



# FY22

## AGENCY BUDGET REQUEST

**DECEMBER 8, 2020**

**PRESENTATION TO THE LEGISLATIVE  
FINANCE COMMITTEE**

NEW MEXICO

HIGHER EDUCATION  
DEPARTMENT



Photo courtesy of Navajo Technical University



# FY22

## NEW MEXICO HIGHER EDUCATION DEPARTMENT

### **AGENCY BUDGET REQUEST**

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GOVERNOR

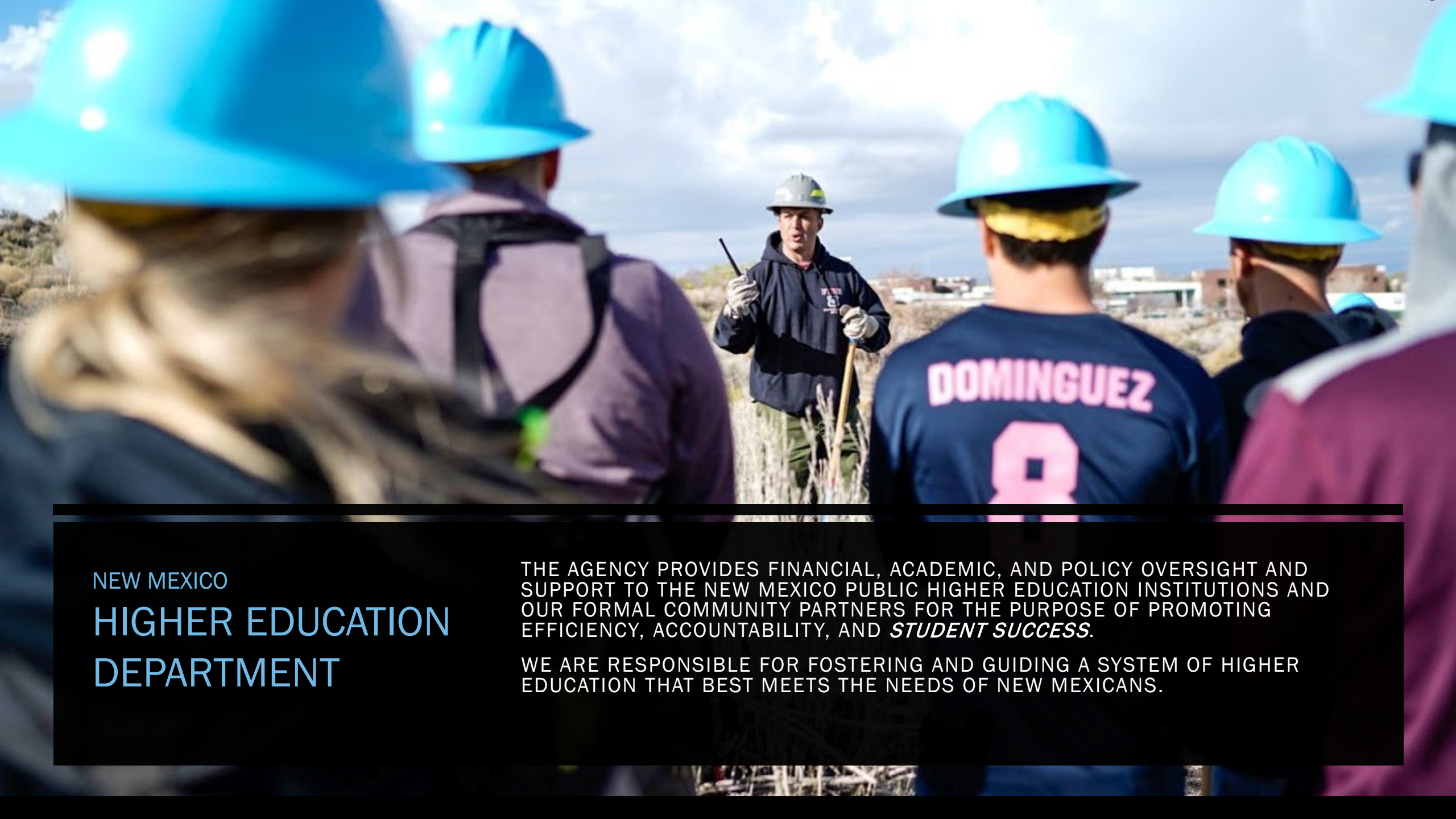
MICHELLE LUJAN GRISHAM

*ACTING CABINET SECRETARY*

STEPHANIE M. RODRIGUEZ

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NEW MEXICO  
HIGHER EDUCATION  
DEPARTMENT

