

NEW MEXICO HIGHER EDUCATION DEPARTMENT



SUSANA MARTINEZ
NEW MEXICO GOVERNOR

JOSÉ Z. GARCIA
CABINET SECRETARY

Annual Report

2013

December 30, 2013

Table of Contents

Letter from the Secretary.....	3
Planning and Research Division.....	7
Total Number of Certificate AY 2007-2012.....	8
Enrollment Summary.....	9
Retention of First-Time Freshmen to Their Second Year	12
Six-Year Graduation Rate of First-Time Freshmen	13
Fall 2012 Enrollment By Student Level	14
Financial Aid Division.....	16
New Mexico Financial Aid Overview	16
State Financial Aid by Program Type	17
Student Loans	19
Legislative Lottery Scholarship	20
Allied Loan for Service Program.....	21
Medical Loan for Service Program	22
Nursing Loan for Service Program.....	23
Minority Doctoral Loan for Service Program.....	24
Teacher Loan for Service Program.....	24
Western Commission on Higher Education (WICHE) Loan for Service Program.....	25
Health Professional Loan Repayment Program	26
Adult Basic Education Division.....	28
Students Served and Educational Functioning Level at Entry	29
Adult Education Enrollment Trends, 2010-2013.....	29
Household Size and Household Income Range	30
Adult Education Students by Ethnicity and Age	30
Funding.....	31
Performance-Based Funding Overview.....	31
Return on Investment	32
Program Performance.....	32
Program of the Year	35

Adult Education Service Area Map..... 36

Indian Education Division..... 37

NMHED GEAR UP Division..... 38

Private and Proprietary Schools (PPS) Division..... 40

P-20 Division..... 42

 Dual Credit..... 42

 Remediation 43

 Complete College America..... 44

 Articulation and Transfer..... 44

 Nursing Program – Common Curriculum and Course Identifiers..... 44

Institutional Finance Division 45

 General Expenditures 45

 Appropriations 46

 Tuition and Fees 47

Capital Projects Division..... 48

The Honorable Susana Martinez and legislators:

The performance of higher education in New Mexico--measured by cost-efficiency, degree production, graduation rates, and a host of other metrics—remains exceptionally low in comparison with all but two or three other states. For most of the 2013 calendar year the Higher Education Department worked on various fronts to address the most pressing issues. Most prominent among these were the funding formula and the fate of the Lottery Scholarship.

The funding formula

The new performance-based funding formula, written by the Higher Education Department in 2011 with the collaboration of the institutions of higher learning, rewards institutions for improving their performance in granting certificates and degrees. Additional rewards are given for awarding certificates and degrees to at-risk students and in STEMH fields (science, technology, engineering, mathematics and health). Unfortunately, the legislature did not adhere to the Higher Education funding formula in rewarding institutions according to their relative performance. During much of 2013 the Department focused on making a number of significant improvements to the formula, and on communicating more effectively with members of the boards of regents and governing boards about the need for serious performance based funding.

The need in New Mexico to impose discipline among the 24 institutions of higher learning through a performance-based formula is strong. For the first time in New Mexico history, the older generation is better educated than the younger generation; and among the 50 states New Mexico ranks last over the past twenty years in improving the proportion of the population holding an associate's degree or higher.

According to a report from the Lumina foundation 33.9% of working adults (25-64) in New Mexico hold a two-or four-year college degree. But among New Mexicans between the ages of 25 and 34, only 30.4% have attained a college degree. This is well below the national average.¹ Increasing attainment of college degrees is vital to our economic future. Credible experts predict that by 2018, 166,000 or 58% of the expected 299,000 job vacancies in New Mexico will require postsecondary education. New Mexico falls far short of meeting that need at our rate of achievement now.

While the data show improvement in degree production in the past three years, STEHM production in 2012-2013 was down compared with the previous academic year, and it seems unlikely a significant shift in degree productivity will occur until institutions know they will not be rewarded in their budgets except through improvement.

Dashboard

¹ Lumina Foundation *Annual Report 2013*, Lumina Foundation for Education, p.133.

At the Governor's initiative, the Higher Education Department completed work on an electronic dashboard, to be embedded in each institution's web site and in the Department's web site for the entire system. The dashboard contains data about each institution's performance in such metrics as graduation rates, fees and tuition, and public safety at institutions, enabling students and parents to be able to compare the different institutions in the state with each other. Also at the Governor's initiative, institutions were asked to publish major performance goals in 2014 for improving graduation rates, transfers of students, success in remediation, etc.

The Lottery Scholarship

A major hindrance to a college education is the inability to pay rising costs. Until 2013, recent high school graduates could rely upon the Legislative Lottery Scholarship. However, that fund is no longer adequate to provide assistance to all New Mexico college students. I chaired a work group that met in 2013 in response to Senate Memorial 101 to create recommendations to the lottery fund shortfall. The work group was comprised of legislative representatives, college students, representatives of our higher education institutions and others.

The suggestions endorsed by many of the work group members included funding seven semesters instead of eight, raising the minimum GPA from 2.5 to 2.75, requiring students to carry 15 hours instead of 12 and basing the scholarship amount awarded upon the ability of the student's family to help fund his/her studies. The one concept that received almost unanimous support from work group members was to decouple scholarship awards from tuition, in other words setting specific award amounts. The work group as a whole, however, did not endorse any recommendations to present to the legislature.

Some legislative members of the work group suggested additional money be added to the lottery scholarship fund. The proposed sources of the additional funds include increases in the state income tax, gross receipt tax and/or the property tax. Another suggestion was to take additional revenue from the permanent fund, the oil and gas revenues or re-open the Tribal Gaming Compacts and negotiate a greater contribution from the tribes who have casinos.² No consensus was reached on adding new revenue sources.

Financial Aid changes

The department secured additional financial help for New Mexico students by statutory changes to a number of our financial aid programs. The income cap for New Mexico Scholars was raised from \$30,000 in family income to \$60,000. This program rewards high achieving but low income college students. The Public Service Law loan repayment income cap was also raised. The former income

² The students who attend our four tribal colleges are currently ineligible for the lottery scholarship.

cap of \$45,000 excluded new attorneys who practiced criminal prosecution or criminal defense. The new income cap is \$55,000.

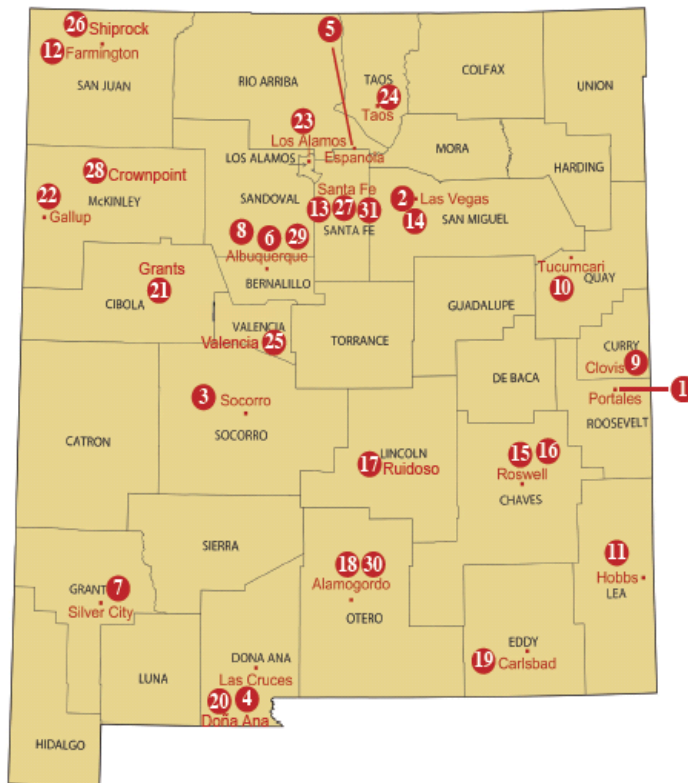
The department also added another loan-for-service program and another loan repayment program. We now have a loan-for-service program available for students studying primary care medicine. We have a new loan repayment program for teachers in addition to our existing loan for service program for educators. The new teachers' loan repayment program is available for teachers who teach in failing or low income schools.

Our challenges are clear but if we are to move from the bottom or near-bottom of the states in education our goal must be to create a higher education system that provides jobs for our students and a thriving economy for our state.

Very truly yours,

José Z. Garcia
Cabinet Secretary
New Mexico Higher Education Department

STATE-FUNDED COLLEGES, UNIVERSITIES, TRIBAL COLLEGES & SPECIAL SCHOOLS IN NEW MEXICO



FOUR-YEAR PUBLIC COLLEGES & UNIVERSITIES:

- 1 - Eastern New Mexico University, Portales (1934)
- 2 - New Mexico Highlands University, Las Vegas (1893)
- 3 - New Mexico Institute of Mining and Technology, Socorro (1889)
- 4 - New Mexico State University, Las Cruces (1888)
- 5 - Northern New Mexico College, Espanola (1909)
- 6 - University of New Mexico, Albuquerque (1889)
- 7 - Western New Mexico University, Silver City (1893)

TWO-YEAR BRANCH COMMUNITY COLLEGES:

- 16 - ENMU-Roswell (1958)
- 17 - ENMU-Ruidoso (1958)
- 18 - NMSU-Alamogordo (1959)
- 19 - NMSU-Carlsbad (1950)
- 20 - NMSU-Doña Ana (1973)
- 21 - NMSU-Grants (1968)
- 22 - UNM-Gallup (1968)
- 23 - UNM-Los Alamos (1956)
- 24 - UNM-Taos (1923)
- 25 - UNM-Valencia (1978)

TWO-YEAR COMMUNITY COLLEGES:

- 8 - Central New Mexico Community College, Albuquerque (1965)
- 9 - Clovis Community College, Clovis (1961)
- 10 - Mesalands Community College, Tucumcari (1979)
- 11 - New Mexico Junior College, Hobbs (1966)
- 12 - San Juan College, Farmington (1956)
- 13 - Santa Fe Community College, Santa Fe (1983)
- 14 - Luna Community College, Las Vegas (1969)
- 15 - New Mexico Military Institute, Roswell (1945)

TRIBAL COLLEGES:

- 26 - Diné College, Shiprock (1968)
- 27 - Institute of American Indian Arts, Santa Fe (1962)
- 28 - Navajo Technical College, Crownpoint (1979)
- 29 - Southwestern Indian Polytechnic Institute, Albuquerque (1971)

SPECIAL SCHOOLS:

- 30 - New Mexico School for the Blind and Visually Impaired, Alamogordo (1903)
- 31 - New Mexico School for the Deaf, Santa Fe (1887)

Planning and Research Division

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. Five primary goals have been identified that contribute to the success of this mission:

- 1) Support the policy work of the Department
- 2) Strengthen partnerships with the state's education leadership community
- 3) Contribute to the local and national discussion of education policy and reform through research publications
- 4) Organize the Division's processes, define procedures, and clarify roles
- 5) Build Planning and Research Division sustainability

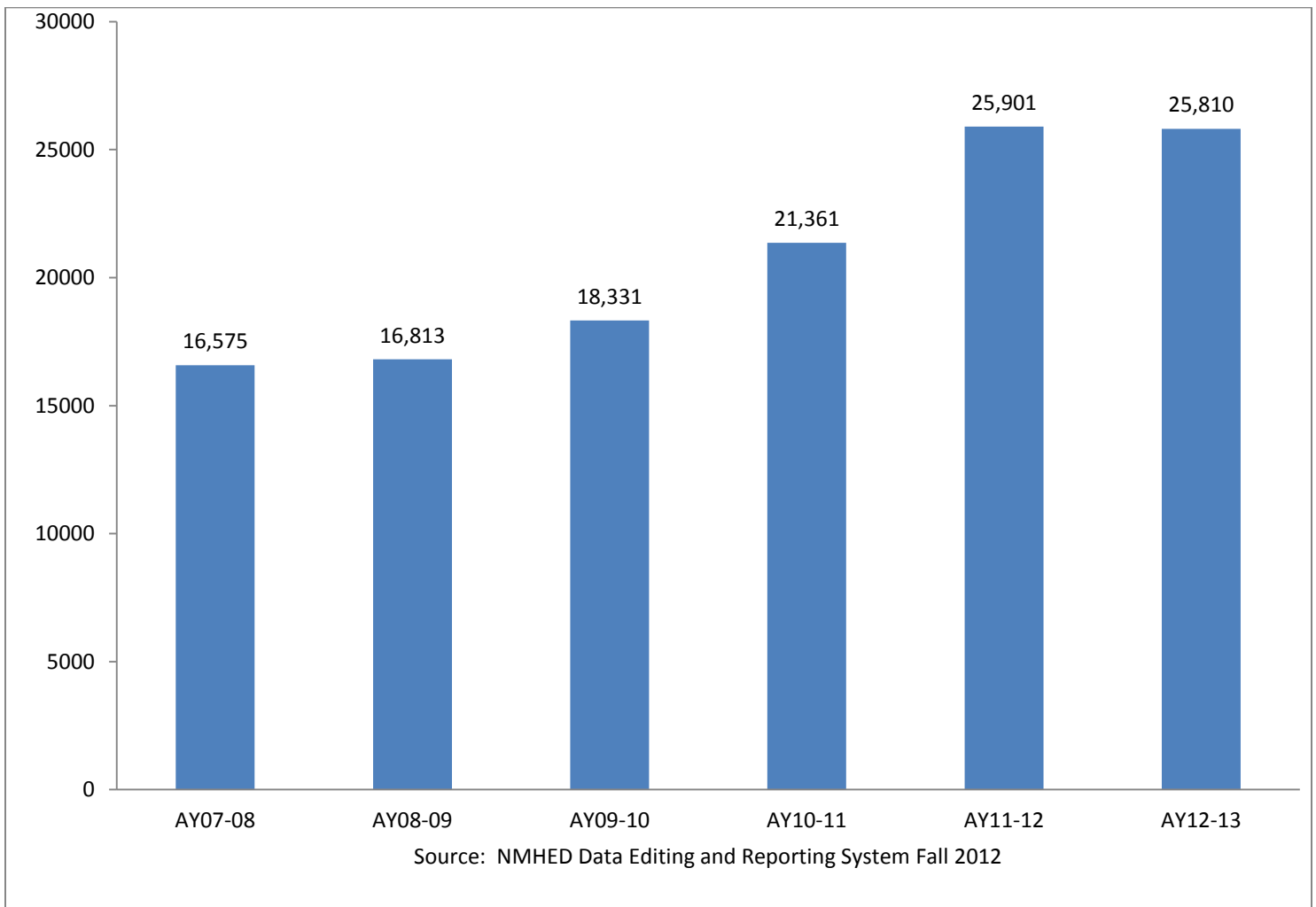
The responsibilities of the Planning and Research Division are broad. These are some of the Division's important and particularly relevant duties:

- Publish and present research and accountability reports at state and federal levels
- Inform and support the policy work of other division within the Department and other state agencies by providing research design and data analysis and report writing support
- Manage the public higher education funding formula data generation and certification process
- Oversee internal and external data flow related to the statewide higher education database
- Manage the statewide data verification process
- Lead and perform the legislative bill analysis process
- Develop data governance for the management and maintenance of student information
- Lead the development of New Mexico's longitudinal data system initiative
- Apply for grants that relate to educational research
- Provide state and federally mandated compliance reports related to accountability

The Division is dedicated to continuing to improve the ability to identify strategic improvement opportunities for the Governor, legislators and the higher education leadership community via robust student longitudinal data analysis, forecasting, trend analysis and modeling. The Division seeks ways to improve data collection so that decisions that impact education policy for secondary and postsecondary programs, institutions and the workforce may be data informed.

