

## ACTION PLAN

Submitted by agency?	No
Timeline assigned?	No
Responsibility assigned?	No

### 6-Year Graduation Rate

Institution	2022	2023
ENMU	41.3%	39.8%
NMHU	25.5%	25.6%
NM Tech	55.0%	56.4%
NMSU	50.9%	52.2%
Northern	39.6%	32.6%
UNM	51.7%	52.5%
WNMU	31.1%	34.9%
<b>Total</b>	<b>47.1%</b>	<b>48.2%</b>

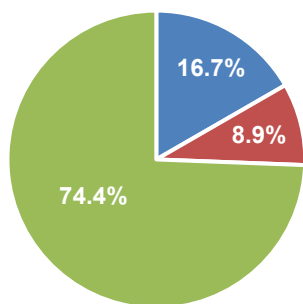
Source: IPEDS

### Additional Graduates to Reach Size-Adjusted U.S. Graduation Average

Institution	2023 Grads	Grads for U.S. Avg.
ENMU	248	3
NMHU	65	33
NM Tech	133	0
NMSU	1,059	280
Northern	44	8
UNM	1,662	427
WNMU	97	10

Source: IPEDS

### Distribution of Freshman at Four-year Colleges, by Class Size



Source: IPEDS

New Mexico continues to see graduation rates well below the national average at four-year and two-year colleges but has seen slight improvements over the past decade. The state recognizes the close link in economic wellbeing and educational attainment and has made significant investments in higher education, providing essentially tuition-free college to undergraduate students. Despite this, the state has fallen from 40<sup>th</sup> in median income to 48<sup>th</sup> over the past 30 years making it clear that higher education institutions must do more to meet needs of their students from enrollment to graduation.

National data show that for workers 24-34, bachelor's degree holders make 59 percent more on average than high school graduates, while associate degree holders make 18 percent more and those with some college, but no degree make 8 percent more. These data illustrate two critical points: (1) taking some college credits translates into negligible wage gains and (2) bachelor's degrees provide the highest value per year of education. State higher education policy recognizes the importance of ensuring students who begin college complete by providing significant funding for both tuition subsidies and student support.

## Graduation

LFC analysis of federal data show graduation rates at four-year colleges vary significantly based on school size with smaller public schools having much lower graduation rates than the largest schools, likely due to less competitive admissions. New Mexico has a much higher proportion of students attending small institutions than the national average, 13 percent versus 4 percent, respectively. At the same time, 74 percent of New Mexico freshman in 2023 attended an institution with a freshman class of 2,000+ students, a higher proportion than the national average.

The table below compares New Mexico and U.S. average graduation rates based on the size of the entering freshman class of the institution and provides the number of additional graduates needed to meet the national average. Unsurprisingly, the vast majority of additional graduates needed to meet the national average are at large institutions, the University of New Mexico and New Mexico State University.

### Analysis of U.S. Versus N.M. Graduation Rates

(Based on Completion Within 150% Standard Time)

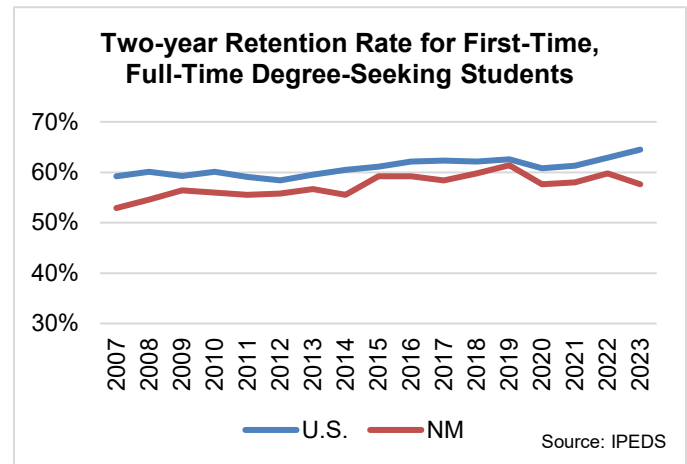
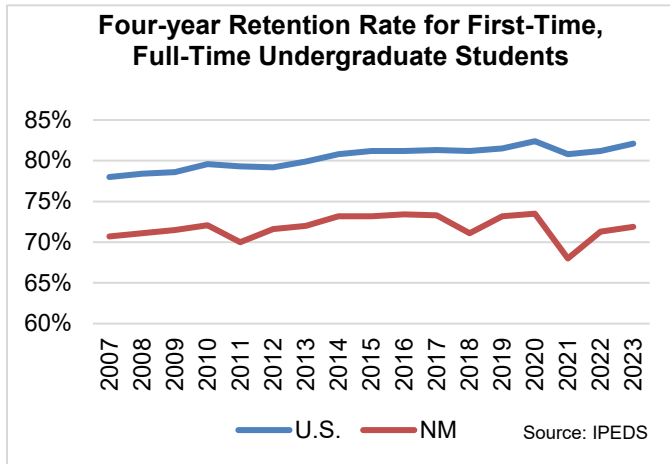
Freshman Class Size	U.S. Grad. Rate	NM Grad. Rate	Add'l Grads to Match U.S. Average
<500	38.6%	37.5%	9
500-1,000	40.3%	39.8%	3
1,000-2,000	48.6%	N/A	N/A
2,000+	66.0%	52.4%	707
<b>Total</b>	<b>58.7%</b>	<b>48.2%</b>	<b>720</b>

Source: IPEDS

## Retention

Federal data show retention at New Mexico four-year institutions increased in 2023, but remains below the pre-pandemic levels. Retention fell at New Mexico two-year

institutions despite a national increase. It is unclear what drove the decline at two-year institutions, but the retention performance measure may not be a good indicator of sector-wide performance as most community college students are not first-time full-time students but rather working people returning to college on a part-time basis.



State and Local Higher Education Funding Per Full-Time Student

State	2018	2023
AZ	\$6,454	\$7,103
CO	\$4,990	\$6,603
NM	\$13,371	\$21,953
NV	\$8,870	\$8,590
OK	\$8,025	\$8,500
TX	\$9,145	\$10,335
UT	\$8,857	\$10,956
US Avg.	\$9,162	\$11,040

Source: SHEEO

Additionally, two-year institutions offer a number of noncredit workforce certification programs. However, the performance of these programs is not tracked in the federal data sets and uniform data are not available. The state has made significant investments in these programs and higher education institutions, the Higher Education Department, and the Legislature should develop a common set of performance metrics to capture this growing sector of community colleges.

## Higher Education Funding

New Mexico ranks second in the nation for state and local appropriations per full-time student, nearly doubling the national average. The strong state support allows institutions to keep tuition lower than the national average. When all revenue, including tuition, is accounted for, the state ranks 6<sup>th</sup> in the nation for total higher education funding as shown in the graph below:

