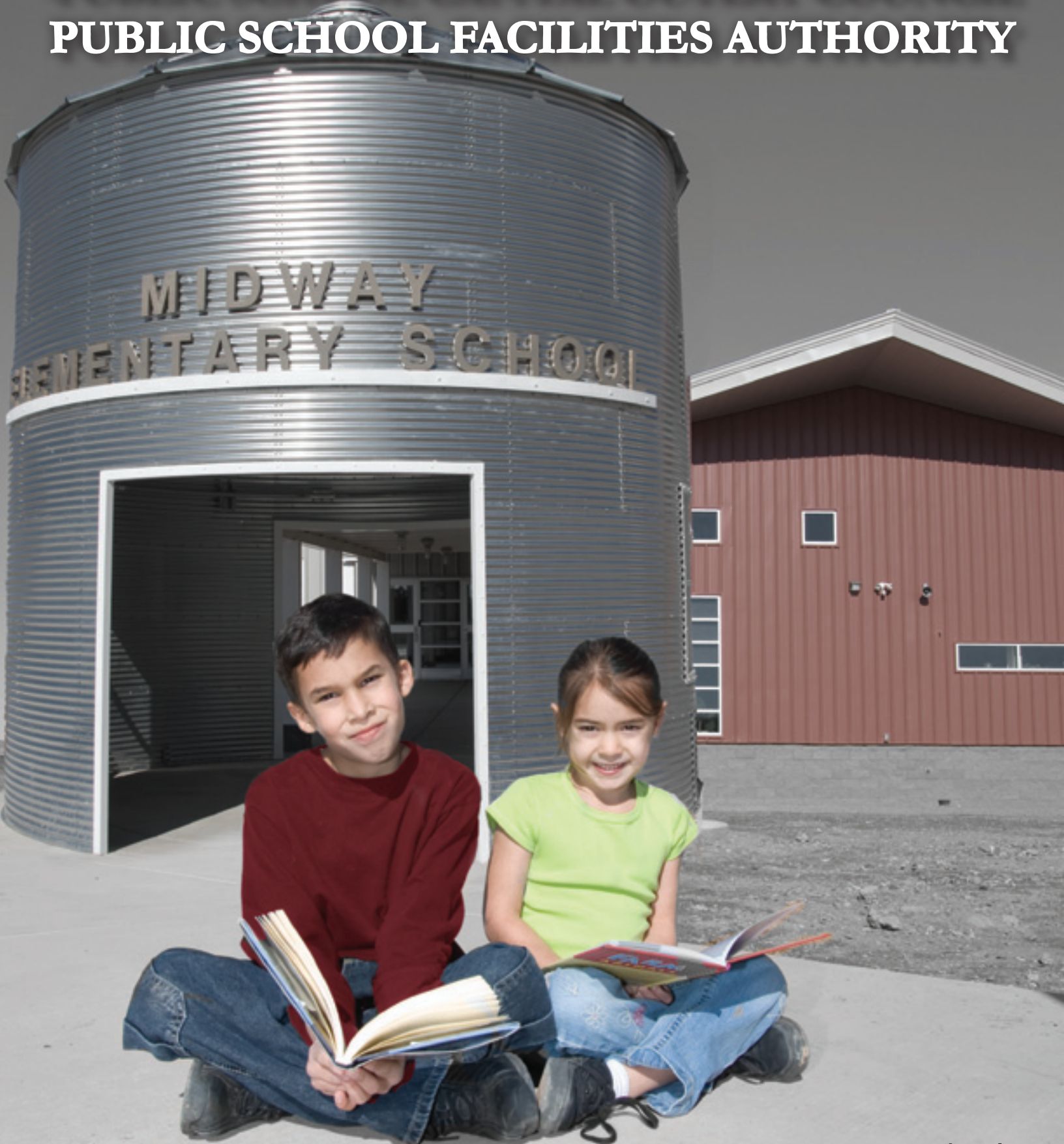


**STATE OF NEW MEXICO**  
**PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL**  
**PUBLIC SCHOOL FACILITIES AUTHORITY**



**2009 ANNUAL REPORT**

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

**PSCOC Chair**

Katherine Miller, DFA

**PSCOC Vice Chair**

Paula Tackett, LCS

**PSCOC Members**

Catherine Smith, PEC

Veronica Garcia, PED

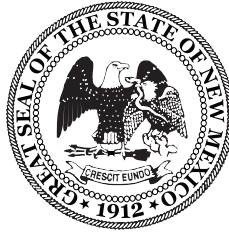
David Abbey, LFC

Frances Maestas, LESC

Lisa Martinez, CID

Joe Guillen, NMSBA

Peter Winograd, Governor's Office



**PSFA Director**

Robert Gorrell

**PSFA Deputy Director**

Tim Berry

**2019 Galisteo, Suite B-1**

**Santa Fe, NM 87505**

**(505) 988- 5989**

**FAX: (505) 988-5933**

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

December 31, 2009

I'm pleased to provide this overview on the work of the PSCOC and PSFA during a busy and eventful year.

In 2009, the PSCOC awarded \$188.9 million in total funding to 112 school construction and facilities needs throughout New Mexico, including:

- \$131 million for Standards-Based awards to 24 projects in 15 school districts;
- \$8.1 million for facility leasing assistance to 69 charters and 8 public schools in 21 districts;
- \$1.2 million from the Charter School Fund and for demolition of facilities to two projects in two districts;
- While \$48.58 million was reserved for possible out-of-cycle awards to 9 projects in 8 districts.

Award funding increased by 28 percent over 2008. 34 new and newly-renovated schools opened their doors in 2009. The combined Facility Condition Index—the overall measure of the condition of New Mexico school buildings—continued to improve. School capital outlay is being deployed rapidly, with 73 percent of award funds now under contract within 15 months—a 300 percent improvement since 2006. All in all, working with our partners in districts and charter schools, the PSCOC continued to deliver better, safer, more cost-effective schools to New Mexico in 2009.

As we continue to work together during challenging economic conditions that may characterize the next few years, I'd like to thank Governor Richardson, the New Mexico Legislature, my colleagues on the PSCOC, our design and construction partners, PSFA staff, and especially all charter schools and school districts, their boards, administrators, teachers and parents, who have all given their time, their talent, their good will and their support to providing better school facilities for the children of New Mexico.

This annual report provides expanded coverage of annual performance measures, but compared to past years, is more concise and modest in design as a means to reduce production and mailing costs.

Cordially,

A handwritten signature in blue ink that reads "Katherine Miller".

Katherine Miller

Chair, Public School Capital Outlay Council

Secretary, Department of Finance & Administration



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New Mexico Public School Facilities Authority  
2019 Galisteo, Suite B-1, Santa Fe, NM 87505  
Telephone: 505-988-5989 Fax: 505-988-5933  
[www.nmpsfa.org](http://www.nmpsfa.org)



*“We’ve done well with school buildings and not so well with educational outcomes. Until we do both it would be premature to declare victory, even on facilities.”*

—DAVID ABBEY, [Pg. 11](#)

FRONT COVER: Socorro’s Midway Elementary School entered service in Fall 2009, at a total cost of \$3.9 million with a design capacity of 100 students. Making use of innovative design and materials, and with project and funding assistance from the State of New Mexico, the district met its design goal of building an entirely new school for the cost of a renovation.

# MAJOR NEW SCHOOL PROJECTS IN 2009

Working closely with the Governor and the Legislature, the PSCOC awarded \$188.9 million during 2009 to 112 school construction and facilities needs throughout New Mexico.