In addition to routine reporting, the division initiates and completes ad hoc data collection and analyses that further describe the department's activities for quality improvement and public information purposes.

Total Number of Certificates awarded at NM Public Higher Education Institutions AY 2007-2012



Enrollment Summary

New Mexico Public Postsecondary Institutions

	Fall 2011 Headcount	Fall 2012 Headcount	Percentage change
Research Universities			
New Mexico Institute of Mining and Tech	2,010	2,099	4%
New Mexico State University	18,060	17,697	-2%
University of New Mexico	28,928	28,912	0%
University of New Mexico-Medical School	337	373	10%
	49,335	49,081	-1%
Comprehensive Institutions			
Eastern New Mexico University	5,829	6,068	4%
New Mexico Highlands University	3,804	3,768	-1%
Northern New Mexico College	1,861	1,867	0%
Western New Mexico College	3,360	3,548	5%
	14,854	15,251	3%
Branch Community Colleges			
ENMU - Roswell	4,014	4,193	4%
ENMU - Ruidoso	1,107	1,184	7%
NMSU -Alamogordo	3,479	3,221	-8%
NMSU -Carlsbad	1,743	2,067	16%
NMSU - Dona Ana	9,900	9,330	-6%
NMSU -Grants	1,314	1,202	-9%
UNM - Gallup	2,966	2,826	-5%
UNM - Los Alamos	732	712	-3%
UNM - Taos	1,575	1,825	14%
UNM - Valencia	2,598	2,465	-5%
	29,428	29,025	-1%
Independent Community Colleges			
Central New Mexico Community College	29,180	28,449	-3%
CNM-UNM Site	1,239	1,189	-4%
Clovis Community College	3,914	3,672	-7%
Luna Community College	1,919	1,756	-9%
Mesalands Community College	995	984	-1%
New Mexico Junior College	3,655	3,145	-16%
New Mexico Military Institute	549	598	8%
San Juan College	11,579	11,483	-1%
Santa Fe Community College	6,520	6,483	-1%
	59,550	57,759	-3%
Statewide Totals:	153,167	151,116	-1%

Source: NMHED Data Editing and Reporting System Fall 2012

**New Mexico Public Postsecondary Institutions
Fall 2012
Headcounts, Undergraduate, and Graduate FTE**

	Headcount	UG FTE	GR FTE	Total FTE
Research Universities				
New Mexico Institute of Mining and Tech	2,099	1,396	298	1,694
New Mexico State University	17,697	12,046	2,093	14,139
University of New Mexico	28,912	18,777	4,845	23,623
University of New Mexico-Med School	373	0	373	373
	49,081	32,219	7609	39,828
Comprehensive Universities				
Eastern New Mexico University	6,068	3,519	592	4,111
New Mexico Highlands University	3,768	1,949	809	2,758
Northern New Mexico College	1,867	1,186	0	1,186
Western New Mexico College	3,548	1,830	323	2,153
	15,251	8,483	1724	10,207
Branch Community College				
ENMU-Roswell	4,193	2,252	n/a	2,252
ENMU-Ruidoso	1,184	499	n/a	499
NMSU-Alamogordo	3,221	1,586	n/a	1,586
NMSU-Carlsbad	2,067	945	n/a	945
NMSU-Dona Ana	9,330	5,528	n/a	5,528
NMSU-Grants	1,202	558	n/a	558
UNM-Gallup	2,826	1,827	n/a	1,827
UNM-Los Alamos	712	304	n/a	304
UNM-Taos	1,825	981	n/a	981
UNM-Valencia	2,465	1,450	n/a	1,450
	29,025	15,928	n/a	15,928
Independent Community College				
Central New Mexico Community College	28,449	15,498	n/a	15,498
CNM-UNM Site	1,189	320	n/a	320
Clovis Community College	3,672	1,684	n/a	1,684
Luna Community College	1,756	925	n/a	925
Mesalands Community College	984	652	n/a	652
New Mexico Junior College	3,145	1,626	n/a	1,626
New Mexico Military Institute	598	613	n/a	613
San Juan College	11,483	4,948	n/a	4,948
Santa Fe Community College	6,483	2,883	n/a	2,883
	57,759	29,149	n/a	29,149
Statewide Totals	151,116	85,779	9,333	95,112

Source: NHMED Data Editing and Reporting System Fall 2012

**New Mexico Public Postsecondary Institutions
Fall 2012
Resident and Non-resident Student Status**

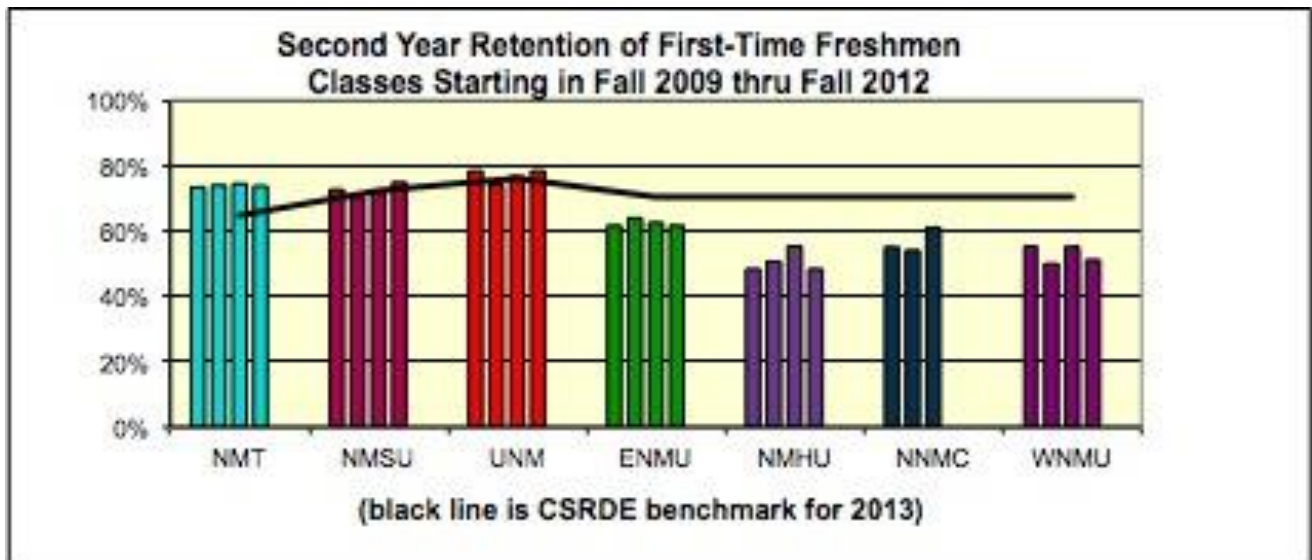
Research Universities	Headcount	Resident	Non Resident
New Mexico Institute of Mining and Tech	2,099	1,633	466
New Mexico State University	17,697	12,879	4,818
University of New Mexico	28,912	24,922	3,990
University of New Mexico-Med School	373	363	10
	49,081	39,797	9,284
Comprehensive Universities			
Eastern New Mexico University	6,068	4,602	1,466
New Mexico Highlands University	3,768	2,933	835
Northern New Mexico College	1,867	1,772	95
Western New Mexico College	3,548	2,848	700
	15,251	12,155	3,096
Branch Community College			
ENMU-Roswell	4,193	3,856	337
ENMU-Ruidoso	1,184	1,061	123
NMSU-Alamogordo	3,221	2,770	451
NMSU-Carlsbad	2,067	1,923	144
NMSU-Dona Ana	9,330	8,368	962
NMSU-Grants	1,202	1,129	73
UNM-Gallup	2,826	2,249	577
UNM-Los Alamos	712	690	22
UNM-Taos	1,825	1,784	41
UNM-Valencia	2,465	2,405	60
	29,025	26,235	2,790
Independent Community College			
Central New Mexico Community College	28,449	25,822	2,627
CNM-UNM Site	1,189	1,039	150
Clovis Community College	3,672	3,012	660
Luna Community College	1,756	1,674	82
Mesalands Community College	984	981	*
New Mexico Junior College	3,145	2,441	704
New Mexico Military Institute	598	154	444
San Juan College	11,483	8,859	2,624
Santa Fe Community College	6,483	5,863	620
	57,759	49,845	7,914
Statewide Totals	151,116	128,032	23,084

Source: NMHED Data Editing and Reporting System Fall 2012

*Less than 10

Retention of First-Time Freshmen to Their Second Year

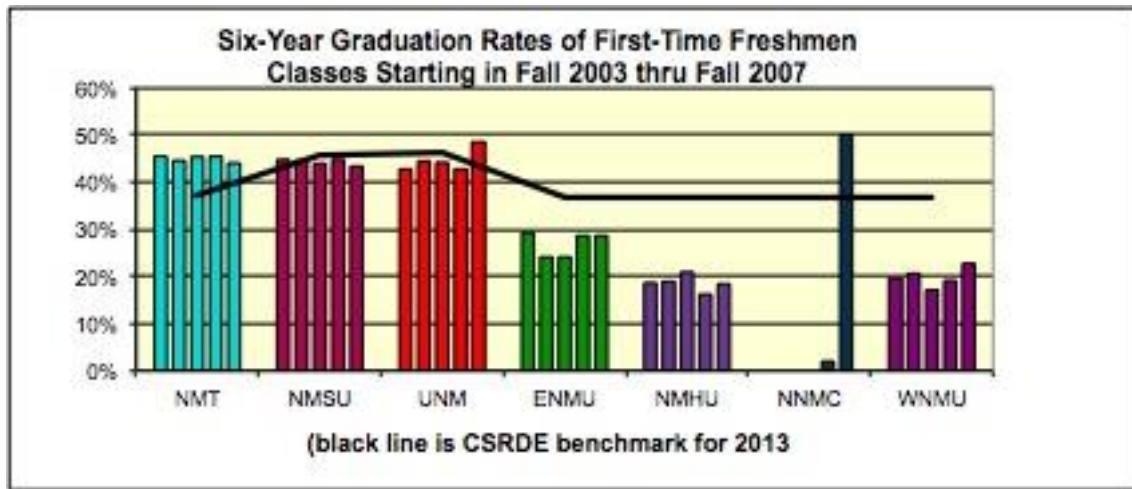
Persistence of first-time freshmen to the second fall semester has remained relatively constant for all universities, though both NMSU and UNM had a drop in retention this year. Open-door admission policies at the comprehensive universities help explain the difference in their retention rates relative to the research universities. The black line in the graph 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 over the next few years.



SOURCE: Council of University Presidents Performance Effectiveness Report (2006-2012) www.unm.edu/~cup

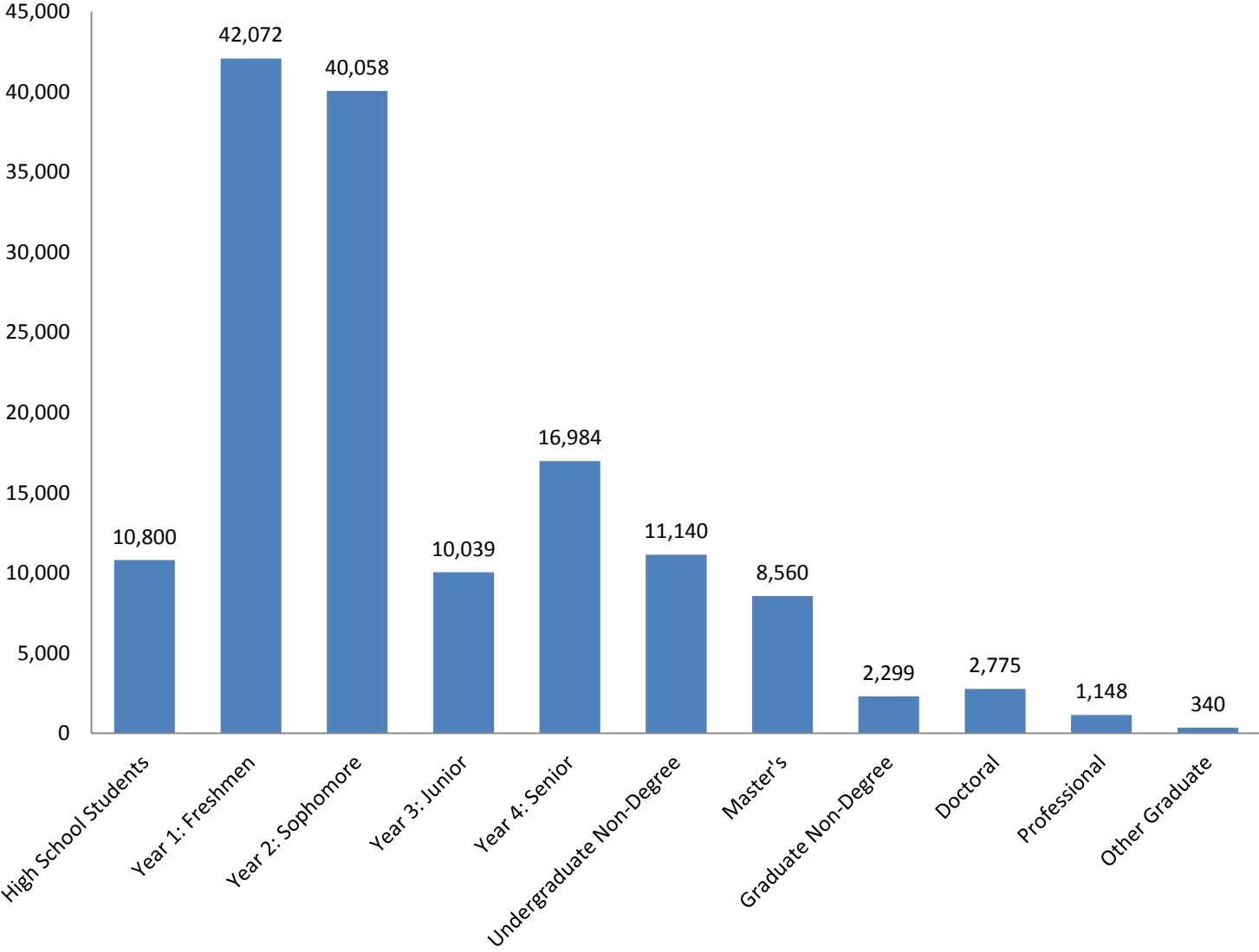
Six-Year Graduation Rate of First-Time Freshmen

A graduation rate of first-time freshmen after six years is a measure that all institutions have committed to increase over the next few years. The data show a similar pattern to the retention rate data, with some fluctuations from year to year. As with retention, the open door admission policies of the comprehensive universities help explain the lower rates relative to the research universities. The black line in the graph represents the average six-year graduation rate for similar public universities based on size and their admission profile, as reported by the Consortium for Student Retention Data Exchange (CSRDE).

