

Declining enrollments in higher education in New Mexico threaten the state’s ability to be competitive economically and serve the workforce needs of existing and new employers. Shocked by the magnitude of the decline, colleges and universities recently began assessing their enrollment management efforts focusing on (1) freshman recruitment and enrollment, given the increase in the number of high school graduates in New Mexico, (2) student retention, given the large loss of college-going students in the first two years, and (3) student transfers, ensuring successful transitions from two-year colleges to four-year universities.

In addition, some institutions are assessing the effectiveness of statewide initiatives (e.g., increased eligibility requirements for the state lottery scholarship, dual credit or advanced placement, HED’s trifecta initiative creating common course curriculum and numbering among institutions, and college affordability) to boost enrollment and improve student completion and success. Preliminary data suggest these policy initiatives support students graduating more quickly with credit hours aligned to degree requirements. The data to evaluate the impacts of the policy improvements is available, but not readily provided to the Legislature.

Educational Attainment is Essential for New Mexico

New Mexico’s economy is transitioning to a skills-based economy in which the majority of jobs demand education beyond high school. Strategically, New Mexico’s “Route-to-66” attainment goal has helped to focus the state’s combined efforts to meet those workforce demands. Higher education is graduating more students, but challenges in enrollment and retention remain and high-school populations are projected to decline. To ensure a more skilled workforce, institutions will have to reach under-skilled and under-educated populations to be effective.

Launched in 2015 when less than half of New Mexican adults had a postsecondary certificate or degree, the goal of the Higher Education Department’s Route-to-66 initiative is to have 66 percent of New Mexicans ages 25 to 64 with a higher education credential by 2030. New Mexico educational attainment improved from 2009 to 2016 but still trails its peers. Twenty-six percent of adults in New Mexico have a bachelor’s degree or higher compared with 31.5 percent in the region and 30.3 percent in the nation. New Mexico also has a higher proportion of adults without a high school diploma: 15.4 percent compared with 14.4 percent regionally and 13 percent nationally. Attainment has lagged particularly among men ages 25 to 34, with the number of young men with a high school diploma but no college degree growing 10 percent from 2009 to 2016.

Educational Attainment in New Mexico as Percent of Total Population				
	2009	2017	% Change	
Adults with no high school degree	17.9%	15%	-16.2%	G
Adults with high school, no college degree	49.9%	49.9%	0.0%	R
Adults with college degree	32.2%	35.1%	7.9%	Y

AGENCY: Colleges and Universities in New Mexico

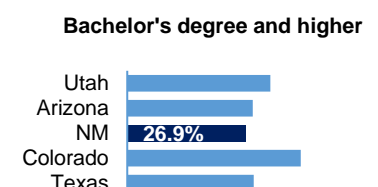
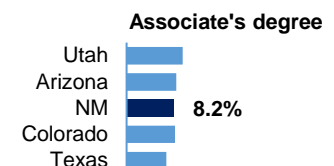
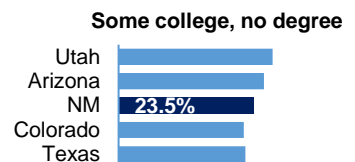
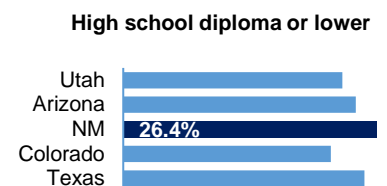
DATE: July 11, 2019

PURPOSE OF HEARING:
Discuss the enrollment management strategies.

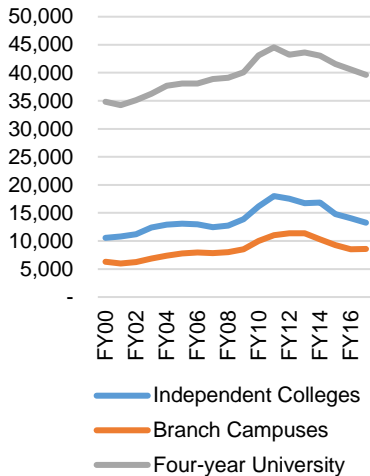
WITNESS: Garnett Stokes, President, University of New Mexico; Katharine Winograd, President, Central New Mexico Community College