**EL RITO** Elementary School  
MESA VISTA CONSOLIDATED SCHOOLS



**RUIDOSO** Middle School  
RUIDOSO MUNICIPAL SCHOOLS



**SUNDANCE** Elementary School  
LOS LUNAS PUBLIC SCHOOLS



**SUE CLEVELAND** High School  
RIO RANCHO PUBLIC SCHOOLS



**TOHATCHI** Elementary School  
GALLUP-McKINLEY COUNTY SCHOOLS



**THE FORT** Multi-Purpose Facility FORT SUMNER MUNICIPAL SCHOOLS

*“Columbus Elementary is probably the greatest thing that has ever happened to this community. The kids from this area face a great many obstacles, and this new school provides a vision of what education can be—it’s a rejuvenation of spirit for our students, their parents and the entire community.”*

—Hector Madrid, Principal of Columbus Elementary, DPS



**CHIEF MANUELITO Middle School**  
GALLUP-MCKINLEY COUNTY SCHOOLS



**ATRISCO HERITAGE Academy HS**  
ALBUQUERQUE PUBLIC SCHOOLS



**COLUMBUS Elementary School**  
DEMING PUBLIC SCHOOLS



**BERRENDO Middle School**  
ROSWELL INDEPENDENT SCHOOLS



**MIDWAY Elementary School**  
SOCORRO CONSOLIDATED SCHOOLS

**9 NEW SCHOOLS FUNDED BY THE PSCOC ARE ENTERING SERVICE THIS YEAR:**

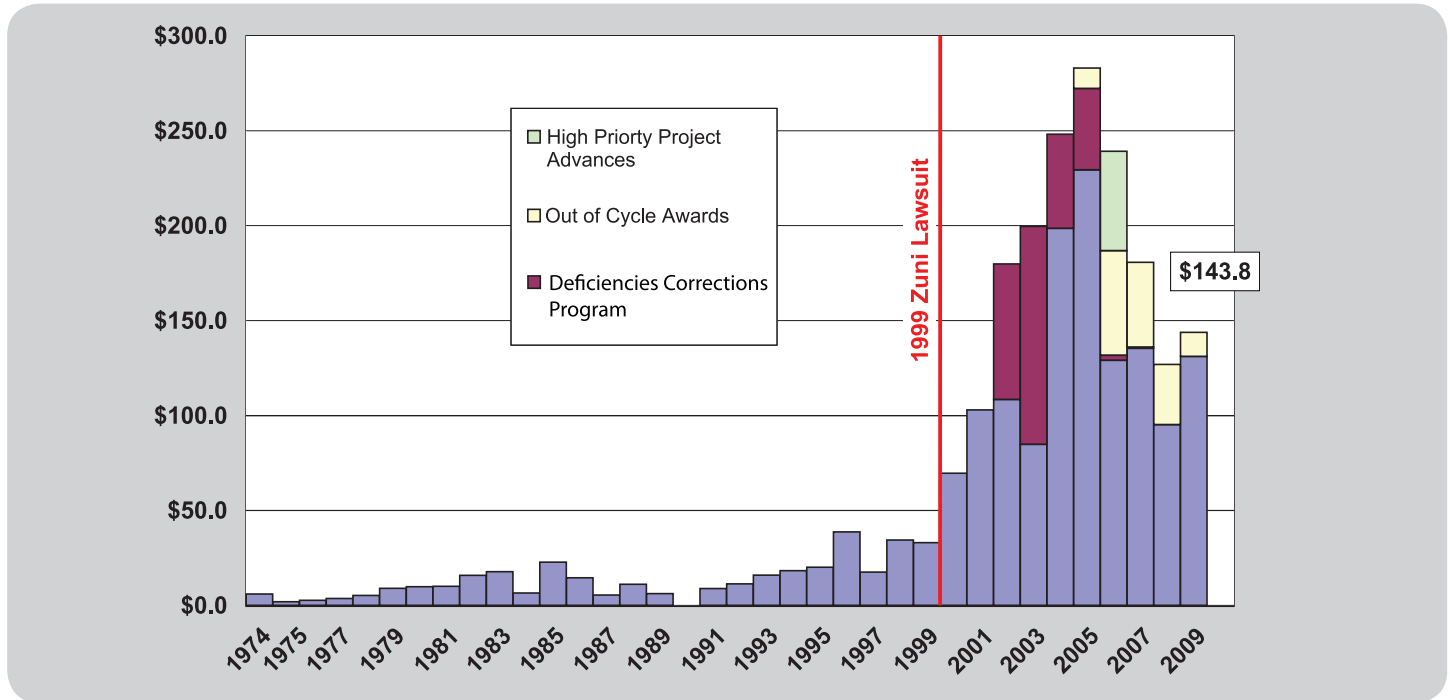
SCHOOL	DISTRICT
Atrisco Heritage High School	Albuquerque Public Schools
Steiner Elementary	Portales Municipal Schools
Sue Cleveland High School	Rio Rancho Public Schools
Ruidoso Middle School	Ruidoso Municipal Schools
El Rito Elementary School	Mesa Vista Consolidated Schools
Midway Elementary	Socorro Consolidated Schools
Columbus Elementary School	Deming Public Schools
Chief Manuelito Middle School	Gallup-McKinley County Schools
Sundance Elementary School	Los Lunas Public Schools

**WHILE 25 SCHOOLS HAVE BEEN GIVEN A MAJOR RENOVATION, ADDITION, OR NEW ROOF:**

SCHOOL	DISTRICT
Anansi Charter School	Taos Municipal Schools
Don Cecilio Elementary School	West Las Vegas
Raton High School	Raton Public Schools
Tularosa High School	Tularosa Municipal Schools
Mayfield High School	Las Cruces Public Schools
Hurley Elementary School	Cobre Consolidated Schools
Gadsden Middle School	Gadsden Independent Schools
Animas Elementary School	Animas Public Schools
McKinley Elementary School	Farmington Municipal Schools
Gallup Middle School	Gallup-McKinley County Schools
Zuni High School	Zuni Public Schools
Katherine Gallegos ES	Los Lunas Schools
Sierra Middle School	Roswell Independent Schools
Berrendo Middle School	Roswell Independent Schools
Jefferson Montessori Academy	Carlsbad Municipal Schools
Ft. Sumner Combined School	Ft. Sumner Municipal Schools
Tucumcari High School	Tucumcari Public Schools
Pecos Middle School	Pecos Independent Schools
Sierra Vista Elementary School	Albuquerque Public Schools
Mary Ann Binford ES	Albuquerque Public Schools
Los Ranchos Elementary School	Albuquerque Public Schools
Navajo Elementary School	Albuquerque Public Schools
Madison Middle School	Albuquerque Public Schools
Manzano High School	Albuquerque Public Schools
Sierra Vista Elementary School	Albuquerque Public Schools

