September 1, 2026

Wayne Propst, Cabinet Secretary
New Mexico Department of Finance and Administration
407 Galisteo Street, #190
Santa Fe, NM 87501

Dear Secretary Propst:

Enclosed you will find the New Mexico Higher Education Department's (Department) Fiscal Year 2028 (FY28) Appropriation Request. The agency ensures accountability of higher education institutions and efficiencies in the higher education system within the State of New Mexico. The Department is tasked with ensuring that each higher education dollar is used to capitalize on program opportunities so that every New Mexican has the potential to earn an education and get the training necessary to support a healthy workforce and the state's economy. My colleagues worked in collaboration with Principal Budget and Policy Analyst Nicole Macias in the preparation of this budget.

Highlights of the FY28 request are as follows:

Adult Literacy Programming:
The Department requests a recurring increase of $1,750,000, for a total of $3,000,000, to sustain New Mexico's expanded Adult Literacy system. Recent growth from 16 to 21 programs—including new rural sites and eight family literacy programs—was funded through temporary Community Benefits dollars that expire at the end of FY28. This increase ensures continued statewide access to adult and family literacy services, stabilizes program operations, and supports adults with the lowest literacy levels.

Financial Aid Marketing:
The Department requests $500,000 in recurring funding to establish a dedicated statewide marketing and outreach budget for financial aid programs. New Mexico administers several major scholarships and grants but currently has no recurring outreach capacity. This funding will support statewide campaigns, digital communication, K–12 and higher education partnerships and ensure that students and families understand and access the more than $400 million in state-funded financial aid available each year.

Operational Budget Increase:
The Department requests a 3% increase to its operational budget and $655,000 in recurring personnel funding to stabilize staffing and fill vacant positions. NMHED oversees 13 percent of the state budget with only 58 authorized FTE, many unfunded by prior legislative action. As statewide responsibilities expand—including institutional finance oversight, financial aid administration, capital outlay review, compliance monitoring, and statewide engagement—recurring operational support is essential to maintain service quality, reduce processing delays, and uphold strong financial stewardship across New Mexico's higher education system.

Thank you in advance for the New Mexico Department of Finance and Administration's assistance during the FY28 appropriation request process and upcoming 59th Legislature. We look forward to working with you and your agency to address any items that may arise from this submission. If you have additional questions, please do not hesitate to contact Lisa Alcaraz, Director of the Administrative Services Division, at Lisa.Alcaraz@hed.nm.gov.

Stephanie M. Rodriguez
Cabinet Secretary

Cc: Dr. Patricia Trujillo, Deputy Cabinet Secretary, New Mexico Higher Education Department
Gerald Hoehne, Chief of Staff, New Mexico Higher Education Department
Lisa Alcaraz, Budget and Finance Director, New Mexico Higher Education Department

FY28 APPROPRIATION REQUEST

CERTIFICATION
FORM S-1

Agency Name: NM Higher Education Department Business Unit: 95000

I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the arithmetic accuracy of all numeric information has been verified.

DocuSigned by:
6E1AAA075817409...
Stephanie Rodriguez, Cabinet Secretary

-Lisa Alcaraz, Budget & Finance Director

DocuSigned by:
6E1AAA075817409...
Stephanie Rodriguez, Cabinet Secretary/Chief Fin Officer

2044 Galisteo Street Santa Fe, New Mexico 87504	505 690-7799	stephanie.rodriguez@hed.nm.gov

Note: Appropriation Requests for agencies headed by a board or commission must be approved by the board or commission by official action and signed by the chairperson. Operating Budgets of other agencies must be signed by the director or secretary. Appropriation Requests not properly signed will be returned.

Higher Education Department

Business Unit: **95000**
Program Code: **P505**

Stephanie Rodriguez – Cabinet Secretary – GVX (00021582)

- Joel Zimmerer – *Exec. Admin.* – (00038600)

Patricia Trujillo – Deputy Cabinet Secretary – GVX (00021586)

Auriella Ortiz – Dir of Comm – (00021585)

Gerald Hoehne – Chief of Staff/CFO – GVX (00052583)

Academic Affairs & Policy

- **Mark Chisholm** – Director – Educ Admin Supvr – (10101907)
- Brittany Gallegos – Data Analyst II – (10115070)
- Kathleen Sena – *Research Analyst* – (00038599)
- Jody Weber – *Educ Admin B* – (10100266)

Tribal Education

- **Nathana Bird** – Director – Tribal Liaison – (00053037)
- Vacant – *Educ Admin B* – (10116565)

Public Relations

- **Chandler Farnsworth** – Public Relations – (10117862)
- Vacant – Public Relations – (10117863)

Constituent Services

- **Vacant** – General Counsel – GVX (10102685)
- Vacant – Legal Support – (10110727)

Capital Projects

- Vacant – Director – A/O II – (00068571)
- Vacant – *Pgrm Coord* – (10113286)
- Desiree Romero – *Fin Coord O* – (10113286)

Admin Services

- **Lisa Alcaraz** – Budget & Fin Dir – A/O II – (10108431)
- Vacant – *Fin Coord Supvr* – (10100474)
- Jessica Tapia – Fin Coord A – (0059921)
- Crystal Vigil – Fin Analyst – (10117640)
- Shaundel Moya – *Accnt/Auditor* – (10103667)

Educational Trust Board

- **Gary Gordon** – Chairman
- Natalie Cordova – *Executive Director*
- Carolyn Fittipaldi – *Marketing Director*

Adult Education

- **Amber Gallup** – Director – A/O II – (00053042)
- Nayeli Martinez – *Testing Admin* – (10109385)
- Dene Shelton – *Educ Admin A* – (00068155)
- Matthew Edelen – *Educ Admin A* – (00071905)
- Cecilia Roybal – *Fin Coord A* – (00067969)

GEAR UP

- **Corine Ripberger** – Director – A/O II – (10112928)
- Charlotte Ault – *Educ Admin A* – (10100471)
- Aaron Mitchel – *Regional Coord* – (10112929)
- Kathrin Hinton – *Educ Admin A* – (10115163)
- Shellie Garcia – *Budget Analyst* – (10100469)
- Rachel Zintgraff – *Regional Coord* – (10112930)
- Darren Griego – *Research Analyst* – (10112931)
- Emily Freeman – *PR Coordinator* – (10112932)

Planning &Research

- **Dina Advani** – Director – A/O II – (10105805)
- Vacant – Data Analyst II – (10115151)
- Johanna Sandoval – *Research Analyst* – (10105806)

IT Services

- **Isaac Bush** – Director – CIO – (00053034)
- Joseph Leakakos – Data Scientist – (00031451)
- Nicolas Grijalva – *Apps Dev II* – (00030841)
- Dimple Mathew – *IT Bus Analyst* – (10115886)
- Zenith Bhurtel – *Database Admin* – (10114006)
- Vacant – End User Supp – 10108430

Private Post Secondary

- **Pascal Buser** – Director – Educ Admin Supvr – (10110469)
- Mari Togashi – *Educ Admin* – (10110470)
- Annette Mirabal – *Educ Admin* – (10115149)

Financial Aid

- **Heather Romero** – Director – A/O II – (10106329)
- Alicia Armijo – Staff Mgr – (00038724)
- Vacant – Prgm Coord – (10117861)
- Vacant – *Accnt/Auditor* – (00055568)
- Patricia Montoya – *Bus Ops Spec* – (00047997)

Institutional Finance

- **Tana Martinez** – Director – A/O II – (10107369)
- Santana Griego – *Auditor* – (10101908)
- Vacant – *Fin Coord A* – (0074304)
- Savana Simbola – *Fin Coord A* – (00053429)
- Vacant – Research Analyst – (10108430)

(Updated 9/1/26)

Higher Education Department

BU	PCode	Department
95000	0000	0000000000

State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
REVENUE								
111	General Fund Transfers	187,730.3	187,730.3	188,832.5	0.0	193,435.5	36,472.0	229,907.5
112	Other Transfers	77,083.3	74,172.8	95,128.3	0.0	95,088.3	0.0	95,088.3
120	Federal Revenues	12,187.4	10,042.1	12,100.0	0.0	12,500.0	0.0	12,500.0
130	Other Revenues	522.7	5,893.5	543.3	0.0	543.3	0.0	543.3
150	Fund Balance	10,000.0	46,112.6	7,500.0	0.0	7,500.0	0.0	7,500.0
REVENUE, TRANSFERS		**287,523.7**	**323,951.3**	**304,104.1**	**0**	**309,067.1**	**36,472.0**	**345,539.1**
REVENUE		**287,523.7**	**323,951.3**	**304,104.1**	**0**	**309,067.1**	**36,472.0**	**345,539.1**
EXPENSE								
200	Personal services and employee benefits	7,509.5	7,052.2	7,064.0	7,941.8	7,879.0	655.0	8,534.0
300	Contractual services	3,270.0	2,909.7	2,570.0	0.0	3,845.0	1,000.0	4,845.0
400	Other	276,744.2	49,059.8	294,470.1	0.0	57,673.1	34,817.0	92,490.1
EXPENDITURES		**287,523.7**	**59,021.7**	**304,104.1**	**7,941.83**	**69,397.1**	**36,472.0**	**105,869.1**
500	Other financing uses	0.0	251,489.5	0.0	0.0	239,670.0	0.0	239,670.0
OTHER FINANCING USES		**0.0**	**251,489.5**	**0.0**	**0**	**239,670.0**	**0.0**	**239,670.0**
EXPENSE		**287,523.7**	**310,511.1**	**304,104.1**	**7,941.83**	**309,067.1**	**36,472.0**	**345,539.1**
FTE POSITIONS								
810	Permanent	43.25	50.00	43.25	60.00	44.00	0.00	44.00
820	Term	14.75	0.00	14.75	0.00	15.00	0.00	15.00
FTEs		**58.00**	**50.00**	**58.00**	**60.00**	**59.00**	**0.00**	**59.00**
FTE POSITIONS		**58.00**	**50.00**	**58.00**	**60.00**	**59.00**	**0.00**	**59.00**

BU	PCode	Department
95000	P505	000000

State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
REVENUE								
111	General Fund Transfers	16,831.5	16,831.5	17,933.7	0.0	18,536.7	31,405.0	49,941.7
112	Other Transfers	5,043.3	4,825.6	5,043.3	0.0	5,043.3	0.0	5,043.3
120	Federal Revenues	11,787.4	10,042.1	11,700.0	0.0	12,100.0	0.0	12,100.0
130	Other Revenues	522.7	2,023.5	543.3	0.0	543.3	0.0	543.3
150	Fund Balance	0.0	32.9	0.0	0.0	0.0	0.0	0.0
REVENUE, TRANSFERS		**34,184.9**	**33,755.6**	**35,220.3**	**0.0**	**36,223.3**	**31,405.0**	**67,628.3**
REVENUE		**34,184.9**	**33,755.6**	**35,220.3**	**0.0**	**36,223.3**	**31,405.0**	**67,628.3**
EXPENSE								
200	Personal services and employee benefits	7,509.5	7,052.2	7,064.0	7,941.8	7,879.0	655.0	8,534.0
300	Contractual services	3,200.0	2,897.6	2,500.0	0.0	3,525.0	500.0	4,025.0
400	Other	23,475.4	21,885.7	25,656.3	0.0	24,189.3	30,250.0	54,439.3
EXPENDITURES		**34,184.9**	**31,835.6**	**35,220.3**	**7,941.83**	**35,593.3**	**31,405.0**	**66,998.3**
500	Other financing uses	0.0	0.0	0.0	0.0	630.0	0.0	630.0
OTHER FINANCING USES		**0.0**	**0.0**	**0.0**	**0**	**630.0**	**0.0**	**630.0**
EXPENSE		**34,184.9**	**31,835.6**	**35,220.3**	**7,941.83**	**36,223.3**	**31,405.0**	**67,628.3**
FTE POSITIONS								
810	Permanent	43.25	50.00	43.25	60.00	44.00	0.00	44.00
820	Term	14.75	0.00	14.75	0.00	15.00	0.00	15.00
FTEs		**58.00**	**50.00**	**58.00**	**60.00**	**59.00**	**0.00**	**59.00**
FTE POSITIONS		**58.00**	**50.00**	**58.00**	**60.00**	**59.00**	**0.00**	**59.00**

BU	PCode	Department
95000	P506	000000

State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

	2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
REVENUE							
111 General Fund Transfers	24,898.8	24,898.8	24,898.8	0.0	24,898.8	5,067.0	29,965.8
112 Other Transfers	50,040.0	47,347.2	50,085.0	0.0	50,045.0	0.0	50,045.0
120 Federal Revenues	400.0	0.0	400.0	0.0	400.0	0.0	400.0
130 Other Revenues	0.0	3,579.1	0.0	0.0	0.0	0.0	0.0
150 Fund Balance	10,000.0	46,079.7	7,500.0	0.0	7,500.0	0.0	7,500.0
REVENUE, TRANSFERS	**85,338.8**	**121,904.8**	**82,883.8**	**0.0**	**82,843.8**	**5,067.0**	**87,910.8**
REVENUE	**85,338.8**	**121,904.8**	**82,883.8**	**0.0**	**82,843.8**	**5,067.0**	**87,910.8**
EXPENSE							
300 Contractual services	70.0	12.1	70.0	0.0	320.0	500.0	820.0
400 Other	85,268.8	12,219.8	82,813.8	0.0	15,483.8	4,567.0	20,050.8
EXPENDITURES	**85,338.8**	**12,231.8**	**82,883.8**	**0**	**15,803.8**	**5,067.0**	**20,870.8**
500 Other financing uses	0.0	102,861.5	0.0	0.0	67,040.0	0.0	67,040.0
OTHER FINANCING USES	**0.0**	**102,861.5**	**0.0**	**0**	**67,040.0**	**0.0**	**67,040.0**
EXPENSE	**85,338.8**	**115,093.3**	**82,883.8**	**0**	**82,843.8**	**5,067.0**	**87,910.8**

BU	PCode	Department
95000	P510	000000

State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
REVENUE								
111	General Fund Transfers	146,000.0	146,000.0	146,000.0	0.0	150,000.0	0.0	150,000.0
112	Other Transfers	22,000.0	22,000.0	40,000.0	0.0	40,000.0	0.0	40,000.0
130	Other Revenues	0.0	290.8	0.0	0.0	0.0	0.0	0.0
150	Fund Balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE, TRANSFERS		**168,000.0**	**168,290.8**	**186,000.0**	**0.0**	**190,000.0**	**0.0**	**190,000.0**
REVENUE		**168,000.0**	**168,290.8**	**186,000.0**	**0.0**	**190,000.0**	**0.0**	**190,000.0**
EXPENSE								
400	Other	168,000.0	14,954.3	186,000.0	0.0	18,000.0	0.0	18,000.0
EXPENDITURES		**168,000.0**	**14,954.3**	**186,000.0**	**0**	**18,000.0**	**0.0**	**18,000.0**
500	Other financing uses	0.0	148,628.0	0.0	0.0	172,000.0	0.0	172,000.0
OTHER FINANCING USES		**0.0**	**148,628.0**	**0.0**	**0**	**172,000.0**	**0.0**	**172,000.0**
EXPENSE		**168,000.0**	**163,582.3**	**186,000.0**	**0**	**190,000.0**	**0.0**	**190,000.0**

HIGHER EDUCATION DEPARTMENT (95000)
FY28 RECURRING GENERAL FUND: AGENCY APPROPRIATION REQUEST
CHANGES BY PROGRAM AND CATEGORY

Policy Development and Institutional Finance (P505)	Salaries and Benefits (200's)	Contractual Services (300's)	Other (400's)	Other Financing Uses (500's)	TOTAL
FY27 Operating Budget: General Fund	**$5,527.4**	**$660.0**	**$11,746.3**	**$0.0**	**$17,933.7**
Increases (Decreases)					
10% employee health benefits premium increase	$65.0				$65.0
Adult Ed - Non-Match - budget neutral category rearrange	$650.0	$75.0	($725.0)		$0.0
Adult Literacy - budget neutral category rearrange		$30.0	($30.0)		$0.0
Literacy Coordinators - budget neutral category rearrange for passthrough funds			($630.0)	$630.0	$0.0
General Fund operations - 3% overall increase		$200.0	$338.0		$538.0
Adult Education expansion request to support competitive wages for adult education teachers for the program across the state			$5,000.0		$5,000.0
Adult Literacy expansion request to grow from 16 to 31 programs, including additional rural sites and eight new family literacy programs.			$1,750.0		$1,750.0
NM Ascend Integrated Education and Training (IET) expansion request to shift the program into the recurring base budget (funded through GRO at $2M/year FY25-FY27)			$2,000.0		$2,000.0
High School Equivalency expansion request to ensure HSE testing remains free for all New Mexicans pursuant to HB167 of 2025			$1,500.0		$1,500.0
"Workforce GRO" expansion request to shift the program into the recurring operating budget (funded through GRO at $20M/year FY25-FY27)			$20,000.0		$20,000.0
NM Longitudinal Data System operations and maintenance (expansion request)		$500.0			$500.0
Operational expansion request to increase # of funded FTE (fill vacancies)	$655.0				$655.0
					$0.0
					$0.0
					$0.0
FY28 Request: General Fund	**$6,897.4**	**$1,465.0**	**$40,949.3**	**$630.0**	**$49,941.7**
$ increase over FY27	$1,370.0	$805.0	$29,203.0	$630.0	$32,008.0
% increase over FY27	24.8%	122.0%	248.6%	#DIV/0!	178.5%

Student Financial Aid (P506)	Salaries and Benefits (200's)	Contractual Services (300's)	Other (400's)	Other Financing Uses (500's)	TOTAL
FY27 Operating Budget: General Fund	**$0.0**	**$70.0**	**$24,828.8**	**$0.0**	**$24,898.8**
Increases (Decreases)					
Alignment of funds of Flow-Through Programs within Financial Aid to the Higher Education Institutions (budget neutral category rearrange)			($16,690.0)	$16,690.0	$0.0
Financial Aid Division marketing and outreach (expansion request)		$500.0			$500.0
Graduate Scholarships expansion request to increase scholarship awards from 56 to approx 767, with a particular focus on STEM graduate fields			$4,567.0		$4,567.0
Budget neutral general fund category rearrange		$250.0	($250.0)		$0.0
					$0.0
					$0.0
					$0.0
FY28 Request: General Fund	**$0.0**	**$820.0**	**$12,455.8**	**$16,690.0**	**$29,965.8**
$ increase over FY27	$0.0	$750.0	($12,373.0)	$16,690.0	$5,067.0
% increase over FY27	#DIV/0!	1071.4%	-49.8%	#DIV/0!	20.4%

Opportunity Scholarship (P510)	Salaries and Benefits (200's)	Contractual Services (300's)	Other (400's)	Other Financing Uses (500's)	TOTAL
FY27 Operating Budget: General Fund	**$0.0**	**$0.0**	**$146,000.0**	**$0.0**	**$146,000.0**
Increases (Decreases)					
Budget neutral category rearrange of Opportunity Scholarship funding			($128,000.0)	$128,000.0	$0.0
Opportunity Scholarship				$4,000.0	$4,000.0
					$0.0
					$0.0
					$0.0
FY28 Request: General Fund	**$0.0**	**$0.0**	**$18,000.0**	**$132,000.0**	**$150,000.0**
$ increase over FY27	$0.0	$0.0	($128,000.0)	$132,000.0	$4,000.0
% increase over FY27	#DIV/0!	#DIV/0!	-87.7%	#DIV/0!	2.7%

AGENCY TOTAL (95000)	Salaries and Benefits (200's)	Contractual Services (300's)	Other (400's)	Other Financing Uses (500's)	TOTAL
FY27 Operating Budget: General Fund	**$5,527.4**	**$730.0**	**$182,575.1**	**$0.0**	**$188,832.5**
Increases (Decreases)	$1,370.0	$1,555.0	($111,170.0)	$149,320.0	$41,075.0
FY28 Request: General Fund	**$6,897.4**	**$2,285.0**	**$71,405.1**	**$149,320.0**	**$229,907.5**
$ increase over FY27	$1,370.0	$1,555.0	($111,170.0)	$149,320.0	$41,075.0
% increase over FY27	24.8%	213.0%	-60.9%	#DIV/0!	21.8%

BU	PCode	Department
95000	0000	0000000000

S-9 Account Code Revenue/Expenditure Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
499105	General Fd. Appropriation	187,730.3	187,730.3	188,832.5	0.0	193,435.5	36,472.0	229,907.5
111	**General Fund Transfers**	**187,730.3**	**187,730.3**	**188,832.5**	**0.0**	**193,435.5**	**36,472.0**	**229,907.5**
425909	Other Services - Interagency	5,000.0	20.0	0.0	0.0	0.0	0.0	0.0
451909	Federal Contract - Interagency	0.0	4,801.4	5,000.0	0.0	5,000.0	0.0	5,000.0
499905	Other Financing Sources	22,043.3	44.2	40,043.3	0.0	40,043.3	0.0	40,043.3
499906	OFS - INTRA-Agency	40.0	22,000.0	85.0	0.0	45.0	0.0	45.0
499910	O/F Sources - CU	50,000.0	47,307.2	50,000.0	0.0	50,000.0	0.0	50,000.0
112	**Other Transfers**	**77,083.3**	**74,172.8**	**95,128.3**	**0.0**	**95,088.3**	**0.0**	**95,088.3**
451903	Federal Direct - Operating	12,187.4	10,042.1	12,100.0	0.0	12,500.0	0.0	12,500.0
120	**Federal Revenues**	**12,187.4**	**10,042.1**	**12,100.0**	**0.0**	**12,500.0**	**0.0**	**12,500.0**
407901	Other Taxes	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
416902	Other Licenses & Permits	522.7	523.7	543.3	0.0	543.3	0.0	543.3
422902	Other Fees	0.0	1.3	0.0	0.0	0.0	0.0	0.0
441201	Interest On Investments	0.0	4,776.7	0.0	0.0	0.0	0.0	0.0
441401	Interest On Loans	0.0	79.7	0.0	0.0	0.0	0.0	0.0
475101	Other Gifts & Grants	0.0	10.4	0.0	0.0	0.0	0.0	0.0
496901	Miscellaneous Revenue	0.0	501.7	0.0	0.0	0.0	0.0	0.0
496909	Misc Revenue - Interagency	0.0	0.2	0.0	0.0	0.0	0.0	0.0
130	**Other Revenues**	**522.7**	**5,893.5**	**543.3**	**0.0**	**543.3**	**0.0**	**543.3**
325900	Restricted FB - Gov	10,000.0	46,079.7	7,500.0	0.0	7,500.0	0.0	7,500.0
328900	Unassigned FB - Gov	0.0	32.9	0.0	0.0	0.0	0.0	0.0
150	**Fund Balance**	**10,000.0**	**46,112.6**	**7,500.0**	**0.0**	**7,500.0**	**0.0**	**7,500.0**
TOTAL REVENUE		**287,523.7**	**323,951.3**	**304,104.1**	**0**	**309,067.1**	**36,472.0**	**345,539.1**
520000	Payroll	0.0	0.0	0.0	0.0	0.0	655.0	655.0
520100	Exempt Perm Positions P/T&F/T	900.0	928.3	865.0	948.5	941.3	0.0	941.3
520200	Term Positions	1,470.6	1,206.5	1,421.4	10.8	1,480.2	0.0	1,480.2
520300	Classified Perm Positions F/T	3,043.3	2,805.2	2,507.7	4,687.5	2,718.2	0.0	2,718.2
520500	Temporary Positions F/T & P/T	0.0	2.8	0.0	0.3	0.0	0.0	0.0
520600	Paid Unused Sick Leave	0.0	2.4	0.8	0.0	0.0	0.0	0.0
520700	Overtime & Other Premium Pay	0.0	38.8	0.0	0.0	0.0	0.0	0.0
520710	Longevity Pay	0.0	0.0	0.0	0.0	36.5	0.0	36.5
520800	Annl & Comp Paid At Separation	0.5	37.8	0.0	0.0	0.0	0.0	0.0
521100	Group Insurance Premium	617.0	641.5	794.2	768.9	1,013.1	0.0	1,013.1

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
521200	Retirement Contributions	1,004.3	907.9	962.0	1,063.7	1,082.2	0.0	1,082.2
521300	F I C A	352.2	357.2	374.1	347.5	433.2	0.0	433.2
521400	Workers' Comp Assessment Fee	0.8	0.5	0.6	0.0	0.6	0.0	0.6
521410	GSD Work Comp Insur Premium	3.9	3.8	2.6	0.0	2.8	0.0	2.8
521500	Unemployment Comp Premium	0.0	0.0	0.0	0.0	15.2	0.0	15.2
521600	Employee Liability Ins Premium	25.4	25.2	36.0	0.0	43.1	0.0	43.1
521700	RHC Act Contributions	91.5	94.4	99.6	114.6	112.6	0.0	112.6
200	**Personal services and employee benef**	**7,509.5**	**7,052.2**	**7,064.0**	**7,941.8**	**7,879.0**	**655.0**	**8,534.0**
535200	Professional Services	2,368.2	1,123.3	1,456.5	0.0	1,392.3	0.0	1,392.3
535209	Professional Svcs - Interagenc	0.0	0.0	0.0	0.0	0.0	0.0	0.0
535300	Other Services	348.3	1,178.2	555.0	0.0	1,330.6	1,000.0	2,330.6
535309	Other Services - Interagency	65.6	62.0	62.2	0.0	68.2	0.0	68.2
535400	Audit Services	117.3	115.2	126.3	0.0	120.6	0.0	120.6
535600	IT Services	370.6	431.0	370.0	0.0	933.3	0.0	933.3
300	**Contractual services**	**3,270.0**	**2,909.7**	**2,570.0**	**0.0**	**3,845.0**	**1,000.0**	**4,845.0**
542100	Employee I/S Mileage & Fares	20.0	18.7	23.5	0.0	29.5	0.0	29.5
542200	Employee I/S Meals & Lodging	16.5	31.3	16.8	0.0	40.0	0.0	40.0
542300	Brd & Comm Mbr Meals & Lodging	1.3	1.4	0.8	0.0	2.0	0.0	2.0
542310	Brd & Comm Mbr Mileage & Fares	2.1	1.3	1.6	0.0	2.0	0.0	2.0
542700	Transp - Transp Insurance	0.2	0.0	0.0	0.0	0.0	0.0	0.0
542800	State Transp Pool Charges	2.0	7.0	0.0	0.0	11.0	0.0	11.0
543400	Maint - Property Insurance	0.0	0.0	0.0	0.0	0.2	0.0	0.2
543820	Maintenance IT	0.0	7.9	0.0	0.0	0.0	0.0	0.0
543830	IT HW/SW Agreements	282.0	293.4	262.0	0.0	370.0	0.0	370.0
544000	Supply Inventory IT	54.5	66.7	28.5	0.0	80.0	0.0	80.0
544100	Supplies-Office Supplies	20.8	9.2	13.5	0.0	18.0	0.0	18.0
544800	Supplies-Education&Recreation	730.0	867.9	950.0	0.0	981.3	0.0	981.3
544900	Supplies-Inventory Exempt	10.4	7.5	33.8	0.0	32.0	0.0	32.0
545700	ISD Services	59.0	49.3	64.6	0.0	73.7	0.0	73.7
545710	DOIT HCM Assessment Fees	23.1	20.3	21.9	0.0	21.7	0.0	21.7
545900	Printing & Photo Services	11.0	17.8	25.2	0.0	24.4	0.0	24.4
546100	Postage & Mail Services	5.5	4.8	5.0	0.0	6.9	0.0	6.9
546400	Rent Of Land & Buildings	414.0	416.5	395.3	0.0	478.4	0.0	478.4

