



October 22, 2021

### **Short-Term and Long-Term Recommendations**

- Short-term:
  - Additional workforce awards
  - Workload adjustments
  - Internal improvement measures
- Long-term:
  - At risk awards- rushing to develop a mechanism to do at risk that may not be ready for prime time
  - Dual credit- discussion next Thursday during subcommittee meeting
  - Transfer articulation incentives

### **Presentation and Discussion of Short-Term Recommendations (DRAFT spreadsheet)**

- Parameter for base distribution is set at 0 and will stay that way for recommendation
- Added new parameters: parameter for workload adjustment based on a change in student credit hours in 3-year averages from 15 through 17 and 18 through 20
- Did not use FY21 data because it is anomalous year
- Potential for workload correction- subtracts from the new money and redistributes share of that institution based on total workload change across the system
- Ricardo developed a measure of institutional improvement-
  - all of current award of measures awards at risk STEMH and student credit hours
  - model that allows for intuitional improvement measures and looks at an historical average and change overtime.
  - incentives institution for internal improvements, not a competitive model
  - at risks still needs work
- If we add an institutional improvement measure this year, we could do that for the end of course student credit hours and the total awards, not STEMH or at risk
- Can devote a percentage of the new money to those institutional improvement measures
- Performance outcomes- student base outcome sheet
  - protected base- no redistribution, just protected base from last year
  - new money that was added in
  - workload correction because all of the student credit hour changes overtime has been negative, that is a negative number, in this particular scenario, subtracts from new money, these are just parameters
  - the numbers you see are not going to be reflected for the recommendation- need to have discussion with Executive and Secretary



- Sector mission specific measures- shouldn't be making any changes this year, is the momentum point and the research component that would remain unchanged for this year
- Higher education department is dedicated to looking at momentum points during the interim and working on a data mechanism that will work in the future formula
- If we were going to incorporate an internal improvement measure, we can devote a portion of the new money as well to internal improvement and again just looking at internal improvements for end of course student credit hours and for total award increase
- These numbers are merely dummy variables just to illustrate the form
- Discussion of possibly adding some new award of some new workforce measures, we began the discussion and in earlier drafts, I added five zip codes based on workforce needs to the STEMH measure but the technical committee suggested that they be removed and be developed separately and possibly done as a base adjustment for the first year
- Developed a separate measure that could incentivize those five workforce measures but the technical recommend that if we do that this year that be done as base adjustment, it is however built into the formula so that in future years those could be added and set a certain percentage of money towards those awards
- New workforce distribution designed and developed to use the same math as the STEMH and the awards distributions, the same weightings of tears and use the same award matrix matrices but it is again an adjustable parameter in this particular draft model
- Internal improvement measures based on a model that Ricardo has presented to this group before, we did incorporate that into the model for consideration this year

**Questions and Comments:**

David Abbey- I don't understand workload correction

Harry Rommel- in response to what we heard from the legislative Finance Committee in terms of the base perhaps being out of balance due to the decrease in enrollment. What we did was we looked at the change in the three year averages from 15 through 17 and 18 through 20, we looked at the reduction in total student credit hours across the system and it's not an enrollment measure, it's a workload measure because it's looking at the total end of course student credit hours, as you can see here all of those numbers we have seen in reduction in enrollment and their student credit hour workload and so we looked at what that historical reduction looked like across the system

David Abbey- explain that formula, what you're trying to do there in row 3C3



Harry Rommel-we're trying to gauge the change in student credit hour outputs from the three-year period of 15 through 17 and the three-year period of 18 through 20

David Abbey- 1/3 of the latest 3, why you picked those years and why you did 1/3 on the most recent

Harry Rommel- it's 1/3 for both periods, we may be missing a parenthesis, I missed the parentheses I apologize, doesn't change the calculation however it does take the 1/3 average of both years so that's a change in three-year averages