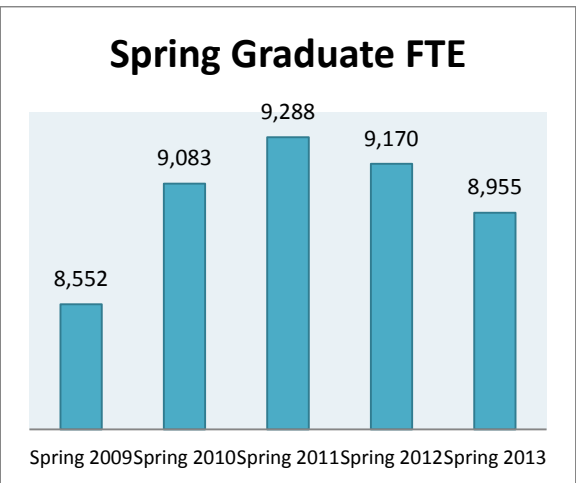
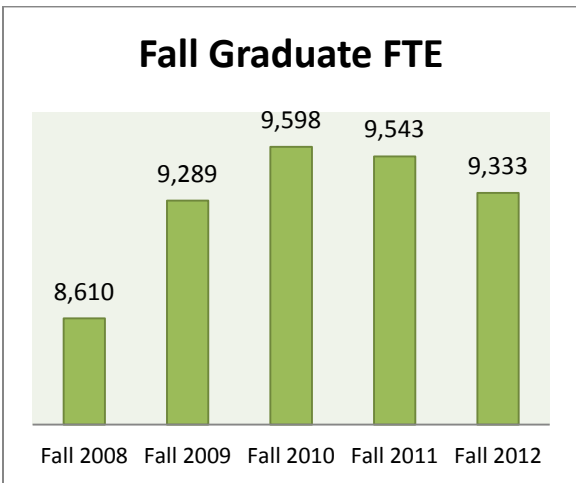
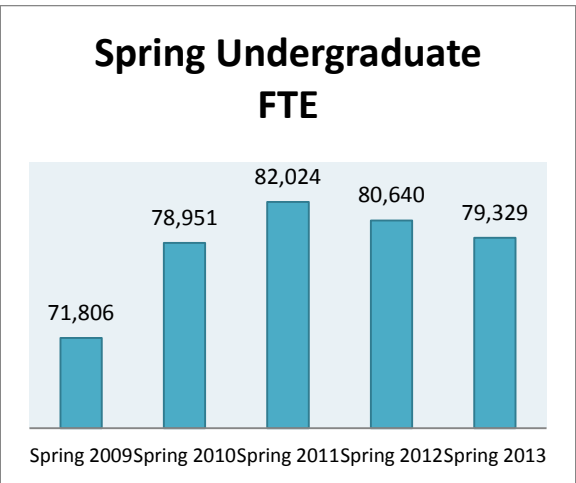
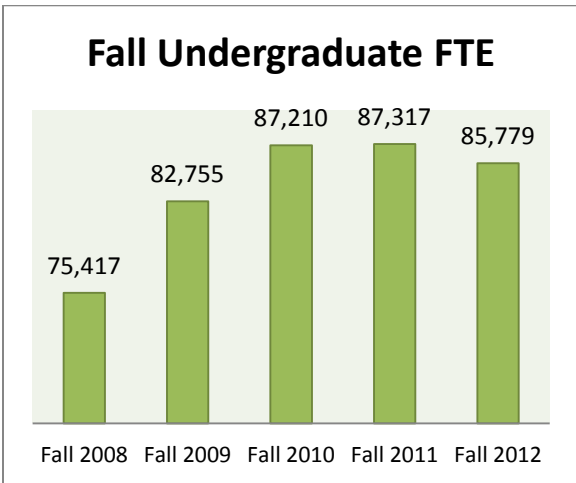
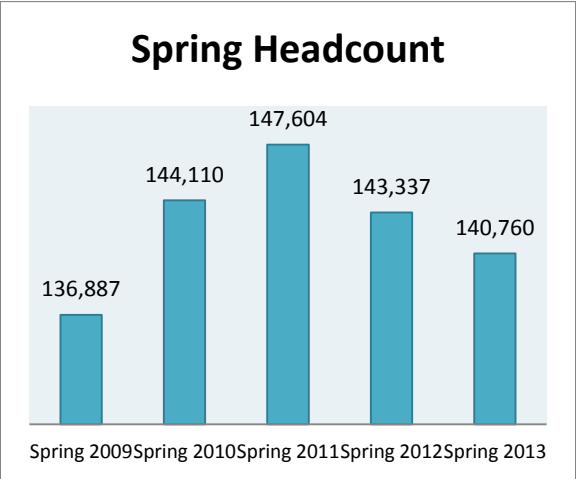
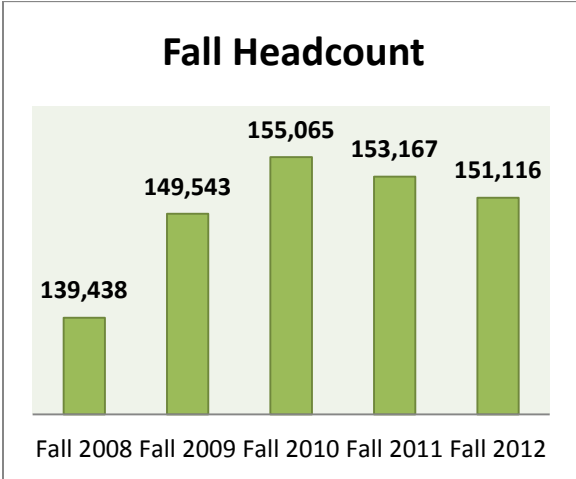


SOURCE: Council of University Presidents Performance Effectiveness Report (2006-2012) www.unm.edu/~cup

Fall 2012 Enrollment By Student Level



Source: NMHED Data Editing and Reporting System Fall 2012



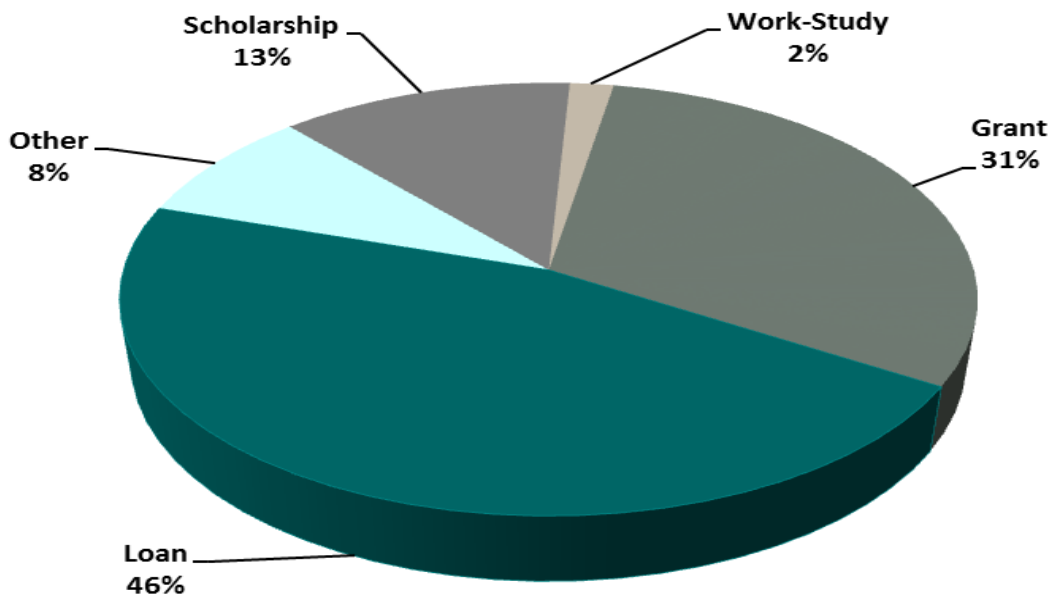
Source: NMData Editing and Reporting System Fall 2012

Financial Aid Division

New Mexico Financial Aid Overview

Students attending higher education in New Mexico received a total of \$765 million in Financial Aid during 2013. Federal Pell grants and student loans are the majority of the aid provided to New Mexico students attending higher education institutions in the state.

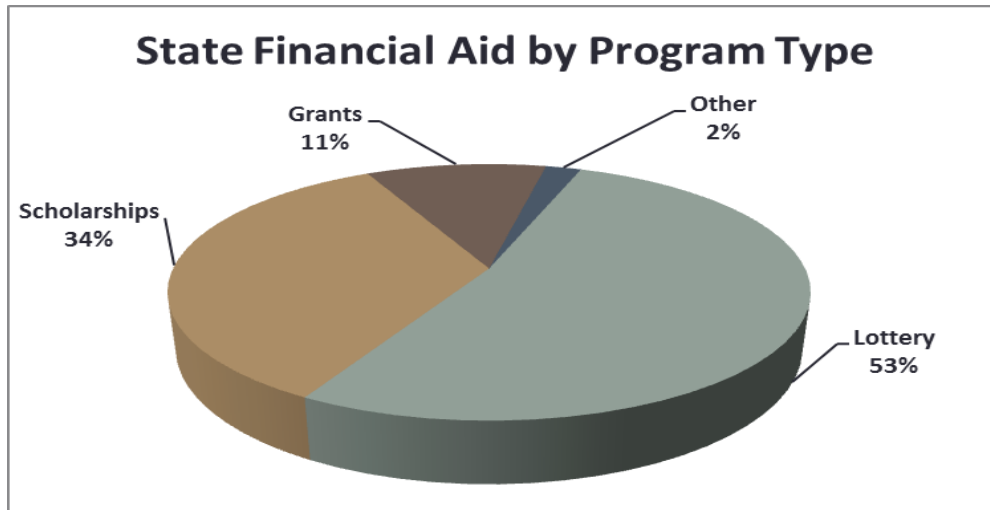
New Mexico's Financial Aid Distribution by Category



Category	Distribution	Percentage
Grant	\$ 235,669,147	31%
Loan	\$ 354,646,303	46%
Other	\$ 64,549,037	8%
Scholarship	\$ 96,348,538	13%
Work-Study	\$ 14,396,708	2%
Grand Total	\$ 765,609,733	100%

State Financial Aid by Program Type

The New Mexico Higher Education Department administers 26 state financial aid programs and distributes more than \$100 million per year. The Legislative Lottery Scholarship is the primary state financial aid program (53%). The remaining program types consist of other scholarships (34%), grants (11%) other funding sources (2%).



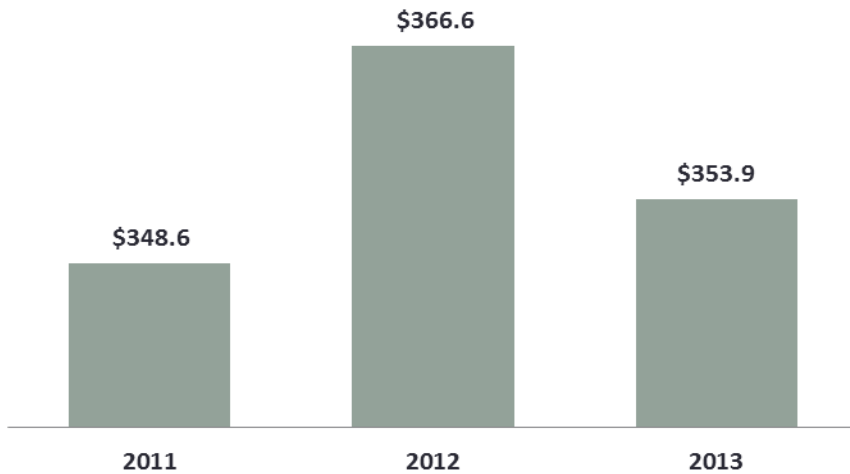
State Financial Aid	Recipients	Total Amount Distributed
Legislative Lottery Scholarship	32,355	\$ 62,210,268
3% Scholarship	13,285	\$ 12,830,428
Athletic Scholarships	4,090	\$ 10,956,011
Student Incentive Grant (SSIG)	26,163	\$ 10,876,583
Competitive Scholarships	2,766	\$ 9,079,479
State Work-Study	4,071	\$ 6,249,355
College Affordability Grant	5,402	\$ 1,971,826
WICHE Loan for Service	72	\$ 1,924,200
New Mexico Scholars	310	\$ 672,387
ETB Pathways Scholarship	500	\$ 500,000
Graduate Scholarships	119	\$ 421,925
Medical Loan for Service	22	\$ 275,000
Nursing Loan for Service	29	\$ 142,800
Legislative Endowment	288	\$ 134,123
Lottery Disability	98	\$ 133,288
Allied Health Loan for Service	24	\$ 127,978
Teacher Loan for Service	16	\$ 39,118
Vietnam Veterans Scholarship	20	\$ 22,655
Nurse Educator Loan for Service	6	\$ 19,000
Grand Total	89,636	\$ 118,586,424

New Mexico Financial Aid

The New Mexico Higher Education Department collects and analyzes Financial Aid data annually from each public-postsecondary educational institution in New Mexico. Financial Aid distribution to New Mexico students totals \$765,609,733 and benefits 412,619 students.

Statewide Financial Aid Programs	Head Count	Total Distribution
Pell Grants	109,371	\$ 207,269,486
Direct Unsubsidized	40,042	\$ 109,287,468
Stafford Unsubsidized	23,356	\$ 96,901,732
Direct Subsidized	45,821	\$ 83,538,759
Lottery Success Scholarship	32,355	\$ 62,210,268
Other Institutionally Funded	42,728	\$ 47,565,020
Stafford Student Loan (SSL)	18,586	\$ 42,492,728
3% Scholarship	13,285	\$ 12,830,428
Private Grant/Gift	7,921	\$ 11,100,809
Athletic Scholarships	4,090	\$ 10,956,011
Student Incentive Grant (SSIG)	26,163	\$ 10,876,583
Private Loan	2,026	\$ 9,340,528
Competitive Scholarships	2,766	\$ 9,079,479
Federal Work-Study	5,268	\$ 7,195,024
Native American (Tribal Aid)	4,093	\$ 7,113,693
Parent Loans for Undergraduates (PLUS)	1,170	\$ 6,911,341
State Work-Study	4,071	\$ 6,249,355
Other Federal	2,450	\$ 5,680,216
Supp. Educ'l Opportunity Grants (SEOG)	13,061	\$ 4,958,297
Perkins Loan	2,997	\$ 3,677,721
Other Gift/Scholarship WITHIN NM	2,492	\$ 2,503,326
College Affordability Grant	5,402	\$ 1,971,826
Direct PLUS	404	\$ 1,789,142
Other State Aid (i.e. DVR)	1,078	\$ 1,231,500
New Mexico Scholars	310	\$ 672,387
ETB Pathways Scholarship	500	\$ 500,000
Graduate Scholarships	119	\$ 421,925
Grant/Gift Assistance from OTHER states	191	\$ 390,719
Medical Student Loan	22	\$ 275,000
Nursing Loan	29	\$ 142,800
Legislative Endowment	288	\$ 134,123
Lottery Disability	98	\$ 133,288
Allied Health Loan	24	\$ 127,978
Teacher Loan for Service program	16	\$ 39,118
Vietnam Veterans	20	\$ 22,655
Nurse Educator	6	\$ 19,000
Grand Total	412,619	\$ 765,609,733

Student Loans



Student Loans

New Mexico students during the 2012 - 2013 academic year borrowed 3% less to finance education from 2011-2012. The average student loan amount in 2013 was \$2,633.

Students borrowed \$5.62 for every dollar awarded by the Legislative Lottery Scholarship Program.