S-9 Account Code Revenue/Expenditure Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request Base	Expansion	Total
546500	Rent Of Equipment	23.1	12.6	22.6	0.0	22.3	0.0	22.3
546600	Communications	0.0	0.0	0.0	0.0	0.0	0.0	0.0
546610	DOIT Telecommunications	87.0	91.7	91.6	0.0	91.3	0.0	91.3
546700	Subscriptions/Dues/License Fee	319.4	258.3	317.4	0.0	280.0	0.0	280.0
546800	Employee Training & Education	46.0	37.2	39.0	0.0	57.5	0.0	57.5
546900	Advertising	55.0	13.3	20.0	0.0	54.3	0.0	54.3
547200	Grants To Individuals	8,940.0	2,087.6	7,940.0	0.0	7,835.0	0.0	7,835.0
547360	Insurance Premiums-non_payroll	0.0	0.2	0.0	0.0	0.0	0.0	0.0
547400	Grants To Local Governments	0.0	89.3	100.0	0.0	130.0	0.0	130.0
547410	Grants To Public Schools&Univ	32,870.0	27,695.9	35,378.0	0.0	31,246.0	8,500.0	39,746.0
547420	Grants -Higher Ed (in CAFR)	225,099.1	8,391.7	239,342.0	0.0	5,970.0	24,567.0	30,537.0
547430	Grants to Native Amer Indians	4,780.0	4,870.9	6,380.0	0.0	5,784.0	0.0	5,784.0
547440	Grants To Other Entities	2,405.0	2,746.3	2,440.0	0.0	2,903.0	1,750.0	4,653.0
547450	Grants to Other Agencies	350.0	713.3	485.5	0.0	910.0	0.0	910.0
547900	Miscellaneous Expense	40.7	41.9	11.2	0.0	62.8	0.0	62.8
547909	Misc Expense Interagency	0.0	119.0	0.0	0.0	60.0	0.0	60.0
547999	Request to Pay Prior Year	0.0	1.3	0.0	0.0	0.0	0.0	0.0
548200	Furniture & Fixtures	0.0	13.4	0.0	0.0	0.0	0.0	0.0
549600	Employee O/S Mileage & Fares	36.0	25.5	29.0	0.0	41.3	0.0	41.3
549700	Employee O/S Meals & Lodging	40.5	29.6	31.3	0.0	54.5	0.0	54.5
400	**Other**	**276,744.2**	**49,059.8**	**294,470.1**	**0.0**	**57,673.1**	**34,817.0**	**92,490.1**
555200	O/F Uses - Higher Ed Institut	0.0	251,489.5	0.0	0.0	239,670.0	0.0	239,670.0
500	**Other financing uses**	**0.0**	**251,489.5**	**0.0**	**0.0**	**239,670.0**	**0.0**	**239,670.0**
TOTAL EXPENSE		**287,523.7**	**310,511.1**	**304,104.1**	**7,941.83**	**309,067.1**	**36,472.0**	**345,539.1**
810	Permanent	43.25	50.00	43.25	60.00	44.00	0.00	44.00
810	**Permanent**	**43.25**	**50.00**	**43.25**	**60.00**	**44.00**	**0.00**	**44.00**
820	Term	14.75	0.00	14.75	0.00	15.00	0.00	15.00
820	**Term**	**14.75**	**0.00**	**14.75**	**0.00**	**15.00**	**0.00**	**15.00**
TOTAL FTE POSITIONS		**58.00**	**50.00**	**58.00**	**60.00**	**59.00**	**0.00**	**59.00**

APPROPRIATION REQUEST
FORM S-10 FUND BALANCE PROJECTION

(In Whole Dollars)

Agency:	Higher Education Department	Business Unit:	95000
Fund Name:	Teacher Prep Affordability	Fund Number:	20760
Legal Auth.	Section 21-21O-7 NMSA1978		

BEGINNING BALANCE

Unreserved, undesignated fund balance (not cash balance) from SHARE NMS006GL Balance Sheet Report at close of FY26		6,579,700
ADJUSTMENTS		
Add:		
Interfund receivables, accounts receivables, and other assets not reflected in fund balance from FCD Reports at close of FY26	0	
Other (explain in detail)	0	
Deduct:		
Liabilities not reflected in FCD Reports at close of FY26	0	
Fund balance designated by law for future expenditure (non-reverting funds)	0	
Amount due to State General Fund or other fund designated by statute	0	
Other (explain in detail)	0	
FY26 revision not reflected in liabilities	0	
Total Adjustments		0
ADJUSTED UNRESERVED, UNDESIGNATED FUND BALANCE at close of FY26		6,579,700
Add:		
Projected revenue/sources (less fund balance budgeted) for FY27	2,500,000	
Deduct:		
Projected total expenditures for FY27	2,500,000	
ADJUSTED UNRESERVED/UNDESIGNATED FUND BALANCE at close of FY27		11,579,700
Add:		
Projected revenue/sources (less fund balance requested) for FY28	2,500,000	
Deduct:		
Total expenditures budgeted in appropriation request	2,500,000	
ADJUSTED UNRESERVED/UNDESIGNATED FUND BALANCE at close of FY28		16,579,700

APPROPRIATION REQUEST
FORM S-10 FUND BALANCE PROJECTION

(In Whole Dollars)

Agency:	Higher Education Department	Business Unit:	95000
Fund Name:	TEACHER LOAN REPAYMENT FUND	Fund Number:	68270
Legal Auth.	Section 21-22H NMSA 1978		

BEGINNING BALANCE

Unreserved, undesignated fund balance (not cash balance) from SHARE NMS006GL Balance Sheet Report at close of FY26		13,513,900
ADJUSTMENTS		
Add:		
Interfund receivables, accounts receivables, and other assets not reflected in fund balance from FCD Reports at close of FY26	0	
Other (explain in detail)	0	
Deduct:		
Liabilities not reflected in FCD Reports at close of FY26	0	
Fund balance designated by law for future expenditure (non-reverting funds)	0	
Amount due to State General Fund or other fund designated by statute	0	
Other (explain in detail)	0	
FY26 revision not reflected in liabilities	0	
Total Adjustments		0
ADJUSTED UNRESERVED, UNDESIGNATED FUND BALANCE at close of FY26		13,513,900
Add:		
Projected revenue/sources (less fund balance budgeted) for FY27	5,000,000	
Deduct:		
Projected total expenditures for FY27	5,000,000	
ADJUSTED UNRESERVED/UNDESIGNATED FUND BALANCE at close of FY27		23,513,900
Add:		
Projected revenue/sources (less fund balance requested) for FY28	5,000,000	
Deduct:		
Total expenditures budgeted in appropriation request	5,000,000	
ADJUSTED UNRESERVED/UNDESIGNATED FUND BALANCE at close of FY28		33,513,900

S-13 Line Items by Business Unit Expenditures

(Dollars in Thousands)

BusUnit			Line Item		2025-26 Actuals	2026-27 Opbud	Request Base	Request Expansion	Recommendation Base	Recommendation Expansion	Opbud
95000	**P505-R**	**Policy Development and Institut**	520000	Payroll	0	0	0	655	0	0	0.0
			520100	Exempt Perm Positions P/T&F/T	928.29	865	941.3	0	0	0	0.0
			520200	Term Positions	1,206.45	1,421.4	1,480.2	0	0	0	0.0
			520300	Classified Perm Positions F/T	2,805.19	2,507.7	2,718.2	0	0	0	0.0
			520500	Temporary Positions F/T & P/T	2.81	0	0	0	0	0	0.0
			520600	Paid Unused Sick Leave	2.44	0.8	0	0	0	0	0.0
			520700	Overtime & Other Premium Pay	38.78	0	0	0	0	0	0.0
			520710	Longevity Pay	0	0	36.5	0	0	0	0.0
			520800	Annl & Comp Paid At Separation	37.8	0	0	0	0	0	0.0
			521100	Group Insurance Premium	641.5	794.2	1,013.1	0	0	0	0.0
			521200	Retirement Contributions	907.87	962	1,082.2	0	0	0	0.0
			521300	F I C A	357.16	374.1	433.2	0	0	0	0.0
			521400	Workers' Comp Assessment Fee	0.52	0.6	0.6	0	0	0	0.0
			521410	GSD Work Comp Insur Premium	3.78	2.6	2.8	0	0	0	0.0
			521500	Unemployment Comp Premium	0	0	15.2	0	0	0	0.0
			521600	Employee Liability Ins Premium	25.15	36	43.1	0	0	0	0.0
			521700	RHC Act Contributions	94.43	99.6	112.6	0	0	0	0.0
			535200	Professional Services	1,111.21	1,456.5	1,372.3	0	0	0	0.0
			535300	Other Services	1,178.24	555	1,230.6	500	0	0	0.0
			535309	Other Services - Interagency	62.01	62.2	68.2	0	0	0	0.0
			535400	Audit Services	115.16	126.3	120.6	0	0	0	0.0
			535600	IT Services	431.03	300	733.3	0	0	0	0.0
			542100	Employee I/S Mileage & Fares	17.15	21.5	27	0	0	0	0.0
			542200	Employee I/S Meals & Lodging	27.82	15.3	35	0	0	0	0.0
			542300	Brd & Comm Mbr Meals & Lodgin	1.39	0.8	2	0	0	0	0.0
			542310	Brd & Comm Mbr Mileage & Fares	1.33	1.6	2	0	0	0	0.0
			542800	State Transp Pool Charges	6.97	0	11	0	0	0	0.0
			543400	Maint - Property Insurance	0	0	0.2	0	0	0	0.0
			543820	Maintenance IT	7.91	0	0	0	0	0	0.0
			543830	IT HW/SW Agreements	68.94	47	115	0	0	0	0.0
			544000	Supply Inventory IT	64.95	27.5	75	0	0	0	0.0
			544100	Supplies-Office Supplies	8.79	10	17	0	0	0	0.0

(Dollars in Thousands)

			544800	Supplies-Education&Recreation	867.88	950	981.3	0	0	0	0.0
			544900	Supplies-Inventory Exempt	7.5	30.5	32	0	0	0	0.0
			545700	ISD Services	49.28	64.6	73.7	0	0	0	0.0
			545710	DOIT HCM Assessment Fees	20.3	21.9	21.7	0	0	0	0.0
			545900	Printing & Photo Services	16.83	25.2	21.4	0	0	0	0.0
			546100	Postage & Mail Services	1.81	5	3.9	0	0	0	0.0
			546400	Rent Of Land & Buildings	416.55	395.3	478.4	0	0	0	0.0
			546500	Rent Of Equipment	12.59	22.6	22.3	0	0	0	0.0
			546610	DOIT Telecommunications	91.72	91.6	91.3	0	0	0	0.0
			546700	Subscriptions/Dues/License Fee	254.31	317.4	275	0	0	0	0.0
			546800	Employee Training & Education	36.26	39	54.5	0	0	0	0.0
			546900	Advertising	3.34	20	44.3	0	0	0	0.0
			547200	Grants To Individuals	0	0	100	0	0	0	0.0
			547360	Insurance Premiums-non_payroll	0.19	0	0	0	0	0	0.0
			547400	Grants To Local Governments	89.28	100	130	0	0	0	0.0
			547410	Grants To Public Schools&Univ	8,749.11	11,298	9,862	8,500	0	0	0.0
			547420	Grants -Higher Ed (in CAFR)	5,949.81	7,097	5,970	20,000	0	0	0.0
			547430	Grants to Native Amer Indians	1,441.56	2,060	1,750	0	0	0	0.0
			547440	Grants To Other Entities	2,735.7	2,440	2,880	1,750	0	0	0.0
			547450	Grants to Other Agencies	713.28	485.5	910	0	0	0	0.0
			547900	Miscellaneous Expense	35.89	11.2	52.8	0	0	0	0.0
			547909	Misc Expense Interagency	119	0	60	0	0	0	0.0
			547999	Request to Pay Prior Year	1.26	0	0	0	0	0	0.0
			548200	Furniture & Fixtures	13.42	0	0	0	0	0	0.0
			549600	Employee O/S Mileage & Fares	24.51	27.5	38.5	0	0	0	0.0
			549700	Employee O/S Meals & Lodging	29.13	30.3	52	0	0	0	0.0
			555200	O/F Uses - Higher Ed Institut	0	0	630	0	0	0	0.0
Subtotal for:	**95000**	**P505-R**	**Policy Development and Institut**		**31,835.56**	**35,220.3**	**36,223.3**	**31,405**	**0**	**0**	**0.0**

					2025-26	**2026-27**	**Request**		**Recommendation**		
BusUnit			**Line Item**		**Actuals**	**Opbud**	**Base**	**Expansion**	**Base**	**Expansion**	**Opbud**
95000	**P506-R**	**Student Financial Aid**	535200	Professional Services	12.06	0	20	0	0	0	0.0
			535300	Other Services	0	0	100	500	0	0	0.0
			535600	IT Services	0	70	200	0	0	0	0.0
			542100	Employee I/S Mileage & Fares	1.53	2	2.5	0	0	0	0.0

(Dollars in Thousands)

			542200	Employee I/S Meals & Lodging	3.52	1.5	5	0	0	0	0.0
			543830	IT HW/SW Agreements	224.5	215	255	0	0	0	0.0
			544000	Supply Inventory IT	1.72	1	5	0	0	0	0.0
			544100	Supplies-Office Supplies	0.43	3.5	1	0	0	0	0.0
			544900	Supplies-Inventory Exempt	0	3.3	0	0	0	0	0.0
			545900	Printing & Photo Services	0.94	0	3	0	0	0	0.0
			546100	Postage & Mail Services	3	0	3	0	0	0	0.0
			546700	Subscriptions/Dues/License Fee	3.99	0	5	0	0	0	0.0
			546800	Employee Training & Education	0.9	0	3	0	0	0	0.0
			546900	Advertising	9.95	0	10	0	0	0	0.0
			547200	Grants To Individuals	2,087.56	7,940	7,735	0	0	0	0.0
			547410	Grants To Public Schools&Univ	6,169.16	9,080	6,384	0	0	0	0.0
			547420	Grants -Higher Ed (in CAFR)	2,441.88	64,245	0	4,567	0	0	0.0
			547430	Grants to Native Amer Indians	1,252.73	1,320	1,034	0	0	0	0.0
			547440	Grants To Other Entities	10.55	0	23	0	0	0	0.0
			547900	Miscellaneous Expense	5.97	0	10	0	0	0	0.0
			549600	Employee O/S Mileage & Fares	0.94	1.5	2.8	0	0	0	0.0
			549700	Employee O/S Meals & Lodging	0.49	1	2.5	0	0	0	0.0
			555200	O/F Uses - Higher Ed Institut	102,861.45	0	67,040	0	0	0	0.0
Subtotal for:	**95000**	**P506-R**	**Student Financial Aid**		**115,093.28**	**82,883.8**	**82,843.8**	**5,067**	**0**	**0**	**0.0**

					2025-26	2026-27	Request		Recommendation		
BusUnit			**Line Item**		**Actuals**	**Opbud**	**Base**	**Expansion**	**Base**	**Expansion**	**Opbud**
95000	**P510-R**	**Opportunity Scholarship**	547410	Grants To Public Schools&Univ	12,777.64	15,000	15,000	0	0	0	0.0
			547420	Grants -Higher Ed (in CAFR)	0	168,000	0	0	0	0	0.0
			547430	Grants to Native Amer Indians	2,176.66	3,000	3,000	0	0	0	0.0
			555200	O/F Uses - Higher Ed Institut	148,628	0	172,000	0	0	0	0.0
Subtotal for:	**95000**	**P510-R**	**Opportunity Scholarship**		**163,582.3**	**186,000**	**190,000**	**0**	**0**	**0**	**0.0**

					2025-26	2026-27	Request		Recommendation		
BusUnit			**Line Item**		**Actuals**	**Opbud**	**Base**	**Expansion**	**Base**	**Expansion**	**Opbud**
95000	**Z-CODES-95000**	**Higher Education Department -**	535200	Professional Services	1,193.1	0	0	0	0	0	0.0
			544800	Supplies-Education&Recreation	89	0	0	0	0	0	0.0
			547410	Grants To Public Schools&Univ	25,006.57	0	0	0	0	0	0.0
			547420	Grants -Higher Ed (in CAFR)	481.8	0	0	0	0	0	0.0

(Dollars in Thousands)

		547430	Grants to Native Amer Indians	1,212.69	0	0	0	0	0	0.0
		547440	Grants To Other Entities	236.91	0	0	0	0	0	0.0
		547450	Grants to Other Agencies	112.5	0	0	0	0	0	0.0
		555200	O/F Uses - Higher Ed Institut	44,468.19	0	0	0	0	0	0.0
Subtotal for:	**95000**	**Z-CODES-95000**	**Higher Education Depa**	**72,800.76**	**0**	**0**	**0**	**0**	**0**	**0.0**
95000				**383,311.89**	**304,104.1**	**309,067.1**	**36,472**	**0**	**0**	**0.0**

Totals by Line Item

BusUnit	Line Item		2025-26 Actuals	2026-27 Opbud	Request Base	Request Expansion	Recommendation Base	Recommendation Expansion	Opbud
95000	520000	Payroll	0	0	0	655	0	0	0.0
	520100	Exempt Perm Positions P/T&F/T	928.29	865	941.3	0	0	0	0.0
	520200	Term Positions	1,206.45	1,421.4	1,480.2	0	0	0	0.0
	520300	Classified Perm Positions F/T	2,805.19	2,507.7	2,718.2	0	0	0	0.0
	520500	Temporary Positions F/T & P/T	2.81	0	0	0	0	0	0.0
	520600	Paid Unused Sick Leave	2.44	0.8	0	0	0	0	0.0
	520700	Overtime & Other Premium Pay	38.78	0	0	0	0	0	0.0
	520710	Longevity Pay	0	0	36.5	0	0	0	0.0
	520800	Annl & Comp Paid At Separation	37.8	0	0	0	0	0	0.0
	521100	Group Insurance Premium	641.5	794.2	1,013.1	0	0	0	0.0
	521200	Retirement Contributions	907.87	962	1,082.2	0	0	0	0.0
	521300	F I C A	357.16	374.1	433.2	0	0	0	0.0
	521400	Workers' Comp Assessment Fee	0.52	0.6	0.6	0	0	0	0.0
	521410	GSD Work Comp Insur Premium	3.78	2.6	2.8	0	0	0	0.0
	521500	Unemployment Comp Premium	0	0	15.2	0	0	0	0.0
	521600	Employee Liability Ins Premium	25.15	36	43.1	0	0	0	0.0
	521700	RHC Act Contributions	94.43	99.6	112.6	0	0	0	0.0
	535200	Professional Services	2,316.37	1,456.5	1,392.3	0	0	0	0.0
	535300	Other Services	1,178.24	555	1,330.6	1,000	0	0	0.0

(Dollars in Thousands)

535309	Other Services - Interagency	62.01	62.2	68.2	0	0	0	0.0
535400	Audit Services	115.16	126.3	120.6	0	0	0	0.0
535600	IT Services	431.03	370	933.3	0	0	0	0.0
542100	Employee I/S Mileage & Fares	18.67	23.5	29.5	0	0	0	0.0
542200	Employee I/S Meals & Lodging	31.34	16.8	40	0	0	0	0.0
542300	Brd & Comm Mbr Meals & Lodging	1.39	0.8	2	0	0	0	0.0
542310	Brd & Comm Mbr Mileage & Fares	1.33	1.6	2	0	0	0	0.0
542800	State Transp Pool Charges	6.97	0	11	0	0	0	0.0
543400	Maint - Property Insurance	0	0	0.2	0	0	0	0.0
543820	Maintenance IT	7.91	0	0	0	0	0	0.0
543830	IT HW/SW Agreements	293.44	262	370	0	0	0	0.0
544000	Supply Inventory IT	66.67	28.5	80	0	0	0	0.0
544100	Supplies-Office Supplies	9.22	13.5	18	0	0	0	0.0
544800	Supplies-Education&Recreation	956.88	950	981.3	0	0	0	0.0
544900	Supplies-Inventory Exempt	7.5	33.8	32	0	0	0	0.0
545700	ISD Services	49.28	64.6	73.7	0	0	0	0.0
545710	DOIT HCM Assessment Fees	20.3	21.9	21.7	0	0	0	0.0
545900	Printing & Photo Services	17.77	25.2	24.4	0	0	0	0.0
546100	Postage & Mail Services	4.81	5	6.9	0	0	0	0.0
546400	Rent Of Land & Buildings	416.55	395.3	478.4	0	0	0	0.0
546500	Rent Of Equipment	12.59	22.6	22.3	0	0	0	0.0
546610	DOIT Telecommunications	91.72	91.6	91.3	0	0	0	0.0
546700	Subscriptions/Dues/License Fee	258.3	317.4	280	0	0	0	0.0
546800	Employee Training & Education	37.16	39	57.5	0	0	0	0.0
546900	Advertising	13.29	20	54.3	0	0	0	0.0
547200	Grants To Individuals	2,087.56	7,940	7,835	0	0	0	0.0
547360	Insurance Premiums-non_payroll	0.19	0	0	0	0	0	0.0
547400	Grants To Local Governments	89.28	100	130	0	0	0	0.0
547410	Grants To Public Schools&Univ	52,702.47	35,378	31,246	8,500	0	0	0.0
547420	Grants -Higher Ed (in CAFR)	8,873.48	239,342	5,970	24,567	0	0	0.0
547430	Grants to Native Amer Indians	6,083.63	6,380	5,784	0	0	0	0.0
547440	Grants To Other Entities	2,983.16	2,440	2,903	1,750	0	0	0.0

(Dollars in Thousands)

547450	Grants to Other Agencies	825.78	485.5	910	0	0	0	0.0
547900	Miscellaneous Expense	41.86	11.2	62.8	0	0	0	0.0
547909	Misc Expense Interagency	119	0	60	0	0	0	0.0
547999	Request to Pay Prior Year	1.26	0	0	0	0	0	0.0
548200	Furniture & Fixtures	13.42	0	0	0	0	0	0.0
549600	Employee O/S Mileage & Fares	25.45	29	41.3	0	0	0	0.0
549700	Employee O/S Meals & Lodging	29.62	31.3	54.5	0	0	0	0.0
555200	O/F Uses - Higher Ed Institut	295,957.64	0	239,670	0	0	0	0.0
	Grand Total	**383,311.89**	**304,104.1**	**309,067.1**	**36,472**	**0**	**0**	**0.0**

P-1 Program Overview

BU	PCode
95000	P505

Program Description:

The Policy Development and Institution Oversight program (P505) provides statewide planning, policy development, and financial oversight for New Mexico's higher education system. Acting under NMHED's statutory authority, P505 ensures the efficient use of state resources while advancing statewide goals for student access, affordability, credential completion, workforce readiness, and institutional accountability. Although the mission of P505 is broad, its staff remain fully dedicated to direct service delivery, oversight, compliance management, and system performance monitoring.

P505 guides statewide academic strategy, executes systemwide reforms, coordinates financial aid administration, manages institutional finance review, and ensures compliance with state policy expectations. These activities collectively support New Mexico's students, families, and institutions while promoting alignment between higher education investments and statewide economic development priorities.

Major Issues and Accomplishments:

P505 sets statewide higher education policy and goals; reviews new and expanded academic programs; recommends capital outlay funding for public postsecondary and tribal institutions and special schools; implements statewide academic reforms including common course numbering and the redesigned general education curriculum; and supports statewide policy research and analysis. The program includes staffing and operating costs for administering more than $300 million in state financial aid to over 100,000 graduate and undergraduate students. NMHED consists of ten public-facing divisions: Academic Affairs and Policy, Adult Education, Capital Projects, Financial Aid, Institutional Finance, GEAR UP NM, Indian Education, Information Technology, Planning and Research, and Private Post-Secondary Schools. Through these divisions, NMHED provides financial oversight to three research universities, four comprehensive universities, nine branch community colleges, eight independent community colleges, and three special schools, including the New Mexico Military Institute, the New Mexico School for the Deaf, and the New Mexico School for the Blind and Visually Impaired. NMHED additionally licenses and regulates private and proprietary institutions.

Overview of Request:

The Higher Education Department's FY28 request strengthens statewide oversight, transparency, affordability, and workforce alignment. NMHED ensures that every higher education dollar supports student opportunity, degree attainment, workforce readiness, and institutional accountability. Investment in P505 sustains statewide reforms, maintains national gains, and expands equitable access to higher education for all New Mexicans.

Programmatic Changes:

The Higher Education Department continues to adapt to expanding statewide responsibilities as higher education investments grow. Increasing financial aid programs, adult education reforms, workforce alignment initiatives, expanded capital planning, and statewide academic redesign efforts have significantly increased NMHED's operational demands. Recent statewide accomplishments—including New Mexico's rise in national higher education rankings, strong workforce outcomes via the GRO initiative, record FAFSA completion gains, and major adult education expansion—demonstrate meaningful progress but also highlight the need for enhanced oversight capacity, recurring operational support, and sufficient staffing to sustain and build upon these successes.
To maintain statewide progress and ensure continued success of higher education initiatives, NMHED requests the following critical additions in FY28:

• Staffing and Operational Capacity
Recurring funding to support authorized FTE and stabilize staffing needs for institutional finance oversight, policy analysis, statewide engagement, compliance monitoring, and administration of expanding programs.

• Adult Education System Support
Recurring funding to improve teacher wages, sustain IET pathways, support rising enrollment, and maintain rural program access as nonrecurring funds expire.

• Adult Literacy Sustainability
Recurring appropriations to maintain expanded adult literacy and family literacy services currently funded with expiring Community Benefits dollars.

• High School Equivalency (HSE) Free Testing Continuation
Recurring funding to ensure statewide access to free GED, HiSET, and NEDP pathways beyond expiration of FY26 nonrecurring appropriations.

• New Mexico Ascend Program Continuation
Recurring funding to sustain monthly stipends for adult learners enrolled in IET or qualifying workforce training programs, supporting training-to-employment transitions.

• Graduate Scholarship Program Expansion
Expansion from $433,000 to $4,567,000, increasing scholarship capacity from 56 awards to approximately 767, advancing the Graduate Scholarship Act's intent and expanding graduate access—especially for underrepresented groups and high need STEM fields.

• Financial Aid Outreach & Marketing Support
A new $500,000 recurring appropriation to establish statewide outreach for more than $400 million in student financial aid programs, ensuring all New Mexicans understand and can access available tuition-free college and scholarship opportunities.

Base Budget Justification:

The P505 base budget supports NMHED's statutory mission by funding essential operations across ten divisions, maintaining statewide oversight of public institutions, and administering major statewide initiatives including financial aid, adult education, literacy, workforce training, academic policy, institutional finance review, planning, and capital analysis. The FY28 request ensures NMHED can continue advancing statewide student success, educational attainment, workforce readiness, and responsible financial stewardship while supporting New Mexico's rapidly evolving higher education landscape.

Program Description:

P506 encompasses the Agency's portfolio of student financial aid programs designed to expand access, improve affordability, and promote educational success for students and families across New Mexico. These programs ensure that all New Mexicans have equitable opportunities to pursue higher education and workforce training beyond high school, supporting the state's long term economic vitality and talent development.

Major Issues and Accomplishments:

In FY27, NMHED received $4,348,000 in General Fund appropriation and an additional $25 million special appropriation, totaling $29,048,000 for Health Professional Loan Repayment Program (HPLRP) awards. With these funds, NMHED issued 93 awards, raising total active supported health care professionals to 902.
Despite this progress, demand continues to exceed available resources. In FY27, the program received 2,067 applications, but due to limited funding, only 4% of applicants could be awarded. This reflects a substantial and ongoing need for investment to address statewide health care workforce shortages.

Overview of Request:

The NMHED Financial Aid Division works to ensure that students can access financial support to pursue higher education and career pathways. The Division administers 28 distinct programs, including scholarships, grants, work study, loan for service, and loan repayment opportunities. These programs are designed to meet the needs of New Mexico's diverse student population and support the state's broader workforce goals. The FY28 request strengthens P506's commitment to meeting the division's goals of:

• Providing students and families with clear, accessible information to make informed decisions on financing higher education and entering high need fields such as health care.
• Ensuring students across New Mexico understand that college is both attainable and affordable, with multiple pathways leading to high demand career opportunities.
• Delivering funding and financial support to help as many New Mexicans as possible meet educational expenses and successfully transition into the workforce, with a particular emphasis on health care professions.
• Strengthening New Mexico's health care workforce by expanding financial aid programs that incentivize students to train, practice, and remain in New Mexico.

Programmatic Changes:

Significant changes to the Health Professional Loan Repayment Program have increased interest and application volume—particularly among physicians and individuals relocating to New Mexico to practice.