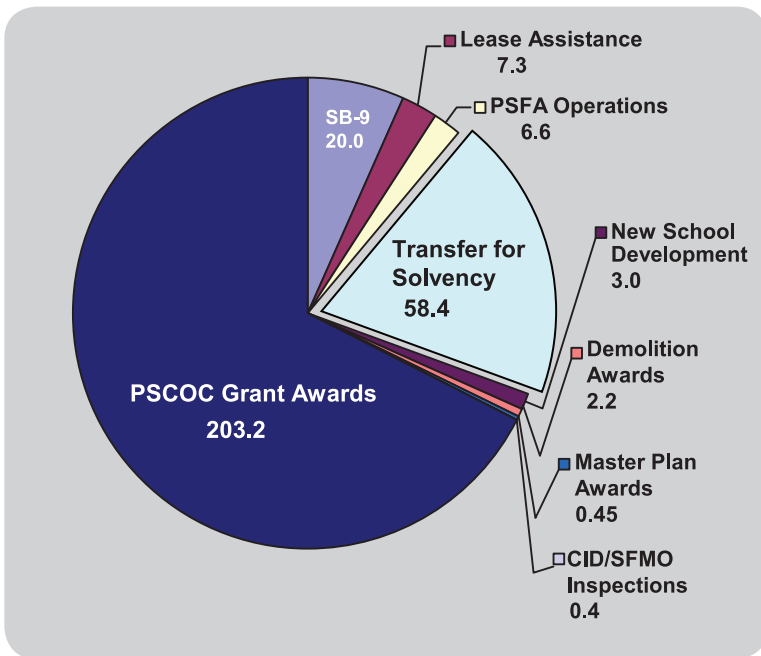
# FINANCIAL AND OPERATIONAL DATA

## PSCOC AWARDS HISTORY 1974-2009 (MILLIONS)



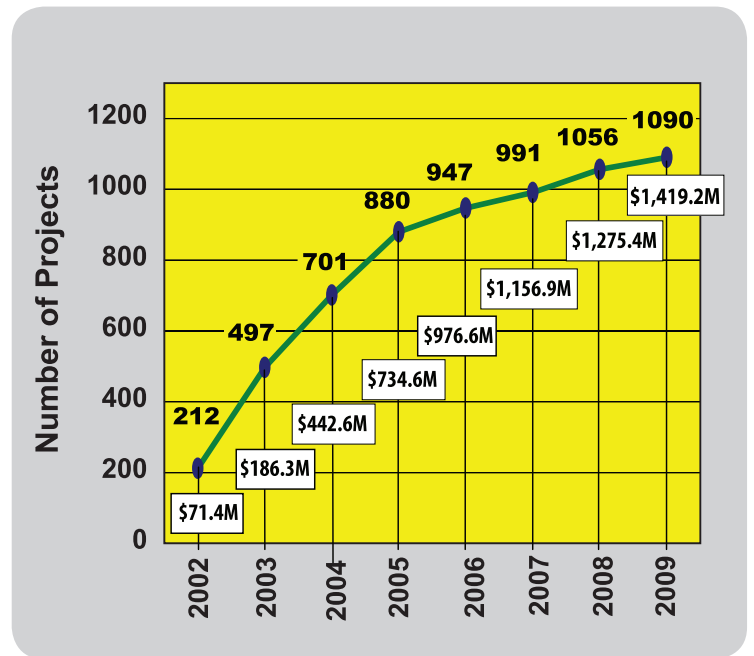
In 2009, Standards-Based state capital outlay for public school construction totaled \$143.8 million. (Calendar year data)

## FY 2009 TOTAL USES OF FUNDS (MILLIONS)



Uses of funds in fiscal year 2009 from the Public School Capital Outlay Fund. 68 percent of funds were used for grant awards to schools; 19% of funds were transferred out of the Fund by the Legislature to assist in mitigating the state budget deficit. Other major uses include SB-9 allocations (7%), and Lease Payment Assistance awards (2%).  
SOURCE: PSCOC Financial Plan

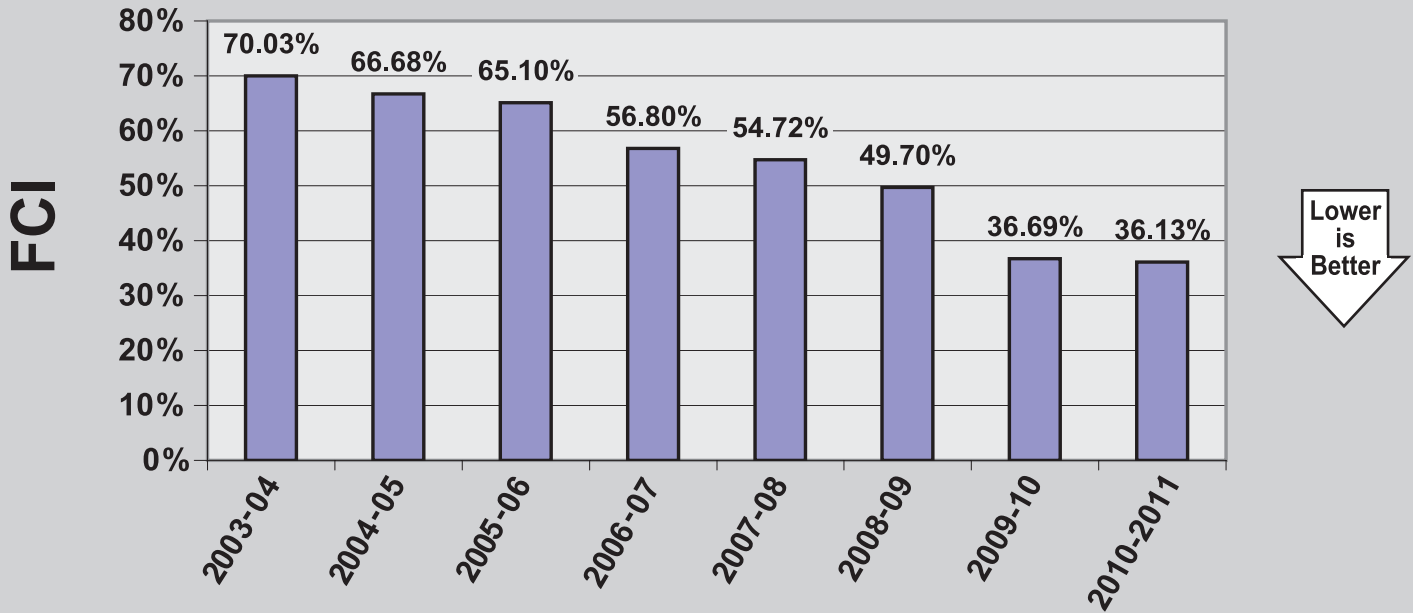
## CUMULATIVE PSCOC/PSFA PROJECTS & FUNDING



The PSCOC and PSFA have provided funding and project assistance to 1,090 projects and facilities throughout NM since the Deficiencies Correction Unit was established in late 2001. Corresponding total project value is \$1,419.2 million.\*  
(\*Deficiencies Correction and Standards-Based funding only.)

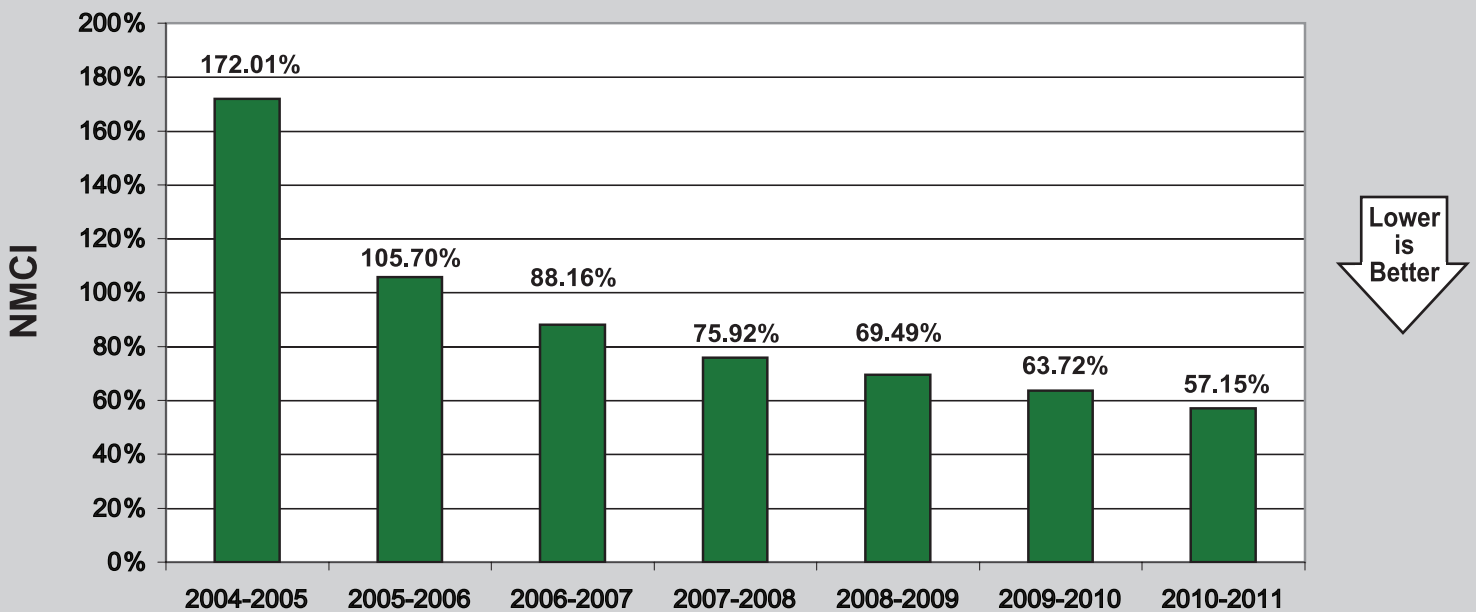
# FINANCIAL AND OPERATIONAL DATA

## NEW MEXICO COMBINED FACILITY CONDITION INDEX (FCI) - FOR SCHOOL BUILDINGS (BY YEAR)



The combined Facility Condition Index for New Mexico school buildings continued to improve (decline) during 2009, but the rate of improvement has slowed.

