

Colleges and the State Can Rightsize and Reimagine Higher Education Through Collaboration and Reform

New Mexico’s economy is transitioning to a skills-based economy in which the majority of high-wage jobs demand a college degree. Strategically, New Mexico’s “Route-to-66” attainment goal has focused the state’s combined efforts to meet those workforce demands, prompting reform or efficiency initiatives from the state Higher Education Department (HED). Launched in 2015 when fewer than half of New Mexico adults had a postsecondary certificate or degree, the goal of HED’s Route-to-66 initiative is to have 66 percent of New Mexico adults ages 25 to 64 with a higher education credential by 2030.

New Mexico has lower educational attainment than surrounding states, despite high proportionate spending on (and per-capita access to) higher education. Lower educational attainment is magnified by declining enrollment as leading indicators for potential misalignment in meeting workforce needs. As state revenue and college enrollment decline, colleges and the state will increasingly need to strategically prioritize and efficiently leverage their finite resources.

Despite an increasing number of high school graduates in New Mexico, pre-Covid-19 enrollment into public colleges and universities has declined by 13 percent over the past five years, when college enrollments have increased in surrounding states. Texas increased its enrollment by 22 percent, as one example. Declining enrollment is a threat to the state’s ability to develop its workforce. Improving the data on recruitment of New Mexico high school graduates can provide greater understanding to reverse the enrollment trend. For instance, UNM’s freshman class decreased by 13.4 percent over the past five years, from 3,132 to 2,653, with New Mexico students representing the largest share of the decline. UNM has been losing enrollment from its traditional local Albuquerque high schools.

Rightsizing Amid Declining Enrollment

Beginning in mid-March 2020, many colleges across the state shifted to online-only learning almost overnight, a response to the coronavirus pandemic. Going forward in 2020 in the face of uncertainty with a resurgence of the coronavirus and the challenges of quickly evolving logistical concerns, institutional leaders reopened college campuses differently. The majority of New Mexico two-year colleges are offering online-only education with limited physical access to campus facilities; the state’s four-year universities (with the exception of Northern New Mexico College) are opening their campus physically, under strict protocols, and are offering both online and physical in-person activities.

College enrollment in New Mexico has declined precipitously for several years in New Mexico, as previously identified in the 2017 LFC program evaluation *Higher Education Cost Drivers and Cost-Savings*. College enrollment is a leading indicator for statewide goals of educational attainment and workforce sufficiency. More importantly, the state Legislature has invested heavily in higher education to support New Mexico adults in obtaining college degrees affordably. New Mexico has the third lowest cost of tuition nationally.

AGENCY: Higher Education Institutions

DATE: October 28, 2020

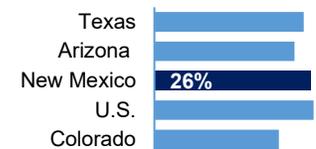
PURPOSE OF HEARING: Brief on New Mexico higher education enrollment, rightsizing, collaboration, and performance

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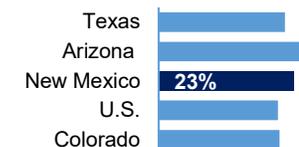
No high school diploma



High school diploma



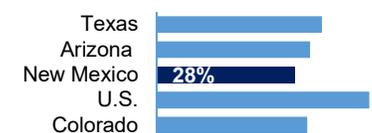
Some college, no degree



Associate's degree



Bachelor's degree or higher



Source: 2019 US Census

Despite low tuition costs and strong state support, fewer students are attending New Mexico higher education institutions (HEIs) because of student choices and long-term population trends. For the five-year period (2015 – 2019) preceding the coronavirus pandemic, enrollment declined by 13 percent, or 16,444 students, and impacted institutions evenly, two-year colleges represented 53 percent of the declining student population.

Table 1. New Mexico 10-Year Population Change by Age Demographic, 2010-2019

Population	2010	2019	Change	
			#	%
Under 18 years	518,672	475,838	(42,834)	-8%
18 to 24 years	203,539	195,875	(7,664)	-4%
25 to 44 years	515,768	538,933	23,165	4%
45 to 64 years	548,945	508,577	(40,368)	-7%
65 years and over	272,255	377,606	105,351	39%
Total	2,059,179	2,096,829	37,650	2%

Source: LFC analysis of U.S. Census Bureau data.

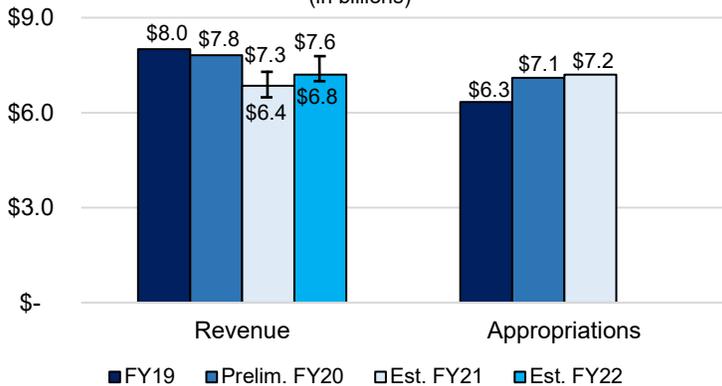
New Mexico’s current population trends suggest that enrollment declines will continue unless recruitment and retention improve. According to U.S. Census Bureau population data, people under age 18 decreased by 42.8 thousand (8 percent) and people age 18-24 decreased by 7.7 thousand (4 percent) from 2010 to 2019. Additionally, the Western Interstate Commission for Higher Education (WICHE) released data in 2016 projecting that the number of New Mexico high school graduates would drop significantly below current levels by 2032.¹ Past LFC analyses have also found that the state’s birth to age 5 population decreased by 31 thousand (or 20 percent) from 152 thousand in 2009 to 121 thousand in 2019.

If these trends continue into the future and further decrease college enrollment, New Mexico’s 24 state-funded colleges and universities will need to adapt in two key ways. First, the state’s colleges and universities will need to become more streamlined and collaborative in the use of finite resources for instruction, administration, and capital outlay. Second, the state’s colleges and universities will need to aggressively improve their recruitment and retention of resident and out-of-state students.

Future Revenues for the State and Higher Education Remain Uncertain

A 2020 economic recession, prompted by the coronavirus pandemic and an oil and gas market downturn, has reduced New Mexico’s available general fund revenues. During the June 2020 special legislative session, the Legislature enacted solvency measures to balance the state budget for FY20 and FY21. Specifically, the Legislature reduced general fund appropriations, transferred funding from reserves, swept fund balances, and authorized the use of \$750 million in federal stimulus revenues for FY21.

Chart 1. New Mexico General Fund Recurring Revenues and Appropriations
(in billions)

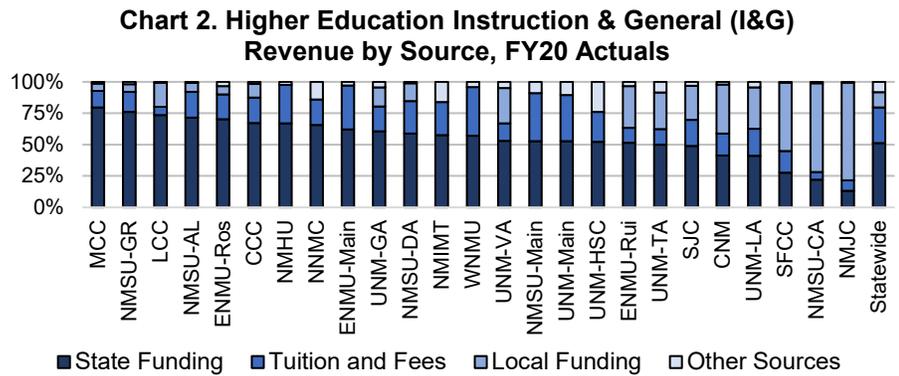


Source: Consensus Revenue Outlook, September 2020

As of September 2020, New Mexico’s Consensus Revenue Estimating Group (CREG) anticipated recurring general fund revenues for FY21 to be between \$7.3 billion (a 5 percent decrease from FY20) and \$6.4 billion (a 19 percent decrease from FY20). The CREG estimated total general fund revenues for FY21 could decline 7 percent to 19 percent from FY20. The state’s revenue outlook for FY21 and FY22 is uncertain and will depend on the path of the pandemic, consumer spending, employment recovery, and the oil and gas markets.

¹ WICHE. (2016). “Knocking at the College Door.” Retrieved from <https://knocking.wiche.edu/data>

The Legislature has maintained strong financial support for higher education institutions (HEIs), and in particular, their students. New Mexico HEIs received \$1.4 billion in total unrestricted (discretionary) instruction and general (I&G) revenues in FY20. State funding constituted 51 percent (\$703 million) of total unrestricted I&G revenue in FY20 overall, but reliance on the state’s share of funding varies significantly across different HEIs.



Across different HEIs, state funding as a proportion of total unrestricted I&G revenue ranged from a high of 80 percent at Mesalands Community College to a low of 13 percent at New Mexico Junior College. The second largest I&G revenue source for HEIs came from total tuition and fees (\$391 million), which made up 28 percent of total unrestricted I&G revenue.

According to HEI financial reports of actuals submitted to HED, HEI unrestricted operational fund balances reached a peak of \$474 million in FY20. From FY07 to FY20, unrestricted operational fund balances increased by \$247 million (or 109 percent) across the state’s higher education system. These data indicate that higher education fund balances in FY20 were double pre-Great Recession levels. Appendix D includes additional detail.

Table 2. New Mexico Higher Education End-of-Year Operational Fund Balances, FY07-FY20
(in millions)

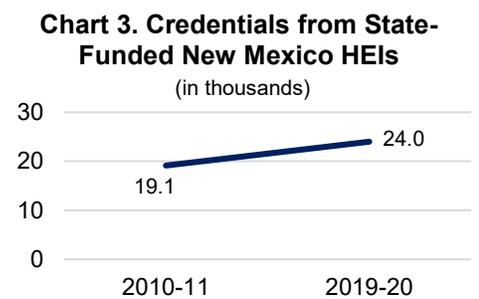
Fiscal Year	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
I&G Funds	\$91.8	\$115.4	\$115.6	\$127.6	\$151.6	\$156.7	\$144.6	\$139.2	\$140.6	\$159.7	\$145.9	\$170.4	\$189.6	\$235.8
Other Funds	\$135.3	\$141.1	\$149.1	\$140.3	\$162.3	\$160.6	\$160.1	\$158.9	\$168.4	\$175.0	\$168.2	\$180.1	\$197.5	\$238.5
Total	\$227.1	\$256.5	\$264.7	\$267.9	\$313.8	\$317.3	\$304.7	\$298.1	\$308.9	\$334.7	\$314.1	\$350.5	\$387.1	\$474.3

Source: LFC analysis of HEI financial reports of actuals (Exhibit 1).
Notes: Chart only includes unrestricted (discretionary) funds.