THE AGENCY PROVIDES FINANCIAL, ACADEMIC, AND POLICY OVERSIGHT AND SUPPORT TO THE NEW MEXICO PUBLIC HIGHER EDUCATION INSTITUTIONS AND OUR FORMAL COMMUNITY PARTNERS FOR THE PURPOSE OF PROMOTING EFFICIENCY, ACCOUNTABILITY, AND *STUDENT SUCCESS*.

WE ARE RESPONSIBLE FOR FOSTERING AND GUIDING A SYSTEM OF HIGHER EDUCATION THAT BEST MEETS THE NEEDS OF NEW MEXICANS.



## **OVERSIGHT OF STATE AND FEDERAL FUNDS**

- \$840 million General Fund Recurring
- \$125 to \$150 million per year of Capital Outlay
- \$68 million of Lottery Scholarship, College Affordability Aid, and other state aid
- \$9 to \$10 million in federal grants per year
- Oversight of over \$1 billion, which is approximately 1/7 of the state budget with 51 FTE



## AGENCY GUIDING VALUES

*The agency is dedicated to supporting students and higher education institutions to ensure New Mexicans have enhanced opportunities to recruit, retain, and yield a highly-skilled and well-informed workforce.*

- Access
- Affordability
- Quality
- Collaboration
- Student Success
- Accountability





# ***BENEFITS OF HIGHER EDUCATION IN NEW MEXICO***

- Access to adult and higher education opportunities
- Affordable and high-quality training and degree programs in rural and urban areas
- Leverage of federal research, financial aid, and investment funds statewide
- More highly-skilled and well-informed workforce
- Increase in the percentage of college-ready, college-enrolled, and graduating students
- Increased literacy and numeracy amongst students and their families as well as social and emotional skills
- Improved health and socioeconomic outcomes due to educational attainment

