

ANNUAL REPORT



2017

New Mexico

Higher Education Department

February 12, 2018

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Message from the Cabinet Secretary

Barbara Damron, PhD, RN, FAAN

Cabinet Secretary, New Mexico Higher Education Department



Collaboration and Focus

Collaboration and Focus! We are getting so much done for the good of our students!

Our New Mexico higher education state attainment goal -- the Route to 66 -- has been a driving force for many of the initiatives undertaken in New Mexico. The New Mexico Higher Education Department (HED) works energetically and collaboratively with 31 public higher education institutions (HEIs) across the State. The HED also registers and licenses all private post-secondary schools in the state, which currently number 195.



At HED we first identified what we could implement state-wide that would help increase the success of our students and to help our HEIs become more efficient. These initiatives are done in collaboration with our public HEIs.

Trifecta of Articulation Reform

HED, in collaboration with the HEIs, is accomplishing the most sweeping and efficient articulation improvements in the history of New Mexico higher education. The 3 cornerstones of articulation improvement across our state include: 1) the development and sustaining of a state-wide common course numbering system, 2) an improved general education core curriculum, and 3) the development of state-wide meta-majors.

COMMON COURSE NUMBERING SYSTEM (CCNS)

A state-wide CCNS committee was formed in 2016 and is continuing its work. I am privileged to co-chair this committee with Dr. Garrey Carruthers, Chancellor of New Mexico State University. Representatives from the HEIs included administration, governing board members, faculty, staff, students, and registrars. Every single lower division course (~10,000) is being examined by faculty from all the HEIs in all disciplines. We have 79 separate disciplines (areas of study, e.g. biology, English) throughout our HEIs. Thus far, HED has convened 74 of the 79 groups of faculty (a feat unto itself!) to align the courses in their discipline and to assign each course a number within the CCNS. The remaining faculty groups will complete their work by the first part of spring semester 2018. Registrars from the HEIs have been active members of this endeavor and have been working closely with faculty to establish the common course numbers and letters through-

out all of our HEIs. A cross-walk of the entire common course numbering system will be up and functioning for Fall 2018 and the entire CCNS will be in catalogues by Fall 2019.

GENERAL EDUCATION REFORM

A new model of general education is being developed which emphasizes the essential skills that every college graduate should possess. Identification and certification of courses that fit the model will begin in Spring 2018. Dr. Dan Howard, Executive Vice President and Provost at New Mexico State University, has led this initiative state-wide. Faculty groups from across the state are meeting on a regular basis to inform this important initiative.

META-MAJORS AND DEGREE MAPPING

The state's HEIs are uploading their degree plans for all of the majors offered at our HEIs into a database upon which analytics will be performed in order to identify the meta-majors for the State. Under the direction of Dr. Greg Heileman (formerly of UNM, now at the University of Kentucky), this process will help the HED establish the state-wide meta-majors, thereby providing a system by which students do not lose credits as they explore and decide upon their ultimate major. Students who are undecided can pick a meta-major, which is an academic pathway consisting of one semester of lower division coursework that counts toward a broad group of degree programs and includes aligned mathematics, general education courses and early degree requirements.

Remediation

Because many of our students enter higher education without being fully prepared, as many as 43% of our students need remedial math and/or English, we are implementing state-wide remediation reforms. Traditional remediation has repeatedly been shown to be ineffective in actually moving students to college credit bearing courses that will count toward graduation. Nationally, only about 2 out of 10 students who take remedial, or developmental, courses ever go on to pass the gateway, or introductory, college course. HED has worked with our HEIs to implement co-requisite remediation, stretch remediation, and self-paced remediation. We also have webinars posted on the HED website that highlight how different HEIs have implemented remediation reform.



Message from the Cabinet Secretary

Barbara Damron, PhD, RN, FAAN

Cabinet Secretary, New Mexico Higher Education Department



Should NM have one higher education system?

NM SHEM (New Mexico State-Wide Higher Education Master-Plan)

At the direction of Governor Martinez and the New Mexico State Legislature, HED built upon the strategic planning committee that we convened last year and established the NM SHEM Committee. Over 100 higher education stakeholders, including faculty, students, administration, regents, business leaders, executive agencies, and legislators studied the governing issue for a period of 6 months. The governing structures of all 50 states were studied and evaluated. Nationwide, for states that have changed their governance structure, it is not clear that they have ever achieved significant cost savings as a result of the change. At the end of the study, the HEIs of New Mexico recommended that no change be made to the current governing structure and that the state should look at strengthening the higher education agency by creating a NM Higher Education Council. However, this would keep our 21 governing boards and 10 advisory boards intact. HED provided an analysis of the NM SHEM's work and of the multiple governing systems that were reviewed. Further work is needed to improve outcomes for our students and to increase efficiencies for the state's decentralized higher education system.

Performance Outcomes Based Funding for HEIs

Funding for the State's HEIs is moving from an input-based model (how much square footage does an institution have; how many students are enrolled) to an outcome-based model (are students actually graduating; is the institution graduating underserved and minority students; are the institutions graduating students with the skills to match workforce needs; is science being advanced). New Mexico began a performance outcomes based funding plan in 2012. While our state only runs a very small percentage of the overall funding through this outcome based criteria, evidence is clear that this funding mechanism is working: graduation rates have increased 23% since the formula was put into place.

Student Financial Aid

The Financial Aid Division of the HED provides eight student loan for service programs for students enrolled in a higher education institution in New Mexico. These loans totaled \$2.9 million and supported 245 students in 2017. There is a very low default rate

on these loans, and these programs successfully recruit and retain much needed professionals in our state.

College Readiness

GEAR UP

Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) is a federally funded program that promotes educational success for educationally disadvantaged high school students. The GEAR UP New Mexico program (GUNM) serves middle and high school students, as well as first-year college students who graduated from GUNM high schools. GUNM provides students with academic support and awareness of financial aid opportunities and academic readiness. During the 2016-2017 school year, GUM served 10,105 middle and high school students in 24 schools in 11 school districts and 563 first-year college students as post-secondary institutions throughout the state.

Adult Education

Adult education and literacy services for adults are provided through the HED's Adult Education Division. In FY17 12,755 students across New Mexico were served through the 27 adult education programs in the state. This program is funded by the New Mexico State Treasury and by the U.S. Department of Education through the Workforce Innovation and Opportunities ACT (WIOA).

COLLABORATION AND FOCUS

Through state-wide collaboration amongst all of our higher education institutions and our vast stakeholders, significantly improved outcomes in higher education in New Mexico are being realized. By choosing to focus on state-wide initiatives that can benefit all students, HED is committed to improving the success of New Mexico's students. It is an honor to work with New Mexico's higher education stakeholders, and I look forward to continuing this work in 2018.

Sincerely,

Barbara Damron, PhD, RN, FAAN

Cabinet Secretary, New Mexico Higher Education Department

Executive Summary During 2017, the Policy & Programs Division has continued working on initiatives that will improve articulation and transfer between New Mexico's public and tribal higher education institutions (HEIs):

- ◆ *Common Course Numbering.* Identifying equivalent courses, alignment of student learning outcomes, and assignment of a common course number for all lower division coursework;
- ◆ *Degree mapping.* Developing institutional degree plans, cross-institutional degree plans, and statewide meta-majors to improve articulation of curriculum between institutions;
- ◆ *General Education Reform.* Building a general education curriculum around the essential skills that every college graduate should have;
- ◆ *Advanced Placement Articulation.* Identifying which Advanced Placement tests and scores articulate to New Mexico Common Courses.
- ◆ *Remediation Reform.* Improving the delivery of remedial education across the state; and

In addition, the Division has also worked on the following initiatives:

- ◆ *Graduate programs.* Reviewed and approved proposed graduate programs. Presented approved programs to the New Mexico State Board of Finance;
- ◆ *New Mexico Statewide Higher Education Master-plan (NM SHEM) Committee.* Convened committee of higher education stakeholders and leaders to develop recommendations for changes to the governance structure of New Mexico's higher education institutions; and
- ◆ *Dual Credit.* Working with PED on the Dual Credit Council to administer and recommend changes to the dual credit program.

Common Course Numbering

The Post-Secondary Education Articulation Act (Section 21-1B-2 NMSA 1978) requires the Higher Education Department (HED) to implement common course numbering for all lower division coursework offered at New Mexico's public HEIs by August 1, 2017 in order to ease the transfer of courses between HEIs.

In order to identify common courses, HED collected syllabi for all of the lower division courses offered at New Mexico's public and tribal HEIs. The syllabi were sorted into disciplines and proposed courses by graduate student interns before review by faculty. Small groups of discipline-specific faculty were convened to review course syllabi for their discipline and write course names, descriptions, and student learning outcomes. The draft course outlines for all lower division courses in their discipline were sent to all HEIs for review and feedback. Feedback is sent to the faculty groups and they can either incorporate the suggestions or explain why they did not incorporate the suggestions. After all HEIs have had a chance to respond and their concerns are addressed, the course outlines are considered final. The courses were sent to the New Mexico Association of Collegiate Registrars and Admissions Officers (NMACRAO) for numbering. The newly numbered courses will be returned to the HEIs, where they will undergo internal review and official adoption by curriculum committees.

Seventy-nine academic disciplines that offer lower division coursework were identified. As of December 2017, 74 of the disciplines had been reviewed by faculty and numbered by the registrars. The remaining 5 disciplines will be completed in Spring 2018.

During Spring of 2018, HED will develop

1. A website that houses a user friendly matrix of equivalent courses that students can access. The website is expected to be accessible by Fall 2018. In addition, HEIs will have the common course numbers in course catalogs for Fall 2019.
2. A process to ensure that the common course numbering system is sustainable. This process will include requests to add, remove, and change courses and student learning outcomes.

Degree Mapping and Meta-majors

Undergraduate students often accumulate excess credits as they work their way to a credential. Excess credits cost students time and money.

| Credential | Required Credits | Median Credits to Degree for |
|--------------------|------------------|------------------------------|
| 2-year Associate | 60 | 98 |
| 4-year Bachelor at | 120 | 150 |
| 4-year Bachelor at | 120 | 146 |

**2015 data for New Mexico as reported by HED to Complete College America

In order to help students graduate with fewer credits and in less time, many HEIs have instituted degree plans, which provide students with a term-by-term schedule of courses they have to take to fulfill general education, degree, and college/university requirements in order to graduate on time (2 or 4 years). Degree plans show students which courses are critical to their progress, the order they should be taken, and what grade they have to earn to meet the program’s requirements. Institutions can use the degree plans as default pathways. For example, if a student doesn’t take a critical course or earns less than the minimum grade required, an advisor would be notified to schedule a meeting with the student to discuss how the student can get back on track. The degree plans can also be used by students to self-advise.

HED is collaborating with the Institute of Design and Innovation (IDI) to build degree plans. 19 institutions have either completed or nearly completed curriculum data uploads. Once the uploads from the participating institutions are complete, degree plans and statewide meta-majors will be calculated.

In the first phase of degree mapping, each institution will receive (this phase is expected to be completed by December 1):

- ◆ A basic course listing that displays courses by university, college, department, etc.
- ◆ Detailed term-by-term degree plans tied to workforce information and degree/career exploration that are available

to students on the institution’s website

- ◆ A dashboard that will analyze curricular complexity.

Because the degree plan initiative is part of HED’s trifecta of articulation and transfer reform, the second phase of the degree mapping will be to analyze degree plans from all institutions in order to build:

- ◆ Statewide meta-majors and
- ◆ Cross-institutional degree plans (transfer modules).

The statewide meta-majors and cross-institutional degree plans produced will be approved by the New Mexico Curriculum Committee (an advisory committee convened by HED that will consist of one representative from each institution’s curriculum committee), HEIs, and HED. Approved statewide meta-majors and cross institutional degree plans will be guaranteed to transfer and articulate between institutions for the designated programs.

HEIs included in Phase 1

NMSU
 ENMU
 NMHU
 NNMC
 SJC
 SFCC
 CNM
 CCC
 MCC
 ENMU — Roswell
 UNM
 UNM—Los Alamos
 UNM — Taos
 UNM — Valencia
 WNMU
 NMSU — Grants
 NMSU — Carlsbad
 NMSU — Doña Ana
 NMSU - Alamogordo

Degree Mapping and Meta-majors (Continued)

| Term One: Chemistry | | | Term Three: Chemistry | | |
|--------------------------------------|----|-----------|-------------------------|----|-----------|
| | Hr | Min Grade | | Hr | Min Grade |
| General Chemistry I | 3 | C | Quantitative Analysis | 4 | C |
| General Chemistry I Lab | 1 | C | Calculus II | 4 | C |
| Trigonometry | 3 | C | Technical Writing | 3 | C |
| Pre-Calculus | 3 | C | General Physics I | 3 | C |
| Composition I | 3 | C | General Physics I Lab | 1 | C |
| Elective | 3 | D- | | | |
| Term Two: Chemistry | | | Term Four: Chemistry | | |
| | Hr | Min Grade | | Hr | Min Grade |
| General Chemistry II | 3 | C | Physical Chemistry | 3 | C |
| General Chemistry II Lab | 1 | C | Organic Chemistry I | 3 | C |
| Calculus I | 4 | C | Organic Chemistry I Lab | 1 | C |
| Composition II | 3 | C | Calculus III | 4 | C |
| Social and Behavioral Science Gen Ed | 3 | C | General Physics II | 3 | C |
| | | | General Physics II Lab | 1 | C |

An example of a degree plan is shown above. Degree plans are an important tool for students who have chosen a major.

Students who are undecided can pick a meta-major, which is an academic pathway consisting of one semester of lower division coursework that counts toward a broad group of degree programs and includes aligned mathematics, general education courses and early degree requirements. For example, coursework that is part of a Humanities & Social Science Meta-major (above) may articulate to bachelor's degrees in criminal justice, economics, communications, philosophy, women's studies, and others.

| Humanities & Social Science Meta-major |
|--|
| Freshman Composition (3 cr) |
| Liberal Arts Math or College Algebra or Statistics (3) |
| Humanities or Social Science Gen Ed Course (3) |
| Exploratory Course in Gen Ed Curriculum (3) |
| Exploratory Course in Gen Ed Curriculum (3) |

General Education Reform

The Higher Education Department (HED) is required by statute to establish a "general education core" which consists of a "comprehensive array of lower-division college-level courses designed to demonstrate skills... providing the foundation for a liberal education for all programs normally leading to a baccalaureate degree."

The general education curriculum consists of a specific number of credit hours from each of 5 content areas:

1. Communications,
2. Laboratory Science,
3. Mathematics,
4. Social Sciences, and
5. Humanities.

General education programs across the nation are moving from models driven by content areas (e.g. science, humanities, social science, etc.) to models based on the skills and competencies (quantitative reasoning, critical thinking, communications, etc.)

that are valued by employers and essential for lifelong learning. HED, along with the provosts of the 4-year HEIs, have undertaken an initiative to reform the general education core curriculum.

A general education committee was convened to develop a new, skills based model of general education. The proposed model of general education includes 5 essential skills: communication, critical thinking, quantitative reasoning, personal and social responsibility, and information and digital literacy. Students will be required to take 22 credit hours of courses that have the essential skills embedded in the following content areas: communications, mathematics, science, social & behavioral sciences, humanities, and creative and fine arts. In addition, students will complete another 9 credit hours of general education, which may come from the content areas above and/or other content areas, such as foreign languages, interdisciplinary studies, business, engineering, information technology, etc.

Advanced Placement Articulation

The NMHED convened institution president's and chief academic officers in November to discuss transparency of Advanced Placement (AP) Credit for students. Currently, each institutions AP Policy is being obtained and reviewed by NMHED to see where there are similarities and differences; with the goal of creating one policy that may be used across the board. The NMHED will convene the Curriculum Committee to present the proposed AP Policy and seek their feedback. The goal is to have a statewide transparent AP Policy for students in New Mexico by Fall of 2018.

Remediation Reform

At most of New Mexico's HEIs, remediation consists of stand-alone courses that cover high school level material, while gateway courses are the first college-level course of a sequence (usually Freshman English and Intermediate Algebra). Stand-alone remediation courses are taken sequentially and can take the least prepared student up to 5 semesters to complete. Because students must complete the remedial sequence before they can enroll in the college level course of the sequence, stand-alone remediation adds time and expense to a student's college education.