PREPARED BY: Mark F. Valenzuela, Principal Analyst, and Noel Martinez, DED, Senior Fiscal Analyst

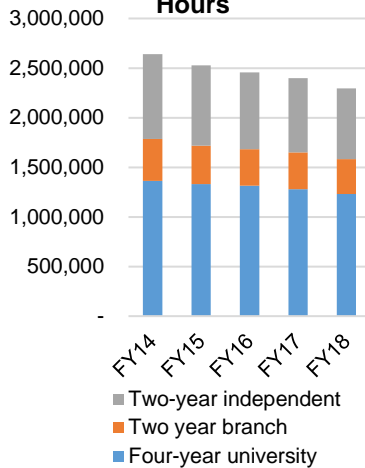
EXPECTED OUTCOME:
Recommendations to balance enrollment at institutions with strategic institutional goals.



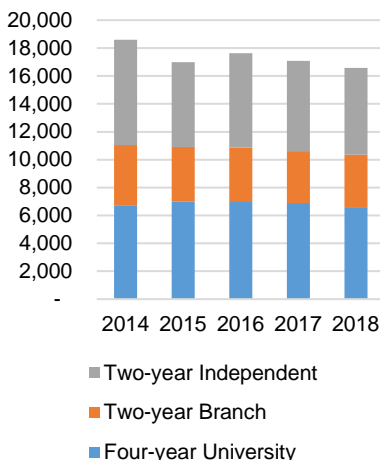
Higher Ed Enrollment (FTE) FY2000 to FY2017



Higher Ed Student Credit Hours



Freshman Enrollments By Sector (headcount)



Ensuring Access to Higher Education

According to the U.S. Department of Education’s annual report, *The Condition of Education 2018*, college enrollments increased nationally by 28 percent for undergraduate students and 38 percent for graduate students from 2000 to 2016. More New Mexicans are seeking a postsecondary education today compared with FY2000, growing by 19 percent, or 9,818 more students.

By institution type, two-year independent community colleges experienced the highest level of growth, followed by the branch colleges. Given the makeup of the student body at two-year colleges, the growth in nontraditional students has fueled much of this growth but also contributed to substantial declines in enrollment since FY2011, declining by more than 20 percent. Incidentally, the two-year independent community colleges enrollment declined at a level similar to four-year institutions, both losing more than 4,700 students.

	FY 2000 to 2011		FY 2011 to 2017		FY 2000 to 2017	
	Percent Change	Number	Percent Change	Number	Percent Change	Number
Statewide	42.4%	21,910	-16.4%	(12,092)	19.0%	9,818
Four-year University	27.9%	9,722	-11.0%	(4,903)	13.8%	4,819
Two-year Branch	75.3%	4,736	-22.2%	(2,446)	36.4%	2,290
Two-year Independent	70.6%	7,452	-26.3%	(4,743)	25.7%	2,709

The number of freshmen who are enrolling in New Mexico colleges and universities has dropped by 10.9 percent over the past five years, from 18,593 students (2014) to 16,571 students (2018). In contrast, the number of high school graduates has increased by 11.4 percent over the same timeframe¹. Digging deeper into available data with a focus on freshmen and dual credit enrollments (appendices attached), the most recent five-year trend details interesting changes in the makeup of the college enrollment:

- At four-year research universities, freshman enrollment has been flat. Student choices however shifted from UNM (13.4 percent decrease) to NMSU (21.7 percent increase).
- At four-year comprehensive universities, freshmen enrollment declined by 5 percent. ENMU experienced the largest decline, but strongest increase in dual-credit enrollment (21.6 percent increase). Dual-credit enrollment declined at other comprehensive universities.
- At two-year colleges, a 16.3 percent decline in freshmen enrollment has been most acute at the independent community colleges.
- At two-year colleges, the 1,942 drop in freshman headcount has been offset by dual credit enrollment, which has increased by the same amount, 1,937 students.

Student Credit Hours. The statewide declining headcount in higher education between 2014 and 2018 is similar to the change in the total end-of-course credit hours during the same period. End-of-course student credit hours at four-year

¹ High school graduation rates have improved in New Mexico from 69.3 percent in 2014 to 73.9 percent in 2018.

comprehensives, however, declined at three times the rate of their headcount indicating that the average student at four-year comprehensives is completing fewer credits.