Sustained and increased funding is necessary to:

• Support the recruitment and retention of health care professionals,
• Address persistent provider shortages, particularly in rural and underserved communities, and
• Maintain New Mexico's competitiveness in attracting qualified clinical professionals.

Continued investment will strengthen New Mexico's health care workforce pipeline and ensure that critical service needs across the state are met.

Base Budget Justification:

The Financial Aid Division remains committed to advancing programs that promote student access, affordability, success, and workforce readiness across New Mexico. The Division continues to enhance customer service by integrating client side grant modules through Submittable, improving both the efficiency and the overall experience of financial aid application processes. It also expands outreach statewide, participating in college fairs, visiting high schools, and engaging in community events—to ensure that students and families are well-informed about the broad range of opportunities available to support their educational goals.

In addition to its ongoing work, the Division requires a transfer of $11.6 million from the Higher Education Trust Fund to maintain the projected need for the Lottery Scholarship in FY28. This transfer is necessary to ensure that eligible students continue receiving stable tuition support as enrollment trends shift and revenues from the New Mexico Lottery Authority fluctuate. Sustaining the Lottery Scholarship is essential to reducing financial barriers, encouraging persistence and completion, and reinforcing New Mexico's long-term workforce development strategies, particularly in high-need fields such as health care, education, and technical professions.

Together, these efforts reflect the Division's dedication to helping New Mexicans access higher education, build credentials aligned with labor market demand, and contribute meaningfully to the state's economic future.

Program Description:

The Opportunity Scholarship Program provides tuition free access to higher education for New Mexico residents who maintain a 2.5 GPA and qualify as recent graduates or returning adult learners under 5.7.37 NMAC. Eligible students may receive up to 100% of allowable tuition and fees after all other state and merit based financial aid has been applied. The program is designed to ensure that New Mexicans can pursue postsecondary credentials that prepare them for high demand careers and contribute to the state’s long term economic and workforce development.

Major Issues and Accomplishments:

To support the ongoing administration of the program, NMHED promulgated 5.7.37 NMAC, establishing clear guidance for institutions and the Department. The most significant challenge facing the program is long term sustainability. The Opportunity Scholarship has transformed the financial aid landscape in New Mexico, supporting more than 43,000 students in FY26 alone. As enrollment continues to rise, the program will serve an even greater number of New Mexicans seeking affordable higher education opportunities. Ensuring adequate and stable funding is essential to maintain program accessibility and uphold the scholarship’s commitment to tuition free education.

Overview of Request:

The agency requests continued funding at the current level for the Opportunity Scholarship to ensure that New Mexico residents can maintain tuition free access to certificate, associate, and bachelor’s degree programs across public institutions statewide. Sustaining investment at existing levels is vital because postsecondary education has become an essential requirement for workforce participation.

Maintaining this level of support allows the Opportunity Scholarship to continue serving more than 43,000 New Mexican students, helping ensure that returning adults and recent graduates alike can obtain the skills demanded by New Mexico’s evolving economy. Tuition free pathways remove financial barriers that commonly discourage students—particularly low-income, rural, and first-generation learners—from pursuing higher education.

The scholarship also strengthens statewide economic growth by enabling students to earn credentials in high-demand fields such as health care, education, and technical trades. As enrollment rises across New Mexico’s 29 public colleges and universities, the Opportunity Scholarship continues to broaden access, expand the talent pipeline, and support the state’s long-term shift toward a more skilled, competitive workforce. The program remains a foundational investment in New Mexico’s future economic stability and prosperity.

Programmatic Changes:

There are no programmatic changes at this time. The Department continues to monitor legislative activity and evaluate any policy adjustments that may be needed. As required, NMHED will promulgate updates to 5.7.37 NMAC to align program rules with statutory direction.

Base Budget Justification: Continued funding at the current level is essential to maintain the Opportunity Scholarship's mission of providing up to 100% of allowable tuition and fees for eligible New Mexico residents. Sustaining this investment produces substantial returns for individuals, communities, and the state economy. When students complete academic credentials without incurring debt, they are more financially secure and more likely to contribute to the local economy through homeownership, business formation, and higher levels of spending. These outcomes not only improve individual prosperity but also increase state tax revenues and reduce long-term public costs. By sustaining current funding levels, New Mexico preserves an economic strategy that strengthens the talent pipeline, meets employer demand, supports underserved communities, and fosters upward mobility for thousands of residents.

Finally, the Opportunity Scholarship's statutory design includes a non-reverting fund, ensuring that any unexpended or unencumbered balance remains available in future fiscal years. This structure stabilizes the program financially, enabling consistent support for students even during enrollment fluctuations. Maintaining the current level of funding will allow the state to continue to realize the extensive educational, workforce, and economic benefits generated by the Opportunity Scholarship without interruption or diminished impact.

Higher Education Department

BU 95000

State of New Mexico

R-2 Transfers

(Dollars in Thousands)

Prov PCode	Prov Fund	Prov Account	Prov Account Name	Rec PCode	Rec Fund	Rec Account	Rec Account Name	2025-26 Actual Transfers	2026-27 Adopted Transfers	2027-28 Agency GF Request	2027-28 Agency OSF Request	2027-28 Agency ISF/IAT Request	2027-28 Agency FF Request	2027-28 Total Request	Justification
P505	34400	535309	Other Services - Interagency	P643	18100	425909	Other Services - Interagency	3.7	0	0	3.4	0	0	3.4	NMSPO HR services
P505	68280	535309	Other Services - Interagency	P643	18100	425909	Other Services - Interagency	9.3	0	0	0	0	9.5	9.5	NMSPO HR services
P505	91000	535309	Other Services - Interagency	P643	18100	425909	Other Services - Interagency	49	59.1	55.3	0	0	0	55.3	NMSPO HR services
								Sum:	**59.1**	**55.3**	**3.4**	**0**	**9.5**	**68.2**	

REV EXP COMPARISON

(Dollars in Thousands)

95000 - Higher Education Department

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES	**229,907.5**	**8,043.3**	**95,088.3**	**12,500.0**	**345,539.1**
Personal services and employee benefits	6,897.4	453.3	43.3	1,140.0	8,534
Contractual services	2,285.0	30.0	810.0	1,720.0	4,845
Other	71,405.1	5,210.0	6,235.0	9,640.0	92,490.1
Other financing uses	149,320.0	2,350.0	88,000.0	0.0	239,670
USES Total:	**229,907.5**	**8,043.3**	**95,088.3**	**12,500.0**	**345,539.1**
Net:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

REV EXP COMPARISON

(Dollars in Thousands)

95000 - Higher Education Department

P505 - Policy Development and Institution Financial Oversight

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	**49,941.7**	**543.3**	**5,043.3**	**12,100.0**	**67,628.3**
Personal services and employee benefits	6,897.4	453.3	43.3	1,140.0	8,534
Contractual services	1,465.0	30.0	810.0	1,720.0	4,025
Other	40,949.3	60.0	4,190.0	9,240.0	54,439.3
Other financing uses	630.0	0.0	0.0	0.0	630
USES Total:	**49,941.7**	**543.3**	**5,043.3**	**12,100.0**	**67,628.3**
Net:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

REV EXP COMPARISON

(Dollars in Thousands)

95000 - Higher Education Department

P506 - Student Financial Aid

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	**29,965.8**	**7,500.0**	**50,045.0**	**400.0**	**87,910.8**
Contractual services	820.0	0.0	0.0	0.0	820
Other	12,455.8	5,150.0	2,045.0	400.0	20,050.8
Other financing uses	16,690.0	2,350.0	48,000.0	0.0	67,040
USES Total:	**29,965.8**	**7,500.0**	**50,045.0**	**400.0**	**87,910.8**
Net:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

REV EXP COMPARISON

(Dollars in Thousands)

95000 - Higher Education Department

P510 - Opportunity Scholarship

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	**150,000.0**	**0.0**	**40,000.0**	**0.0**	**190,000.0**
Other	18,000.0	0.0	0.0	0.0	18,000
Other financing uses	132,000.0	0.0	40,000.0	0.0	172,000
USES Total:	**150,000.0**	**0.0**	**40,000.0**	**0.0**	**190,000.0**
Net:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Detail of Federal Funds Revenue (numbers in thousands)

Agency: NM Higher Education Department
BU: 95000
Program: Policy Development & Institutional Financial Oversight Program
Program Code: P505

FUND	REVENUE ACCOUNT	GRANT NAME	MATCH RATIO	EXP. DATE	TOTAL GRANT AMOUNT	FY26 ACTUALS	FY27 OPBUD	FY28 REQUEST BASE	FY28 REQUEST EXPANSION	FY28 REQUEST TOTAL
68190	451903	Adult Education & Family Literacy Act State Grant, Title II of the Workforce Innovation and Opportunity	25%	9/30/2027	5,282.6	4,677.6	5,282.6	6,000.0	-	6,000.0
68280	451903	2019 GEAR UP NEW MEXICO: College Ready & Career Bound	1:1	9/29/2027	31,360.0	5,365.1	4,480.0	6,100.0	-	6,100.0
21600	451903	Grants to States for Loan Repayment	1:1	6/30/2029	536.7	5.0	268.3	400.0	-	400.0
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
										-
					TOTALS	**10,047.7**	**10,030.9**	**12,500.0**	**0.0**	**12,500.0**

*** GEAR UP NM grant budget of $6,100.0 will be realigned for salary & contractual needs

200	300	400
100.0	**720.0**	**(820.0)**

EB-1 Expansion Justifications

(Dollars in Thousands)

Adult Education **Rank:** 1

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	5000.0	0.0	0.0	0.0	5000.0	0.0
REVENUE, TRANSFERS	**5000.0**	**0.0**	**0.0**	**0.0**	**5000.0**	**0.0**
Other	5000.0	0.0	0.0	0.0	5000.0	0.0
EXPENDITURES	**5000.0**	**0.0**	**0.0**	**0.0**	**5000.0**	**0.0**

Brief Description:

New Mexico’s adult education system requires an increase in recurring funding to stabilize and strengthen its workforce and maintain recent program advancements. The current recurring state investment of $7,828,000 is no longer sufficient to support competitive wages for adult education teachers. In many communities—especially rural areas—adult educators earn less than K–12 teachers, college instructors, and even entry level positions in the fast food industry. This wage disparity is driving significant teacher attrition at the same time that adult student enrollment is rising.

Legislative Change:

Session Law Citation:

Legal Settlement:

Case Number or Citation:

Adult Literacy **Rank:** 2

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	1750.0	0.0	0.0	0.0	1750.0	0.0
REVENUE, TRANSFERS	**1750.0**	**0.0**	**0.0**	**0.0**	**1750.0**	**0.0**
Other	1750.0	0.0	0.0	0.0	1750.0	0.0
EXPENDITURES	**1750.0**	**0.0**	**0.0**	**0.0**	**1750.0**	**0.0**

Brief Description:

The expansion is needed to sustain and stabilize New Mexico’s Adult Literacy system, which has long operated on a minimal budget despite legislative direction to expand services, reach more rural communities, and increase enrollment. Current recurring state funding is only $1.25 million, and the recent statewide competition expanded Adult Literacy programming from 16 to 21 programs, including additional rural sites and 8 new family literacy programs. Because funding is so limited, each program receives only a small grant and must rely heavily on volunteers to operate.

Legislative Change:

Session Law Citation:

Legal Settlement:

Case Number or Citation:

(Dollars in Thousands)

NM Ascend Prgm **Rank:** 3

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	2000.0	0.0	0.0	0.0	2000.0	0.0
REVENUE, TRANSFERS	**2000.0**	**0.0**	**0.0**	**0.0**	**2000.0**	**0.0**
Other	2000.0	0.0	0.0	0.0	2000.0	0.0
EXPENDITURES	**2000.0**	**0.0**	**0.0**	**0.0**	**2000.0**	**0.0**

Brief Description:

The expansion is needed to sustain the New Mexico Ascend Program beyond its initial three year pilot and to preserve a critical support that reduces financial barriers for adult learners in workforce training. Created by House Bill 303 (2024), Ascend provides fixed monthly stipends of $1,000 for up to 12 months to adults enrolled in Adult Education and participating in an Integrated Education and Training (IET) or other approved workforce training program. These stipends allow students to complete training by helping cover basic living costs, thereby improving program completion and supporting a transition into employment.

Legislative Change: ___

Session Law Citation:

Legal Settlement: ___

Case Number or Citation:

High School Equivalency System **Rank:** 4

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	1500.0	0.0	0.0	0.0	1500.0	0.0
REVENUE, TRANSFERS	**1500.0**	**0.0**	**0.0**	**0.0**	**1500.0**	**0.0**
Other	1500.0	0.0	0.0	0.0	1500.0	0.0
EXPENDITURES	**1500.0**	**0.0**	**0.0**	**0.0**	**1500.0**	**0.0**

Brief Description:

This expansion is needed to sustain New Mexico’s statewide high school equivalency (HSE) program and ensure continued implementation of House Bill 167 (2025), which made HSE testing free for all New Mexicans. Since passage of the bill, the Adult Education Division has fully implemented and administered free GED and HiSET testing as required. However, the state has no recurring funding dedicated to maintaining the HSE program, despite rapidly increasing demand and New Mexico’s ranking of 48th nationally in the percentage of adults without a high school diploma.

Legislative Change: ___

Session Law Citation:

(Dollars in Thousands)

Legal Settlement: ___

Case Number or Citation:

General Fund increase **Rank:** 5

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	655.0	0.0	0.0	0.0	655.0	0.0
REVENUE, TRANSFERS	**655.0**	**0.0**	**0.0**	**0.0**	**655.0**	**0.0**
Personal services and employee b	655.0	0.0	0.0	0.0	655.0	0.0
EXPENDITURES	**655.0**	**0.0**	**0.0**	**0.0**	**655.0**	**0.0**

Brief Description:

This request provides the recurring funding NMHED needs to sustain its workforce, uphold statewide accountability for billions in higher education funding, and ensure consistent, high-quality engagement with institutions and stakeholders across New Mexico.

Legislative Change: ___

Session Law Citation:

Legal Settlement: ___

Case Number or Citation:

WorkForce GRO **Rank:** 9

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	20000.0	0.0	0.0	0.0	20000.0	0.0
REVENUE, TRANSFERS	**20000.0**	**0.0**	**0.0**	**0.0**	**20000.0**	**0.0**
Other	20000.0	0.0	0.0	0.0	20000.0	0.0
EXPENDITURES	**20000.0**	**0.0**	**0.0**	**0.0**	**20000.0**	**0.0**

Brief Description:

Over the last three fiscal years, the Legislature appropriated a total of $60 million in non recurring funding to establish and launch these workforce focused programs at higher education institutions. That investment successfully enabled colleges and universities to stand up new training pathways aligned with high demand sectors and to form partnerships with employers who rely on these pipelines to meet staffing needs. Although the initial funding is ending now in FY27, the programs built with those dollars are still actively serving students and supporting workforce partners.

Legislative Change: ___

(Dollars in Thousands)

Session Law Citation:

Legal Settlement: ___

Case Number or Citation:

NM Longitudinal Data System **Rank:** 8

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	500.0	0.0	0.0	0.0	500.0	0.0
REVENUE, TRANSFERS	**500.0**	**0.0**	**0.0**	**0.0**	**500.0**	**0.0**
Contractual services	500.0	0.0	0.0	0.0	500.0	0.0
EXPENDITURES	**500.0**	**0.0**	**0.0**	**0.0**	**500.0**	**0.0**

Brief Description:

The New Mexico Longitudinal Data System (NMLDS) is moving into operations. The additional five hundred thousand dollars ($500,000) will cover the remaining minimum required yearly costs for licenses, subscriptions, and required staff augmentation needed to keep the system operational.

Legislative Change: ___

Session Law Citation:

Legal Settlement: ___

Case Number or Citation:

(Dollars in Thousands)

Graduate Scholarships

Rank: 6

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	4567.0	0.0	0.0	0.0	4567.0	0.0
REVENUE, TRANSFERS	**4567.0**	**0.0**	**0.0**	**0.0**	**4567.0**	**0.0**
Other	4567.0	0.0	0.0	0.0	4567.0	0.0
EXPENDITURES	**4567.0**	**0.0**	**0.0**	**0.0**	**4567.0**	**0.0**

Brief Description:

The Graduate Scholarship Program currently receives $433,000 annually to support graduate students from groups underrepresented in graduate education. This investment provides valuable assistance, but it is far too small to meet the statewide need. New Mexico's public universities educate thousands of graduate students each year, and underrepresented students continue to face significant financial barriers that limit access, persistence, and completion. The proposed expansion of $4,567,000 will dramatically increase the number of students supported—particularly in high demand STEM fields, where underrepresentation remains most severe.

Legislative Change: ___

Session Law Citation:

Legal Settlement: ___

Case Number or Citation:

Financial Aid Fund increase

Rank: 7

New Initiative	2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
General Fund Transfers	500.0	0.0	0.0	0.0	500.0	0.0
REVENUE, TRANSFERS	**500.0**	**0.0**	**0.0**	**0.0**	**500.0**	**0.0**
Contractual services	500.0	0.0	0.0	0.0	500.0	0.0
EXPENDITURES	**500.0**	**0.0**	**0.0**	**0.0**	**500.0**	**0.0**

Brief Description:

The Higher Education Department is requesting $500,000 in recurring General Fund support to establish a dedicated marketing and outreach budget for the Financial Aid Division. Over the past several years, New Mexico has launched multiple new, high impact financial aid programs—such as tuition free college initiatives and expanded need based grants—but NMHED does not have any recurring funding to promote these opportunities to students, families, and communities across the state.

Legislative Change: ___

Session Law Citation:

Legal Settlement: ___

Case Number or Citation:

EB-1 Expansion Justifications

(Dollars in Thousands)

BU	PCode	Department
95000	P506	000000

BU	PCode	Department
95000	P505	000000

EB-2 Expansion Fiscal Summary
(Dollars in Thousands)

Adult Education **Rank:** 1

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	5000.0	0.0	0.0	0.0	5000.0	0.0
REVENUE, TRANSFERS		**5000.0**	**0.0**	**0.0**	**0.0**	**5000.0**	**0.0**
400	Other	5000.0	0.0	0.0	0.0	5000.0	0.0
EXPENDITURES		**5000.0**	**0.0**	**0.0**	**0.0**	**5000.0**	**0.0**

0.0

Adult Literacy **Rank:** 2

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	1750.0	0.0	0.0	0.0	1750.0	0.0
REVENUE, TRANSFERS		**1750.0**	**0.0**	**0.0**	**0.0**	**1750.0**	**0.0**
400	Other	1750.0	0.0	0.0	0.0	1750.0	0.0
EXPENDITURES		**1750.0**	**0.0**	**0.0**	**0.0**	**1750.0**	**0.0**

0.0

NM Ascend Prgm **Rank:** 3

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	2000.0	0.0	0.0	0.0	2000.0	0.0
REVENUE, TRANSFERS		**2000.0**	**0.0**	**0.0**	**0.0**	**2000.0**	**0.0**
400	Other	2000.0	0.0	0.0	0.0	2000.0	0.0
EXPENDITURES		**2000.0**	**0.0**	**0.0**	**0.0**	**2000.0**	**0.0**

0.0

High School Equivalency System **Rank:** 4

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	1500.0	0.0	0.0	0.0	1500.0	0.0
REVENUE, TRANSFERS		**1500.0**	**0.0**	**0.0**	**0.0**	**1500.0**	**0.0**
400	Other	1500.0	0.0	0.0	0.0	1500.0	0.0
EXPENDITURES		**1500.0**	**0.0**	**0.0**	**0.0**	**1500.0**	**0.0**

0.0

General Fund increase **Rank:** 5

(Dollars in Thousands)

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	655.0	0.0	0.0	0.0	655.0	0.0
REVENUE, TRANSFERS		**655.0**	**0.0**	**0.0**	**0.0**	**655.0**	**0.0**
200	Personal services and employee benefits	655.0	0.0	0.0	0.0	655.0	0.0
EXPENDITURES		**655.0**	**0.0**	**0.0**	**0.0**	**655.0**	**0.0**
							0.0

WorkForce GRO **Rank:** 9

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	20000.0	0.0	0.0	0.0	20000.0	0.0
REVENUE, TRANSFERS		**20000.0**	**0.0**	**0.0**	**0.0**	**20000.0**	**0.0**
400	Other	20000.0	0.0	0.0	0.0	20000.0	0.0
EXPENDITURES		**20000.0**	**0.0**	**0.0**	**0.0**	**20000.0**	**0.0**
							0.0

NM Longitudinal Data System **Rank:** 8

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	500.0	0.0	0.0	0.0	500.0	0.0
REVENUE, TRANSFERS		**500.0**	**0.0**	**0.0**	**0.0**	**500.0**	**0.0**
300	Contractual services	500.0	0.0	0.0	0.0	500.0	0.0
EXPENDITURES		**500.0**	**0.0**	**0.0**	**0.0**	**500.0**	**0.0**
							0.0

(Dollars in Thousands)

Graduate Scholarships **Rank:** 6

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	4567.0	0.0	0.0	0.0	4567.0	0.0
REVENUE, TRANSFERS		**4567.0**	**0.0**	**0.0**	**0.0**	**4567.0**	**0.0**
400	Other	4567.0	0.0	0.0	0.0	4567.0	0.0
EXPENDITURES		**4567.0**	**0.0**	**0.0**	**0.0**	**4567.0**	**0.0**

0.0

Financial Aid Fund increase **Rank:** 7

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/ IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
111	General Fund Transfers	500.0	0.0	0.0	0.0	500.0	0.0
REVENUE, TRANSFERS		**500.0**	**0.0**	**0.0**	**0.0**	**500.0**	**0.0**
300	Contractual services	500.0	0.0	0.0	0.0	500.0	0.0
EXPENDITURES		**500.0**	**0.0**	**0.0**	**0.0**	**500.0**	**0.0**

0.0

(Dollars in Thousands)

Adult Education **Rank:** 1

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
547410	Grants To Public Schools&Univ	5000.0	0.0	0.0	0.0	5000.0	0.0
400	**Other**	**5000.0**	**0.0**	**0.0**	**0.0**	**5000.0**	**0.0**
Total for Adult Education		**5000.0**	**0.0**	**0.0**	**0.0**	**5000.0**	**0.0**

Adult Literacy **Rank:** 2

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
547440	Grants To Other Entities	1750.0	0.0	0.0	0.0	1750.0	0.0
400	**Other**	**1750.0**	**0.0**	**0.0**	**0.0**	**1750.0**	**0.0**
Total for Adult Literacy		**1750.0**	**0.0**	**0.0**	**0.0**	**1750.0**	**0.0**

NM Ascend Prgm **Rank:** 3

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
547410	Grants To Public Schools&Univ	2000.0	0.0	0.0	0.0	2000.0	0.0
400	**Other**	**2000.0**	**0.0**	**0.0**	**0.0**	**2000.0**	**0.0**
Total for NM Ascend Prgm		**2000.0**	**0.0**	**0.0**	**0.0**	**2000.0**	**0.0**

High School Equivalency System **Rank:** 4

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
547410	Grants To Public Schools&Univ	1500.0	0.0	0.0	0.0	1500.0	0.0
400	**Other**	**1500.0**	**0.0**	**0.0**	**0.0**	**1500.0**	**0.0**
Total for High School Equivalency System		**1500.0**	**0.0**	**0.0**	**0.0**	**1500.0**	**0.0**

General Fund increase **Rank:** 5

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
520000	Payroll	655.0	0.0	0.0	0.0	655.0	0.0
200	**Personal services and employee benefits**	**655.0**	**0.0**	**0.0**	**0.0**	**655.0**	**0.0**
Total for General Fund increase		**655.0**	**0.0**	**0.0**	**0.0**	**655.0**	**0.0**

WorkForce GRO **Rank:** 9

(Dollars in Thousands)

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
547420	Grants -Higher Ed (in CAFR)	20000.0	0.0	0.0	0.0	20000.0	0.0
400	**Other**	**20000.0**	**0.0**	**0.0**	**0.0**	**20000.0**	**0.0**
Total for WorkForce GRO		**20000.0**	**0.0**	**0.0**	**0.0**	**20000.0**	**0.0**

NM Longitudinal Data System **Rank:** 8

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
535300	Other Services	500.0	0.0	0.0	0.0	500.0	0.0
300	**Contractual services**	**500.0**	**0.0**	**0.0**	**0.0**	**500.0**	**0.0**
Total for NM Longitudinal Data System		**500.0**	**0.0**	**0.0**	**0.0**	**500.0**	**0.0**

BU	PCode	Department
95000	P506	000000

EB-3 Expansion Line Item Detail
(Dollars in Thousands)

Graduate Scholarships **Rank:** 6

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
547420	Grants -Higher Ed (in CAFR)	4567.0	0.0	0.0	0.0	4567.0	0.0
400	**Other**	**4567.0**	**0.0**	**0.0**	**0.0**	**4567.0**	**0.0**
Total for Graduate Scholarships		**4567.0**	**0.0**	**0.0**	**0.0**	**4567.0**	**0.0**

Financial Aid Fund increase **Rank:** 7

		2027-28 GF Sources	2027-28 OSF Sources	2027-28 ISF/IAT Sources	2027-28 FF Sources	2027-28 Total Request	2027-28 Exec Recommendation
535300	Other Services	500.0	0.0	0.0	0.0	500.0	0.0
300	**Contractual services**	**500.0**	**0.0**	**0.0**	**0.0**	**500.0**	**0.0**
Total for Financial Aid Fund increase		**500.0**	**0.0**	**0.0**	**0.0**	**500.0**	**0.0**

NEW MEXICO LEGISLATIVE FINANCE COMMITTEE

Legislating for Results: **Budget Development Tool**

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the Budget Guidelines of the New Mexico Legislative Finance Committee (LFC) and LFC's Legislating for Results Framework.

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: New Mexico Higher Education Department

Short Title of Request: Adult Literacy funding increase

Point of contact for follow-up information:

Name: Amber Gallup, Ph.D.

Title: State Adult Education Director

Phone:202-680-0386 (pending a work phone replacement)

E-Mail:amber.gallup@hed.nm.gov

Is the requested expansion solely the result of a workload change? No

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

The expansion is needed to sustain and stabilize New Mexico's Adult Literacy system, which has long operated on a minimal budget despite legislative direction to expand services, reach more rural communities, and increase enrollment. Current recurring state funding is only $1.25 million, and the recent statewide competition expanded Adult Literacy programming from 16 to 21 programs, including additional rural sites and 8 new family literacy programs. Because funding is so limited, each program receives only a small grant and must rely heavily on volunteers to operate.

This expansion was made possible largely through temporary Community Benefits funding, which will expire at the end of FY28. Without an increase in recurring appropriations, the state will not be able to maintain the expanded network of literacy programs, rural access, or family literacy services after this funding ends. Increasing recurring funding by $1,750,000—for a total of $3,000,000—is necessary to preserve current service levels and ensure continued support for adult literacy statewide.

b. How does this request differ from existing programming?

This request differs from existing programming because it provides the recurring funding needed to sustain the recently expanded Adult Literacy system beyond FY28. Current programming is operating with temporary Community Benefits funding, which enabled growth from 16 to 21 programs, increased rural access, and the addition of family literacy services—but this funding will expire at the end of FY28. The request does not introduce new initiatives; rather, it ensures that the expanded network of programs can continue operating at their current level. It also strengthens adult literacy capacity in a state that currently ranks 50th nationally in adult literacy levels, making stable, recurring funding essential to maintaining and improving services for New Mexico residents.

c. How does the requested program fit into the agency's strategic plan?

Adult Literacy directly supports the agency's strategic plan by expanding access to foundational education and workforce-aligned skill development for adults with the lowest literacy levels. As a core statewide system, the additional funding will help us reach more learners, improve literacy outcomes, increase enrollment, and support more adults in earning a high school equivalency credential. Strengthening adult literacy also advances the agency's goals around upskilling—helping adults build the competencies needed to participate in workforce training, obtain industry-recognized credentials, and improve long-term economic stability. These improvements also positively affect children's educational outcomes, making Adult Literacy essential to the agency's broader mission of building a skilled, educated New Mexico.

