



June 25, 2025

## Workforce Training and Certifications Pilot Programs

**Tracy Hartzler, President, Central New Mexico College**

**Mary Gutierrez, Chancellor, University of New Mexico-Taos**

**James Johnston, Chancellor, Eastern New Mexico University**

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### Background

- The Legislature has appropriated \$80 million since 2022 to support workforce training and apprenticeship programs at comprehensive and community colleges.
  - The first appropriation of \$20 million was made for work study programs in 2022 but was reauthorized in 2023 to allow noncredit training, apprenticeship and internship supports.
  - In 2024, the Legislature appropriated \$60 million through the Government Results and Opportunity (GRO) fund to be expended from FY25 to FY27.
- A 2024 LFC report on postsecondary credentials found that, while short-term training programs may result in increased wages, the magnitude of the increase varies considerably between programs.
  - The report also noted a lack of outcome data particularly for noncredit workforce training programs. The report's key findings included: "Improved data tracking and communication are needed to guide support for the most valuable certificates."
- Performance data for the FY25 GRO appropriation will be submitted to HED by July 30, 2025. However, critical wage data will not be available for that first reporting cycle.
  - Colleges report there is typically a 6-month delay in receiving wage data through the Workforce Solutions Department. Additionally, institutions must have data sharing agreements with WSD to access this data.
  - Institutions may also rely on surveys to determine post-completion outcomes such as employment, but these methods are time-intensive and often have a limited response rate.

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## Workforce training

The LFC evaluation of post secondary certificates found that “Some postsecondary certificates can offer an alternative to traditional college degrees but many others confer little workforce or wage value.” This finding is consistent with work done by the Georgetown center on education and workforce which found half of all short-term credentials are awarded in fields such as liberal arts or general studies that do not directly correspond to local labor market needs. This mismatch results in lower wages paid to credential holders and limiting economic growth as employers cannot find qualified employees.

Recognizing this dynamic, the Legislature began making appropriations to support noncredit high-demand workforce training programs in 2023. These programs have several benefits:

- **Rapid Skill Development:** Noncredit programs allow learners to quickly acquire job-specific skills without the time commitment of a traditional degree, helping them enter or reenter the workforce efficiently.
- **Employer-Aligned Curriculum:** These programs may be developed in collaboration with local industries, ensuring that training aligns with current labor market needs and enhances employability.
- **Accessible Entry Point:** Noncredit training provides a low-cost, low-barrier option for individuals who may not be ready or able to pursue a degree, including adult learners and underemployed populations.
- **Pathway to Credit Programs:** Many institutions design noncredit offerings as stackable credentials, enabling learners to transition into credit-bearing degree or certificate programs over time.
- **Support for Regional Economic Development:** By rapidly training workers in high-demand fields, noncredit programs help communities respond to economic shifts and workforce shortages

## Distribution of Workforce GRO

- HED will distribute \$20 million to comprehensive and community colleges by August 30, 2025. This will be the second year of a 3-year appropriation.
- The distribution will withhold a portion of any unspent prior year balance as described in the attached memo.
- Higher education institutions that did not expend prior year workforce appropriations may have up to 25 percent of the unspent amount redistributed to other institutions in FY26.
- All institutions must provide performance measures including: the programs offered; number of students served; program completion rates; and the percentage of completers who are employed in a job related to the program.



**MEMORANDUM**

June 11, 2025

**TO:** Community College and Regional University Presidents, Chancellors, and Leaders  
**FROM:** Stephanie M. Rodriguez, Cabinet Secretary, New Mexico Higher Education Department *SMR*  
**CC:** Dr. Patricia Trujillo, Deputy Secretary, New Mexico Higher Education Department  
Gerald Hoehne, Chief of Staff and Chief Financial Officer, New Mexico Higher Education Department  
Mark Chisholm, Director, Academic Affairs and Policy, New Mexico Higher Education Department  
Taña Martinez, Director, Institutional Finance, New Mexico Higher Education Department  
Savana Simbola, Financial Coordinator A, New Mexico Higher Education Department  
Dr. Brittany Shaughnessy, Data Analyst II, New Mexico Higher Education Department  
Nicole Macias, Principal Budget and Policy Analyst, New Mexico Department of Finance and Administration  
Connor Jorgenson, Principal Analyst, New Mexico Legislative Finance Committee  
**RE:** Guidance on Allocation of Fiscal Year 2026 GRO Fund for Non-Credit Workforce Training