Dual Credit Enrollment and Credit Hours. While the freshmen count declined during the past five years, dual-credit students increased 16 percent statewide; although, the numbers of students have begun to decline in 2018. Dual-credit end-of-course student credit hours, on the other hand, have increased by 49 percent during the same period. The rate of change for completed dual credit courses is outpacing the number of dual credit students, suggesting that each student is completing a greater number of courses.

The data does not provide a clear picture on the success of dual-credit programs in transitioning students into colleges or universities in New Mexico. Rather, the colleges with the most robust dual-credit programs are suffering the highest level of decline in freshmen enrollment.

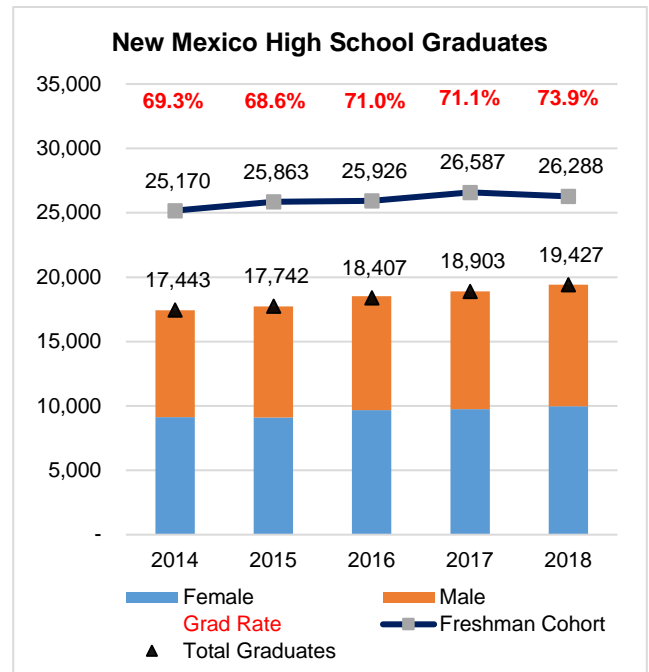
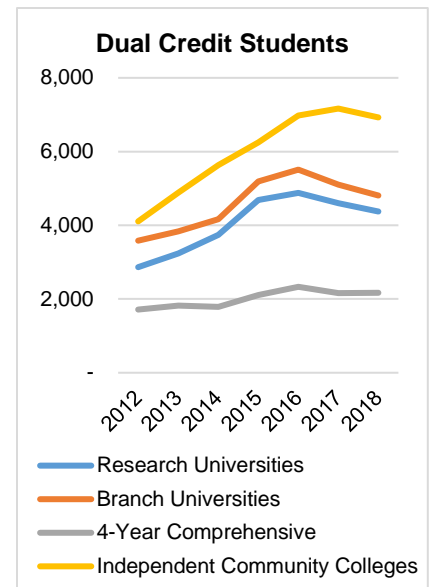
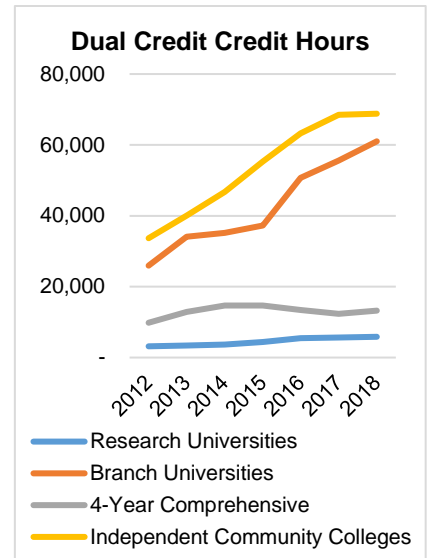
Recruiting Students into Higher Education