Has the agency developed a logic model describing the agency's theory of change?

No

d. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.
We have a logic model for adult education that is in development. We will use it to develop a logic model for adult literacy.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

New Mexico faces an acute literacy crisis. The state has the highest rate of adult illiteracy in the nation on a per-capita basis, with nearly 30 percent of adults performing at the lowest proficiency levels in literacy and numeracy. This level of need is significantly higher than national averages and affects adults' ability to access education, secure employment, and support their families. The Adult Literacy and Adult Education systems are the only state-funded structures specifically designed to address this problem, making recurring investment essential to responding to the scale and severity of literacy challenges across New Mexico.

What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

More than 30 percent of New Mexico adults need adult literacy and foundational skills services, reflecting one of the highest rates of low literacy in the nation. These adults are disproportionately people of color, low-income, and living in rural communities with limited access to educational resources. The statewide need spans every region of New Mexico, with rural areas experiencing the greatest gaps in access. Adult Literacy programs serve these historically unserved and underserved populations by providing the only state-funded pathway for building basic literacy, numeracy, and English language skills.

What percentage of the previously identified total statewide need does this request seek to address?

This request seeks to address a portion of the statewide adult literacy need by sustaining and strengthening the Adult Education Division's upward enrollment trends in Adult Literacy. While more than 30 percent of New Mexico adults need literacy and foundational skills support, the additional funding will allow the Division to maintain and expand adult and family literacy programs, reach more rural and underserved learners, and invest in online learning to broaden access. Although it will not meet the full statewide need, this request supports a meaningful expansion of services for adults with the lowest literacy levels.

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY28 and from what source is the agency requesting additional funding?

The request is an increase of $1,750,000, for a total recurring appropriation of $3,000,000.

b. Provide a list of specific activities that will be carried out if this request is granted.

If this request is granted, the Adult Literacy program will continue all existing services, including adult literacy instruction, family literacy programming, and volunteer-supported literacy activities across the state. The additional recurring funding will allow us to maintain the five new adult literacy programs and eight new family literacy programs added in FY26, which were launched using Community Benefits funding set to expire in FY28. It will also allow the system to more than double the number of adults served statewide, expanding access to literacy support for rural, low-income, and underserved learners and strengthening the foundation for workforce preparedness and family educational success.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

Based on FY26 enrollment, the Adult Literacy program served 1,922 individuals using $1,250,000 in recurring funds, resulting in an approximate cost of $650 per student per year. Using this same cost structure, the requested $1,750,000 increase would allow the program to serve an additional 2,690 adults each year.

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

The requested $1,750,000 increase represents a highly efficient investment in New Mexico's Adult Literacy program. At the current cost of approximately $650 per student per year, this additional funding would allow the state to serve nearly 2,700 more adults annually more than doubling the current number of individuals reached through recurring funds alone. In practical terms, every dollar invested directly expands access for adults with the lowest literacy levels, many of whom live in rural communities and rely on volunteer-supported instruction because of historically limited funding.

This increase allows the Adult Literacy program to shift from a model held together by volunteer labor to one with sustainable, recurring resources capable of supporting newly established programs and reaching significantly more New Mexicans. The benefit-to-cost ratio demonstrates that a modest increase in recurring funding produces a substantial and immediate expansion of statewide literacy services helping thousands more adults build the foundational skills needed for workforce participation, family stability, and economic mobility.

e. Does the agency anticipate additional increases above the FY28 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

The agency does not anticipate needing additional increases beyond the FY28 request in the near term. The proposed funding level will stabilize and sustain the Adult Literacy program for the next several years. However, if student enrollment continues to grow—as expected with expanded rural

access, family literacy, and online options—the Legislature may wish to consider future increases to ensure the system can keep pace with rising demand. Any such requests would be driven by documented growth in participation and statewide need.

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

Research-Based

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

There are more than 30 years of educational research dedicated to the impacts of literacy education. It is both research-based and evidence-based. One of many recent analyses of the impact of adult literacy instruction and policy can be found here:

Kennedy, D. (2022). Research and Policy: A Three-Way Intersection (Part 1 of 3). *Adult Literacy Education*, *4*(2), 44-50.

c. How will you evaluate the program to confirm your categorization?

We collect data on our program annually and analyze the outcomes for reports and to inform decision-making. We would like to perform a program evaluation as well in FY27.

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

N/A

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

N/A. New adult literacy and family literacy programs have already been established and funded. Training is ongoing as part of our adult education and literacy professional development system.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

Additional funding is critical to keep existing programs funded. Other key components critical to the success of the program include highly trained teachers and tutors with access to high-quality professional development; high-quality curriculum; state of the art supplies and materials; access to safe learning spaces.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

We track number of teachers and tutors; remuneration rates where applicable; professional development opportunities engaged in; numbers of students served; location of students served; demographic information of students; learning goals set and met; credentials earned.

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

Number of enrollees; learning goals set and met; credentials earned; teacher retention; student hours; number of programs offered

b. Will the requested program affect any existing performance measures?

Yes

i. If yes, which performance measures will be affected?

Yes, all of these performance measures will be positively impacted by an increase in funding.

c. What program outputs will the agency measure?

As listed in (a) above.

d. What efficiency metrics will the agency monitor?

As listed in (a) above.

e. Does the agency have baseline data for the proposed measures?

Yes

i. If yes, please provide baseline data.

Annual reports for all literacy programs are on the HED website and we include outcomes in the HED annual report. We have collected baseline data for years and can produce it as requested.

ii. If no, when and how does the agency anticipate collecting baseline data?

Click or tap here to enter text.

f. How often will the agency collect and report on these performance metrics?

Annually

g. How do you plan to share the results of your program with the public and the Legislature?

Through HED's annual report, through the programs' annual reports on the HED website, and through our Adult Literacy dashboard, also on the HED website.

NEW MEXICO LEGISLATIVE FINANCE COMMITTEE

Legislating for Results: **Budget Development Tool**

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the Budget Guidelines of the New Mexico Legislative Finance Committee (LFC) and LFC's Legislating for Results Framework.

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: New Mexico Higher Education Department

Short Title of Request: New Mexico Ascend: Recurring funding request

Point of contact for follow-up information:

Name: Amber Gallup, Ph.D.

Title:Adult Education Director

Phone:202-680-0386 (pending new work phone)

E-Mail:amber.gallup@hed.nm.gov

Is the requested expansion solely the result of a workload change? No

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

The expansion is needed to sustain the New Mexico Ascend Program beyond its initial three-year pilot and to preserve a critical support that reduces financial barriers for adult learners in workforce training. Created by House Bill 303 (2024), Ascend provides fixed monthly stipends of $1,000 for up to 12 months to adults enrolled in Adult Education and participating in an Integrated Education and Training (IET) or other approved workforce training program. These stipends allow students to complete training by helping cover basic living costs, thereby improving program completion and supporting a transition into employment.

Ascend was funded through $333,000 in IET Pilot GRO funds and a $2,000,000 special appropriation in FY26 and FY27, both of which were tied to temporary, nonrecurring funding sources. As we enter the third and final fiscal year of the pilot, these funds are fully obligated and will expire. Without an expansion of recurring funding, the program will end despite demonstrated need and its direct alignment with the state's workforce development goals.

The requested funding addresses a clear problem: adult learners often cannot complete workforce training because of financial instability. The stipends directly support participation in training programs that lead to industry-recognized credentials, licenses, or skills required for employment. Extending and stabilizing Ascend ensures that more adults can complete workforce pathways and successfully enter high-demand occupations across New Mexico.

b. How does this request differ from existing programming?

This request differs from existing programming because it seeks to establish permanent, recurring funding for the New Mexico Ascend Program. To date, Ascend has operated entirely on nonrecurring funds, including IET Pilot GRO funding and a one-time $2 million special appropriation—both of which will expire at the end of FY27. The request does not expand or alter the program; it simply ensures that a proven, high-impact stipend initiative can continue beyond the expiration of temporary funding.

c. How does the requested program fit into the agency's strategic plan?

This request directly supports the agency's strategic plan by strengthening adult access to, persistence in, and completion of Integrated Education and Training (IET) programs—one of the agency's identified best practices in adult education. Enrollment in these workforce-aligned programs has grown rapidly, increasing by 52 percent in FY26, and the New Mexico Ascend Program ensures that low-income adults can successfully participate in and complete these programs by reducing financial barriers. By helping adults upskill, earn industry-recognized credentials, and transition into employment, the Ascend Program advances the agency's goals of expanding educational opportunity, improving workforce readiness, and supporting economic mobility for New Mexicans.

d. Has the agency developed a logic model describing the agency's theory of change?

Yes

e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.
The Adult Education Division is in the final stages of completing an evaluation of the IET system and NM Ascend. This evaluation, which includes the logic model, will be submitted to the LFC on September 1st.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

In New Mexico, 100% of adult education students have at least one barrier to employment, including insufficient foundational academic skills and/or English language proficiency and lack of a high school diploma or its equivalent. Integrated Education and Training (IET) is a highly successful national model in adult education that helps adults improve these skills while simultaneously earning an industry-recognized credential in an in-demand field. While IETs are increasing in number and scope in New Mexico, low-income adults still face barriers to participation and completion because of financial barriers. In particular, research has demonstrated that the most common barriers to participation in workforce training and adult education among low-income adults are childcare, transportation, and time due to having to work more than one job to survive financially. HB 303, which created the NM Ascend program, sought to address this reality through stipends to encourage persistence and completion in IETs and has done so during the pilot program. We seek to make the program permanent.

b. What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

In FY26, Adult Education served 1,243 IET students, which is an increase of 52% from FY25 alone. Of these IET students, 532 received a total of 2,705 stipends over the 12-month period. Our evaluation of this initiative is ongoing and will be submitted to the LFC on September 1, 2026. In FY27, we aim to achieve another over 50% increase, serving approximately 2,000 IET students. We would like to increase the number of IET students receiving stipends to at least 550. So, while the total statewide need in numerical terms is about 2,000 IET students per year, we hope to obtain enough recurring funding to serve about 550 IET students with NM Ascend annually.

c. What percentage of the previously identified total statewide need does this request seek to address?

We hope to serve about 30% of our IET students with NM Ascend funding annually.

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY28 and from what source is the agency requesting additional funding?

NMHED's request for FY28 is a recurring $2,000,000 from General Fund.

b. Provide a list of specific activities that will be carried out if this request is granted.

Integrated Education and Training (IET) students participating in NM Ascend will receive $1,000 monthly stipends during the time they are in their workforce training program to promote persistence and completion of these programs, which ultimately benefits the state with the production of trained, credentialed workers in high-demand industries. Without the stipend, many cannot access or complete the IET programs.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

This necessarily varies depending on how long each individual's IET program lasts. The average duration of an IET program is about 3 months, so the cost per unit is, on average, $3,000. However, some IETs are much shorter and some are several months longer.

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

In New Mexico, an adult who has a high school diploma or its equivalent can expect to make $6,465 more per year than those without one. Assuming a cost per unit of approximately $3,000 and 550 completers per year, the state will make more in income tax alone than the cost of the program, not to mention the other socioeconomic benefits of employed New Mexicans, including safer communities and better educated and safer children.

e. Does the agency anticipate additional increases above the FY26 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

The requested $2,000,000 recurring appropriation will allow about 550 IET students a year to participate in NM Ascend. We don't anticipate additional increases unless the Legislature would like more IET students to participate in NM Ascend.

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

Evidence-Based

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

Integrated Education and Training (IET) and stipend programs like NM Ascend have both a research and an evidence base. While there is not yet a metasynthesis of IET outcomes, numerous papers have been published that lend credence to the model, and the U.S. Department of Education collects annual outcomes data on IET in Adult Education and heavily promotes the model as a best practice. A selection of recent impactful research on IET and its impact on states and in high-demand careers is cited below. In addition, stipend programs like NM Ascend also have a growing research and evidence base but are still new and a research agenda is being established. However, the peer-reviewed article at the end of the list below shows outcomes that are positive for children, women, and which promote educational attainment:

Dearen, E. (2025). ***Identifying Key Predictors of Retention in an Adult Education and Literacy Integrated Education and Training (AEL-IET) Program: A Multiple Regression Analysis*** **(Doctoral dissertation, Tarleton State University).**

Machkouri, C. M. (2025). ADULT EDUCATION IS CAREER PATHWAYS IN ACTION: BEST PRACTICES IN INTEGRATED EDUCATION AND TRAINING FOR HEALTHCARE CAREERS. ***COABE Journal*****,** ***14*****(1), 69-81.**

Pastore, L., & Pitzulo, M. (2025). INDIANA'S INTEGRATED EDUCATION AND TRAINING EVOLUTION. ***COABE Journal: The Resource for Adult Education*****,** ***14*****(2), 12.**

Hochman, R, Larkin, C & Corbet, S 2024, 'A Survey of Universal Basic Income Experiments', Basic Income Studies, vol. 19, no. 2, pp. 201-225. https://doi.org/10.1515/bis-2022-000

c. How will you evaluate the program to confirm your categorization?

We are in the process of an initial evaluation of NM Ascend that will be submitted to the LFC on 9/1/26. We intend to continue to evaluate NM Ascend annually if funding allows to demonstrate its utility. We anticipate that our evaluation will show that NM Ascend improved persistence and completion in IET programs and led to other benefits expressed by participants in qualitative survey data.

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

This program has already been in effect for two years. The requested funding simply establishes a recurring source of funding for this impactful program.

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

The program is already implemented in full and will continue to be implemented. We track number of participants, number of stipends distributed, and IET programs completed, as well as employment and media wage data.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

We track all outcomes associated with both IET and NM Ascend annually and we implement data-driven decision-making in Adult Education. We have ongoing monitoring, technical assistance, and professional development systems dedicated to the success of both programs, which are critical to the success of our program and are funded separately through our IET system funding, so that nearly the entirety of the NM Ascend funding can be dedicated to the stipends themselves.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

In addition to the Adult Education performance metrics that we use to evaluate IET (including employment and median wage data), we collect NM Ascend outcomes that include number of participants, number of stipends distributed, and IET programs completed by this sub-group of IET participants. We also use a list of criteria that help us select IETs for participation in NM Ascend. These criteria are driven both by equity and by legislative and gubernatorial priorities. For example, our criteria include IETs in rural areas (equity) and those that are focused on clean energy, infrastructure, and climate change mitigation occupational sectors and also healthcare sectors (legislative and gubernatorial priorities).

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

More IET participants, more credentials earned, higher median wage and employment outcomes in adult education.

b. Will the requested program affect any existing performance measures?

Yes

i. If yes, which performance measures will be affected?

Median wage, employment 2nd quarter and 4th quarter after exit, number of IET participants, number of credentials earned.

c. What program outputs will the agency measure?

See above

d. What efficiency metrics will the agency monitor?

See above

e. Does the agency have baseline data for the proposed measures?

Yes

i. If yes, please provide baseline data.

This will be provided at length in the evaluation of IET and NM Ascend to be submitted to LFC on 9/1/26. The Adult Education Division has collected baseline data on IET every year for the last 10+ years.

ii. If no, when and how does the agency anticipate collecting baseline data?

Click or tap here to enter text.

f. How often will the agency collect and report on these performance metrics?

We collect and report these metrics annually and will continue to do so.

g. How do you plan to share the results of your program with the public and the Legislature?

NMHED provides an annual report to the Legislature that includes Adult Education data. We regularly report on our programs upon request by the LFC and individual legislators. We are open to any request for reporting on NM Ascend.

NEW MEXICO LEGISLATIVE FINANCE COMMITTEE

Legislating for Results: **Budget Development Tool**

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the Budget Guidelines of the New Mexico Legislative Finance Committee (LFC) and LFC's Legislating for Results Framework.

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: New Mexico Higher Education Department

Short Title of Request: High School Equivalency System request

Point of contact for follow-up information:

Name: Amber Gallup, Ph.D.

Title: State Adult Education Director

Phone: 202-680-0386 (pending replacement of work phone)

E-Mail:amber.gallup@hed.nm.gov

Is the requested expansion solely the result of a workload change? No

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

This expansion is needed to sustain New Mexico's statewide high school equivalency (HSE) program and ensure continued implementation of House Bill 167 (2025), which made HSE testing free for all New Mexicans. Since passage of the bill, the Adult Education Division has fully implemented and administered free GED and HiSET testing as required. However, the state has no recurring funding dedicated to maintaining the HSE program, despite rapidly increasing demand and New Mexico's ranking of 48th nationally in the percentage of adults without a high school diploma.

The appropriations provided in FY26 and FY27—totaling $1,250,000—were nonrecurring and will not sustain the program going forward. To maintain free testing, manage increased tester volume, and improve credential attainment outcomes, the Adult Education Division is requesting $1,500,000 in recurring general fund support. This funding is essential to preserve statewide access to HSE testing and address a significant educational and workforce need affecting thousands of New Mexico adults.

How does this request differ from existing programming?

This request does not change or expand the High School Equivalency (HSE) program. It simply seeks to establish a recurring funding source to support the existing free-testing mandate created by House Bill 167. To date, the HSE program has operated entirely with nonrecurring appropriations, which will expire at the end of FY27. The request ensures that the current program—providing free GED and HiSET testing statewide—can continue without interruption through stable, ongoing funding.

b. How does the requested program fit into the agency's strategic plan?

The requested recurring funding directly supports the agency's strategic plan to expand educational access, improve credential attainment, and strengthen workforce readiness across New Mexico. The High School Equivalency (HSE) program is a core component of this strategy because it provides the primary pathway for adults without a high school diploma to re-enter education, pursue upskilling opportunities, and access postsecondary training. By ensuring the continued availability of free HSE testing and supporting the increasing number of testers, the request helps advance agency goals to improve statewide attainment levels—especially crucial given New Mexico's ranking of 48th in the percentage of adults without a high school credential. Sustaining this program enables more adults to earn the HSE, move into workforce training or higher education, and contribute to a more skilled and economically resilient state workforce.

c. Has the agency developed a logic model describing the agency's theory of change?

No

d. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.

We will reach out to our analyst and create one.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

New Mexico faces a significant credentialing gap. The state ranks 48th nationally in the percentage of adults with a high school diploma or its equivalent. Although the Adult Education Division has implemented the free HSE testing mandate and increased the number of credentials awarded, there is no recurring funding to sustain or expand this work. Without stable funding, the state cannot maintain free testing, keep pace with increasing tester demand, or improve credential attainment outcomes for the large number of adults who still need this pathway.

What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

More than 200,000 adults in New Mexico lack a high school diploma or its equivalent. These individuals are disproportionately people of color, rural residents, and parents—groups that historically have had limited access to credentialing and workforce opportunities. The need spans every region of the state, with rural communities experiencing the greatest barriers to access.

b. What percentage of the previously identified total statewide need does this request seek to address?

The requested funding will help increase the number of adults who can access and complete the high school equivalency process; however, given the size of the statewide need, it will realistically serve only about 3 percent of the adult population lacking a high school credential. Even so, this investment represents meaningful progress toward addressing a substantial educational and workforce gap.

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY26 and from what source is the agency requesting additional funding?

The agency is requesting $1,500,000 in recurring general funds.

b. Provide a list of specific activities that will be carried out if this request is granted.

If this request is granted, the Adult Education Division will continue to provide free GED and HiSET testing, administer the National External Diploma Program (NEDP), and expand access to high school equivalency services across the state. Activities will include increasing the number of testing centers, expanding mobile testing capacity for rural communities, and strengthening HSE preparatory curriculum to support more New Mexicans in earning a high school equivalency credential.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

While costs vary based on testing format and delivery, a reasonable estimate can be calculated from our stretch goal of serving approximately 5,000 testers annually. At the requested recurring funding level, this equates to an approximate cost of $300 per individual served. This reflects a lean, high-impact investment given the statewide scale of need.

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

The return on investment for high school equivalency programs is well-documented in national adult education research. Adults who earn a high school diploma or its equivalent experience substantial wage gains—on average earning approximately $6,465 more per year than those without a credential. For New Mexico, where a large share of adults lack a diploma, these increased earnings translate directly into higher household stability, stronger workforce participation, and increased state tax revenues.

Does the agency anticipate additional increases above the FY26 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

The agency does not anticipate requiring additional funding increases for several years beyond this request. However, as the HSE program continues to expand—particularly through additional testing centers, mobile access, and growing numbers of testers—the agency may need to request additional support in future years to keep pace with rising demand. Any future request would be based on documented growth and demonstrated need.

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

Evidence-Based

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

U.S. Bureau of Labor Statistics (2025). ***Education Pays, 2024*****.**
Provides updated national earnings and employment data showing the continued strength of wage gains associated with completing high school or its equivalent.
Available at: https://www.bls.gov/careeroutlook/2025/data-on-display/education-pays.htm

College Board (2023). ***Education Pays 2023: The Benefits of Higher Education for Individuals and Society.***
Documents the relationship between educational attainment and improved earnings, employment stability, and societal outcomes; supports the general economic return of obtaining educational credentials.
Available at: https://research.collegeboard.org/media/pdf/education-pays-2023.pdf

c. How will you evaluate the program to confirm your categorization?

We collect, analyze, and report on our data annually. I would also like to do an annual evaluation of the high school equivalency system.

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

The program has already been implemented and is ongoing.

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

The program has already been implemented and is ongoing. It does not include a new FTE.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

The program requires not only free testing, which we are providing, but also access to preparation materials and more testing centers in the state, including mobile testing centers for rural areas.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

We will ensure that all testers, particularly rural testers, have access to the components outlined above.

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

We are trying to ensure that more people test and earn their high school equivalency credential in New Mexico. We are also trying to increase the number of testing centers.

b. Will the requested program affect any existing performance measures?

Yes

i. If yes, which performance measures will be affected?

Increased and recurring funding will allow us to serve more test-takers and increase the number of credentials earned in New Mexico and the number of testing centers available in the state to testers.

c. What program outputs will the agency measure?

Tests taken, credentials earned, testing centers available.

d. What efficiency metrics will the agency monitor?

Same as (c)

e. Does the agency have baseline data for the proposed measures?

Yes

i. If yes, please provide baseline data.

We are still determining number of credentials earned in FY26. We can provide it soon.

ii. If no, when and how does the agency anticipate collecting baseline data?

By September 1

f. How often will the agency collect and report on these performance metrics?

Annually

g. How do you plan to share the results of your program with the public and the Legislature?

Through HED's annual report and through adult education data dashboards on the HED website, and as requested.

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the [Budget Guidelines of the New Mexico Legislative Finance Committee (LFC)] and LFC's [Legislating for Results Framework].

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: New Mexico Higher Education Department

Short Title of Request: General Fund expansion

Point of contact for follow-up information:

Name: Lisa Alcaraz

Title: Budget and Finance Director

Phone: 505 699-4973

E-Mail: Lisa.Alcaraz@hed.nm.gov

Is the requested expansion solely the result of a workload change? Yes

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

The Higher Education Department (NMHED) oversees 13 percent of New Mexico's entire state budget with only 58 authorized FTE, the smallest staffing level of any cabinet-level education agency in the state. While the Legislature has authorized additional positions in recent years, no new funding accompanied those authorizations. As a result, NMHED has been forced to rely on vacancy savings to support salary and benefit costs. With significant growth in higher education funding over the last several years and improved staff hiring and retention, vacancy savings are no longer a viable or responsible method for supporting essential positions.

NMHED's workload has expanded dramatically. The department manages complex statewide responsibilities including institutional budget oversight, state financial aid administration, higher education capital outlay review, data reporting and accountability systems, adult education, workforce-aligned programs, and higher education policy development. Every authorized position is now essential to meet these statutory and operational responsibilities. Without recurring funding to stabilize existing staff and fill vacant positions, NMHED cannot maintain the level of fiscal oversight, compliance monitoring, and statewide coordination expected of a cabinet-level agency.

The requested funding—a 3% increase to the agency operational budget and an additional $655,000 to support current FTE levels and the hire of current vacancies—will provide the operating capacity the agency needs to meet its responsibilities effectively. This increase will support expanded contractual needs, improve operational efficiency, and allow NMHED to continue delivering the statewide engagement activities that are central to its mission. These include regular site visits to higher education institutions, quarterly meetings with CFOs and institutional finance officers, ongoing collaboration with the data and policy stakeholders, and annual statewide higher education trainings for institutional personnel and stakeholders. These activities are critical for ensuring compliance, strengthening fiscal stewardship, improving data quality, and supporting continuous improvement across New Mexico's higher education system.

This request provides the recurring funding NMHED needs to sustain its workforce, uphold statewide accountability for billions in higher education funding, and ensure consistent, high-quality engagement with institutions and stakeholders across New Mexico.

The request includes an additional 3% increase to the overall agency operations budget to support expanded contractual and operational needs. These resources are necessary for the agency to maintain proper fiscal oversight, meet statutory obligations, and strengthen statewide outreach and strategic marketing for high-impact higher education programs.

b. How does this request differ from existing programming?

This request does not change or expand NMHED's existing programs. Instead, it provides the recurring operating and personnel funding necessary to support the agency's current authorized FTE and fill vacant positions so NMHED can effectively manage its rapidly expanding statewide responsibilities. The requested 3% increase to General Fund programs will strengthen contractual capacity, data reporting, compliance systems, and strategic outreach. The additional $655,000 in

personnel funding will stabilize staffing needed for program administration, fiscal oversight, higher education policy development, and year-round engagement with institutions.

By supporting staff who carry out essential functions—such as institutional site visits, managing institutional operating budget reviews, recommending and approving capital outlay funding, and providing annual statewide higher education trainings—this request reinforces the operational capacity required to sustain and grow NMHED's existing, highly effective programs.

c. How does the requested program fit into the agency's strategic plan?

This request directly supports NMHED's strategic plan to strengthen agency capacity, improve statewide coordination, and ensure high-quality oversight of New Mexico's higher education system. A stable staffing structure is central to the plan, as NMHED is responsible for managing 13 percent of the state budget, overseeing institutional finances, administering state financial aid programs, coordinating adult education and workforce-aligned initiatives, and implementing statewide higher education policies.

The proposed 3% increase to General Fund programs and $655,000 in recurring personnel funding will allow NMHED to maintain and fill critical FTE positions needed to carry out these responsibilities effectively. With adequate staffing, the agency can continue key strategic activities and monitoring and oversight of legislative appropriations to higher education institutions. These functions are essential for maintaining fiscal accountability, improving data quality, supporting compliance, and ensuring consistent communication and alignment across the higher education sector.

d. Has the agency developed a logic model describing the agency's theory of change?

Yes

e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

NMHED's current staffing levels are no longer sufficient to manage the rapid and sustained increase in higher education funding appropriations. Although the agency oversees 13 percent of the entire state budget with only 58 authorized FTE, annual increases in financial aid, capital outlay, and institutional funding have expanded the volume, complexity, and frequency of fiscal transactions NMHED is responsible for. Each appropriation cycle requires comprehensive fund processing, award management, compliance reviews, monitoring, fiscal reporting, and reconciliation—tasks that now exceed the capacity of existing staff.

The staffing shortage has created significant operational strain. Processing delays have increased, and staff are carrying workload levels far above sustainable thresholds. This has contributed to burnout, turnover, and difficulty retaining qualified personnel, which further reduces capacity and continuity. Recruitment challenges persist because NMHED cannot support or fill the positions previously authorized without additional recurring funding. As workloads grow, these staffing constraints increase the risk of delays in distributing funds to colleges and universities, reduce the time available for thorough oversight, and may compromise the accuracy of required fiscal reporting and reconciliation.

Without the funding to fill vacant positions, NMHED cannot maintain these oversight functions at the scale required to monitor and oversee current and future higher education funding levels.

What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

N/A

a. What percentage of the previously identified total statewide need does this request seek to address?

N/A

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY28 and from what source is the agency requesting additional funding?

The agency is requesting $655,000 in recurring General Fund to support the filling of all authorized FTE positions, including benefits. This funding will ensure NMHED can fully support and fill authorized positions and maintain essential personnel capacity across the agency. The request also includes a 3% increase in the General Fund operating budget to support expanded contractual needs, improve operational efficiency, and allow NMHED to continue delivering the statewide engagement activities that are central to its mission. These include regular site visits to higher education institutions, quarterly meetings with CFOs and institutional finance officers, ongoing collaboration with the data and policy stakeholders, and annual statewide higher education trainings for institutional personnel and stakeholders.

b. Provide a list of specific activities that will be carried out if this request is granted.