David Abbey-so the average of the latest three years minus the average for the prior and six years ago

Harry Rommel-I was trying to gauge here was what that historical workload looked like over the span over this over that span of time 15 through 20 but to adjust for fluctuations and to keep it consistent with our other mechanisms in the formula I use 3 averages

David Abbey-you're basically reducing workload in the base

Harry Rommel- correct

David Abbey-we never done anything like this before or we have but I don't think so

Harry Rommel- this this is new and again I do want to emphasize that this is a discussion

Ricardo Rel- I'm sorry I just had a little bit more of a question in terms of the formula itself, is it based on the on the weight in production or is it the actual student credit hours?

Harry Rommel- this is raw student credit hours so it is not weighted and does not go through the matrices

David Abbey- in lay terms, we're adjusting base workload from the six years ago generally by the decline from the last three years compared to 4, 5 and 6 years ago, so Tech went down 2% in the last three years compared to the previous 4, 5, and 6 years

David Tandberg- the use of a three-year average in funding formula is one of the most more common approaches I've heard of, actually it's quite popular just to protect institutions and also to get a more reasonable sense of trajectories rather than blips in either increases or decreases in student credit hours enrollments completions whatever they may be so just wanted to make that comment

David Abbey-so Tech went down 2% enrollment so we multiply minus 1.97 X to get those numbers



Harry Rommel- so X is the total reduction across the system so that would be the total net reduction which is 318,000 that is in column C35 and then depending on the parameterization, which in this case is about 1.6 million then that share of that \$1.6 million reduction would be the 30,000 you see

David Abbey-which went down 318,000 credit hours and then you got the proportion that every institution is of the 318,000-credit hour decline and then you applied it to one and a half million

Harry Rommel- that is correct

David Abbey- why one and a half million?

Harry Rommel- that adjustable parameter which again is just right now, it's just a variable in this case it ends up being a quarter percent of the new money

David Abbey- so central loses 200, central loses does it and end up being pretty proportional to the total or not necessarily, who the winners and losers are

Harry Rommel- this is sort of a market share model when we're looking at the total reduction across the system, how much did each institution was their loss relative to the rest of the system and so because you know central New Mexico was 58,000 credit hours out of the totals, 318 they're going to take a proportional cut of that 1.6

David Abbey-I think it's helpful to have to recognize the declines, helpful from a point, you know I've got members who think it should be recognized or budget guidelines saying we should fund based on work so I think the direction of this is helpful. I'll just throw out an idea for discussion there's enough time to get this right, one of the things that we were working with plus that we will withhold funding some method like this. I'll take this method but then let institutions earn it back based on submitting an enrollment management plan including metrics, the metrics I think you're talking about separately it's individual institutional goals compared to their peers of how they're going to turn these declines around you know our scenarios took something like this out of the base rather than new money, I think it probably works the same more or less the same way so I'm just throwing out, it's not about penalizing it's about incentivizing them to do better so that was what why we were talking about and we had a bigger production but also an opportunity to earn it back rather than recurring reductions are just a suggestion

Marc Saavedra- this was brought up in the first meeting and Harry with all respect I mean we did bring up the spreadsheet, from the technical committee standpoint there wasn't an agreement on this and in terms of language of workload I think this is something that we decided to hold off on and we really



didn't get into the detail and then on the 3% same thing technical group published spend more time getting into the detail on that as well so my suggestion is that this is something that probably needs to be more of a discussion so this is I can see why this is perceived as new in terms of fraud for some of the folks so my suggestion is that you know instead of spend a lot of time on this right now we might want to just set this aside and then move on to some of the other items that we all did agree on that's in the memo just a suggestion thank you