A total appropriation of \$60 million over a three-year period from the Government Results and Opportunity Expendable Trust (GRO) was appropriated during the 56<sup>th</sup> Legislature and approved by Governor Michelle Lujan Grisham for Fiscal Years (FY) 2025 through 2027. This funding is intended to support students in pursuing workforce training courses, apprenticeships, and internships at New Mexico's public community colleges and regional universities offering these types of opportunities. Below is the language and requirements for reference from House Bill 2 (HB2):

*For New Mexico community colleges and regional universities to pay up to the full cost of student tuition and fees for workforce training courses not eligible for other financial aid that result in an industry-recognized credential or endorsement. This funding may also be used to subsidize costs of students involved in apprenticeships or internships. Higher education institutions shall submit an implementation plan to the Higher Education Department prior to receipt of funding and include identification of the types of certificates or credentials offered and the employers and industries eligible for internship and apprenticeship support.*

The New Mexico Higher Education Department (Department) issued guidance last year determining that the courses primarily impacted by this language are non-credit courses that lead to an industry-recognized credential or endorsement.

In FY25, the Department distributed the first \$20 million of the three-year workforce training appropriation using a formula based on existing data. The methodology considered each eligible higher education institution's share of certificates and degrees awarded in high-need areas, student credit hours in those areas, and overall institutional capacity. Higher education institutions were



required to submit an implementation plan outlining eligible non-credit training programs, apprenticeships, and internships. Funding could be used to cover tuition, fees, and related student costs. Higher education institutions were also required to submit mid-year and end-of-year reports detailing program outcomes and student demographics to support future funding allocations.

For Fiscal Year 2026, the Department is preparing to allocate the next \$20 million of funds. The process for distributing this funding will involve New Mexico community colleges and regional universities submitting a revised implementation plan to the Department. The revised implementation plan allows higher education institutions the opportunity to formalize programs that were created with the initial funding received, document any equipment purchased with Federal Supplemental Work Study funding to support new programs, and plan for any future programs that support the intended use of the funds. As a reminder, plans must include identification of the types of certificates and credentials offered in addition to the employers and industries eligible for internship and apprenticeship support.

**The following information includes the deadlines for expensing the FY25 funding and the process and reports necessary for the FY26 funding allocation.**

#### **FY25 Expenditures and Reversions**

By June 30, 2025, each higher education institution must report the amount of its Fiscal Year 2025 allocation that has been expended. The spreadsheet for this reporting is attached with this memo.

**Please note that all encumbered funds must be fully expended by June 30, 2025. Any funding not expended reverts to the Department.**

#### **FY25 Data and Outcomes**

By July 30, 2025, each higher education institution must submit data on individuals served and basic outcomes related to their Fiscal Year 2025 activities. The Department will provide a reporting template by July 16, 2025, to guide this submission.

#### **FY26 Implementation Plans**

By June 23, 2025, each higher education institution must update or resubmit their original implementation plan. These updates should reflect the strategy for utilizing the Fiscal Year 2026 allocation and will serve as the basis for the scope of work in the Fiscal Year 2026 Memoranda of Understanding (MOUs) between the Department and the higher education institution.

As a reminder, the plan must include the following:

1. Identify the course sequences or programs, and associated industry or credential associated with these courses or programs, that are eligible under this appropriation. Higher education institutions may identify multiple training programs; however, the information below must be included for each program:



- a. Identify the industry or credential that the course sequence leads to;
  - b. Specify whether this is an existing program or if it is newly developed;
  - c. Identify the population of potential students these courses are designed to serve and the estimated number of students that will be served;
  - d. Provide the estimated amount of tuition and fee expenditure, per student, for the course sequence; and
  - e. Provide the estimated length of time for a student to complete the course sequence.
2. If the higher education institution intends to support students with apprenticeships or internships, identify the specific apprenticeships or internships that will be supported and the eligible industries or employers who will participate. **Important note: Apprenticeships and internships cannot be on-campus experiences, they must be with employers or companies outside of the higher education institution.**
- a. Identify the number of apprenticeships or internships to be supported;
  - b. Describe the process for identifying students for apprenticeship and internship opportunities;
  - c. Describe the expenses that will be subsidized along with the total expected expense per student for these programs;
  - d. Describe how the higher education institution will set standards of practice for apprenticeships and internships and verify the quality of the experience for the student; and
  - e. Identify whether the apprenticeships are registered with the state or nationally and whether the apprenticeships will apply to receive funding under the state's Apprenticeship Assistance Act or Public Works Apprentice and Training Act through the New Mexico Department of Workforce Solutions.

