PERCENT OF ADULTS AGES 25 TO 64 WITH A POSTSECONDARY CREDENTIAL BY 2030
OUR VISION

New Mexico will be known globally for accessible, affordable, high-quality postsecondary education and research.

OUR MISSION

Guide, serve, and support students and higher education institutions to ensure enhanced opportunities to recruit, retain, and yield highly-skilled and well-informed graduates.

OUR GUIDING VALUES

- Access
- Affordability
- Quality
- Accountability
- Collaboration
- Opportunity
- Student Support and Success
Overview

Our Purpose:

• HED provides accessible, quality services and oversight so that all stakeholders can benefit from higher education opportunities and make informed decisions for the enhancement of New Mexico and the world.

Our Constituents:

• Eligible students who seek undergraduate, graduate/professional, dual credit, workforce training, and/or adult education, from one of New Mexico’s higher education high-quality programs.
How Higher Education Benefits New Mexico

• Access to adult and higher education
• Affordable high-quality training
• Affordable high-quality certificates and degree programs
• Increased literacy and numeracy as well as social/emotional skills
• Leverage of federal research, financial aid, and investment funds statewide

• Improved health and socioeconomic outcomes due to educational attainment
• More highly skilled workforce
• Retention of highly skilled workers
• Increase in the percentage of college-ready, college enrolled, and graduating students
• More informed and educated public
HED Oversight of State and Federal Funds

= $867 million General Fund Recurring;
+ $125-$150 million per year Capital Outlay;
+ $45 million Lottery, College Affordability Aid;
+ $9-10 million Federal Grants
+ Other Non-Recurring

= Oversight of over $1 Billion (≈1/7 of state budget)
  with 32 FTE
STATEWIDE HIGHER EDUCATION ACCOMPLISHMENTS FOR STUDENT SUCCESS

- Student Financial Aid Program Enhancements: Teacher Preparation, Loan Repayment
- Implemented Teacher Pipeline Support
- Restored College Affordability Endowment
- 66% credential completion by 2030
- Outcomes-Based Funding Implementation
- Legislative Lottery Scholarship Expansion
- 120/60 Credit Hour Credentials
- Increased Graduation Rates
- Remedial/Developmental Course Reform
- Trifecta: Common Course Numbering System, General Education Reform, Meta-Majors/Degree Mapping
- Statewide Advanced Placement Policy
- Higher Education Advisory Board Convened
- Enhanced HEI Fiscal Oversight
- Capital Project Process Improvements
- Undergraduate & Graduate Degree Approval
- Private Postsecondary School Reboot & Reorganization
- Interstate Distance Education Regulation
- Maintained and Increased Federal Funding (Adult Education, Financial Aid)
- Increased access to High School Credentials
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FY 20 Teacher Program Data as of 12/11/2019

- **Grow Your Own Teachers Scholarship:**
  - $55,561
  - 26 Students
  - HEIs directed to fund all eligible applicants Spring 2020

- **Teacher Preparation Affordability Scholarship:**
  - $898,081
  - 471 Students
  - HEIs directed to fund all eligible applicants Spring 2020

- **Teacher Loan Repayment:** 184 Awards as of 11/20/2019:
  - $994,500 (estimated FY20 total)
  - Up to $6,000 paid at end of school year
Tuition Assistance Programs by State
New Mexico Opportunity Scholarship

Ensures full coverage of tuition and fees for
- Recent graduates
- Returning adults

Prudent, sustainable investment in our economic future. College degree holders are
- 24% more likely to be employed
- Almost twice as likely to buy homes
- Twice as likely to do volunteer work
- 3½ times more likely to make charitable contributions

MOU will ensure tuition stability, increase support services for improve retention
New Mexico Opportunity Scholarship

COST
• $35 million a year

BACKGROUND
• Legislative Lottery Scholarship provided tuition free college for NM high school graduates, however, it now covers only 60-75 percent of tuition.

FAFSA
• Students are encouraged to apply for federal student aid by completing the FAFSA

IMPACTS
• 55,000 New Mexico students
• All of NM’s 29 public, post secondary schools
New Mexico Opportunity Scholarship

RECIPIENTS

Recent high school grads pursuing a bachelor’s or associate degree
For Adults (24+) to pursue an associate degree

ELIGIBILITY

- New Mexico resident for one year
- New Mexico high school graduate (or HSE or GED)
- Must complete use of the scholarship within five years
- Do not already possess a bachelors or associates degree
Memorandum of Understanding

Purpose

• Moderate tuition increases relative to cost increases

• Increase wraparound support services for students to improve student success, retention, and completion rates