State Institutions	2011	2012	2013
University of New Mexico	\$ 122,016,684	\$ 134,460,361	\$ 136,409,376
UNM - Gallup	\$ 2,734,957	\$ 3,354,112	\$ 3,677,003
UNM - Los Alamos	\$ 218,388	\$ 171,786	\$ 230,529
UNM - Taos	\$ 2,895,724	\$ 3,111,278	\$ 3,227,065
UNM - Valencia	\$ 3,993,924	\$ 4,805,681	\$ 4,752,805
New Mexico State University	\$ 70,153,321	\$ 71,176,250	\$ 66,428,058
NMSU - Alamogordo	\$ 3,731,340	\$ 3,837,420	\$ 3,350,064
NMSU - Carlsbad	\$ 1,575,408	\$ 1,431,606	\$ 1,013,659
NMSU - Dona Ana	\$ 21,031,805	\$ 17,210,249	\$ 15,496,351
NMSU - Grants	\$ 1,083,152	\$ 1,229,363	\$ 1,091,752
Western New Mexico University	\$ 10,493,923	\$ 11,970,372	\$ 13,032,818
New Mexico Highlands University	\$ 13,128,767	\$ 13,174,999	\$ 14,319,501
New Mexico Tech	\$ 3,527,283	\$ 4,035,343	\$ 4,361,171
Northern New Mexico College	\$ 1,040,104	\$ 1,041,883	\$ 979,169
Eastern New Mexico University	\$ 16,977,665	\$ 18,816,218	\$ 19,016,479
ENMU - Roswell	\$ 1,054,626	\$ 1,041,932	\$ 1,028,868
ENMU - Ruidoso	\$ 808,715	\$ 661,817	\$ 448,137
Central NM CC	\$ 50,195,549	\$ 49,453,685	\$ 42,422,963
Luna CC	\$ 455,691	\$ 695,467	\$ 715,182
Mesalands CC	\$ -	\$ 19,000	\$ -
Clovis Community College	\$ 1,457,318	\$ 1,348,907	\$ 1,427,100
NM Junior College	\$ 1,707,930	\$ 1,061,832	\$ 960,474
NM Military Inst.	\$ 381,471	\$ 778,044	\$ 649,819
Santa Fe CC	\$ 7,133,612	\$ 8,342,930	\$ 8,218,152
San Juan College	\$ 6,197,348	\$ 6,465,689	\$ 6,480,154
St. John's	\$ -	\$ -	\$ 4,202,770
Univ. of the Southwest	\$ 4,619,125	\$ 6,906,984	\$ -
Grand Total	\$ 348,613,830	\$ 366,603,208	\$ 353,939,419

Legislative Lottery Scholarship

In 1996, state lawmakers created the Legislative Lottery Scholarship program. Over 82,000 students have attended New Mexico public higher educational institutions with the help of this scholarship.

The Legislative Lottery Scholarship is currently 53% of financial aid provided by the state. As of FY 2013, \$60.9 million was distributed to New Mexico students.

Institution by Sector	Awards FY 2013		FY 2013		
	Fall	Spring	Fall	Spring	Percent
NM State	3,496	3,958	\$ 8,295,648	\$ 9,390,279	29.0%
NM Tech	439	567	\$ 1,068,197	\$ 1,386,741	4.0%
Univ. of NM	6,612	7,542	\$ 15,636,756	\$ 17,890,211	55.0%
Total (Research)	10,547	12,067	\$ 25,000,601	\$ 28,667,231	88.1%
Eastern NM	817	999	\$ 191,851	\$ 1,462,207	2.7%
NM Highlands	232	288	\$ 314,129	\$ 379,517	1.1%
Northern NM	142	200	\$ 167,752	\$ 240,226	0.7%
Western NM	137	230	\$ 219,804	\$ 368,846	1.0%
Total (Comprehensive)	1,328	1,717	\$ 893,536	\$ 2,450,797	5.5%
Central NM CC	838	1,561	\$ 408,186	\$ 690,072	1.8%
Clovis CC	71	104	\$ 34,487	\$ 50,635	0.1%
ENMU-Roswell	140	225	\$ 96,272	\$ 158,765	0.4%
ENMU-Ruidoso	52	80	\$ 14,333	\$ 23,299	0.1%
Luna CC	43	64	\$ 19,038	\$ 29,956	0.1%
Mesalands CC	19	29	\$ 14,760	\$ 23,520	0.1%
NMJC	50	106	\$ 21,882	\$ 46,596	0.1%
NMMI	3	9	\$ 2,358	\$ 7,065	0.0%
NMSA-Dona Ana	480	712	\$ 374,774	\$ 532,696	1.5%
NMSU-Alamogordo	91	117	\$ 85,188	\$ 110,909	0.3%
NMSU-Carlsbad	52	78	\$ 27,724	\$ 38,898	0.1%
NMSU-Grants	20	42	\$ 18,022	\$ 37,210	0.1%
San Juan College	188	387	\$ 106,580	\$ 181,958	0.5%
Santa Fe CC	164	259	\$ 88,017	\$ 138,140	0.4%
UNM-Gallup	83	84	\$ 60,341	\$ 61,070	0.2%
UNM-Los Alamos	26	49	\$ 20,015	\$ 36,379	0.1%
UNM-Taos	44	71	\$ 36,372	\$ 57,936	0.2%
UNM-Valencia	160	228	\$ 116,899	\$ 163,491	0.5%
Total (2-Year)	2,524	4,205	\$ 1,545,246	\$ 2,388,594	6.5%
Grand Total	14,399	17,989	\$ 27,439,383	\$ 33,506,621	100%
FY Grand Total	32,388		\$ 60,946,004		

*Financial Aid Drawdown Data

Allied Loan for Service Program

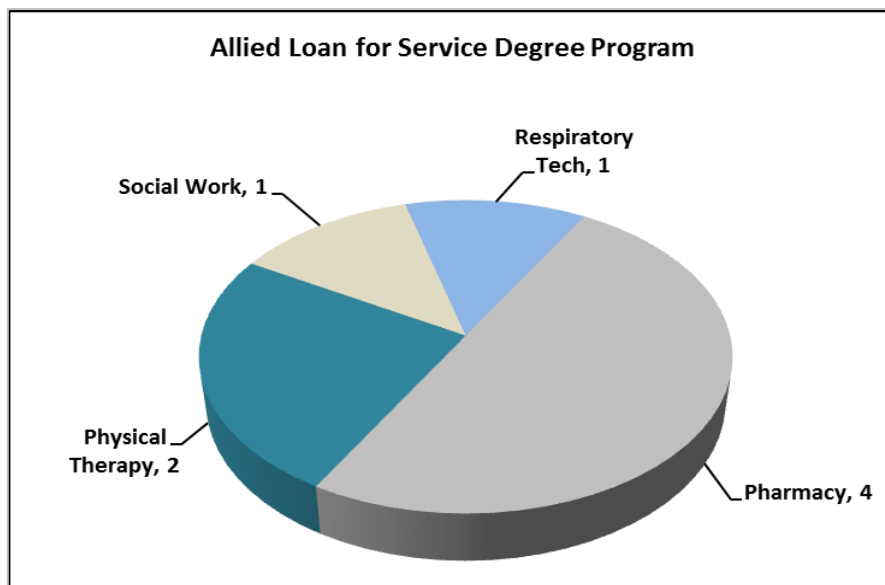
The purpose of the Allied Health Student Loan for Service Act is to address the shortage of allied health professionals in underserved areas of New Mexico by increasing the number of health practitioners through a program of loans. As a condition of each loan, the student must declare his/her intent to practice as a health professional in a designated shortage area. Each applicant shall declare his intent to practice within the following professions:

Physical Therapy; Laboratory Technology; Respiratory Care; Speech-Language Pathology; Dental Hygiene; Mental Services; Occupational Therapy; Audiology; Emergency Medical Services; Pharmacy, and Nutrition.

The Allied Health Loan for Service default rate for FY 2013 is 7%, which is an overall decrease from 2012 by 5%.

2012-2013 Academic Year			
Program	Total Number of Applicants	Total Number of Applicants Awarded	Average Award
Allied Loan For Service	20	8	\$9,894

Allied Loan-for-Service Program	
Total Accounts "In School" Status	7
Closed Accounts (Provided Service or Repaid loan)	86
Accounts on Deferment	4
Accounts that are in Default	5
Borrowers Providing Service	3
Making Payments	3
Total Accounts in ECSI	108



Medical Loan for Service Program

The purpose of the New Mexico Health Professions Student Medical Loans for Service acts is to increase the number of health professionals in areas of the state which have experienced shortages of health practitioners. The department makes educational loans to students seeking certification/licensure in an eligible profession.

2012-2013 Academic Year			
Program	Total Number of Applicants	Total Number of Applicants Awarded	Average Award
Medical Loan For Service	14	11	\$25,000

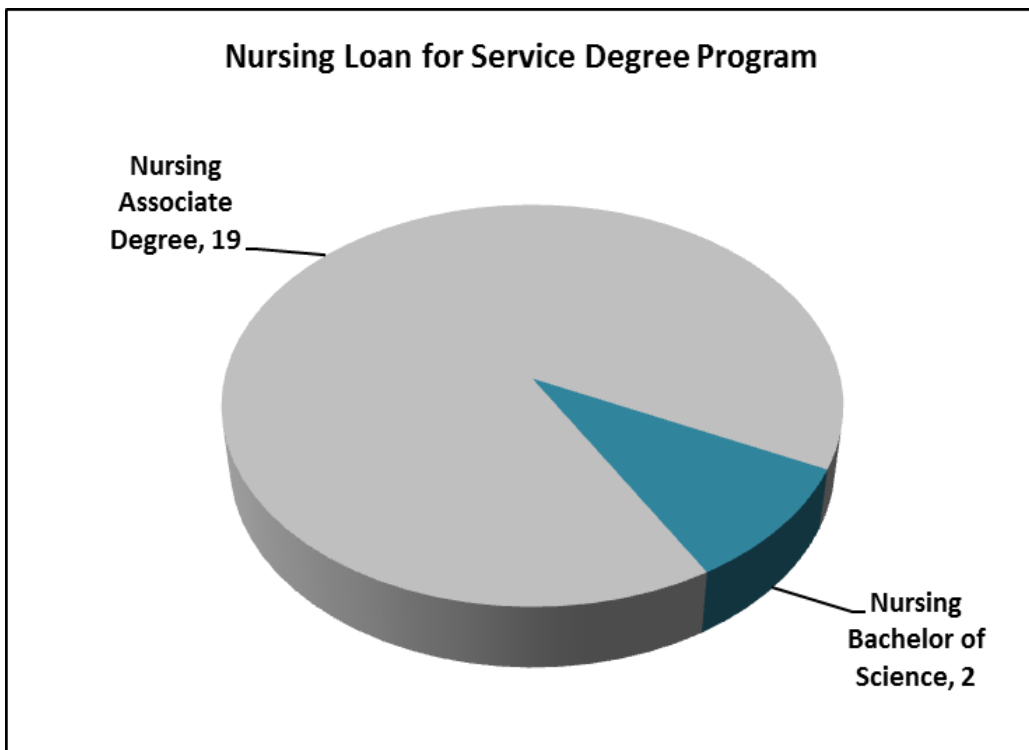
Medical Loan-for-Service Program	
Total Accounts "In School" Status	9
Closed Accounts (Provided Service or Repaid loan)	101
Accounts on Deferment	5
Accounts that are in Default	8
Borrowers Providing Service	5
Making Payments	3
Total Accounts in ECSI	131

Nursing Loan for Service Program

The purpose of the Nursing Student Loan for Service Act is to address the shortage of nursing health professionals in underserved areas of the state by increasing the number of practitioners in rural areas through a program of loans. As a condition of each loan, the student shall declare his/her intent to practice as a health professional in a designated shortage area.

2012-2013 Academic Year			
Program	Total Number of Applicants	Total Number of Applicants Awarded	Average Award
Nursing Loan For Service	50	26	\$12,000

Nursing Loan-for-Service Program	
Total Accounts "In School" Status	12
Closed Accounts (Provided Service or Repaid loan)	325
Accounts on Deferment	13
Accounts that are in Default	60
Borrowers Providing Service	18
Making Payments	17
Total Accounts in ECSI	445



Minority Doctoral Loan for Service Program

The purpose of the Minority Doctoral Assistance Student Loan for Service Act is to increase the number of ethnic minorities and women available to teach engineering, physical or life sciences, mathematics and other academic disciplines in which ethnic minorities and women are demonstrably underrepresented in New Mexico colleges and universities.

2012-2013 Academic Year			
Program	Total Number of Applicants	Total Number of Applicants Awarded	Average Award
Minority Doctoral Loan For Service	5	1	\$15,000

Minority Doctoral Loan-for-Service Program	
Total Accounts "In School" Status	7
Closed Accounts (Provided Service or Repaid loan)	28
Accounts on Deferment	2
Accounts that are in Default	7
Borrowers Providing Service	2
Making Payments	5
Total Accounts in ECSI	51

Teacher Loan for Service Program

The objective and purpose of the New Mexico Teacher Loan-for-Service Act is to proactively address New Mexico's teacher shortage by providing students with the financial means to complete or enhance their post-secondary teacher preparation education.

The Teacher Loan for Service default rate for FY 2013 is 11%.

2012-2013 Academic Year			
Program	Total Number of Applicants	Total Number of Applicants Awarded	Average Award
Teacher Loan For Service	19	9	\$4,000

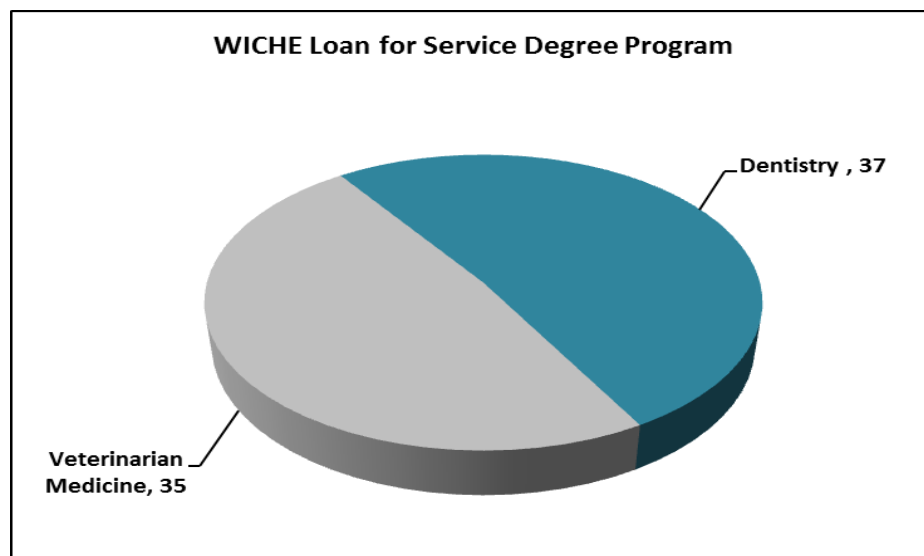
Teacher Loan-for-Service Program	
Total Accounts "In School" Status	9
Closed Accounts (Provided Service or Repaid loan)	245
Accounts on Deferment	8
Accounts that are in Default	24
Borrowers Providing Service	7
Making Payments	9
Total Accounts in ECSI	302

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

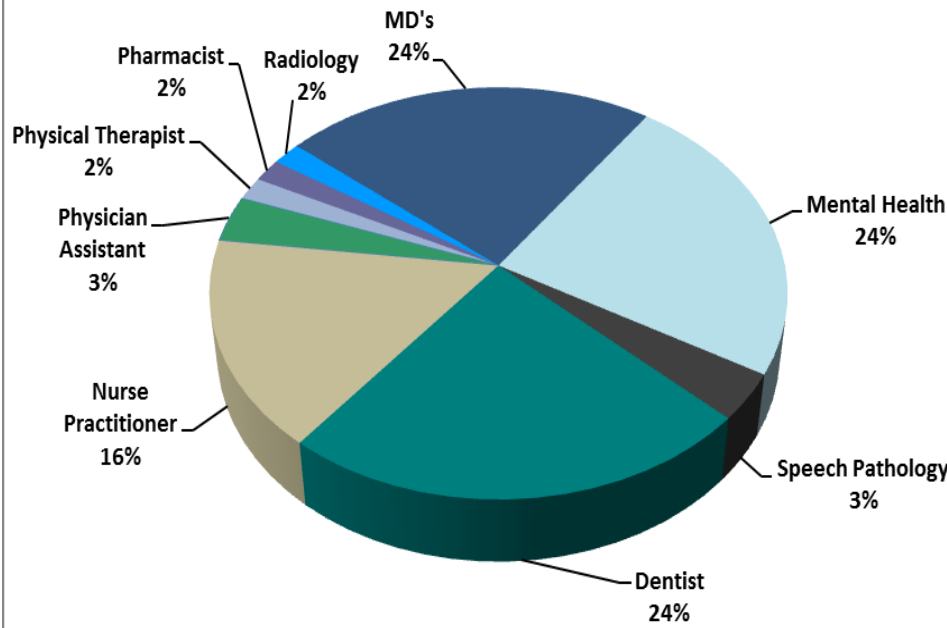
The WICHE Loan for Service program is to make educational loans available to student wishing to participate in student exchange and enroll in an out-of-state university. The program requires, as a condition of each loan, that a student declare his or her intent to return to New Mexico upon degree completion and practice in their licensed or chosen field.