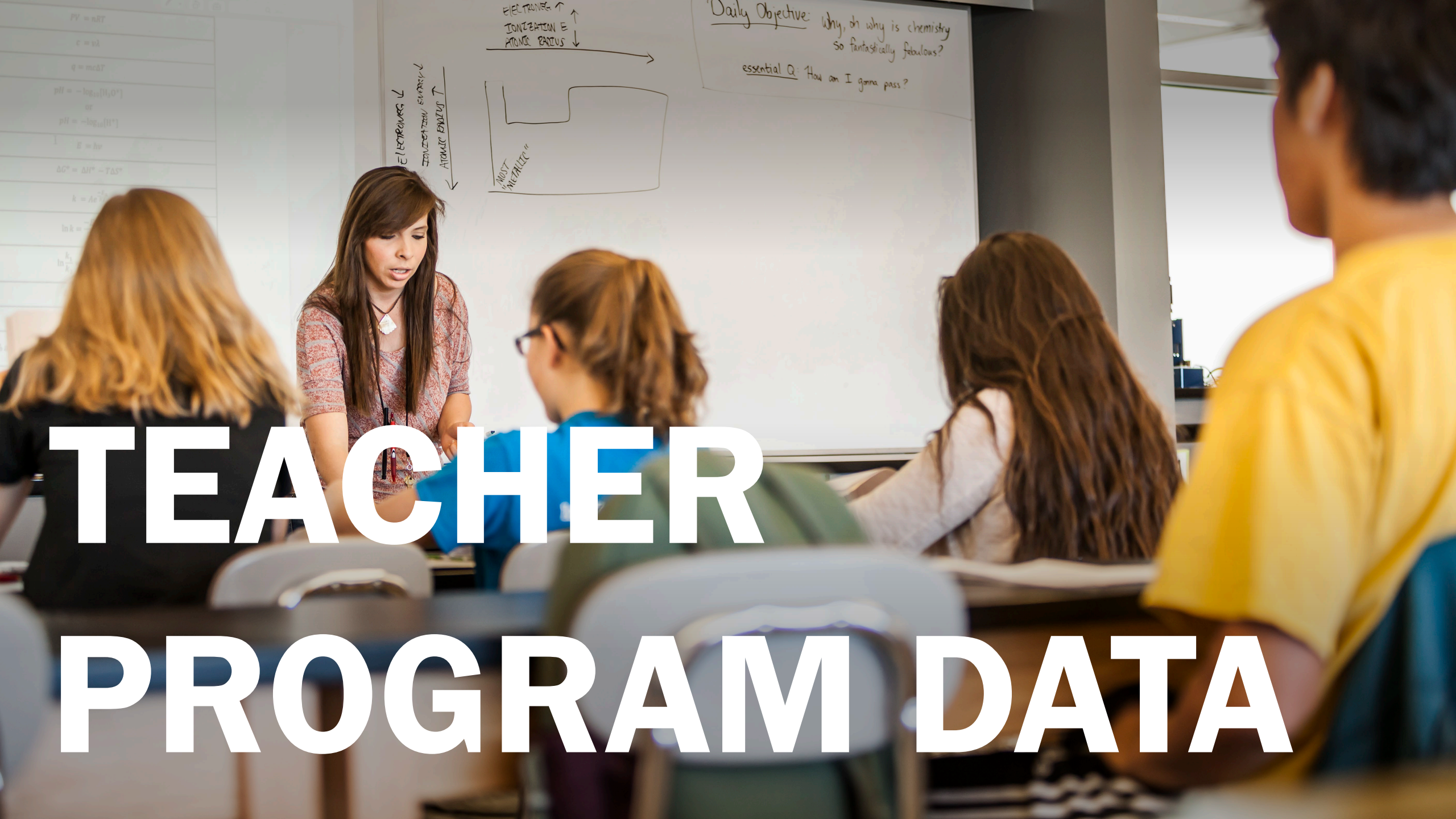


# STATEWIDE ACCOMPLISHMENTS FOR STUDENT SUCCESS

- Student financial aid program enhancements and additions
- Implemented teacher pipeline support
- Expansions to the Lottery Scholarship
  - Provided COVID-19 support to the program for both current students and graduating seniors
- Maintained and increased federal funding for Adult Education, Financial Aid, and GEAR UP
- Capital project process improvements
- We guided and implemented a safe reopening process for all public and private higher education institutions amid COVID-19
- The New Mexico Higher Education Advisory Council was re-established and convened
- The New Mexico Academic Advisory Committee has been established
  - Main topics: Common Course Numbering System, General Education, and Dual Credit







# TEACHER

# PROGRAM DATA



# FY 21 TEACHER PROGRAM DATA

- Grow Your Own Teachers Scholarship
  - \$510,000 expended in FY20 and FY21
  - 43 scholarships in FY20
  - 104 scholarships in Fall 2020
  - Estimated 150 scholarships in Spring 2021
- Teacher Preparation Affordability Scholarship
  - 677 students awarded in FY20 at \$1.86 million
  - \$2 million budgeted in FY21
- Teacher Loan Repayment
  - Up to \$6,000 paid at the end of each school year with a two-year minimum commitment
  - 182 awards in FY20
  - 350 awards in FY21
  - \$2 million budgeted in FY21





