

REPORTING PER PUPIL EXPENDITURES

Pursuant to 2018 Amendments to the Elementary and Secondary Education Act of 1965, the Every Student Succeeds Act (ESSA) requires that all school districts report the per-pupil expenditures (PPE) of Federal, State, and local funds, including actual personnel expenditures and actual non-personnel expenditures of Federal, State, and local funds, disaggregated by source of funds, for each district school site for the preceding fiscal year.

The State of New Mexico allows flexibility in reporting by allowing each district in New Mexico to develop its own reporting methods that best represent its local priorities within standardized reporting requirements. Each district must develop a written board-approved methodology by which centralized costs are allocated and reported by school site.

Exclusions

The following funds are excluded from PPE calculations as they do not meet the definition of current expenditures:

- All Capital Project fund expenditures (30000 series);
- All Debt Service fund expenditures (40000 series);
- All Community Service function expenditures (3300), regardless of fund;
- All Capital Outlay function expenditures (4000), regardless of fund; and
- All Debt Service function expenditures (5000), regardless of fund.

Additionally, the Food Service fund (21000) expenditures are be excluded from PPE calculations due to the challenge many school districts face in disaggregating these expenditures by specific funding sources; whether federal (USDA grant fund) or state/local (student lunch fees).

School site-based per pupil reporting provides an opportunity to look at education finances in a new way that drives conversations about equity and transparency. Benefits include:

- Resource allocation will be more accessible to schools and stakeholders.
- Empowers the district and community to assess and improve equity.
- Enables an association between student outcomes and financial resources.
- Enables the use of best practices and opportunities that foster innovation between peers.

Comparability

Because New Mexico allows for district discretion when assigning expenditures by school site, there are limits to comparability in reported PPE data *across school districts* due to variances in adopted PPE allocation methodologies across the State.