New Mexico commits a higher percentage of its tax and lottery revenues to higher education than all other states, except Alaska and Wyoming. According to the latest available finance report from the State Higher Education Executive Officers Association (SHEEO), New Mexico allocated 11.4 percent of its total tax and lottery revenue to higher education in FY17 which was the third highest percentage in the country behind Alaska (11.7 percent) and Wyoming (15.2 percent). Appendix E includes additional detail.

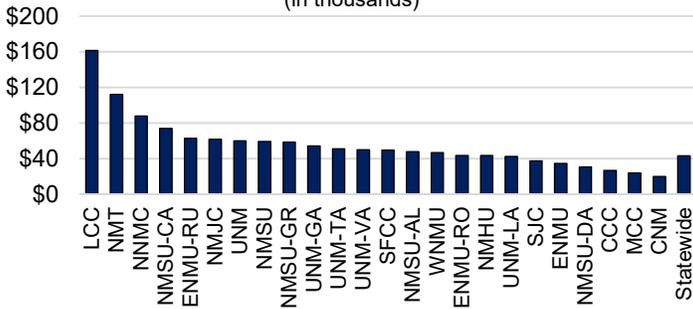
Higher Education Credential Production Has Increased, but Spending Per-Credential Suggests Room for More Efficiency

The state and HEIs have placed an increased policy emphasis on student success and credential completion in recent years, including the creation of an outcomes-based higher education funding formula in FY13. The data suggests that this policy focus has increased credential completion and graduation rates. For example, statewide credential production from 2010-11 to 2019-20 increased by 4.8 thousand degrees and certificates (25 percent). Additionally, the University of New Mexico (UNM) main campus increased its four-year graduation rate from 19 percent for the 2011 first-time, freshman cohort to 34 percent for the 2015 freshman cohort. Similarly, New Mexico State University (NMSU) main campus



increased its four-year graduation rate from 18 percent for the 2011 cohort to 26 percent for the 2015 cohort.

Chart 4. I&G Spending per Postsecondary Credential Awarded, FY20
(in thousands)



Source: LFC analysis of FY20 HEI financial reports of actuals data (Exhibit 2) and preliminary FY20 total credential awards data for the HED I&G funding formula.

However, I&G spending per credential varies considerably across HEIs from \$19.7 thousand per credential to \$161.5 thousand per credential which suggests room for additional efficiencies in New Mexico higher education.

HED and Colleges Need to Collaborate to Finish the “Trifecta” of Articulation and Transfer Reform

In 2016, HED began implementing the trifecta reform initiative, intended to simplify the transfer of lower-level courses among HEIs. The three-pronged program developed (1) a common-course numbering system (CCNS), (2) a revised general education curriculum, and (3) meta-majors designed to assist students in maintaining progress toward

degree completion even if students transferred to another institution. The reform program is incomplete, and may be impeding student progress to degree completion.

Table 3. New Mexico Common Courses Offered and Accepted Across All State Funded HEIs

Number of State HEIs Offering/Accepting the Common Course	New Mexico Common Courses	
	Number of Courses	Percent
24 All HEIs	6	0.2%
19 to 23 HEIs	46	1.7%
13 to 18 HEIs	76	2.9%
7 to 12 HEIs	194	7.3%
4 to 6 HEIs	546	20.7%
1 to 3 HEIs	1,775	67.2%
	2,643	100.0%

Source: LFC analysis of HED Common Course Matrix (September 2020)

The CCNS, designed by faculty, academic officers, and registrars from throughout the state, cataloged lower-level courses offered by institutions. In theory, the exercise was designed to allow academic officers to find commonality in learning outcomes among the same lower-level courses such as college algebra, biology and English. The result was a database of 2,643 lower-level courses, of which only 6 courses are offered by all 24 state-funded HEIs. Almost 70 percent of the courses in the CCNS are offered only by one institution, which highlights the problem that institutions perceive their general courses to be unique in learning outcomes. HED, as a regulator, can enforce discipline to simplify this system.

Table 4. New Mexico Common Course Numbers for Calculus I

Course Name	Common Course Number	Number of HEIs	HEIs
Calculus I	MATH 1510	16	CNM, ENMU-Main, ENMU-RO, ENMU-RU, LCC, NMHU, NMJC, NMT, NNMC, SFCC, SJC, UNM-GA, UNM-LA, UNM-TA, UNM-VA, WNMU
Calculus and Analytic Geometry I	MATH 1511	5	NMSU-Main, NMSU-AL, NMSU-CA, NMSU-DA, NMSU-GR.
Calculus I	MATH 1512	1	UNM-Main

Source: LFC analysis of HED Common Course Matrix (September 2020)

WICHE worked with more than 100 institutions to standardize learning outcomes to make transfers easy for students. WICHE’s program, called the Interstate Passport®, includes only one institution in New Mexico.

Similar courses can be split into multiple courses within the higher education CCNS if HEI faculty do not agree that courses are similar. For example, Calculus I is counted in the CCNS as three different courses (MATH 1510, MATH 1511, and MATH 1512) because there is not complete alignment of student learning objectives between HEIs.

The Western Interstate Commission for Higher Education (WICHE) addressed similar issues with its Interstate Passport® program. The Interstate Passport® program contains 63 learning outcomes – designed by faculty from multiple western states for block transfer of lower division general education courses. Faculty agreed the program is congruent with and covers the same learning outcomes. Only NMSU participates in the Interstate Passport program.

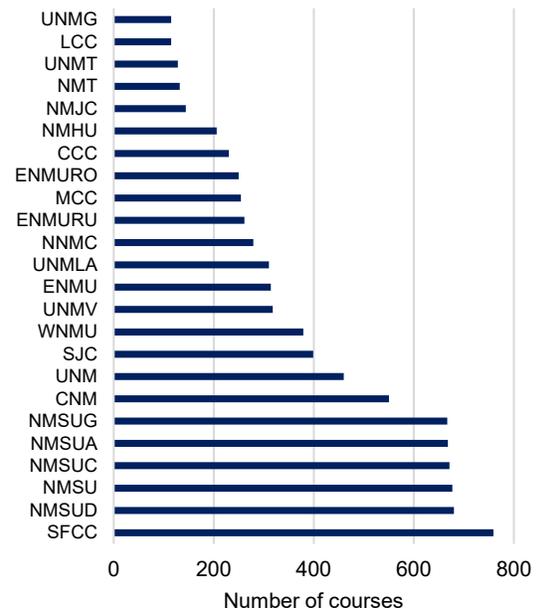
In New Mexico, if the trifecta had achieved its stated purpose – to simplify transferability of common courses and learning outcomes – the entire general education curriculum would be aligned across all 24 public institutions. Unique

courses, which make up more than 88 percent of lower-level courses, would be the exceptions. In other words, a calculus course at NMSU would have the same learning outcomes as at UNM.

A database of 2,643 lower-level courses does not fulfill the purpose of the trifecta initiative. Some institutions own an inordinate amount of courses in the CCNS. In October, HED announced a renewed focus on completing the trifecta reforms, particularly the CCNS and normalizing general education learning outcomes among institutions. The state *Postsecondary Education Articulation Act* (Section 21-1B-1 NMSA 1978) provides HED with authority to require compliance of HEIs. The Act also requires HED to provide LFC with an annual report on the status of the trifecta reforms, which the LFC has not received since the implementation of the trifecta.

Inter-institutional Online Course Sharing. HEIs could also potentially save money and increase student access to courses through inter-institutional online course sharing. Some college courses in the New Mexico common course numbering system are aligned across all (or nearly all) 24 state HEIs, such as College Algebra or English Composition I. Inter-institutional online course sharing could be a way for HEIs to share instructional services and increase course access to college students. As a small-scale hypothetical example, if each state HEI offered only three online College Algebra course sections per year (one for each semester), online course sharing could potentially save HEIs \$120 thousand per year while still serving the same total number of students and increasing class sizes by 5 students.

Chart 5. Common Course Numbering System by HEI, 2020



Source: LFC analysis of HED common course matrix (September 2020)

Table 5. Hypothetical Cost of College Algebra Courses with and without Online Course Sharing

Category	No Course Sharing	Course Sharing	Change from Sharing	
			Amount	Percent
Number of Online College Algebra Courses (24 HEIs, 3 semesters, 1 course per semester)	72	60	-12	-17%
Est. Instructor Salary per Online Course (\$60 thousand salary, 6 courses per year)	\$10,000	\$10,000	0	0%
Students per Online Course	25	30	5	20%
Total Student Served	1,800	1,800	0	0%
Total Instructor Cost	\$720,000	\$600,000	-\$120,000	-17%

Source: LFC analysis.

HEIs could potentially save money and increase student access to courses through online course sharing

Rightsizing through Academic Program Approval Reform

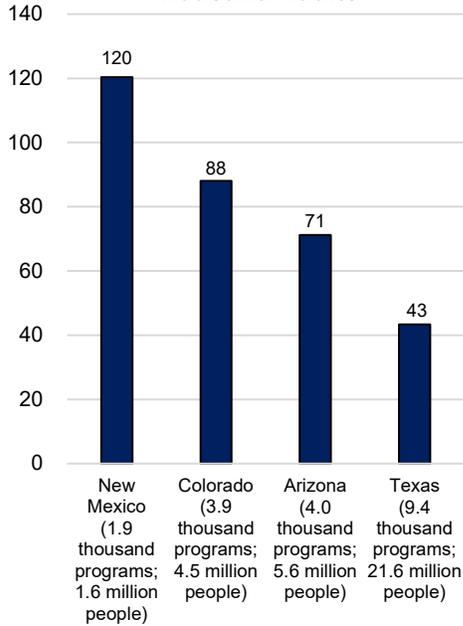
Academic programs offered by public colleges and universities may reflect similar foundational concerns as the CCNS. New Mexico offers 120 programs per 100,000 adults compared with Texas, who offers 43 programs per 100,000 adults. New Mexico offers three times the number of academic degree programs as Texas and almost double the number of Arizona. Appendix H has more detail.