Nationally, at 2-year colleges, only 22.3% of students who begin in remedial courses ever take and complete a gateway course in the same subject and only 9.5% of those students graduate in 3 years. The lack of student success in stand-alone remediation has led to many innovations in remedial education. The most successful innovations in remedial education include:

1. Co-requisite remediation. In this model, students enroll in a gateway course AND an associated support course. The support course provides the students with needed remedial support while the student is actively taking the introductory course. The most important difference between traditional and co-requisite remediation is that students in the co-requisite remediation model receive college credit and are able to move into higher levels of college courses, if they pass the gateway course.
2. Stretch remediation. In this model, a one semester introductory course is stretched out over two semesters. This gives under-prepared students time to build their basic skills as they work their way through the introductory course.
3. Self-paced remediation. In this model, most commonly used in math courses, a student takes a preliminary exam to identify his/her strengths and weaknesses. A curriculum is developed that focuses on the student's deficiencies so the student can move quickly on to the next course.

The transition to new models of remediation has the potential to make a difference for a large number of New Mexico's students because 86.4% of New Mexico's students entering 2-year colleges and 41.1% of students entering 4-year comprehensive universities require remediation in math, English, or both. To support the transition to new models of remediation, HED has held 3 webinars presented by faculty from New Mexico's HEIs about how they have implemented new remediation curriculum. These webinars were recorded and can be accessed at <http://www.hed.state.nm.us/programs/remediation-and-math-pathways.aspx>.

Graduate Program Review

The NMHED has statutory responsibility to review new graduate programs proposed by state universities as part of its authority for statewide planning and oversight of post-secondary education. The Post-Secondary Educational Planning Act, specifically Section 21-2-5 NMSA 1978, authorizes the NMHED to conduct statewide planning, including analyses of state needs for post-secondary educational programs. Section 21-1-24 NMSA 1978 requires that any graduate program that is to benefit from state funding must first be approved by the NMHED and by the New Mexico State Board of Finance.

In spring 2017, NMSU's MS in Clinical Psychopharmacology and NMIMT's Ph.D. in Electrical Engineering with Dissertation in Cyber Electronic Systems, underwent a thorough vetting process that included the NM Council of Graduate Deans, NM Academic Council of Higher Education, and the NMHED Review Board (represented by HED, DWS, DFA, and LFC). Upon approval by these various parties, both programs continued to the New Mexico State Board of Finance and were ultimately approved. As of fall 2017, two additional graduate programs, UNM's MA in Native American Studies and WNMU's Master of Nursing & Post-Masters Family Nurse Practitioner Certificate, have undergone the aforementioned vetting process and are slated to go before the New Mexico State Board of Finance in spring 2018.

Graduate Program Review (Continued)

The Policy & Programs Division will continue to work on policy changes and materials that would deliver a more comprehensible and efficient vetting process for graduate programs. Policy changes and a new vetting model would also serve as a starting point to execute statutory authority to review bachelor programs and possibly obtain statutory authority to review certificate and associate programs.

New Mexico Statewide Higher Education Master-plan (NM-SHEM)

The current higher education governance structure proved to be a reoccurring theme in the discussion of the challenges facing higher education in New Mexico and under the Governor's directive was made the priority topic of study for NM SHEM. In addition, Senate Joint Memorial 8 (SJM8)—issued this past legislative session—charged the NMHED with studying the “costs and benefits of the current New Mexico higher education governance systems in comparison with other systems, including unitary systems and their variations and any other systems the department determines should be studied...”

To this end, NMHED established three subcommittees to study the subject:

- ◆ Higher Education Governance
- ◆ Reorganization Finance Impact
- ◆ Legislative and Constitutional

The Higher Education Governance Subcommittee established five goals, designed to support the aim of recommending a higher education governance model suited to improving the efficiency and effectiveness of higher education in New Mexico.

1. **Set Direction:** Create clear expectations for how New Mexico's Higher Education Institutions (HEIs) will contribute to state education and economic development goals and develop a higher education governance structure that will meet those needs.
2. **Assess Structure:** Comprehensively assess New Mexico's current higher education governance structure, with the aim of enhancing systems and improving collaboration to create a more flexible system that can quickly support the current statewide goal, as well as adapt to shifting needs and goals in the future.

3. **Define Need:** Define what needs to be accomplished, including: constitutional and statute changes required for recommendations and establishment of operational and process goals to ensure that recommendations lead to a positive return on the state's invested capital.
4. **Create Pathways:** Define and clearly communicate measurable expectations of academic, service, and research partnerships, grounded in the value they are expected to create.
5. **Move Forward:** Advance a New Mexico higher education governance model that is functional, sustainable, and purposeful while ensuring it has sufficient bandwidth to successfully meet the state's education and economic development goals.

After careful consideration of New Mexico's current higher education governance structure, context, and goals for the future, the NM SHEM Committee established a set of recommendations that are grounded in the establishment of a New Mexico Higher Education Council. The NMHED, also carefully considered the current structure, context, and goals, and are suggesting an alternative analysis. Recommendations and analysis were presented to the Governor and Legislature late 2017.

For 2018, the NMHED and the NM SHEM Committee with its various subcommittees will continue to work on the financial impacts and the legislative and/or constitutional changes deemed necessary should either the Governor or Legislature carry forward with governance reforms.

Dual Credit Program

The goal of the Dual Credit Program is to provide high school students with the opportunity to:

1. enroll in rigorous college level academic or career technical courses
2. earn credit toward high school graduation and a post-secondary degree or certificate, ultimately reducing students' costs and time to degree completion post high school.

Dual Credit Program (Continued)

The Dual Credit Council, consisting of staff from HED and PED, is working on policy changes that will ensure that the dual credit program achieves these two goals. The proposed policy changes include:

1. Standards for instructor quality. Instructors must have a master's degree in the field or a master's degree + 18 hours in the field being taught
2. Standards for coursework. Dual credit courses taught offsite must meet the same standards and learning outcomes as those taught at the college campus.
3. Assessment of the dual credit program for effectiveness. Student characteristics, high school completion rates, HEI enrollment, remediation rates, transferability of dual credit courses, and persistence in a degree-granting program.
4. Pathways. To take courses that count, students must choose an area of interest (meta-major) or major (certificate, associates, or bachelors (CTE or academic)). The choice of pathway will guide students to take courses that count, reducing time to degree after high school graduation.

The Dual Credit Council will continue to work on the proposed policy changes through the end of 2017 and release draft changes to stakeholders in early 2018.

National Council for State Authorization Reciprocity Agreements (NC-SARA)

SARA is an agreement among member states, districts and territories that sets national standards for interstate offering of postsecondary distance education courses and programs. SARA allows students to benefit from educational services across state lines.

SARA centralizes the authorization process for each institution in a single state, referred to as the “home state.” By reducing the number of states in which an institution needs to apply for authorization, students benefit from expanded access to educational offerings and institutions benefit by reducing state authorization costs.

New Mexico became a SARA member state on May 12, 2015. SARA includes a national total to 48 states plus the District of Columbia and the U.S. Virgin Islands. Massachusetts has passed legislation to enable state SARA membership and the state will be submitting an application for membership in the near future. Currently there are 1,650 institutions participating in SARA, and institutional renewal rates are above 99 percent.

Student Complaints

NMHED processes student complaints for both private and public post-secondary schools. NMHED helps facilitate resolutions between students and institutions after a student has exhausted use of the complaint procedures within the institution. The complaints are assigned to a two-person team to help facilitate resolution with the institutions. From January 1, 2017 through November 16, 2017, the team processed approximately 50 student complaints from private and public institutions.

NC-SARA

New Mexico

Member Institutions

*Burrell College of Osteopathic
Medicine

*Central New Mexico Community
College

*Clovis Community College

*Dona Ana Community College

*Eastern New Mexico University

*EC-Council University

*National College of Midwifery**

*Navajo Technical University

*New Mexico Highlands
University**

*New Mexico Institute of Mining
and Technology

*New Mexico Junior College

*New Mexico State University

*New Mexico State University
Alamogordo

*Northern New Mexico College

*San Juan College

*Santa Fe Community College

*Southwestern College

*University of New Mexico—
Main Campus

*University of the Southwest

*Western New Mexico University

**Because of certain concerns, this institution has been approved by New Mexico for provisional participation in SARA (see Section 3.2 of the NC-SARA Manual). Please contact the state's SARA portal entity for additional information

Distance Education

Section 21-23B-1 et seq. NMSA 1978 (The Interstate Distance Education Act) was enacted in 2015. Whereas by statute the New Mexico Higher Education Department has the authority to adopt rules and regulations for the receipt of distance education by students in the state and for distance education by institutions to students in other states, the Department issued notice of a proposed rulemaking on October 31, 2017 to adopt new rule 5.99.1 NMAC Public and Private Post-Secondary Institutions Operating Under the Interstate Distance Education Act.

Summary of proposed rule:

The new proposed rule provides oversight, general standards and application requirements for every post-secondary educational institution providing distance education from New Mexico, unless expressly exempted by the Department. Every post-secondary educational institution providing distance education from a home state outside of New Mexico to a student located in New Mexico shall be subject to the oversight, standards and applications requirements set out in the proposed rule.

Rulemaking Activity

The Higher Education Department engaged in rulemaking procedures and the following rulemaking actions were effective on October 31, 2017:

- ◆ 5.3.10 NMAC Capital Projects Approval by Commission on Higher Education was repealed and replaced by 5.3.10 NMAC Capital Projects Approval by the New Mexico Higher Education Department;
- ◆ 5.7.12 NMAC Minority Doctoral Assistance was repealed and replaced by 5.7.12 NMAC Minority Doctoral Loan Repayment Assistance;
- ◆ 5.7.30 NMAC Procedures, Standards and Eligibility Requirements for Participation in the New Mexico Education Trust was repealed and replaced by 5.7.30 NMAC Education Trust Board and College Savings Program;
- ◆ New rule 5.7.33 NMAC Tax Refund Intercept by New Mexico Higher Education Department was adopted;
- ◆ 5.7.20 NMAC Legislative Lottery Scholarship Program was amended.

Notice of proposed rulemaking action for the following rules was issued on October 31, 2017:

- ◆ Repeal of rule 5.100.2 NMAC, Private Post-Secondary Institutions Operating under the Post-Secondary Educational Institution Act. The hearing was held on December 7, 2017.
- ◆ Adoption of a new rule 5.100.5 NMAC, Exemption under the Post- Secondary Educational Institution Act. The hearing was held on December 7, 2017.
- ◆ Adoption of a new rule 5.100.6 NMAC, Registration under the Post- Secondary Educational Institution Act. The hearing was held on December 7, 2017.
- ◆ Adoption of a new rule 5.100.7 NMAC, Licensure under the Post-Secondary Educational Institution Act. The hearing was held on December 7, 2017.
- ◆ Adopting a new rule 5.100.8 NMAC, Closure or Substantial Change to Location under the Post-Secondary Educational Institution Act. The hearing was held on December 7, 2017.
- ◆ Adoption of a new rule 5.99.1 NMAC, Public and Private Post-Secondary Institutions Operating under the Interstate Distance Education Act. The hearing was held on December 8, 2017.
- ◆ Repeal of rule 5.100.3 NMAC, Private Post-Secondary Institutions Operating under the Out-Of-State Proprietary School Act. The hearing was held on December 8, 2017.
- ◆ Repeal of rule 5.100.4 NMAC, Advisory Committee for Private Post-Secondary Education. The hearing was held on December 8, 2017.

All hearings were held at NMHED located at 2044 Galisteo Street, Suite 4, Santa Fe, NM 87505.

Executive Summary The Planning and Research Division supports the vision of a well-informed education leadership community in New Mexico. Employing the guiding principles of teamwork, efficiency, quality and progress, the Division works to fulfill a mission of providing quality information and planning support to the higher education community through collaborative data collection, analysis and reporting.

In addition to routine reporting, the division initiates and completes ad hoc data collection and analyses for quality improvement and public information purposes.

"The Planning and Research Division supports the vision of a well-informed education leadership community in New Mexico."

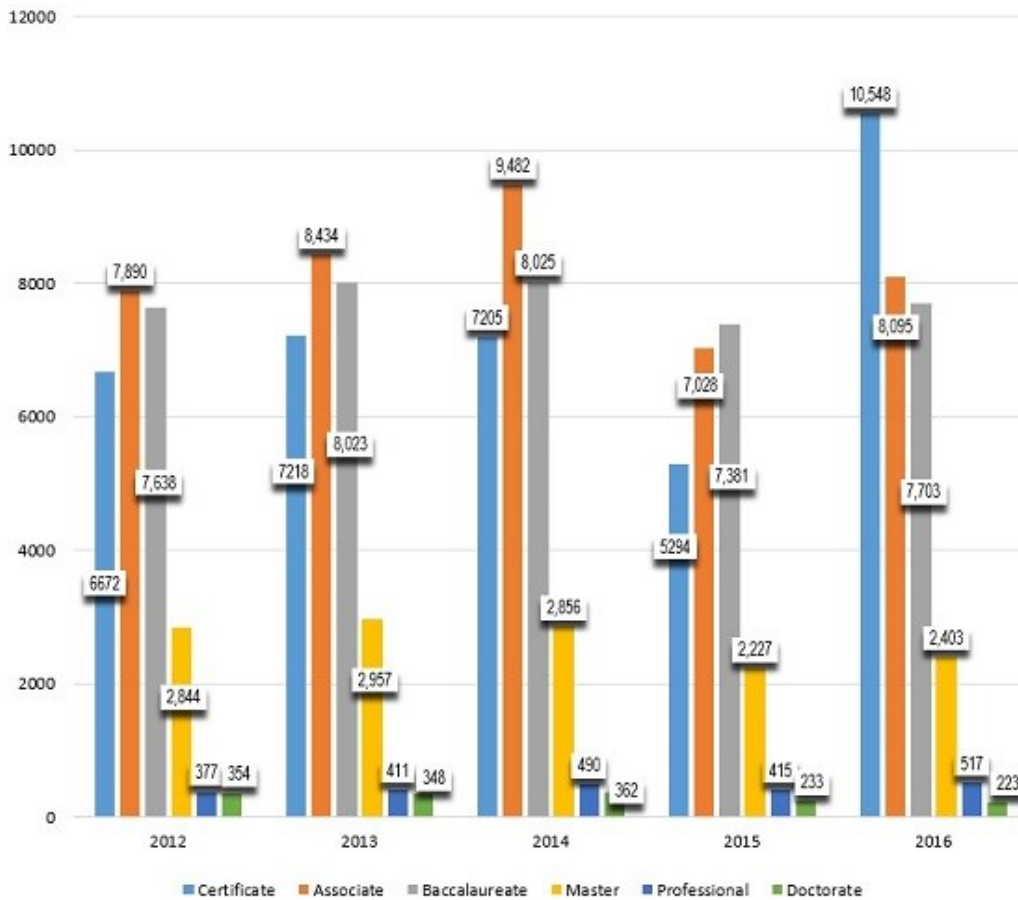
Internal Data Requests

- *Bill Analysis System
- *Data Matching for GEAR UP
- *Data Matching for AE
- *Dept. of Workforce Solutions Data Matching
- *Degree File
- *Enrollment File
- *Financial Aid File
- *Financial Aid NAASGAAP Reporting
- *Financial Aid Lottery data
- *Financial Aid Allocation data
- *FTE data for Capital Projects
- *Time and Credits to Degree
- *Quarterly Report
- *PBBI Reporting

External Data Requests

- State Agencies*
- *PED Data Match
- *Carl Perkins Graduate Enrollment, Career & Technical Match
- *Dual Credit Data for Annual Report
- *Hispanic Education Data
- *Performance Indicator data for Community College
- *Remediation Rate Data
- *Quarterly Report
- *PBBI Reporting
- Other Stakeholders
- *Complete College America
- *BBER
- *Alliance of Minority Participation
- *NM Lottery Authority

Counts of Awards by Academic Year



Source: NMHED Data Editing and Reporting System

Data reported is a count of awards (degrees and certificates) granted by public postsecondary and tribal institutions.