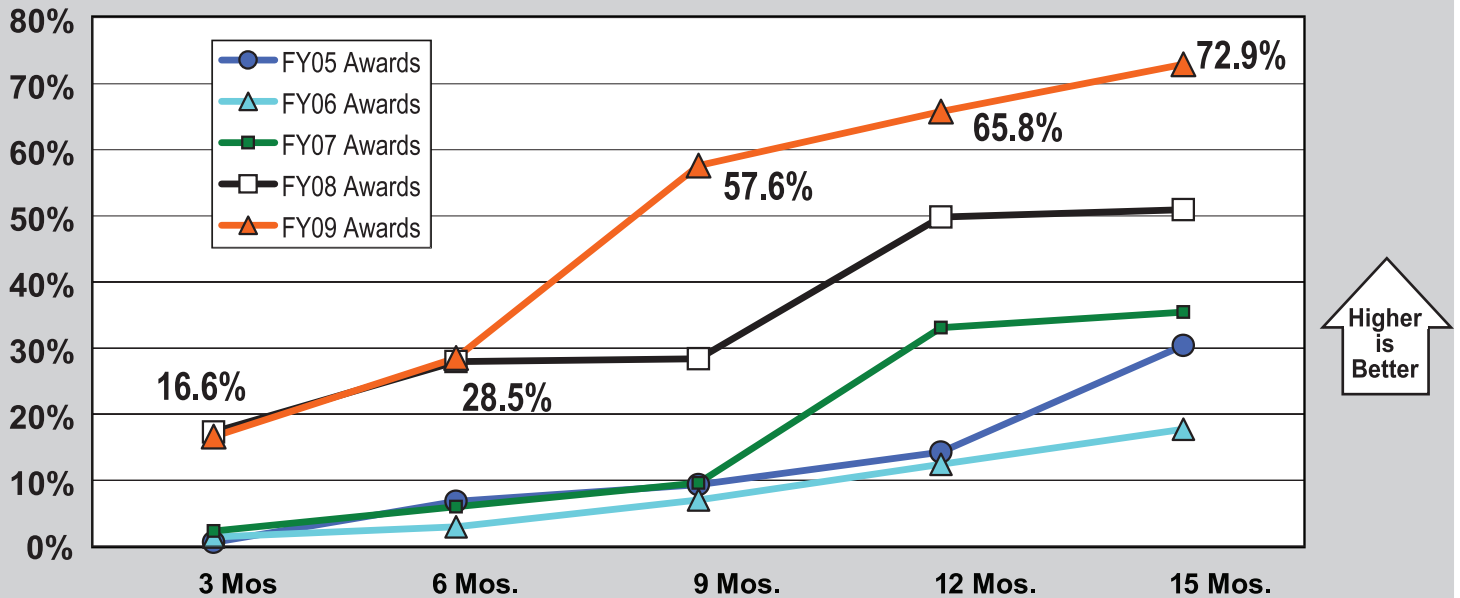
## AVERAGE NMCI SCORE FOR THE TOP 100 GREATEST FACILITY NEEDS ON THE RANKED LIST OF ALL SCHOOL FACILITY NEEDS



Since 2004, the year that Standards-Based funding for school facilities was implemented, the average NMCI score for the top 100 projects on the ranked list of school facility needs in New Mexico has improved, from 172.01%\* to 57.15%. (\*2004-2006 does not include degradation data—if degradation data were included, NMCI scores would be higher than listed.)

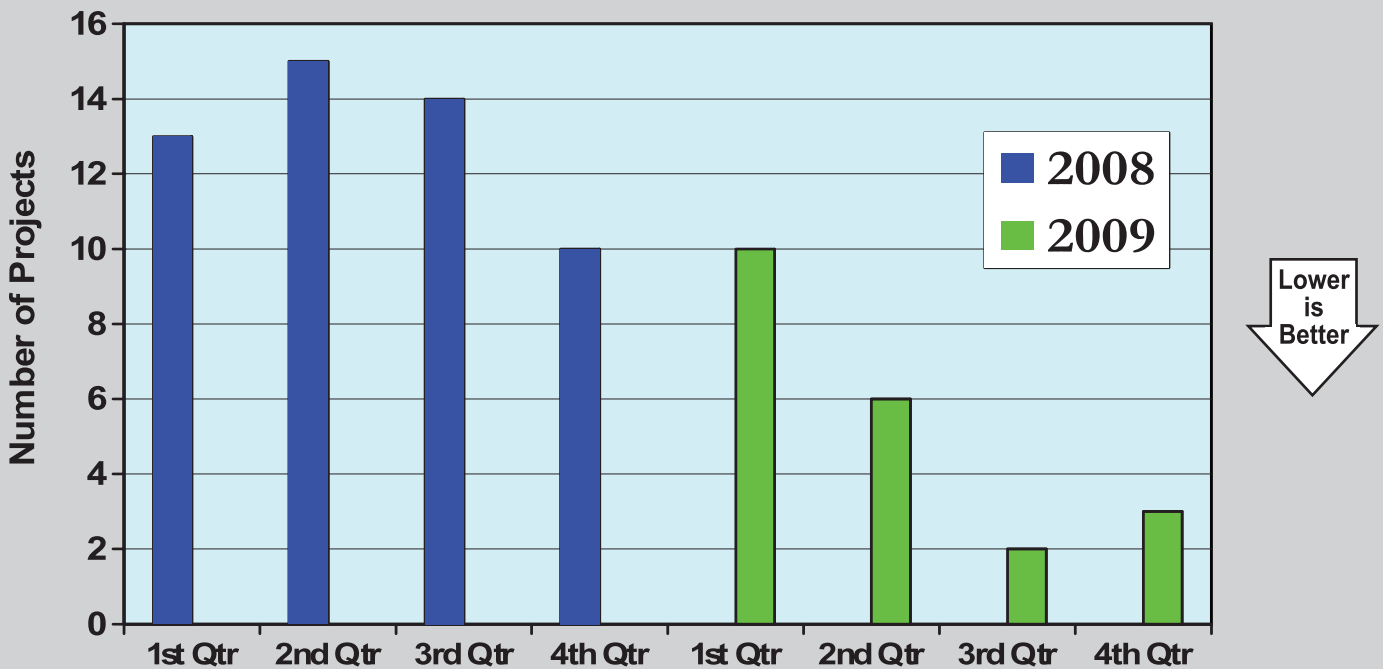
# FINANCIAL AND OPERATIONAL DATA

## PERCENT OF AWARD DOLLARS UNDER CONTRACT FROM TIME OF AWARD



73 percent of PSCOC award dollars are currently under contract within 15 months—a 43% improvement over FY 2008. Reduction in project cycle times maximizes funds that go to brick and mortar by reducing losses to construction inflation and to the cost of capital.