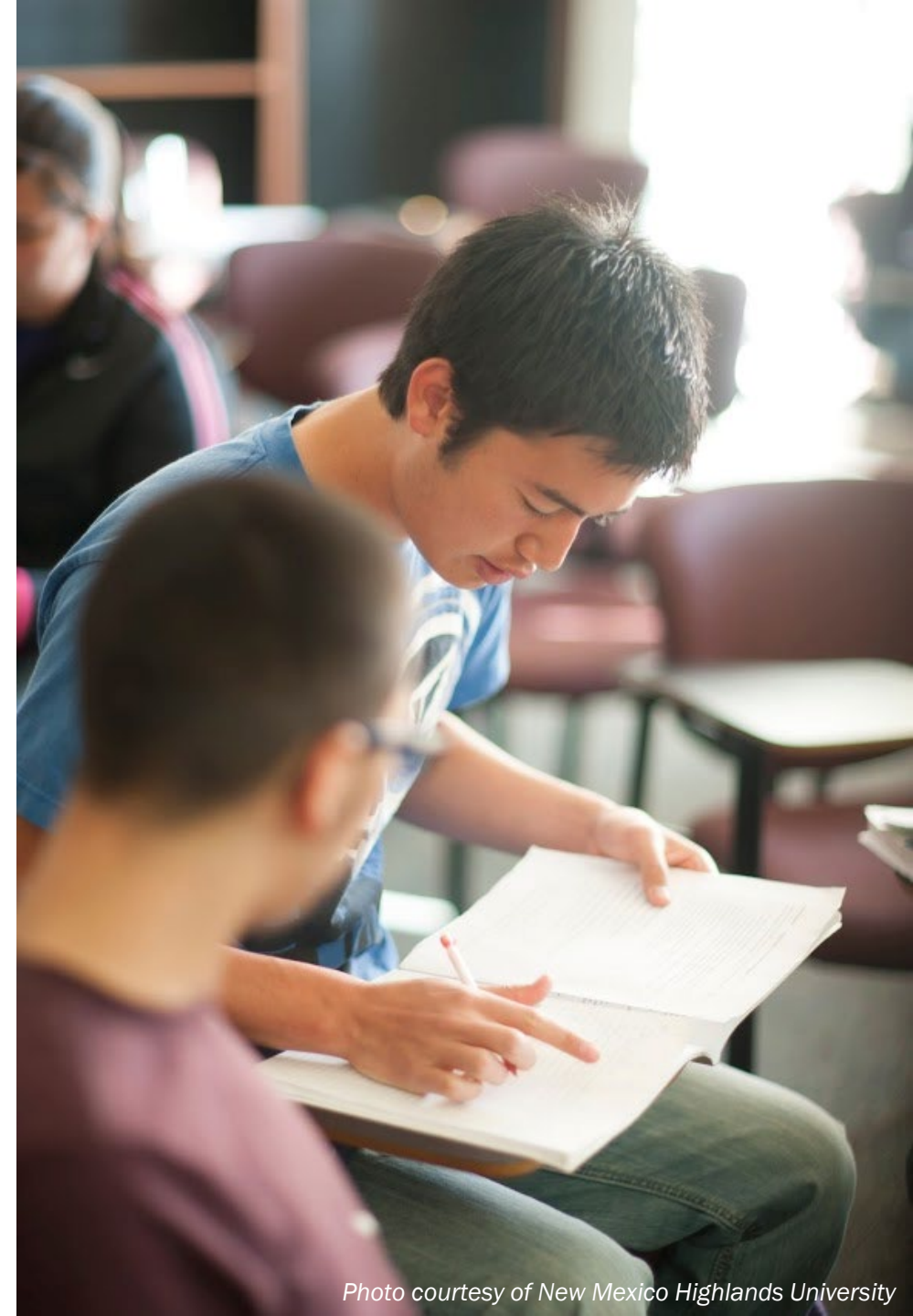


# OPPORTUNITY SCHOLARSHIP



# THE OPPORTUNITY SCHOLARSHIP

- Ensures that graduating high school seniors and returning-adult learners have access to pursue and attain the skills they need to thrive in a 21<sup>st</sup> century economy
- Provides tuition and fee assistance for any student enrolled in a two-year degree or certificate programs at any public higher education institution or tribal college in New Mexico
- Can be combined with the Lottery Scholarship and Pell grants to cover attendance costs





## OPPORTUNITY SCHOLARSHIP TESTIMONIAL

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Because of this scholarship, I was able to fully register for fall classes and become **one step closer to achieving the possibility of becoming a college graduate**. The Opportunity Scholarship ensured that I had enough money to pay for all my schooling materials as well as the classes... Without this scholarship I would not have been able to complete this semester and I would be further behind on achieving my goal.

*Ramon Trujillo, University of New Mexico – Los Alamos*






A low-angle photograph looking up at several tall, weathered wooden utility poles against a bright blue sky with scattered white clouds. Two workers in blue uniforms and safety harnesses are visible on the poles, one higher than the other. The perspective makes the poles appear to converge towards the top of the frame.