Enrollment Summary—New Mexico Public Postsecondary Institutions

| | Fall 2015 Headcount | Fall 2016 Headcount | Percent Change |
|--------------|------------------------|------------------------|-------------------|
| NMT | 2,146 | 2,162 | 1% |
| NMSU | 15,485 | 14,827 | -4% |
| UNM* | 27,906 | 27,416 | -2% |
| Total | 45,537 | 44,405 | -2% |

Research Universities

*UNM includes Main Campus and Health Science Center College of Nursing, College of Pharmacy, and School of Medicine

| | Fall 2015 Headcount | Fall 2016 Headcount | Percent Change |
|-----------------|------------------------|------------------------|-------------------|
| ENMU—Roswell | 2,680 | 2,875 | 7% |
| ENMU—Ruidoso | 741 | 678 | -9% |
| NMSU—Alamogordo | 1,902 | 1,807 | -5% |
| NMSU—Carlsbad | 2,009 | 1,872 | -7% |
| NMSU—Dona Ana | 8,335 | 8,241 | -1% |
| NMSU—Grants | 1,048 | 1,017 | -3% |
| UNM—Gallup | 2,483 | 2,507 | 1% |
| UNM—Los Alamos | 986 | 1,097 | 11% |
| UNM—Taos | 1,835 | 1,781 | -3% |
| UNM—Valencia | 2,338 | 2,341 | 0% |
| Total | 24,357 | 24,216 | -1% |

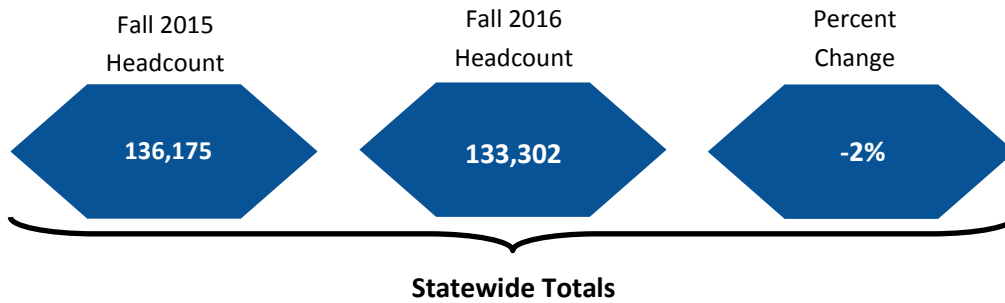
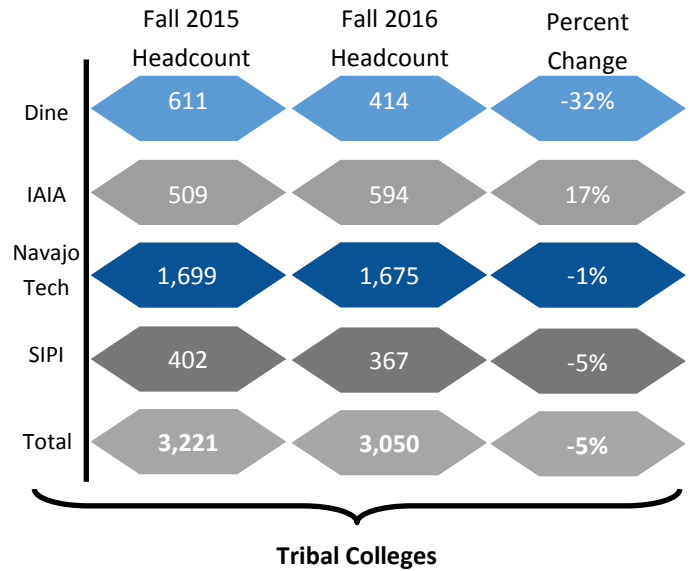
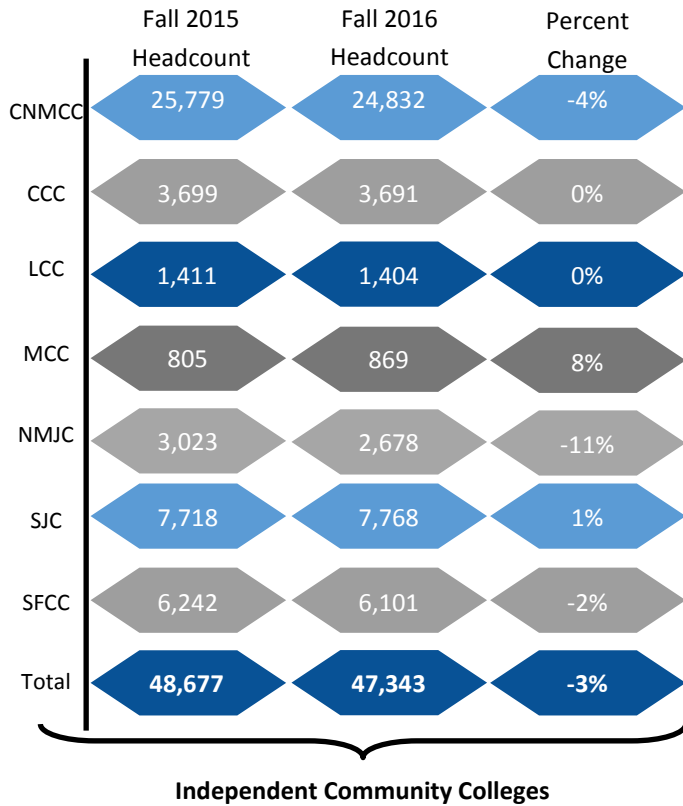
Branch Community Colleges

| | Fall 2015 Headcount | Fall 2016 Headcount | Percent Change |
|--------------|------------------------|------------------------|-------------------|
| ENMU | 6,279 | 6,230 | -1% |
| NMHU | 3,608 | 3,512 | -3% |
| NNMC | 1,082 | 1,126 | 4% |
| WNMU | 3,414 | 3,420 | 0% |
| Total | 14,383 | 14,288 | -1% |

Comprehensive Universities

Source: NMHED Data Editing and Reporting System, Fall 2016

Enrollment Summary—New Mexico Public Postsecondary Institutions



Source: NMHED Data Editing and Reporting System, Fall 2016

Enrollment Summary—New Mexico Public Postsecondary Institutions
Fall 2016 Resident and Non-Resident Student Status

| | Headcount | Resident | Non-Resident |
|--------------|---------------|---------------|--------------|
| NMT | 2,162 | 1,727 | 435 |
| NMSU | 14,827 | 10,503 | 4,324 |
| UNM* | 27,416 | 22,878 | 4,538 |
| Total | 44,405 | 35,108 | 9,297 |

Research Universities

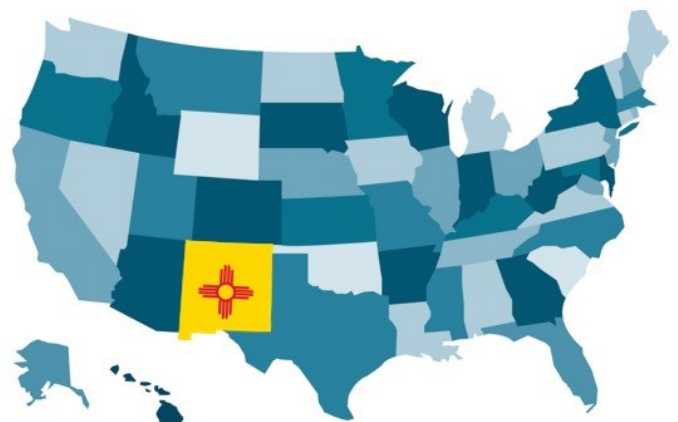
*UNM includes Main Campus and Health Science Center College of Nursing, College of Pharmacy, and School of Medicine

| | Headcount | Resident | Non-Resident |
|-----------------|---------------|---------------|--------------|
| ENMU—Roswell | 2,875 | 2,627 | 248 |
| ENMU—Ruidoso | 678 | 635 | 43 |
| NMSU—Alamogordo | 1,807 | 1,495 | 312 |
| NMSU—Carlsbad | 1,872 | 1,763 | 109 |
| NMSU—Dona Ana | 8,241 | 7,373 | 868 |
| NMSU—Grants | 1,017 | 968 | 49 |
| UNM—Gallup | 2,507 | 1,846 | 661 |
| UNM—Los Alamos | 1,097 | 1,037 | 60 |
| UNM—Taos | 1,781 | 1,740 | 41 |
| UNM—Valencia | 2,341 | 2,284 | 57 |
| Total | 24,216 | 21,768 | 2,448 |

Branch Community Colleges

| | Headcount | Resident | Non-Resident |
|--------------|---------------|---------------|--------------|
| ENMU | 6,230 | 4,646 | 1,584 |
| NMHU | 3,512 | 2,979 | 533 |
| NNMC | 1,126 | 1,064 | 62 |
| WNMU | 3,420 | 2,412 | 1,008 |
| Total | 14,288 | 11,101 | 3,187 |

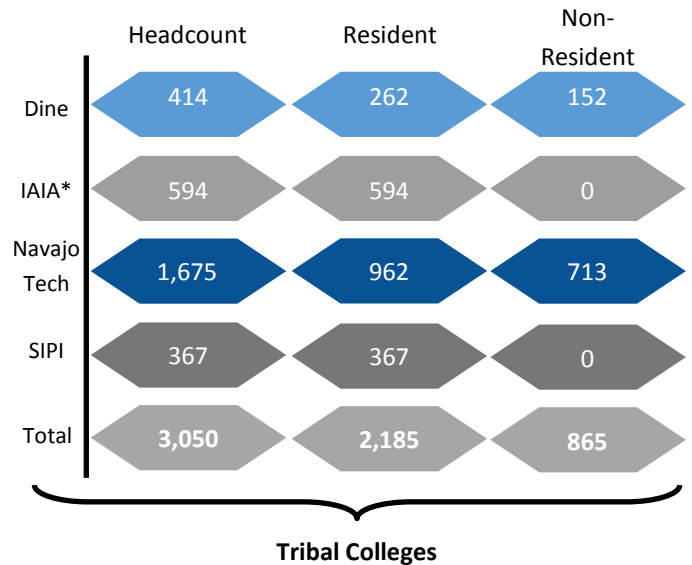
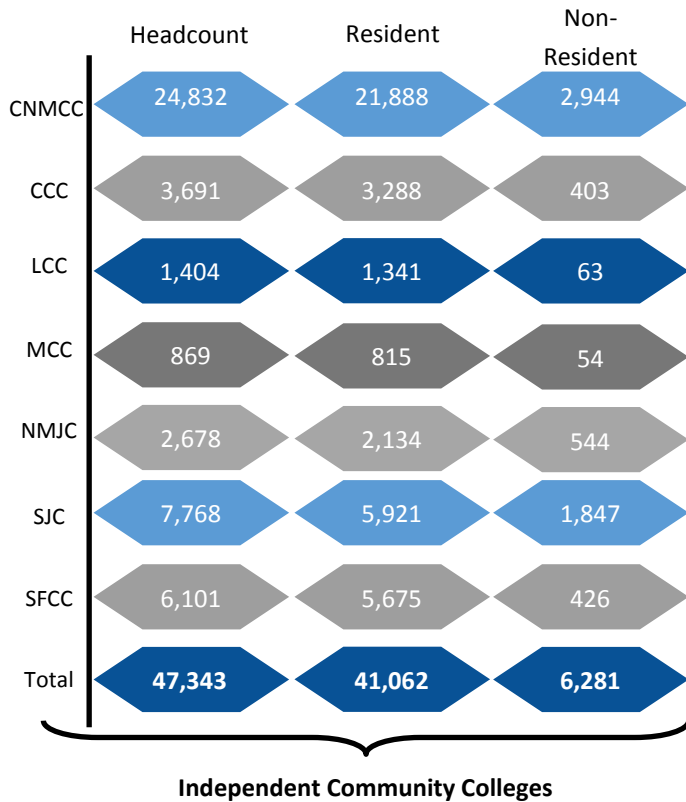
Comprehensive Universities



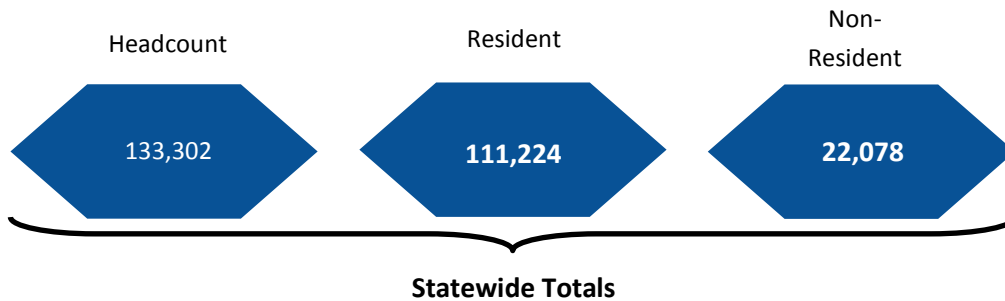
Source: NMHED Data Editing and Reporting System, Fall 2016

2017

Enrollment Summary—New Mexico Public Postsecondary Institutions
Fall 2016 Resident and Non-Resident Student Status



*IAIA—Tuition is not based on state residency, all students pay the same rate per credit hour. Graduate students pay a different rate per credit hour.



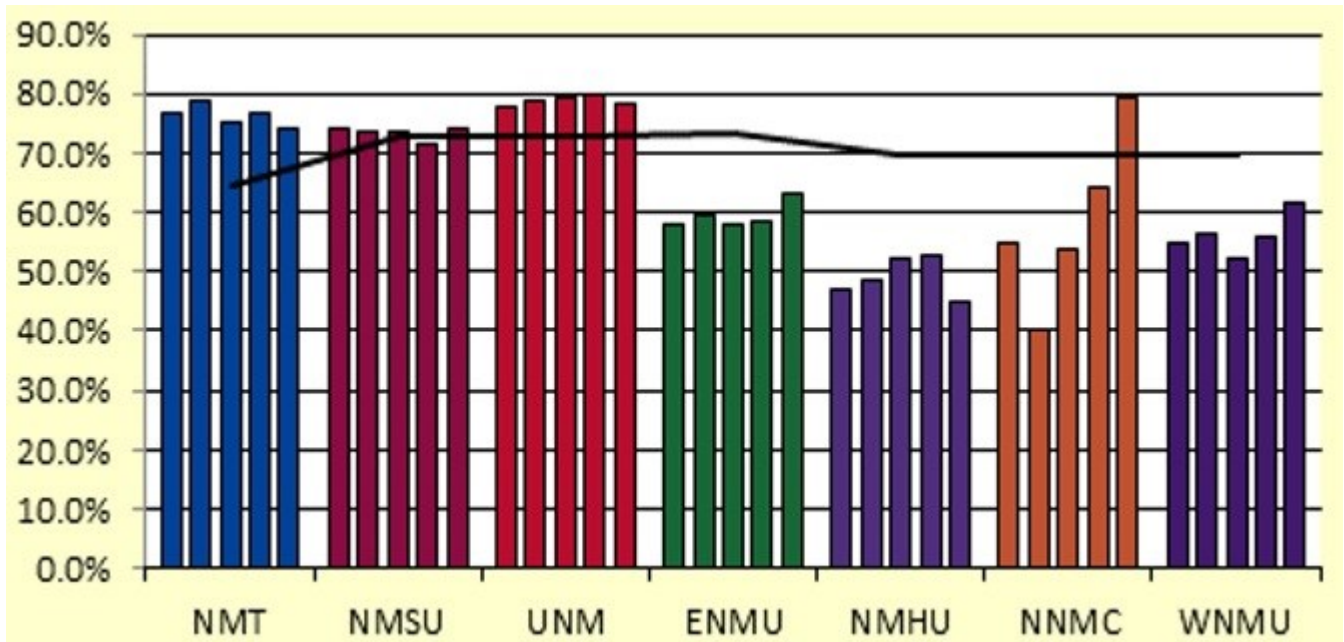
Source: NMHED Data Editing and Reporting System, Fall 2016

Retention of First-Time Freshmen to their Second Year

Persistence of first-time freshmen to the second fall semester varies for all universities from year to year. Open-door admission policies at the comprehensive universities help explain the difference in their retention rates relative to the research universities. The black line in the chart represents the average retention rate for similar public universities based on size and their admission profile, as reported by the Consortium for Student

Retention Data Exchange (CSRDE). The research universities are at or near their CSRDE benchmark; the comprehensive universities are all slightly below. All universities have goals to improve student retention.

Second Year Retention of First-Time Freshmen Students Entering Fall 2013 thru Fall 2017



Black trendline is CSRDE Benchmark for 2016-17 (note: the 5-bars from each institution represent each year from Fall 2013—Fall 2017)

Source: Council of University Presidents Performance Effectiveness Report (November 2017); New Mexico Higher Education Department (November 2017)

Four-Year Graduation Rate of First-Time Freshmen

In past reporting periods, the Planning and Research Division reported six-year graduation rates; however, going forward, four-year graduation rates will be reported. The purpose of this change is to identify the number of students graduating within a 100% timeframe for baccalaureate-level programs.