2012-2013 Academic Year				
Program	Total Number of Applicants	Total Number of Applicants Awarded	Renewal Awards	Average Award
WICHE Loan for Service Dentistry	28	14	23	\$23,300
WICHE Loan For Service Veterinarian Medicine	29	8	27	\$30,000

WICHE Loan-for-Service	
Total Accounts "In School" Status	54
Closed Accounts (Provided Service or Repaid loan)	157
Accounts on Deferment	16
Accounts that are in Default	37
Borrowers Providing Service	51
Making Payments	10
Total Accounts in ECSI	325



Health Professional Loan Repayment by Profession



FY 2013		
Total Number of Applicants Awarded	Number of Applicants Applied	Average Award
20	131	\$19,238

Health Professional Loan Repayment Program

The purpose of this program is to increase the number of health professionals in underserved areas through a program of loan repayment. The program will pay its participants for the principal and reasonable interest accrued on loans obtained for educational purposes. The program requires that each eligible participant practice his/her profession within one of the areas of the state designated by the health profession advisory committee as a health professional shortage area for a minimum period of two years.

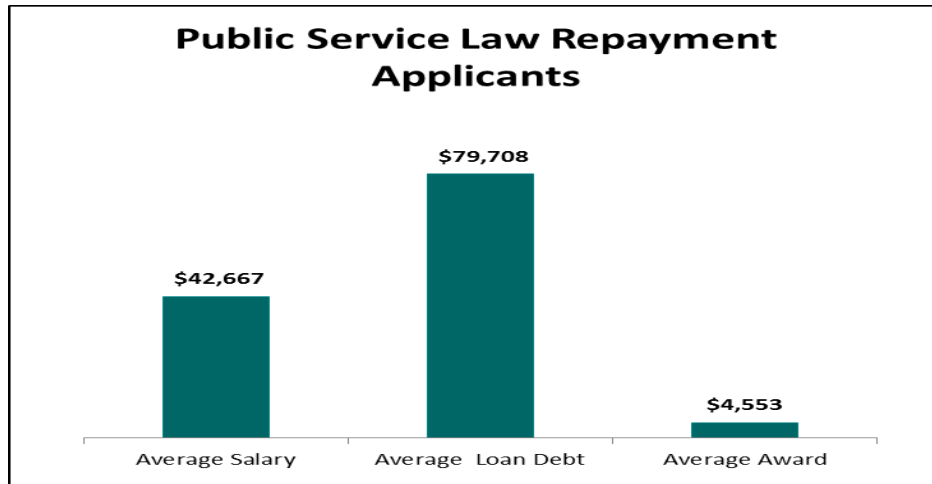
The goal of NMHED is to provide funds to eligible candidates in an attempt to bridge the widening gap between the underserved, rural, and underprivileged populations. State funding for primary care centers is approximately eleven percent (11%) of the \$140 million annual sector budget. These loans support operations at over 80 clinical sites in New Mexico.

Approximately ninety-nine percent (99%) of the funded participants remain in their positions and complete their service. A total of ninety-eight percent (98%) of participants (federally and state funded) have completed their service obligation.

Public Service Law Repayment Program

The purpose of the Public Service Attorney Loan Repayment program is to improve access to the justice system in New Mexico. The program increases the number of attorneys in public service employment. Public service law includes criminal prosecution and defense, as well as a variety of legal aid programs.

During the 2013 Legislative Session, SB 349 was passed into law to increase the existing salary cap from \$45,000 to \$55,000 annually. This will allow additional public service attorneys to qualify for loan repayment assistance.



FY 2013		
Not Awarded	Awards	Average Award
3	15	\$4,553

Adult Basic Education Division

Adult Education provides free services that help build our economy by giving New Mexico adults the skills they need to succeed in today's labor market. In FY13 the Adult Basic Education Division provided oversight for \$9,606,009 to serve 19,364 students in 26 programs throughout New Mexico (\$4,219,223 from Federal Funding and \$5,386,786 from State funding). Programs range in size from fewer than 100 students to more than 3,000. Learners 16 years of age and older who function below Grade 12.9* are eligible to take advantage of the opportunities these programs provide to

- Learn basic literacy and numeracy skills;
- Earn a High School Equivalency credential;
- Learn English as a second language (ESL) and study Civics in English;
- Prepare for transition to postsecondary education and career training; and
- Obtain and keep employment.

*according to assessments nationally normed by the American Institute for Research at the U. S. Department of Education

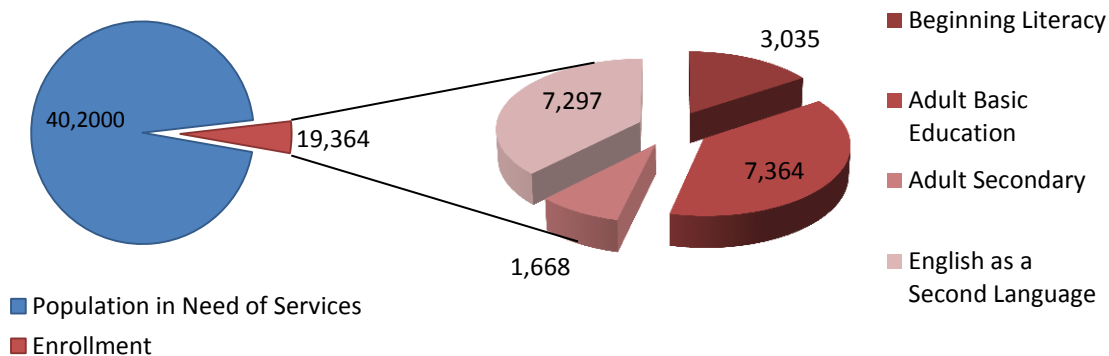
Student Demographics

Nationwide, the US Department of Education estimates that Adult Education programs they fund are able to serve about 5% of students who are eligible for the services. The same is true in New Mexico. According to the 2010 American Community Survey, approximately 270,000 New Mexicans between the ages of 18 and 64 do not have a High School diploma. An additional 132,000 adults need ESL services. The Adult Basic Education Division tracks only "fundable" students—those who have had 12 or more hours of instruction—although the 26 programs serve many for shorter periods. All data reflect only learners who persist 12 hours or more.

The chart below illustrates that during 2012/13

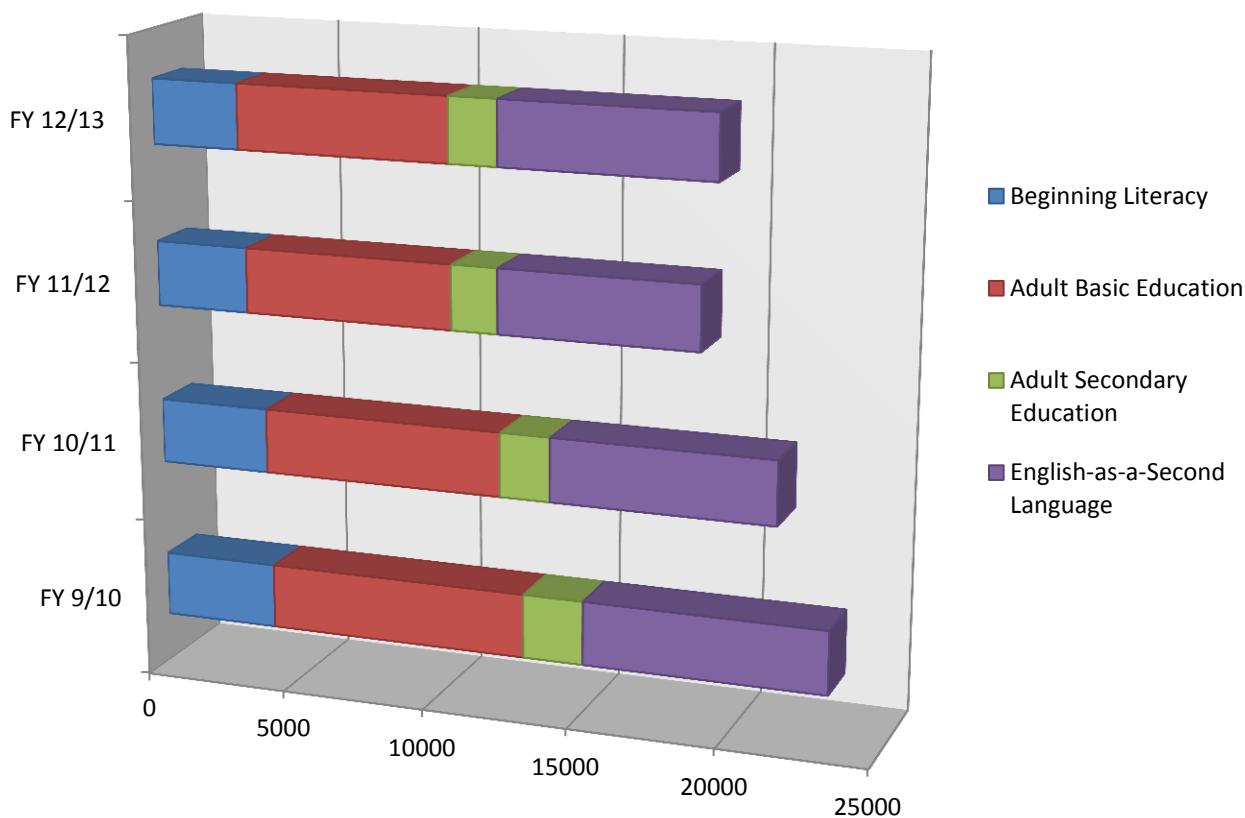
- Only 9% of students entered the programs ready for instruction at Adult Secondary levels (9th-12th grade equivalency, nationally normed);
- 38% entered at Adult Basic levels (between 4 and 8.9th grade equivalency);
- 16 % entered needing basic literacy instruction (0 - 3.9th grade equivalency); and
- 38% entered as ESL students.

Students Served and Educational Functioning Level at Entry



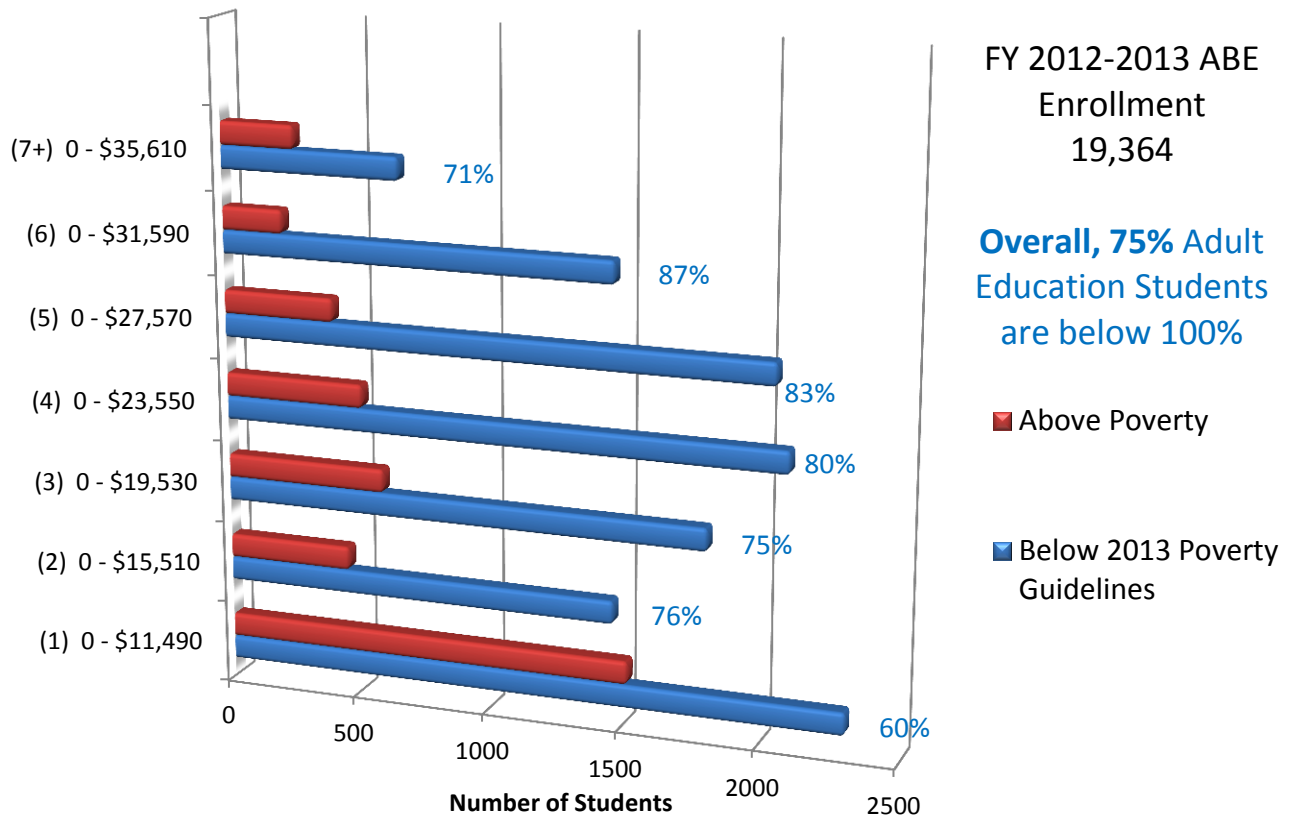
Enrollment declined from 23,000 in FY10 through FY12 when enrollment was 18,854, consistent with decreasing state funding and the declining capacity of programs to pay instructors. During FY12 and FY13 the proportion of students studying ESL increased dramatically and the proportion entering ready to study for a High School Equivalency credential declined significantly.