Joseph Shepherd-I wanna go back even further because here in your excel spreadsheet, you don't have to pull away from this, you have a zero base redistribution and I disagree with redistribution but I do believe in base correction and I'm going to give a quick example of that it does timeless workload because I'm trying to figure out what we're trying to accomplish and maybe that's the fundamental question that I still don't have a full firm answer on what are we trying to accomplish in terms of 5-10 years from now in terms of workforce, in terms of New Mexico, in terms of higher education. I don't think that's been fully addressed and what it appears is that we're doing is we're layering perhaps insult to injury and I'll give you example so if you want to take a look at previous, I don't know what it is now, my institution and Highlands institution you see that they get paid \$10 million more and if you were to take a look at my institution compared to Eastern New Mexico university you would see that they get paid even less than I do, so therefore less in Highlands if you were to take a look out of the Community College scale you see Roswell is very different than let's say Carlsbad, so local option so there's always in equities in the base when we start to add performance measures workload adjustments to that all we're doing is we're making an error that's already there more pronounced and when you lead toward unfortunately is you'd lead toward disadvantaging different populations within New Mexico. New Mexicans in Grant County should be treated the same as the New Mexicans in San Miguel county but now Highlands having an extra 10 million bucks which is about equivalent to my total tuition collections can offer free tuition to San Miguel residents where I can't do that then if we take a look at wrap around services that would actually help out with graduation rates and help out with the things that we want to accomplish by this funding formula, I have substantially less money to invest in those and in my mind is no different than taking our floor students and telling them to take a test of the same note of our rich students but the rich students get the textbook that the state provides and what that leads toward and I know this kind of the elephant perhaps in the room is something similar to Yazzie Martinez where we have New Mexicans in different parts of the state being treated very differently in terms of the base opportunities for higher education. I'm not saying that anybody is going to file lawsuit tomorrow etc but you're moving or we seem to be moving down that path then if I exacerbate that by moving in and layering on some of these additional formula pieces including workload and start taking money away from institutions that are being impacted at the end of the day I really believe that we have to address



those pieces, the final note to that is that also recognize that all institutions are the same so I'm not asking for equality in terms of money but similarity where at least in understanding that should be noticed that should be understood and you should have to submit why is it falling as opposed to this automatically saying you're going to get a decrease enrollment otherwise you continue to that spiral of reducing that institution to the point where they can no longer be effective in providing their New Mexicans an opportunity to higher education similarly you have to take a look at mission New Mexico Tech is very different in its size and scope then New Mexico State in your name but all three are research institutions it would seem apparent to me that New Mexico Tech does not have an MBA program or a social work program that can contribute in terms of economies of scale and thus they may definitely need more dollars per FTE similarly Northern does not have access to a masters degrees to generate those revenues and so they have some different aspects to them and it doesn't appear to me that we as a state or we what we're doing here is taking any of that into consideration, they were simply doing, saying we need to change the funding formula to add these things to it and move forward and call it a day

Stephanie Rodriguez- Dr. Rommel can touch on some of the technical committee and the work they did and why this was integrated in why he built it in before I go to other comments

Harry Rommel- so in developing this model I was trying to present a potential workload correction and in response to the comments that we've heard from legislators I would like you to know this is on me I built this model, I presented to the technical and I didn't get any comments regarding the mathematical rigor of the model and to Director Abbey's point, I do think that this would be an opportunity for institutions to earn that back, I also want to emphasize that this is really just a new money correction there is no institution that is penalized or loses money, overall in the formula it is designed to be as a mechanism to demonstrate what the workload changes look like across the system and to incentivize institutions to improve it to make those improvements and potentially earn that money back so you know that so it's on me in terms of how the model works I feel confident that it's a good way to adjust for workload, we don't need to but it's this committee, this group, this body that whether to adopt anything or not and I don't want to spend too much time on this workload piece because we do have some other measures that I wanted to discuss today but I'll just say that

Becky Rowley- a couple of questions but first I just wanted to clarify you mentioned that institutions would be able to win back that money so you're saying that if enrollment were to improve then we would be able to increase that portion of the funding

