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December 12, 2006

**MEMORANDUM**

**TO:** Legislative Education Study Committee

**FR:** Sharon S. Caballero

**RE: STAFF BRIEF: RECOMMENDATIONS ON THE *HIGHER EDUCATION DEPARTMENT ACT*: ORGANIZATION OF HED AND OTHER HIGHER EDUCATION ISSUES**

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In 2005, the *Higher Education Department Act* was enacted to transform the former Commission on Higher Education (CHE) to a cabinet level Higher Education Department (HED). Included in the act is a requirement that the secretary report to the Legislature recommendations on the statutory organization of HED.

**Issues: Implementation**

- The *Higher Education Department Act*, among other provisions, contains language which gave the Secretary of Higher Education until the 2006 legislative session to make recommendations to the Legislature regarding how the organization of HED should be reflected in statute: "The secretary shall organize the department so that bureaus and divisions exist to focus on the needs of and for the diverse categories of post-secondary institutions, including two-year institutions, four-year institutions, research institutions and institutions with academic medical centers. The secretary shall make recommendations to the second session of the forty-seventh legislature on the statutory organization of the department." (See Attachment 1.)
- In a Legislative Education Study Committee presentation in December 2005, the Secretary-designee of Higher Education did not make recommendations for changes in statute in 2005, instead, the secretary discussed transitions from CHE to HED including:
  - identification of irrelevant statutes and review to determine elimination or consolidation with other statutes;

- review of HED's minor statutory responsibilities for possible elimination;
  - preparation of an agency-wide calendar and detailed workplans coordinated to statutory responsibilities with deadlines; and
  - alignment of resources with statutory responsibilities.
- The Secretary-designee reported that HED had formed four task forces, including representatives from higher education, business, legislative, and student representatives to assist in the development of a statewide public agenda to meet higher education needs and goals as required in the *Higher Education Department Act*. The purpose of the public agenda is to assist institutions of higher education (IHEs) to develop or modify their strategic plans. The four task forces are:
    - Alignment Task Force, focusing on aligning high school exit competencies with college entrance requirements;
    - Articulation Task Force, addressing the articulation and transfer of college credits;
    - Geographic Service Areas Task Force, examining efficient ways to deliver services throughout the state; and,
    - Formula Enhancement Task Force, developing and testing a performance-based funding model.
- In 2006, the Secretary-designee formed five more task forces to assist in the development of the statewide public agenda. They are:
    - College Affordability, to enhance HED's ability to create and direct policy;
    - Data Sharing, response to HM 42 passed by the Legislature in 2006 to establish a common, shared student-data system for P-20;
    - Distance Education, joint task force with PED to address expanding learning opportunities, the task force disbanded in September 2006 and was subsumed as part of the New Mexico Learning Network;
    - Facilities Infrastructure, charged to identify current capital renewal and deferred maintenance needs for IHEs; and
    - Nursing Enhancement, developing performance measures for the state's nursing departments.
- With the assistance of the task forces, HED has developed the following four strategic priorities (see Attachment 2) for New Mexico higher education to:
    - increase student access and success;
    - innovate to meet current and future educational needs efficiently and effectively;
    - provide programs and services integral to state and regional economic needs; and
    - position New Mexico higher education to be ranked in the upper echelon by improving national rankings.
- The Secretary-designee also reported on vacancies in the department which have since been filled with the exception of the Capital Projects Director which will be posted in November. Positions filled were Financial Coordinator, Financial Aid Coordinator, and Adult Basic Education Operations Research Analyst. Currently HED employs 33.5 individuals.

## **Background:**

- In March 2004, Governor Bill Richardson announced the formation of the Governor's Task Force on Higher Education. The task force was charged with, among other tasks, evaluating the role of the CHE and recommending "any necessary changes."
- On November 8, 2004, the Governor's Task Force on Higher Education issued its final report. In a cover letter addressed to Governor Richardson, the task force stated the following regarding higher education in New Mexico:

... there is no central authority nor statewide plan that focuses on the needs and priorities of the state as a whole, as opposed to the needs and goals of each individual institution. This lack of centralized, statewide authority combined with weak funding mechanisms to coordinate the institutions' efforts toward a common goal for the state, have left us with the inefficient, costly higher education environment that we inaccurately refer to as a "system" of higher education. Currently, when issues of accountability are raised by the legislature or the taxpayers, there is no single source within the Executive Branch with the authority to address these statewide issues.

- The *Higher Education Department Act* passed by the 2005 Legislature and signed by the Governor, implements the recommendations of the task force which recommended the creation of a state Department of Higher Education, headed by a cabinet-level Secretary of Higher Education, appointed by the Governor and confirmed by the New Mexico State Senate and the abolition of the CHE. (The Secretary-designee was not confirmed in the 2006 legislative session.)
- The *Higher Education Department Act* also created the Higher Education Advisory Board "to advise the department and the governor on policy matters and perform other functions as provided by law." Administratively attached to HED, the board consists of 14 members appointed by the Secretary of Higher Education representing two- and four-year colleges and universities, the business community, tribal colleges, and the Indian nations, tribes, and pueblos in New Mexico.

## **Presenter:**

For this presentation, Dr. Beverlee J. McClure, Secretary-designee, HED, will provide recommendations for statutory language regarding the organizational structure of HED to be included in the *Higher Education Department Act* and discuss other higher education issues.