# ***THE OPPORTUNITY SCHOLARSHIP***

- COVID-19 has severely impacted students in the two-year sector, particularly adult learners with children.
- Many students were unable to complete 12 credit hours due to issues with employment, childcare, access to technology, and other factors.
- To expand this program to more New Mexicans in the future, we must consider reducing the 12-credit hour requirement to six (6) credit hours as intended in the original legislation.



# ADULT EDUCATION

A man and a woman are sitting at a desk in a classroom, looking at an open book. The woman is on the left, wearing a grey long-sleeved shirt and a necklace. The man is on the right, wearing a blue t-shirt with the NMAEA logo and sunglasses on his head. He is holding a pencil. The background shows a classroom setting with a whiteboard and other students.





# ADULT EDUCATION

- There are 24 local Adult Education providers in New Mexico.
  - Most programs are hosted by higher education institutions, but a few are community-based organizations and the New Mexico Department of Corrections.
- COVID-19
  - Prior to the pandemic, many of the existing programs offered a variety of in-person, blended, and distance classes.
  - During the pandemic, all classes moved to a distance-learning environment.
  - Technology Support
    - The agency distributed 300 new Chromebooks to adult education programs across the state to enable students to engage in online learning and work toward the attainment of a high school equivalency credential.
    - The agency distributed computers specifically for test proctoring to nearly all adult education programs across New Mexico.





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## ADULT EDUCATION

- Adult education programs guide students into higher education, career training, and the workforce.
  - In 2019, 79% of students gained employment and 15% of students continued into higher education programs upon the completion of their adult education program.
  - Students exiting adult education earned a total of \$23.1 million in wages compared to the \$6 million investment in adult education programs.
  - In FY20, the cost per student was \$655.03 which is equal to a 371% Return on Investment (ROI).





# LONGITUDINAL DATA SYSTEM



# LONGITUDINAL DATA SYSTEM

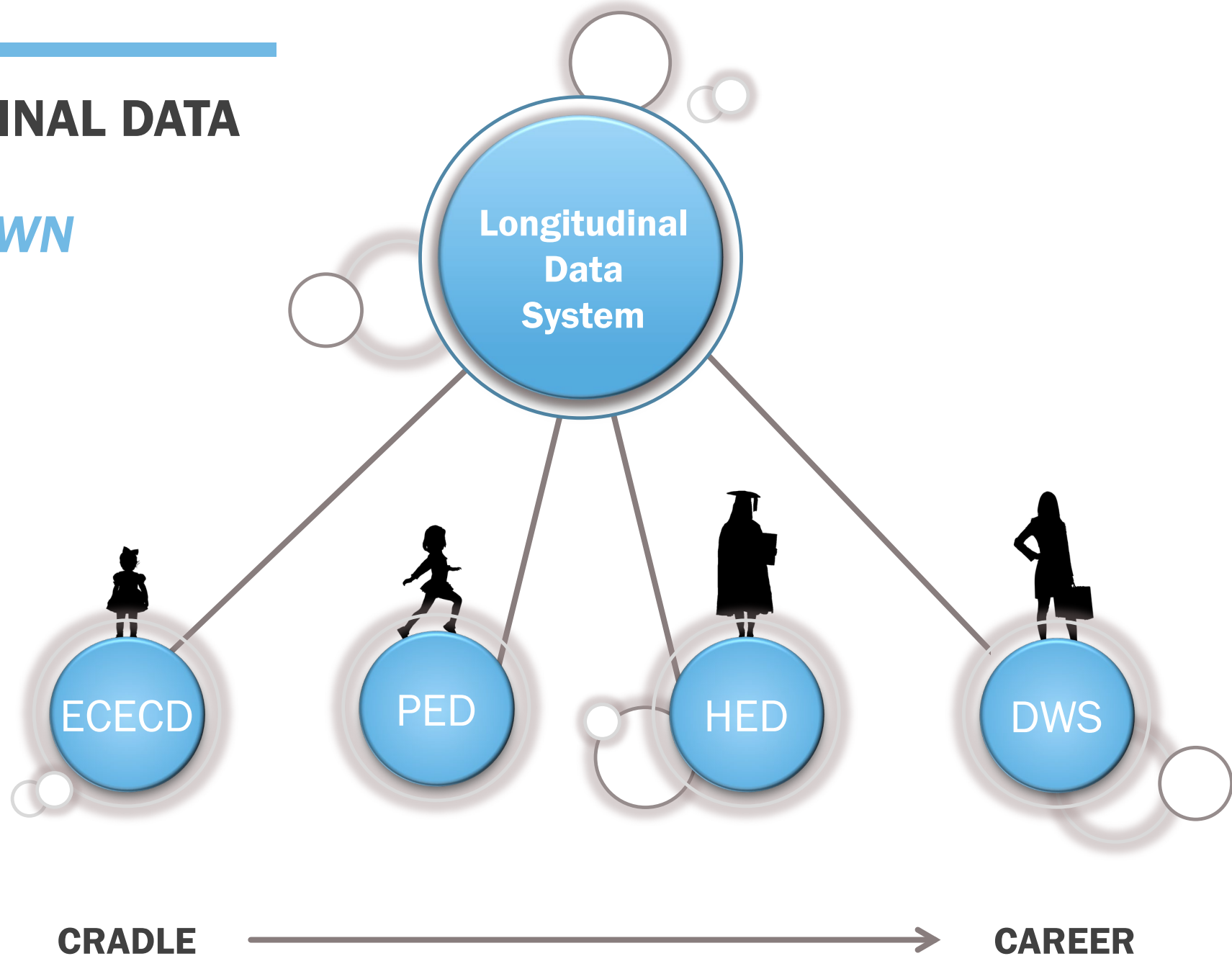
- In order to fully implement a **cradle-to-career** educational system, we must establish concrete pathways for New Mexicans who want to remain in their home state and communities, attain skills, and launch fulfilling careers with family-sustaining incomes.
- Partnerships amongst key state agencies is vital: Early Childhood Education & Care Department, Children's Cabinet, Public Education Department, Higher Education Department, and Department of Workforce Solutions