A graduation rate of first-time freshmen after four years is a measure that all institutions have committed to increase over

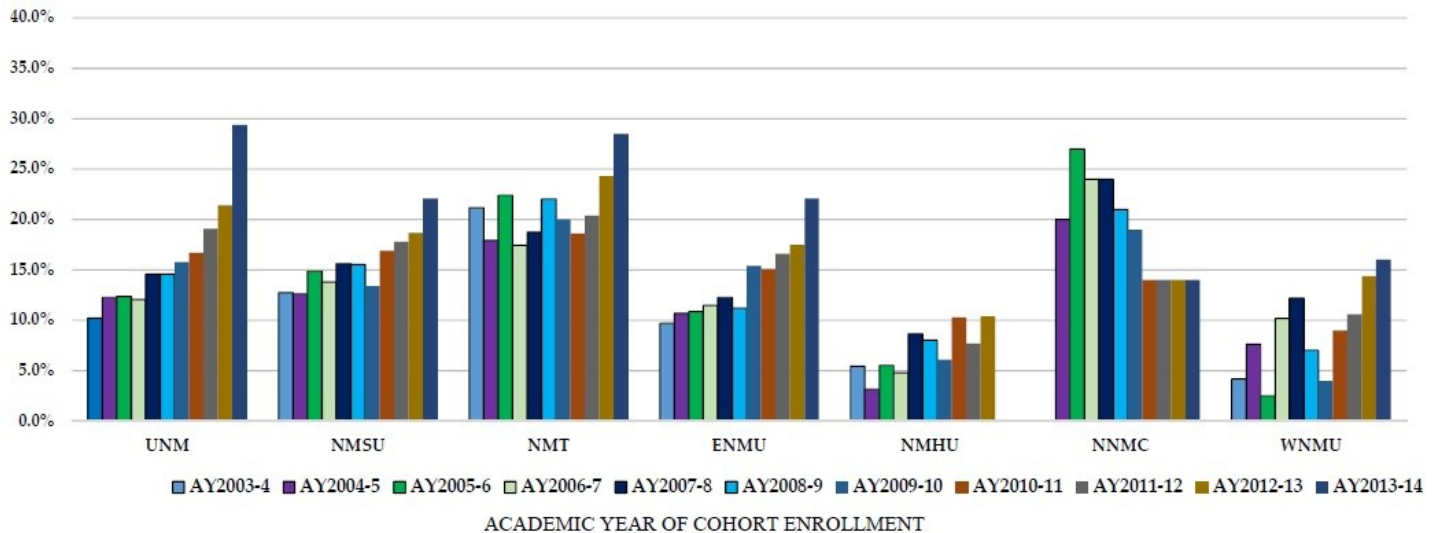
the next few years. The data shows a similar pattern to the retention rate data, with some fluctuations from year to year. As with retention, the admission policies of the comprehensive universities contribute to the lower rates relative to the research universities. NNMC and WNMU both include associate and certificate awards, as well as bachelor's degrees, in calculating their graduation rates.

| NM Four-Year Graduation Rates (100% Standard Graduation Time) for First-Time, Full-Time, Bachelor's Degree Seeking Students, Integrated Postsecondary Education Database (IPEDS) Data | | | | | | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--|-----------|---------------------|
| Academic Year of Student Cohort Enrollment Reports in IPEDS | | | | | | | | | Gathered from each Institution due to lag in IPEDS reporting | | |
| Universities | AY2003-4 | AY2004-5 | AY2005-6 | AY2006-7 | AY2007-8 | AY2008-9 | AY2009-10 | AY2010-11 | AY2011-12 | AY2012-13 | AY2013-14 |
| UNM | 10.2% | 12.3% | 12.4% | 12.0% | 14.6% | 14.6% | 15.8% | 16.7% | 19.1% | 21.4% | 29.4% |
| NMSU | 12.7% | 12.6% | 14.9% | 13.8% | 15.6% | 15.5% | 13.4% | 16.9% | 17.8% | 18.7% | 22.1% |
| NMT | 21.1% | 17.9% | 22.4% | 17.4% | 18.8% | 22.0% | 20.0% | 18.6% | 20.4% | 24.3% | 28.5% |
| ENMU | 9.7% | 10.7% | 10.9% | 11.5% | 12.3% | 11.2% | 15.4% | 15.1% | 16.6% | 17.5% | 22.1% |
| NMHU | 5.5% | 3.2% | 5.5% | 4.8% | 8.6% | 8.0% | 6.1% | 10.3% | 7.7% | 10.4% | *not calculated yet |
| NNMC | * | 20.0% | 27.0% | 24.0% | 21.0% | 19.0% | 14.0% | 14.0% | 14.0% | 14.0% | 14.0% |
| WNMU | 4.2% | 7.6% | 2.5% | 10.2% | 12.2% | 7.0% | 4.0% | 9.0% | 10.6% | 14.4% | 16.0% |
| Graduation Year | AY2006-7 | AY2007-8 | AY2008-9 | AY2009-10 | AY2010-11 | AY2011-12 | AY2012-13 | AY2013-14 | AY2014-15 | AY2015-16 | AY2016-17 |
| Year Data Released | AY2009-10 | AY2010-11 | AY2011-12 | AY2012-13 | AY2013-14 | AY2009-10 | AY2014-15 | AY2015-16 | N/A | N/A | N/A |

There is a delay in the release of the IPEDS four-year graduation rates because cohorts are tracked for six-years so that both four-year graduation and six year graduation can be tracked from the same cohort. For AY2011-12 onwards, data has been obtained from the Institutional Research Offices from individual institutions.

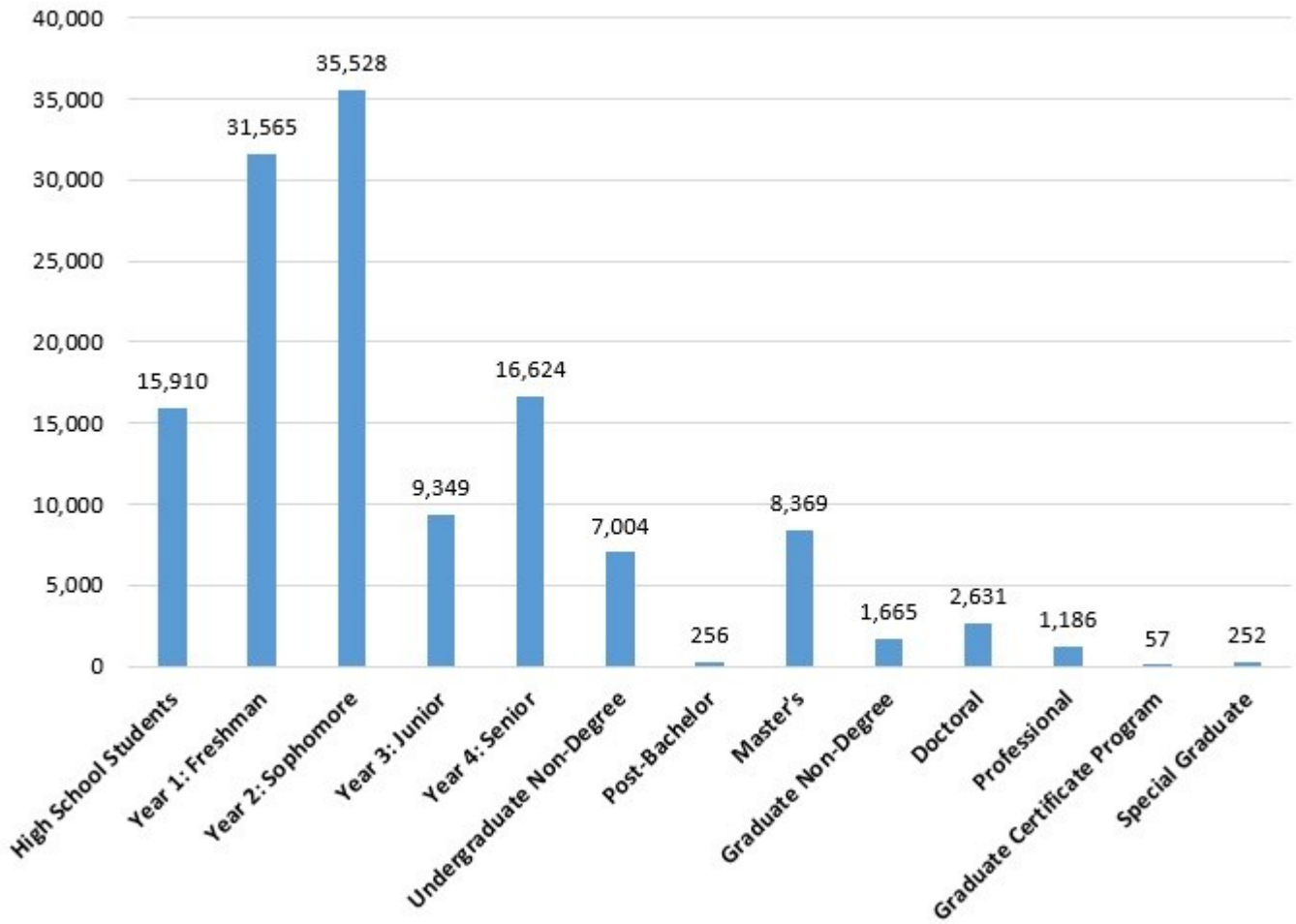
*4 year graduation rates for the Cohorts 2011, 2012, & 2013 are yet to be submitted into IPEDS Collections

4-Year Graduation Rates (100% Standard Graduation Time) for First-Time, Full-Time, Bachelor's Degree Seeking Students, IPEDS Data



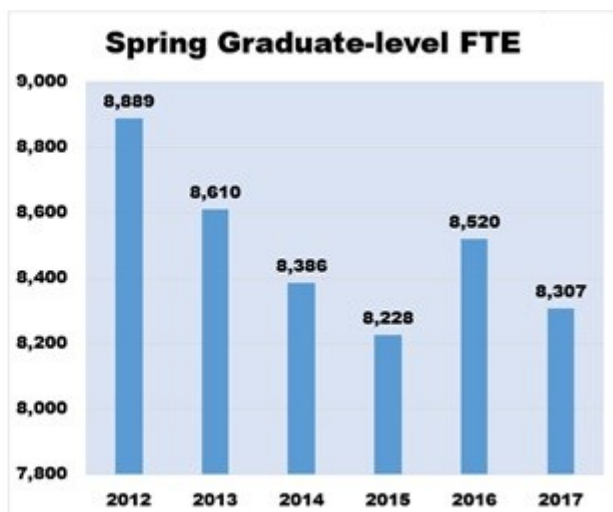
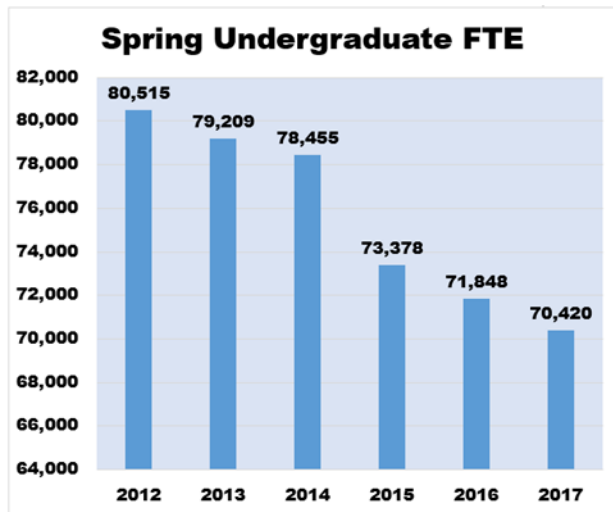
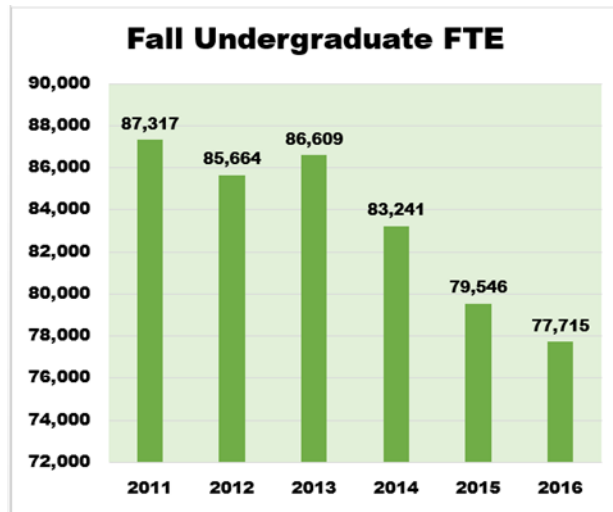
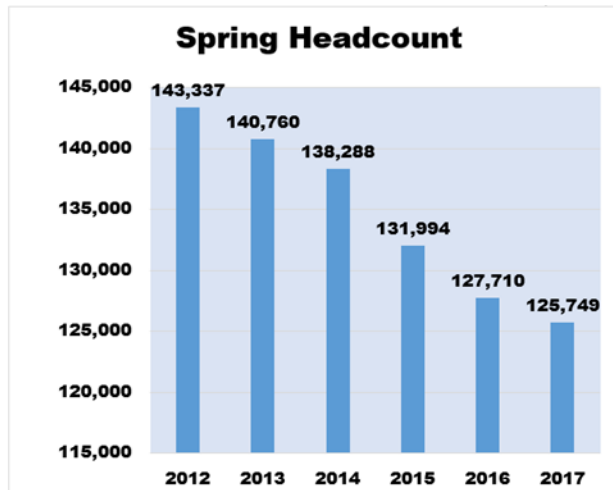
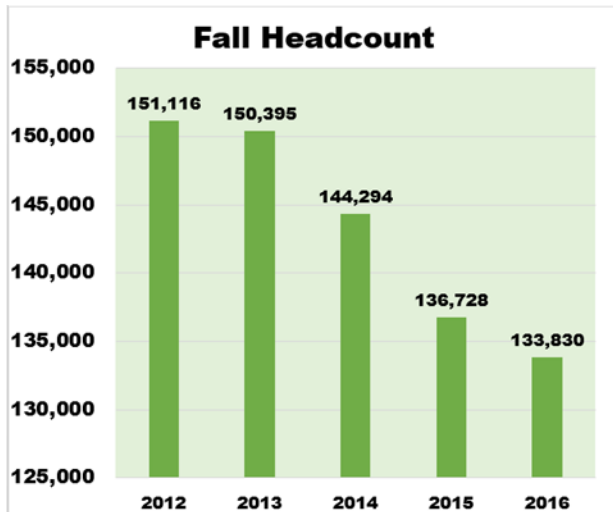
Source: Individual Public Institutions of Higher Education in New Mexico

Fall 2016 Enrollment by Student Level



Source: NMHED Data Editing and Reporting System, Fall 2016

Data reported is a snapshot of Fall 2016 end-of-term enrollment. Includes all public postsecondary and Tribal Institutions of Higher Education.



Source: NMHED Data Editing and Reporting System

Head Count - distinct count of students within each institution. A student enrolled at multiple institutions during the same semester would be counted more than once.

FTE: Full Time Equivalent is calculated by dividing the total number of SCH (i.e., 15 for UG and 12 for GR).

Undergraduate (UG) FTE is based on Undergraduate students (Undergraduate Level includes concurrent, non degree students, resident, non-resident, etc) taking 15 credit hours. Graduate (GR) FTE is based on graduate students (greater than or equal to Master's Level, includes graduate non-degree, resident, non-resident) taking 12 credit hours

Executive Summary The Adult Education Division was moved under the Higher Education Department (HED) in 2003 to provide instructional services for educationally disadvantaged adults. It is funded by the Adult Education fund in the New Mexico State Treasury through an appropriation to HED. Adult education services are also funded by the U.S. Department of Education under the Workforce Innovation and Opportunities Act (WIOA). The purpose of the Adult Education Division is to support free adult education and literacy services in order to:

- 1) assist adults to become literate and obtain the knowledge and skills necessary for employment and economic self-sufficiency;
- 2) assist adults who are parents or family members to obtain the education and skills that—
 - a) are necessary to becoming full partners in the educational development of their children; and
 - b) lead to sustainable improvements in the economic opportunities for their family;
- 3) assist adults in attaining a secondary school diploma and in the transition to postsecondary education and training, including through career pathways; and
- 4) assist immigrants and other individuals who are English language learners in—
 - a) improving their—
 - i) reading, writing, speaking, and comprehension skills in English; and
 - ii) mathematics skills; and
 - b) acquiring an understanding of the American system of government, individual freedom, and the responsibilities of citizenship.

The Adult Education Division supports New Mexico's 27 Adult Education programs who served 12,755 students throughout the state in FY17. State support included distribution and monitoring of \$9,521,798 in Federal and State funding; monitoring sub-grantee compliance and performance; providing technical assistance and professional development; and reporting to federal and state agencies. Feder-

al funding was granted through Title II of WIOA, also referred to as the Adult Education and Family Literacy Act (AEFLA).