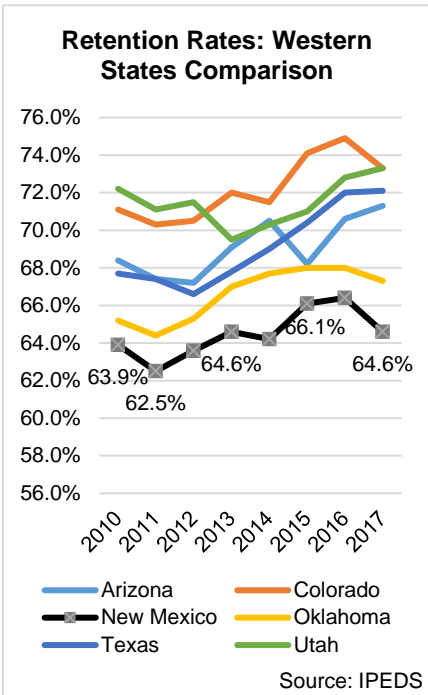
The pipeline of students for colleges and universities in New Mexico should be expanding for several reasons: (1) dual-credit programs are exposing more high school students to the college campus environment; (2) high schools are graduating more students; and (3) New Mexico maintains a high college-going rate. The trends, however, provide a different picture, illuminating a substantial enrollment gap: high school graduation is up by 11.4 percent when freshmen college enrollment is down by 10.9 percent.

The reason for the enrollment gap – reflecting the number of graduating high school seniors compared to the number of college freshmen – is not well informed by existing data. Based on fall 2018 data, the enrollment gap for 2018 equates to 2,856 students. Applying the national college going rate average, the impact of the enrollment gap is that college and universities missed an opportunity to enroll 1,913 students in the Fall 2018, amounting to more than \$7.2 million in foregone tuition revenue.

Recruitment. New Mexico graduating seniors are seeking out a postsecondary education, but appear to be choosing alternatives to in-state colleges and universities. Improving the data on recruitment of New Mexico high school graduates can provide greater understanding of effective recruiting efforts, which will be critical to reversing the trend of enrollment declines. New Mexico high school populations are projected to decline, adding further pressure on total enrollment at New Mexico’s public colleges and universities.

Interestingly, at the two-year colleges where dual-credit students are increasing, freshmen enrollment is declining. Theoretically, the ability to transfer dual-credit students immediately into community college should be easy. But, on a cursory level, the data suggest these dual-credit students are not enrolling in the community colleges where they are earning dual-course credits. Intrusive exploration of this misalignment would be useful to understanding college enrollment factors.

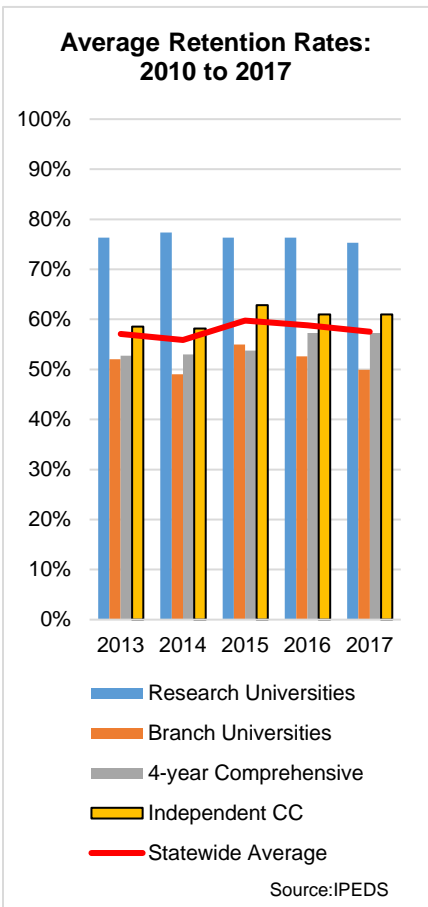




UNM is an interesting study in freshman recruiting. UNM’s freshmen class shrunk by 13.4 percent over the past five years, from 3,132 to 2,653. New Mexico high school graduates represented the largest share of the decline, dropping by 18 percent. UNM is losing enrollment from its traditional local Albuquerque high schools: graduates from seven Albuquerque area high schools comprised 1,017 students in the 2011 UNM freshmen cohort, but only 619 students in 2018².

Comparing to top feeder high schools to NMSU, the number of students from ABQ high schools has declined at NMSU as well, but only marginally. Freshman enrollments at CNM increased in 2015, and though declining since that time, appear to be improving its share of Albuquerque students. According to UNM, perception of a high cost-of-attendance may be the fundamental driver for enrollment losses.