Adult Education Enrollment Trends, 2010-2013



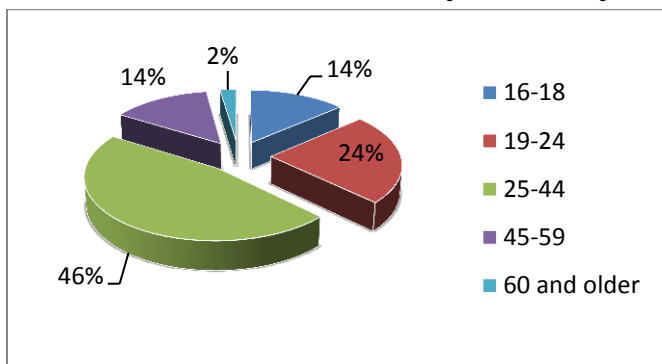
Adult Education learners in New Mexico pay no tuition, and all books and necessary instructional materials, both paper and electronic, are provided free of charge. Overall, 75% of Adult Education learners are below 100% poverty level. The chart below indicates families below poverty level according to household size in FY13.

Household Size and Household Income Range

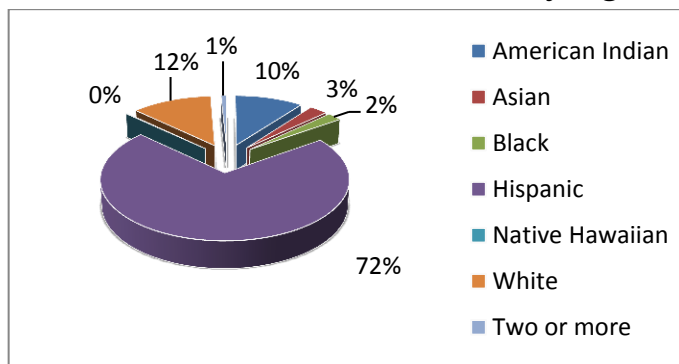


Altogether, 72% of students are Hispanic. Only 12% identify as white, and 10% as Native American (including Alaskan Natives and Native Hawaiian and Pacific Islanders). Four of New Mexico's Adult Education programs, three located on reservations and one at Southwest Indian Polytechnic Institution, serve 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 (at 47%), and that proportion has been gradually increasing over recent years.

Adult Education Students by Ethnicity



Adult Education Students by Age



Funding

In FY13 the Adult Basic Education Division of the Higher Education Department provided oversight for \$9,606,009 and 26 local Adult Education programs throughout New Mexico. Of this, \$5,186,786 was appropriated to the Higher Education Department's operating budget, \$200,000 was by special appropriation for Adult Education, and \$4,219,223 was Federal funding. The Federal funding is part of the Workforce Investment Act (WIA) formula grant funding. This funding for State Adult Education programs is awarded through Title II of the WIA, also called the Adult Education and Family Literacy Act (AEFLA).

Of the 26 local programs, 22 are housed at postsecondary institutions, three at community-based organizations, and one at a school district. The programs to be funded were selected through an RFP process, and the amount of funding is determined each year by formula. Beginning with the funding for FY11, the formula has been partially performance based, a major shift from a formula that had been exclusively based on program inputs, such as enrollment, community need, and program effort measures.

The new formula was developed in consultation with stakeholders, including ABE program host institutions and their fiscal officers, local program managers and a professional consulting firm specializing in performance based funding in Adult Education programs. The formula was designed to increase the performance portion of the award over time to help mediate radical changes in the funding stream for programs that need to improve performance. Because this formula change was not supported by additional funding, it was also necessary to include loss and gain limits. In FY11 the performance based portion of the funding was 5%, rising to 15% for FY 13 funding.

*Because of the Federal sequestration statute, and given the need to protect program sustainability, the programs are flat-funded for FY14 and will likely have funding reduced across the board for FY15, depending upon any effects of Federal sequestration and in the absence of increased State funding.

Performance-Based Funding Overview

CORE FUNDING (85% in 2012-2013)			PERFORMANCE
Base Grant (\$70,000)	Headcount (increase in performance % deducted from headcount)	Need 5% of Core	15% in 2013 (Increases Annually)
CORE FUNDING		PERFORMANCE FUNDING	
<ul style="list-style-type: none"> • Supports State value of Student Access • Measures Program Inputs • Supports head count and amount of need in counties served • Ignores program performance 		<ul style="list-style-type: none"> • Supports state value of Student Success • Measures program Outputs • Rewards program performance • Ignores program headcount 	
		31	

Return on Investment

Adult Education learners contribute significant economic return for New Mexico as they realize their own educational and employment goals. Many leave public assistance, having acquired the skills they need to successfully enter the workforce. Others enhance income at their present job by increasing numeracy and literacy skills and by obtaining High School equivalency credentials. Yet others transition to postsecondary education and prepare to enter career pathways that will enable them to give back to their families and communities, both socially and economically.

In FY13

- 1,065 gained jobs and 1,176 received job promotions, resulting in \$8,853,921 increased income;
- 1,854 obtained High School equivalency credentials and high school diplomas, representing potential increased income of \$16,398,200;
- 874 transitioned to postsecondary education, representing potential increased earnings of \$9,762,230; and
- 79 left public assistance, representing a saving of \$858,888.

Because 75% of students are at 100% poverty level or less at entry, we applied a 1.0 multiplier factor for propensity to consume, zero for propensity to invest, and zero for propensity to import. Based on those factors and the data, the return on investment for New Mexico's economy was 565.9%.

Subtracting the investment of \$5,386,786 from the return of \$35,873,239, this leaves a contribution to the state's economy of \$30,486,453, or \$5.66 for every dollar invested.

*Sources: New Mexico Higher Education Department E-DEAR data, Workforce Solutions Department employment data, Adult Education LACES data, U.S. Bureau of Labor Statistics

Program Performance

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 state office and the local programs explore promising practices and pilot those that are economically feasible and, based on research and local data, seem likely to help New Mexico adult learners move forward.

- Data

The ABE Division monitors program data quality by performing regularly scheduled bi-annual site visits. In addition, the ABE Operations Research Analyst analyses performance measures for the programs twice a year; monitors data quality and integrity using a series of database diagnostic tools on a monthly basis. The ABE office also coordinates and provides training to local data technicians and program managers regarding data entry and use.

- Program monitoring

During FY13, all 26 local programs received site visits from the ABE Division. The visits were largely procedural, to ensure the presence of necessary procedures and compliance with grant requirements, both State and Federal. ABE examined financial and data processes, as well as program intake, orientation, assessment and student placement procedures

In addition, programs began reporting on their performance at quarterly intervals to enable the state office to target professional development needs and to begin regularizing a self-study process among the local programs.

Two programs had to execute corrective action plans and successfully did so.

- Professional development

Throughout FY13 the ABE Division provided professional development to improve the skills of program administrators, fiscal officers, data technicians, and teachers. Professional development activities took place at two statewide conferences, eight regional gatherings, and in periodic webinars. The state's major focus was on teacher improvement, especially in math and reading.

The State office also provided two workshops on team teaching for Integrated Basic Education and Skills Training (I-BEST) teachers, as well as bringing consulting teachers for two days of targeted workshops.

- Pilot practices

In the Fall semester of 2012, six colleges began piloting I-BEST classes under an HED grant from Jobs for the Future called "Accelerating Opportunity." The colleges were Central New Mexico Community College, Doña Ana Community College, Eastern New Mexico University at Roswell, Mesalands Community College, Santa Fe Community College, and University of New Mexico at Valencia. I-BEST classes were team taught through a collaboration between college Career Technical Educators and Adult Education instructors. During FY13 the I-BEST pilots were funded by a Trade Adjustment Assistance Community College and Career Training (TAACCCT) grant through Santa Fe Community College.

For New Mexico, the key elements for implementing an I-BEST approach to accelerating opportunity for our low-skilled adults are

- Program acceleration by eliminating separate remediation classes;
- Stackable, industry recognized credentials;
- Building evidence of success; and
- Building capacity.

Overview of I-BEST Programs: Student Progress as of 8/2013

College	Program	Total # of I-BEST Students	Total # of Completers	Total # of Students Still In Process	Total # of Students Stopped Out
CNM	ECME	104	14	74	16
CNM	Electrical Trades	45	12	21	12
CNM	Welding	53	3	48	2
DACC	CNA	9	8	0	1
ENMU Roswell	CNA	15	14	0	1
ENMU Roswell	EMS	20	9	0	11
ENMU Roswell	Pharmacy Technician	27	26	0	1
Mesalands	Farrier Science	18	12	6	0
Mesalands	Wind Energy	53	51	0	2
SFCC	Home Health Aide	22	19	0	3
SFCC	Plumbing	19	2	3	14
SFCC	ECED	19	18	0	1
UNM Valencia	PCA	18	14	0	4
UNM Valencia	CS150 Bus. Ed.	10	0	10	0
UNM Valencia	ECME	27	0	17	10
Totals		459	202	179	78
Overall: 44% completers, 39% in process, 17% stopped out.					

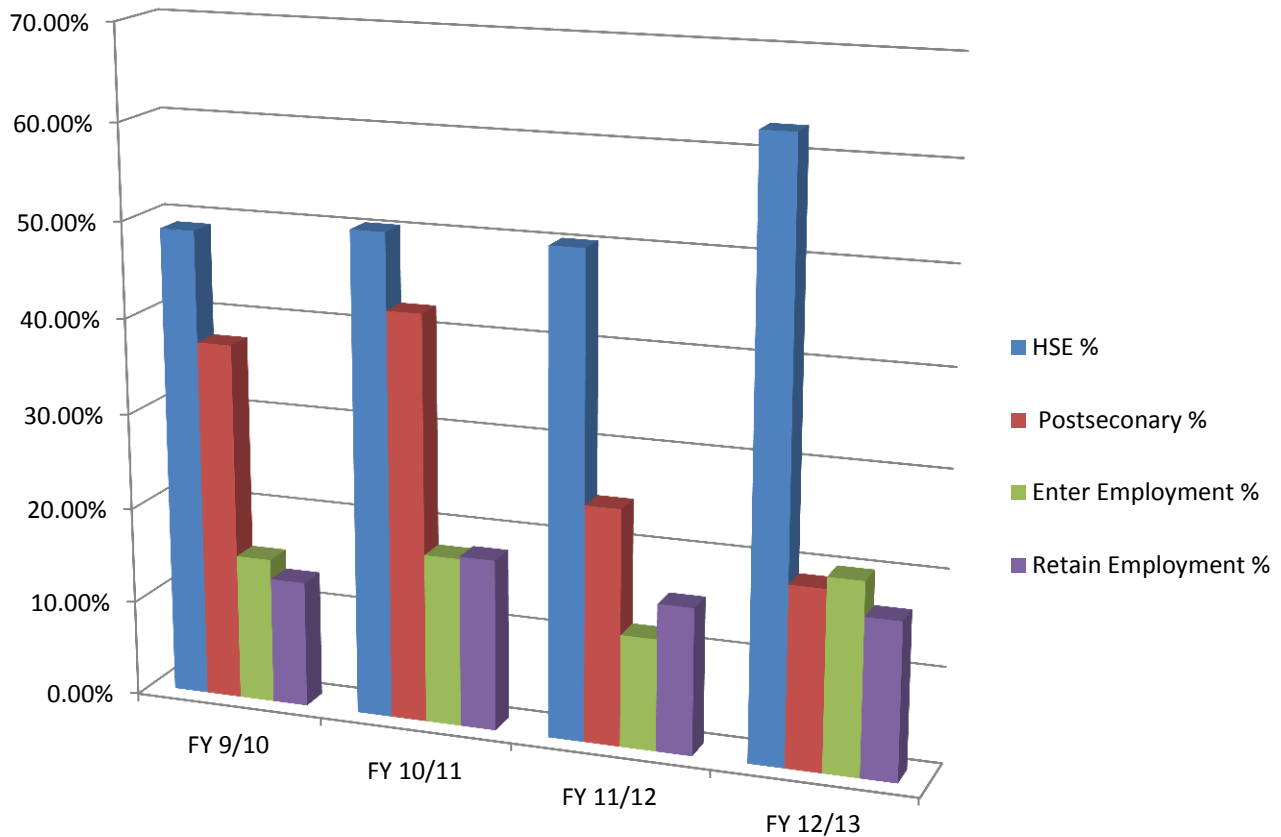
- Core Goals

Adult Education programs have four core goals beyond advancement in educational functioning levels. They are attainment of the High School Equivalency credential (GED™ in FY13 and before), entering postsecondary education, entering employment, and retaining employment. NM ABE follow-up of Core outcome achievement were data matched through New Mexico Department of Workforce Solutions for reporting students entering and retaining employment. High School Equivalency achievements were matched through Oklahoma Scoring GED™ clearinghouse. Postsecondary transitions are obtained from the NM Higher Education Department's database of college students.

Since not all students who meet core goals can be located by Social Security Number, NM ABE continues to augment data match results with survey follow-up data to represent as full a cohort of these students as possible.

The chart below shows that in FY13

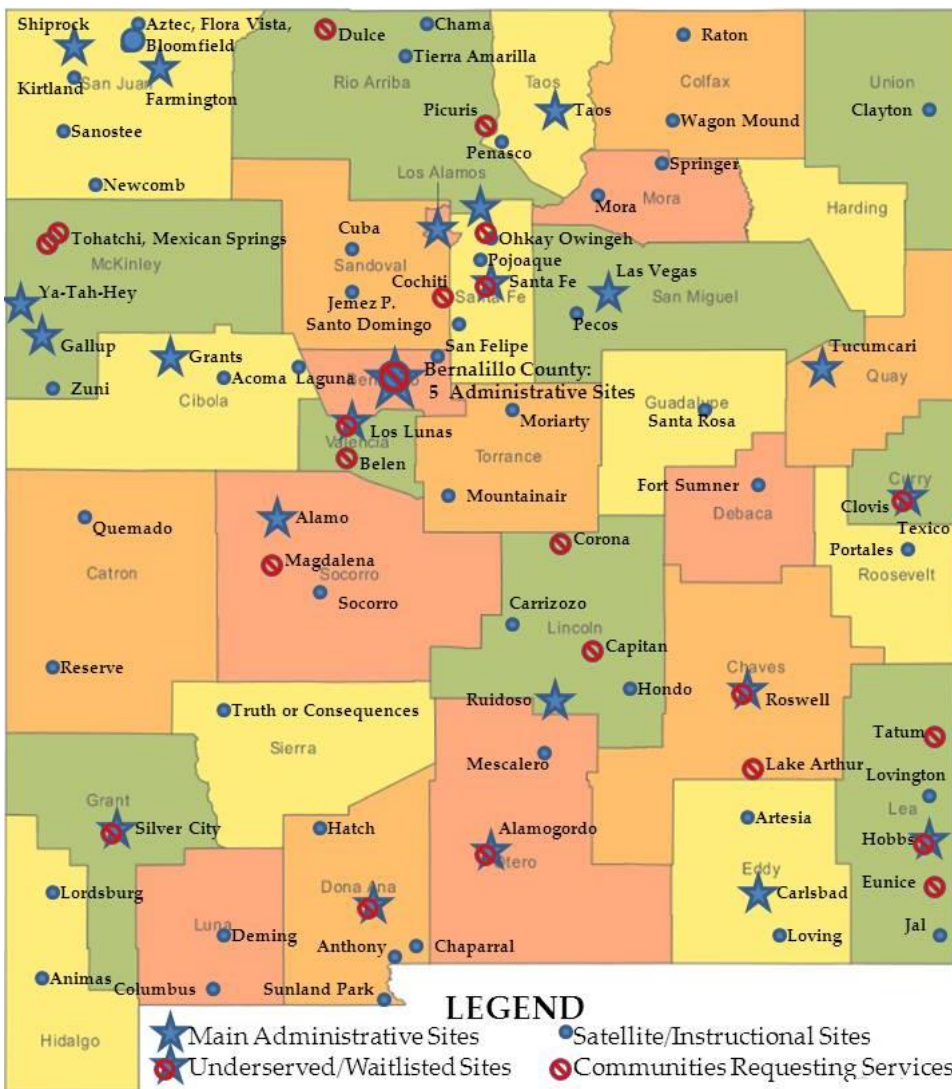
- 1,855 Adult Education students earned a High School Equivalency credential;
- 1,072 entered the workforce, and an additional 1,181 reported job retention or raises; and
- 874 transitioned to postsecondary education at New Mexico public institutions.