Harry Rommel- that is correct





Becky Rowley- OK and then the other thing that I was wondering you know we were talking about wrap around services, I was wondering are they going to be built into this so that that's part of the standard calculation for essentially reimbursement, I mean it's such a big integral part of what we do

Harry Rommel-so there's no wrap around service component in this model

Becky Rowley- is that something that I mean I'm not part of the technical committee or anything but is that something that could be on the table

Stephanie Rodriguez-so Kathy Ulibarri is on the technical committee and that's something that we can discuss with our technical members to see what that would look like

Stephen Wells-I appreciate what we're trying to do here, couple things that Joe said and that is the base inequality's has been driven not only by just enrollment decline and I do appreciate David Abby saying and I want to come back to that but it's also been driven by the rollercoaster of funding with ups and downs in the state budget and most funding formulas that have revenue issues can't have big issues, so I do encourage us to look at the base in equality aspects. The second part is the opportunity to earn this back, we went through an incline but the past 2 years we've increased incoming freshman and that's because we set up a different type of plan and if we had the opportunity to present those plans we can show how we've taken things and evaluated and been serious about to address the enrollment issues

David Abbey- our thought was to provide the opportunity to earn the money back just by submission of a plan, it's a little tricky, the goal is to incentive this decline, I think everyone is on that goal, this was trying to set up an introductory bar for institutions to submit plan to HED and HED would give comments along with LFC to earn it back

Stephanie Rodriguez-Thank you for that comment

Harry Rommel- I do want to emphasize that I did not envision a workload correction as punitive either that is why it's a new money offset, there are several additions that institutions are earning additional funding based on their performance and their outcomes and this would be a minor correction, again with the opportunity to earn that back so thank you. I do want to emphasize that, I would certainly never want to see a formula that penalized institutions it should be centralizing performance in every aspect.

Stephanie Rodriguez- the Higher Education Department is dedicated to look at momentum points during the interim and working on data mechanism that will work in the future formula



Ricardo Rel- again the entire idea is that institutions would perform against themselves so if they did better than the previous year or base on a floor then they would qualify for institutional performance and then whatever is leftover would then go into just a standard distribution as we've done it in the past so again it's just based on comments that we've seen and heard from others that institution should be awarded for doing better than what they've done in the prior year and in this way it builds the model up instead of trying to go backwards and institutions know exactly what they're supposed to do in order to get the institutional performance dollars. I think Harry there was a couple of things that I saw in there that isn't quite built like the way the model was but it's something that we could still work on

Harry Rommel- I was planning that we would reconcile it but this is basically using your proposed mechanism, the math should tie once we get that worked out

Kathy Ulibarri- I just really appreciate all of Ricardo's work in putting together this model, I think this is we've been talking about for a while, figuring out a way where we basically move more to a system of competing against our own past performance as opposed to competing with each other, really is a great way to look at inspiring us to improve even more than we have. I will say and Ricardo if you wouldn't mind, I get you're saying there might be a few differences in the model from the spreadsheet that you had but I do think it would be helpful to dig a little deeper and share some details about actually how the dollars get distributed, how the calculation works, so we all have a shared understanding thank you

Ricardo Rel- so this is similar to the sheets that I put together, so basically we're looking at here is the criteria data which the criteria data is based on the weighted units that were produced or end of course student credit hours, so it's the actual raw data multiplied times three by three matrix on the cost factor table, so what the first column here is the institutional floor and this is looking back to 2015 to look at what was the maximum amount of weighted student credit hours that were produced and so it's from FY15 through FY21 and there's a factor in there of like 90% so it's 90% of that total because the expectation is that we can expect institutions to continue to grow year after year. For example, if you look at a graduation rate, graduation rates only going to get to 100% so it's establishing a floor so that's what this first column is, it's 90% of what the overall maximum amount was so for example, in FY22 of the new data shows that is the maximum year and that becomes the new maximum times 90% so then what the next column is showing the prior FY21, that is the weighted student credit hours for FY21 and then the next column is the FY22 amounts so basically what this is doing is comparing the most current value which is highlighted right now to the previous years and if it exceeds any of those amounts then you qualify for institutional performance so in this case for example let's go to the row that's the first row here which is on the comprehensive side, row 21 Eastern New Mexico exceeded the institutional floor so they would qualify for some additional funding so in this case it's true, in the case of the next