## PROJECTS NOT MEETING SCHEDULED TIMELINES

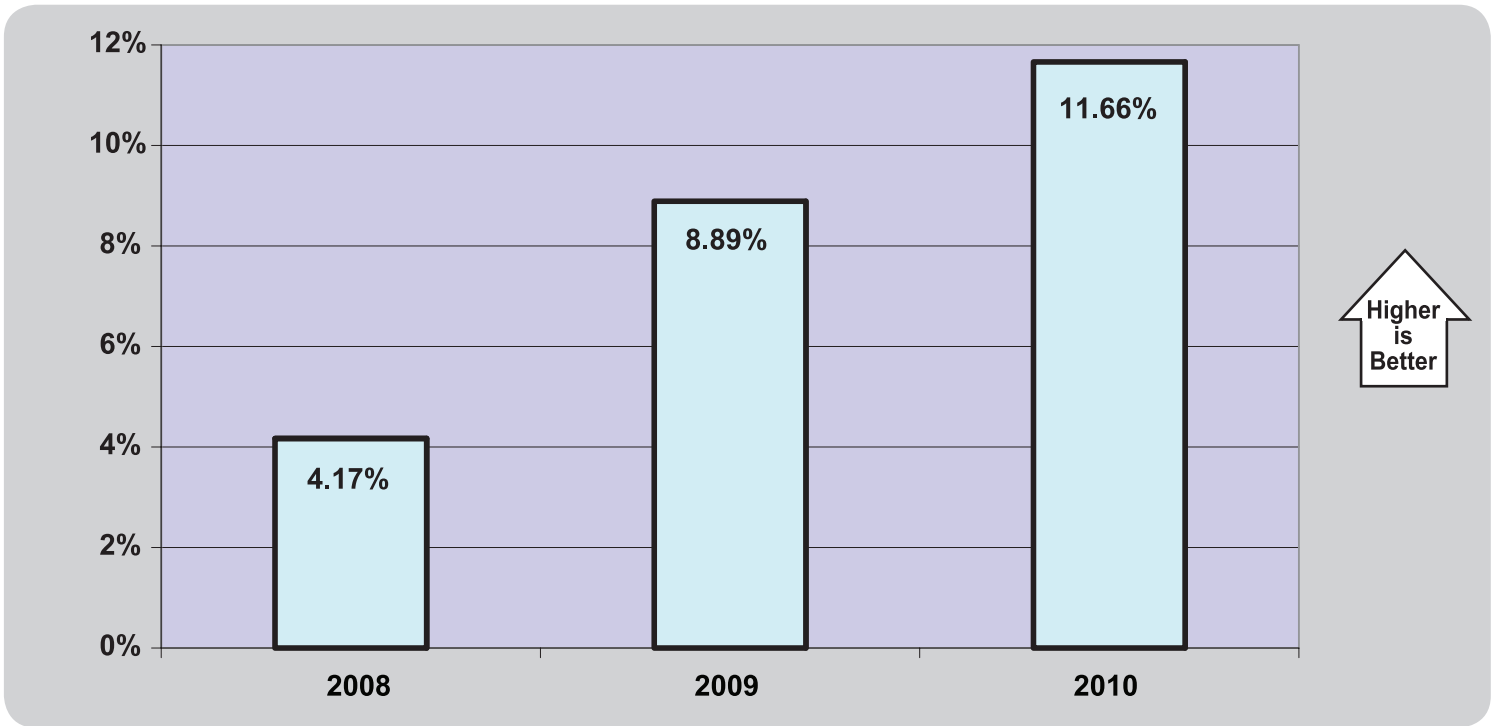


At year end 2009, three projects were red-flagged as behind schedule—a 233% improvement from year end 2008.



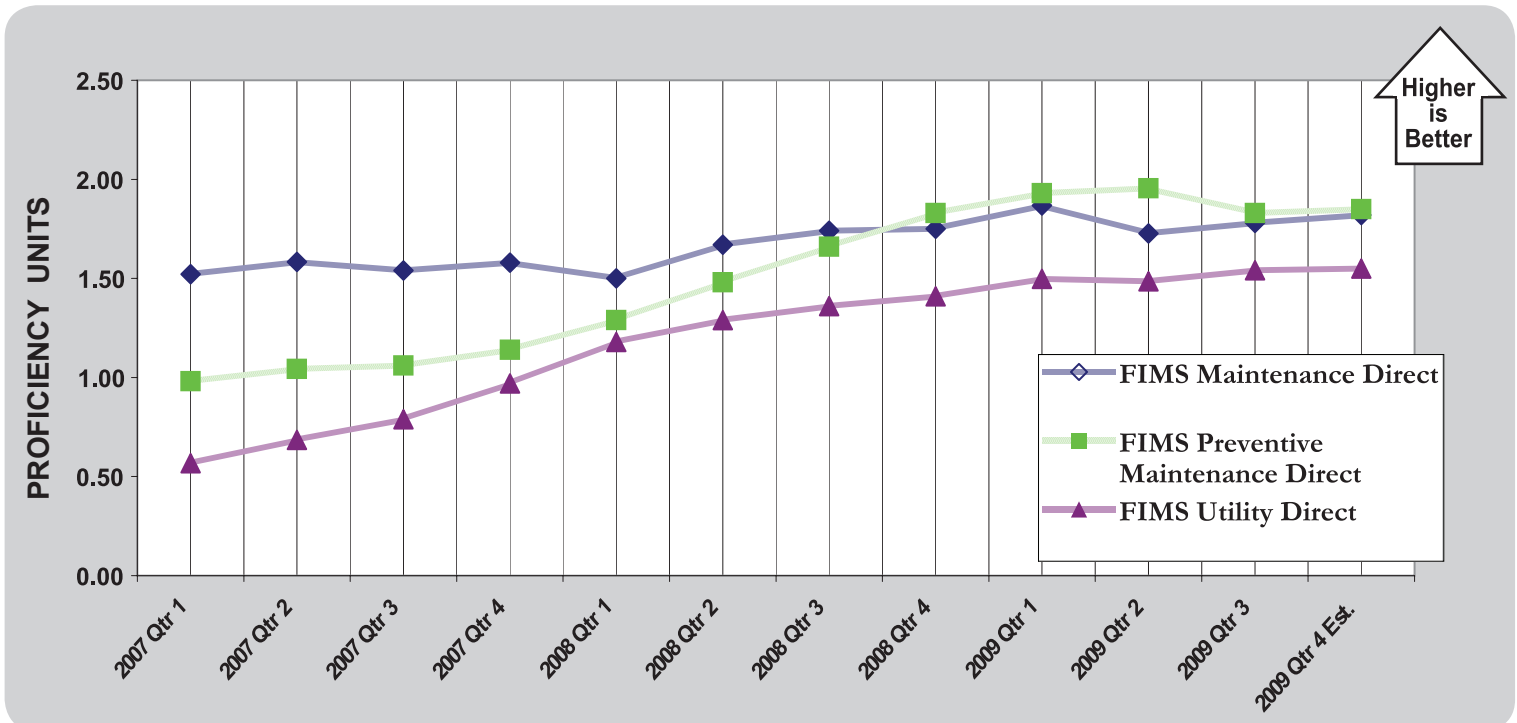
# FINANCIAL AND OPERATIONAL DATA

## DISTRICT PREVENTIVE MAINTENANCE AS A PERCENT OF TOTAL MAINTENANCE EXPENDITURES (FISCAL YEAR DATA)



Average 2009 New Mexico school district expenditures for preventive maintenance increased by 31% over FY 2008, and by 79% over FY 2007. Studies indicate that \$1 invested in preventive building maintenance can eliminate up to \$4 in future deferred maintenance expenses overall. SOURCES: Pacific Partners Consulting, Oregon University System and others.