If funded, the department would advertise and hire all vacant positions, which would expand capacity within the Planning and Research Division, Policy Division, Capital Projects Division, and Financial Aid Division. These positions are key to enhancing the department's management and oversight of state funding flowing through the agency, data analysis, and program management of state funded higher education programs.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

Because the requested funding supports staffing and operational capacity rather than per-student or per-activity costs, a traditional unit-cost calculation is not applicable.

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

A traditional monetized benefit-to-cost ratio is not directly applicable for a staffing and oversight request. However, the benefit of this investment is substantial: NMHED oversees 13 percent of the entire state budget, and the requested funding helps ensure accurate processing, timely distribution, and compliant monitoring of hundreds of millions of dollars in annual higher education appropriations. Strengthening NMHED's workforce reduces fiscal risk, supports statewide accountability, and provides a high return in operational stability relative to cost.

e. Does the agency anticipate additional increases above the FY28 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

At this time, NMHED does not anticipate needing additional increases beyond the FY28 request. However, if annual appropriations to the agency continue to grow—as they have in recent years—additional staff resources may be required in future years to manage rising volumes of financial transactions, oversight responsibilities, and statewide engagement activities. Any future requests would be grounded in documented workload increases and demonstrated statewide need.

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

Promising

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

While staffing efficiency is not typically rated in program-clearinghouse databases, several recognized bodies of research support the relationship between adequate administrative staffing and improved fiscal, compliance, and program performance:

• Government Accountability Office (GAO) reports consistently document that insufficient staffing contributes to audit findings, delays in fund distribution, and compliance lapses in federal and state programs.
• National Association of State Budget Officers (NASBO) research demonstrates that agencies with adequate staffing capacity show stronger fiscal controls and more timely and accurate reporting.
• Public Administration Review (PAR) features decades of peer-reviewed studies showing that administrative capacity—including staffing levels—is a critical factor in achieving successful oversight, accountability, and implementation outcomes in public agencies.

These sources collectively support the classification of this staffing request as a promising practice that strengthens the implementation and oversight of NMHED's evidence-based and research-based higher education programs.

c. How will you evaluate the program to confirm your categorization?

NMHED will evaluate the effectiveness of the staffing expansion using measurable indicators aligned with AGA requirements. These include: • Reduction in processing times for funding agreements, purchase orders, and allocations
• Improved timeliness and accuracy of fiscal reports and reconciliation
• Completion of required monitoring and oversight activities, including site visits, CFO quarterly meetings, Data Advisory Group sessions, and annual statewide trainings
• Reduction in staff turnover and vacancy duration
• Documented compliance improvements across institutional reporting and fiscal audits
• Timely distribution of program funding to higher education institutions Monitoring these indicators over time will allow NMHED to confirm that increased staffing produces meaningful operational improvements, validating its classification as a promising practice within the AGA framework.

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

Implementation of this staffing proposal has minimal startup requirements. New staff will be onboarded through NMHED's standard orientation, which includes agency policy review, fiscal procedures training, grants management processes, and compliance requirements. Staff assigned to financial oversight or fund administration will participate in targeted training on allocation calculations, procurement processes, monitoring protocols, data reporting systems, fund reconciliation, and contract management. Supervisors will provide role-specific guidance to ensure new hires can immediately support the increasing volume of appropriations, fiscal transactions, and statutory oversight duties.

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

If funded for FY28, NMHED will begin recruitment in July 2027, with onboarding of new staff occurring on a rolling basis as vacancies are filled.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

Click or tap here to enter text.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

Click or tap here to enter text.

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

The primary measurable outcome is improved fiscal processing capacity and oversight quality across NMHED, demonstrated by reductions in processing times, increased accuracy in financial transactions, and timely completion of monitoring and reporting requirements. Strengthening staffing will allow NMHED to process higher education appropriations more efficiently, ensure compliance across institutions, and maintain consistent statewide engagement.

b. Will the requested program affect any existing performance measures?

Yes

i. If yes, which performance measures will be affected?

Timeliness of fund distribution to higher education institutions
Accuracy and completeness of fiscal reporting
Completion of required monitoring activities (site visits, fiscal reviews, desk audits)
Timeliness of processing financial aid and program payments
Responsiveness to institutional inquiries and compliance issues

c. What program outputs will the agency measure?

N/A

d. What efficiency metrics will the agency monitor?

N/A

e. Does the agency have baseline data for the proposed measures?

No

i. If yes, please provide baseline data.

Click or tap here to enter text.

ii. If no, when and how does the agency anticipate collecting baseline data?

N/A

f. How often will the agency collect and report on these performance metrics?

N/A

g. How do you plan to share the results of your program with the public and the Legislature?

N/A

NMHED Logic Model for Staffing and Operational Efficiencies

Core Activities

- Fiscal oversight of institutional budgets
- Administration of state financial aid programs
- Capital outlay review & policy coordination
- Site visits, CFO meetings, Data Advisory Group
- Annual statewide higher education trainings

Long-Term Outcomes

- Stronger statewide fiscal stewardship
- Improved institutional transparency
- Greater accountability for public funds
- Enhanced workforce & education alignment

Outputs

- Fiscal reviews and reconciliations completed
- Compliance reports issued
- Site visit summaries prepared
- Improved statewide data submissions
- Statewide trainings delivered

Impacts

- Sustainable statewide oversight system
- More efficient use of public funding
- Strengthened higher education capacity
- Long-term workforce & economic growth

Short-Term Outcomes

- Stabilized staffing across NMHED
- Increased fiscal & data accuracy
- Stronger institutional compliance
- Improved statewide coordination

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the Budget Guidelines of the New Mexico Legislative Finance Committee (LFC) and LFC's Legislating for Results Framework.

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: Higher Education Department

Short Title of Request: Expansion Graduate Scholarship Fund

Point of contact for follow-up information:

Name: Heather Romero

Title: Financial Aid Director

Phone:(505) 476-8400

E-Mail:heather.romero@hed.nm.gov

Is the requested expansion solely the result of a workload change? No

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

The Graduate Scholarship Program currently receives $433,000 annually to support graduate students from groups underrepresented in graduate education. This investment provides valuable assistance, but it is far too small to meet the statewide need. New Mexico's public universities educate thousands of graduate students each year, and underrepresented students continue to face significant financial barriers that limit access, persistence, and completion. The proposed expansion of $4,567,000 will dramatically increase the number of students supported—particularly in high-demand STEM fields, where underrepresentation remains most severe.

Expanded funding will help reduce financial strain, lower student debt, and increase graduate degree completion rates. Supporting underrepresented students aligns with the program's statutory intent to increase graduate enrollment in New Mexico's public universities. Stronger financial support also bolsters the state's long-term workforce development goals by preparing more highly skilled professionals for New Mexico's industry, business, research, economic development, and public service sectors.

b. How does this request differ from existing programming?

This request differs from existing programming by establishing a robust Graduate Scholarship specifically focused on STEM graduate fields, which are not currently supported under the existing $433,000 program. While NMHED funds the general Graduate Scholarship for underrepresented students, there is no dedicated STEM Graduate Scholarship program available to New Mexico residents. The expanded funding of $4,567,000 will fill this gap and provide targeted aid for students pursuing graduate degrees in STEM disciplines—fields where the need for skilled professionals is acute and underrepresentation is greatest.

c. How does the requested program fit into the agency's strategic plan?

The expansion aligns directly with NMHED's strategic priorities to increase educational attainment, reduce equity gaps, and strengthen New Mexico's workforce pipeline. By supporting underrepresented students in obtaining graduate degrees—particularly in STEM fields of high regional and national importance—the program helps ensure New Mexico has the professionals needed in industry, research, business, economic development, and public service. This investment advances statewide goals by expanding graduate-level access, boosting completion, supporting innovation, and improving the competitiveness of New Mexico's economy.

d. Has the agency developed a logic model describing the agency's theory of change?

No

e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

The current Graduate Scholarship appropriation of $433,000 is fully awarded each year, supporting only 56 graduate students statewide, which is far below the number of eligible underrepresented students enrolled in New Mexico's graduate programs. This limited funding has constrained department's ability to meet the intent of the Graduate Scholarship Act (21-21G-2 NMSA), which directs the state to increase graduate enrollment and completion among students from groups underrepresented in graduate education.

The underlying problem is that many qualified underrepresented students cannot access or complete graduate programs because existing scholarship funding reaches only a small share of those in need. Financial barriers persist across all six public graduate-granting institutions, and they are most severe in high-priority fields such as STEM, where advanced degrees are essential for workforce participation and where underrepresentation is most pronounced.

The requested expansion of $4,567,000 would substantially increase scholarship capacity, allowing institutions to support approximately 767 awards instead of 56, assuming current tuition levels remain the same. While this number does not represent the full statewide need, it demonstrates how profoundly current funding limits program reach—and how expanded capacity would allow the Act's statutory purpose to be fulfilled far more effectively.

What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

New Mexico's graduate education landscape reflects a substantial and growing statewide need for financial support among underrepresented students. In Fall 2024, New Mexico institutions enrolled 14,747 graduate and professional students, and awarded 4,070 advanced degrees in the 2023–24 academic year. Despite this scale, the current Graduate Scholarship appropriation of $433,000 supports only 56 awards statewide, meaning that the vast majority of underrepresented graduate students receive no scholarship assistance under the existing program.

With the requested funding increase, we anticipate the ability to expand scholarship capacity from 56 to approximately 767 awards. This increase does not define the full statewide need—but it does reveal the magnitude of unmet demand. The fact that current funding is fully awarded every year shows that underrepresented students across all regions of New Mexico—including rural communities, first-generation students, students of color, and low-income students—regularly exhaust available support long before needs are met.

The expanded capacity of 767 awards demonstrates how many additional students could be served if financial barriers were reduced. In a statewide graduate population of nearly 15,000, the ability to fund more than 700 additional underrepresented students represents a significant step toward fulfilling the statutory intent of the Graduate Scholarship Act (21-21G-2 NMSA). This expansion would allow New Mexico to more effectively support advanced degree attainment, strengthen equity in graduate education, and grow a diverse workforce aligned with the state's long-term economic and social priorities.

b. What percentage of the previously identified total statewide need does this request seek to address?

N/A

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY28 and from what source is the agency requesting additional funding?

The Higher Education Department is requesting $5,000,000 in recurring General Fund support to expand the Graduate Scholarship Program.

b. Provide a list of specific activities that will be carried out if this request is granted.

If the requested funding is approved, NMHED will coordinate with all public higher education institutions to distribute the expanded Graduate Scholarship appropriation. Activities will include establishing updated award allocations, communicating scholarship guidelines to institutional financial aid offices, and ensuring each institution receives its minimum number of scholarships. NMHED will also oversee award disbursement, track usage, and monitor compliance with the Graduate Scholarship Act to ensure expanded funding directly supports more underrepresented graduate students across the state.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

The numbers of placements are calculated on the basis of the average graduate tuition rate $6,518 per scholarship while ensuring that no institution receives fewer than three scholarships. In FY26, 56 placements were made based on the $488,300 budget.

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

N/A

e. Does the agency anticipate additional increases above the FY28 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

The agency does not anticipate needing additional funding increases above the FY28 request at this time. The proposed recurring appropriation will provide a stable funding base that allows NMHED to continue supporting graduate students as intended under the Graduate Scholarship Act. If future tuition levels or statewide participation substantially change, NMHED may revisit the need for adjustments; however, based on current projections, the FY28 request is sufficient to sustain the program for several years.

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

None

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

N/A

c. How will you evaluate the program to confirm your categorization?

N/A

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

- **a.** What are the training and startup requirements for the proposed program?

The Graduate Scholarship program is currently funded at low funding levels. There will be no additional training or startup for this expansion.

- **b.** Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

Program will continue each fiscal year.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

Increased funding for the Graduate Scholarship program will ensure that under-represented graduate students have additional support to complete their programs, leading to reduced student debt and improved educational outcomes for New Mexico citizens.

Performance measures include number of graduate students funded and number of under-represented graduate students completing a graduate degree in New Mexico

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

N/A

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

Graduate Scholarship Act (citation: 21-21G2 NMSA).

b. Will the requested program affect any existing performance measures?

No

i. If yes, which performance measures will be affected?

N/A

c. What program outputs will the agency measure?

N/A

d. What efficiency metrics will the agency monitor?

N/A

e. Does the agency have baseline data for the proposed measures?

Yes

i. If yes, please provide baseline data.

N/A

ii. If no, when and how does the agency anticipate collecting baseline data?

The Higher Education Department will review program participation and obligation within Higher Educational Institutions each fiscal year

f. How often will the agency collect and report on these performance metrics?

Each Fiscal Year

g. How do you plan to share the results of your program with the public and the Legislature?

Program analysis is through data collected from higher education institutions and entered into the NMHED Electronic Data and Reporting (E-DEAR) data system.

NEW MEXICO LEGISLATIVE FINANCE COMMITTEE

Legislating for Results: **Budget Development Tool**

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the Budget Guidelines of the New Mexico Legislative Finance Committee (LFC) and LFC's Legislating for Results Framework.

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: Higher Education Department

Short Title of Request: Expansion Financial Aid Administration Fund

Point of contact for follow-up information:

Name: Heather Romero

Title: Financial Aid Director

Phone:505- 476-8400

E-Mail:heather.romero@hed.nm.gov

Is the requested expansion solely the result of a workload change? Yes

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

The Higher Education Department is requesting $500,000 in recurring General Fund support to establish a dedicated marketing and outreach budget for the Financial Aid Division. Over the past several years, New Mexico has launched multiple new, high-impact financial aid programs—such as tuition-free college initiatives and expanded need-based grants—but NMHED does not have any recurring funding to promote these opportunities to students, families, and communities across the state.

This lack of a dedicated outreach budget limits the visibility and understanding of state-funded financial aid programs, resulting in eligible students missing out on aid that could support college enrollment, persistence, and completion. Increased funding will allow NMHED to develop statewide marketing materials, conduct outreach campaigns, enhance digital communication, and coordinate with K–12 and higher education partners so students are aware of available opportunities. This expansion is needed to ensure that state investments in financial aid are effectively communicated and fully utilized by New Mexico residents.

b. How does this request differ from existing programming?

This request differs from existing programming because NMHED currently has no recurring funding dedicated specifically to marketing, outreach, or communication for financial aid programs. The Financial Aid Division administers numerous state scholarships and grants, but lacks the resources to proactively engage students, families, and institutions. The requested $500,000 would create a dedicated and sustainable marketing capacity that does not exist today, enabling NMHED to support statewide awareness campaigns, high school outreach, digital tools, and coordinated messaging across all state-funded financial aid programs.

c. How does the requested program fit into the agency's strategic plan?

This request aligns directly with NMHED's strategic plan to expand access to higher education, support tuition-free college programs, and improve student transitions into postsecondary education. By funding a dedicated marketing and outreach effort, NMHED can ensure students understand the financial aid available to them, enroll in college, and persist to graduation. Strengthening communication and outreach is essential to achieving the agency's goals of increasing educational attainment, improving equity in college access, and supporting New Mexico's statewide commitment to helping students enter and complete degree programs.

Has the agency developed a logic model describing the agency's theory of change?

No

d. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

New Mexico has launched several major financial aid programs in recent years—including tuition-free initiatives and expanded need-based and workforce-aligned supports—but the Higher Education Department has no dedicated marketing or outreach funding to ensure that students and families understand, access, and fully utilize these opportunities. As a result, awareness of state financial aid programs varies widely across communities, and many eligible students do not receive the assistance they qualify for simply because they do not know the programs exist or lack guidance on navigating them.

The Financial Aid Division is responsible for administering all state-funded scholarships and grants serving New Mexico students, but the absence of a recurring outreach budget significantly limits the Division's ability to communicate program requirements, deadlines, and benefits. Without adequate outreach, the state's investment in financial aid—intended to expand access, improve equity, and increase college enrollment and completion—is not reaching its full impact. This request addresses the need for consistent, statewide communication so more New Mexicans can take advantage of the financial aid available to them.

b. What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

New Mexico's financial aid programs collectively serve tens of thousands of students across every geographic region of the state, including rural communities, tribal communities, and historically underserved populations. The need for comprehensive outreach is statewide in scope:

• Participation gaps are most common in rural areas, low-income communities, and among first-generation students, who often lack access to clear financial aid information.
• The Financial Aid Division currently supports programs that touch tens of thousands of students annually, but without a communications budget, outreach remains inconsistent and insufficient across these populations.

Thus, the statewide need is broad and affects all regions and populations, particularly those with historically limited access to financial aid information.

c. What percentage of the previously identified total statewide need does this request seek to address?

Because the statewide need relates to communication and outreach rather than direct student awards, it is not quantifiable as a traditional percentage. However, establishing a dedicated recurring marketing and outreach budget will allow NMHED to address a significant portion of the statewide need by providing consistent information, guidance, and program visibility across all institutions and communities.

The requested $500,000 recurring appropriation will enable NMHED to reach students statewide—through digital media, school partnerships, community communications, and coordinated

messaging—which directly supports improved access, increased financial aid uptake, and greater equity across New Mexico's higher education system.

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY28 and from what source is the agency requesting additional funding?

The Higher Education Department is requesting an increased recurring General Fund expansion in the amount of $500,000.

b. Provide a list of specific activities that will be carried out if this request is granted.

If this request is granted, the Higher Education Department will implement a coordinated, statewide outreach effort to ensure New Mexico students are fully aware of the state's financial aid opportunities. This includes developing and distributing marketing materials for all state-funded scholarship and grant programs, conducting outreach campaigns in partnership with high schools, colleges, and community organizations, and expanding digital and social media communication targeted to prospective and current students. The Financial Aid Division will also strengthen program administration for the more than $400 million in annual financial aid programs by improving customer service support, providing clearer guidance to institutions, and ensuring that students across all regions of New Mexico—particularly rural and underserved communities—receive timely and accurate information about financial aid options available to them.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

N/A

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

N/A

e. Does the agency anticipate additional increases above the FY26 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

The agency does not anticipate needing additional increases beyond the FY28 request at this time. The proposed recurring appropriation will provide a stable funding base that enables the Higher Education Department to maintain statewide outreach, marketing, and communication for New Mexico's financial aid programs. This funding will allow NMHED to consistently provide clear information and support to students and families about state aid resources for years to come. If future program expansion or major statewide changes occur, NMHED will reassess needs; however, based on current projections, the FY28 request is sufficient to sustain ongoing operations.

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

None

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

N/A

c. How will you evaluate the program to confirm your categorization?

N/A

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

Across New Mexico

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

Click or tap here to enter text.

Program will continue each fiscal year

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

Click or tap here to enter text.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

Click or tap here to enter text.

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

Click or tap here to enter text.

b. Will the requested program affect any existing performance measures?

Choose an item.

i. If yes, which performance measures will be affected?

Click or tap here to enter text.

c. What program outputs will the agency measure?

Click or tap here to enter text.

d. What efficiency metrics will the agency monitor?

Click or tap here to enter text.

e. Does the agency have baseline data for the proposed measures?

Choose an item.

i. If yes, please provide baseline data.

Click or tap here to enter text.

ii. If no, when and how does the agency anticipate collecting baseline data?

Click or tap here to enter text.

f. How often will the agency collect and report on these performance metrics?

Click or tap here to enter text.

g. How do you plan to share the results of your program with the public and the Legislature?

Click or tap here to enter text.

NEW MEXICO LEGISLATIVE FINANCE COMMITTEE

Legislating for Results:
Budget Development Tool

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the [Budget Guidelines of the New Mexico Legislative Finance Committee (LFC)] and LFC's [Legislating for Results Framework].

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: New Mexico Higher Education Department (NMHED)

Short Title of Request: New Mexico Longitudinal Data System (NMLDS) Recurring Funding Increase

Point of contact for follow-up information:

Name: Isaac Bush

Title: Chief Information Officer

Phone: 505-379-1434

E-Mail: isaac.bush@hed.nm.gov

Is the requested expansion solely the result of a workload change? No

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

The New Mexico Longitudinal Data System (NMLDS) is moving into operations. The additional five hundred thousand dollars ($500,000) will cover the remaining minimum required yearly costs for licenses, subscriptions, and required staff augmentation needed to keep the system operational.

b. How does this request differ from existing programming?

NMLDS focuses on cross-agency analysis, combining data, currently, from numerous executive agencies, linking the data across sources, and making data available to approved researchers for analysis, supporting cross-agency data-driven informed decision and policy making. NMLDS's cross-agency and longitudinal scope differ from standard single-agency analysis and work.

c. How does the requested program fit into the agency's strategic plan?

NMLDS allows NMHED to enhance its scope of research and data analysis along with supporting the same activities for other identified stakeholders.

d. Has the agency developed a logic model describing the agency's theory of change?

No

e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

Currently, NMLDS can only partially cover recurring yearly costs to keep the system operational. Without the increased recurring funding, NMLDS will need to continue using nonrecurring funding to fulfill recurring needs, and the ongoing operations of the system may be in jeopardy.

b. What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

Due to NMLDS's cross-agency and longitudinal focus, analyses in support of unserved or underserved populations may be more accessible.

c. What percentage of the previously identified total statewide need does this request seek to address?

N/A

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY26 and from what source is the agency requesting additional funding?

NMHED is requesting five hundred thousand ($500,000) additional recurring funds from the General Fund.

b. Provide a list of specific activities that will be carried out if this request is granted.

The additional recurring funds will cover yearly licensing, subscription, and other support needs required to keep the system operational.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

N/A

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

N/A

e. Does the agency anticipate additional increases above the FY26 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

It is unclear at this time how much additional recurring funding might be needed in future years. This will partially depend on the demand on the system from stakeholders such as executive agency researchers, legislative researchers, and external researchers. Further, increases in the scope of data available in the system, the range of analytical tooling, and responsiveness in terms of support and additions may increase requests for future funding.

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

Evidence-Based

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

NMLDS follow established statewide longitudinal data system (SLDS) standards adopted by states throughout the country and informed by federal, state, and other organizations supporting SLDS development, implementation, research, and operations.

c. How will you evaluate the program to confirm your categorization?

As NMLDS moves into operations, we will adopt standards of evaluation to quantify and qualify the scope and quality of research performed by the system or supported by the system.

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

NMLDS is ready to move into operations, so our focus now is on using additional recurring funding to establish a secure baseline for operations and support of research priorities.

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

NMLDS will be operational this calendar year. As we move into operations and establish research norms and standards, we will develop evaluation metrics such as asked for here.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

NMLDS operations will focus on security standards, performance and availability standards, levels of support for stakeholders, and evaluation of research needs and outputs to determine success of the system and initiatives supported by the system.

b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.

NMLDS will follow standard information technology (IT) and cybersecurity standards for technical operations, data engineering standards for data pipeline and quality standards, and developed research expectations and norms for analysis standards.

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

NMLDS will focus on an increase in the scope or complexity of analysis that is difficult or infeasible without the system.

b. Will the requested program affect any existing performance measures?

Yes

i. If yes, which performance measures will be affected?

NMLDS may affect existing performance measures if identified and deemed relevant by partner agency or other stakeholders.

c. What program outputs will the agency measure?

Primary NMLDS program outputs will focus on research and IT and cybersecurity standards.

d. What efficiency metrics will the agency monitor?

NMLDS will focus on efficiency metrics related to system uptime, system performance, and ability to accommodate new and changing requests of system data and capabilities.

e. Does the agency have baseline data for the proposed measures?

No

i. If yes, please provide baseline data.

Click or tap here to enter text.

ii. If no, when and how does the agency anticipate collecting baseline data?

NMLDS will gather this data as it moves into operations.

f. How often will the agency collect and report on these performance metrics?

Reporting cadences have yet to be identified but will be decided by project leadership committees.

g. How do you plan to share the results of your program with the public and the Legislature?

NMLDS plans to engage the public broadly through the rise.nm.gov website, focusing on expansion of data education resources along with specific data and research conducted on system data. NMLDS is currently in discussion with the Legislative Finance Committee (LFC) about legislative access to NMLDS and developing and setting norms for legislative access ahead of expansion of access.

NEW MEXICO LEGISLATIVE FINANCE COMMITTEE

Legislating for Results: **Budget Development Tool**

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the Budget Guidelines of the New Mexico Legislative Finance Committee (LFC) and LFC's Legislating for Results Framework.

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

2 Needs Assessment

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

4 Research and Evidence

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

6 Fidelity Plan

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: Higher Education Department

Short Title of Request: Expansion Request for recurring GRO-Workforce

Point of contact for follow-up information:

Name: Taña Martinez

Title: Institutional Finance Director

Phone:505-629-8407

E-Mail:tana.martinez@hed.nm.gov

Is the requested expansion solely the result of a workload change? No

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

a. Why is this expansion needed and what problem or need it is attempting to address?

Workforce GRO was created to support students participating in workforce training, apprenticeships, and internships that do not qualify for traditional financial aid but nonetheless lead to industry-recognized credentials, occupational skills, and direct workplace experience. These programs are essential for meeting the state's immediate labor needs, yet they fall outside conventional higher education funding models.

Over the last three fiscal years, the Legislature appropriated a total of $60 million in non-recurring funding to establish and launch these workforce-focused programs at higher education institutions. That investment successfully enabled colleges and universities to stand up new training pathways aligned with high-demand sectors and to form partnerships with employers who rely on these pipelines to meet staffing needs. Although the initial funding is ending now in FY27, the programs built with those dollars are still actively serving students and supporting workforce partners.

Without a recurring and sustainable funding source, however, institutions cannot reliably maintain or expand these programs, risking program contraction just as employer demand continues to grow. The proposed recurring funding addresses this problem directly by ensuring ongoing support for students who depend on alternative training pathways, stabilizing program operations, and maintaining the state's ability to respond quickly to emerging workforce needs. In short, this funding is needed to preserve successful programs, prevent disruption to students and employers, and strengthen New Mexico's long-term workforce capacity.

b. How does this request differ from existing programming?

Workforce GRO has progressed well beyond its initial three-year pilot phase and is now operating as a mature, high-performing initiative with measurable statewide impact. Unlike the pilot period, the current request is not aimed at launching or testing new concepts—it is focused on sustaining and scaling programs that have already demonstrated effectiveness. Workforce GRO has significantly expanded access to short-term workforce training, internships, and apprenticeships that fall outside traditional financial aid structures, enabling institutions to serve more students and meet employer demand in real time.

The initiative is now producing clear, quantifiable results for students, higher education institutions, and workforce partners. It has increased student participation, supported a substantially larger number of workforce programs, improved utilization of available funding, maintained strong statewide completion rates, and generated early evidence of positive employment and wage gains. This request therefore differs from existing programming by shifting the focus from short-term pilot support to long-term, sustainable investment that preserves and grows proven workforce training capacity across New Mexico.

c. How does the requested program fit into the agency's strategic plan?

The requested funding directly supports the department's strategic plan by expanding accessibility to higher education and workforce training for all New Mexicans. Workforce GRO offers flexible, skills-based pathways that allow students to engage in training, apprenticeships, and internships that lead to industry-recognized credentials and immediate employment opportunities. These opportunities are essential to helping New Mexicans upskill, reskill, and access higher-wage career pathways in high-demand sectors.

By providing recurring funding, the state ensures that the capacity built during the pilot phase remains intact and continues to grow. In FY26, Workforce GRO served 9,748 students across 416 programs with a statewide completion rate of 93.9 percent. These outcomes reflect the program's effectiveness in delivering accessible and affordable training options that meet students where they are—whether entering the workforce for the first time, looking to advance, or seeking higher-wage employment through targeted skill development.

Sustaining Workforce GRO aligns fully with the department's mission to broaden higher education access, support lifelong learning, and strengthen the pathway from education to employment. Without continued investment, the expiration of pilot funding after FY27 would limit opportunities for New Mexicans to gain the skills and credentials needed to thrive in a modern, higher-wage economy. This request ensures continuity of a proven program that expands educational access, fuels economic mobility, and supports a stronger statewide workforce.

d. Has the agency developed a logic model describing the agency's theory of change?