**Questions the committee may wish to consider:**

1. How do the organizational changes made to date by the Secretary-designee of Higher Education and the Secretary-designee's recommended statutory language support HED's mission and goals?
2. Will monitoring and evaluation of statewide priorities be included in statutory language?
3. What other positions will the Secretary-designee be recommending for HED?
4. Are there any barriers in current statute that prohibit the implementation of an organizational structure that provides leadership and support services to the IHEs?
5. How have the IHEs been involved in developing the proposed recommendations for HED's organizational structure that are being made by the Secretary-designee?

**9-25-1. Short title.**

Sections 1 through 13 of this act [9-25-1 to 9-25-13 NMSA 1978] may be cited as the "Higher Education Department Act".

History: Laws 2005, ch. 289, § 1.

Effective dates. — Laws 2005, ch. 289, § 31 makes the act effective April 7, 2005.

**9-25-2. Purpose.**

The purpose of the Higher Education Department Act [9-25-1 NMSA 1978] is to establish a single, unified department to administer laws and exercise functions formerly administered and exercised by the commission on higher education.

History: Laws 2005, ch. 289, § 2.

Effective dates. — Laws 2005, ch. 289, § 31 makes the act effective April 7, 2005.

**9-25-3. Definitions.**

As used in the Higher Education Department Act [9-25-1 NMSA 1978]:

- A. "board" means the higher education advisory board;
- B. "department" means the higher education department; and
- C. "secretary" means the secretary of higher education.

History: Laws 2005, ch. 289, § 3.

Effective dates. — Laws 2005, ch. 289, § 31 makes the act effective April 7, 2005.

**9-25-4. Department created.**

The "higher education department" is created in the executive branch. The department is a cabinet department. The secretary shall organize the department so that bureaus and divisions exist to focus on the needs of and for the diverse categories of post-secondary institutions, including two-year institutions, four-year institutions, research institutions and institutions with academic medical centers. The secretary shall make recommendations to the second session of the forty-seventh legislature on the statutory organization of the department.

History: Laws 2005, ch. 289, § 4.

Effective dates. — Laws 2005, ch. 289, § 31 makes the act effective April 7, 2005.

**9-25-4.1. Temporary provision; transfers.**

A. On the effective date of this act, all functions, appropriations, money, personnel, records, files, furniture, equipment and other property of the commission on higher education shall be transferred to the higher education department.

B. On the effective date of this act, all contractual obligations of the commission on higher education shall be binding on the higher education department.

C. On the effective date of this act, all references in law to the commission on higher education shall be deemed to be references to the higher education department and all references in law to the executive director of the commission on higher education shall be deemed to be references to the secretary of higher education.

History: Laws 2005, ch. 289, § 29.

Effective dates. — Laws 2005, ch. 289, § 31 makes the act effective April 7, 2005.

**9-25-5. Secretary; appointment.**

A. The administrative head of the department is the "secretary of higher education" who shall be appointed by the governor with the consent of the senate and who shall serve

**NEW MEXICO HIGHER EDUCATION DEPARTMENT**  
**New Mexico Higher Education**  
**Strategic Priorities and Goals**  
**2006 – 2010**

**Strategic Priority 1: Increase student access and success.**

**Goal 1.1:** Prepare all students to graduate high school and enroll in college ready for success

**Goal 1.2:** Improve the retention and completion rates of all students in higher education

**Goal 1.3:** Raise the minority representation in higher education to be reflective of the state's population

**Goal 1.4:** Improve the minority participation and graduation rates in graduate and professional programs

**Goal 1.5:** Maintain an affordable cost of attendance

**Goal 1.6:** Complete a statewide distance education plan

**Strategic Priority 2: Innovate to meet current and future educational needs efficiently and effectively.**

**Goal 2.1:** Articulate a statewide vision for higher education which includes two- and four-year public and private institutions

**Goal 2.2:** Implement a strategic plan that addresses the needs of all New Mexicans in public and private institutions

**Goal 2.3:** Develop a system for prioritizing deferred maintenance and identify funding mechanism(s) to ensure sustainability

**Goal 2.4:** Implement the policy for service and responsibility areas to prevent duplication of effort and to ensure access

**Goal 2.5:** Improve the recruitment and retention of high quality faculty and staff

**Goal 2.6:** Create a performance and accountability system tied to funding

**Strategic Priority 3: Provide programs and services integral to state and regional economic needs.**

**Goal 3.1:** Recognize and fund the role of research in our state's economy

**Goal 3.2:** Align programs and services with statewide career clusters

**Goal 3.3:** Develop each institution's capacity to be engaged in and add value to its region

**Goal 3.4:** Improve collaboration between two- and four-year institutions to create programs that increase the number of educational opportunities for all New Mexicans

**Goal 3.5:** Support regional vitality by contributing artistic, cultural, and civic assets that attract employers and other residents seeking a higher quality of life

**Goal 3.6:** Create funding mechanisms and support for collaborative technology projects that serve the needs of the state

**Strategic Priority 4: Position New Mexico Higher Education to be ranked in the upper echelon by improving national rankings.**

**Goal 4.1:** Align performance measures with national standards

**Goal 4.2:** Create funding mechanisms that encourage research institutions to be top tier by supporting such initiatives as raising admission standards while still serving the students of New Mexico

**Goal 4.3:** Implement marketing and outreach plan to help recruit students in New Mexico and from other states

**Goal 4.4:** Develop incentives to keep our best New Mexico students in our state institutions

**Goal 4.5:** Partner with the private sector to develop opportunities in New Mexico for internship programs and post graduate employment

**Goal 4.6:** Support institutions' efforts to compete globally and to prepare their students to do so