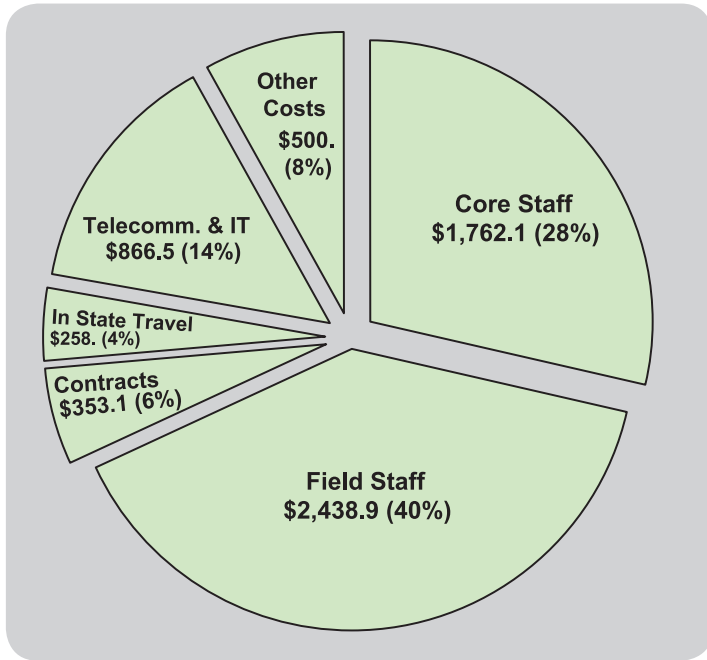
## SCHOOL DISTRICT FIMS PROFICIENCY PROGRESSION 2007-2009



87 of 89 districts are currently using New Mexico's Facility Information Management System (FIMS), an online maintenance management system that the State provides to school districts at no cost. Average district proficiency in the use of the three primary FIMS applications has been improving steadily over the past three years.

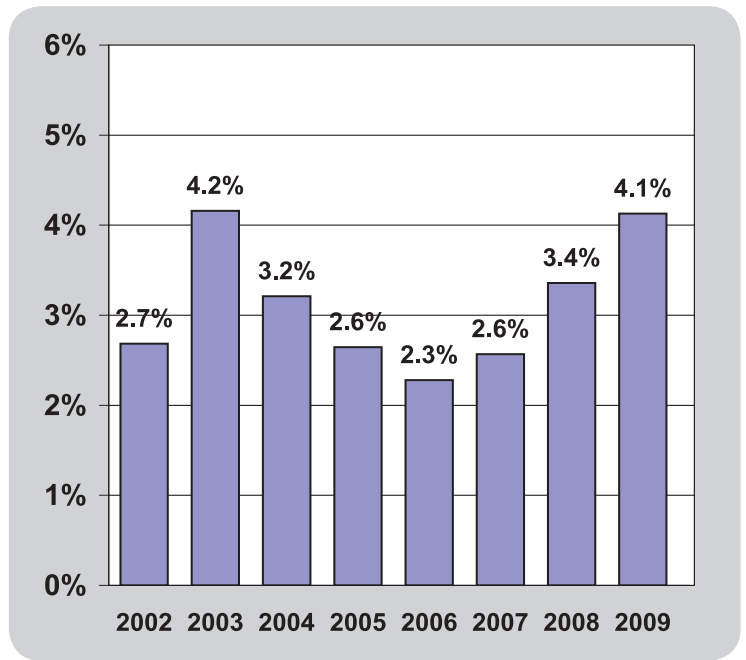
# FINANCIAL AND OPERATIONAL DATA

## PSFA OPERATIONAL USES OF FUNDS



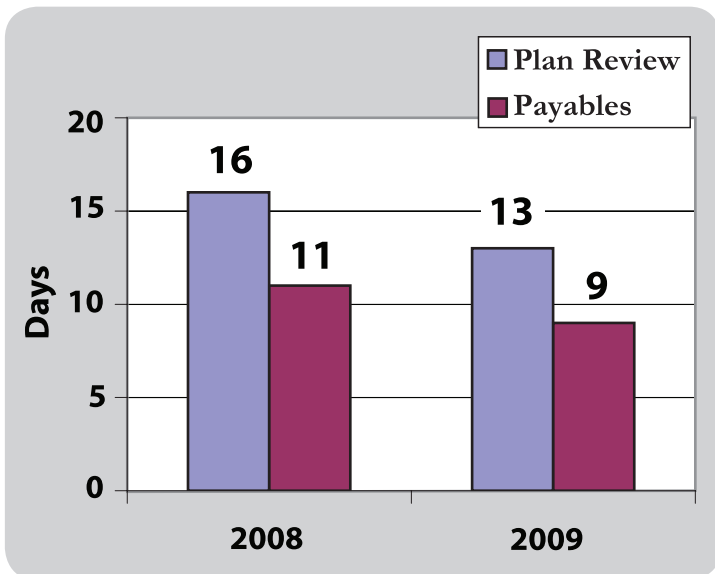
PSFA's largest line item cost are the specialized staff who are based throughout the state in the school districts in which they serve, who assist in managing district construction projects, who assist with district facilities maintenance and who train district facilities staff.

## PSFA OPERATING BUDGET AS A PERCENT OF ANNUAL CAPITAL OUTLAY AWARDS



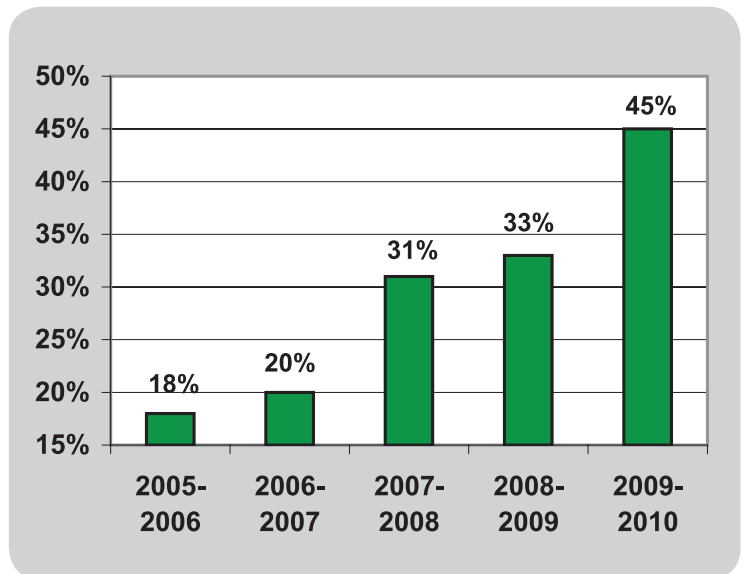
The State endeavors to minimize oversight costs. PSFA's operating budget as a percent of total annual funding is currently 4.1%. Since PSFA inception in 2002, this measure has averaged 3.14% of the previous three year award average—well below the statutory limit of 5%.

## PSFA PLAN REVIEW AND PAYABLES TURN-AROUND TIMES (BY YEAR)



Average plan review turnaround times improved by 19% in 2009, and are currently at 13 days. Average payables turnaround times improved by 18% in 2009, and are currently at 9 days. PSFA seeks to continually decrease these two critical customer satisfaction measures.

## PSCOC APPLICATIONS FROM PROJECTS RANKED IN THE TOP 100 OF SCHOOL FACILITY NEEDS (BY YEAR)



Applications for PSCOC Standards-Based funding from projects ranked in the top 100 of the NMCI database of greatest facility needs have increased annually—45% of projects in the top 100 applied for funding in 2009, up from 33% in 2008. The highest ranked school facility needs have priority for funding, but districts must apply and meet contingencies, including having a current master plan, current maintenance plan and current audit.

