs can be lowered substantially. Currently, plan review processing time for FY13 is 18 days.

## School District Facility Information Management System (FIMS) Proficiency Progression



HIGHER IS BETTER

School district proficiency in all three components of the New Mexico FIMS continues to improve steadily. Statewide FIMS users on average are **Developing Users**:

The work order system:

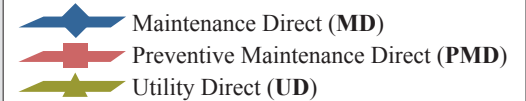
**MD users = 1.87**

Preventive Maintenance work order scheduling module:

**PMD users = 1.90**

Utility cost and usage collection module:

**UD users = 1.71**

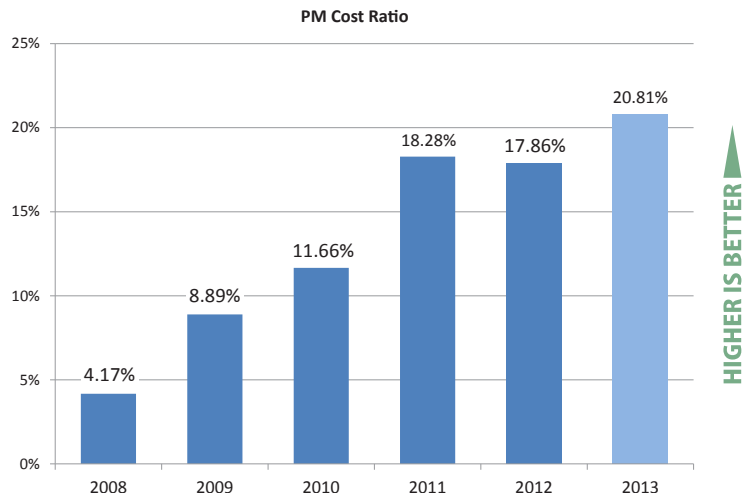


## District Preventive Maintenance (PM) as a Percent of Total Maintenance Expenditures

School district investments in preventive maintenance as a percent of total maintenance expenditures is now at 20.81 percent—a 16.5 percent increase over 2012.

\*Studies indicate that every \$1 invested in preventive building maintenance can eliminate up to \$3 in maintenance expenditures overall.

\*SOURCE: FIMS GLOBAL DATA



HIGHER IS BETTER

# FMAR REPORT

Measuring maintenance effectiveness is essential to responsible planning and budgeting strategies for New Mexico's public schools. Developing and testing the Facility Maintenance Assessment Report (FMAR) statewide for over three years PSFA has evaluated a sample of more than 507 school facilities with wake-up call results.

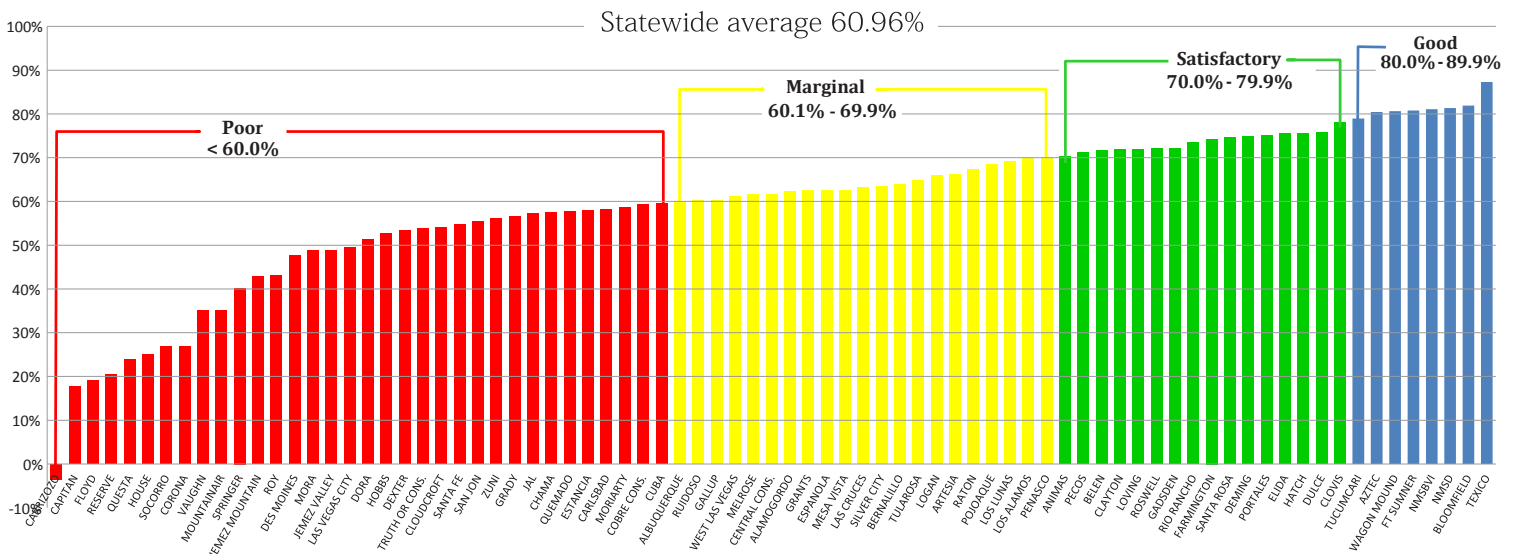
The New Mexico statewide average FMAR rating is currently 60.96 percent, the minimum for a **Marginal** rating. Only 24 districts ranked in either the **Satisfactory** and **Good** (the highest) range. Going forward, remediation of deferred maintenance will require much more funding as buildings and systems wear out earlier than necessary. Only a serious, ongoing effort to improve public school maintenance will protect the state and districts' investment in school facilities for the estimated 40 to 50-year life cycle of a school building.

PSFA estimates that a FMAR increase of only 10 percent in statewide improvement of maintenance effectiveness can provide a \$27 million dollars annual cost avoidance of premature capital expenditures.

Reaching a **Satisfactory** level is key to sustaining our schools. A statewide average of **Marginal** is a clear indicator of expensive repairs and replacements in the future. Inadequate school maintenance results in premature failure of facilities and their systems—Preventive Maintenance (PM) programs work.

With FMAR baseline scores districts can compare ideas, notes, methods and exchange best practices with peers in their region. The goal of PSFA is to assist every school district extend the life school facilities, and building systems while minimizing expenditures.