Yes

e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.

Provided as an additional attachment.

2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

a. What is the extent of the problem to be addressed?

New Mexico continues to face a significant need for flexible, accessible funding that supports short-term and skills-focused workforce training programs. These programs prepare New Mexicans for high-demand occupations and higher-wage employment but often fall outside traditional financial aid structures. They include noncredit and short-term training, industry-recognized credentials, internships, apprenticeships, and other programs that rapidly equip students and workers with the competencies needed in the state's evolving labor market.

Workforce GRO was created to fill this gap, but the current three-year appropriation ends after FY27, leaving a substantial funding void beginning in FY28. Institutions across the state have used this support to expand workforce pathways that directly align with the department's strategic goals of increasing access to higher education, supporting upskilling and reskilling, and improving statewide wage outcomes. Without a continued funding mechanism, institutions will face reduced capacity to sustain these opportunities or respond to changing regional workforce needs—even as employer demand continues to grow.

The need is especially critical because workforce training requires the flexibility that traditional financial aid cannot provide. Sustaining a state funding mechanism like Workforce GRO allows New Mexico to maintain accessible, rapid-response workforce pathways that meet students where they are: adult learners, working individuals seeking better wages, and residents looking to upskill for career advancement. Continued investment ensures the state can quickly adapt to labor-market needs while maximizing alignment with emerging federal opportunities such as Workforce Pell.

b. What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

The need is broad and statewide. Workforce GRO funding is available to 21 public higher education institutions across New Mexico, enabling institutions to create workforce pathways tailored to local and regional employer needs. In FY26, 20 of the 21 eligible institutions utilized GRO funding, demonstrating strong demand across all geographic and institutional sectors—from rural community colleges to regional universities.

The initiative specifically serves New Mexicans who may not be well supported by traditional financial aid programs. Workforce GRO funds short-term and noncredit training, internships, apprenticeships, and other workforce pathways often used by adult learners, working students, and individuals seeking rapid retraining or upskilling for higher-wage opportunities. In FY26, the average participant was 34 years old, highlighting the program's reach well beyond the traditional college-age population and its alignment with the department's goal of expanding educational access for all New Mexicans.

Beginning in FY27, federal Workforce Pell will provide new support for eligible short-term programs, but it will not replace the need for state investment. Under current rules, programs

receiving federal aid cannot also receive Workforce GRO support. This means that once a program becomes Pell-eligible, it could lose access to GRO funds rather than leveraging both sources strategically.

Future Workforce GRO language can address this by allowing institutions to prioritize federal Workforce Pell for eligible costs first, with GRO serving as a complementary funding source—covering remaining expenses, supporting students not eligible for Pell, and funding workforce activities outside Pell's scope. This approach maximizes federal revenue while preserving state flexibility to support underserved populations and emerging workforce needs.

c. What percentage of the previously identified total statewide need does this request seek to address?

This request does not meet the full statewide need for workforce training and upskilling across New Mexico. Instead, it seeks to sustain the level of funding that has already been proven effective during the Workforce GRO pilot period. Over the last three fiscal years, approximately $20 million per year supported high-demand workforce pathways at institutions statewide, enabling thousands of New Mexicans to access short-term training, earn industry-recognized credentials, and move into higher-wage employment opportunities.

By continuing this established level of investment, the state can maintain the accessible, flexible workforce training capacity created during the pilot, even though the total statewide need exceeds what this request alone can cover. This funding ensures that New Mexico preserves the successful foundation built over the past three years—supporting broad access to higher education, enabling residents to upskill or reskill, and strengthening pathways to higher-wage careers—while recognizing that additional resources may be needed to fully meet long-term statewide demand.

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

a. How much is the agency's request for FY26 and from what source is the agency requesting additional funding?

The New Mexico Higher Education Department is requesting a recurring twenty million dollars ($20,000,000.00)

b. Provide a list of specific activities that will be carried out if this request is granted.

If this request is granted, the Department would continue the existing Workforce GRO initiative, providing funding to eligible public higher education institutions for workforce training, internships, apprenticeships, and related student supports. Institutions would submit implementation plans identifying proposed programs, anticipated student participation, workforce demand, and requested funding. The Department would review proposals for eligibility and alignment with state and regional workforce needs before approving and distributing funds. Institutions would then implement approved activities, provide financial support to participating students, and report expenditures and program outcomes to the Department. The Department would continue monitoring implementation, collecting student employment and wage outcomes, coordinating wage matching with DWS, and evaluating the effectiveness of the investment to inform future workforce policy and funding decisions.

c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

A cost per student is not calculated because Workforce GRO funding is allocated at the institutional level rather than on a per-student basis. Institutional allocations are determined based on factors including prior-year performance, demonstrated funding need, and each institution's ability to effectively utilize its previous allocation.

d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

A formal benefit-to-cost ratio is not yet available because sufficient longitudinal employment and earnings data are still being collected. However, early administrative wage-matching results demonstrate measurable economic benefits: 217 Clovis Community College CDL participants experienced an average post-training wage increase of 17.5 percent (17.5%), while San Juan College participants with sufficient pre- and post-training wage data experienced an average increase of 16.5 percent (16.5%). Continued wage matching will allow the Department to more fully quantify the economic return on the state's investment over time.

e. Does the agency anticipate additional increases above the FY26 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

Yes. Continued funding will be necessary to sustain Workforce GRO beyond the current appropriation, and future funding needs may increase as institutions expand workforce programming. For FY27, institutions submitted more than $900,000 in Integrated

Education and Training (IET) requests, indicating emerging demand for these programs that may continue to grow in future years.

Additional funding could also support the institutional capacity needed to develop and expand workforce programs. Under the current framework, funding is primarily limited to student tuition and fees, which can constrain institutions with limited staff and resources from developing new programs even when workforce demand exists. Future funding could allow a limited portion of institutional allocations to support program and curriculum development, faculty or instructional costs, and other implementation expenses necessary to establish and expand eligible workforce training. This flexibility would help institutions build the capacity needed to effectively utilize Workforce GRO funding and respond to emerging workforce needs.

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

a. As defined in New Mexico's Accountability in Government Act, specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

Evidence-Based

b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by clearinghouse databases.

Workforce GRO is grounded in established workforce development research supporting short-term, industry-aligned training, work-based learning, and credential pathways tied to labor market demand. National research estimates that approximately 1.4 million skilled-trades jobs will open by 2030, with projected shortages of 169,477 workers in the U.S. Census Mountain Region (Bring Back the Trades, 2026). New Mexico workforce data similarly identify continued demand across many of the occupations supported by Workforce GRO.

The initiative now also has direct evidence of positive participant outcomes, including strong post-training wage results, as outlined above. Because Workforce GRO is a statewide higher education appropriation, traditional experimental evaluation methods—such as withholding funding from otherwise eligible institutions to create treatment and control groups—are neither practical nor appropriate. The Department instead evaluates effectiveness through statewide outcome reporting, historical program comparisons, employment data, and administrative wage matching. Continued longitudinal data collection will further strengthen the evidence base for assessing Workforce GRO's impact over time.

c. How will you evaluate the program to confirm your categorization?

The Department will continue evaluating Workforce GRO through annual institutional outcome reporting, historical program comparisons, student-level employment and wage outcomes, and administrative wage matching with DWS. FY26 reporting requirements have been further strengthened to improve the completeness of employment and earnings data. This data will allow the Department to assess outcomes across the full three-year pilot period, including program growth, completion, employment, wage progression, and alignment between training and employment, and to determine whether the positive outcomes identified to date are sustained over time.

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

a. What are the training and startup requirements for the proposed program?

No significant training or startup requirements are anticipated, as Workforce GRO is an existing initiative with established processes and infrastructure. The Department will continue building on lessons learned during the initiative's first two years, strengthening outcome measurement, and coordinating Workforce GRO with emerging opportunities such as Workforce Pell. Existing administrative processes will continue to support implementation, allowing the Department to focus on sustaining and strengthening workforce training pathways that respond to the needs of students, employers, and communities across the state.

b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

No implementation period or new FTE is required. Workforce GRO is an existing initiative with dedicated Department staff and established processes. Activities would continue without interruption upon receipt of funding.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

a. Describe key components critical to the success of your program.

Key components include maintaining flexible workforce funding, strengthening outcome measurement, aligning programs with state and regional workforce needs, and coordinating Workforce GRO with emerging opportunities such as Workforce Pell to maximize available state and federal resources. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable. The Department will monitor fund utilization, student participation and completion, institution-reported employment and wage outcomes, administrative wage-matching results, and alignment between training and employment. Participation data will also be reviewed by demographic characteristics to assess equitable access to Workforce GRO-supported opportunities.

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

a. What measurable outcome is the agency trying to achieve with the requested expansion?

Sustain access to high-demand workforce training while maintaining strong completion, employment, and wage outcomes.

b. Will the requested program affect any existing performance measures?

No

i. If yes, which performance measures will be affected?

N/A

c. What program outputs will the agency measure?

Students served, programs supported, internships/apprenticeships supported, completions, impact of this funding over time, employment outcomes, and wage growth.

d. What efficiency metrics will the agency monitor?

Funding utilization and institutional expenditure rates, as well as future ROI calculations once more longitudinal wage data is collected.

e. Does the agency have baseline data for the proposed measures?

Yes

i. If yes, please provide baseline data.

FY25 and FY26 Workforce GRO outcome data provide established baselines for participation, completion, funding utilization, employment, and wage outcomes.

ii. If no, when and how does the agency anticipate collecting baseline data?

N/A

f. How often will the agency collect and report on these performance metrics?

Annually, with additional monitoring conducted throughout the fiscal year.

g. How do you plan to share the results of your program with the public and the Legislature?

Through the Department's annual Workforce GRO outcomes report, published publicly and provided to the Legislature.

Workforce GRO Logic Model Submitted to LFC and DFA July 2026

Actors	Activities	Outputs	Outcomes
List the entities will be responsible for implementing the program (one row per actor). *Examples: PED, school districts and charter schools, schools, educators, evaluators.*	List the specific activities each actor will be responsible for carrying out during implementation. *Examples: Awarding funding, providing technical support, collecting and cleaning data, training staff.*	List the measures used to determine whether activities are being implemented as intended. *Examples: Number of participants, attrition rate, number of times an activity was carried out, engagement metrics.*	List the short-term and long-term measures that may be used to provide evidence that the program is making a difference. **Short-Term**: Benefits for participants. **Long-Term**: Benefits for entire program. *Examples: Knowledge, skills, proficiency rates, graduation rates, chronic absence rates, additional outcomes for participants.*
New Mexico Higher Education Department	• Distribute Workforce GRO funding to eligible higher education institutions • Review implementation plans and outcome reports • Provide technical assistance and statewide guidance • Monitor expenditures and program implementation • Coordinate wage-matching efforts with the Department of Workforce Solutions (DWS)	• Number of institutions funded • Amount of funding distributed • Number of implementation plans reviewed • Number of technical assistance meetings conducted • Number of outcome reports submitted • Wage matching participation rates	**Short-Term Outcomes** • Increased number of workforce training programs, apprenticeships, and internships offered in high-need workforce areas • Increased student participation in workforce training opportunities not traditionally covered by financial aid • Increased institutional engagement with Workforce GRO funding and reporting processes • Increased collaboration between higher education institutions, employers, and workforce partners • Improved institutional capacity to respond to regional workforce shortages and emerging industry needs **Long-Term Outcomes** • Increased statewide workforce participation in high-demand industries • Increased attainment of industry-recognized credentials aligned with workforce needs • Increased employment placement of program participants within New Mexico • Reduced workforce shortages in critical industries across the state • Increased access to employment opportunities offering family-supporting wages • Stronger alignment between higher

			education programming and statewide workforce and economic development priorities
Eligible Public Higher Education Institutions (Comprehensive, Branch Community Colleges, Independent Community Colleges)	• Develop workforce training programs aligned with workforce needs • Expand existing workforce programs • Implement apprenticeships and internships • Recruit and support students • Establish employer partnerships • Collect and report outcomes data	• Number of workforce programs offered • Number of new programs created or expanded • Number of students served • Number of internships and apprenticeships supported • Program completion rates • Number of employer partnerships established	**Short-Term Outcomes** • Increased completion of workforce training programs • Increased participation among adult learners and working students • Expanded access to short-term workforce credentials and work-based learning opportunities • Increased student participation in apprenticeships, internships, and industry-aligned training programs • Increased institutional responsiveness to regional workforce and employer needs **Long-Term Outcomes** • Increased workforce credential attainment among students • Increased student completion of workforce training programs • Expanded institutional workforce programming aligned with regional labor market needs • Increased transition of students into employment within New Mexico • Increased student access to employment opportunities offering family-supporting wages
Employer and Industry Partners	• Collaborate with institutions to identify workforce needs • Provide internships, apprenticeships, and clinical placements • Support work-based learning opportunities • Participate in workforce pipeline development and hiring efforts	• Number of employer partnerships • Number of internship and apprenticeship placements • Number of students participating in work-based learning experiences • Number of employer engagement activities conducted	**Short-Term Outcomes** • Increased availability of internships, apprenticeships, and work-based learning opportunities • Increased employer engagement with higher education institutions • Improved alignment between workforce training opportunities and employer needs • Increased opportunities for students to gain hands-on industry experience • Increased employer participation in workforce pipeline development **Long-Term Outcomes** • Increased employment in high-need workforce sectors within New Mexico

			• Reduced workforce shortages in critical industries across the state • Increased access to qualified, workforce-ready employees for New Mexico employers • Increased access to family-supporting wages and career advancement opportunities for New Mexicans • Stronger regional workforce pipelines supporting long-term economic growth and workforce stability

State of New Mexico

F4 PCode Detail
(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
00000	520300	Classified Perm Positions F/T	0.0	0.0	398.89	0.0	0.0	0.0	0.0	0.0	
00000	521100	Group Insurance Premium	0.0	0.0	39.05	0.0	0.0	0.0	0.0	0.0	
00000	521200	Retirement Contributions	0.0	0.0	86.45	0.0	0.0	0.0	0.0	0.0	
00000	521300	F I C A	0.0	0.0	24.54	0.0	0.0	0.0	0.0	0.0	
00000	521700	RHC Act Contributions	0.0	0.0	10.97	0.0	0.0	0.0	0.0	0.0	
34400	520200	Term Positions	272.4	312.0	2.18	0.0	306.7	0.0	0.0	306.7	
34400	520300	Classified Perm Positions F/T	8.5	0.0	282.76	0.0	0.0	0.0	0.0	0.0	
34400	520700	Overtime & Other Premium Pay	3.3	0.0	0	0.0	0.0	0.0	0.0	0.0	
34400	520710	Longevity Pay	0.0	0.0	0	0.0	3.6	0.0	0.0	3.6	
34400	521100	Group Insurance Premium	42.3	58.0	53.11	0.0	57.0	0.0	0.0	57.0	
34400	521200	Retirement Contributions	54.7	54.0	54.4	0.0	55.0	0.0	0.0	55.0	
34400	521300	F I C A	20.9	21.7	17.53	0.0	22.1	0.0	0.0	22.1	
34400	521400	Workers' Comp Assessment Fee	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
34400	521410	GSD Work Comp Insur Premium	0.2	0.2	0	0.0	0.2	0.0	0.0	0.2	
34400	521500	Unemployment Comp Premium	0.0	0.0	0	0.0	0.8	0.0	0.0	0.8	
34400	521600	Employee Liability Ins Premium	1.5	1.8	0	0.0	2.2	0.0	0.0	2.2	
34400	521700	RHC Act Contributions	5.7	5.6	5.66	0.0	5.7	0.0	0.0	5.7	
68190	520200	Term Positions	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
68190	520700	Overtime & Other Premium Pay	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
68190	521100	Group Insurance Premium	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
68190	521200	Retirement Contributions	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
68190	521300	F I C A	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
68190	521400	Workers' Comp Assessment Fee	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
68190	521410	GSD Work Comp Insur Premium	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
68190	521600	Employee Liability Ins Premium	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
68190	521700	RHC Act Contributions	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
68280	520200	Term Positions	519.2	698.0	5.06	0.0	0.0	0.0	729.0	729.0	
68280	520300	Classified Perm Positions F/T	20.1	0.0	657.33	0.0	0.0	0.0	0.0	0.0	
68280	520700	Overtime & Other Premium Pay	2.8	0.0	0	0.0	0.0	0.0	0.0	0.0	
68280	520710	Longevity Pay	0.0	0.0	0	0.0	0.0	0.0	4.4	4.4	
68280	521100	Group Insurance Premium	116.2	138.2	149.26	0.0	0.0	0.0	190.0	190.0	
68280	521200	Retirement Contributions	104.3	131.8	126.47	0.0	0.0	0.0	138.2	138.2	
68280	521300	F I C A	40.0	52.4	40.76	0.0	0.0	0.0	55.4	55.4	

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	GF	OSF	ISF/IAT	FF	Total	Justification
						FY 2028 Agency Request					
68280	521400	Workers' Comp Assessment Fee	0.1	0.1	0	0.0	0.0	0.0	0.1	0.1	
68280	521410	GSD Work Comp Insur Premium	0.6	0.4	0	0.0	0.0	0.0	0.4	0.4	
68280	521500	Unemployment Comp Premium	0.0	0.0	0	0.0	0.0	0.0	2.1	2.1	
68280	521600	Employee Liability Ins Premium	3.8	5.1	0	0.0	0.0	0.0	6.0	6.0	
68280	521700	RHC Act Contributions	10.8	14.0	13.15	0.0	0.0	0.0	14.4	14.4	
91000	520000	Payroll	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
91000	520100	Exempt Perm Positions P/T&F/T	928.3	865.0	948.53	941.3	0.0	0.0	0.0	941.3	
91000	520200	Term Positions	414.9	411.4	3.58	444.5	0.0	0.0	0.0	444.5	
91000	520300	Classified Perm Positions F/T	2,776.6	2,507.7	3,348.56	2,674.9	0.0	43.3	0.0	2,718.2	
91000	520500	Temporary Positions F/T & P/T	2.8	0.0	0.33	0.0	0.0	0.0	0.0	0.0	
91000	520600	Paid Unused Sick Leave	2.4	0.8	0	0.0	0.0	0.0	0.0	0.0	
91000	520700	Overtime & Other Premium Pay	32.7	0.0	0	0.0	0.0	0.0	0.0	0.0	
91000	520710	Longevity Pay	0.0	0.0	0	28.5	0.0	0.0	0.0	28.5	
91000	520800	Annl & Comp Paid At Separation	37.8	0.0	0	0.0	0.0	0.0	0.0	0.0	
91000	521100	Group Insurance Premium	483.0	598.0	527.5	766.1	0.0	0.0	0.0	766.1	
91000	521200	Retirement Contributions	748.9	776.2	796.38	889.0	0.0	0.0	0.0	889.0	
91000	521300	F I C A	296.2	300.0	264.63	355.7	0.0	0.0	0.0	355.7	
91000	521400	Workers' Comp Assessment Fee	0.4	0.5	0	0.5	0.0	0.0	0.0	0.5	
91000	521410	GSD Work Comp Insur Premium	3.0	2.0	0	2.2	0.0	0.0	0.0	2.2	
91000	521500	Unemployment Comp Premium	0.0	0.0	0	12.3	0.0	0.0	0.0	12.3	
91000	521600	Employee Liability Ins Premium	19.8	29.1	0	34.9	0.0	0.0	0.0	34.9	
91000	521700	RHC Act Contributions	77.9	80.0	84.79	92.5	0.0	0.0	0.0	92.5	
	200	**Personal services and employee benef**	**7,052.2**	**7,064.0**	**7,941.83**	**6,242.4**	**453.3**	**43.3**	**1,140.0**	**7,879.0**	
10990	544800	Supplies-Education&Recreation	578.2	500.0	0	0.0	0.0	600.0	0.0	600.0	
10990	547410	Grants To Public Schools&Univ	996.0	1,200.0	0	0.0	0.0	1,000.0	0.0	1,000.0	
10990	547420	Grants -Higher Ed (in CAFR)	1,599.5	1,800.0	0	0.0	0.0	1,600.0	0.0	1,600.0	
10990	547430	Grants to Native Amer Indians	200.9	100.0	0	0.0	0.0	200.0	0.0	200.0	
10990	547440	Grants To Other Entities	607.6	500.0	0	0.0	0.0	630.0	0.0	630.0	
10990	547450	Grants to Other Agencies	147.8	90.0	0	0.0	0.0	160.0	0.0	160.0	
34400	542100	Employee I/S Mileage & Fares	0.1	0.8	0	0.0	0.5	0.0	0.0	0.5	
34400	542200	Employee I/S Meals & Lodging	0.0	0.8	0	0.0	2.0	0.0	0.0	2.0	
34400	544100	Supplies-Office Supplies	0.0	1.0	0	0.0	0.5	0.0	0.0	0.5	
34400	545700	ISD Services	1.9	3.3	0	0.0	3.7	0.0	0.0	3.7	
34400	545710	DOIT HCM Assessment Fees	1.2	1.1	0	0.0	1.1	0.0	0.0	1.1	

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
34400	545900	Printing & Photo Services	0.3	1.2	0	0.0	0.4	0.0	0.0	0.4	
34400	546100	Postage & Mail Services	0.0	1.0	0	0.0	0.4	0.0	0.0	0.4	
34400	546400	Rent Of Land & Buildings	22.2	22.4	0	0.0	22.6	0.0	0.0	22.6	
34400	546500	Rent Of Equipment	0.7	1.1	0	0.0	1.2	0.0	0.0	1.2	
34400	546610	DOIT Telecommunications	2.3	5.0	0	0.0	4.6	0.0	0.0	4.6	
34400	546700	Subscriptions/Dues/License Fee	8.6	12.4	0	0.0	10.0	0.0	0.0	10.0	
34400	546800	Employee Training & Education	1.3	10.0	0	0.0	4.0	0.0	0.0	4.0	
34400	547360	Insurance Premiums-non_payroll	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
34400	547900	Miscellaneous Expense	0.6	0.0	0	0.0	5.0	0.0	0.0	5.0	
34400	549600	Employee O/S Mileage & Fares	1.4	1.5	0	0.0	1.5	0.0	0.0	1.5	
34400	549700	Employee O/S Meals & Lodging	2.1	1.5	0	0.0	2.5	0.0	0.0	2.5	
68190	542100	Employee I/S Mileage & Fares	0.8	1.0	0	0.0	0.0	0.0	1.0	1.0	
68190	542200	Employee I/S Meals & Lodging	0.2	0.5	0	0.0	0.0	0.0	0.5	0.5	
68190	544100	Supplies-Office Supplies	0.0	0.0	0	0.0	0.0	0.0	1.0	1.0	
68190	546800	Employee Training & Education	3.7	4.0	0	0.0	0.0	0.0	5.0	5.0	
68190	547360	Insurance Premiums-non_payroll	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
68190	547410	Grants To Public Schools&Univ	1,812.1	2,198.0	0	0.0	0.0	0.0	2,400.0	2,400.0	
68190	547420	Grants -Higher Ed (in CAFR)	1,616.6	2,297.0	0	0.0	0.0	0.0	1,800.0	1,800.0	
68190	547430	Grants to Native Amer Indians	142.3	300.0	0	0.0	0.0	0.0	250.0	250.0	
68190	547440	Grants To Other Entities	495.6	600.0	0	0.0	0.0	0.0	600.0	600.0	
68190	547450	Grants to Other Agencies	561.7	395.5	0	0.0	0.0	0.0	735.0	735.0	
68190	547900	Miscellaneous Expense	0.3	0.2	0	0.0	0.0	0.0	1.0	1.0	
68190	549600	Employee O/S Mileage & Fares	3.0	3.0	0	0.0	0.0	0.0	5.0	5.0	
68190	549700	Employee O/S Meals & Lodging	0.8	0.8	0	0.0	0.0	0.0	1.5	1.5	
68280	542100	Employee I/S Mileage & Fares	2.5	4.0	0	0.0	0.0	0.0	5.0	5.0	
68280	542200	Employee I/S Meals & Lodging	4.0	3.0	0	0.0	0.0	0.0	6.0	6.0	
68280	542800	State Transp Pool Charges	1.0	0.0	0	0.0	0.0	0.0	2.0	2.0	
68280	543830	IT HW/SW Agreements	6.4	7.0	0	0.0	0.0	0.0	10.0	10.0	
68280	544000	Supply Inventory IT	3.4	0.5	0	0.0	0.0	0.0	5.0	5.0	
68280	544100	Supplies-Office Supplies	0.4	0.5	0	0.0	0.0	0.0	3.0	3.0	
68280	544900	Supplies-Inventory Exempt	2.6	0.5	0	0.0	0.0	0.0	5.0	5.0	
68280	545700	ISD Services	3.7	9.0	0	0.0	0.0	0.0	10.3	10.3	
68280	545710	DOIT HCM Assessment Fees	3.0	3.1	0	0.0	0.0	0.0	3.1	3.1	
68280	545900	Printing & Photo Services	2.4	11.0	0	0.0	0.0	0.0	5.0	5.0	

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
68280	546400	Rent Of Land & Buildings	62.2	63.7	0	0.0	0.0	0.0	67.8	67.8	
68280	546500	Rent Of Equipment	1.9	3.5	0	0.0	0.0	0.0	3.2	3.2	
68280	546610	DOIT Telecommunications	7.9	12.9	0	0.0	0.0	0.0	12.8	12.8	
68280	546700	Subscriptions/Dues/License Fee	16.9	25.0	0	0.0	0.0	0.0	20.0	20.0	
68280	546800	Employee Training & Education	19.1	25.0	0	0.0	0.0	0.0	30.0	30.0	
68280	547360	Insurance Premiums-non_payroll	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
68280	547410	Grants To Public Schools&Univ	2,957.0	3,200.0	0	0.0	0.0	0.0	3,212.0	3,212.0	
68280	547430	Grants to Native Amer Indians	0.0	460.0	0	0.0	0.0	0.0	0.0	0.0	
68280	547900	Miscellaneous Expense	0.7	5.0	0	0.0	0.0	0.0	5.8	5.8	
68280	549600	Employee O/S Mileage & Fares	9.0	15.0	0	0.0	0.0	0.0	12.0	12.0	
68280	549700	Employee O/S Meals & Lodging	17.5	20.0	0	0.0	0.0	0.0	22.0	22.0	
91000	542100	Employee I/S Mileage & Fares	13.7	15.7	0	20.5	0.0	0.0	0.0	20.5	
91000	542200	Employee I/S Meals & Lodging	23.6	11.0	0	26.5	0.0	0.0	0.0	26.5	
91000	542300	Brd & Comm Mbr Meals & Lodging	1.4	0.8	0	2.0	0.0	0.0	0.0	2.0	
91000	542310	Brd & Comm Mbr Mileage & Fares	1.3	1.6	0	2.0	0.0	0.0	0.0	2.0	
91000	542800	State Transp Pool Charges	5.9	0.0	0	9.0	0.0	0.0	0.0	9.0	
91000	543400	Maint - Property Insurance	0.0	0.0	0	0.2	0.0	0.0	0.0	0.2	
91000	543820	Maintenance IT	7.9	0.0	0	0.0	0.0	0.0	0.0	0.0	
91000	543830	IT HW/SW Agreements	62.6	40.0	0	105.0	0.0	0.0	0.0	105.0	
91000	544000	Supply Inventory IT	61.5	27.0	0	70.0	0.0	0.0	0.0	70.0	
91000	544100	Supplies-Office Supplies	8.4	8.5	0	12.5	0.0	0.0	0.0	12.5	
91000	544800	Supplies-Education&Recreation	289.7	450.0	0	381.3	0.0	0.0	0.0	381.3	
91000	544900	Supplies-Inventory Exempt	4.9	30.0	0	27.0	0.0	0.0	0.0	27.0	
91000	545700	ISD Services	43.7	52.3	0	59.7	0.0	0.0	0.0	59.7	
91000	545710	DOIT HCM Assessment Fees	16.0	17.7	0	17.5	0.0	0.0	0.0	17.5	
91000	545900	Printing & Photo Services	14.1	13.0	0	16.0	0.0	0.0	0.0	16.0	
91000	546100	Postage & Mail Services	1.8	4.0	0	3.5	0.0	0.0	0.0	3.5	
91000	546400	Rent Of Land & Buildings	332.2	309.2	0	388.0	0.0	0.0	0.0	388.0	
91000	546500	Rent Of Equipment	10.0	18.0	0	17.9	0.0	0.0	0.0	17.9	
91000	546600	Communications	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
91000	546610	DOIT Telecommunications	81.5	73.7	0	73.9	0.0	0.0	0.0	73.9	
91000	546700	Subscriptions/Dues/License Fee	228.8	280.0	0	245.0	0.0	0.0	0.0	245.0	
91000	546800	Employee Training & Education	12.2	0.0	0	15.5	0.0	0.0	0.0	15.5	
91000	546900	Advertising	3.3	20.0	0	44.3	0.0	0.0	0.0	44.3	