# 2009 FINANCIAL AUDITOR'S REPORT

**C**  
**W**  
**M** **Chester W. Mattocks**  
**Certified Public Accountant**

**P.O. Box 25941**  
**Albuquerque, New Mexico 87125**  
**(505) 299-5233**

January 11, 2010

State of New Mexico  
Public School Facilities Authority  
Santa Fe, New Mexico

I have audited the financial statements of the Public School Facilities Authority (PSFA) as of and for the year ended June 30, 2009 and have issued my report thereon dated December 11, 2009. I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

The results of my audit are summarized as follows:

1. The independent auditor's report expresses an unqualified opinion on the financial statements of the PSFA.
2. There were no material weaknesses reported.
3. No instances of noncompliance or other matters material to the financial statements of the PSFA were disclosed during the audit.

This letter is intended for the use of the Public School Facilities Authority and should not be used by anyone other than this specified party.

*Chester W. Mattocks, CPA*

Albuquerque, New Mexico  
January 11, 2010

# PSCOC INTERVIEW

## With Paula Tackett and David Abbey

*“New Mexico schools still have about \$3.8 billion in facilities needs, the PSCOC has \$286 million in funding commitments to existing projects, and state revenue forecasts are uncertain. Those are the PSCOC’s largest challenges right now.” —Paula Tackett*

### WHAT’S WORKING WELL?

**Tackett:** Since the Zuni Lawsuit, we’ve worked together to rebuild this entire process. I’m pleased with our progress. It’s taken time, but we’ve created a model program in public school capital funding, and I give the Legislature, the Governor and school districts a tremendous amount of credit for collaborating—and for hanging in there.

Other areas that have been extremely effective are the work of the PSCOC Awards Subcommittee, which David chairs, and which brings financial rigor to funding decisions; and all the work we’ve done in early project development, from master plans, to Ed Specs, to more accurate project costing. Projects are now going into construction very shortly after funds are awarded—and better reflect what communities need and are willing to support.

**Abbey:** Standards-based public school capital outlay has been a success story for government and we have the data to prove it. In less than a decade, we’ve gone from a 70 percent combined Facility Condition Index to 36 percent today—60

*percent is when buildings usually need to be replaced.* So the worst facilities across the state and the most acute areas of student growth have been addressed. The buildings we’re fixing now generally only need to be repaired or renovated, not replaced.

Another big improvement is right-sizing schools, and right-timing funding. In years past we tried to guess the cost of a building up front, whereas now we make awards in phases with accurate cost data and just-in-time funding. Less than a decade ago, school capital outlay worked the way the rest of public sector capital outlay still works, with glacial deployment of funds based on inaccurate cost data and minimal project accountability. That has changed with schools, in part because of our investment in staff. PSFA has sufficient staffing capacity to administer this program effectively.

### WHAT ARE THE MAJOR CHALLENGES?

**Tackett:** New Mexico schools still have about \$3.8 billion in facilities needs, and the PSCOC has \$286 million in funding commitments to existing projects, while state revenue forecasts are uncertain. Those are the PSCOC’s largest challenges right now.

**Abbey:** Another ongoing challenge to the Public School Capital Outlay Fund is the perception that revenues and potential uses are both unlimited. Over the years any number of new programs have been added to the head of the line for funding. We need to keep in mind that litigation caused these funds to be reserved for school construction, and although we’ve made progress, we still face enormous needs within school construction in New Mexico, along with limited resources to meet those needs.

**“We need to design and manage schools for higher utilization. New Mexico can’t afford to build schools that will only be used from 8 to 3.”**

**-David Abbey**

### GIVEN UNCERTAIN STATE REVENUE FORECASTS, ARE PSCOC AWARDS THAT HAVE YET TO BE DISBURSED TO DISTRICTS AND CHARTERS AT RISK?

**Abbey:** There is a risk, but at worst, it may mean a delay. The main reason PSCOC is making no awards to new projects in 2010 is because funding availability is just enough to keep up with phases of funding for projects from prior years.

**Tackett:** And it may not be so bad, because it gives the PSCOC an opportunity to hunker down and work on some of the processes that need to be cleaned up or improved. We’ve been moving pretty fast over the past few years, and taking a short break from new projects may provide the breathing room to work with schools in refining this process, making it easier to understand and easier to use.

### IF LIMITED STATE FUNDING LEADS TO FIRST-READY-FIRST-SERVED AWARD DISBURSEMENTS, DOES THIS RAISE FUNDING EQUITY ISSUES?

**Tackett:** No, because districts with projects at the top of the NMCI list that have received a PSCOC award will hold their place in the queue for funding as revenues become available. As David mentioned, the issue is only potential delay.

**Abbey:** We also have good project readiness for funding forecasts in PSFA’s financial plan, and the Legislature gave Council a certain amount of flexibility to address funding equity as new situations emerge.

**Paula Tackett,**  
Vice-Chair of the  
PSCOC and  
Legislative Council  
Service Director



**David Abbey,**  
PSCOC Awards  
Subcommittee  
Chair and  
Legislative Finance  
Committee Director

**WHAT COULD SCHOOL DISTRICTS DO TO MINIMIZE PROJECT DELAYS RELATED TO POSSIBLE PSCOC FUNDING GAPS?**

**Abbey:** Just get the project shovel-ready as rapidly as possible. Get the programming and planning and design done, even if it's on your own dime with later reimbursement by the PSCOC. Your district has to be ready to go to bid—which is the best way to move to the head of the queue for disbursement of PSCOC award funds.

**Tackett:** And pay attention to the NMCI project rankings for your facilities, keep your facilities information in the NMCI database accurate and up to date—for renovations and new deficiencies. PSFA regional managers and staff can assist in what has become a real partnership between the state and local districts.

**WHAT CHANGES IN FACILITIES SHOULD BE CONSIDERED IN AN ERA OF GREATER FUNDING CONSTRAINTS?**

**Abbey:** We need to design and manage schools for higher utilization. For example, we're currently building high schools as if 12th graders are going to be there all day long, which isn't the case. New Mexico can't afford to build schools that will only be used from 8 to 3.

**MANY SCHOOL DISTRICTS AND CHARTERS ARE FACING CUTS IN OPERATING BUDGETS. SHOULD THE PSCOC DO ANYTHING NEW TO ASSIST?**

**Tackett:** I know that districts and charters are facing tough financial times, but what that means for the PSCOC is just to continue doing what we're doing with our current programs, and help schools understand how these systems can be used to save money. When a specific need comes along like it has in the past with roofs, the PSCOC has been quick to address that need.

**“It isn't necessary to drive the FCI down to zero. The PSCOC has never set a hard target for FCI, but if we were to set a target, it would probably be 20 to 25%.”**  
- Paula Tackett

**THE COMBINED FACILITY CONDITION INDEX FOR PUBLIC SCHOOLS HAS BEEN CUT IN HALF SINCE 2003. HOW MUCH FURTHER DOES IT NEED TO DECREASE BEFORE THE PSCOC DECLARES VICTORY?**

**Tackett:** It isn't necessary to drive the FCI down to zero. The PSCOC has never set a hard target for FCI, but if we were to set a target, it would probably be 20 to 25 percent. The larger issue right now is that the rate of reduction in

the combined FCI has been slowing based on the renewal schedule of building systems, and *just to maintain* FCI at the current 36 percent may take a significant increase in funding over the next few years.

**Abbey:** We've made significant progress in safer school buildings, which is an important policy goal for the state; but at the end of the day, it's disappointing that with all these better school buildings, our educational outcomes aren't improving much. We've done well with school buildings and not so well with educational outcomes. Until we do both it would be premature to declare victory, even on facilities.

**DOES SUCCESS WITH THE SCHOOL FACILITIES PROGRAM MOVE THE STATE FORWARD ON EDUCATIONAL GOALS?**

**Tackett:** Better buildings help. When we solve overcrowding, temperature extremes, air quality, acoustics or leakage problems in classrooms students are going to learn better. But I agree with David that if we have wonderful school buildings but learning isn't happening inside we're in trouble.