three items that are also true because they were yes in regards to exceeding the institutional floor or the prior year data as well and then the next column is developed using the existing methodology so basically it is just the institution share of the overall weighted student credit hours so nothing's changed in the formula, we're using the existing distribution methodology and the amount that is available for institutional performance, an institution would get, in this example Eastern would get 6.2% of whatever was available so they would get a total of \$62,000 and then after you add all of the totals of what everybody received and under institutional performance, whatever's leftover then goes into the standard or regular allocation as we're doing today so the remaining money goes to everybody else, so basically what you're doing here is awarding institutions for exceeding their past performance so it's basically a growth model so that way institutions are again awarded for exceeding their past performance and then the next column here is the total allocation so it's just the regular allocation plus the institutional performance added up together, so again the whole idea is that institutions compete against themselves if they exceed their institutional performance, their past year data they're going to get rewarded for it because that's what I think what LFC and what our legislators want, they want institutions to grow so this model takes away some of the things that the other model did not do and each institution is responsible for their own growth, other positive thing is once you get these numbers developed, you know what you need to do, a president chancellor of an institution you have your targets already set for you and you need to be able to adjust in order to exceed those targets so that's the whole idea thanks

Kathy Ulibarri- I just want to thank Ricardo for the explanation, just a couple of key takeaways that I think is important is this column of share of weighted data on current fiscal year built into this is that that doesn't change so it keeps specter equity if you will in the proportionality based on current appropriation so that's one thing to note and the second thing is rather than comparing the performance details the actual outcome data like number of awards or whatnot it's basing it on the comparison of dollars one year to the next so you know it's assuming that our current method for allocating dollars is what we're going to stick with and I just think those are important points to point out thank you

Ricardo Rel- just one other important point that I missed is that the items to weighted items are based on the three by ten matrix for everybody so those are the cost factors I didn't mention that earlier so it eliminates all of these different cost factors that everybody has so this way everybody's on the same cost factor matrix, the other thing that this allows for it's a lot easier to see how are institutions performing against each other as well so that's one of the other things that it does, so eliminates that very complex normalization process that was in the current formula



Harry Rommel- that sums up the changes that were made to this draft formula

Marc Saavedra- So on the three year average in terms of just, I still feel like we didn't have a more in depth conversation about that and I'm not saying I disagree with it, it's just, I'm concerned, I mean and just like kind of with the workload you mentioned Stephanie, maybe the technical group needs to go back and look at this, I'm just wondering if you, what are you suggesting, is it just going to be the workload or is it going to be the three year average and I know we talked about, Ricardo's shared his with everybody for months now but that's just, those are the two things that feel like they're just wasn't consensus not initially on, everybody agrees that we have to be accountable on workload but again in terms, how we were able to come up with an amount that say for example there is language that's withheld based on enrollment plan being produced so on or even on the three year average again I feel like there wasn't enough work

Stephanie Rodriguez- you're right there was no consensus, there is a part of the agenda towards the end where we can talk about next steps and those types of things but I really want to focus on the current things that are being presented so that we can stay on task and we can get to the last point of short-term options but yes, we'll discuss that at the very end thank you

Harry Rommel- I do want to comment that you know the three-year averages are how we've been computing everything in the current formula, so any use of three-year averages within this formula is consistent with how we've done it over the past six years