One additional observation on academic programs relates to the college mission and the types of programs offered. In Texas and in Arizona, four-year universities do not offer associates degrees and likewise, two-year colleges do not offer bachelor's degrees. New Mexico institutions have a broad array of academic programs offered by the two-year and four-year sector. Combined, New Mexico

New Mexico has more HEIs and academic programs, relative to population size, than surrounding states

offers 88 doctoral programs, 216 masters degrees, 368 bachelor degrees, 578 associates degrees and 701 certificate programs.

Chart 6. Higher Education Academic Programs per 100 Thousand Adults



Source: LFC analysis of U.S. Census, IPEDS, Higher Learning Commission, Texas Higher Education Coordinating Board, and HEI information.

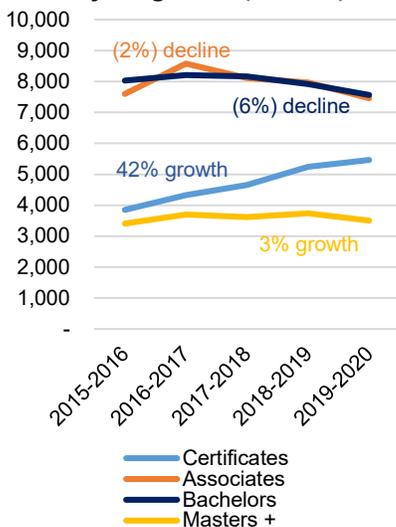
Table 6. New Mexico Academic Program Offerings and Total Awards

Higher Education Institutions	Doctoral Degrees	Masters Degrees	Bachelors Degrees	Associates Degrees	Certificate Programs	Total
NMT	10	19	23	2	5	59
UNM System	47	89	104	92	113	445
NMSU System	31	63	96	108	76	374
ENMU System	-	13	55	61	73	202
NMHU	-	20	37	4	24	85
NNMC	-	-	10	21	15	46
WNMU	-	12	43	16	42	113
CNM	-	-	-	76	105	181
CCC	-	-	-	22	44	66
LCC	-	-	-	16	17	33
MCC	-	-	-	16	11	27
NMJC	-	-	-	13	26	39
SJC	-	-	-	72	60	132
SFCC	-	-	-	59	90	149
Total	88	216	368	578	701	1,951
2020 Awards	562	2,779	7,565	7,459	5,629	23,994

Source: LFC analysis of HEI profiles on Higher Learning Commission website (compiled October 2020). Total awards (i.e. credentials awarded) data from HED I&G funding formula.

Last year, the number of postsecondary credentials awarded (i.e. awards) declined by 3.4 percent, the most significant reduction since the introduction of the outcomes-based funding formula. Most concerning, bachelor’s degrees dropped by 6 percent over the past five years, when sub-baccalaureate certificates increased by 42 percent during the same time period. According to U.S. Census Bureau data, New Mexico had lower degree attainment than Texas, Arizona, Colorado, and the U.S. average.

Chart 7. Awards by Type 5-year growth (decline)



Source: HED Funding Formula, 2020

Directionally, the growth in awards is misaligned with industry needs; the majority of growth in total awards is driven by sub-baccalaureate certificates earned at two-year colleges, a fact highlighted in the 2018 LFC Program Evaluation *Review of the Higher Education Funding Formula*. Producing more sub-baccalaureate certificates is not fully meeting industry workforce needs, which often require a minimum of a bachelor’s degree. Given the number of academic programs per capita, New Mexico’s resources may be stretched too thin to align with industry needs.

Under its statutory authority, HED could require colleges and universities to provide copies of their regular academic program reviews to the state. Arizona requires an academic degree program be assessed every seven years and for the review to be submitted to the state. Texas has a state process to identify low-producing programs and then recommend the closure or consolidation of consistently low-producing programs. Similar programs in New Mexico do not exist at the state level.

Academic Program Approval in New Mexico. To be eligible for state funding, an institution must seek approval of a new degree program from its governing board, HED’s Higher Education Advisory Committee, and the HED cabinet secretary. The legislative branch has modest input into the state approval process except for one member (the LFC director or designee) on the nine-member

advisory committee. A process to close or consolidate academic programs does not exist.

State law and HED rules do not require state approval for new undergraduate certificate programs, even though certificate program education has grown significantly. From FY16 to FY20, the number of undergraduate certificate credentials counted in the higher education I&G funding formula increased by 1.6 thousand certificates (or 42 percent) from 3.9 thousand certificates in FY16 to 5.5 thousand certificates in FY20. The 2017 LFC *Higher Education Cost Drivers* program evaluation recommended increased oversight and quality assurance of certificate programs.

State law and HED rules do not require state approval for new undergraduate certificate programs, even though certificate program education has grown significantly

A state law requires the Board of Finance (a bond issuing entity) to approve new graduate degree programs. State law says that New Mexico's four-year HEIs cannot use state funding for any new graduate degree programs without first receiving approval from the state Board of Finance (Section 21-1-24 NMSA 1978). According to meeting documentation from January 2015 through September 2020, the state Board of Finance approved 100 percent of the 19 new graduate degree programs presented to the board for approval. The Legislature could consider modifying this law, or HED could consider promulgating rules, to set additional guidelines for program approval such as HEI program-to-enrollment ratio thresholds. HED could also re-review programs 5 years after initial approval to see if projected enrollment met original estimates.

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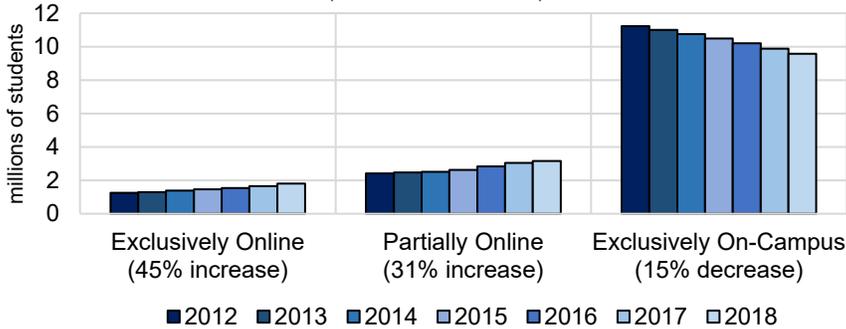
Case Study: Low Producing Program Reviews in Texas

The Texas Higher Education Coordinating Board (THECB) annually reviews the size of academic programs and biennially makes recommendations to HEI governing boards about the consolidation or closure of small programs. Academic programs with a small cumulative number of graduates over a rolling 5-year timeframe are defined by the THECB as "low-producing" programs. Texas HEIs have the option to ignore any THECB recommendations to close or consolidate low-producing programs. However, HEIs ignoring these recommendations are then required to identify their retained low-producing programs during any legislative appropriation requests. According to the THECB, Texas HEIs chose to voluntarily close or consolidate 654 small academic programs from 2010 through 2018 since the inception of low-producing program reviews.

Source: <http://reportcenter.highered.texas.gov/agency-publication/guidelines-manuals/low-producing-degree-program-review-january-2020/>

Colleges can Leverage Online Education, Shared Services, and Technology

Chart 8. Fall Enrollment in U.S. Public Colleges and Universities by Distance Education Status, 2012-2018
(in millions of students)



Source: LFC analysis of National Center for Education Statistics data.
Note: Fall enrollment in this chart is student headcount.

Students at public colleges and universities across the U.S. have been taking more online classes in recent years. According to data from the U.S. National Center for Education Statistics (NCES), the number of students choosing to take some or all of their college courses online has been continuously increasing over the past seven years of available NCES data. From Fall 2012 to Fall 2018, students taking all online classes increased by 558 thousand (45 percent), students taking some online classes increased by 748 thousand (31 percent), and students taking no online classes decreased by 1.3 million (15 percent).

In New Mexico higher education, online education and square footage per student were increasing even prior to the Covid-19 pandemic. The 2017 LFC *Higher Education Cost Drivers* program evaluation found that institutional square footage increased by 38 percent between 2009 and 2015. From 2016 to 2019, the total I&G square footage of New Mexico’s state-funded HEIs remained relatively flat with

Table 7. Higher Education I&G Square Feet (Sq.Ft.) per In-Person Student Full-Time Enrollment (FTE).

Measure	2016	2019	Change	
			#	%
I&G Sq.Ft.	19,283,801	19,360,261	76,460	0.4%
Fall In-Person FTE	69,193	56,277	(12,916)	-19%
Fall Online FTE	15,273	18,321	3,048	20%
I&G Sq.Ft. per In-Person FTE	279	344	65	23%

Source: LFC analysis of HED enrollment and capital outlay data.
Note: Student FTE is calculated by dividing total undergraduate student credit hours (SCH) by 15 and total graduate SCH by 12.

an increase of 0.4 percent (or 76.5 thousand square feet). At the same time, online full-time enrollment (FTE) increased by 20 percent (or 3 thousand) while in-person student FTE decreased by 19 percent (or 12.9 thousand). All of these trends together had the effect of increasing the I&G square footage per student. The number of total I&G square feet per in-person student FTE increased by 23 percent (or 65 square feet per student FTE) from 279 square feet per student FTE in 2016 to 344 square feet per student FTE in 2019.