Process

• Identify range of tuition rates, such as higher education price index

• List 12 high impact student retention strategies appropriate for each sector from which institutions may choose three
New Mexico Opportunity Scholarship Timeline

December-January
• Presentations to stakeholders

January-February
• Remain responsive to requests for information
• Legislative process

March-August
• Prepare HED staff
  ▪ Promulgate Rules
  ▪ Prepare colleges & universities, including financial aid offices
  ▪ Promote scholarship to students

September
• All lottery scholarship recipients will enroll in higher education courses without paying tuition and fees
• Returning adults will enroll in higher education without paying tuition and fees
Information Technology Initiatives
NM Longitudinal Data System (NMLDS)

- Goal is to help New Mexico close achievement gaps in education and in the workforce that have placed our state near the bottom of national rankings and success indicators.

- Build a system which collects, validates and combines key child, student and worker data into a federated data warehouse. *(see diagram on next page)*

- Initial data sources; Department of Workforce Solutions, Early Childhood and Education Department, Higher Education Department, and Public Education Department.
IT Initiatives

(Cont.)

NMLDS: Current
Acronyms:

DWS = Department of Workforce Solutions
ECECD = Early Childhood Education & Care Department
HED = Higher Education Department
LDS = Longitudinal Data Store
ODS = Operational Data Store
PED = Public Education Department

NMLDS: Proposed IT Initiatives (cont.)
CAPITAL OUTLAY

UPDATE AND PRIORITIES
Establish process in which the agency will review capital outlay funding requests from institutions and present recommendations to the legislature annually.

- 61 projects presented by institutions during this year's capital outlay hearings which were held in July:
  - Total Cost of all projects submitted - $380,506,885
  - Amount requested - $300,945,834

- 42 projects being recommended for funding by the NMHED
  - $154,808,967 for General Obligation Bond
Snapshot of Capital Outlay Flow Through

120 Active Grant Agreements
- STB, GOB, and General Fund
- $80M in total appropriations

NMHED Appropriations

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<th>Year</th>
<th>STB</th>
<th>GOB</th>
<th>GF</th>
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<td>2016</td>
<td>$285K</td>
<td>$35.6M</td>
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<td>2018</td>
<td>$281K</td>
<td>$34.22M</td>
<td>$4.485M</td>
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<td>2020</td>
<td>$5.59M</td>
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SB536 – Facility Needs Assessment

• Key takeaways from report:
  ▪ 95% of all HEI’s have an up-to-date master plan or are in the process of developing one. Report shows that some HEI’s have detailed utilization and facility deficiencies listed while others speak more to the vision of the institution
  ▪ All HEI’s have a developed plan for capital renewal. The report notes that some are more comprehensive and formal than others
  ▪ Approximately 65% of all I&G space has been formally assessed. Smaller schools have identified needs however a formal assessment is not in place
  ▪ Prioritization in other states is based on multiple factors with nearly all using facility condition, program requirements, energy consumption, accessibility, life safety, and operating costs
SB536 – Facility Needs Assessment

• Next steps:
  ▪ Using the findings and recommendations of the report, the NMHED will
    › Develop and implement a statewide plan for capital project prioritization using standard elements for scoring
    › Procure a cloud-based software program for housing, tracking, and prioritizing capital needs statewide. This software program will make use of existing data at each institution
    › Develop an instruction manual to guide HEI’s on the process for capital outlay funding requests each year to the NMHED
  ▪ The NMHED plans on utilizing remaining funding from SB536 for implementation
FY21 HED Budget Request – General Fund

- Student Financial Aid Programs (P506), $22,838,200
- HED Operations (P505), $5,414,500
- Flow Through Programs (P505), $10,898,600
- New Mexico Opportunity Scholarship, $35,000,000
Note: HED Operations refers to all non flow through activities in the Personal Services (200), Contractual Services (300) and Other (400) expenditure categories.
FY21 Budget Expansion - Staffing

• 8 New and 2 Unfunded FTE for:
  ▪ Tribal Liaison*
  ▪ Human Resources Manager
  ▪ Capital Projects Coordinator*
  ▪ Public Information Officer / Communications
  ▪ Veterans Services and Student Financial Aid
  ▪ Development Officer - College/Career Readiness
  ▪ Workforce Coordinator
  ▪ Health Science Resources
  ▪ Development Officer
  ▪ Operations Research Analyst

* Approved but unfunded FY20
FY21 Budget Expansion - Staffing

- Budget request includes staffing 3 existing, unfunded positions
- Improved management and oversight of state and federal funds
- Enhanced corroboration with statewide workforce initiatives
- Increased student outreach
- Staffing is required to fulfill HED statutory obligations
- Improved student support services and outcomes
Conclusion