Photo courtesy of the Office of the Governor



# LONGITUDINAL DATA SYSTEM *BREAKDOWN*







# CAPITAL OUTLAY



## FY 22 CAPITAL PROJECTS RECOMMENDATIONS

- The agency developed and implemented a new statewide process for capital outlay funding requests at higher education institutions and special schools.
- Next Phase: Developing a new software system for ease and efficiency







## FY 22 CAPITAL PROJECTS RECOMMENDATIONS

- A total of 52 projects were presented during this year's capital outlay hearings in August.
- The agency recommended 24 projects for funding
  - Nearly all projects prioritized critical health and safety concerns
- The total agency recommendation funds over \$29 million of needs statewide.



# AGENCY BUDGET REQUEST





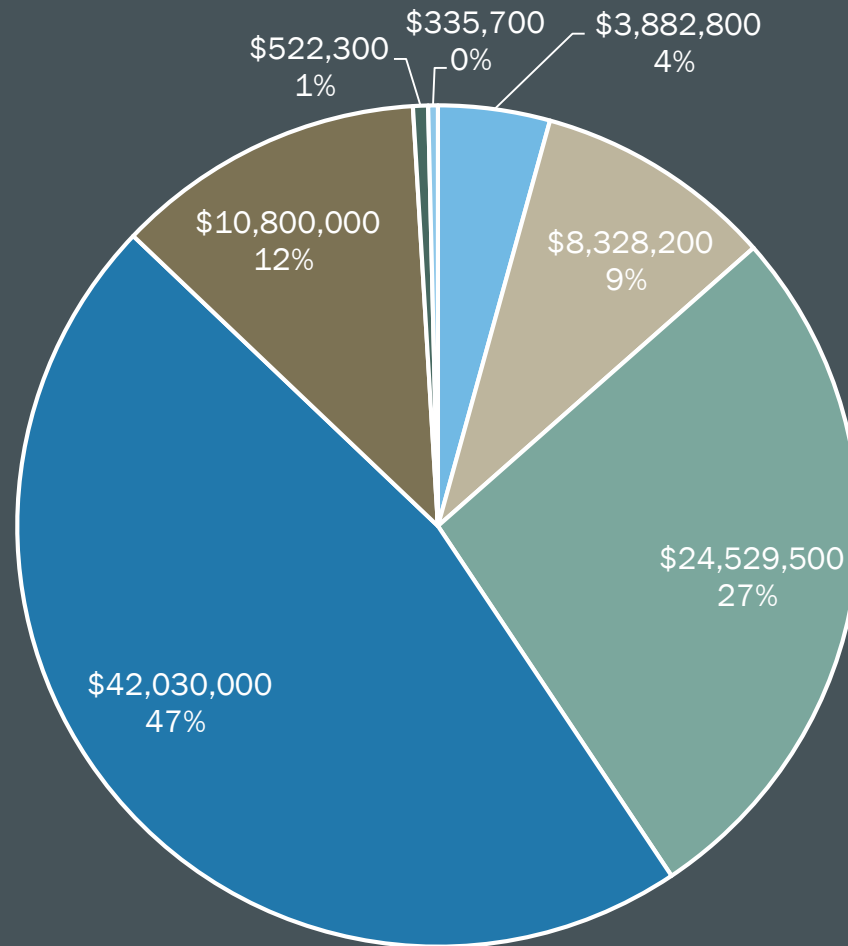
## SUMMARY

We are all in a position to make difficult decisions, however, the agency prioritized financial aid and support to ensure we can continue our mission of serving New Mexicans and ensuring system efficiency moving forward.

- Reduced passthroughs that were duplicative
- Moved passthroughs to higher education institutions that were better fit for their budget requests
- Preserved agency staffing to maximize support for the state's higher education system
- Preserved all financial aid programs and funding