The Florida Legislature created a statewide “virtual campus” providing shared online services for HEIs, which saved HEIs \$319 million in operational costs and students \$5 million in textbook costs in 2018

As a case study, the Florida Legislature created a statewide “virtual campus” providing shared online services for HEIs and students in 2012. The Florida Virtual Campus provides shared statewide services for online learning, articulation and transfer, career advising, academic advising, and library services to 12 public universities, 28 community colleges, and 74 K-12 school districts. According to a 2019 annual report, the shared services provided by the Florida Virtual Campus saved HEIs \$318.6 million in operating costs in 2018. In the same year, the Florida Virtual Campus also helped HEIs access, develop, and share open educational resources (public domain instructional materials) which saved students an estimated \$5 million in aggregate textbook costs.²

² Complete Florida Plus Program. (2019). *Complete Florida Plus Program 2019 Annual Report*. p.10. Retrieved from <https://www.flvc.org/annual-reports>

Consortia and Partnerships Can Add Value and Create Cost-Savings

The Western Cooperative for Educational Technologies (WCET) found consortia can add value to HEIs by increasing: student access and success, centralized service management, cost-savings, and opportunities for collaborative innovation. Consortia can do this through shared administrative, academic, technology, and student services.³ Past LFC research has recommended that HEIs participate in consortia and collaborate to achieve cost-savings through group purchasing, shared space, and reduction of duplicate programs.⁴

The consortium model varies across different systems and partnerships. For example, the five-campus University of Massachusetts system launched efforts in 2009 to engage in shared procurement which has led to \$14 million in savings.⁵ The Boston Consortium of Higher Education, a partnership between 19 HEIs including Harvard University and the Massachusetts Institute of Technology, provides shared internal audit, risk management, and travel services.⁶

New Mexico HEIs could create consortia by strengthening existing partnerships and creating new ones. Existing higher education associations and professional organizations could work to increase efficiencies. For example, HEI registrars could collaborate to create a uniform statewide college application for New Mexico HEIs or a statewide articulation and transfer agreement. Formalized collaborations between the state’s HEIs would also make it easier for HED and HEIs to address statewide higher education policy issues.

New Mexico Independent Community Colleges (NMICC) is developing a pilot project to standardize Enterprise, Resource, and Planning (ERP) technology systems and share services across seven HEIs.⁷ The initial cost for this project is anticipated to be \$8.7 million dollars in FY22 with \$3.1 million requested from the state general fund and \$5.6 million in local funds. The long-term cost savings from this project have not yet been estimated. However, the seven HEIs who plan to participate in this project spent a combined \$107 million on support services in FY20.

Figure 1. Consortia Can Add Value to Member HEIs by Increasing:

- Student Access and Success;
- Centralized Service Management;
- Cost-Savings; and
- Opportunities for Collaborative Innovation.

Source: 2018 WCET Consortia Survey (p.12)

Table 8. Potential Collaboration Deliverables from New Mexico Higher Education Entities

Entity	Existence	Potential Collaboration Deliverables
Higher Education Department (HED) and New Mexico Higher Education Associations	Exist	Initiation and facilitation of shared services across HEIs and higher education sectors
New Mexico Association of Collegiate Registrars & Admissions Officers	Exists	Statewide college application; statewide articulation and transfer agreement;
New Mexico Association of Student Financial Aid Administrators	Exists	Aligned and simplified financial aid processes
New Mexico Association of Institutional Research and Planning	Exists	Uniform data definitions across institutions; joint data analytics; technology requests,
New Mexico Association of Chief Academic Officers	Does Not Exist	Expansion of common courses and alignment of student learning objectives in common courses
New Mexico Association of College and University Business Officers	Does Not Exist	Joint purchases or shared services

Source: Association websites and LFC files.

New Mexico Independent Community Colleges (NMICC) is developing a pilot project to standardize business management systems and share services across seven HEIs

³ Poulin, R. & Straut, T. (2018). WCET. “Together We Can Accomplish More: A Survey of Multi-Institution Consortia and System Leaders.” Retrieved from <https://wcet.wiche.edu/sites/default/files/Consortium-and-System-Leader-Survey-Report.pdf>

⁴ Legislative Finance Committee. (2017). “Program Evaluation: Higher Education Cost Drivers and Cost Savings.” Report #17-02. p.38. Retrieved from https://www.nmlegis.gov/Entity/LFC/Documents/Program_Evaluation_Reports/Program%20Evaluation%20Higher%20Education%20Cost%20Drivers%20and%20Cost%20Savings.pdf

⁵ Nero, D. (May/June 2020). “Multicampus Shared Services.” *Business Officer*. National Association of College and University Business Officers. Retrieved from <https://www.businessofficermagazine.org/departments/multicampus-shared-services/>

⁶ Retrieved from <https://www.boston-consortium.org>

⁷ The seven HEIs that plan to participate in this consortium are: Clovis Community College (CCC), Central New Mexico Community College (CNM), Luna Community College (LCC), Mesalands Community College (MCC), Northern New Mexico College (NNMC), Santa Fe Community College (SFCC), and San Juan College (SJC).

The Legislature should consider amending the state laws governing the computer systems enhancement fund to allow colleges to submit collaborative projects through the state process

New Mexico State University (NMSU) recently initiated an administrative re-structuring of its Alamogordo, Carlsbad, and Grants branch campuses

Higher education RPSPs increased by 30 percent in 5 years to 146 projects which indicates that RPSPs could be an area for additional review and efficiency

One limitation to funding statewide joint projects is the funding mechanism to support collaborative initiatives such as the shared services ERP project of the NMICC member institutions. Typically, the state would fund systems like this through the computer systems enhancement fund (CSEF), however those projects are driven by state agencies. In this case, the LFC recommended, and HED accepted, that the shared services project be funded through the CSEF with the HED as sponsor. The Legislature should consider amending the statutes governing the CSEF to allow colleges and universities to submit shared collaborative projects through the state process.

New Mexico State University (NMSU) recently initiated an administrative restructuring of its Alamogordo, Carlsbad, and Grants branch campuses. In 2020, NMSU announced the president positions at the three branch campuses would be consolidated into one position. Consolidating these positions will annually save NMSU an estimated \$307 thousand. Through shared services and online education, other HEI systems (such as the UNM system and the ENMU system) will likely need to examine similar branch campus restructuring and streamlining. The 2017 LFC program evaluation, *Higher Education Cost Drivers and Cost Savings*, recommended aggregating main campus and branch campus appropriations in the state budget to give HEIs more budgetary flexibility to streamline inter-campus operations.

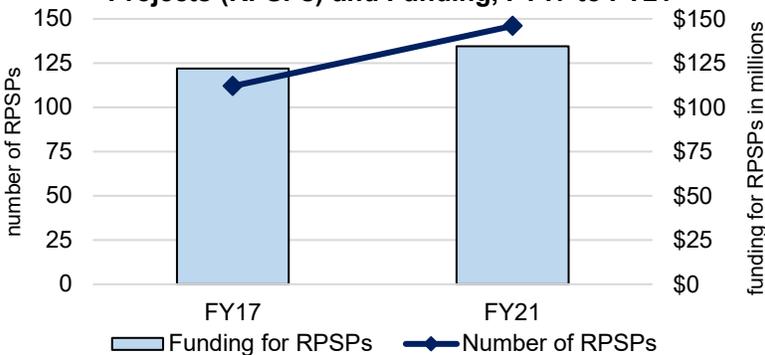
Revisiting Research and Public Service Project Oversight

The state funds research and public service projects (RPSPs) at HEIs through line-item appropriations in the state budget. Higher education RPSPs increased by 30 percent in 5 years to 146 projects which indicates that RPSPs could be an area for additional review and efficiency. From FY17 to FY21, state funding for RPSPs increased by \$13 million (10 percent) from \$122 million in FY17 to \$134 million in FY21. Over the same timeframe, the number of RPSPs increased by 34 projects from 112 RPSPs in FY17 to 146 RPSPs in FY21. In FY21, 89 out of 146 RPSP line-item appropriations (or 61 percent) were for less than \$300 thousand which indicates that most RPSP funding is for small initiatives at HEIs.

To increase the scale, efficiency, and potential effectiveness of these various RPSP initiatives, HEIs and HED should review whether RPSPs could be incorporated into general I&G operations or better aligned with other similar programs. In 2017, HED staff identified 62 instruction-related RPSP line-item appropriations that could potentially be aggregated into HEIs' overall I&G appropriations to reduce additional reporting and administration. However, no RPSP line-item appropriations were aggregated into I&G appropriations during the 2017 regular and special legislative sessions.

Past LFC research has identified issues with the overuse of RPSP line-item appropriations and recommended stronger review at the institutional and state levels. A 2008 LFC program evaluation, *Review of Selected Research and Public Service Projects*, found that the RPSP budget process is not being exclusively used to support research and

Chart 9. Number of Research and Public Service Projects (RPSPs) and Funding, FY17 to FY21



Source: LFC files.

public service projects, but is often used to supplement I&G functions. The report noted that “growing use of RPSPs to fund operations... creates administrative burdens” and that “the numerous small dollar appropriations make it practically impossible for HED to effectively monitor and provide oversight” (p.3).

Increasing Financial Aid Opportunities for Students

New Mexico offers broad support to students to ensure a postsecondary education is accessible and affordable for every college-bound New Mexican. According to the National Center for Higher Education Management Systems (NCHEMS), New Mexico provides the sixth highest level of state financial support in the country to public colleges and universities. Moreover, according to SHEEO data, New Mexico tuition and fee costs remain the third lowest in the country.

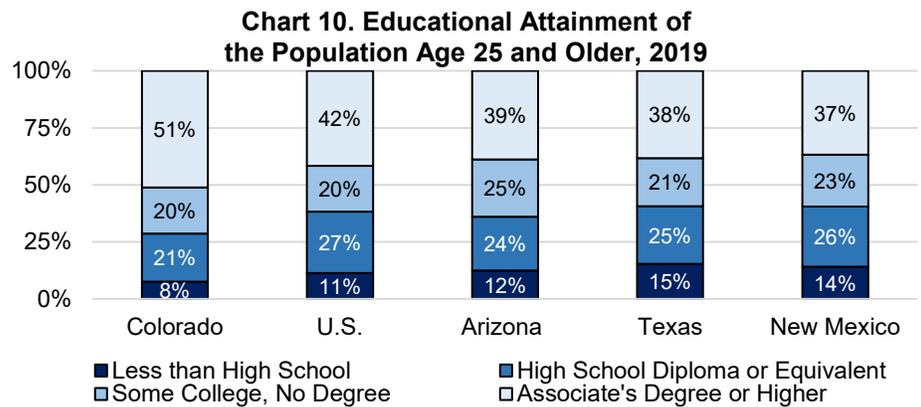
New Mexico’s tuition and fee costs remain the third lowest in the country

Each year, college students receive \$600 million in financial aid support – 51 percent from grants, 12 percent from scholarships, 35 percent from loans, and 2 percent from work-study – with students from the lowest incomes accruing 71 percent of the support. Despite this, fewer New Mexico college-bound students – recent high school graduates or returning adult learners -- are choosing to attend New Mexico’s HEIs, according to college enrollment data collected by HED.

The concern for New Mexico policymakers is that several research studies show a widening postsecondary attainment gap contributes to growing economic inequality. The same studies illustrate a household income’s outsized influence on student success; top performing low- and middle-income students earn bachelor’s degrees at the same rate as low performing high-income students. In addition, low and middle-income students are less likely to attend college.

New Mexico College Graduate Retention and Employment Outcomes

New Mexico’s workforce has lower higher educational attainment than its surrounding states and the U.S. in general. New Mexico has increased its educational attainment over the past 10 years. From 2010 to 2019, the percent of New Mexico’s population age 25 years or older with an associate’s degree or higher increased from 32 percent in 2010 to 37 percent in 2019. New Mexico’s increased educational attainment is likely due to an increased emphasis on higher education outcomes and performance.



Source: LFC analysis of U.S. Census Bureau data (Table S1501).

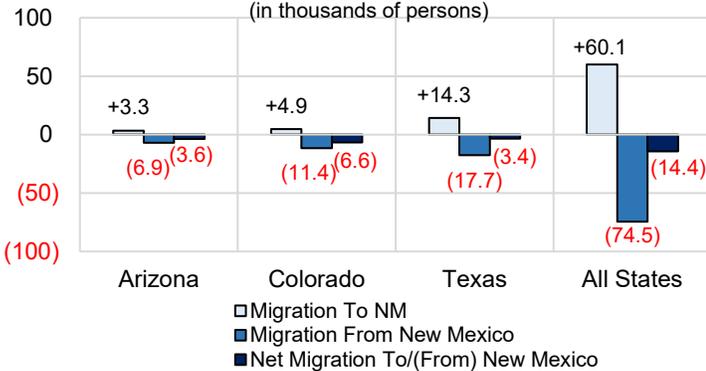
Despite New Mexico’s growth in educational attainment, surrounding states and the U.S. have higher levels of educational attainment. According to U.S. Census Bureau data, New Mexico had lower degree attainment than Texas, Arizona, Colorado, and the U.S. average. These data suggest that New Mexico’s comparatively high per-capita access to higher education is not resulting in higher educational attainment than other states with lower per-capita access to higher education.

Over the past 10 years of available data, 44.4 thousand more people moved from New Mexico to other states than came to New Mexico from other states

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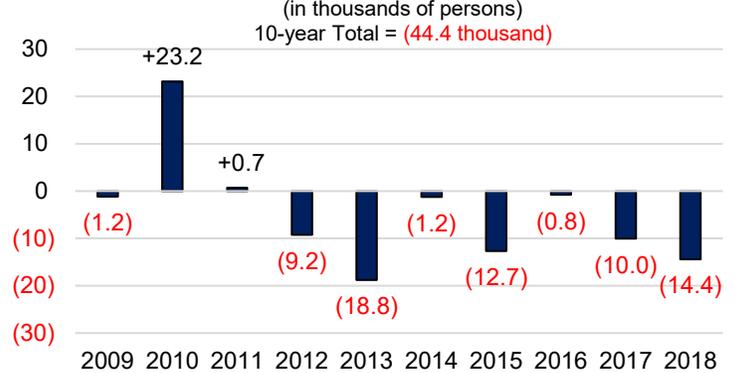
migration of workers to other states is potentially a reason why New Mexico's educational attainment remains low. According to the 2020 Workforce Solutions Department *State of the Workforce Report*, a net total of 14.4 thousand people migrated from New Mexico to other states in 2018 (the most current data available).⁸ More people moved out of New Mexico to other states than moved into New Mexico from other states in 8 of the past 10 years of available data. A 2016 LFC program evaluation, *STEM Degree Production and Employment Outcomes*, found that science, technology, engineering, and math (STEM) graduates with higher levels of education had lower employment rates in New Mexico.

Chart 11. State Population Migration To/(From) New Mexico in 2018
(in thousands of persons)



Source: LFC analysis of WSD 2020 State of Workforce Report data.

Chart 12. Net Migration of State Populations To/(From) New Mexico, 2009-2018
(in thousands of persons)



Source: LFC analysis of U.S. Census Bureau data.

In 2018, the Colorado General Assembly passed legislation requiring an annual report describing the employment and wage outcomes of the state's college graduates

Over half of Colorado's college graduates from 2004 through 2014 worked in Colorado 5 years after graduation. In 2018, the Colorado General Assembly passed legislation requiring the Colorado Department of Higher Education to produce an annual higher education "return on investment" report describing, among other metrics, the employment and wage outcomes of the state's college graduates.⁹ According to the 2020 report, 51 percent of Colorado's total college graduates from 2004 through 2014 still worked in Colorado 5 years after initial graduation.

Chart 13. Median Wages of Colorado College Graduates 1-, 5-, and 10- years after Graduation



Source: Colorado Department of Higher Education. (2020). "Annual Return on Investment Report." p.10.
Note: Cohort for 1-Year consists of graduates from 2004-2018, Cohort for 5-years consists of graduates from 2004-2014; Cohort for 10-years consists of graduates from 2004-2009.

In New Mexico, HED has the capability to match its college graduate data with Workforce Solutions Department (WSD) state unemployment insurance wage data and has sometimes provided matched selected datasets to LFC staff for program evaluations.¹⁰ However, HED does not produce these matched datasets each year or regularly publish reports on New Mexico college

⁸ New Mexico Workforce Solutions Department. (2020) *2020 State of the Workforce Report*. p.8. Retrieved from https://www.dws.state.nm.us/Portals/0/DM/LMI/NM_2020_SOTW_Report.pdf

⁹ House Bill 18-1226.

¹⁰ Legislative Finance Committee. (2020). "Program Evaluation: Nursing Expansion and the Workforce." Report #20-03. p.23; Legislative Finance Committee (2016) "Program Evaluation: Science, Technology, Engineering, and Math (STEM) Degree Production and Employment Outcomes." Report #16-05. p.9.

graduate employment and wage outcomes. Such data could help policymakers and HEIs inform students about future career options and connect college graduates to jobs in New Mexico. A recent 2020 LFC *Policy Spotlight* report on the New Mexico workforce identified the need for this type of analysis and planning for a faster economic recovery.¹¹

For FY21, the Legislature appropriated \$274 thousand to HED from the state Computer Systems Enhancement Fund for the purpose of initiating a statewide longitudinal data system. According to a project summary document on the HED website, an interagency memorandum of understanding (MOU) between HED, WSD, the Public Education Department (PED), and the Early Childhood Education and Care Department (ECECD) will be signed by December 2020. The vendor request for proposal (RFP) process is scheduled for completion in 2021.

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Raising New Mexico’s Competitiveness in Higher Education: Data-Driven Performance Management

Student outcomes in New Mexico lag surrounding states, despite strong state investments into the operating and capital infrastructure of New Mexico’s 24 state-funded colleges and universities. Managing for results at HEIs is constrained by a system where accountability is dispersed among a decentralized governing structure,¹² at HEIs who compete, rather than collaborate with each other. The statewide entity charged with higher education oversight, HED, has been minimized by limited staff and institutional capabilities.

In statute, HED is responsible for providing information on the performance of the system. With limited resources, HED relies on the colleges and universities to submit data routinely. HED aggregates the data to provide summative reports. Most reports provide data on inputs: enrollment, awards, and finances.

The colleges collect even more data than submitted to HED. It is being collected on a real-time basis every semester: the number of students enrolled, the number of classes a student completes, a student’s academic performance in those classes, a student’s success in progressing through their degree plan, a student’s financial history, number of faculty, course size and scheduling, course fail rates, and other data.

Higher education staff are occupied with complying with federal reporting requirements rather than evaluating or assessing student outcomes. The deluge of reporting – and the labyrinth of databases and processes created for compliance – has obscured its informational value. As a result, the Legislature invests in programs aimed at improving student outcomes, but receives limited data or timely information to understand the worth of the programs. Providing a more comprehensive picture of student success throughout the year, which is the outcome of higher education, requires a deeper dive into the data captured by colleges and universities. The state and HEIs recently approved a

Figure 2. Data-Driven Performance Management



¹¹ Legislative Finance Committee (2020). “Policy Spotlight: Workforce Development Post COVID-19 Pandemic.” p.16. Retrieved from https://www.nmlegis.gov/Entity/LFC/Documents/Program_Evaluation_Reports/Spotlight%20-%20Workforce%20Development%20Post%20Covid-19%20Pandemic.pdf

¹² HED. (2018). “The New Mexico Higher Education Governance Report.” p.5

College administrators have the opportunity to mine their databases to identify and produce meaningful information about student success

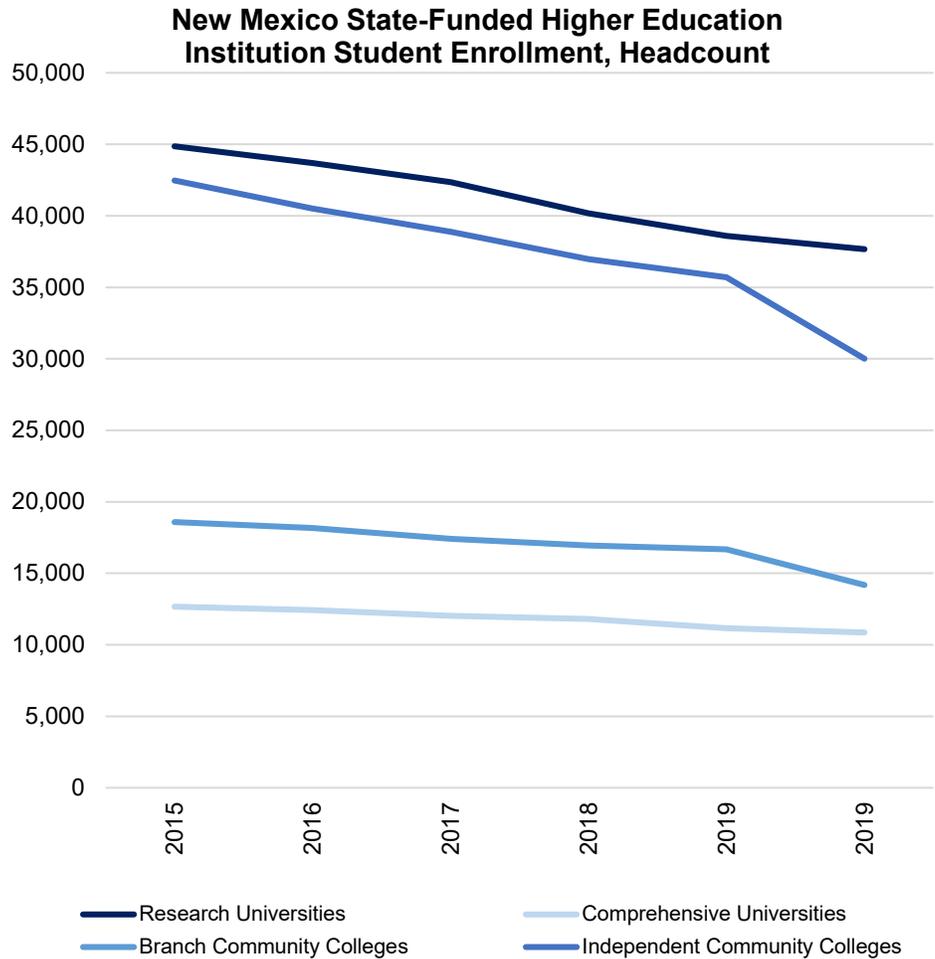
major redesign of higher education performance reporting for the state Accountability in Government Act (AGA), which will provide eight categories of performance data on a tri-semester schedule to higher education stakeholders.