Program of the Year

Each year, the Adult Basic Education Division awards the distinction “Outstanding Adult Education Program of the year in recognition of overall program excellence, improvement, and innovation. In 2013 two programs earned this honor: Catholic Charities and Dine College. Both programs excelled in student performance measures, and both had been achieving continuous program improvement over the course of several years, due to evidence-based innovation.

Adult Education Service Area Map



Adult Education	Enrollment
CNM	3284
NMSU-Dona Ana	3155
SFCC	1909
NM Corrections	1826
ENMU-Roswell	1558
Catholic Charities	966
UNM-Valencia	856
San Juan College	763
CCC	634
NMSU-Carlsbad	602
NMSU-Alamogordo	417
NMJC	406
SIPI	294
WNMU	291
UNM-Gallup	290
NMSU-Grants	282
ENMU-Ruidoso	271
NNMC	252
UNM-Taos	216
ABQ-GED	208
UNM-Los Alamos	208
Dine College-Shiprock	180
Sage Lifelong Learning	167
LCC	164
Alamo Navajo SB	111
MCC	57
TOTAL	19,364

Indian Education Division

The NMHED continued to strengthen its relationships with the four tribal colleges operating in New Mexico. Deputy Secretary Glenn Walters is serving as Tribal Liaison in the agency. During the year, Secretary Garcia established a quarterly meeting schedule with leaders of the four tribal colleges in New Mexico - Diné College (Shiprock), Southwest Indian Polytechnic Institute (Albuquerque), the Institute of American Indian Arts (Santa Fe), and Navajo Technical University (Crownpoint Campus).

In 2013, the NMHED implemented statutory changes including the process for reimbursing tribal colleges for dual credit students. Data agreements with the tribal colleges were established which will enable reimbursements from the established fund to begin in early 2014. . The tribal colleges are currently submitting enrollment, degree and financial aid data to NMHED.

Staff of the NMHED supported the efforts of leaders at the University of New Mexico to develop a Research and Public Service Project that intends to strengthen student supports for Native students, to build pathways for students to remain connected with their communities, and to establish formal agreements with institutions in New Mexico. The three-year project received first-year recommended funding at \$354 thousand dollars.

The Department is now in the second year of a \$33.9 million federal GEAR UP grant (Gaining Early Awareness and Readiness for Undergraduate Programs), which is serving more than ten thousand students in New Mexico, including 27 percent of whom are Native American students.

In that vein, the Department has established the Native American College Readiness Initiative (NACRI), a program that borrows best practices from GEAR UP and ENLACE (Engaging Latino Communities for Education), help Native American students prepare themselves to enter college. The program was prompted by an initiative launched by the President of the United States, and the NMHED is pursuing grant funding for the initiative.

Finally, the Department's Adult Basic Education Division (ABE), is serving 19,364 students, of whom 10.4 percent are Native American or Native Hawaiian students. Of the 26 ABE programs in New Mexico, four serve Native American students, six others serve remote sites in Indian Country.

NMHED GEAR UP Division

In 2012, NMHED was awarded \$33.9 million over seven years (\$4.8 million annually) by the U.S. Department of Education to fund GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs). GEAR UP New Mexico serves approximately 11,000 students in 25 public schools in 12 school districts. GEAR UP's primary mission is to increase the number of students who graduate from high school, enroll in college, and are prepared to succeed in credit bearing courses upon enrollment. Each school district receives at least \$200,000 a year from NMHED, with supplemental grants when funding is available.

The GEAR UP grant funds a remedial literacy teacher at each school district and funds a proven, nationally recognized literacy model such as Read 180 or ACHIEVE 3000. Students nearing proficiency are selected for an intense yearlong reading course according to reading scores demonstrated on the New Mexico Standards Based Assessment (NMSBA) and district short cycle assessments. Targeting reading as a priority is critical to the overall educational foundation of students if they are to graduate high school, enroll in a postsecondary program and be prepared as freshmen to take rigorous college-level courses without the need for remediation. GEAR UP increases academic college readiness through tutoring, test preparation, credit recovery and other interventions. GEAR UP also funds college success courses, such as AVID and ACT's Quality Core, to foster the basic study skills students will need to succeed in college.

In alignment with NMHED's longstanding goal of helping to create the workforce New Mexico needs in order for the state to prosper in an increasingly competitive national and international economy, GEAR UP offered supplemental STEM grants to school districts for 2013-14 for initiatives that increase students' academic preparedness in science and mathematics. Several GEAR UP schools submitted proposals for innovative STEM programs and were awarded funding.

GEAR UP NM enhances the college-going culture in communities it serves through parental/family engagement that increases awareness and improves postsecondary access. During this past reporting period, GEARUP NM has intensified its college awareness and FAFSA completion efforts, implementing New Mexico Education Council College Days, FAFSA workshops, and financial aid and financial literacy activities in partnership with the New Mexico Educational Assistance Foundation and the Education Trust Board, two of GEAR UP's community partners.

GEAR UP NM also piloted the national American Council on Education (ACE) College Application Campaign, designed to support high school seniors who need support filling out their college entrance applications. Schools participating in 2013 were Bernalillo, Los Lunas, Pecos, Penasco and Shiprock high schools. With the assistance of GEAR UP state and school district staff, more than 400 seniors completed at least one college application, with most filling out three or more applications. After the success of the pilot year, the program will be implemented in all GEAR UP high schools in 2014-15.

As a part of the student leadership program and outreach efforts, GEAR UP held screenings of a nationally acclaimed documentary, *Our Time is Now*, followed by discussions between students and the film's director and producer. This inspiring film, which debuted on the Public Broadcasting System (PBS) on November 18, 2013, was funded in part by the previous (2006-12) GEAR UP New Mexico grant, and followed six GEAR UP students as they faced the challenges in achieving their goal of going to college. Their stories spoke to a wide audience, especially other students in rural school settings, who are faced with similar challenges.

GEAR UP NM's outreach and communications efforts also include updating and disseminating a college preparation guide to all its school districts to help students organize their paths to college. Using a workbook format, teachers and counselors, students and their parents, can use the guide to advance their understanding and complete the steps necessary to prepare for, select, enroll in, pay for, and succeed in college. The guide is available online on the GEARUP NM website.

Students have been exposed to college campuses through educational field trips, college fairs and a summer camp held at the University of New Mexico in summer 2013. The 2014 camps will include college readiness transitions and a STEM camp, which is made available to GEAR UP NM students at no charge to them or their families.

An important goal of GEARUP NM is ensuring that the programs and activities funded by the GEAR UP grant are sustainable past the funding period. The GEAR UP staff at NMHED are committed to fostering systemic change in GEAR UP schools, so that the achievements of the program will outlast the federal dollars that fund it, and will continue to serve New Mexico students for years to come.

Private and Proprietary Schools (PPS) Division

This division regulates all private schools physically located in New Mexico and all public and private schools from other states that offer courses to New Mexico students at a location in New Mexico. At this time, schools that offer only online courses are not regulated. However, if these online schools offer a clinical, practicum or internship in New Mexico, they are deemed to have a physical presence and are regulated by the department.

The division is self-supporting through fees collected for program approvals, registration, licensure, exemption or from fees generated by furnishing transcripts from schools that have closed. All fees are less than the maximum authorized by statute.

The PPS division regulates more than 480 certificate or degree programs at more than 285 schools. The division also regulates about 120 individuals who are agents for these schools. In order to obtain federal financial aid, the schools must be licensed or registered with HED or have received a certificate of exemption. A very small number of schools who have a presence in New Mexico may be exempt, but even those schools must apply for an exemption from HED. Without state recognition from HED, the students at the private and out-of-state institutions may be ineligible for federal financial aid. Exempt schools include seminaries, schools charging less than \$500 for their program, correspondence schools, courses offered only to military personnel and courses offered by employers only to employees of that business.

The department's private school division serves current and former students by investigating and attempting to resolve student complaints and maintaining certain student records. The division received and resolved about 40 student complaints this past year, but most of the complaints involved a school that closed with only three days' notice. The majority of those complaints involved student records and the division was able to solve the concerns of the individual students within a few days. The department did pick up about 300 boxes of records from that institution and digitized all the transcripts.

The division is responsible for maintaining the records of closed schools. HED was able to honor about 210 transcript and record requests in 2013. The department has records from about 202 closed schools, although records of some closed schools are kept by neighboring public schools. For example, the University of New Mexico maintains the records of the University of Albuquerque and Northern New Mexico College maintains the records of the St. Vincent's School of Nursing. HED hopes to digitize the remaining boxes of records, about 300 in total, in the next two years.

Former students at these closed schools do contact the department for transcripts and other school records. In 2013, we retrieved transcripts dating back to 1958. We always assume former students need these documents for employment or further education. The division gives transcript request instant priority and is generally able to deliver transcripts within 24 hours unless the records are

stored at State Records and Archives. On those occasions, transcript requests may take an additional day or so.

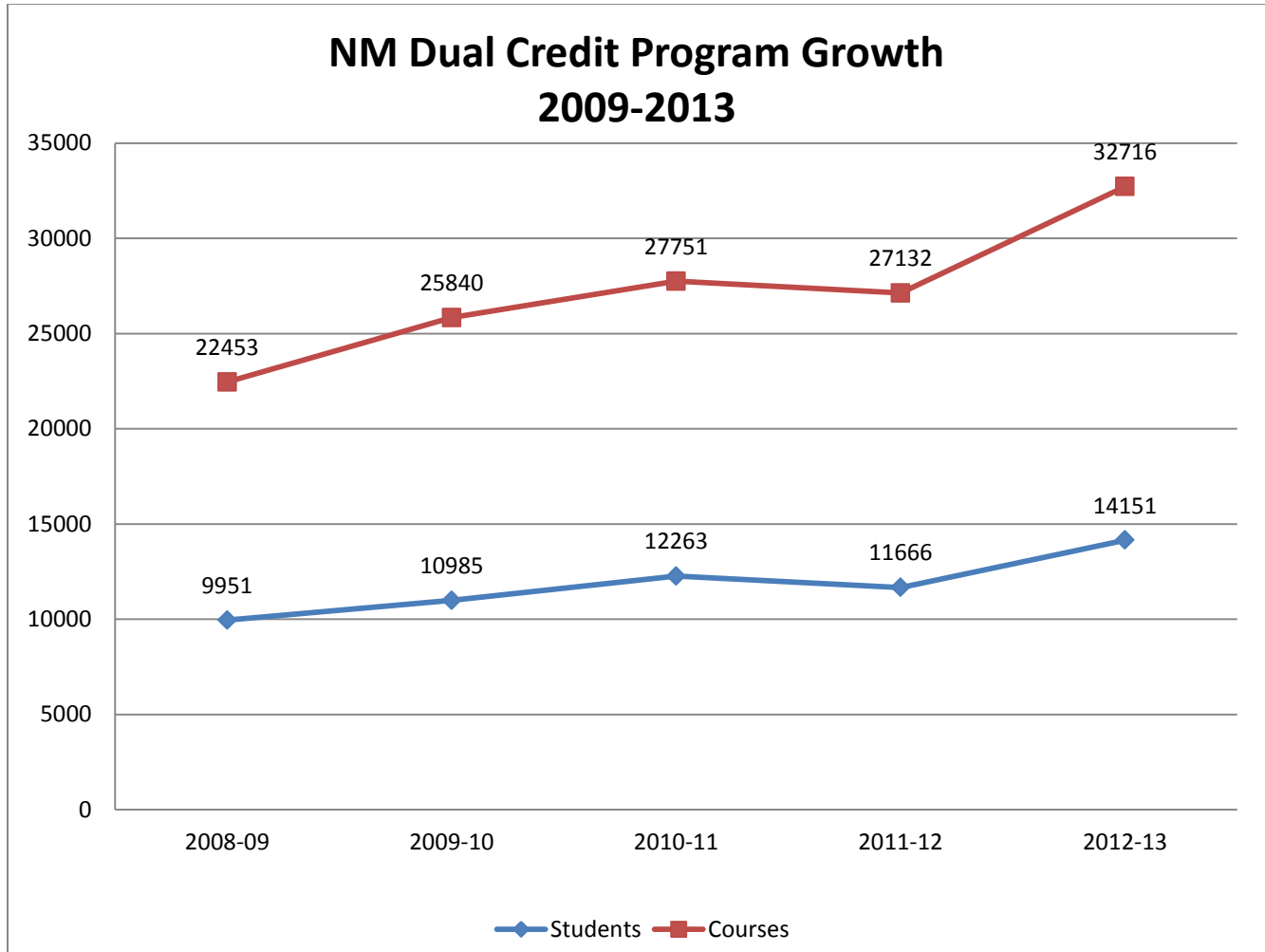
The greatest problem facing this division is the inability to control online (“distance”) education originating in other states. While the department can control distance education originating in New Mexico, there is no ability to ascertain the identity of schools who may be teaching New Mexico students over the internet. There is some question as to whether the department has the legal authority to control online education originating beyond our borders, since N.M.S.A. 1978 §21-25-4 exempts correspondence courses. This statute is a 1971 statute and a court may find internet courses to be the modern equivalent of correspondence courses.

A solution to the issue of regulating distance learning may be available to all the states in the next year. HED has attended a series of four meetings sponsored by SHEEO (State Higher Education Executive Officers) and WICHE (Western Interstate Commission on Higher Education) throughout 2013. SHEEO, with the help of the Lumina Foundation, has proposed a State Authorization Reciprocity Agreement (SARA) and eight of the states in the West have adopted enabling legislation. SARA proposes uniform authorization rules for distance learning in all member states. Each state would authorize distance learning originating in that state and would be responsible for resolving student complaints against in-state colleges and universities. If a New Mexico student complained about an out-of-state institution that has delivered online education to him/her, the originating state would have the first opportunity to resolve the complaint. If a student is dissatisfied with the resolution, the student could appeal to a regional council and would, of course, have the customary legal remedies.