Marc Saavedra- I just referring to the changes that's all thank you

David Abbey- I think this is interesting, this institutional measures in trying to reward performance individually rather than the pool. I would point out that we tried, we used to heavily rely on funding student credit hours then we got away from it for many good reasons, you know I remember looking at data like the average credit hour for graduates was like 180, I mean students, we were we wanted to move from inputs to outcomes and that's why we have the measures on completing degrees and in some ways this is going backwards but on the other hand I agree also is going backwards because the declining enrollment ultimately will affect the outcomes sooner than later, we want to almost like nip it in the butt, anyway in moving backwards but it has merit because we're trying to draw more attention to the enrollment, we'll pay if we don't so I think I applaud the effort and initiative, this is really hard to follow on zoom I understand that these sheets just went out recently and I don't have a copy in front of me and I know that in about 10 days Madam Secretary you got to have a recommendation. I support the direction of this I from what I understand but I think it's worth pursuing, even for this cycle, I think some fine tuning might be able to happen between even after you submit a recommendation so I'm



interested enough to keep working on it and I think it's responsive to what our members have asked for and maybe the technical committee can keep working even into early November to fine tune this and maybe generate better consensus. I'm not clear that this is a consensus report or not because we've never seen it, thank you

Stephanie Rodriguez- so I'll work with Dr. Rommel to see if we can get these sheets to you because I think that is critical, I'm sorry about not getting these out, very tight timelines as you know but I'll touch base and I appreciate your commitment to continuing these conversations with higher education leaders because their institutions are impacted and they need to be a part of the conversation

Harry Rommel- I do want to emphasize that the drafts that have been going out, the last was on the 18<sup>th</sup>, the only thing that this draft, which will go out today, has not shown were the internal performance measures that we just discussed so the group has seen all the other changes that I incorporated into the formula and again I just want to emphasize that you know everything here is parameterized and it could be turned on or off as consensus development, I just want to emphasize that thank you

**Presentation and Discussion of Long-Term Adjustments (discussion in the interim after the 30-day session)**

- At-Risk Awards
- Dual Credit
- Transfer and Articulation Incentives
- Awards Matrix Weights

**Questions and Comments:**

David Abbey- two things back to the short term Dr. Rommel I appreciate, you sent it out Monday but again for the members of the full group and not the technical group, I'm used to meeting in person where I have the spreadsheets in front of me and I can try to understand the expertise of the technical move I like the direction but I also want to get a little more comfortable with the details on the long term stuff, the elephant in the room and it was really remarkable that both President Wells and President Shepherd brought it up and I don't think it was on your list, it's the hardest one of all it's here, we have a base plus formula with major doubts about the equity of the base and yeah it's the elephant in the room, how do you fix it? I think it's been simmering for a long time and it's sort of erupting you know and why do I think that because I see presidents coming to the capitol to talk about the inequities of the base in it, we're probably going to see proposals for none formula equity adjustments, we've seen in the last two years it's probably coming again so for unfinished business, that's in a way the hardest but perhaps for most of that I would add to your list Madam Secretary



Stephanie Rodriguez- thank you Director Abbey, I did add that is something we can look at I added it to my list right now I'm sorry I should have clarified that. Director Abby maybe can help me get some capital space so we can be in person next time how about that

David Abbey- you know the best place to meet is our conference room

Stephanie Rodriguez- alright I might hold you to do that

David Abbey- it' big enough to accommodate people and we will mask and will we could have hard copies in front of us