Eligibility

Learners who are 16 or more years of age and are not enrolled, or required to be enrolled in, high school are eligible for services, if they:

- ◆ lack sufficient mastery of basic educational skills to function effectively in society;
- ◆ do not have a secondary school diploma or its equivalent; or
- ◆ are unable to speak, read, or write the English language fluently.

Core Performance Measures

To help ensure meaningful student progress, core performance measures guide program planning and curricula. They are the following:

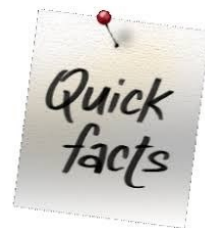
- ◆ attaining a high school equivalency credential;
- ◆ obtaining and retaining employment; and
- ◆ transitioning to postsecondary education.

New Mexico's eligible adults represent important human and economic potential when they are provided access to education and training.

Demographics

Nationwide, the U.S. Department of Education estimates that the Adult Education programs they fund are able to serve approximately 5% of the students who are eligible for services. In New Mexico, we were only able to serve about 3% of people who are eligible to receive adult education services. According to the 2014 American Community Survey, approximately 332,813 New Mexicans between the ages of 16 and 64 do not possess a high school credential.

~332,813
New Mexicans
between the ages of
16 and 64 do not
possess a high school
credential



New Mexico adults have >40% low literacy or educational attainment levels

12,755
 Adult Education Students were served in FY17

949 adult students received their High School Equivalency credential in FY17

1,169 adult students enrolled in post-secondary education in FY17

69% of adult students achieved a measurable skill gain during the program year (a measurable skill gain in adult education equals an advance of approximately 2 grad levels)

2,513 adult learners were in the workforce during the second quarter after program exit

Students between the ages of 25 and 44 represent almost half of NM's adult learners

Demographics (Continued)

An additional 132,000 adults need English as a Second Language (ESL) services. Adult Education in New Mexico tracks only “fundable” students—those who have had 12 or more contact hours of instruction—although the 27 programs serve many for shorter periods. All data reflect only learners who persisted 12 hours or more.



Adult Education Enrollment Trends

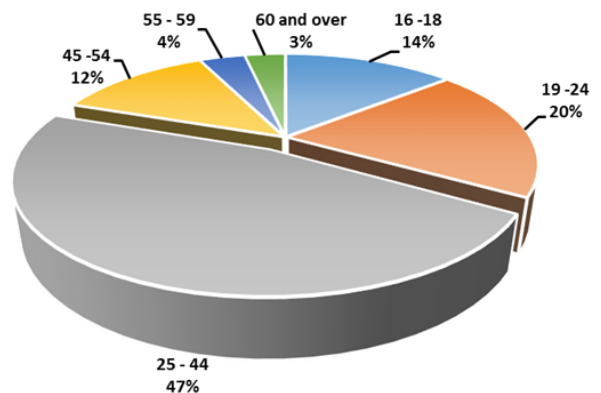
Enrollment declined from 19,364 in FY12/13 to 12,755 in FY16/17, consistent with decreasing state funding and the declining capacity of programs to pay instructors. During FY16 the number of students ready to study for a High School Equivalency decreased somewhat, and the proportion studying ESL declined significantly.

| Program Year | Beginning Literacy | Adult Education | Adult Secondary Education | ESL | Total Enrollment |
|--------------|--------------------|-----------------|---------------------------|------|------------------|
| FY 12/13 | 3035 | 7364 | 1668 | 7297 | 19364 |
| FY 13/14 | 2701 | 6435 | 1215 | 6445 | 16796 |
| FY 14/15 | 2406 | 6016 | 1089 | 5842 | 15353 |
| FY 15/16 | 2381 | 5861 | 1228 | 5094 | 14564 |
| FY 16/17 | 2057 | 5048 | 1167 | 4483 | 12755 |

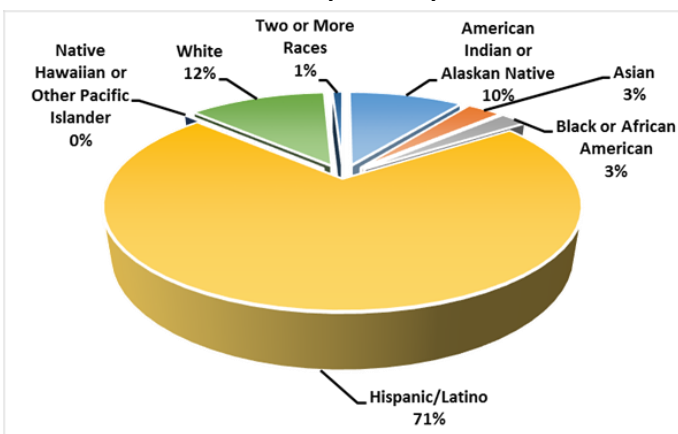
Ethnicity and Age

Altogether, 71% of students receiving adult education services identify as Hispanic, only 12% as white, and 10% as American Indian or Alaskan Native. Four of New Mexico's Adult Education programs, three located on reservations and one at Southwest Indian Polytechnic Institute, serve only Native American students, and almost all programs serve some. In terms of age, students between the ages of 25 and 44 represent almost half of New Mexico's adult learners, and that proportion has been gradually increasing over recent years.

Adult Ed Students by Age in NM FY17



Adult Ed Students by Ethnicity in NM FY17



71% of students receiving adult education services in NM identify as Hispanic

Funding In FY17, the Adult Education Division of the Higher Education Department provided oversight for 27 local Adult Education programs throughout New Mexico and \$9,521,798 in state and federal dollars. Of this, \$5,242,024 was appropriated for the Adult Education Fund through the Higher Education Department's operating budget, and \$4,279,774 was federal funding. The federal funding is part of the Workforce Innovation and Opportunity Act (WIOA) formula grant funding. This funding for New Mexico State Adult Education programs is awarded through Title II of the WIOA, also called the Adult Education and Family Literacy Act (AEFLA).

Of the 27 local programs, 21 are housed at postsecondary institutions, four at community-based organizations, one in the New Mexico state corrections system, and one at a school district.

Program Monitoring and Support

Adult education in New Mexico is committed to continuously improving program performance. Accurate and timely data collection and entry, ongoing program monitoring, and professional development are key components. To guide practice in the state, the Adult Education Division and the local programs explore promising practices and pilot those that are economically feasible.

- ◆ **Data**—The Adult Education Division monitors program data quality by performing regularly scheduled bi-annual site visits. In addition, the Adult Education Division analyzes performance measures for the programs twice a year and monitors data quality and integrity using a series of database diagnostic tools on a monthly basis. The Adult Education Division also coordinates and provides training to local data technicians and program managers regarding data entry and use.
- ◆ **Program Monitoring**—in FY 16/17, 13 of the 27 local programs received bi-annual site visits from the Adult Education Division. The visits were largely procedural, to ensure the presence of necessary procedures and compliance with grant requirements, both state and federal. The Adult Education Division examined financial and data processes, as well as program intake, orientation, assessment, student placement procedures, curriculum, facilities, and staff.
- ◆ **Professional Development**—Throughout FY17 the Adult Education Division provided professional development to improve the skills of program administrators, fiscal officers,

data technicians, and teachers. Professional development activities took place at statewide conferences, regional gatherings, and in periodic webinars. The state's major focus was on teacher improvement, especially in math and reading.



GEAR UP

(Gaining Early Awareness and Readiness for Undergraduate Programs)

2017

Executive Summary In 2012, the U.S. Department of Education awarded the New Mexico Higher Education Department (NMHED) a total of \$33.9 million over seven years (\$4.8 million annually) to fund Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP). Having recently completed its fifth year, GEAR UP New Mexico (or GUNM) is designed to increase the number of students graduating from high school and enrolling in postsecondary education and/or training without the need for remediation. The grant follows a priority model, the focus of which is to serve 7th – 12th grade students, as well as first-year college students who graduated from GEAR UP New Mexico high schools. During the 2016-17 school year, GUNM served 10,105 middle and high school students in 24 schools in 11 school districts and 563 first-year college students at post-secondary institutions throughout the state.

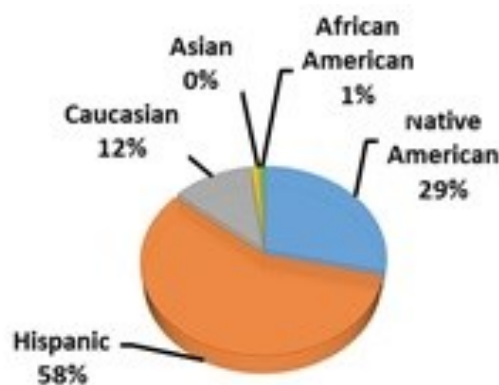
During SY 16/17 GEAR UP New Mexico served 10,105 middle and high school students

GEAR UP’s purpose is to increase college-access opportunities for under-represented, low-income, minority, and first-generation college-going students. Racial and economic disparities have posed significant barriers historically to enrollment in higher education, effectively limiting opportunity for generations of students. GUNM equips students and their families with the skills and knowledge to overcome these obstacles by providing them various academic supports and financial aid and academic readiness awareness, as well as teaching students’ non-cognitive skills (such as self-efficacy, self-determination, and self-advocacy) critical to post-secondary success. GUNM also seeks to foster a richer college-going culture through support of school-based models that fill identifiable gaps in services, enrich existing ones, and bring about sustainable change through implementation of replicable programs to meet the unique and varied needs of students, staff, families, and their local communities, supports that are aligned with specific goals in the Educational Plan for Student Success (EPSS) and School Report Cards set forth by the New Mexico Public Education Department (NMPED).

Gear UP Service Area and Population

GUNM students reside in communities rich in culture, history, and tradition and reflective of the state’s historically tri-partite ethnic composition. GUNM Student Population, 58% of our students identified as Hispanic, 29% as Native American, and 12% as Caucasian. In addition, the sizeable Native American population consists of students of varied tribal backgrounds, primarily Navajo and a number of culturally-distinct Pueblos. 86% of GUNM students identified as Free/Reduced Lunch status.

GUNM Students by Ethnicity



GEAR UP New Mexico students come from communities ranging in size from Gallina, population 286, to Santa Fe with a population of 84,099, and with median household incomes spanning a high of \$51,635 in Los Lunas to a low of \$27,654 in Peñasco. Two communities, Cochiti Pueblo and Peñasco, have median incomes below \$30,000, while annual income levels at five others remain under \$40,000. The only locales where median household income exceeds \$50,000 are Los Lunas and Santa Fe (both of which are slightly above the state average of \$45,524).¹

¹These statistics come from the American Community Surveys administered annually by the US Census Bureau.



GEAR UP

(Gaining Early Awareness and Readiness for Undergraduate Programs)

2017

Gear UP Service Area and Population (Continued)

All but one (Santa Fe) of GUNM's partner districts are located in small towns and villages in heavily rural areas without significant economic development. Many are located on or near Indian reservations, lands typically without significant tax bases or economic infrastructure.² These demographics reflect a set of conditions (i.e., dispersed population, physical isolation, and lack of significant economic development or transportation infrastructure) that creates added challenges to increasing post-secondary opportunities for New Mexico's students.

GUNM Service Delivery

GUNM programs and services have been designed to meet the following four objectives:

- ◆ improve students' academic performance and preparation for postsecondary education;
- ◆ increase high school graduation rates and postsecondary enrollment for GUNM students;
- ◆ augment students' and their families' knowledge of postsecondary options, readiness, and financing; and
- ◆ foster change in partner districts that is both systemic and sustainable, supportive of continued efforts to increase students' preparation for postsecondary enrollment and career success.

During the 2016-17 school year, GUNM continued existing initiatives, refining their implementation and deepening their reach, while launching additional ones, particularly in the areas of mentoring, student leadership, and raising awareness of post-secondary opportunities, preparation, and financing. GUNM funds have allowed partner districts to conduct college visits, administer comprehensive financial planning activities with families, coordinate transition programs for rising 9th graders, offer tutoring, ACT test prep, credit recovery, and dual credit, and

provide meaningful summer enrichment programs focused on college and career readiness.

Underlying this range of services are GUNM's core pillars—an embedded literacy intervention, a College and Career Readiness system (CCRS), and opportunities to develop student leadership. Over the course of the past school year, GUNM was able to make improvements in each of these three areas by refining past practices, as well as developing new ones.

GUNM funds literacy intervention classes for students identified as "nearing proficient" in Reading in each of its partner districts. These classes utilize a research-based reading program, targeting vocabulary development, text structure, and comprehension strategies to help students score proficient on the state-mandated PARCC assessment and to prepare students for success in their core English and other content area classes, allowing them to remain on-track to graduate. Over the past year, GUNM also articulated a more structured and measurable "standards of practice" to outline more explicitly state-level expectations for each literacy intervention program in its partner districts. In 2016-17, GUNM also expanded its funding for intervention services to include Math instruction in four districts where student achievement data demonstrated such a need.

GUNM, through its support for CCRS, enables partner districts to increase the rigor of their course offerings and assist students in acquiring the academic skills and self-efficacy behaviors necessary to successfully navigate postsecondary studies. Six districts use AVID as their CCRS, two implement the Model schools framework from the International Center for Leadership in Education (ICLE), while three have developed their own locally-grown college readiness system.

²In addition to Central Consolidated School District on the Navajo Nation and Walatowa High Charter School on Jemez Pueblo, three other districts (Grants-Cibola County, Jemez Valley, and Bernalillo) border reservation land and comprise large percentages of students from a number of different Native American tribes, including Navajo and the pueblos of Acoma, Laguna, Jemez, Santo Domingo, Sandia, San Felipe, Santa Ana, and Zia.



GEAR UP

(Gaining Early Awareness and Readiness for Undergraduate Programs)

2017

GUNM Service Delivery (Continued)

Each district's CCRS adheres to a set of well-defined, measurable elements (adapted in part from the National High School Center, based at the American Institutes for Research) that encompasses instruction, assessment, professional development, and sustainability, while lending greater structure and accountability for school-wide implementation. GUNM's support for these CCR systems is designed to increase the level of rigor (or cognitive demand) of instruction, foster a "college-going" culture, and better prepare students for post-secondary studies, while also representing a powerful means of institutional change.

GUNM believes that leadership often emerges in students once they are provided rich and meaningful experiences to explore, exercise, and expand their emergent capabilities in this area. To that end, GUNM provides an annual Student Leadership Conference, designed to raise college and career expectations while developing leadership skills. Twelve students from each district attend this conference, learning and applying skills in an effort to develop as leaders, serve as mentors to other students, and nurture the creation of sustainable mentoring and service leadership programs.

In 2016-17, GUNM revamped its school-based student ambassadors, renaming them CEOs (College Engagement Officers), charged with raising college readiness awareness among their peers on campus. These student leaders, many of whom attend the Student Leadership Conference, provide organizational supports to our GUNM Program Coordinators, in their efforts to establish a range of school-based college readiness resources for students and families. These CEOs play a number of important roles, assisting Program Coordinators in coordinating GUNM events, raising awareness, and increasing the visibility of GUNM on their campuses and in their communities.

Finally, in 2016-17, GUNM refined the principal component of its evaluation infrastructure to reflect a more concentrated and practical evaluation process for Program Coordinators and state-level staff as they track and measure grant deliverables. This concerted effort involved changes to the Continuous Program Improvement Plan (or CPIP), detailing GEAR UP service delivery

at each partner district for the school year. This district-specific plan, adhering to minimum standards for service delivery and promising practices rooted in evidence and feedback from participants, was re-aligned to focus more acutely on the federal government's GPRA, or Government Performance and Results Act, indicators (the reported outcome measures required of all federal grants).

GUNM Highlights for School Year 2016-17

GUNM made a number of advances during its recently-completed fifth year—a time of significant change, yet on-going progress in programming and service delivery. Three such areas, in particular, were student leadership, mentoring, and organization of state-wide initiatives, each one an important thread in the tapestry of college readiness.

One of the most significant successes during the year was GUNM's growth in the breadth and depth of its college and career readiness services, particularly as seen in a notable expansion state-wide college readiness initiatives. Students in every high school in every partner district were able to take advantage of visits to college campuses, mentoring, college test prep, and, substantial support in completing college applications and the Free Application for Federal Student Financial Aid (FAFSA). In February

GUNM partnered with ACT to sponsor its first statewide ACT testing Day

2017, GUNM partnered with ACT to sponsor its first statewide ACT testing Day, making available to all seniors and juniors at its 11 high schools the opportunity to take the ACT college entrance exam for free. Hundreds of students took advantage, and plans are for the GUNM-ACT partnership to expand in the 2017-18 school year.