#### **FY26 Allocations**

The allocation per higher education institution will remain the same as the Fiscal Year 2025 distribution, with the following updates implemented for Fiscal Year 2026:

- For higher education institutions that will revert funding in Fiscal Year 2025, 25% of the reversion amount will be deducted from their Fiscal Year 2026 allocation.
- The amount deducted will be proportionately distributed to all higher education institutions. If the total expenditure of FY25 GRO and prior year supplemental work study is equal to or greater than the FY25 GRO distribution, the institution would receive at least the same amount in FY26 as it did in FY25.
- Expended Federal Supplemental Work Study funding will be factored in when calculating each institution's reversion amount.

Once the Department receives and reviews all the required information, a new distribution schedule and Memoranda of Understanding (MOU) will be issued.



**Submission Requirements**

The revised plans and reports must be submitted via email to the following individuals:

- Mark Chisholm, Director of Academic Affairs and Policy  
Email: [Mark.Chisholm@hed.nm.gov](mailto:Mark.Chisholm@hed.nm.gov)
- Taña Martinez, Director of Institutional Finance  
Email: [Tana.Martinez@hed.nm.gov](mailto:Tana.Martinez@hed.nm.gov)
- Dr. Brit Shaughnessy, Data Analyst II, Academic Affairs and Policy Division  
Email: [Brittany.Shaughnessy@hed.nm.gov](mailto:Brittany.Shaughnessy@hed.nm.gov)
- Savana Simbola, Financial Coordinator A, Institutional Finance Division  
Email: [Savana.Simbola@hed.nm.gov](mailto:Savana.Simbola@hed.nm.gov)

**Questions**

If you have any questions regarding this correspondence, please contact Dr. Brit Shaughnessy, Data Analyst II, at [brittany.shaughnessy@hed.nm.gov](mailto:brittany.shaughnessy@hed.nm.gov) or Institutional Finance Director Taña Martinez at [Tana.Martinez@hed.nm.gov](mailto:Tana.Martinez@hed.nm.gov).



**Distribution of FY26 HB2 Funds to Higher Education Institutions**  
**Based on Distributions of Workforce-related Student Credit Hours (SCH) and Awards**  
**\*DOES NOT INCLUDE 25% REDUCTION FOR FY25 REVERSIONS\***

**HB2 Appropriation: \$20,000,000**

**Minimum Distribution: \$200,000**

Higher Education Institution		Workforce SCH and Credential Distribution	Dollar Distribution with Minimum Distribution
ENMU	Eastern New Mexico University	6.59%	\$1,303,000
NMHU	New Mexico Highlands University	6.39%	\$1,263,000
NNMC	Northern New Mexico College	1.86%	\$367,000
WNMU	Western New Mexico University	6.03%	\$1,191,000
ENMU-RO	Eastern New Mexico University - Roswell	3.78%	\$748,000
ENMU-RU	Eastern New Mexico University - Ruidoso	0.63%	\$200,000
NMSU-AL	New Mexico State University - Alamogordo	1.00%	\$200,000
NMSU-DA	Dofia Ana Community College	8.87%	\$1,752,000
NMSU-GR	New Mexico State University - Grants	0.63%	\$200,000
UNM-GA	University of New Mexico - Gallup	2.35%	\$465,000
UNM-LA	University of New Mexico - Los Alamos	0.79%	\$200,000
UNM-TA	University of New Mexico - Taos	0.83%	\$200,000
UNM-VA	University of New Mexico - Valencia	1.36%	\$268,000
CNM	Central New Mexico University	34.72%	\$6,862,000
CCC	Clovis Community College	3.75%	\$742,000
LCC	Luna Community College	1.23%	\$242,000
MCC	Mesalands Community College	1.54%	\$304,000
NMJC	New Mexico Junior College	2.39%	\$473,000
SJC	San Juan College	8.83%	\$1,745,000
SFCC	Santa Fe Community College	5.35%	\$1,058,000
SENMCC	Southeast New Mexico College	1.10%	\$217,000
<b>Total</b>		<b>100.0%</b>	<b>\$20,000,000</b>