At NMSU, the data offer a different perspective on student recruitment. Freshmen enrollment at NMSU has increased by 21.7 percent over the past five years. Recruitment from the top feeder New Mexico high schools to NMSU has increased by 8.2 percent over the past five years; however, at area Texas high schools, recruitment has increased by 28 percent. One factor, NMSU has increased the amount of its institutional scholarships, which may provide some insight to the shift in student enrollment from UNM to NMSU.



Retaining Students in Higher Education

Like freshmen recruitment, continuing students are an important factor of enrollment management. The number of continuing students, as measured by the year-over-year retention rates full-time students, has fluctuated at around 64 percent. Research universities had a higher average retention rate compared with two-year branch campuses, two-year independent community colleges, and four-year comprehensive campuses. Moreover, two-year independent community colleges had a higher average retention rate compared with both two-year branch and four-year comprehensive universities over a three-year time period (2014 to 2017).

In 2017, the UNM had the highest retention rate among full-time students at 78 percent followed by Mesalands Community College with 77 percent. New Mexico State University-Grants had the lowest full-time student retention rates (43 percent) in 2017 after Eastern New Mexico University-Ruidoso, University of New Mexico-Taos, and Luna Community College.

Retaining students directly impacts a university’s enrollment and tuition revenue. For instance, enrollment can increase when the number of students retained increases which has a direct impact on institutional tuition revenue. Using New Mexico State University as a case study, 571 students (30.9 percent) were retained from the original Fall 2014 cohort of 1,847. If this retention rate increased by 10 percentage points, the impact would be an additional 185 students and approximately \$1.36 million in additional tuition.

² UNM only reports enrollments by high school for a minimum of 40 students. The analysis assumes UNM enrolled at least 39 students from five schools, for which it reported “zero” students. High schools are Rio Grande, West Mesa, Del Norte, Albuquerque High, Highland High, Valley High, and Sandia High School.

Best practices for retaining students center around creating an environment, which engenders a sense of community and pride in the school. Several successful strategies include (1) personalizing the recruitment-to-freshmen enrollment by actively engaging students through consistent communication. As an example, CNM has implemented a communication strategy, the right message at the right time with the right medium; (2) implementing a recruitment strategy for continuing students, i.e., “recruitment doesn’t stop after freshman enrollment” but should be an aggressive strategy to learn more about student needs. As an example, Georgia State University has implemented an early warning system to address potential challenges for students during their academic journey; (3) developing a culture of customer service, by training all staff to be attentive to student needs particularly with financial aid service. As an example, under Georgia State University’s model, the school has learned financial challenges represent the most significant challenge for students in progressing to completion of a degree; and (4) developing local community engagement strategies to help students acclimate into the local or surrounding community. A sense of community on- and off-campus supports students to persist toward completion of their degrees. Removing financial barriers could have the most significant impact.

Pathway for Improved Enrollments

Looking forward, higher education institutions must examine their outreach to New Mexico students. Excess capacity on college campuses can be an opportunity for institutions to expand enrollments by expanding their recruitment of students to include the 23.5 percent of population with has some college exposure, but no degree, and those New Mexicans with only a high school diploma.

Some institutions have begun to evaluate their enrollment management and student retention strategies. Most impacted, UNM completed an internal assessment through an Enrollment Task Force, acknowledging the need to give stronger advisement on financial aid and the need to create a culture of support and community. NMSU began its internal restructuring several years ago, an effective strategy given the rise in freshmen enrollment. Other institutions are examining recruitment and retention efforts as well.

Aside from the statewide attainment goal, strategic direction from HED is less clear on guidance to institutions to improve access to higher education for all New Mexicans. Developing tactics to assist colleges and universities recruit New Mexico high school students and retaining them can be useful for all institutions, particularly when HED provides leadership on best practices, on messaging about the value of higher education, or on removing obstacles to ensure seamless financial aid supports for students, as examples.

Data can be useful to providing guidance for statewide initiatives. HED and PED should capitalize on this opportunity to work together, creating informational linkages among their separate datasets. Many states have invested in systems to link student data from pre-K to employment, providing Legislators and policymakers insightful information on student persistence through their educational journey.

Instead, the Legislature’s generous support of higher education with capital outlay and operational funding may need to be reexamined to focus on evidence-based initiatives to increase enrollment through student recruitment and retention or reduce cost on campuses.