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
91000	547200	Grants To Individuals	0.0	0.0	0	100.0	0.0	0.0	0.0	100.0	
91000	547360	Insurance Premiums-non_payroll	0.1	0.0	0	0.0	0.0	0.0	0.0	0.0	
91000	547400	Grants To Local Governments	89.3	100.0	0	130.0	0.0	0.0	0.0	130.0	
91000	547410	Grants To Public Schools&Univ	2,984.1	4,700.0	0	3,250.0	0.0	0.0	0.0	3,250.0	
91000	547420	Grants -Higher Ed (in CAFR)	2,733.6	3,000.0	0	2,570.0	0.0	0.0	0.0	2,570.0	
91000	547430	Grants to Native Amer Indians	1,098.4	1,200.0	0	1,300.0	0.0	0.0	0.0	1,300.0	
91000	547440	Grants To Other Entities	1,632.5	1,340.0	0	1,650.0	0.0	0.0	0.0	1,650.0	
91000	547450	Grants to Other Agencies	3.7	0.0	0	15.0	0.0	0.0	0.0	15.0	
91000	547900	Miscellaneous Expense	34.3	6.0	0	41.0	0.0	0.0	0.0	41.0	
91000	547909	Misc Expense Interagency	119.0	0.0	0	60.0	0.0	0.0	0.0	60.0	
91000	547999	Request to Pay Prior Year	1.3	0.0	0	0.0	0.0	0.0	0.0	0.0	
91000	548200	Furniture & Fixtures	13.4	0.0	0	0.0	0.0	0.0	0.0	0.0	
91000	549600	Employee O/S Mileage & Fares	11.1	8.0	0	20.0	0.0	0.0	0.0	20.0	
91000	549700	Employee O/S Meals & Lodging	8.7	8.0	0	26.0	0.0	0.0	0.0	26.0	
	400	**Other**	**21,885.7**	**25,656.3**	**0**	**10,699.3**	**60.0**	**4,190.0**	**9,240.0**	**24,189.3**	
91000	555200	O/F Uses - Higher Ed Institut	0.0	0.0	0	630.0	0.0	0.0	0.0	630.0	
	500	**Other financing uses**	**0.0**	**0.0**	**0**	**630.0**	**0.0**	**0.0**	**0.0**	**630.0**	
	TOTAL EXPENSE		**28,937.9**	**32,720.3**		**17,571.7**	**513.3**	**4,233.3**	**10,380.0**	**32,698.3**	

(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
20760	547410	Grants To Public Schools&Univ	573.3	780.0	0	0.0	84.0	0.0	0.0	84.0	
20760	547420	Grants -Higher Ed (in CAFR)	0.0	1,400.0	0	0.0	0.0	0.0	0.0	0.0	
20760	547430	Grants to Native Amer Indians	451.7	320.0	0	0.0	66.0	0.0	0.0	66.0	
21440	547420	Grants -Higher Ed (in CAFR)	0.0	96.0	0	0.0	0.0	0.0	0.0	0.0	
21600	542100	Employee I/S Mileage & Fares	1.5	2.0	0	2.5	0.0	0.0	0.0	2.5	
21600	542200	Employee I/S Meals & Lodging	3.5	1.5	0	5.0	0.0	0.0	0.0	5.0	
21600	543830	IT HW/SW Agreements	224.5	215.0	0	255.0	0.0	0.0	0.0	255.0	
21600	544000	Supply Inventory IT	1.7	1.0	0	5.0	0.0	0.0	0.0	5.0	
21600	544100	Supplies-Office Supplies	0.4	3.5	0	1.0	0.0	0.0	0.0	1.0	
21600	544900	Supplies-Inventory Exempt	0.0	3.3	0	0.0	0.0	0.0	0.0	0.0	
21600	545900	Printing & Photo Services	0.9	0.0	0	3.0	0.0	0.0	0.0	3.0	
21600	546100	Postage & Mail Services	3.0	0.0	0	3.0	0.0	0.0	0.0	3.0	
21600	546700	Subscriptions/Dues/License Fee	4.0	0.0	0	5.0	0.0	0.0	0.0	5.0	
21600	546800	Employee Training & Education	0.9	0.0	0	3.0	0.0	0.0	0.0	3.0	
21600	546900	Advertising	10.0	0.0	0	10.0	0.0	0.0	0.0	10.0	
21600	547200	Grants To Individuals	2,055.5	2,940.0	0	2,290.0	0.0	45.0	400.0	2,735.0	
21600	547410	Grants To Public Schools&Univ	3,936.2	7,000.0	0	4,500.0	0.0	0.0	0.0	4,500.0	
21600	547420	Grants -Higher Ed (in CAFR)	2,441.9	14,249.0	0	0.0	0.0	0.0	0.0	0.0	
21600	547430	Grants to Native Amer Indians	612.8	800.0	0	768.0	0.0	0.0	0.0	768.0	
21600	547440	Grants To Other Entities	10.6	0.0	0	23.0	0.0	0.0	0.0	23.0	
21600	547900	Miscellaneous Expense	6.0	0.0	0	10.0	0.0	0.0	0.0	10.0	
21600	549600	Employee O/S Mileage & Fares	0.9	1.5	0	2.8	0.0	0.0	0.0	2.8	
21600	549700	Employee O/S Meals & Lodging	0.5	1.0	0	2.5	0.0	0.0	0.0	2.5	
63700	547410	Grants To Public Schools&Univ	1,659.7	1,300.0	0	0.0	0.0	1,800.0	0.0	1,800.0	
63700	547420	Grants -Higher Ed (in CAFR)	0.0	48,500.0	0	0.0	0.0	0.0	0.0	0.0	
63700	547430	Grants to Native Amer Indians	188.3	200.0	0	0.0	0.0	200.0	0.0	200.0	
68270	547200	Grants To Individuals	32.1	5,000.0	0	0.0	5,000.0	0.0	0.0	5,000.0	
	400	**Other**	**12,219.8**	**82,813.8**	**0**	**7,888.8**	**5,150.0**	**2,045.0**	**400.0**	**15,483.8**	
20760	555200	O/F Uses - Higher Ed Institut	3,011.6	0.0	0	0.0	2,350.0	0.0	0.0	2,350.0	
21440	555200	O/F Uses - Higher Ed Institut	96.0	0.0	0	96.0	0.0	0.0	0.0	96.0	
21600	555200	O/F Uses - Higher Ed Institut	12,118.2	0.0	0	16,594.0	0.0	0.0	0.0	16,594.0	
63700	555200	O/F Uses - Higher Ed Institut	87,635.7	0.0	0	0.0	0.0	48,000.0	0.0	48,000.0	
	500	**Other financing uses**	**102,861.5**	**0.0**	**0**	**16,690.0**	**2,350.0**	**48,000.0**	**0.0**	**67,040.0**	

(Dollars in Thousands)

Fund	Account	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
	TOTAL EXPENSE	**115,081.2**	**82,813.8**		**24,578.8**	**7,500.0**	**50,045.0**	**400.0**	**82,523.8**	

Opportunity Scholarship

BU 95000 **PCode** P510

State of New Mexico

E4 PCode Detail
(Dollars in Thousands)

Fund	Account		2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21190	547410	Grants To Public Schools&Univ	12,777.6	15,000.0	0	15,000.0	0.0	0.0	0.0	15,000.0	
21190	547420	Grants -Higher Ed (in CAFR)	0.0	168,000.0	0	0.0	0.0	0.0	0.0	0.0	
21190	547430	Grants to Native Amer Indians	2,176.7	3,000.0	0	3,000.0	0.0	0.0	0.0	3,000.0	
	400	**Other**	**14,954.3**	**186,000.0**	**0**	**18,000.0**	**0.0**	**0.0**	**0.0**	**18,000.0**	
21190	555200	O/F Uses - Higher Ed Institut	148,628.0	0.0	0	132,000.0	0.0	40,000.0	0.0	172,000.0	
	500	**Other financing uses**	**148,628.0**	**0.0**	**0**	**132,000.0**	**0.0**	**40,000.0**	**0.0**	**172,000.0**	
TOTAL EXPENSE			**163,582.3**	**186,000.0**		**150,000.0**	**0.0**	**40,000.0**	**0.0**	**190,000.0**	

State of New Mexico

Contract by PCode Detail

(Dollars in Thousands)

Fund	Account		#	Contract Purpose	Actuals	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
10990	535200	Professional Services	1000	fiscal oversight, state & federal compliance monitoring, professional development, technical assitance, surveys & assessments & event organization	671.3	0.0	0.0	810.0	0.0	810.0	
34400	535200	Professional Services	1000	audit consulting services	2.4	0.0	5.0	0.0	0.0	5.0	
34400	535300	Other Services	1000	transcript imaging, document digitization and document destruction	50.9	0.0	15.6	0.0	0.0	15.6	
34400	535309	Other Services - Interagency	1000	NM State Personnel human resource services	3.7	0.0	0.0	0.0	0.0	0.0	
34400	535400	Audit Services	1000	annual financial audit	6.0	0.0	6.0	0.0	0.0	6.0	
68190	535200	Professional Services	1000	GED & ESL technical support, BAR & RfR review and analysis, fratn & contract writing	40.5	0.0	0.0	0.0	60.0	60.0	
68190	535600	IT Services	1000	software licensing, maintenance, technical assistance, and support for adult education programs.	0.0	0.0	0.0	0.0	140.0	140.0	
68280	535200	Professional Services	1000	audit consulting services, social media services, photgraphs & digital media reels for social media & website	117.2	0.0	0.0	0.0	120.6	120.6	
68280	535300	Other Services	1000	workforce development & spring & fall bus tours & various conference services & digital mentoring & tutoring services	1,102.3	0.0	0.0	0.0	1,190.0	1,190.0	
68280	535309	Other Services - Interagency	1000	NM State Personnel human resource services	9.3	0.0	0.0	0.0	0.0	0.0	
68280	535400	Audit Services	1000	annual financial audit	14.9	0.0	0.0	0.0	16.9	16.9	
68280	535600	IT Services	1000	website maintenance & external evaluator services	182.0	0.0	0.0	0.0	183.0	183.0	
91000	535200	Professional Services	1000	audit consulting services, temporary staffing services, training & support for national diploma program	279.9	376.7	0.0	0.0	0.0	376.7	
91000	535209	Professional Svcs - Interagen	1000		0.0	0.0	0.0	0.0	0.0	0.0	
91000	535300	Other Services	1000	professional temporary staff services, building maintenance services	25.1	25.0	0.0	0.0	0.0	25.0	

State of New Mexico

Contract by PCode Detail

(Dollars in Thousands)

Fund	Account		#	Contract Purpose	Actuals	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
91000	535309	Other Services - Interagency	1000	NM State Personnel human resource services	49.0	0.0	0.0	0.0	0.0	0.0	
91000	535400	Audit Services	1000	annual financial audit	94.3	97.7	0.0	0.0	0.0	97.7	
91000	535600	IT Services	1000	website maintenance & technical suppport, specialized software & ongoing support service for access to capital funding system	249.1	410.3	0.0	0.0	0.0	410.3	
	TOTAL EXPENSE				**2,897.6**	**909.7**	**26.6**	**810.0**	**1,710.5**	**3,456.8**	

Contract by PCode Detail

(Dollars in Thousands)

BU	PCode
95000	P506

Fund	Account		#	Contract Purpose	Actuals	FY 2028 Agency Request GF	OSF	ISF/IAT	FF	Total	Justification
21600	535200	Professional Services	1000	web based financial management system to support loan programs	12.1	20.0	0.0	0.0	0.0	20.0	
21600	535300	Other Services	1000	outreach efforts to increase tuition free college	0.0	100.0	0.0	0.0	0.0	100.0	
21600	535600	IT Services	1000	tracking system enhancement & improvements	0.0	200.0	0.0	0.0	0.0	200.0	
	TOTAL EXPENSE				**12.1**	**320.0**	**0.0**	**0.0**	**0.0**	**320.0**	

DFA Performance Based Budgeting Data System
Annual Performance Report

Agency: 95000 Higher Education Department

Program: P505 Policy Development and Institution Financial Oversight

The purpose of the policy development and institutional financial oversight program is to provide a continuous process of statewide planning and oversight within the department's statutory authority for the state higher education system and to ensure both the efficient use of state resources and progress in implementing a statewide agenda.

Performance Measures:		2025-26 Target	2025-26 Result	Met Target	Year End Result Narrative
Efficiency	Agency performance rate on annual loss prevention and control audit conducted by the general services department	100.00%	100.00%	Yes	
Explanatory	Percent of first-time, full-time, degree-seeking students, from the most recently available cohort, at state-funded community colleges who graduated within two-years of their initial enrollment	N/A	30.00%	N/A	• Completion timelines differ for community colleges, where many students attend part-time, transfer to four-year institutions, or take longer than two years to complete a credential. At branch community colleges, about 18% of students graduate within two years, increasing to about 27% within three years, and about 29% within four years. At independent community colleges, graduation rates are somewhat higher: about 26% of students complete within 2 years, 34% within 3 years, and about 33% within 4 years.
Explanatory	Percent of first-time, full-time, degree-seeking students, from the most recently available cohort, at state-funded universities who graduated within four-years of their initial enrollment	N/A	31.50%	N/A	• Graduation timelines vary across sectors of New Mexico’s higher education system. • At the state’s research universities, about 35% of students graduate within four years, which represents the typical on-time completion rate for bachelor’s degree programs. Within six years, the graduation rate increases to about 56%. • At regional comprehensive universities, about 27% of students graduate within four years, and roughly 35% complete a degree within six years.
Outcome	Percent of adult education high school equivalency test-takers who earn a high school equivalency credential	75%	74%	No	
Outcome	Percent of fiscal watch program quarterly reports from institutions submitted to the department of finance and administration and the legislative finance committee	100.00%	100.00%	Yes	
Outcome	Percent of high school equivalency graduates entering postsecondary degree or certificate programs	32%	34%	Yes	
Outcome	Percent of unemployed adult education students obtaining employment two quarters after exit	45%	42%	No	

Program: P505 Policy Development and Institution Financial Oversight

Performance Measures:		2025-26 Target	2025-26 Result	Met Target	Year End Result Narrative
Output	Number of certificates issued for new and existing private postsecondary schools by type of state authorization	85	86	Yes	Number of NM State authorization certificates issued for new and existing private post-secondary schools by type of State authorization: (note that not all State authorized institutions are on an annual renewal cycle)
Output	Number of current state authorized and exempted private postsecondary schools by school type	100	160	Yes	

Program: P506 Student Financial Aid

The purpose of the student financial aid program is to provide access, affordability and opportunities for success in higher education to students and their families so all New Mexicans may benefit from postsecondary education and training beyond high school.

Performance Measures:		2025-26 Target	2025-26 Result	Met Target	Year End Result Narrative
Explanatory	Percent of eligible state loan-for-service applicants receiving funds	N/A	34.00%	N/A	Although the number of applicants did not meet the anticipated target, the level of interest and funding needs demonstrated by New Mexico residents indicate that there remains a significant need for financial support among individuals working in health-related fields or pursuing education to become healthcare professionals. The applications received reflected continued demand for assistance in advancing education and careers within the healthcare sector.
Explanatory	Percent of eligible state loan repayment applicants receiving funds	N/A	40.00%	N/A	Although the number of applicants did not meet the anticipated target, the level of interest and funding needs demonstrated by New Mexico residents indicate that there remains a significant need for financial support among individuals working in health-related fields or pursuing education to become healthcare professionals. The applications received reflected continued demand for assistance in advancing education and careers within the healthcare sector.

Performance Measures Summary

P505 **Policy Development and Institution Financial Oversight**

Purpose: The purpose of the policy development and institutional financial oversight program is to provide a continuous process of statewide planning and oversight within the department's statutory authority for the state higher education system and to ensure both the efficient use of state resources and progress in implementing a statewide agenda.

Performance Measures:		2024-25 Actual	2025-26 Actual	2026-27 Budget	2027-28 Request	2027-28 Recomm
Output	Number of certificates issued for new and existing private postsecondary schools by type of state authorization	100	86	100	100	
Output	Number of current state authorized and exempted private postsecondary schools by school type	172	160	100	100	
Outcome	Percent of unemployed adult education students obtaining employment two quarters after exit	43%	42%	45%	45%	
Outcome	Percent of adult education high school equivalency test-takers who earn a high school equivalency credential	30%	74%	32%	76%	
Outcome	Percent of fiscal watch program quarterly reports from institutions submitted to the department of finance and administration and the legislative finance committee	100.0%	100.0%	100.0%	100.0%	
Outcome	Percent of high school equivalency graduates entering postsecondary degree or certificate programs	10%	34%	25%	37%	
Explanatory	Percent of first-time, full-time, degree-seeking students, from the most recently available cohort, at state-funded universities who graduated within four-years of their initial enrollment	42.0%	31.5%	N/A	N/A	
Explanatory	Percent of first-time, full-time, degree-seeking students, from the most recently available cohort, at state-funded community colleges who graduated within two-years of their initial enrollment	30.1%	30.0%	N/A	N/A	
Efficiency	Agency performance rate on annual loss prevention and control audit conducted by the general services department	100.0%	100.0%	100.0%	100.0%	

P506 **Student Financial Aid**

Purpose: The purpose of the student financial aid program is to provide access, affordability and opportunities for success in higher education to students and their families so all New Mexicans may benefit from postsecondary education and training beyond high school.

Performance Measures:		2024-25 Actual	2025-26 Actual	2026-27 Budget	2027-28 Request	2027-28 Recomm
Explanatory	Percent of eligible state loan-for-service applicants receiving funds	32.0%	34.0%	N/A	N/A	
Explanatory	Percent of eligible state loan repayment applicants receiving funds	40.0%	40.0%	N/A	N/A	

Information Technology Strategic Plan

Stephanie M. Rodriguez
Cabinet Secretary
Patricia Trujillo, Ph.D.
Deputy Secretary

NEW MEXICO HIGHER EDUCATION DEPARTMENT
Fostering Student Success from Cradle to Career

NEW MEXICO
HIGHER EDUCATION
DEPARTMENT

Fiscal Year 2028
Higher Education Department
IT STRATEGIC PLAN
September 1, 2026

Isaac Bush
Chief Information Officer

Table of Contents

I. EXECUTIVE SUMMARY

The New Mexico Higher Education Department (HED) seeks to promote accessibility to education for all New Mexicans. The Information Technology Services Division (ITS) is key to this mission by being part of every aspect of HED operations, from obtaining and configuring agency smartphones to managing the physical door access system to deploying and administrating desktop, laptop, and tablet computers to providing cloud-based services, public websites and web-based applications.

The ITS work that most effectively engages the higher education institutions and the public and which further empowers our staff and better protects our data, receives most of our attention. This includes (a) regular updates and new features for our applications, (b) offering archived school transcripts for students, (d) providing portals for uploading Capital Projects, Institutional Finance reports, and Financial Aid submissions (e) procuring and installing new network and server systems, (f) providing continuous high-level cyber security, and (g) facilitating legislative bill analysis. Therefore, the ITS work and goals are in alignment with the Higher Education Department's and the State's IT strategic goals.

Specifically:

ITS is continuing to improve overall security and functionality by way of (a) robust Internet traffic management via our firewalls, (b) fully enrolling in Department of Information Technology (DoIT)'s endpoint protection and authenticated scans and (c) implementing robust controls for role and account auditing. Also, as part of our continuous integration and continuous delivery efforts, we are adding features and improving performance of all existing applications and deploying new ones. ITS continues to refine and expand services in the public cloud, increasing efficiencies, redundancy, performance, accessibility, and security.

Regarding inter-agency activity, ITS continues to work with the CIOs of all the New Mexico Higher Education Institutions (HEIs) on cybersecurity, currently focusing on performing regularly penetration testing and assessments. We also continue to collaborate with Department of Information Technology's Office of Broadband, working in concert with University of New Mexico, the Public Education Department (PED), the Early Childhood Education and Care Department (ECECD), to bring broadband connectivity to the Grants, NM region, including the Navajo Nation community. Also, we remain a key stakeholder on the New Mexico Longitudinal Data System project (NMLDS), which is a collaboration between HED, ECECD, PED, and the Department of Workforce Solutions (DWS); ITS participates on the NMLDS Project Team, secures and oversees state and federal funding, execute and manages vendor contracts, and provides project management and IV&V services. NMLDS, a certified project, is currently initiating Phase 2 of NMLDS and we are on target to have this phase completed in September 2026.

Agency leadership continues to prioritize (a) better engagement and support of the State's students and teachers and (b) widely sharing the extensive information HED has collected and which ITS manages and protects. FY26 will, therefore, see ITS expand and harden our cloud-based Business Continuity and Disaster Recovery solution and further and more efficiently integrate our cloud-based services, primarily Microsoft 365 and Azure Active Directory.

II. AGENCY OVERVIEW

A. Agency Mission

The New Mexico Higher Education Department provides financial, academic, and policy oversight to the NM public higher education institutions for the purpose of promoting efficiency, accountability and student success.

B. Agency Goals

HED fosters and guides a system of higher education that best meets the needs of the citizens of the state by providing financing to and oversight of all of the state's public universities and colleges. The agency also has regulatory authority over private for-profit institutions operating within the state.

C. Vision and Priorities

HED strives to position public New Mexico colleges and universities to be more student-focused, delivering personalization that engages students and ensures their needs are seen, addressed and exceeded. Equity, therefore, is the highest priority. HED in concert with the state colleges and universities is striving to open up paths to experiences, opportunities and careers to all students, especially from marginalized communities, and help students define their goals and careers on their own terms.

The mission of ITS is to facilitate the workflow of all HED divisions and enhance the overall efficiency of the agency in support of this vision and priority

D. Agency Description and IT Organization Structure

HED has a staff size of 56 and offices in Santa Fe, Albuquerque, Espanola, and Taos. The agency is comprised of seven main divisions that sponsor various education-related programs. These are as follows:

1. The Adult Education Division serves adults to become literate and obtain the knowledge and skills necessary for employment and self-sufficiency.
2. The Financial Aid Division is dedicated to helping students in pursuing their educational goals by educating students, parents and the community about state aid opportunities.
3. GEAR UP's mission is to increase the number of underrepresented students who are prepared to enter and succeed in Postsecondary education.
4. The Institutional Finance Division is responsible for the fiscal oversight of 32 colleges, universities and special schools.

III. IT ENVIRONMENT

A. Major Applications

TABLE 1.1: Major Applications

Application Name	Purpose / What It Does	Mission Critical? (Yes/No)	Data Types Handled	Hosting Type (On-Prem / Cloud / SaaS)	Vendor or Internal
eDEAR	Process and ingest data submittals from HEIs	No	PII (does not store PII)	Cloud	Internal
CPTSS	Manage Capital Projects updates	No	Non-regulated business data	Cloud	Internal
Academic Affairs Portal	HEI academic degree program update portal	No	Non-regulated business data	Cloud	Internal
BAS	Agency FIR platform	No	Non-regulated business data	Cloud	Internal

B. Security

The Higher Education Department continues to strengthen its security posture across technology, information, facilities, and personnel. The agency's most recent security assessment identified opportunities to improve formal auditing, governance, and documentation of procedures. While many security practices are already being executed correctly, the assessment emphasized the need to standardize and formalize these activities to ensure consistency, accountability, and long-term resilience.

In response, the agency is launching a focused initiative to develop and document core security processes, establish governance frameworks, and expand routine auditing across systems and operations. As a small agency, strengthening formal governance represents a major step toward long-term maturity, and this work will form a foundation for meeting statewide cybersecurity standards in future assessment cycles. Additionally, HED is actively evaluating deeper integration with the Department of Information Technology (DoIT), including potential migration of additional workloads into the DoIT tenant to take advantage of centralized controls, stronger monitoring, and enterprise-grade security capabilities. The agency is also exploring the feasibility of onboarding a dedicated security contractor or full-time security position to increase continuous oversight and accelerate the development of needed processes.

The agency's annual security assessment was completed and submitted on May 18, 2026. The assessment results will guide the upcoming year's priorities and inform the agency's budget strategy for maturing its cybersecurity program.

At this time, HED has not yet implemented a formal cybersecurity awareness training program for employees or contractors. The agency is evaluating financial options and available statewide solutions to determine a sustainable path forward. In the interim, IT has been increasing internal communication around cybersecurity best practices and emerging risks, ensuring that staff receive timely guidance as part of daily operations and ongoing security improvements. During the upcoming fiscal year, HED plans to formalize a training approach and evaluate vendor solutions to establish an annual requirement aligned with statewide cybersecurity expectations.

C. Agency IT Certified Projects

TABLE 1.2: Current Certified IT Projects

PROJECT NAME	
Project Description	In partnership with DWS, ECECD and PED, implement a central data and reporting system containing all student and workforce information to track students' progress accurately through the education and workforce systems.
Estimated Project Costs	\$13M (FY21 – FY26)
Current Funding	\$12M (FY21 – FY26)
Certified Project Phase	Implementation
Estimated Completion	September 2026
Strategic Priority	To identify what programs, services, interventions, education practices, and other factors have an impact on student success and thereby help improve New Mexico's high school graduation rate, college enrollment and completion rates, workforce preparedness and retention, employment rate, career longevity, and ultimately broader social indicators such as poverty and health outcomes.

D. Workforce

i. Full Time Internal IT Employees

Classification	Positions Filled	Positions Vacant
Data Scientist	1	0

End User Support	0	1
Business Analyst	1	0
Database Administer	1	0
Applications Developer	1	0

ii. **IT Professional Services Contractors**

Service Category	Contract Vendor Name	Number of Contract Personnel
n/a		

E. Challenges

Agency IT Challenge Description	Potential Opportunities to Address the IT Challenge Description
Data loss\leakage due to unauthorized genai useage	M365 Copilot through DoIT tenant
Security breaches due to lost account credentials	Azure AD SSO integration to allow MFA

IV. FY26 KEY ACCOMPLISHMENTS

A. FY26 Strategic IT Accomplishments

TABLE 1.3a: Priority 1

STRATEGIC PRIORITY 1 – Improved IT Operations and Resilience	
Over the past fiscal year, the IT department prioritized strengthening operational efficiency, reliability, and security through targeted improvements in development practices, endpoint security, organizational structure, and application modernization. These initiatives collectively improved system stability, reduced risk, and established a stronger foundation for future growth.	
Strategy 1	Build foundational DevOps practices
Accomplishments	Fully staffed the internal development unit; implemented a basic CI/CD pipeline and introduced formalized application testing for internal systems that previously lacked structured deployment or QA processes.
Outcomes/Metrics	• CI/CD pipeline operational for all internal apps by fiscal year-end • Basic automated tests in place for all major internal applications

	• Future expansion of test coverage enabled by established framework
Strategy 2	Strengthen endpoint and network security posture
Accomplishments	Deployed defender; authenticated scans with Securin; completed penetration testing with identified issues rectified.
Outcomes/Metrics	• 100% of endpoints transitioned to defender • All critical and high-risk vulnerabilities from penetration testing remediated • Continuous VaaS monitoring active across the environment
Strategy 3	: Improve operational responsiveness through team consolidation
Accomplishments	Consolidated the helpdesk and sysadmin roles into a unified "Ops" role; expanded helpdesk responsibilities to include routine server and network administration; improved collaboration between development and operations.
Outcomes/Metrics	• Average incident resolution time reduced (baseline vs. post-consolidation) • Increased percentage of tickets resolved at first point of contact • Documented increase in cross-team collaboration initiatives
Strategy 4	Modernize internal applications and dependencies
Accomplishments	Upgraded all internal applications from outdated frameworks to Spring Boot 3; updated or removed dependencies with known vulnerabilities.
Outcomes/Metrics	• 100% of internal apps now running on Spring Boot 3 • Zero known critical vulnerabilities present in deployed application dependencies • Reduction in unplanned downtime due to outdated frameworks

B. FY26 Other Key IT Accomplishments

TABLE 1.4: Other FY26 Key IT Accomplishments

APPLICATION	
Accomplishment	No new applications were deployed during the fiscal year
Value or Impact	
DATA	
Accomplishment	Additional QA checks for incoming data from HEIs
Value or Impact	Reports accuracy and frequency are increased
PROCESS IMPROVEMENT	

Accomplishment	Integrated the Securin platform into daily operations, providing the Ops role with a centralized dashboard to track, prioritize, and remediate security issues.
Value or Impact	Improved visibility into system risks, enabling proactive issues resolution before they escalate.
WORKFORCE	
Accomplishments	Successfully filled all positions across IT units, achieving full staffing levels within the fiscal year.
Value or Impact	• Improved service responsiveness and delivery by ensuring adequate coverage and specialized expertise across teams. • Provided a stable foundation to support both current operations and planned strategic initiatives.
CUSTOMER SERVICE	
Accomplishments	Reduced average helpdesk ticket resolution times through process improvements and cross-training. Developed and delivered end-user training sessions for key internal applications, improving overall staff proficiency.
Value or Impact	• Faster issue resolution increased staff productivity and reduced downtime. • Application training empowered employees to use tools more effectively, reducing recurring support requests and improving self-sufficiency.
TELEWORK	
Accomplishments	Telework is not an option at NMHED
Value or Impact	n\a
SECURITY	
Accomplishments	Implemented authenticated scans with Securin
Value or Impact	Further visibility into potential security risks increases overall readiness of the Agency.