Stephen Wells-you know I think the other thing that has to be added is related to research, our state really sits on the threshold of making some significant moves thanks to both the legislative activities and the governor that all evolves around what's known as innovation based ecosystem our economy and it doesn't just stick with the research institutions it goes all the way down to the two year they're very instrumental in an innovation based economy as well but we don't talk about that and this comes back to president shepherds first thing what are we trying to do here what do we want higher educations to look like in 10 years and I appreciate the details and really appreciate the creative work that Harry and Ricardo has done but I really think we have to think about research you know because not only does it provide innovation but it changes the whole socioeconomic aspects of the state and so if you look at where we are and again people are going to get tired of me saying this but there's an institution that looks at all the states based on the research activity and they measure that in terms of how it impacts the economy it's the institute and here in in the New Mexico were sitting at 18th, we've come up six points in two years why have we done, well that's because we focus on technology and science workforce and so add that's an advanced workforce just like the workforce that the two years produced research institutions comprehensive producing advanced workforce, engineering scientist and bachelors masters PhD and then innovation based economy really depends upon that, we're being recognized for moving in the right direction so I think there's some time to put some creativity and how we would measure that in the roles of the university playing the other thing we came up in is sort of the concentration technology and that's because we have national labs, they are a major higher , I had the leadership from Intel at my house talking about where they're going and how we can be better prepared our students and so research is very critical in this and I;m hoping we will add something in the research award and I know we have opportunities but we need to build that into a formula to be one that's totally comprehensive and effective and my final point comes back to we're not all the same institutions and I admire the two year colleges for what they do my wife taught when she was here before to your college the research institutions do things differently but I'm different from the two research institutions and so I think you know and this is sort of a selfish pitch but we have to think about, so I'd like to at



some point have a little bit of discussion with this group about how a technical institution that's recognized for you know producing students at \$10,000 more based income than Harvard that it's the 4th in the nation for Hispanic serving stand and 80% of our graduating students are the go to Graduate School or have jobs in hand how does that compete because the past funding formula it was just a treadmill \$300,000 so let's take a look at putting research I think there's some real creative opportunities we can look at in terms of external evaluations thank you

Stephanie Rodriguez- President Well thank you for bringing that up actually the first meeting we had, your colleague president Shepard was really fantastic and talking about research and really evaluating that in the funding formula and even your two-year sector colleagues echo that and is something we should review and evaluate so I apologize that it wasn't on my list it is now on my list and will have that discussion. I also want to know that research was left in the funding formula untouched from what we were looking at right now because of some of the points that you mentioned but I'm dedicated to evaluating yet going on

Marc Saavedra- Marc Saavedra- I think maybe something we want to add to is you know when you have the number of items on the long term is looking at some things in terms of research award that you know adding innovative research and economic development component to the formula to help create an innovative economy for New Mexico. I mean I can work with Harry on some language send it and then I think the other thing that President shepherd will probably touch base so I can suggest is something on based adjustments I know I've been a broken record on this but I do know other states have out of cycle-based adjustments on their formulas. I know we do get new money but the new money does not usually doesn't cover inflationary increases there are inequalities within the base and I think that we need to take a look at whether it's you know in terms of base comparisons to some of our schools within the cup when you get the local option compared to some of the branches and come to the independence I mean in terms of their own equities there, I think we as a group really need to look at the inequality's within the basin so what I suggest is something like base adjustments or evaluate any qualities within the base would be something we want to look at on a long term basis and then on an accountability component and Harry appreciate you adding that language on the review ,I probably wanted probably make it a little tougher when it comes to taxpayers and when it comes to the fact that within existing formula we really have not really reviewed this except for maybe every five years or when LFC did their evaluation but something that does not just review but then Kathy Ulibarri is kind of a review of certificates but also like with our bachelor's degrees you know we have to have faculty approval on those and then HED for approval then they have to go and masters and PhD they go up to the board of finance so there's a lot of scrutiny turning on those and there's a very lengthy approval process. I do suggest that I think, the Chair of LFC, something that has some type of approval or review



process on certificates in general in terms of that add to that accountability measure and then I think just all awards and measures, not just the new ones, something like that we want to try to incorporate I just think we owe it to the taxpayers, we are to legislators who have to respond to their constituents is that this formula really should show accountability as well and then I think we also talked in the technical group that in terms of the sips that are being added in terms of you know we also were looking for support from everyone on a research closing fund as well so I think that's something that I think we all agreed upon that that's bigger picture for research is that research closing fund and also want to apologize to Harry in terms of I got my streams crossed in terms of the five year workload average compared to the three years so thank you for clarifying that so that's not an issue so with that thank you

