December 20, 2011

The Honorable Hanna Skandera  
Secretary of Public Education  
New Mexico Public Education Department  
Jerry Apodaca Education Building  
300 Don Gaspar  
Santa Fe, New Mexico 87501

Dear Secretary Skandera:

Thank you for submitting New Mexico’s request for ESEA flexibility. We appreciate the hard work required to transition to college- and career-ready standards and assessments; develop systems of differentiated recognition, accountability, and support; and evaluate and support teacher and leader effectiveness. The U.S. Department of Education (Department) is encouraged that New Mexico and ten other States are leading the way in designing plans to increase the quality of instruction and improve student academic achievement.

As you know, New Mexico’s request was reviewed by a panel of seven peer reviewers during the week of December 5-9, 2011. During the review, the expert peers considered each component of New Mexico’s request and provided comments in the form of Peer Panel Notes to inform the Secretary’s decision whether to approve New Mexico’s request. The Peer Panel Notes, a copy of which is enclosed with this letter, also provide feedback on the strengths of New Mexico’s request and areas that would benefit from further development. Department staff also reviewed New Mexico’s request, informed by the Peer Panel Notes, to determine consistency with the ESEA flexibility principles.

The peers noted, and we agree, that New Mexico has taken promising steps toward developing a strong plan for implementing college- and career-ready standards and quality guidelines for teacher and leader evaluation and support systems. New Mexico also enacted the A-F School Grading Act that establishes a new, differentiated accountability system and the State is working to develop regulations to guide the implementation of the act. There is work still to be done in each of these areas.

At the same time, based on the peer reviewers’ comments and our review of the materials New Mexico has provided to date, we have identified certain components of your request that need further clarification and may need additional development or revision. In particular, significant concerns were identified with respect to the following:
• Plans for transitioning to college- and career-ready standards and developing and implementing teacher and principal evaluation and support systems were not sufficiently developed for full review;
• The lack of consultation with diverse stakeholders and communities;
• The use of conditional performance estimates that adjust school grades based on student demographics; and
• Student subgroups are not identified or used in the proposed accountability and support system.

The enclosed list provides details regarding these concerns as well as all other issues raised in the review of New Mexico’s request. We encourage New Mexico to consider the peers’ comments and technical assistance suggestions in making revisions to its request.

Please keep in mind that while the peers identified weaknesses in all of the requests submitted by States during this first round of review, this result should be viewed in the context of the difficult, trailblazing work that New Mexico and others are doing in the context of ESEA flexibility. You and your team deserve great credit for your efforts thus far, and we are confident that we will be able to work together to address outstanding concerns and provide New Mexico with the requested flexibility.

At the same time, it is our responsibility to ensure that as we permit States to depart from the requirements of current law, they do so in a manner that continues to increase the quality of instruction and improve achievement for all students, but especially those most at risk of academic failure, including low-achieving students, English Learners, and students with disabilities.

While the Peer Panel Notes for New Mexico provide information specific to your request, your State also may benefit from comments and technical assistance suggestions made by other peer panels regarding issues common to multiple States’ requests. For this reason, we will soon send you a document that summarizes some of these technical assistance suggestions and other considerations that may be useful as you revise and refine your request.

We remain committed to working with New Mexico to meet the principles of ESEA flexibility and improve outcomes for all students. We stand ready to work with New Mexico as quickly as possible and will be in touch to set up a call as early as this week to discuss the timeline and process for providing revisions or materials. If you have any additional questions or want to request technical assistance, please do not hesitate to contact Nola Cromer, at 202-205-4152.

Sincerely,

Michael Yudin
Acting Assistant Secretary

Enclosure
SUMMARY OF ADDITIONAL INFORMATION REGARDING NEW MEXICO’S ESEA FLEXIBILITY REQUEST

CONSULTATION

• Please provide more specific information on the steps New Mexico took to meaningfully engage and solicit input from teachers and their representatives, and diverse communities, especially organizations representing students with disabilities, English Learners, and other underserved groups, or describe how the SEA will meaningfully engage these stakeholders as New Mexico continues to develop its request and implement flexibility. See Consultation Questions 1 and 2, Principle 1 Overall Review.