The Legislature, HED, and HEIs need clear, comprehensive information on college performance and student outcomes. More importantly, college administrators – who have access to troves of data – have the opportunity to mine their databases to identify and produce meaningful information about student success. Leaders in higher education, who shift from a mindset of data-management-for-compliance to data-mining-for-business-intelligence, will disrupt and innovate on college campuses.

Appendix A. Higher Education Glossary

CCC: Clovis Community College
CNM: Central New Mexico Community College
CUP: New Mexico Council of University Presidents
ENMU: Eastern New Mexico University
 ENMU-RO: Eastern New Mexico University-Roswell
 ENMU-RUI: Eastern New Mexico University Ruidoso
HED: Higher Education Department
HEI: Higher Education Institution
I&G: Instruction and General Budget Category
LCC: Luna Community College
MCC: Mesalands Community College
NMACC: New Mexico Association of Community Colleges
NMICC: New Mexico Independent Community Colleges
NMHU: New Mexico Highlands University
NMJC: New Mexico Junior College
NNMC: Northern New Mexico College
NMSU: New Mexico State University
 NMSU-AL: New Mexico State University-Alamogordo
 NMSU-CA: New Mexico State University-Carlsbad
 NMSU-DA: New Mexico State University-Doña Ana
 NMSU-GR: New Mexico State University-Grants
NMT: New Mexico Institute of Mining and Technology
RPSP: Research and Public Service Project
SFCC: Santa Fe Community College
SJC: San Juan College
UNM: University of New Mexico
 UNM-GA: University of New Mexico-Gallup
 UNM-LA: University of New Mexico-Los Alamos
 UNM-TA: University of New Mexico-Taos
 UNM-VA: University of New Mexico-Valencia
UNM HSC: University of New Mexico Health Sciences Center
WNMU: Western New Mexico University

Appendix B. New Mexico State-Funded Higher Education Institution Student Enrollment, Headcount



Source: HED eDear reports from HEIs.
 Note: Data does not include dual credit students.

Appendix C. Top High Schools Feeding UNM Freshman Class Enrollment, Fall Semester

Top High Schools Feeding UNM Freshman Class (enrollment greater than 40 students) - Fall Semester

High School	2010	2011	2012	2013	2014	2015	2016	2017	2018
La Cueva High School	180	220	149	173	155	162	152	137	130
V Sue Cleveland High School	-	121	127	136	129	141	120	111	119
Volcano Vista High School	86	129	134	170	122	143	131	138	109
Cibola High School	169	116	120	105	112	110	95	128	102
Eldorado High School	168	144	140	145	148	123	128	110	101
Rio Rancho High School	233	125	110	117	103	135	137	107	99
Albuquerque High School	101	107	81	69	84	93	80	104	90
Sandia High School	173	136	127	139	95	118	105	136	84
Atrisco Heritage Academy High School	-	-	137	136	69	93	94	83	77
Saint Pius X High School	111	94	90	92	58	81	62	75	64
Manzano High School	125	92	103	108	82	98	95	74	60
Santa Fe High School	75	55	46	41	44	47	56	-	49
Los Lunas High School	-	40	-	42	-	-	-	-	-
Highland High School	90	80	55	68	60	43	-	43	-
Hope Christian School	53	45	41	70	52	62	-	41	-
Los Alamos High School	66	47	43	54	50	43	-	41	-
Rio Grande High School	49	59	-	42	-	-	53	-	-
Saint Michaels High School	43	47	48	-	48	-	-	-	-
Valley High School	99	66	52	82	52	45	62	49	-
West Mesa High School	96	98	55	43	57	47	59	50	-
GED - Other	-	-	49	-	43	-	-	-	-
Moriarty High School	-	-	41	53	44	-	-	-	-
Del Norte High School	70	51	58	-	-	-	-	-	-
Top High School Totals	1,987	1,872	1,806	1,885	1,607	1,584	1,429	1,427	1,084
Freshman Class: NM Resident Total	3,137	2,910	2,945	3,069	2,656	2,793	2,708	2,630	2,179
Freshman Class: Out-of-state total	467	440	479	449	476	534	694	589	474
Total Freshman Class	3,604	3,350	3,424	3,518	3,132	3,327	3,402	3,219	2,653
Top High School as % of NM Residents	63.3%	64.3%	61.3%	61.4%	60.5%	56.7%	52.8%	54.3%	49.7%
Top High School as % of Total Freshman Class	55.1%	55.9%	52.7%	53.6%	51.3%	47.6%	42.0%	44.3%	40.9%

Source: UNM Office of Institutional Analytics, Official Fall Enrollment Reports

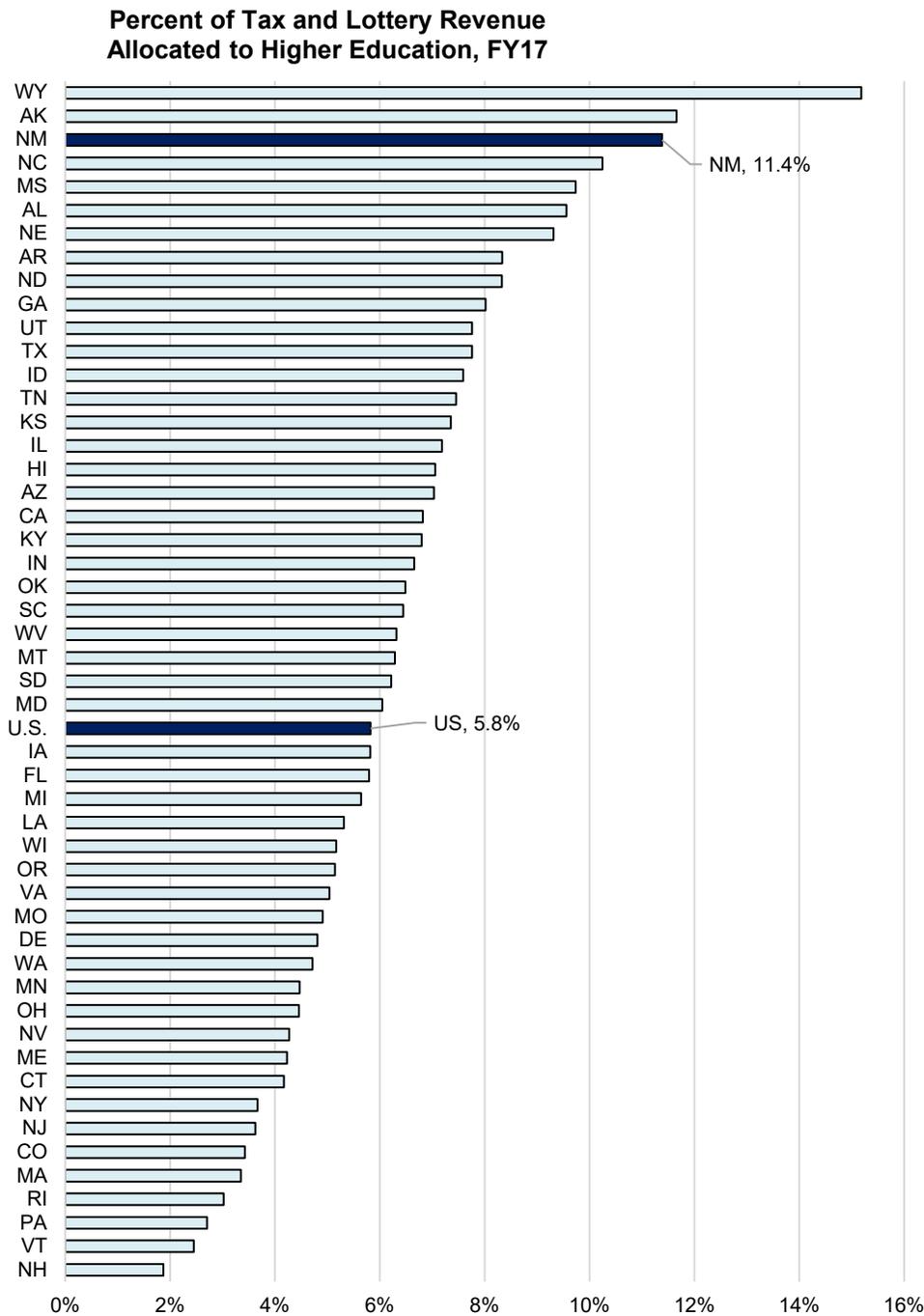
Appendix D. End-of-Year Unrestricted, Instruction and General (I&G) Fund Balances, FY07-FY20 Actuals

End-of-Year Unrestricted Instruction and General Fund Balances, FY07-FY20 Actuals