• Higher Education funding has declined as a share of the state budget over the last decade causing
  • cuts in student support services,
  • further deferring maintenance and
  • creating unsustainable revenue to adequately support students

• Higher education is the economic driver in New Mexico
  • Filling workforce needs for nurses, teachers, welders and other high need areas
  • Changing the trajectories of individuals, families and communities
Thank You! Questions?
SUPPLEMENTAL

December 11, 2019 Presentation to the Legislative Finance Committee
Adult Education

Purpose

• Assist adults, seeking a secondary school diploma, to attain economic self sufficiency by
  ▪ Supporting the academic activities necessary for students to attain a secondary school diploma or its equivalent
  ▪ Supporting provision of services that support student’s successful transition to postsecondary education and training
  ▪ Ensuring access to career pathway opportunities

Cost

• $477.73 per student (FY 18-19)

580% Return on Investment, based on

• Data match with DWS wage data to determine additional wages generated by unemployed students gaining employment
• U.S. Department of Labor estimates of additional weekly earnings of HSE graduates to determine additional earnings
• U.S. Department of Labor information to estimate the value of transition to college and vocational training

Providers

• 24 providers throughout New Mexico, including the Department of Corrections
• Served over 10,000 students

Educational Program Description

• Skills-based rather than credit-based
• Academic skill level is measured using assessments approved by the American Institutes for Research and the National Reporting System for Adult Education
Adult Education

FY 20 state funds

• $1 m was awarded to the 24 AE sub grantees based on performance over the past three years
  
  ▪ Academic skills gains—goal is a 2 grade level skill gain each year for each student
  ▪ High school credential attainment—# of students obtaining secondary ed credentials divided by the # who took HSE test
  ▪ Transition to postsecondary education or training—# of students enrolling in postsecondary program divided by # with high school credential
  ▪ Entry into employment—# of program graduates employed during the second quarter after leaving the program divided by # who entered the program looking for work

• $50,000 was awarded among the 24 AE grantees to provide services specifically to low-literacy adults

• $250,000 was awarded to Gordon Bernell Charter School for 1 year to meet data requirements necessary to apply for adult education funding in 2021

• $650,000 was awarded competitively to 6 programs for the Adult Education Justice Initiative

• $312,000 was awarded to the 24 AE grantees for the development of career pathways models, including criminal justice involved individuals.

• $500,000 was awarded to 24 AE subgrantees to implement career pathways, create a sustainability plan

• $188,000 for professional development expenditures
GENERAL FUND SUPPORT FOR HED
Historical Totals and FY21 Request

HED Operations

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<th>Year</th>
<th>FY16 OpBud</th>
<th>FY17 OpBud</th>
<th>FY18 OpBud</th>
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<td>Policy &amp; Program Oversight (P505)</td>
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**GENERAL FUND SUPPORT FOR HED Operations/Flow-through and Financial Aid**

- **$11,998,700**
- **$24,116,800**
- **$11,703,000**
- **$22,903,000**
- **$12,303,000**
- **$22,193,200**
- **$23,639,400**
- **$22,193,200**
- **$22,193,200**
- **$41,147,900**
- **$57,818,200**

**HEI Compensation Pass Throughs:**

- $11.3M FY19
- $23.3M FY20

**HED Operations ~$3.5-M**

- $35M NM Opportunity Scholarship
HED FY21 REQUEST - REVENUE SOURCES AND USE OF EACH REVENUE SOURCE

- General Fund - HED Operations
- General Fund - Flow Through Programs
- Student Financial Aid - Special Programs
- New Mexico Opportunity Scholarship
- Transfers from Lottery Authority and Board of Nursing
- Federal Revenue
- Private School Fees
- Fund Balance
- Transfers from PED

- General Fund - HED Operations
  - General Fund - Flow Through Programs
  - Student Financial Aid - Special Programs
  - New Mexico Opportunity Scholarship
  - Transfers from Lottery Authority and Board of Nursing
  - Federal Revenue
  - Private School Fees
  - Fund Balance
  - Transfers from PED

- New Mexico Opportunity Scholarship
  - $35,000,000
  - 27.7%

- Transfers from Lottery Authority and Board of Nursing
  - $42,030,000
  - 33.3%

- Federal Revenue
  - $9,188,457
  - 7.3%

- Private School Fees
  - $514,650
  - 0.4%

- Fund Balance
  - $150,000
  - 0.1%

- Transfers from PED
  - $292,400
  - 0.2%

- General Fund - HED Operations
  - $5,414,500
  - 4.3%

- Student Financial Aid - Special Programs
  - $22,838,200
  - 18.1%