PRINCIPLE 1: COLLEGE- AND CAREER-READY EXPECTATIONS FOR ALL STUDENTS

• Please provide a high-quality plan to transition to and implement college- and career-ready standards that meets the requirements of Principle 1 and addresses the concerns noted by peers. See 1.B, Principle 1 Overall Review.

PRINCIPLE 2: STATE-DEVELOPED DIFFERENTIATED RECOGNITION, ACCOUNTABILITY, AND SUPPORT

• Please address concerns regarding the A-F school grading system (Principal 2 Overall review), including:
  o The use of conditioned school status estimates in the school grading model and the transparency of these estimates for parents and educators. See 2.A.i.
  o The use of non-academic variables in the school grading system that may compensate for academic variables. See 2.A.i.
  o The need for a clear, coherent, and articulated support system for schools. See 2.A.i.
  o An accountability and support system that does not utilize subgroups and does not include interventions for subgroups, particularly English Learners and students with disabilities, based on achievement, graduation rates, or performance and progress. See 2.A.i.a, 2.A.i.c.
  o The graduation rate is a small portion of the index and early high school dropouts are not counted in other elements (achievement, student growth, and college- career-readiness), which may lead to improved results on these elements due to lower-performing students dropping out. See 2.A.i., 2.A.i.b.
  o The lack of incentives to close achievement gaps for all subgroups of students. See 2.A.i.b.
  o The lack of a plan to ensure the implementation of the accountability system in LEAs and schools no later than the 2012-2013 school year. See 2.A.i.d.
• Please address concern that the AMOs described in the request do not meet the expectations of rigor and do not indicate achievement AMOs for subgroups. See 2.B.
• Please address concerns regarding priority, focus, and reward schools, including:
  o The plan to identify reward schools does not provide a check on widening achievement gaps and does not provide sufficient rewards for school performance. See 2.C.
  o By demonstrating that the schools New Mexico provided on its list of priority and focus schools align with the respective definitions of these schools provided in the document titled ESEA Flexibility. See 2.D.iii.a, 2.E.ii.
  o The lack of a strong or coherent framework for employing intervention strategies and practices that are aligned with the turnaround principles in priority schools, and how those practices will be deployed to improve the quality of instruction, effectiveness of leadership
and teaching, student achievement, and, where applicable, graduation rates for all students. See 2.D.iii.a, 2.D.iii.b.
- Insufficient capacity-building activities. See 2.D.iii.a.
- The interventions will not be implemented in priority schools for at least three years. See 2.D.iii.c.
- The amount of progress that priority schools must demonstrate before exiting priority school status and the use of similar school grades for priority school entry and exit. See 2.D.iii.b, 2.D.iv.a.
- The focus school interventions chosen by schools and LEAs may not address the needs of the subgroup or subgroups of students who need assistance. See 2.E.iii.
- The criteria to exit focus status may not require sufficient progress to sustain improvement. See 2.E.iv, 2.E.iv.a.

- Please provide a timeline for ensuring that LEAs implement interventions in priority schools according to the required time frame. See 2.D.iv.
- Please clarify how New Mexico will use information on whether subgroups of students meet AMOs to inform interventions in its schools. See 2.F.
- Please address concerns regarding incentives and supports for other Title I schools. See 2.F.
- Please address concerns regarding the SEA’s monitoring process; technical assistance plans; LEA accountability plans; and support for implementation of interventions in priority, focus, and other Title I schools. See 2.G.i, 2.G.ii, 2.G.iii.

PRINCIPLE 3: SUPPORTING EFFECTIVE INSTRUCTION AND LEADERSHIP

- Please provide a high-quality plan for the SEA’s and LEAs’ development and implementation of teacher and principal evaluation and support systems that meets the requirements of Principle 3 and addresses the concerns noted by peers, including:
  - The SEA’s process for ensuring that LEAs implement the evaluation and support systems. See 3.B.
- As suggested in the peer reviews of other SEA requests, please explain how New Mexico will address the challenge LEAs face in negotiating collective bargaining agreements that are consistent with the forthcoming guidelines in order to ensure effective implementation across LEAs. See 3.B.

ADDITIONAL CONCERNS

- Please note that New Mexico is prohibited from using funds under ESEA section 1003(a) to provide monetary rewards to reward schools. See page 35 of New Mexico’s request.