**FY13 Average FMAR Scores Across New Mexico School Districts**



### FMAR CLASSIFICATIONS:

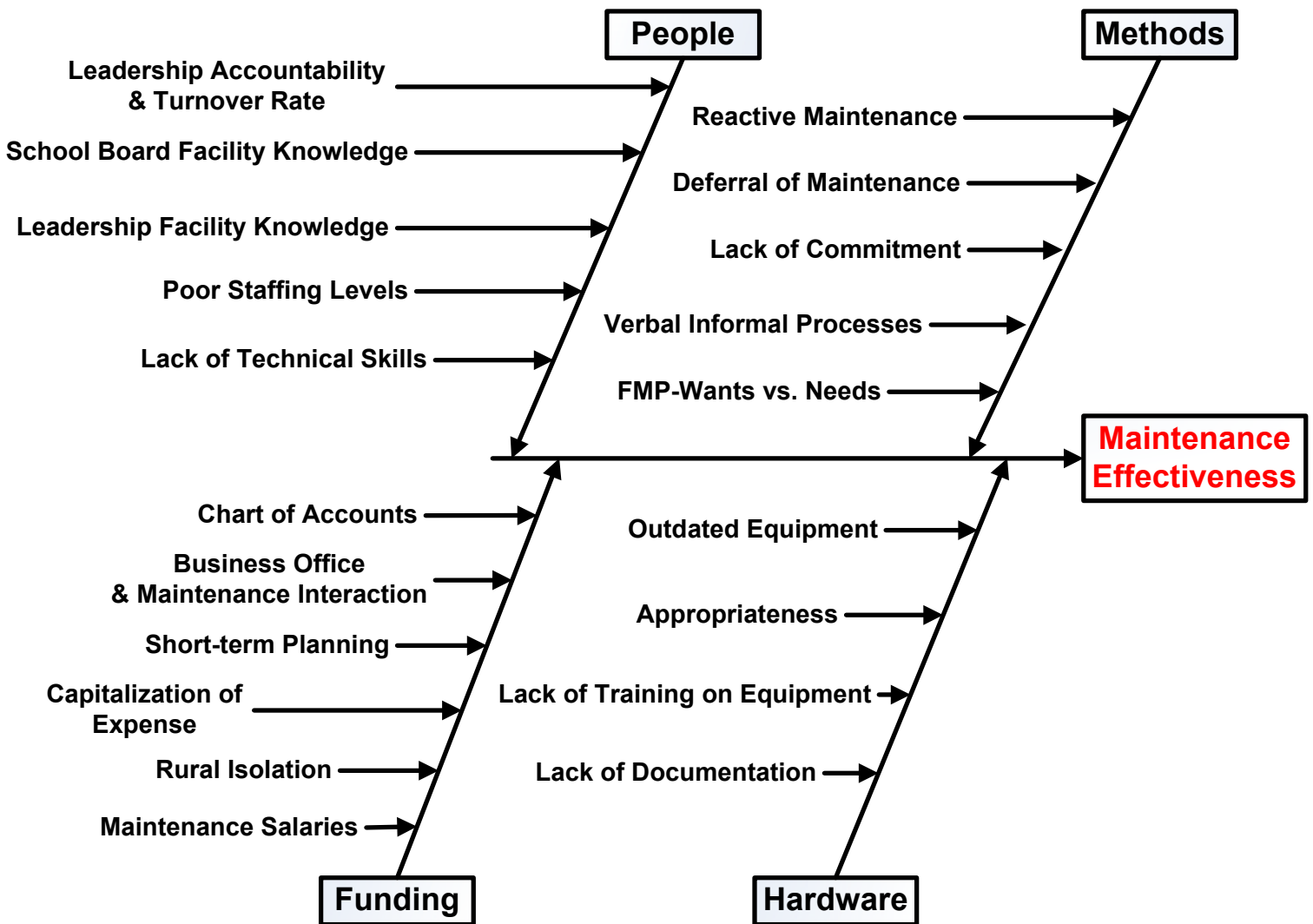
- OUTSTANDING:** A highly focused and goal-driven supported maintenance culture. Facility conditions are exceptionally good.
- GOOD:** Facility conditions are found to be of high quality, performing well, but not excellent or outstanding in quality.
- SATISFACTORY:** Sufficient maintenance program that is adequate or acceptable.
- MARGINAL:** Activities are close to lower limit of acceptability, exceeding minimum requirement and need for improvement.
- POOR:** Need for immediate improvement as systems, safety, and the environment are at risk for failure.



# FMAR REPORT

The PSFA has carried out extensive research to determine the root cause for the **Marginal** facility maintenance classification (60.96%) for many of our New Mexico Schools. The outcomes of the research are identified in the diagram below:

## Contributing Factors of FMAR State Average Score of 60.96 Percent In New Mexico Schools



**MAINTENANCE MANAGEMENT COSTS IN NEW MEXICO**

In New Mexico, maintenance costs for public school facilities are not explicitly identified in most school budgets. When operating expenses such as security, technology, communications, school-sponsored events and vehicles (including fuel) are lumped together with maintenance costs, no means to account for the effectiveness of an individual school maintenance program exists.

A 2009 report from the Association of Higher Education Facilities Officers (APPA) stresses the urgency to “explicitly identify the expenditures associated with routine maintenance and repair and [as well as] activities to reduce the backlog of deferred maintenance.” The report concludes that an appropriate total budget allocation for routine maintenance and capital renewal is in the range of 2 to 4 percent of the aggregate current replacement value of those facilities.