HEI	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
CCC	\$1,682,629	\$1,941,286	\$1,556,959	\$1,446,892	\$2,113,756	\$2,270,734	\$3,049,367	\$4,259,959	\$3,671,209	\$4,284,222	\$3,150,350	\$4,538,248	\$4,911,921	\$4,488,924
CNM	\$16,006,062	\$22,381,390	\$20,138,221	\$23,022,164	\$23,870,496	\$25,280,805	\$24,044,507	\$15,635,281	\$14,215,808	\$19,816,002	\$18,293,536	\$21,699,699	\$23,600,057	\$29,068,292
ENMU-Main	\$1,690,921	\$1,948,912	\$1,475,239	\$1,397,897	\$1,488,219	\$1,489,092	\$1,659,694	\$1,681,856	\$1,742,129	\$1,546,887	\$1,551,589	\$1,767,766	\$2,012,524	\$2,217,630
ENMU-Ros	\$1,146,060	\$1,932,388	\$1,447,957	\$1,406,385	\$1,070,805	\$665,277	\$1,417,826	\$1,134,855	\$1,571,595	\$2,681,217	\$3,303,179	\$989,420	\$1,468,995	\$18,752,959
ENMU-Rui	\$593,546	\$816,933	\$158,156	\$278,003	\$246,216	\$496,207	\$706,211	\$1,315,126	\$1,129,116	\$721,237	\$881,153	\$848,466	\$871,817	\$1,055,414
LCC	\$2,990,473	\$1,972,916	\$2,149,824	\$2,386,373	\$2,863,032	\$2,335,922	\$2,125,844	\$2,622,880	\$2,988,362	\$3,557,275	\$3,817,129	\$4,258,474	\$3,481,112	\$4,222,109
MCC	\$1,007,919	\$779,152	\$752,108	\$681,872	\$1,247,357	\$1,781,856	\$2,691,643	\$2,980,302	\$2,879,873	\$1,932,200	-\$3,026,253	-\$4,363,796	\$1,203,084	\$590,437
NMHU	\$2,950,988	\$2,738,736	\$2,786,425	\$1,042,332	\$988,632	\$1,265,140	\$1,081,020	\$1,323,465	\$2,600,786	\$2,654,008	\$1,281,632	\$8,619,981	\$4,860,296	\$10,746,510
NMJC	\$7,677,237	\$9,992,070	\$11,170,919	\$2,702,763	\$1,721,686	\$2,542,400	\$1,119,040	\$1,771,981	\$2,303,331	\$3,883,100	\$3,906,855	\$2,857,009	\$2,526,681	\$3,214,467
NMSU-AL	\$701,200	\$1,296,845	\$2,102,797	\$3,149,791	\$2,467,394	\$2,359,737	\$2,141,383	\$2,603,151	\$2,762,884	\$1,575,937	\$1,731,256	\$2,456,042	\$1,818,049	\$2,802,299
NMSU-CA	\$685,030	\$1,129,958	\$2,522,471	\$3,296,994	\$3,160,997	\$2,916,460	\$2,999,857	\$2,835,789	\$1,895,826	\$2,789,988	\$2,134,622	\$2,142,606	\$4,315,539	\$6,044,521
NMSU-DA	\$4,092,951	\$4,362,302	\$4,799,306	\$5,902,868	\$5,843,041	\$5,152,452	\$4,334,685	\$5,018,878	\$6,035,374	\$6,087,195	\$6,483,154	\$6,653,236	\$7,768,706	\$7,908,731
NMSU-GR	\$355,608	\$731,845	\$675,302	\$796,200	\$1,073,185	\$1,108,949	\$1,311,618	\$1,011,264	\$1,173,582	\$1,240,367	\$1,270,040	\$1,632,857	\$1,455,135	\$1,674,232
NMSU-Main	\$9,375,830	\$12,371,924	\$13,342,273	\$17,267,745	\$20,534,189	\$17,230,296	\$17,835,680	\$18,866,671	\$19,586,920	\$19,443,507	\$17,873,541	\$19,825,615	\$19,401,724	\$19,154,032
NMT	\$5,261,833	\$5,057,258	\$5,826,770	\$6,231,718	\$6,554,730	\$7,804,879	\$4,569,880	\$6,428,462	\$8,227,193	\$9,480,924	\$9,641,178	\$9,248,482	\$10,791,443	\$11,346,965
NNMC	\$1,344,707	\$1,317,355	\$1,414,836	\$2,126,531	\$54,634	\$468,374	\$917,170	\$3,553,298	-\$650,883	\$1,361,784	\$1,624,125	\$2,695,561	\$2,386,930	\$5,018,190
SFOC	\$3,056,072	\$3,553,941	\$3,063,552	\$3,248,424	\$3,503,487	\$3,249,000	\$2,485,470	\$1,500,517	\$1,946,423	\$1,582,997	\$1,681,706	\$2,246,185	\$3,739,501	\$5,483,637
SJC	\$10,180,747	\$11,066,941	\$10,595,573	\$11,254,566	\$11,510,078	\$11,398,728	\$12,932,903	\$12,397,174	\$11,976,270	\$13,328,818	\$15,422,377	\$18,329,408	\$18,696,320	\$19,828,499
UNM-GA	\$2,101,489	\$2,958,508	\$3,612,488	\$4,059,906	\$6,214,701	\$7,164,792	\$8,124,135	\$7,689,110	\$6,601,447	\$6,150,895	\$5,336,533	\$6,197,831	\$6,795,805	\$8,206,307
UNM-HSC	\$3,017,881	\$3,689,941	\$3,596,963	\$4,022,794	\$3,598,690	\$4,932,719	\$5,090,694	\$4,491,461	\$5,594,765	\$5,414,637	\$5,937,611	\$6,533,713	\$6,605,335	\$8,852,072
UNM-LA	\$254,207	\$381,696	\$293,747	\$486,738	\$532,714	\$246,866	\$168,818	\$182,873	\$274,702	\$419,466	\$530,399	\$1,031,645	\$1,450,138	\$1,873,350
UNM-Main	\$13,837,166	\$19,192,188	\$17,565,207	\$25,672,593	\$44,222,581	\$46,580,373	\$38,133,299	\$34,260,773	\$32,010,398	\$32,028,572	\$31,119,350	\$36,509,946	\$43,017,738	\$44,683,922
UNM-TA	\$89,070	\$307,089	\$323,471	\$629,205	\$1,303,589	\$1,893,955	\$2,383,293	\$3,118,134	\$3,884,554	\$3,874,824	\$4,424,355	\$4,796,629	\$5,021,754	\$5,816,340
UNM-YA	\$1,096,543	\$2,170,177	\$1,890,579	\$2,154,772	\$1,522,214	\$2,255,918	\$913,364	\$1,612,616	\$2,099,245	\$3,160,765	\$3,240,850	\$4,199,821	\$4,673,853	\$4,640,999
WNMU	\$635,022	\$1,316,456	\$2,327,628	\$2,943,513	\$3,851,641	\$3,767,067	\$2,371,188	\$888,205	\$4,034,244	\$10,681,844	\$4,293,089	\$4,666,687	\$6,710,810	\$8,066,219
Grand Total	\$91,831,191	\$115,407,607	\$115,588,771	\$127,609,009	\$151,558,064	\$156,657,999	\$144,608,589	\$139,184,081	\$140,555,153	\$159,698,668	\$145,903,356	\$170,381,531	\$189,585,267	\$235,757,056

Source: LFC analysis of HEI financial reports of actuals.

Appendix E. Percent of Tax and Lottery Revenue Allocated to Higher Education FY17



Source: SHEEO. (2020). State of Higher Education Finance Report FY19. p.51

Appendix F. FY20 Unrestricted Instruction and General (I&G) Revenues

Unrestricted Instruction and General (I&G) Revenues, FY20

HEI	State Funding		Tuition and Fees		Local Funding		Federal Funding		Other Sources		Total	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
CCC	\$10,256,262	67%	\$3,076,761	20%	\$1,682,870	11%	\$7,322	0%	\$226,500	1%	\$15,249,715	100%
CNM	\$60,292,382	41%	\$25,339,432	17%	\$56,792,428	39%	\$38,230	0%	\$3,210,381	2%	\$145,672,853	100%
ENMU-Main	\$30,142,900	62%	\$17,038,480	35%	\$0	0%	\$71,628	0%	\$1,316,242	3%	\$48,569,250	100%
ENMU-Ros	\$12,143,500	70%	\$3,411,220	20%	\$1,153,014	7%	\$0	0%	\$576,230	3%	\$17,283,964	100%
ENMU-Rui	\$2,106,400	51%	\$486,660	12%	\$1,365,267	33%	\$0	0%	\$134,836	3%	\$4,093,163	100%
LCC	\$7,822,825	73%	\$708,358	7%	\$2,053,525	19%	\$0	0%	\$59,333	1%	\$10,644,041	100%
MCC	\$4,432,500	80%	\$742,454	13%	\$320,119	6%	\$0	0%	\$77,756	1%	\$5,572,829	100%
NMHU	\$28,839,899	67%	\$13,220,631	31%	\$0	0%	\$0	0%	\$1,002,722	2%	\$43,063,252	100%
NMIMT	\$28,656,334	58%	\$13,153,749	26%	\$0	0%	\$0	0%	\$7,981,125	16%	\$49,791,208	100%
NMJC	\$6,198,932	13%	\$3,983,573	8%	\$36,566,433	78%	\$40,923	0%	\$279,594	1%	\$47,069,455	100%
NMSU-AL	\$7,461,545	71%	\$2,159,750	21%	\$729,721	7%	\$1,920	0%	\$87,693	1%	\$10,440,629	100%
NMSU-CA	\$4,382,319	22%	\$1,212,582	6%	\$13,994,967	71%	\$855	0%	\$197,317	1%	\$19,788,040	100%
NMSU-DA	\$24,069,622	59%	\$10,571,465	26%	\$5,796,468	14%	\$5,507	0%	\$426,794	1%	\$40,869,856	100%
NMSU-GR	\$3,783,100	76%	\$794,221	16%	\$306,404	6%	\$330	0%	\$87,995	2%	\$4,972,050	100%
NMSU-Main	\$121,364,760	53%	\$87,376,098	38%	\$0	0%	\$178,291	0%	\$20,642,406	9%	\$229,561,555	100%
NNMC	\$10,687,200	66%	\$3,297,909	20%	\$0	0%	\$9,833	0%	\$2,288,923	14%	\$16,283,865	100%
SFCC	\$10,825,700	28%	\$6,730,460	17%	\$21,237,670	54%	\$0	0%	\$283,270	1%	\$39,077,100	100%
SJC	\$25,668,295	49%	\$11,018,175	21%	\$14,252,706	27%	\$0	0%	\$1,638,270	3%	\$52,577,446	100%
UNM-GA	\$9,479,002	60%	\$3,132,268	20%	\$2,380,021	15%	\$406,266	3%	\$272,297	2%	\$15,669,854	100%
UNM-HSC	\$66,614,676	52%	\$30,231,096	24%	\$0	0%	\$0	0%	\$30,552,078	24%	\$127,397,850	100%
UNM-LA	\$1,889,854	41%	\$999,171	22%	\$1,519,364	33%	\$87,040	2%	\$118,925	3%	\$4,614,354	100%
UNM-Main	\$196,138,500	53%	\$136,432,459	37%	\$0	0%	\$1,737,333	0%	\$37,301,416	10%	\$371,609,708	100%
UNM-TA	\$3,988,500	50%	\$982,874	12%	\$2,317,691	29%	\$173,258	2%	\$510,291	6%	\$7,972,614	100%
UNM-VA	\$5,899,632	53%	\$1,566,655	14%	\$3,132,764	28%	\$263,633	2%	\$275,441	2%	\$11,138,125	100%
WVNMU	\$19,567,939	57%	\$13,352,162	39%	\$0	0%	\$9,580	0%	\$1,402,102	4%	\$34,331,783	100%
Grand Total	\$702,712,578	51%	\$391,018,663	28%	\$165,601,432	12%	\$3,031,949	0%	\$110,949,937	8%	\$1,373,314,559	100%