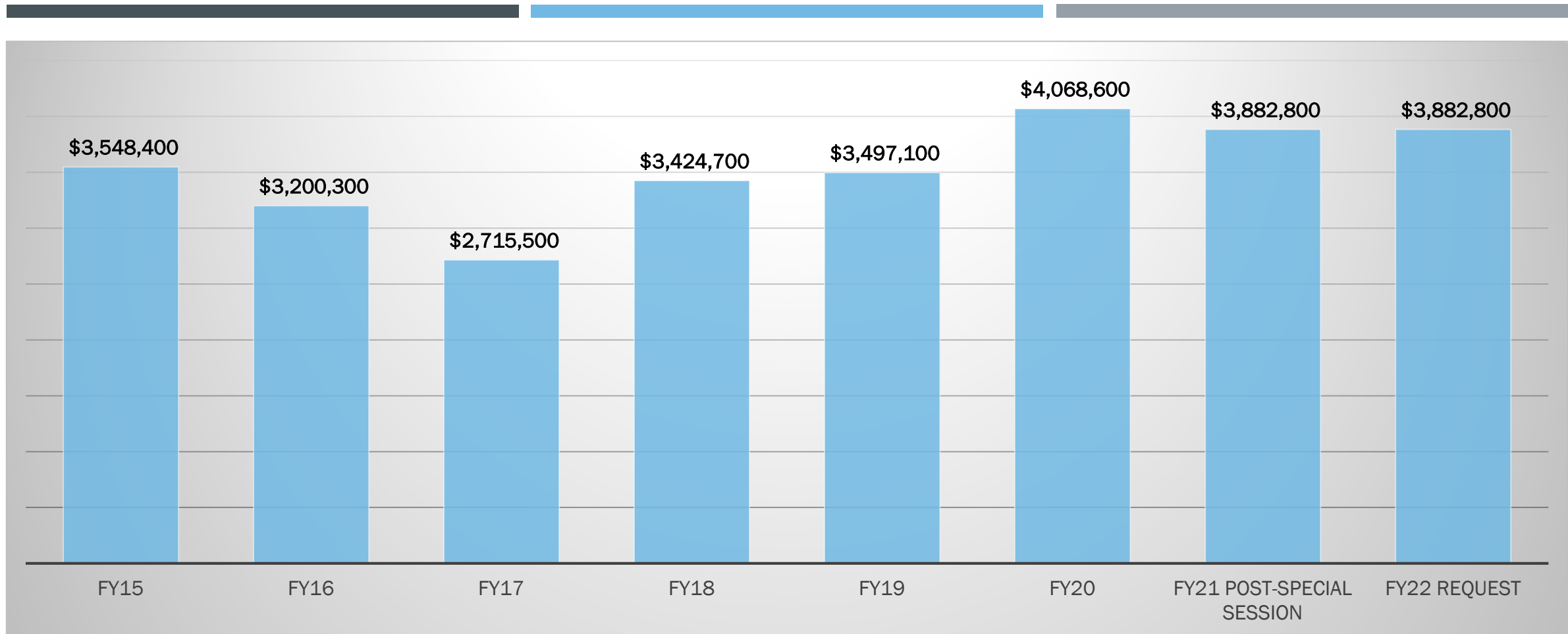
# FY22 AGENCY BUDGET REQUEST



- General Fund: Agency Operations
- General Fund: Flow Through Programs
- Student Financial Aid: Special Programs & the Opportunity Scholarship
- Transfers from the Lottery Authority & Board of Nursing
- Federal Revenue
- Private School Fees
- Transfers from the Public Education Department

**NEW MEXICO HIGHER EDUCATION DEPARTMENT**





## GENERAL FUND SUPPORT: AGENCY OPERATIONS



# **FY22 STAFF REQUESTS**

- We are asking for staffing support for the following initiatives:
  - Longitudinal Data System
  - Capital Outlay Updates
  - Data and Analysis Priorities



## FY 22 FINANCIAL AID

- Hold state financial aid harmless to ensure students have access to higher education opportunities to train or reskill and enter the workforce in a post-COVID environment







# FINANCIAL AID

- The agency has guided institutions to grant the broadest accommodations allowable by law during the pandemic for state financial aid, including the Lottery Scholarship.
  - Allowing students the opportunity to re-qualify for the Lottery Scholarship
  - Allowing students to document hardship to maintain eligibility for other state aid
  - Implementing forbearance for impacted students in loan-for-service programs
  - Mirroring federal accommodations in the CARES Act for work study students
- The General Fund appropriation for the student financial aid program was reduced by 4% in the 2020 1<sup>st</sup> Special Session and is at its lowest level since FY15.
- Student financial aid is more critical than ever for student success. Our FY22 budget request holds student financial aid programs harmless from further reductions.



A young man with dark hair and glasses, wearing a grey t-shirt, is seated in a classroom, looking towards the right. Other students are visible in the background, some out of focus. The image has a semi-transparent dark overlay on the right side where the text is located.

# ***THE STATE OF HIGHER EDUCATION IN NEW MEXICO***

- Higher education funding has declined over a decade causing:
  - Unsustainable revenue
  - Deferment of maintenance
- Higher education is an economic driver in New Mexico.
  - We work together with colleges and universities to address workforce needs across the state and within our communities, such as nurses, educators, renewable energy technicians, and other high need careers.
  - We contribute to the positive trajectory of graduates, families, and communities.
- ***We are committed.***



# QUESTIONS

Stephanie Rodriguez, MCRP

*Acting Cabinet Secretary*

[Stephanie.Rodriguez3@state.nm.us](mailto:Stephanie.Rodriguez3@state.nm.us)

Patricia Trujillo, Ph.D.

*Deputy Secretary*

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**@NMHigherEd**



Photo courtesy of Western New Mexico University





A photograph of two young women sitting outdoors, likely on a lawn, engaged in a study session. The woman on the left is seen from the side, wearing a white t-shirt with a red and grey graphic on the sleeve. The woman on the right is facing her, wearing glasses, a grey button-down shirt over a white tank top, and a necklace. They are both smiling and looking at an open book or document. The woman on the right is holding a red pen. The background is a blurred outdoor setting with a building and trees.

# SUPPLEMENTAL INFORMATION

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# ADULT EDUCATION

- FY21 State Funds
  - \$6,749,997 awarded to the 24 AEFLA subgrantees to provide services and operate Adult Education programs
  - \$708,760 awarded (via separate allocation) to 8 new subgrantees through a competitive RFA process, specifically to provide services to adults with the lowest literacy levels, including emerging readers
- FY22 Federal Funds
  - \$4,360,249 awarded to the 24 AEFLA subgrantees to provide services and operate Adult Education programs
  - \$224,354 invested in professional development services for local program providers
  - \$30,150 invested in launching the National External Diploma Program (NEDP) pilot