PSFA implemented the Facility Maintenance Assessment Report (FMAR) to clarify the current maintained condition of school facilities in New Mexico. According to the FMAR data, 65 percent of NM schools are performing facilities-maintenance below a satisfactory level. An example from Farmington Municipal Schools shows a breakdown of operational costs from a successful Preventive Maintenance program:

**Example Operational Costs with Successful Preventive Maintenance (PM) (Farmington)**

Category	Cost/ft <sup>2</sup>	Description
Salaries & Benefits for Custodial and Maintenance Staff	\$1.90	Full-time, part-time, and prorated portions of the costs for work performed by permanent and temporary employees of the school district.
Supplies, Materials & Contract Services	\$1.30	Work to restore damaged or worn-out facilities to normal operating condition. Repairs are curative, whereas PM is preventative.
<b>Maintenance Subtotal:</b>	<b>\$3.20</b>	
System Renewal (approximate)	\$3.00	Capital renewal/replacement of major systems such as roofs, windows, HVAC that occurs on a cyclical basis (% of total asset value).
<b>Facilities Subtotal:</b>	<b>\$6.20</b>	Cost of maintenance and renewal, exclusive of utilities.
Utilities	\$1.39	The cost of providing utilities (i.e., water, sewer, electric, natural gas/propane) for the normal function of the facility.
<b>Example Total:</b>	<b>\$7.59</b>	

The resulting total value of \$7.59/ft<sup>2</sup> is consistent with the PSFA baseline model of \$6-8/ft<sup>2</sup> for a well-managed school with an effective Preventive Maintenance (PM) program. The PSFA will continue to support schools in planning and using PM programs tailored for their specific needs with the goal bringing all schools into at least a **Satisfactory** FMAR rating in a timely manner.

### — CAPITAL FUNDING ASSISTANCE —

- FY13 PSCOC capital outlay awards total \$256.1 million to 178 school construction, facilities and facilities planning needs throughout New Mexico, including the following:
  - \$192.3 million in standards-based and roof awards to 81 projects in 27 districts;
  - \$12.9 million for lease assistance to 92 charters and 6 public schools in 21 districts;
  - \$235,754 in facility master planning awards to 11 school districts.

### — PROJECT DELIVERY —

- 18 PSCOC-funded schools come on-line with major renovations; 24 PSCOC-funded schools complete new roofs.
- 82 percent of project funds are currently under contract within 15 months from date of award—a 14 point improvement over FY12.

### — FINANCE AND OPERATIONS —

- PSFA 2013 operating budget to total awards is 3.8 percent—below the statutory limit of 5 percent.

### — FACILITIES CONDITION INDEX —

- The FY13 state average Facilities Condition Index (FCI) for public schools improves to about 35 percent.

### — PLANNING AND MAINTENANCE —

- District investment in preventive maintenance as a percent of total maintenance expenditures is now at 20.8 percent, a 16.5 percent increase over 2012.
- 32 districts have current preventive maintenance plans—a 36 percent decline over 2012.
- Since FY08, school district proficiency in using the Facility Information Management System (FIMS) increases by 20.3 percent.
- The state awards 49 Ben Lujan Maintenance Achievement Awards to 14 school districts and 35 staffers.
- 81 of 89 school districts have five-year Facilities Master Plans (FMP) that are current, or in progress.
- Plan review processing time is currently 18 days.
- \$235,754 in facility master planning awards to 11 school districts.

### — CUSTOMER SATISFACTION —

- PSFA transitions 100 percent of its construction project processes to e-Builder®, providing better management during construction.
- In FY13 PSFA conducts 25 training classes, and trains over 150 participants from around the state including school administrators, design professionals, and general contractors on the new e-Builder® construction management system.
- PSFA completes development of its online training program for e-Builder® ([lms.nmpsfa.org](http://lms.nmpsfa.org)).



State of New Mexico  
Public School Facilities Authority  
410 Don Gaspar Avenue  
Santa Fe, NM 87501-4468

---



The Crownpoint Elementary School dedication held on April 25<sup>th</sup>, 2013. The new school was built by the community of Gallup and Gallup-McKinley County Schools with project and funding assistance from the State of New Mexico.