GEAR UP

(Gaining Early Awareness and Readiness for Undergraduate Programs)

2017

GUNM Highlights for School Year 2016-17

(Continued)

2016-17 also saw a dramatic growth of GUNM-funded mentoring services at its partner districts with the notable expansion of its partnership with Student Success Agency (or SSA). SSA gives high school students a personalized, one-on-one college agent (or mentor), charged with providing different types of individualized college readiness supports, such as assistance with scholarships and college entrance essays. As these SSA mentors are mostly undergraduate and graduate students at higher education institutions throughout the United States, the interactions primarily come through an electronic or virtual format (i.e., phone calls, emails, and texts). However, in June 2017, GUNM held its first GRIT Student Success Camp in Glorieta, New Mexico—a three-day event that provided students with the opportunity not only to meet their SSA college agent/mentor in person, but to spend time with them and other students (and their college agents) in the context of learning more about college readiness, developing relationships, and nurturing a network of college-going peers.

In October 2016 GUNM dramatically reconfigured the approach to its annual Student Leadership Conference (or SLC). The SLC, one of the defining moments of the GUNM calendar, serves as the chief state-wide event that centers on the nurturing of the next generation of New Mexico's leaders. The focus of this

youth conference, often involving broad ideas regarding “leadership,” evolved in 2016 to embrace a more nuanced, three-pronged theme of “GEAR UP is all about me, GEAR UP is all about you, GEAR UP is all about us.” This action-oriented approach emphasized student voice and diverse college readiness supports within a broader context of service learning. Each student group met, discussed, and developed a school and community-based service project relevant to each group’s local community that they subsequently brought back to their school sites for further refinement and eventual implementation.

In addition, GUNM was able to amplify this experience through an exciting new partnership with Little Globe, a local film-making company. Little Globe, in conjunction with GUNM’s PR and Outreach Director, worked very closely for many months with the student CEO groups at three partner districts—Bernalillo Public Schools, Los Lunas Public Schools, and Peñasco Independent School District—to document the implementation of these service projects and detail the role of GEAR UP in students’ lives, while teaching students fundamental skills in the area of film-making. The film, through a series of poignant student testimonials provided a powerful window into our mission around college readiness, capturing important qualitative data on the profound impact of GEAR UP on individual lives.

**GUNM Student
Leadership
Conference (October
2016)**





GEAR UP

(Gaining Early Awareness and Readiness for Undergraduate Programs)

2017

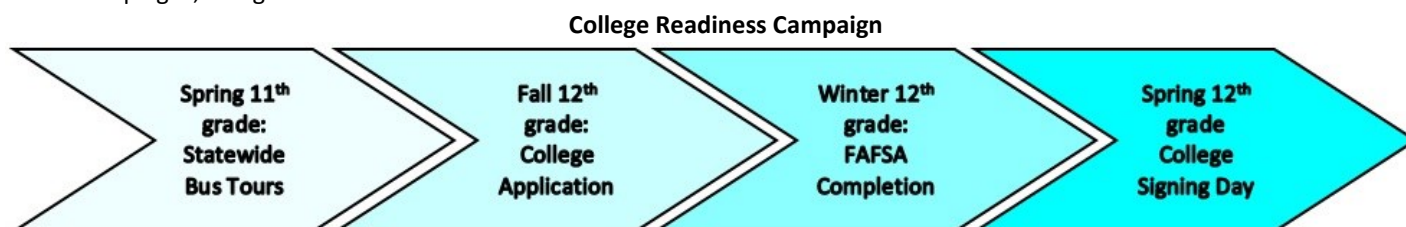
GUNM Highlights for School Year 2016-17

(Continued)

Another highlight was GUNM's enhanced ability to provide students and families multiple opportunities to increase awareness of financing and academic preparation for post-secondary studies through acutely-focused, state-wide college readiness campaigns supported by promotional materials, public relations efforts, and direct staff assistance. GUNM's delivery of services in college readiness, once a number of isolated events, has evolved to a suite of inter-related campaigns reflecting a purposeful progression, governed by explicit objectives and backed by extensive promotional materials and outreach efforts.

These campaigns, designed to reflect

Mexico University, Eastern New Mexico University, New Mexico State University, New Mexico Tech, Doña Ana Community College, Mesalands Community College, and New Mexico Military Institute. These coordinated college tours not only give students critical first-hand, institution-specific information regarding academic preparation, admissions, and financing, but also provide them rich opportunities to establish relationships with other students likely be in their freshman postsecondary cohorts. The effects of these personal on-campus experiences cannot be over-estimated on students' motivation, knowledge, and perception about enrolling in post-secondary studies.



a logical sequence as students explore and pursue postsecondary options more deeply over their final two years of high school include spring and summer college bus tours, followed by participation in College Application Week, FAFSA before March 1st, and an end-of-the year College Signing Day. Each partner district, with support from NMHED staff, hosts each of these campaigns beginning with the spring and/or summer of students' junior year in high school and culminating in May of their senior year.

◆ **GUNM College Bus Tour.** During 2016-17, GUNM again expanded its state-wide, three-day college bus tours targeted to juniors and rising seniors, adding a second spring bus tour to its existing spring and summer trips. These tours allow students to visit campuses, talk with students and professors, meet college counselors, and explore the unique program offerings at a range of public postsecondary institutions in the state that many students may not otherwise get an opportunity to visit in person, including Western New

◆ **College Application Week.** GUNM's College Application Week (CAW) began in 2013 as a pilot in five partner districts, and within two years had grown to a state-wide campaign, supported by public relations and outreach efforts, with full participation from all eleven districts. During this week in November, high schools celebrate their seniors' efforts with college-themed activities and/or presentations, in addition to the formally designated times for seniors to submit their college applications. In 2016, GUNM reached its highest outcome levels yet for this critical campaign, recording the greatest percentage of student participation and application submission rates. 68% of GUNM seniors participated (compared to 62% in 2015) with 61.5% completing at least three applications. More significantly, the average number of applications completed by each student has steadily risen from 1.5 in 2014, to 2.3 in 2015, and finally, to 2.6 in 2016.³

³Research has shown that increasing the number of college applications from one to two can improve a student's probability of enrolling at a four-year college by 40 percent, while submitting three can increase a student's probability of enrollment by another 10 percent. See Smith, J. (2011). Can applying to more colleges increase enrollment rates? Research brief: College Board Advocacy & Policy Center. Retrieved November 30, 2016, from <https://research.collegeboard.org/sites/default/files/publications/2014/9/research-brief-can-applying-to-more-colleges-increase-enrollment-rates.pdf>



GEAR UP

(Gaining Early Awareness and Readiness for Undergraduate Programs)

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GUNM Highlights for School Year 2016-17

(Continued)

- ◆ **FAFSA Completion before March 1.** In 2016, New Mexico ranked 50th nationally in family income and 40th in the number of families who completed the FAFSA; moreover, only 38% of New Mexico children have at least one parent with a college degree.⁴ Consequently, many students who qualify for financial assistance do not receive it, and the application process is often a daunting one for families. Thus, GUNM has put into place a range of services for Partner Districts to help students and their families through the process, including a coordinated state-wide campaign, supported by extensive outreach and promotional materials. In October 2016, GUNM rolled out its annual FAFSA Before March 1 campaign, a three-part series of workshops, providing help with each step from orientation and preparation of paperwork to the completion of the FAFSA itself. In 2016-2017, 31% of GUNM seniors completed their FAFSA by March 1st, compared to 24% the previous year (and 22% in 2014-15). This marked improvement represents the highest completion rates ever for GUNM, and enabled its Partner Districts to exceed the rate for the rest of the state for the first time since the beginning of the current grant.
- ◆ **College Signing Day.** In May, 2017, each of GUNM's eleven partner districts held a College Signing Day ceremony. This event offered a chance to highlight students' accomplishments in gaining acceptance to an institution of higher education as well as to recognize the hard work and support of their families. In the relatively isolated communities from which many GUNM students – many of whom are first generation college-going – come, celebrations such as these serve as significant motivation to attend postsecondary institutions, helping to raise the expectations of families regarding postsecondary options for their children. Thus, this celebration serves dual functions—encouraging postsecondary enrollment and building aspiration—both of which rep-

resent critical elements central to the GUNM mission. Indeed, the post-secondary enrollment rate for GUNM students has risen sharply from 43% in 2015 to 49% in 2016 (the most recent year for which data are available), marking the first increase in this set of data.

Finally, on a national level, GUNM received added distinction with a number of presentations at national conferences by both state and district-level GUNM staff, as well as the recognition of Ms. Marisol Aragon, Bernalillo Public Schools' Program Coordinator, as GEAR UP West's Professional of the Year for her outstanding achievements and service to her students and their families (awarded in October, 2016 at the annual regional conference in Spokane, Washington).



Graduating seniors from Jemez Valley High School high-five elementary student's during College Signing Week

⁴These figures come from the recent report, *Quality Counts 2016*, issued by the Education Week Research Center. Retrieved January 8 2016, from <http://www.abqjournal.com/702674/news/nm-49th-in-report-on-education-quality.html>.

PRIVATE & POSTSECONDARY SCHOOLS

2017

Executive Summary The Private Postsecondary Schools Division (PPSD) operates under the authority of the Post-Secondary Educational Institution Act, the Out-of-State Proprietary Schools Act, the Nonproprietary Out-of-State Institutions Act, and the Interstate Distance Education Act. The PPSD staff are tasked with oversight of the private postsecondary educational institutions and public out-of state postsecondary educational institutions seeking state authorization and authorization for agents to recruit New Mexico student to attend out of state higher education institutions.

During the Special New Mexico Legislative Session in September 2016, the post-secondary educational institution fund was swept, leaving no funds to maintain the staffing levels for the Division. Since January the Division has operated with one full time employee, as the Higher Education Department leadership made the decision to move one general fund employee to the division to keep the division operational. Since July 2016 the Division received 156 application for state authorization, 65

applications for offering new academic programs, 57 applications for designations of agents, and 150 closed school transcript requests.

As of November 2017, 139 applications for state authorization have been reviewed and the division has 17 additional applications pending review completion. The division has completed 150 closed school transcript requests with a copy of the transcript in NMHED’s custodianship or a letter of no record. The division has responded to 57 applications for designation of agents. New academic program applications have not been reviewed.

Rebuilding the Division

In addition to the review of applications, the assigned Director of the Division has developed a restructuring plan, which includes amending administrative rules, restoring a revenue stream for the Division’s operating budget, developing a plan for implementation of new processes, and developing and implementing a sustainable staffing and technology plan.

New and Amended Rules

The Department has begun the process of repealing 5.100.2 NMAC, Private Post-Secondary Institutions Operating under The Post-Secondary Educational Institution Act and 5.100.4 NMAC, Advisory Committee for Private Post-Secondary Education. These two rules will be replaced by four new proposed rules, which will distinguish the differences between registration, licensing, exemptions from the act, and closures of all postsecondary educational institutions in New Mexico. The rules shall provide for the registration of all regionally accredited colleges and universities and licensure of all career schools and all non-regionally accredited colleges and universities operating in the state pursuant to the Post-Secondary Educational Institution Act. The table below provides a description of the how the statutory sections correspond with the proposed administrative code and how the institution’s accreditation status or other factors will correspond with the different types of applications for state authorization.

| NMSA Section | 21-23-4 | 21-23-6 | 21-23-6.1 & 6.2 | 21-23-15 |
|---|--------------------|---|---|---|
| NMAC Proposed Part | 5.100.5 | 5.100.6 | 5.100.7 | 5.100.8 |
| Type | Exemption | Registration | Licensure | Closure |
| Short Description of Institutions Qualified for Each Type | Various Categories | Regionally Accredited Seeking regional accreditation | Career Schools Non-regionally accredited college or university | All Post-Secondary Educational Institutions |

PRIVATE & POSTSECONDARY SCHOOLS

2017

New and Amended Rules (Continued)

The Department has also proposed the repeal of 5.100.3 NMAC, Private Post-Secondary Institutions Operating under the Out-Of-State Proprietary School Act. Many provisions within the rule are duplicative of statutory language. Private postsecondary institutions operating under the Out-Of-State Proprietary Act will be governed under Sections 21-24-1 et seq. NMSA 1978.

Additionally, Section 21-23B-1 et seq. NMSA 1978 (The Interstate Distance Education Act) was enacted in 2015. Whereas by statute the New Mexico Higher Education Department has the authority to adopt rules and regulations for the receipt of distance education by students in the state and the provision of distance education by participating post-secondary educational institutions to students in other states, the Department has proposed new rule 5.99.1 NMAC, Public And Private Post-Secondary Institutions Operating Under The Interstate Distance Education Act. The new rule provides a process for accredited institutions to become authorized as distance education provid-

ers for New Mexico students to receive educational services from an institution with no physical presence in the state. It also seeks to provide a process to authorize accredited institutions with a physical presence in New Mexico to provide distance education to students living in other states.

The New Mexico Higher Education Department hosted two public meetings. The first meeting engaged stakeholders regarding new proposed administrative rule changes related to Private Postsecondary Schools operating with a physical presence in the state. The second meeting engaged distance education stakeholders regarding the new proposed rule for distance education authorization. Both meetings were held on October 10, 2017. Both private and public universities, colleges and career schools and other state agencies participated in the informational public meetings. The Department began the formal rule promulgation process when notice of the rulemaking activity was published October 31, 2017. The department hosted rule hearings on December 7, 2017 and December 8, 2017.

Operating Budget

The proposed fee schedule and submission schedule have been developed to ensure costs of an optimal staffing level and an operating budget, that promotes efficiency, can be maintained for the current fiscal year. The proposed fee schedule has been posted on the website.



New Process Implementation

The new rules have resulted in new forms for each of the authorization types. The new forms aim to increase efficiency in both the application and review process. Increased efficiency will allow institutions and students to ensure that there is reduced risk in state authorization gaps due to long processing times by the department. Each new application corresponds with the criteria set out in the corresponding controlling rule. All institutions with current state authorization will be given a letter of extension to allow for transition to the new system of authorization. In the letter of extension, the institution will be given a deadline to submit a new application for state authorization. The deadline must be met in order for the institution to remain in good standing. After the deadline is met, the institution will be issued a letter of good standing until the Department reviews the application.

Institutions that are not accredited must be authorized under licensure and reviewed by a committee. The committee is scheduled to convene in May 2017 and the membership is to be determined.

Sustainable Staffing Plan

In 2016 the Office of the Secretary for the New Mexico Higher Education Department worked to create a Director position for the Division. However, shortly after the approval of the position, the private postsecondary fund was swept. As of July 1, 2017, the Divisions budget authority was restored and the assigned Director has worked to establish the posting for the permanent Director position. The Department anticipates hiring the Director in the first quarter of 2018. Additionally, the staffing plan for 2018 includes hiring temporary staff to assist with review of the applications between January and June 2018. Thereafter, the Division Director will be responsible for finalizing a permanent staffing plan and hiring and training staff.

Closed Schools and Student Transcript Requests

During 2017, the following institutions have either formally announced their intent to close or the department has learned that the institution has ceased operations:

- ◆ Insight University
- ◆ Center for Montessori Education
- ◆ Santa Fe University of Art and Design
- ◆ Casino Dealer School
- ◆ University of Phoenix (Physical Locations Only)

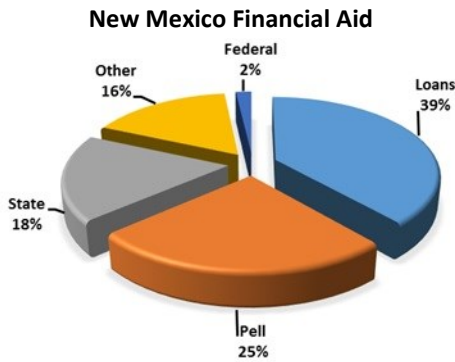
The Division works closely with schools as they close their doors to ensure there is a long term plan in place for maintenance and access of records and to ensure the enrollment agreements are fulfilled. During 2017, the PPSD Closed Schools and Transcripts Administrator processed approximately 150 transcript requests and employment verifications.

Executive Summary The New Mexico Higher Education Department, Financial Aid Division oversees a wide range of financial aid programs including loan for service, loan repayment, grants and scholarships. In FY17 New Mexico’s financial aid distribution was approximately \$642 million dollars which included state, federal and other financial aid resources (e.g. student loans and private scholarship awards). New Mexico’s state aid makes up for 18% percent of the overall financial aid distribution within the public post-secondary higher education institutions across the state.