# New Mexico Public School Capital Outlay: How It Works, What's Distinctive About It, Benefits, Needs and Current Issues

## DIFFERENCES IN SCHOOL CAPITAL OUTLAY FROM OTHER PUBLIC SECTOR INFRASTRUCTURE:

- The public school capital outlay process is mandated by legal rulings re the Zuni Lawsuit.
- New Mexico school buildings are ranked objectively by greatest need. All school districts are eligible for state funding *on a level playing field*. **Surveys rate this process as extremely fair.**
- The state uses its limited resources to take care of the worst needs at the top of the list *first*, thus maximizing the bang for the buck. Funding is based on a state-local match, and **state funds often serve as a carrot for communities to pass local school bond elections.**
- For 2010, the PSCOC has \$286 million\* in funding commitments to high-need projects currently in development.

## PUBLIC SCHOOL CAPITAL OUTLAY AND CONSTRUCTION OVERSIGHT IS A NEW MEXICO SUCCESS STORY.

- **Money is put to work rapidly via just-in-time funding.** 73 percent of funds are under contract within 15 months from the date of award.
- **Record numbers of school projects are being delivered to New Mexico's communities.** In this school year alone, 34 new and newly-renovated schools opened their doors.
- **Funding equity issues raised by the Zuni Lawsuit are being addressed.** The Court is on record that the state is making progress.
- **By targeting worst condition schools, a 49 percent improvement in New Mexico school facilities over the past five years.**

Schools have improved, but the rate of improvement is slowing.

## BUT NEEDS OF PUBLIC SCHOOL FACILITIES REMAIN EXTREME ACROSS NEW MEXICO.

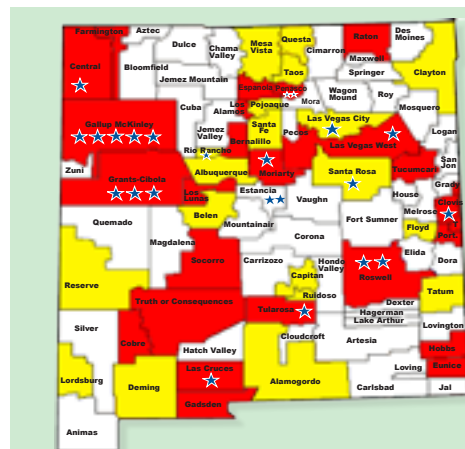
- Current unfunded facilities needs in our 89 school districts total \$3.8 billion.
- Due to a large bubble of aged facilities and deferred maintenance, state share funding must increase over the next five years simply to maintain facilities condition index levels.

## THE COST OF PROGRESS OVER THE NEXT FIVE YEARS:

- To maintain the current Facility Condition Index (FCI) of 36.13 percent over the next five years, an average of \$321,906,400 *annually* would need to be invested in New Mexico public school facilities—of this, the state portion of funding is currently 39 percent, so funds from the state would need to be about \$125.5 million per annum. At lower funding levels, degradation exceeds renovation/repair and school facilities decline.

## WHAT SCHOOL CAPITAL OUTLAY HAS ALREADY CONTRIBUTED TO ASSIST WITH THE STATE BUDGET CRISIS.

- For 2010, the PSCOC will only fund projects that are “shovel-ready” and have received a design or prior-phase construction award.
- **In 2009 the Legislature reallocated \$139 million in PSCOC funds to offset the budget crisis.\*\***
- PSFA has cut its operating budget by 3 percent, and has maintained a flat budget for the past two years.
- PSFA is focused on raising utilization rates for existing facilities (*to make full use of what we have before building new*), and is pioneering better measures, like facility cost-per-student and per square foot, to help districts build schools that are more efficient, more cost-effective and more sustainable in terms of capital and operating costs.
- PSFA is intently focused on helping schools with preventive maintenance **to preserve the \$1.5 billion in school facilities that the Legislature has funded recently.**



Districts Impacted or Delayed:

- = With current projects
- = At top of greatest needs list
- ★ = With critical roofing projects

## IF PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL FUNDS ARE FURTHER REALLOCATED:

- PSFA already faces a \$30.8 million deficit against funding commitments for 2010 due to capital reallocations in 2009.
- Given project schedules:
  - 53 school projects at 25 districts may be impacted. (*Red districts on map*)
  - 23 critical roofing projects at 14 districts may be delayed. (*Stars on map*)
  - 33 districts with projects in the top 100 schools with greatest needs may be further delayed. (*Yellow districts on map*)

\* Each \$1 million in construction funding results in 9 direct and 21 indirect jobs.

\*\* \$51.6 million may be replaced. If so, net loss of funds would be \$87.4 million.

# PSCOC AND PSFA MILESTONES IN 2009

- Awarded \$188.9 million in total funding to 112 school construction & facilities needs throughout New Mexico, including:
  - \$131 million for Standards-Based awards to 24 projects in 15 school districts;
  - \$8.1 million for facility leasing assistance to 69 charters and 8 public schools in 21 districts;
  - \$931,562 from the Charter School Fund to one project in one district;
  - \$285,600 for demolition of an abandoned facility in one district; and
  - Reserved \$48.58 million for possible out-of-cycle awards to 9 projects in 8 districts.
- 34 new and newly-renovated schools opened their doors in 2009.
- The combined Facility Condition Index—the overall measure of the condition of New Mexico school buildings—continued to improve from 36.69 percent in 2008 to 36.13 currently (lower is better).
- In calendar year 2009 PSFA reverted \$8.7 million back to the state via audit of project closeouts with school districts.
- PSFA's operating budget as a percent of total funding was 4.1 percent in 2009—below the statutory limit of 5 percent.
- PSFA received a clean/clear financial audit for 2009, with no material weaknesses or exceptions.
- 73 percent of award funds are currently under contract within 60 weeks—a 43 percent increase over 2008. At year end 2009, three projects statewide were red flagged as behind schedule—a 233 percent improvement over 2008.
- 70 school districts have current master plans on file with PSFA—a six percent improvement over 2008.
- Preventive maintenance efforts in school districts are increasing. Preventive maintenance as a percent of total maintenance expenditures was 11.66 percent in 2009—an improvement of 31 percent over 2008.
- 87 of 89 districts and the New Mexico School for the Blind and the Visually Impaired is currently using the FIMS maintenance management system—a two percent improvement over 2008. 49 districts have current preventive maintenance plans on file with PSFA—a 104 percent improvement over 2008.
- Payables are being processed in an average of 9 days from date of receipt—improvement from 11 days in 2008.
- PSFA plan review processing time is currently 13 days—improvement from 16 days in 2008.
- 45 percent of districts with projects in the top 100 of the NMCI greatest facility needs list applied for Standards-Based funding in 2009—up from 33 percent in 2008.
- The PSCOC and school districts participated for the first time in the annual New Mexico Infrastructure Finance Conference, as a means to develop joint infrastructure development and management with local governments.
- 28 school districts were awarded Ben Lujan Maintenance Achievement Awards—an improvement from 7 districts in 2008. 14 district maintenance personnel received Lujan Awards—down from 19 in 2008.
- In 2009, PSFA completed on-site assessments at 80 facilities within the top 100 schools on the NMCI list.
- PSFA completed configuration of financial modules in the CIMS Construction Information Management System, which will improve project accountability and reporting capabilities. Configured and implemented a roof condition index assessment business process in CIMS with participation of 26 school districts.
- Finalized first phase deployment of a video conferencing system to reduce travel time and expense for PSFA staff and school administrators.
- Maintained 100% resolution of all support calls, and 99.9% uptime and availability for all IT systems, applications, and networks.



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**The Fort, a new 19,700 square foot shared-use facility at Fort Sumner Municipal Schools, opened its doors in October 2009 at a total cost of \$4.8 million. In addition to funding assistance from the State of New Mexico, the district raised construction funds via a \$100k grant, and from a diverse range of other sources. The facility was built for efficient use of space, maintenance-friendly design, and includes a ground-sourced heating and cooling system.**