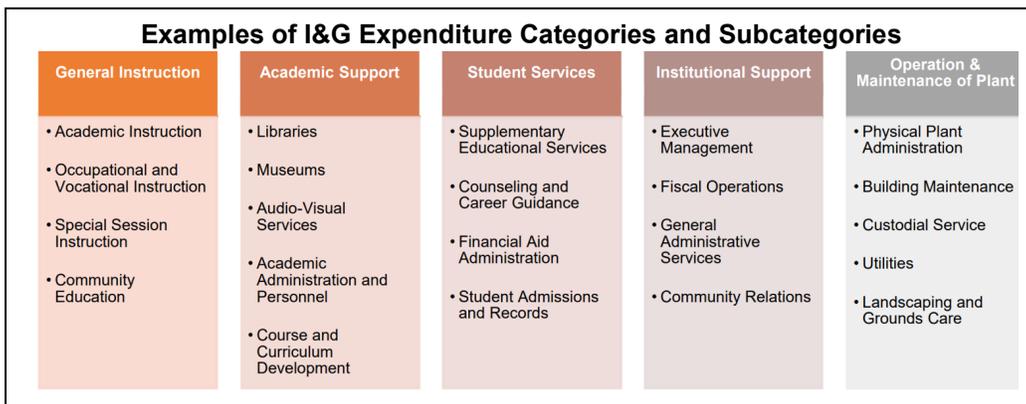
Source: HEI FY20 Financial Reports of Actuals.

Appendix G. FY20 Unrestricted Instruction and General (I&G) Expenditures

FY20 Unrestricted Instruction and General (I&G) Expenditures

Higher Education Institution	Instruction		Academic Support		Student Support		Institutional Support		Operation & Maintenance		Grand Total	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
CCC	\$7,007,242	50%	\$1,251,302	9%	\$1,545,866	11%	\$2,693,426	19%	\$1,621,253	11%	\$14,119,089	100%
CNM	\$61,675,431	46%	\$16,774,865	13%	\$19,823,276	15%	\$22,364,299	17%	\$13,136,745	10%	\$133,774,616	100%
ENMU-Main	\$22,969,767	54%	\$3,667,803	9%	\$3,445,890	8%	\$7,394,416	17%	\$5,063,267	12%	\$42,541,143	100%
ENMU-Ros	\$6,723,978	41%	\$1,175,875	7%	\$1,843,363	11%	\$4,295,059	26%	\$2,191,275	14%	\$16,229,550	100%
ENMU-Rui	\$1,198,905	36%	\$227,656	7%	\$334,918	10%	\$1,373,968	41%	\$193,121	6%	\$3,328,568	100%
LCC	\$3,649,707	38%	\$489,716	5%	\$1,631,176	17%	\$2,021,100	21%	\$1,895,682	20%	\$9,687,381	100%
MCC	\$2,174,170	41%	\$576,793	11%	\$668,809	13%	\$1,136,375	22%	\$705,131	13%	\$5,261,278	100%
NMHU	\$18,682,873	51%	\$2,457,244	7%	\$3,978,540	11%	\$6,480,470	18%	\$4,968,417	14%	\$36,567,544	100%
NMIMT	\$19,134,533	46%	\$4,774,059	12%	\$2,362,381	6%	\$8,598,349	21%	\$6,626,001	16%	\$41,495,323	100%
NMJC	\$9,367,672	45%	\$2,039,627	10%	\$1,839,102	9%	\$4,175,879	20%	\$3,495,674	17%	\$20,917,954	100%
NMSU-AL	\$4,630,386	50%	\$1,330,368	14%	\$737,579	8%	\$1,804,024	19%	\$845,078	9%	\$9,347,435	100%
NMSU-CA	\$4,309,666	47%	\$768,227	8%	\$1,024,944	11%	\$1,944,111	21%	\$1,107,093	12%	\$9,154,041	100%
NMSU-DA	\$20,990,584	57%	\$4,695,600	13%	\$2,788,392	8%	\$5,360,579	15%	\$2,967,743	8%	\$36,802,898	100%
NMSU-GR	\$1,607,914	42%	\$395,901	10%	\$509,232	13%	\$827,213	21%	\$515,153	13%	\$3,855,413	100%
NMSU-Main	\$106,637,370	59%	\$20,653,770	11%	\$12,566,249	7%	\$23,989,405	13%	\$17,534,830	10%	\$181,381,624	100%
NNMC	\$5,530,398	41%	\$801,334	6%	\$1,207,465	9%	\$4,216,189	31%	\$1,763,598	13%	\$13,518,984	100%
SFCC	\$16,014,052	48%	\$3,405,215	10%	\$3,346,884	10%	\$6,431,538	19%	\$4,207,051	13%	\$33,404,740	100%
SJC	\$26,242,596	58%	\$4,351,323	10%	\$4,826,173	11%	\$7,403,386	16%	\$2,428,400	5%	\$45,251,878	100%
UNM-GA	\$7,607,716	56%	\$1,300,972	10%	\$1,096,225	8%	\$2,124,007	16%	\$1,509,298	11%	\$13,638,218	100%
UNM-HSC	\$76,599,476	64%	\$8,722,884	7%	\$7,756,924	6%	\$18,468,572	15%	\$8,517,800	7%	\$120,065,656	100%
UNM-LA	\$1,564,513	38%	\$608,693	15%	\$507,164	12%	\$1,030,126	25%	\$355,308	9%	\$4,065,804	100%
UNM-Main	\$175,032,018	56%	\$42,875,075	14%	\$20,484,970	7%	\$43,820,534	14%	\$31,612,227	10%	\$313,824,824	100%
UNM-TA	\$2,663,606	39%	\$465,469	7%	\$704,105	10%	\$1,951,374	29%	\$1,039,197	15%	\$6,823,751	100%
UNM-VA	\$4,283,559	43%	\$1,277,802	13%	\$1,281,351	13%	\$1,965,712	20%	\$1,041,110	11%	\$9,849,534	100%
WVNMU	\$15,424,432	53%	\$1,556,696	5%	\$2,669,363	9%	\$6,250,649	22%	\$2,976,958	10%	\$28,878,098	100%
Total	\$621,722,564	54%	\$126,644,269	11%	\$98,980,341	9%	\$188,120,760	16%	\$118,317,410	10%	\$1,153,785,344	100%

Source: HEI FY20 Financial Reports of Actuals



Appendix H. Comparison of Higher Education Access in New Mexico and Other States

Comparison of Higher Education Access in New Mexico and Other States

Comparison Category	New Mexico	Arizona	Colorado	Texas
Total 2019 Population Estimate	2,096,829	7,278,717	5,758,736	28,995,881
Total 2019 Population Age 18+	1,620,991	5,638,481	4,499,217	21,596,071
State Higher Education Institutions (HEIs)	24	29	31	108
State HEIs per 100 thousand people age 18+	1.5	0.5	0.7	0.5
Number of Degree and Certificate Programs	1,951	4,012	3,962	9,362
Degree and Certificate Programs per 100 thousand people age 18+	120	71	88	43

Source: LFC analysis of U.S. Census, IPEDS, Higher Learning Commission, Texas Higher Education Coordinating Board, and HEI website information in September and October 2020.

Methodology: LFC staff collected the following information: total population, college age population (age 18 or older), the number of state-funded HEIs, and the number of unduplicated degree and certificate programs. LFC staff compiled 2019 state population estimates from the U.S. Census Bureau. LFC staff identified the state-funded HEIs of each state based on information pulled from the U.S. Department of Education’s Integrated Secondary Data Systems (IPEDS) in September and October 2020. LFC staff estimated the number of unduplicated degree and certificate programs in each state by compiling the number of degree and certificate programs listed for each HEI on the Higher Learning Commission’s accreditation website and the Texas Higher Education Coordinating Board website in late September 2020 and early October 2020. Three state technical colleges in Arizona and Colorado were not listed on the HLC website because they had a different accreditor and, consequently, LFC staff compiled their academic program counts from their websites and course catalogs.

Appendix I. State Process for Approving New Higher Education Academic Programs

State Process for Approving New Higher Education Academic Programs

Step in Program Approval Process	Approving Entity	Approves	Representation in Approval Process
Step 1	Higher Education Institution Governing Board	Undergraduate and Graduate Programs	Higher Education and Executive Branch
Step 2	Council of Graduate Deans	Only Graduate Programs	Higher Education
Step 3	Higher Education Advisory Committee	Undergraduate and Graduate Programs	Higher Education (4 members), Executive Branch (4 members), and Legislative Branch (1 LFC staff member)
Step 4	HED Cabinet Secretary		Executive Branch
Step 5	Board of Finance	Only Graduate Programs	Executive Branch

Source: LFC review of state law (Sections 21-1-24 and 21-1-26 NMSA 1978) and HED rules (5.5.2.1 and 5.5.6 NMAC).