P-20 Division

Dual Credit

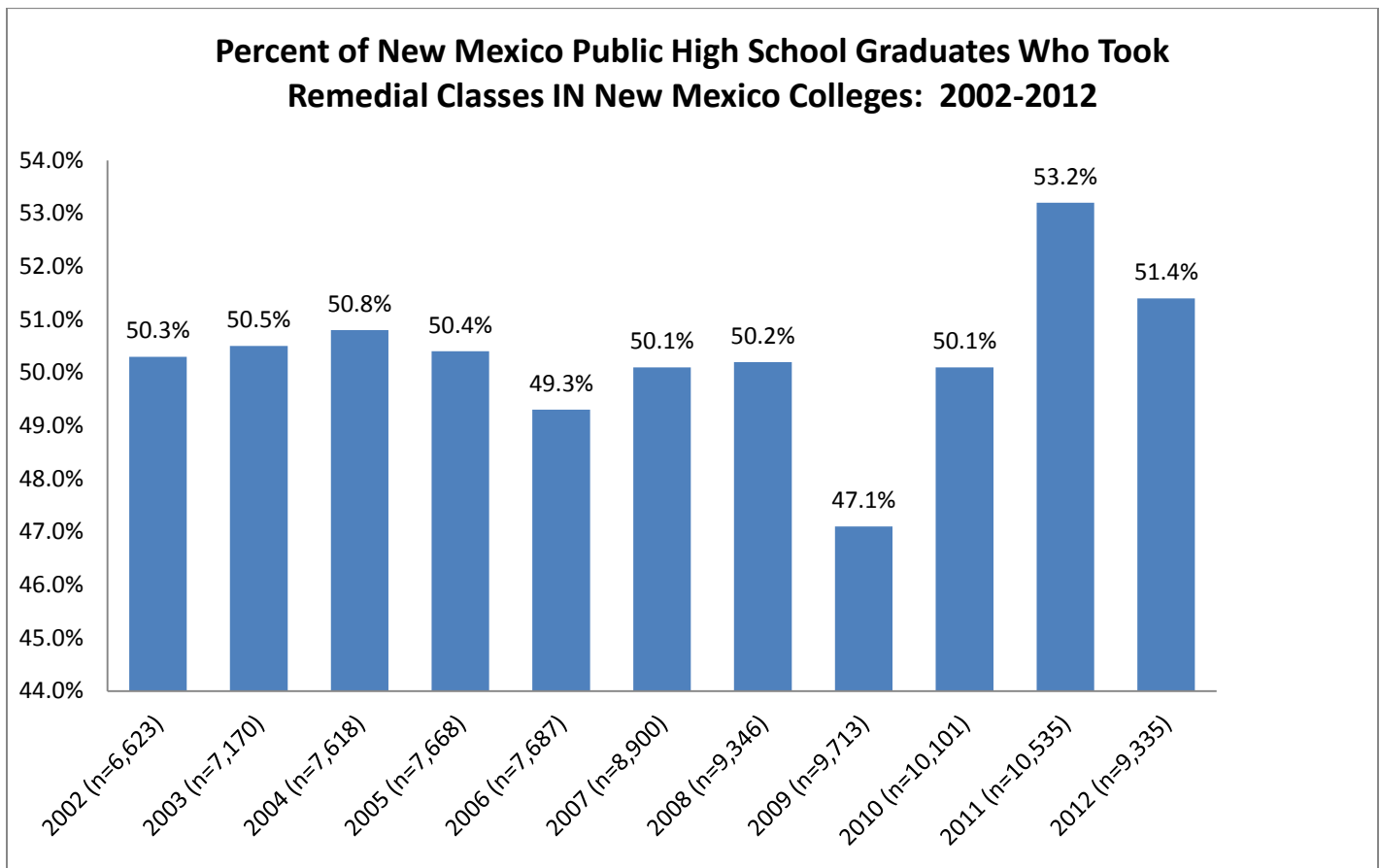
The dual credit program has continued to grow in both the number of students enrolled and the courses taken since implementation of the program in school year 2008-2009. Dual credit was established by legislation in 2007 to address several academic programmatic goals. Among these is to demystify the college experience, the introduction of college-level material to high school students, shortening the time to complete a postsecondary degree, and the attainment of timely course completion rates for both high school and college.



The dual credit program is of value to all high school students regardless of individual career orientation. It is of particular importance to Hispanic students for three reasons: 1) that ethnic group comprises over 50 percent of the enrollment in New Mexico high schools, 2) the remediation rates for Hispanic students entering college are high, ranging between 57 and 50 percent since 2008, and 3) the numbers of Hispanic high school students are projected to increase over the next decade at rates higher than all other ethnic groups.

Remediation

Remediation education, also known as developmental education or basic skills training, for academically underprepared students entering college is a complex issue. The difficulties in developing a universally accepted response to equitably preparing incoming students for the rigors of college-level coursework seems only to have increased over time and today remains one of the most persistent and contentious of quandaries in high education circles. For the academic year 2012-2013, 51.4 percent of New Mexico public high school graduates entering a state postsecondary institution required remediation. This continues more than a decade during which the remediation rate has hovered near the 50 percent figure.



There are demographic differences in remediation rates, as well. For academic year 2012-2014, remediation rates for Native American, Black, and Hispanic students remained high: 65 percent, 57 percent, and 50 percent respectively. For White and Asian students, the rates are considerably lower: 30 percent and 29 percent respectively. It is well-known that college students assigned to remedial course are far less likely to continue their education and graduate. This last point is indicative of a serious problem: Traditional remediation efforts are not achieving their stated goal of preparing students to be successful in the college classroom.

Complete College America

The Complete College America (CCA) initiative works with 34 states to significantly increase the number of college graduates and close existing attainment gaps. New Mexico is one of the cooperating states and all public institutes of higher education are working with the New Mexico Higher Education Department to incorporate the CCA model. The CCA approach includes a number of “game changers” aimed at significantly increasing college graduation numbers and rates. Given the high remediation rates among New Mexico high school graduates entering college, the game changer entitled “co-requisite remediation” is of greatest significance. CCA has identified traditional remediation courses as a “bridge to nowhere”, meaning that the approach does not work and is costly. Under the co-requisite program, students are enrolled in a credit-bearing gateway course taught by a regular faculty member and supported by mentoring and extra time for course work. This approach dramatically reduces student attrition, decreases the time to gain college credit, hastens the attainment of a college degree, and save money.

Articulation and Transfer

The New Mexico Higher Education Department manages the general Education Core Course matrix, an assemblage of courses in five area concentrations that have been approved for transfer between and among the public postsecondary institutions in the state. The matrix ensures the transfer of credits a student who has earned in any of these courses and then transfers to another college in the state. The matrix is updated twice a year through submissions of proposed new courses for consideration or the removal of courses, which are deemed to be no longer timely within the discipline. Proposed new courses are evaluated by faculty members in area teams for inclusion in the matrix. In 2013, approximately 20 new courses were approved for inclusion in the matrix and four were recommended for removal.

Nursing Program – Common Curriculum and Course Identifiers

A collaborative effort by the NM Nursing Education Consortium (NMNEC), post-secondary nursing programs and the higher education department resulted in agreement being reached by all nursing programs in New Mexico public postsecondary institutions to use common curriculum and create common course descriptions. For the coming semester 63% of all nursing student slots will be using the common curriculum and this will increase to 100% by 2017. NMHED and the nursing program leaders are now in the process of determining and assigning common course numbers to apply to the uniform course descriptions.

Institutional Finance Division

General Expenditures

Analysis of Instruction and General Expenditures
Operating Budgets, Unrestricted, Fiscal Year 2013-2014

	Fall 2012 Student FTE	INSTRUCTION			GENERAL			TOTAL I & G	
		Budget	Budget per Student FTE	Budget as % of Total I&G	Budget	Budget per Student FTE	Budget as % of Total I&G	Budget	Budget per Student FTE
Four-Year Institutions:									
Research Universities									
NMIMT	1,694	\$16,421,226	\$9,694	47.7%	\$18,034,537	\$10,646	52.3%	\$34,455,763	\$20,340
NMSU	14,139	\$104,443,858	\$7,387	57.4%	\$77,560,153	\$5,486	42.6%	\$182,004,011	\$12,872
UNM *	22,623	\$185,270,821	\$8,189	56.9%	\$140,603,499	\$6,215	43.1%	\$325,874,320	\$14,405
Comprehensive Institutions									
ENMU	4,111	\$21,561,000	\$5,245	54.5%	\$18,036,000	\$4,387	45.5%	\$39,597,000	\$9,632
NMHU	2,758	\$20,219,132	\$7,331	54.9%	\$16,595,390	\$6,017	45.1%	\$36,814,522	\$13,348
NNMC	1,186	\$6,487,670	\$5,470	41.6%	\$9,120,140	\$7,690	58.4%	\$15,607,810	\$13,160
WNMU	2,153	\$17,525,180	\$8,140	58.7%	\$12,348,670	\$5,736	41.3%	\$29,873,850	\$13,875
Total Four-Year Institutions	48,664	\$371,928,887	\$7,643	56.0%	\$292,298,389	\$6,006	44.0%	\$664,227,276	\$13,649
Two-Year Institutions:									
Branch Community Colleges									
ENMU - Roswell	2,252	\$8,571,589	\$3,806	51.1%	\$8,207,769	\$3,645	48.9%	\$16,779,358	\$7,451
ENMU - Ruidoso	499	\$1,801,000	\$3,609	47.1%	\$2,023,000	\$4,054	52.9%	\$3,824,000	\$7,663
NMSU - Alamogordo	1,586	\$6,692,709	\$4,220	53.5%	\$5,814,639	\$3,666	46.5%	\$12,507,348	\$7,886
NMSU - Carlsbad	945	\$5,259,405	\$5,566	50.1%	\$5,241,184	\$5,546	49.9%	\$10,500,589	\$11,112
NMSU - Dona Ana	5,528	\$20,420,948	\$3,694	57.5%	\$15,104,585	\$2,732	42.5%	\$35,525,533	\$6,426
NMSU - Grants	558	\$2,280,450	\$4,087	46.9%	\$2,578,540	\$4,621	53.1%	\$4,858,990	\$8,708
UNM - Gallup	1,827	\$7,659,157	\$4,192	51.4%	\$7,231,846	\$3,958	48.6%	\$14,891,003	\$8,151
UNM - Los Alamos	304	\$1,391,967	\$4,579	38.0%	\$2,266,556	\$7,456	62.0%	\$3,658,523	\$12,035
UNM - Taos	981	\$2,626,625	\$2,677	40.4%	\$3,868,159	\$3,943	59.6%	\$6,494,784	\$6,621
UNM - Valencia	1,450	\$4,718,799	\$3,254	46.1%	\$5,508,757	\$3,799	53.9%	\$10,227,556	\$7,053
Subtotal Branch Comm. Coll.	15,930	\$61,422,649	\$3,856	51.5%	\$57,845,035	\$3,631	48.5%	\$119,267,684	\$7,487
Independent Comm. Colleges									
CNM	15,818	\$60,385,427	\$3,818	48.2%	\$64,787,602	\$4,096	51.8%	\$125,173,029	\$7,913
Clovis CC	1,684	\$6,783,127	\$4,028	47.8%	\$7,404,380	\$4,397	52.2%	\$14,187,507	\$8,425
Luna CC	925	\$4,017,410	\$4,343	37.1%	\$6,807,085	\$7,359	62.9%	\$10,824,495	\$11,702
Mesalands CC	652	\$2,346,600	\$3,599	39.8%	\$3,547,509	\$5,441	60.2%	\$5,894,109	\$9,040
NM Junior College	1,626	\$9,106,822	\$5,601	46.0%	\$10,709,028	\$6,586	54.0%	\$19,815,850	\$12,187
SJC	4,948	\$27,482,096	\$5,554	49.1%	\$28,460,165	\$5,752	50.9%	\$55,942,261	\$11,306
SFCC	2,883	\$14,478,762	\$5,022	46.7%	\$16,526,292	\$5,732	53.3%	\$31,005,054	\$10,754
Subtotal Independent CC's	28,536	\$124,600,244	\$4,366	47.4%	\$138,242,061	\$4,844	52.6%	\$262,842,305	\$9,211
Total Two-Year Institutions	44,466	\$186,022,893	\$4,183	48.7%	\$196,087,096	\$4,410	51.3%	\$382,109,989	\$8,593
GRAND TOTAL	93,130	\$557,951,780	\$5,991	53.3%	\$488,385,485	\$5,244	46.7%	\$1,046,337,265	\$11,235

Source: Fiscal year 2013-14 approved budgets and D.E.A.R. files.

* UNM Health Science Center is not included.

Appropriations

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
2004-2005	\$4,380.6	\$671.9	15.3%
2005-2006	\$4,708.6	\$705.0	15.0%
2006-2007	\$5,084.1	\$762.0	15.0%
2007-2008	\$5,675.0	\$846.3	14.9%
2008-2009	\$6,026.8	\$884.9	14.7%
2009-2010	\$5,487.7	\$853.2	15.5%
2010-2011	\$5,188.3	\$762.3	14.7%
2011-2012	\$5,471.3	\$731.5	13.4%
2012-2013	\$5,636.7	\$757.8	13.4%
2013-2014	\$5,867.1	\$790.6	13.5%

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 Funding Formula.

Tuition and Fees

Institutions	Total Tuition & Fees			
	Undergraduate		Graduate	
	Resident In District	Non Resident	Resident In District	Non Resident
Four Year Institutions Research				
NMIMT	2,853.76	8,533.72	2,966.16	9,046.51
NMSU	3,110.40	9,822.00	3,354.00	10,065.60
UNM	3,423.00	10,344.00	3,622.20	10,661.04
UNM / ASM	n/a	n/a	n/a	n/a
UNM / Law	n/a	n/a	n/a	n/a
UNM/ HSC - Pharm D	n/a	n/a	n/a	n/a
UNM / HSC				
*Annual Rate	n/a	n/a	16,170.00	46,347.00
Four Year Institutions Comprehensive				
ENMU	2,279.40	5,034.60	2,495.40	5,332.20
NMHU	2,000.04	3,191.52	2,138.64	3,357.72
NNMC	2,030.00	5,761.00	1,680.00	2,052.00
WNMU	2,361.60	6,381.36	2,493.84	6,501.36
Two Year Institutions Branches				
ENMU Roswell	816.00	2,016.00	n/a	n/a
ENMU Ruidoso	506.00	1,790.00	n/a	n/a
NMSU Alamogordo	960.00	2,580.00	n/a	n/a
NMSU Carlsbad	530.00	1,850.00	n/a	n/a
NMSU Dona Ana	780.00	2,484.00	n/a	n/a
NMSU Grants	891.00	1,848.00	n/a	n/a
UNM Gallup	852.00	2,052.00	n/a	n/a
UNM Los Alamos	819.00	2,244.00	n/a	n/a
UNM Taos	915.00	2,295.00	n/a	n/a
UNM Valencia	780.60	2,091.00	n/a	n/a
Two Year Institutions Independent				
CNM	682.00	3,328.00	n/a	n/a
CCC	608.00	1,208.00	n/a	n/a
LCC	443.00	1,115.00	n/a	n/a
MCC	730.00	1,222.00	n/a	n/a
NMJC	624.00	948.00	n/a	n/a
SJC	660.00	1,560.00	n/a	n/a
SFCC	531.60	1,233.60	n/a	n/a
Special Schools				
NMM I *annual rate	2,018.00	4,277.50	n/a	n/a

Source: Approved Institutional FY14 Operating Budgets

Capital Projects Division

History of New Mexico Capital Outlay Appropriations 2011-12		
Higher Education Institution	FY 11	FY 12
Eastern*	None	\$ 11,250,127.00
Highlands	None	\$ 6,152,117.00
Tech	None	\$ 18,247,258.00
NMSU	None	\$ 30,548,234.00
Northern	None	\$ 2,168,309.00
UNM	None	\$ 28,538,086.00
Western	None	\$ 4,547,451.00
CNM	None	\$ 10,739,133.00
Clovis	None	\$ 825,458.00
Mesalands	None	\$ 1,009,587.00
NMJC	None	\$ 3,894,164.00
San Juan	None	\$ 1,274,803.00
Santa Fe CC	None	\$ 1,101,585.00
Luna	None	\$ 4,013,984.00
NMSBVI	None	None
NMSD	None	None
NMMI	None	\$ 5,000,000.00
Statewide totals	None	\$ 129,310,296.00

*Eastern NM does not include \$897,850 in Library GOB funds for collaborative database resources.

All other figures include Library GOB funds