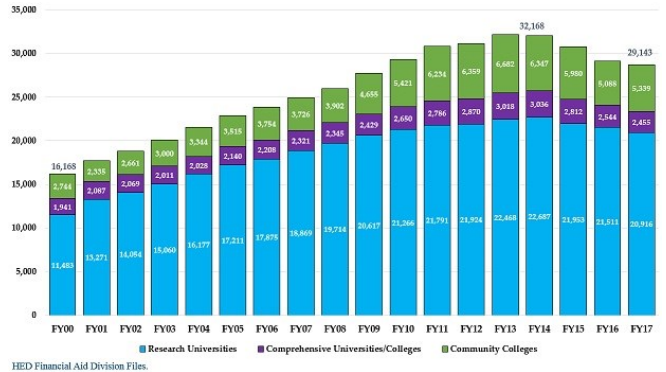
In FY17 New Mexico’s financial aid distribution was approximately \$642 million dollars

Lottery Scholarship provided 29, 143 scholarships

tuition payments totaled \$58.1M. This enabled the Fund to provide 29,143 scholarships which paid 90% of tuition for eligible students at New Mexico public postsecondary institutions. The Lottery Tuition Fund ended FY17 with \$2.0M in cash reserves as directed by statute. In the 2017 Legislative Session, Senate Bill 420 (Sponsor William Soules) was enacted, allowing students up to 16 months after graduation from high school to enroll and receive the scholarship (i.e., a “gap year”).

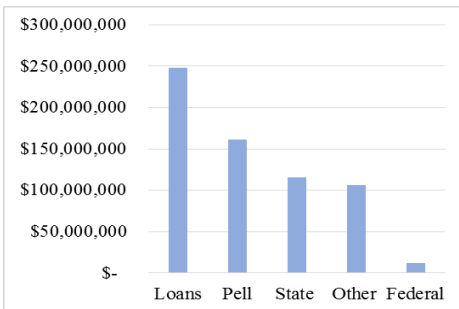


New Mexico Lottery Scholarship Recipients by Higher Education Sector

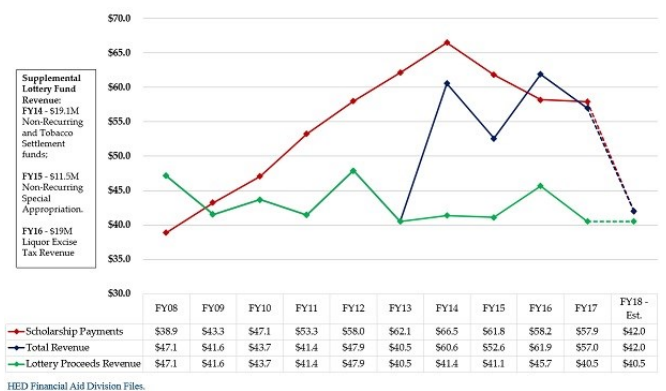


Federal financial aid continues to be the largest source of financial aid dollars in New Mexico. The Federal Pell Grant program in Academic Year 2016-17 provided over forty six thousand students funding totaling \$161 million.

New Mexico Financial Aid Distribution

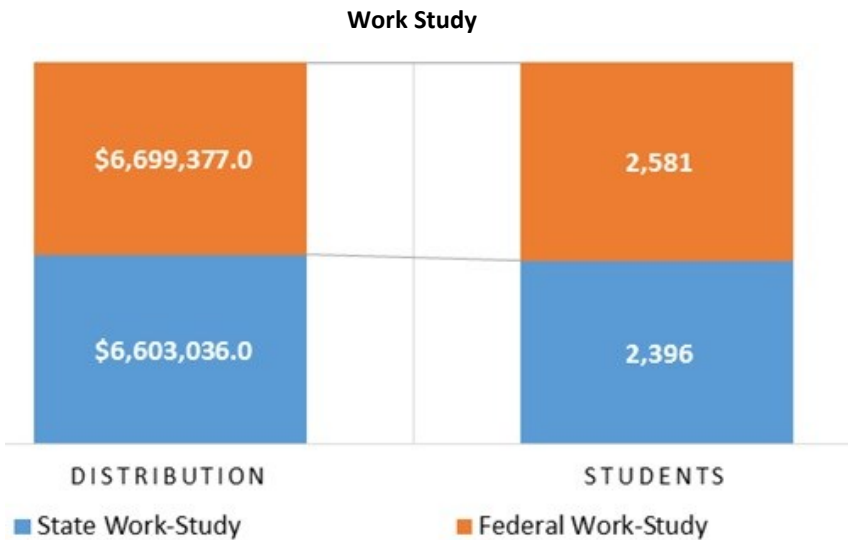


New Mexico Lottery Scholarship Fund History



Legislative Lottery Scholarship Perhaps New Mexico’s most well-known financial aid program, the Legislative Lottery Tuition Scholarship (commonly called the Lottery Scholarship) provides tuition assistance for higher education students pursuant to the Legislative Lottery Tuition Scholarship Act. In FY17 lottery revenues totaled \$57.9M while total Lottery Scholarship

Work Study In FY17 the State and Federal Work-Study programs provided \$13.3 million dollars to New Mexico students employed at public post-secondary higher education institutions. The State Work Study Program is supported by the Legislative General Fund appropriation. The chart indicates the State and Federal distribution and number of students supported

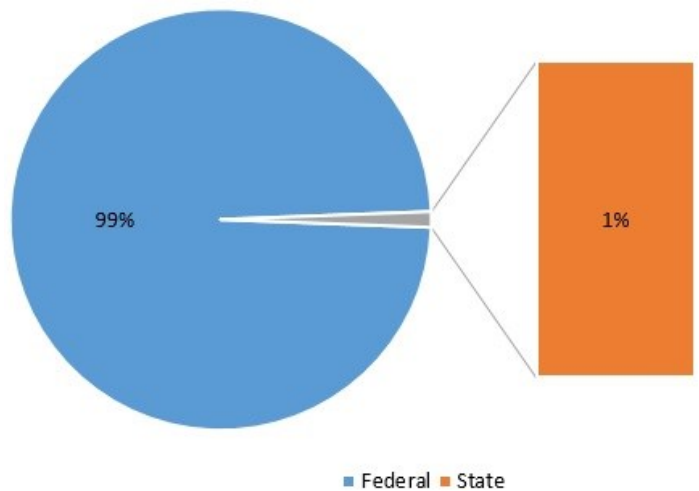


Student Loan Distribution Students attending New Mexico public post-secondary educational institutions utilize federal student loans at a higher rate than state funded loan programs. In the United States, there are more than 44 million borrowers with \$1.3 trillion in student loan debt. In FY17 the average New Mexico student borrowed \$5,553 dollars which totaled \$247 million dollars for all New Mexico students.

payment program which assist professionals providing service in the health, public service and education sector with repayment of their outstanding student loan debt.



Federal vs State Loan Programs



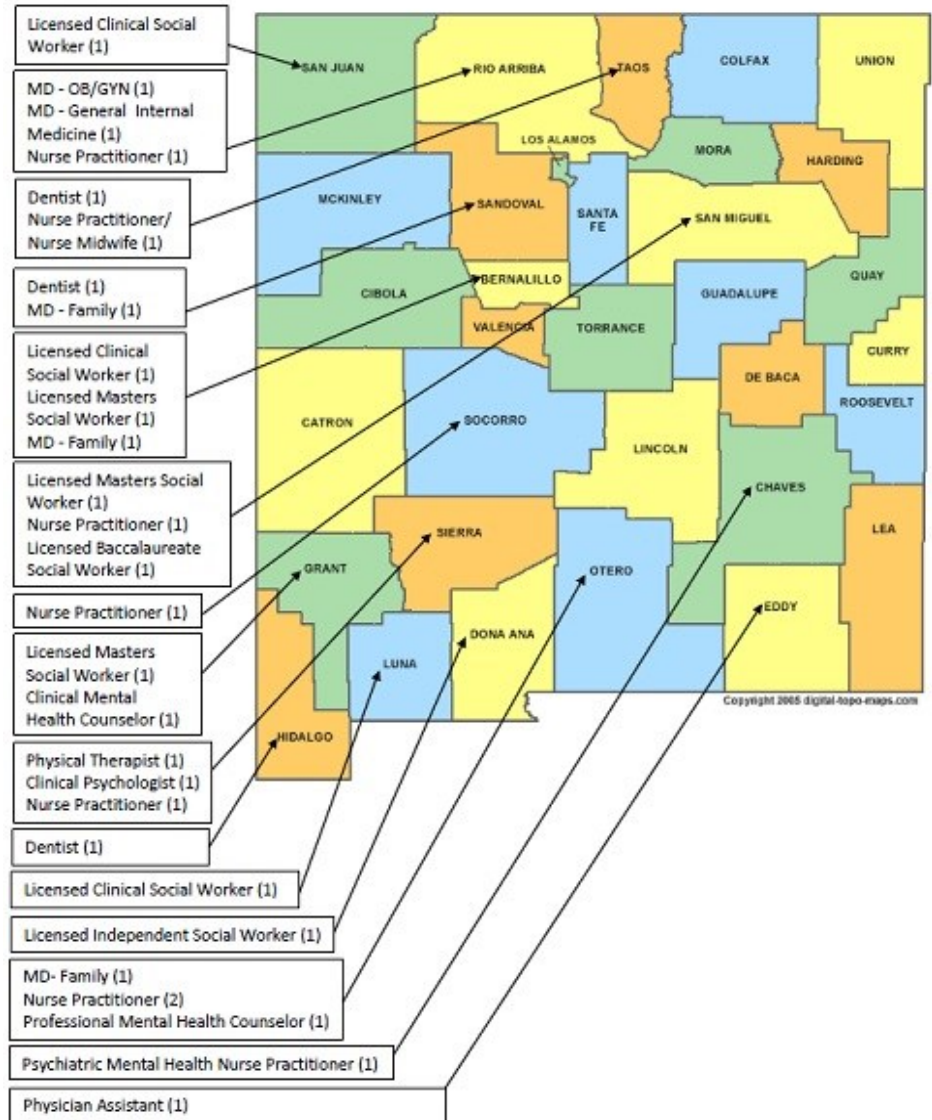
State loan programs account for 1% of the total loan distribution within New Mexico. The state programs include the Allied, Medical, Nursing, WICHE, Teacher and Minority Doctoral Loan for Service Programs. Students participating in the loan for service programs have significantly lower student loan debt upon graduation. In addition, the Department administers state loan re-

Health Profession Loan Repayment Program

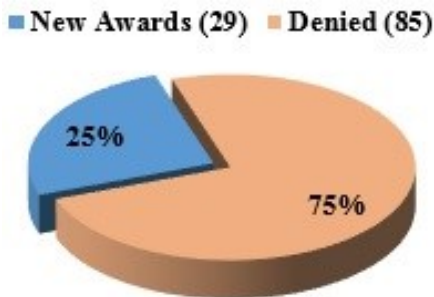
The Health Professional Loan Repayment Program (HPLRP), improves rural health in New Mexico by increasing health care provider coverage in underserved areas. Practicing health professionals receive student loan repayment assistance in exchange for service within underserved communities. New Mexico's HPLRP has been instrumental in recruiting and retaining health professionals in the neediest communities.

In FY17 Advanced Practice Nurses, Clinical Psychologists and other mental health providers were considered the priority professions for the funding distribution. Medical professionals, Dentists and Allied providers also received awards as shown in the chart. During the FY17 application cycle 29 of the 114 eligible applicants were offered awards. As shown in the map, the 29 awards were issued to providers within 15 Counties across the state.

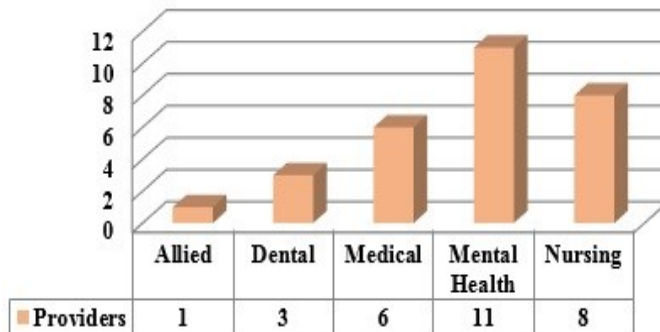
NM Health Professional Loan Repayment Program Professions by County FY17



Percentage of HPLRP Applicants Funded FY17



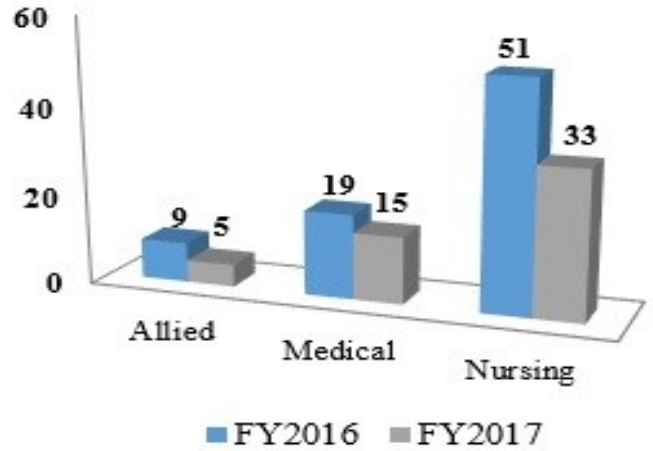
HPLRP Awards by Profession FY17



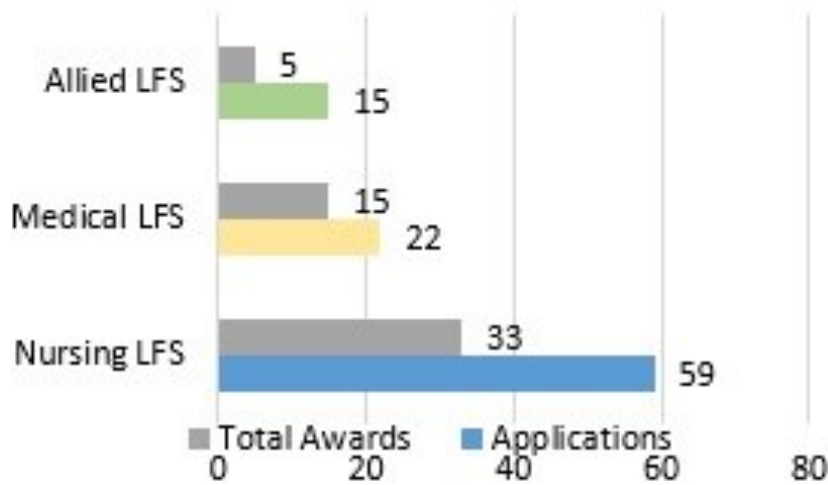
Health Loan for Service Program

The Health Loan for Service Program includes the Allied, Medical and Nursing Loan for Service Programs. In FY17 the program appropriation could not meet the demand to award all eligible applicants. The appropriation funded 55% of the eligible applicants. The chart shows the number of applications and awards for each program. The pie charts provide a breakdown of new and renewal awards by program. The loan for service programs offset the educational costs incurred by health care students. Participants who complete their service obligation have less student loan debt than those who do not utilize state funded loan for service programs.