Stephanie Rodriguez-thank you for those comments I will ask that you, Kathy and Ty stay on cause I have to give you an update related to some economic development stuff that you triggered my mind about so stay on after this

Kathy Ulibarri-I just wanna let everyone know that I do agree with what Marc Saavedra is saying. I want to clarify though on the approval of certificates we need to be careful that we do this in a way that doesn't hamstring our institutions ability to be super responsive to employers because that's really the strength of community colleges to be able to stand up a certificate program within a couple of weeks to respond to employers needs when I say approval of certificates I think that means for funding and I do think it is absolutely wise thing to do for all the reasons Marc Saavedra stated to have some sort of say annual review process where we determine if certificates should be eligible for state funding or not and I also really support anything we can do to streamline the approval processes of all with their degree levels for the other institutions as well so they can be super responsive to their constituents too thank you

David Abbey- was looking at the statutes, maybe Kathy Ulibarri can help me but I think when the formula was first established, the base plus formula, I believe they set in statutes some funds that would never really used to be companions to the formula and if I'm not correct there was a research fun, I couldn't quite find it fast enough but I think president wells I'm really, you know I've heard your comment about research a lot and especially with non-recurring revenue is an opportunity to address that need more than we probably can you look at the research dollars in the formula recurring is pretty tiny, it's not going to move the needle, you want to move the needle in a big way and I would urge again, I don't get this so much as a formula issue is an opportunity with a lot of non-recurring revenue to go back the to the intent of that fund come up. President Wells I'd like to see a proposal from you and your colleagues and research on more specifics maybe 2, using that statute on more specifics on what





you would do with it because I've heard it a lot, I think it has merit but to sell it you need more details so thank you

Stephanie Rodriguez- Director Abby I have to echo that sentiment; a lot of people are bringing up that fund but I haven't seen anything hit my desk so I would love to have more information

Kathy Ulibarri- Director Abbey's correct there were actually a couple of funds created, the research fund being one and I think that the great way to really invest in and spur research but I do support the notion of ongoing when the results of that research really show up as positive performance improvements I still support the idea of a performance recognition for that as well but the other fund that we haven't talked about in a long time is I think it's called the program enhancement fund and we've struggled with the idea of these new sips coming on board to focus on workforce issues , we struggle with a number of our RPSP's that come forward for startup funding for new academic programs that theoretically shouldn't be a part of an RPSP process. If we could routinely fund that program enhancement fund that was the funds that was intended to provide startup funding for new programs that they're really needed in our state and I just wanted to put that out there thank you

Stephanie Rodriguez- thank you Kathy, Harry let's have a sidebar on that when you have a chance I know you're busy today

Stephen Wells- just quickly to follow up on Kathy I think the idea of the new programs through that kind of enhancement is a much better way, part of the problem with these PRSP that I've talked about this I think with Harry often on that they really are they need to be folded and we've done that for a couple of things , I really like this idea and I would encourage us to take a look at that as a really important step so I don't know much about it so you know Kathy I'll follow up with you because I would like to learn more about that

David Abbey- under statute 21-1-27.2 it's a technology enhancement fund and it says money in the fund shall be used to provide matching funds to state research universities to support innovative applied research and biotech, medicine, material science and so forth we are supposed to do that when the new based plus formula started and I agree also with performance content and rather than reinvent the wheel on research is a much easier

Stephanie Rodriguez- agreed I'd rather do that than reinvent the wheel. We need to follow up with you all on these tables and charts which we will absolutely do so count on that either in your inbox at the end of today or early on Monday I think we need to reconvene the technical committee once more in which I would like to be a part of that conversation so Harry will get that in the books and I will make time to be there and with that I will follow up with each of you and you know how to find me

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