Health LFS Program Participation

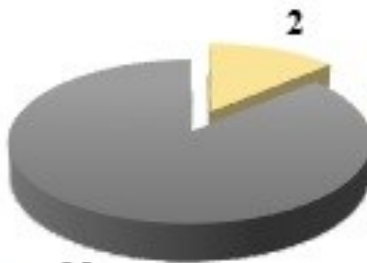


Applicants vs Awards FY17



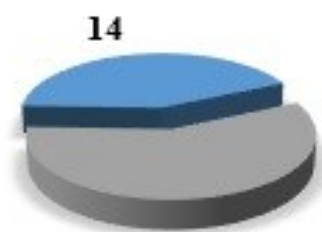
■ # of New Participants
■ # of Renewal Participants

Allied Loan for Service FY17



■ # of New Participants
■ # of Renewal Participants

Medical Loan for Service FY17



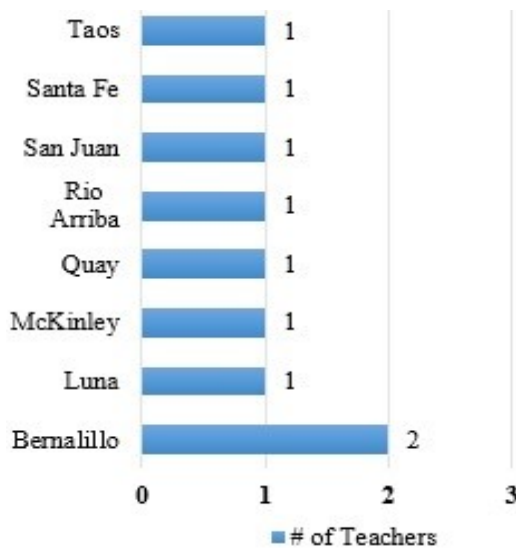
■ # of New Participants
■ # of Renewal Participants

Nursing Loan for Service FY17

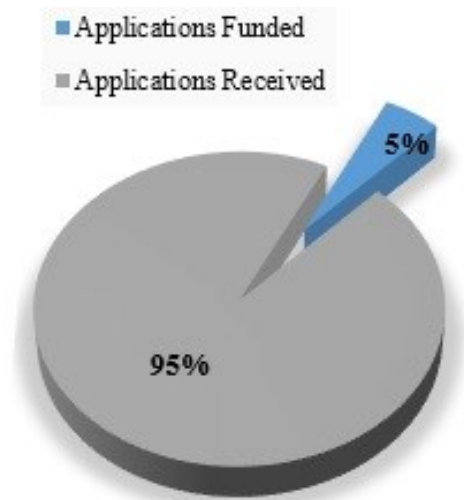
Teacher Loan Repayment Program

The purpose of the Teacher Loan Repayment Program is to increase the number of teachers in designated high-risk teaching positions. The program provides assistance in repayment of the principal and reasonable interest accrued on loans obtained from the federal government for teacher education purposes. In FY17 the Department continued to receive a substantial number of applications which demonstrates the need for loan repayment for educators. Program participants teach in various counties within the state as shown in the chart. The Department was able to fund 9 applicants out of 173 eligible applications. The award amount per eligible participant is \$3,000 per academic year. Participants on the program are committed to teach in high risk schools for two academic years.

FY17 Awards By County



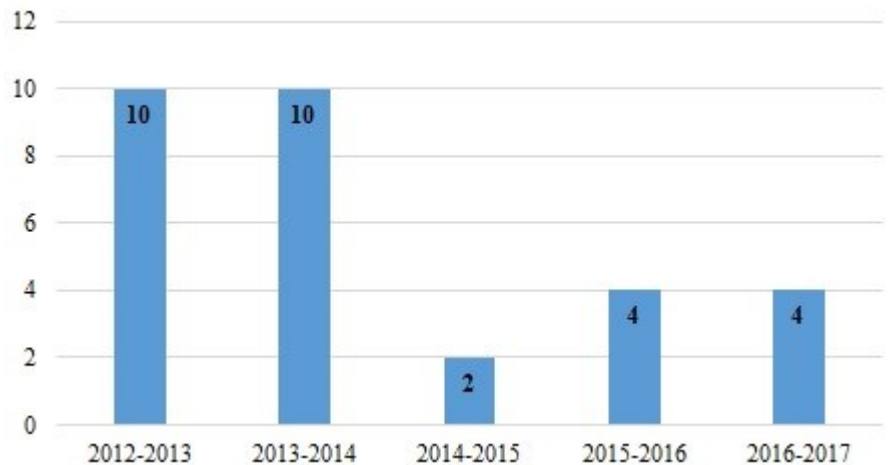
2016-2017 % of TLRP Applicants Funded



Teacher Loan for Service Program

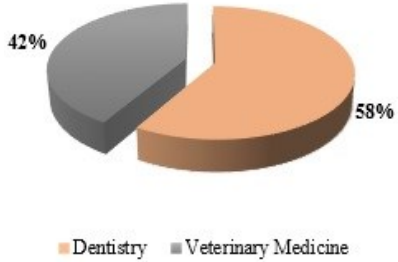
In FY17, the Teacher Loan for Service program supported a total of 4 participants committed to teaching in New Mexico's public K-12 grade school upon completion of their studies. The maximum award amount per eligible participant is \$4,000 per academic year.

Number of Teacher Loan for Service Participants by AY

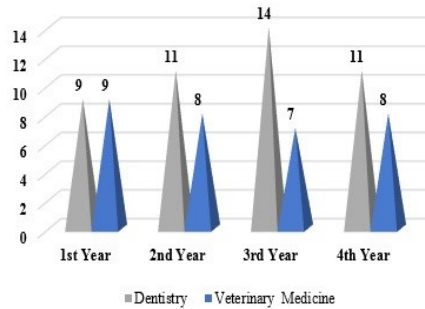


Western Interstate Commission for Higher Education (WICHE) Loan for Service Program

The New Mexico appropriation supports 12 new Dentistry students and 8 new Veterinary Medicine students each academic year. Support fees in FY17 were \$25,300 for Dentistry and \$32,400 for Veterinary Medicine students. In FY17 the appropriation funded a total of 32 Veterinary Medicine students and 45 Dentistry students. During FY17 a total of 11 dental and 8 veterinary students were completing their final year of education. After completing their residencies these students will begin providing professional services within the state of New Mexico.



WICHE Program Awards FY17

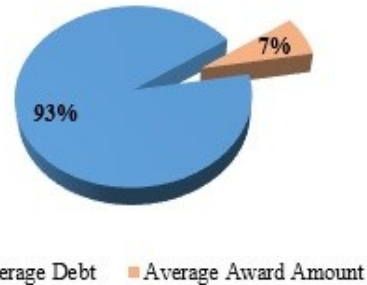


Number of Students FY2016-17 AY

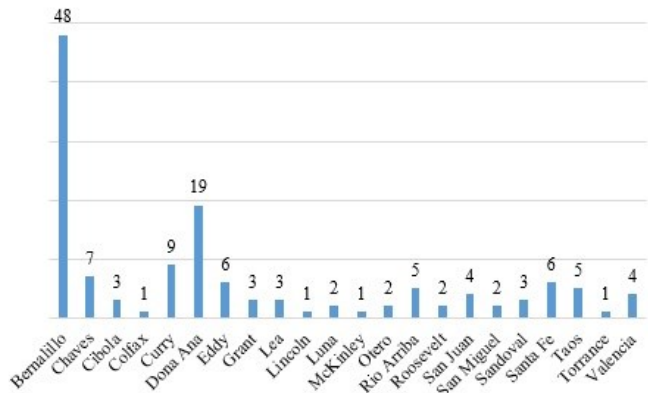
Children Youth and Families Worker Loan Repayment Program

In the second year of the Children Youth and Families Worker Loan Repayment Program the Department received a vast response from eligible Children Youth and Families Department (CYFD) employees. The Department issued 137 awards to eligible employees in the Protective Services Division or Juvenile Justice Division of CYFD. The average award amount was \$3,130. Award amounts were determined by the years of service with CYFD along with student loan debt. The program is focused on the retention of CYFD employees working in critical positions across New Mexico. As shown within the chart, the awards were issued to employees providing service in 22 counties within the state. The pie chart illustrates the average award amount (\$3,130) as a percentage of the average total debt amount (\$41,102).

Average Award Amount as a % of Average Debt FY17



Award Distribution by County FY17



Nurse Educator Loan for Service Program

The Nurse Educator Fund enables registered nurses seeking employment as nursing educators in a public postsecondary educational institution to apply to the Nurse Educator Loan for Service Program. Previously only nursing educators already employed by a public postsecondary educational institution could apply to the program. The goal for the program is financial support for the attainment of Bachelor of Science, Master of Science, and Doctor of Philosophy degrees in nursing programs. In FY17 the New Mexico Higher Education Department funded all 8 eligible applicants.



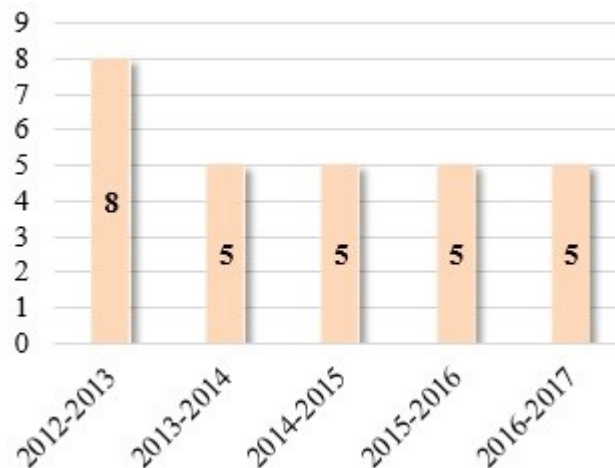
Minority Doctoral Loan for Service Program

In FY17, the Minority Doctoral Loan for Service program supported a total of 5 doctoral students committed to work as a faculty member with one of New Mexico’s public postsecondary educational institution upon completion of their studies. During the 2017 Legislative Session, the Higher Education Department worked with the Legislature to pass Senate Bill 197 (Sponsor Pete Campos) which converts the Minority Doctoral Loan for Service Program from a pre-doctoral loan program to a post-doctoral loan repayment program. With this change the Department anticipates greater utilization of the program which will enhance recruitment of under-represented faculty to New Mexico’s public postsecondary institutions.

Number of Participants per Academic Year



Number of Minority Doctoral LFS Awards by AY



Defaulted Loans FY17

| Fund | # of Loans | # of Defaulted Loans | % of Loans Defaulted |
|---|------------|----------------------|----------------------|
| Allied Loan-For-Service Program | 127 | 13 | 10% |
| Baylor Dentistry Loan-For-Service Program | 14 | 1 | 7% |
| Medical Loan-For-Service Program | 139 | 11 | 8% |
| Minority Doctoral Loan-For-Service | 58 | 5 | 9% |
| Nursing Loan-For-Service Program | 627 | 139 | 22% |
| Teacher Loan-For-Service Program | 317 | 39 | 12% |
| WICHE Loan-For-Service | 401 | 8 | 2% |

Executive Summary The Institutional Finance & Capital Projects Division is responsible for reviewing and approving the operating budgets and capital projects of the public NM higher education institutions. The Division is also responsible for developing the Higher Education Funding Formula, and confirming that the HEIs comply with all financial reporting requirements. This oversight is meant to promote fiscal responsibility, transparency and accountability within the New Mexico higher education system.

Fiscal Oversight In addition to normal budgetary review, the Department performs supplementary audit and monitoring functions when circumstances warrant additional oversight. In FY17 the Institutional Finance Division conducted a special audit of Luna Community College and as a result of its findings placed the college on an Enhanced Fiscal Oversight (EFOP) program. In response to findings of the State Auditor, Northern New Mexico College was also placed under EFOP. Colleges must provide additional fiscal reporting until the Department has determined that the circumstances warranting EFOP have been mitigated.

Appropriation Oversight

| General Fund Appropriations for Higher Education in New Mexico Compared to Total General Fund Appropriations for all State Agencies | | | |
|--|--|--|--|
| Millions of Dollars Appropriated | | | |
| Academic (Fiscal Year) | Total General Fund Appropriations | Higher Education Appropriations | Higher Education as a Percent of Total General Fund |
| 2005-2006 | \$4,708.6 | \$705.0 | 15.0% |
| 2006-2007 | \$5,184.2 | \$788.4 | 15.2% |
| 2007-2008 | \$5,765.9 | \$865.2 | 15.0% |
| 2008-2009 | \$5,982.5 | \$866.1 | 14.5% |
| 2009-2010 | \$5,427.3 | \$832.9 | 15.3% |
| 2010-2011 | \$5,279.2 | \$762.3 | 14.4% |
| 2011-2012 | \$5,431.7 | \$716.6 | 13.2% |
| 2012-2013 | \$5,650.1 | \$757.7 | 13.4% |
| 2013-2014 | \$5,893.6 | \$796.6 | 13.5% |
| 2014-2015 | \$6,148.8 | \$838.6 | 13.6% |
| 2015-2016 | \$6,232.1 | \$843.4 | 13.6% |
| 2016-2017 | \$6,025.9 | \$787.2 | 13.1% |
| 2017-2018 | \$6,063.6 | \$744.9 | 12.3% |

The appropriations for FY2016 and FY2017 reflect solvency cuts enacted through the 2016 Regular and 2016 1st Special Session. Higher education appropriations include funds appropriated for Instruction & General (I & G), Financial Aid, and a range of individual appropriations for Research and Public Service and other non-I&G programs that are not funded via the I&G Funding Formula.

INSTITUTIONAL FINANCE & CAPITAL PROJECTS 2017

Public Postsecondary Tuition and Fees The Department compiles tuition and fee data for all public postsecondary institutions. Below illustrates 2017-2018 fees organized by institution and sector.

Four Year Institutions—Research Sector

| | Undergraduate | | Graduate | |
|---|----------------------|--------------|----------------------|--------------|
| | Resident in District | Non-Resident | Resident in District | Non-Resident |
| | NMT | \$3,591 | \$10,496 | \$3,718 |
| NMSU | \$3,561 | \$11,351 | \$2,622 | \$8,081 |
| UNM | \$3,573 | \$11,019 | \$4,071 | \$11,799 |
| UNM/ Health Sciences (Physician) | n/a | n/a | \$16,170* | \$46,347* |

*Annual Rate

Two Year Institutions—Branch Community Colleges

| | Undergraduate | |
|-----------------|----------------------|--------------|
| | Resident in District | Non-Resident |
| ENMU—Roswell | \$1,128 | \$2,808 |
| ENMU—Ruidoso | \$590 | \$2,066 |
| NMSU—Alamogordo | \$1,032 | \$2,688 |
| NMSU—Carlsbad | \$638 | \$2,054 |
| NMSU—Dona Ana | \$864 | \$2,748 |
| NMSU—Grants | \$1,032 | \$2,052 |
| UNM—Gallup | \$966 | \$2,354 |
| UNM—Los Alamos | \$1,048 | \$2,794 |
| UNM—Taos | \$951 | \$2,391 |
| UNM—Valencia | \$984 | \$2,610 |

Four Year Institutions—Comprehensive Sector

| | Undergraduate | | Graduate | |
|------|----------------------|--------------|----------------------|--------------|
| | Resident in District | Non-Resident | Resident in District | Non-Resident |
| | ENMU | \$2,959 | \$5,846 | \$3,231 |
| NMHU | \$2,902 | \$4,569 | \$3,153 | \$4,837 |
| NNMC | \$2,383 | \$6,809 | \$2,124 | \$3,002 |
| WNMU | \$3,412 | \$7,616 | \$3,984 | \$8,612 |

Two Year Institutions—Independent Community Colleges

| | Undergraduate | |
|-------|----------------------|--------------|
| | Resident in District | Non-Resident |
| CNMCC | \$789 | \$3,585 |
| CCC | \$688 | \$1,492 |
| LCC | \$481 | \$1,213 |
| MCC | \$850 | \$1,402 |
| NMJC | \$660 | \$984 |
| SJC | \$922 | \$2,362 |
| SFCC | \$878 | \$2,303 |

Special Schools

| | Undergraduate | |
|--|----------------------|--------------|
| | Resident in District | Non-Resident |
| | NMMI | \$2,588 |

Capital Projects New Mexico Higher Education Department Capital Projects assesses, evaluates, and approves projects that occur on all publicly funded institutions of higher education campuses and distant learning centers. Capital Projects, with the Institutions, develop a plan for funding of renovation and construction projects to meet the Institutions' greatest needs to accomplish their mission and meet the education needs of the students. In accordance with statute, the New Mexico Higher Education Department reviews and recommends all projects and amounts to be funded. This process determines the priority of needs and is accomplished every year in August through Summer Hearings. Each of the public postsecondary institutions present their top two or three priority projects and their 5-year plan to the New Mexico Higher Education Department Capital Projects Committee. From these hearings a funding recommendation is determined.

The Capital Projects Committee has been in place for over 50 years and is currently comprised of representatives from the Department of Finance and Administration Capital Outlay Bureau; Energy Minerals and Natural Resources Department; the Legislative Finance Capital Outlay Committee; the Higher Education Department; and a volunteer Committee Chairman designated by the Cabinet Secretary. In addition to the Summer Hearings, the Capital Projects Committee meets monthly to assess, evaluate, and recommend for approval projects presented to the Higher Education Department. Projects greater than \$300,000 are heard by the Committee and range from multiple funding sources such as donations, institutional funds, revenue bonds, local bonds, and State appropriations.

In Fiscal Year 2017, \$214.9 million in projects were presented to the Capital Outlay Committee during the Summer Hearings. \$323.6 million in projects were heard during monthly Capital Outlay Committee hearings. Part of the \$323.6 million in projects heard included projects appropriated through the 2016 General Obligation (GO) Bonds totaling \$50 million. Approximately 36% of the 2016 GO Bond projects have been heard and approved by the Higher Education Department. The Capital Projects Director is working with the institutions to meet the following goals: have all outstanding 2016 GO Bond projects brought forward for approval by January 31, 2018 and ensure 5% of the bond proceeds are spent within the first six months of issuance.