V. FY28 IT STRATEGIC GOALS AND STRATEGIES

TABLE 1.5a: Strategic Goals Priority 1

STRATEGIC PRIORITY 1 – Strategy Name
The overarching goal is to strengthen the Agency's security posture by reducing risk, improving visibility, and enabling safe, efficient access to critical systems. This will be

achieved through targeted initiatives focused on user awareness, tighter network controls, consistent access management, and modern identity solutions.	
FY28 Strategy 1	Implement ongoing security awareness and training programs
Outcomes/Metrics	• 100% of employees complete annual security training • Quarterly phishing simulations show reduced click-through rates (target: <5%) Documented improvements in employee-reported suspicious activity
FY28 Strategy 2	Adopt whitelisting for outbound network traffic
Outcomes/Metrics	• Whitelisting implemented across all core systems within 12 months • 90% reduction in unauthorized outbound connection attempts • Quarterly network audits confirm compliance
FY28 Strategy 3	Establish structured, recurring account and permission audits
Outcomes/Metrics	Establish structured, recurring account and permission audits
FY28 Strategy 4	Transition to Azure AD Single Sign-On (SSO)
Outcomes/Metrics	Improved compliance with centralized logging and MFA enforcement

VI. IT FISCAL AND BUDGET MANAGEMENT

Information Technology (IT) Operating Budget (C1)

To update this table, please double click on the embedded spreadsheet and add the required information.
Before exiting the spreadsheet, please make sure to scroll up. Otherwise, the entries of this table will not be fully previewed.

Agency Name				**Agency Code**	
Higher Education Department				950	
Base Request Operational Support of IT. Check one of the options below:				**Flat Budget**	**Expansion from previous year**
Yes/No				x	
Revenue IT Base Budget (dollars in thousands)					
Appropriation Funding Type	**FY25 Actual**	**FY26 Actual**	**FY27 OpBud**	**FY28 Request**	**FY29 Estimate**
General Fund	523.1	2,789.1	500.0	1,000.0	15,000.0
Other State Funds	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0
Internal Svc Funds/Interagency Transfer	0.0	0.0	0.0	0.0	0.0
Total	**523.1**	**2,789.1**	**500.0**	**1,000.0**	**15,000.0**

Expenditure Categories *(dollars in thousands)*					
Category or Account Description	**FY25 Actual**	**FY26 Actual**	**FY27 OpBud**	**FY28 Request**	**FY29 Estimate**
Personal Services & Employee Benefits	0.0	0.0	0.0	0.0	0.0
Contractual & Professional Services	100.0	100.0	200.0	200.0	250.0
IT Other Services	150.0	150.0	150.0	200.0	200.0
Other Financing Uses	0.0	0.0	0.0	0.0	0.0
Total	**250.0**	**250.0**	**350.0**	**400.0**	**450.0**

VII. C2 COMPUTER SYSTEM ENHANCEMENT FUNDING (CSEF) REAUTHORIZATION

HED is not requesting C2 funding at this time.

C. Previously Issued Supplemental Funding

D. List of C2 Funding Requests

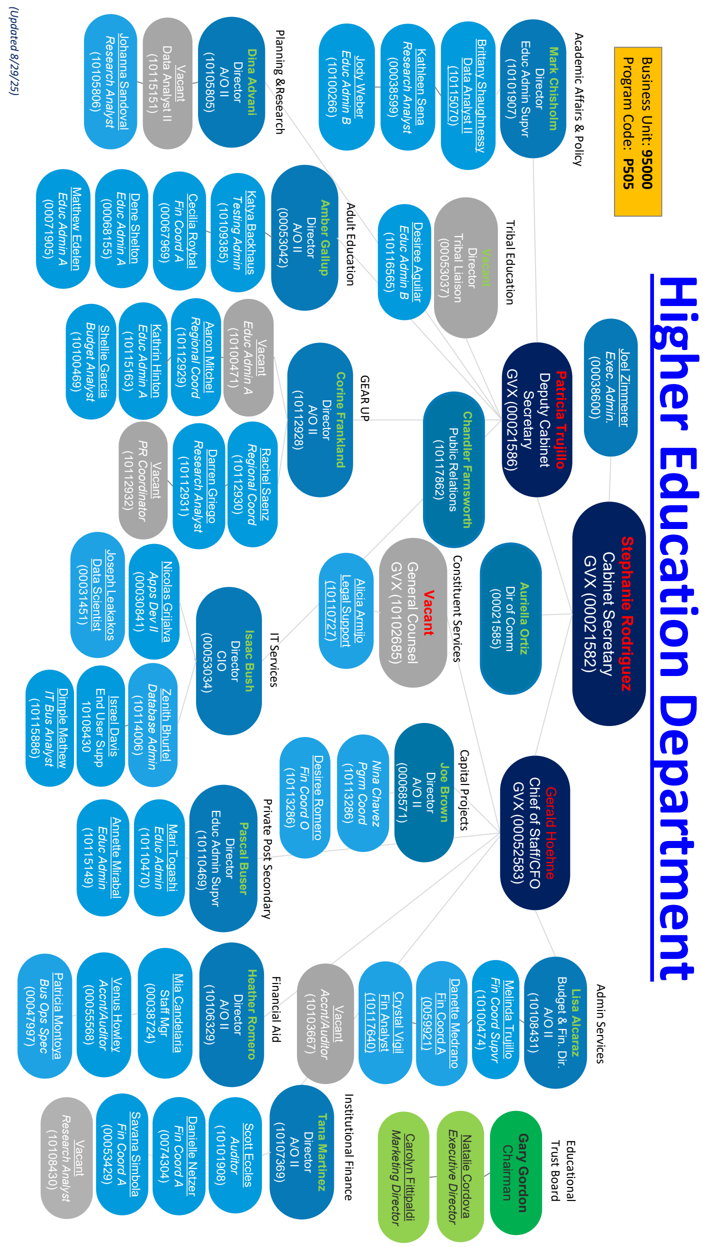
E. Requested Reauthorizations

TABLE 1.7: Request for Reauthorization of C2 Appropriations

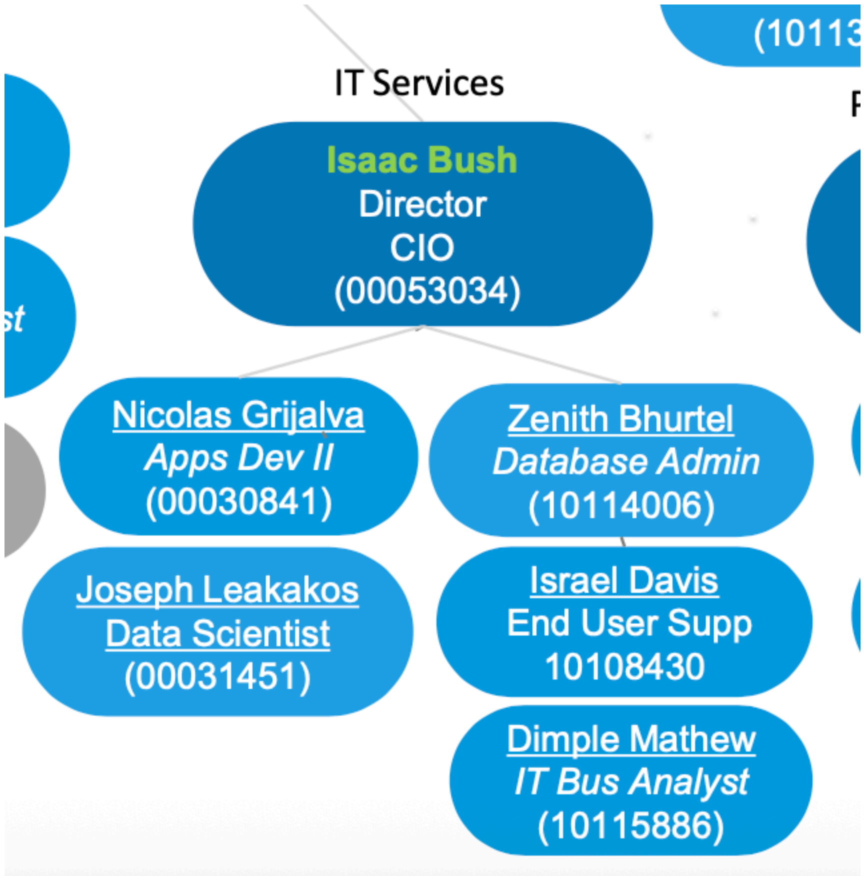
<table>
<tr><th colspan="5">Information Technology Request for Reauthorization of C2 Appropriations</th></tr>
<tr><td>Agency Name</td><td></td><td>Agency Code</td><td colspan="2"></td></tr>
<tr><td>Lead Agency Name Listed on Appropriation</td><td></td><td>Project Name</td><td colspan="2"></td></tr>
<tr><td colspan="3"># of Reauthorization Requests</td><td colspan="2"></td></tr>
<tr><td colspan="3">Source of Authorization
(e.g. Laws 2022, Chapter 54, Section 7 (12) or Grant/Federal Fund #)</td><td>Appropriation Amount
(in thousands)</td><td>Remaining Balance
(in thousands)</td></tr>
<tr><td colspan="3"></td><td>0.0</td><td>0.0</td></tr>
<tr><td colspan="3"></td><td>0.0</td><td>0.0</td></tr>
<tr><td colspan="3"></td><td>0.0</td><td>0.0</td></tr>
<tr><td colspan="3"></td><td>0.0</td><td>0.0</td></tr>
<tr><td colspan="3"></td><td>0.0</td><td>0.0</td></tr>
<tr><td colspan="3"></td><td>0.0</td><td>0.0</td></tr>
<tr><td>Total amount appropriated for project life
(in thousands)</td><td></td><td colspan="2">Will the project be completed within the next fiscal year?</td><td>☐ Yes
☐ No</td></tr>
<tr><td>Reason for Requesting Reauthorization</td><td colspan="4"></td></tr>
</table>

APPENDICES

APPENDIX I: AGENCY ORGANIZATION CHART



APPENDIX II: IT ORGANIZATION CHART



APPENDIX III: C2 IT DATA PROCESSING CSEF

C2: Information Technology
Data Processing - Computer Systems Enhancement Fund (CSEF)

Agency Name	Agency Code	Project Name		
If Multi-Agency Project, please list the Participating Agencies.		**Priority**	**Projected Start Date**	**Projected End Date**

Revenue Project Cost *(dollars in thousands)*				
Category or Account Description	**FY26 & Prev Actual**	**FY27 Budget**	**FY28 Request**	**Total**
General Fund (CSEF)	0.0	0.0	0.0	0.0
Other State Funds ***(*specify funds below)***	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0
Internal Svc Funds/Interagency Transfer	0.0	0.0	0.0	0.0
Total	**0.0**	**0.0**	**0.0**	**0.0**
***If Other State Funds, Specify Funding Source/Fund Name**				

Expenditure Categories *(dollars in thousands)*				
	FY26 & Prev Actual	**FY27 Budget**	**FY28 Request**	**Total**
Personal Services & Employee Benefits	0.0	0.0	0.0	0.0
Professional Services	0.0	0.0	0.0	0.0
Travel/Lodging	0.0	0.0	0.0	0.0
IT Hardware	0.0	0.0	0.0	0.0
IT Software	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
Total	**0.0**	**0.0**	**0.0**	**0.0**

Strategic Plan Approval

	Print Name	Date
Agency Cabinet Secretary/ Director	Stephanie Rodriguez DocuSigned by: 6E1AAA075817409...	9/1/2026
Agency Chief Information Officer or IT Lead	Isaac Bush DocuSigned by: 11E84B6B15A44F6...	8/28/2026
Agency Chief Finance Officer	Stephanie Rodriguez DocuSigned by: 6E1AAA075817409...	9/1/2026

Office of the Governor
MICHELLE LUJAN GRISHAM

490 Old Santa Fe Trail Room 400
Santa Fe, NM 87501

Phone: (505) 476-2200

Fiscal Year 2021 STRATEGIC PLAN

STATE OF NEW MEXICO

AGENCY

New Mexico Higher Education Department
2044 Galisteo Street, Suite 4
Santa Fe, NM 87505
(505) 476-8400

Leadership

Governor Michelle Lujan Grisham's priorities

- Transformative strategic investments in public education: My team will work hand-in-hand with educators, students, parents, and communities to build a higher education system that is accessible and equitable, and that provides New Mexicans with every single opportunity they need to succeed.
- Access to high-quality higher education throughout the state: We will keep tuition low and leverage federal financial aid for Pell eligible students going straight from high school to college. We will ensure a tuition free start to college through the launch of New Mexico's Opportunity Scholarship.
- A Lottery Scholarship—now available to Tribal college students—that is vital and solvent on into the future: Further investments in the College Affordability Act, teacher and healthcare provider funds, and research endowments which will improve access and student success.
- Environmentally sustainable Capital Outlay Projects: In line with the Paris Climate Accord, we will ensure a reduced carbon footprint and Leed level standards for all buildings on college campuses.
- Sustainable investments in the workforce: After boosting the minimum wage for the first time in a decade, we will continue to expand our apprenticeships and invest in job training programs.
- Enhanced collaboration for better data collection, analysis and dissemination: improved infrastructure, access, processing, analysis and use of student and institutional data. Build Longitudinal Data System across EEC, PED, HED, and DWS that fully uses a standard ID.

Note from HED
Cabinet Secretary
Kate O'Neill, Ed.D.

Higher Education changes lives. We are excited to roll out our vision for the future of Higher Education in New Mexico.

Our plan is anchored by:

- Access
- Affordability
- Quality
- Support
- Student Success

I welcome feedback from stakeholders and look forward to serving all New Mexicans as we continue to move our state forward.

Table of Contents

Vision, Mission, and Values

OUR VISION

New Mexico will be known globally for accessible, affordable, high-quality postsecondary education and research.

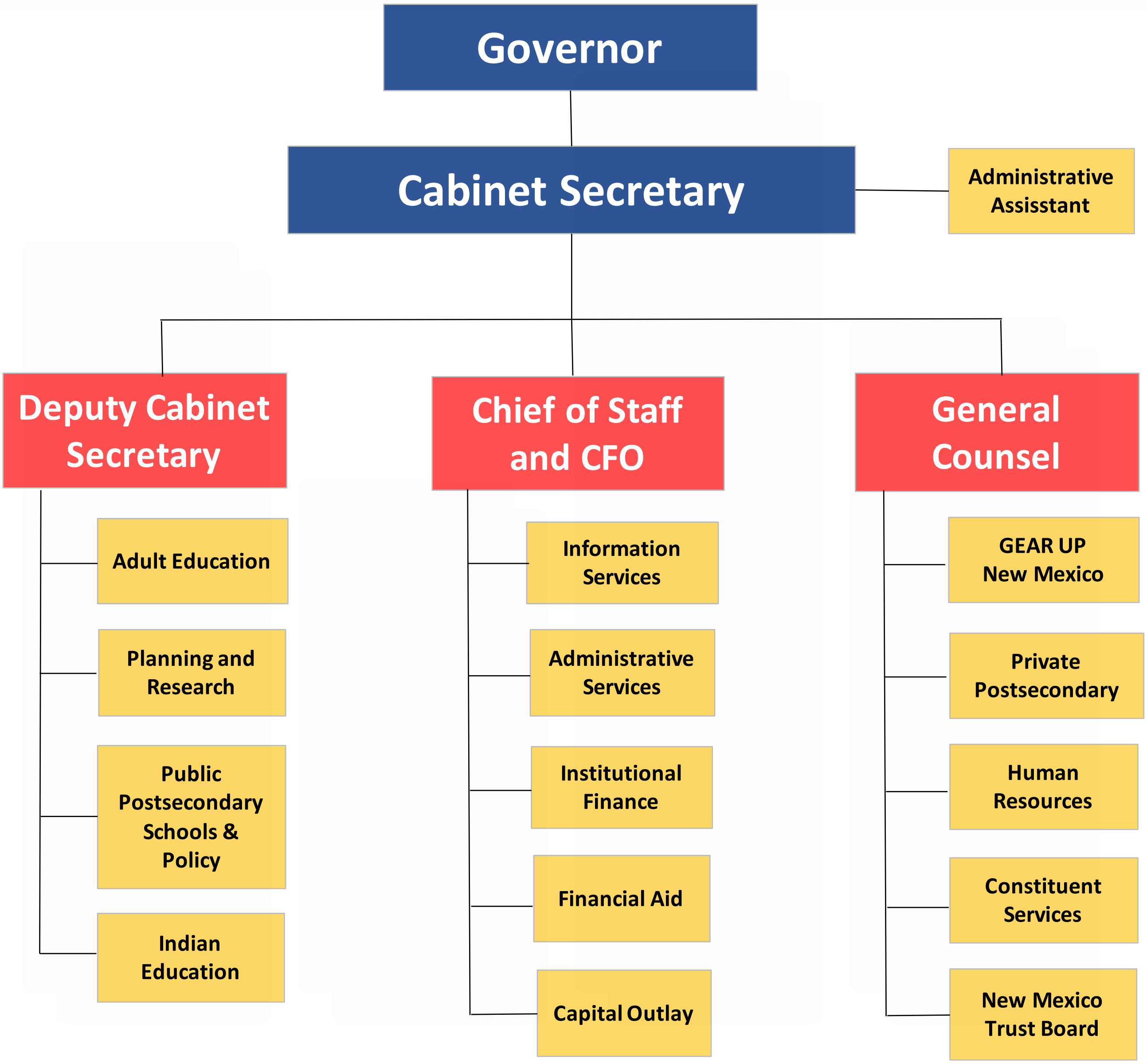
OUR MISSION

Guide, serve, and support students and higher education institutions to ensure enhanced opportunities to recruit, retain, and graduate highly-skilled and well-informed graduates.

OUR GUIDING VALUES

Access, Affordability, Quality, Accountability, Collaboration, Communication, Opportunity, Effectiveness, Support, Service, and Success.

Organizational Structure



Overview

Purpose of the Department

HED provides accessible, quality research and oversight so that all stakeholders can benefit from higher education opportunities and make informed decisions for the enhancement of New Mexico and the world.

Program Users

Eligible students who seek undergraduate, graduate/professional, dual credit, workforce training, and/or adult education, from one of New Mexico's higher education high-quality programs.

Benefits to New Mexicans

- Access to adult and higher education
- Affordable high-quality training
- Affordable high-quality certificates and degree programs
- Increased literacy and numeracy as well as social/emotional skills
- Leverage of federal research, financial aid, and investment funds statewide
- Improved health and socio-economic outcomes due to educational attainment
- More highly skilled workforce
- Retention of highly skilled workers
- Increase in the percentage of college-ready, college enrolled, and graduating students
- More informed and educated public

Budget

Higher Education Department FY20 FTE, Operating Budget and Higher Education Appropriation (in thousands)		
Permanent FTE Positions		31
Term FTE Positions		8
Total FTE		39
HED Department	$	3,910.90
HED Department Pass-through[^]	$	23,111.80
Financial Aid Program	$	64,713.20
I&G Appropriation to Institutions[*]	$	631,770.80
Additional General Fund Appropriations[*]	$	235,272.80
Capital Outlay Pass-through	$	80,461.00
Total Higher Education Budget	$	1,039,240.50
[^]includes ABE, ENLACE, MESA, AE Pilot, and other programs		
[*]includes compensation increase pass-through		

Programs and Strategies

Program Goals and Objectives

- Deliver high quality and timely services related to academics, literacy and college-readiness programs, financial aid, capital outlay, budget oversight, legal, and information technology support
- Provide comprehensive annual reporting
- Ensure adequate training and educational attainment support for HED employees
- Provide an overall positive experience for HED employees and constituents
- Maintain positive employee morale through employee engagement and appreciation activities
- Create successful pipeline and succession plan for key positions
- Ensure Performance Management processes are designed and implemented to align and maximize individual performance with HED goals

Strategic Actions

- Expand college access and affordability
- Provide training to Boards of Regents
- Calculate the Higher Education Funding Formula
- Provide budget and fiscal oversight
- Collect and maintain data from higher education institutions through use of the Electronic Data Editing and Reporting (eDEAR) system
- Prepare budget requests, operating budgets, and budget adjustment requests for HED
- Oversee private postsecondary institutions
- Report on enrollment trends, degree and graduation rates, financial aid, time to degree, credit accumulation, credentials, faculty and research, student transfers, dual credit, common course numbering system, general education program, degree mapping, advanced placement, remediation rates, adult education demographic and performance data
- Record, edit, audit, report, and archive all financial transactions for HED in compliance with all applicable state and federal laws and regulations and with generally accepted accounting principles
- Ensure maintenance and access of closed school records, including student transcripts requests
- Provide statewide academic instruction and education services to adults below the postsecondary level to increase their ability to read, write, and speak English and demonstrate knowledge necessary to attain a secondary school diploma, transition to postsecondary education and training, and enter a career pathway
- Oversee and provide training and support to sub grantees receiving state and federal funding totaling about $10,000,000 to provide services to about 12,000 adult students each year
- Participate as core partner under the Workforce Innovation and Opportunity Act with employers and postsecondary institutions to provide workforce preparation and training to New Mexicans with

Performance Measures

Percentage of New Mexico's workforce population, ages 25 -64, with a postsecondary credential
Average number of credit hours accrued in the attainment of a bachelor's degree by students graduating from state-funded higher education institutions
Average number of credit hours accrued in the attainment of an associate's degree by students graduating from state-funded higher education institutions
Percentage of first time, full time, degree seeking students, from the most recently available cohort, at state-funded universities who graduated within four-years of their initial enrollment.
Percentage of first time, full time, degree seeking students, from the most recently available cohort, at state-funded community colleges who graduated within two-years of their initial enrollment
Percent of unemployed adult education students obtaining employment two quarters after exit
Percent of adult education high school equivalency test-takers who earn a high school equivalency credential
Percent of fiscal watch program quarterly reports from institutions submitted to DFA and LFC.
Percent of high school equivalency graduates entering postsecondary degree or certificate programs.
Percent of eligible state loan for service (LFS) applicants receiving funds.
Percent of eligible state loan repayment applicants receiving funds.

Activities

Policy Development, Fiscal and Data Reporting

Implement the New Mexico common course numbering system, general education core program, degree mapping, statewide advanced placement policy, and dual credit program
Analyze and report on the effectiveness of the dual credit program
Analyze and report on how students move through New Mexico's higher education institutions and whether the common course numbering system, general education core program, and degree mapping have improved transfer between institutions
Publish an annual accountability report that includes each higher education institution's and sector's graduation rates, average time to degree, average credit accumulation, most frequent credentials awarded, and information on faculty and research
Publish data reports addressing college remediation, enrollment, degree, graduation rates, financial aid, tuition and fees, funding formula data tables, and the NMHED Annual Report
Collect and maintain data from higher education institutions through use of the Electronic Data Editing and Reporting (eDEAR) system

Fiscal Management, Budget Approval, Capital Outlay and Oversight

Development of the Higher Education Funding Formula
Provide budget and fiscal oversight of higher education institutions and perform supplementary audit and monitoring functions when warranted
Administer the Executive Order 2013-006 for grants of state capital outlay appropriations
Oversee and provide training and support to higher education institutions receiving state capital outlay appropriations
Coordinate annual hearings for higher education institutions to request capital outlay funding in accordance with 5.3.9 NMAC
Provide review and approval of capital projects in accordance with 5.3.10 NMAC

Program Support and Oversight

Record, edit, audit, report, and archive all financial transactions for HED in compliance with all applicable state and federal laws and regulations and with generally accepted accounting principles
Prepare budget requests, operating budgets, and budget adjustment requests for HED
Central disbursement of cash to vendors
Central budgetary controls
Accounting for cash receipts and monthly reconciliation for cash to the State Treasurer's financial reports
Allocation of appropriations from the State General Fund
Processing, recording, summarizing, and reporting financial transaction information
Annual production and audit of the State of New Mexico Comprehensive Annual Financial Report (CAFR)
Provide statewide academic instruction and education services to adults below the postsecondary level that increase their ability to read, write, and speak English and demonstrate knowledge necessary to attain a secondary school diploma, transition to postsecondary education and training, and enter a career pathway
Oversee and provide training and support to sub grantees receiving state and federal funding totaling about $10,000,000 to provide services to about 12,000 adult students each year
Participate as core partner under the Workforce Innovation and Opportunity Act with employers and postsecondary institutions to provide workforce preparation and training to New Mexicans with barriers to employment
Maintain demographic and performance data and report annually on high school credential attainment, transition to postsecondary education and training, employment and wage status, and educational skill level gains
Oversee private postsecondary educational institutions and public out-of-state authorization, and authorization for agents to recruit New Mexico students to attend out of state higher education institutions
Ensure maintenance and access of closed school records, including student transcript requests

Statutory Authority by Program

Policy Development, Fiscal Analysis, Budget Oversight and Education Accountability

Provide review and consultation for all new state-funded associate, baccalaureate, graduate, and professional degrees (21-1-26 NMSA 1978)
Analyze the financial impact of new degree programs as part of the department's review of the institution's operating budget (21-1-26 NMSA 1978)
Provide oversight of all private post-secondary educational institutions operating within the state and provide registration to all regionally accredited private institutions and licensure to all nonregionally accredited private institutions (21-23-5 NMAC 1978)
Provide review and make recommendation to the legislature for any new public institutions or campuses (21-1-26.9 NMSA 1978)
Plan and budget for the statewide adult basic education program and establish a protocol to provide equitable access to funding for adult basic education agencies (21-1-26.11NMSA 1978)
Develop, with the governing bodies of the institutions, a five-year plan for funding the infrastructure renovation and expansion projects designated by the department as the highest priority of significant needs and determine projects to be funded (21-1-26.12NMSA 1978)
Develop and publish a statement of statewide educational needs and guidelines to assist the institutions in the development or modification of institutional strategic plans, in consultation with the public institutions (21-1-26.12 NMSA 1978)
Conduct studies of statewide educational needs and make recommendations to the governor, the legislature and the institutions (21-1-26.12 NMSA 1978)
Carry out a continuing program of statewide planning for post-secondary education (21-2-5 NMSA 1978)
Conduct assessment of present and projected needs for the various types of postsecondary education in all parts of the state (21-2-5 NMSA 1978)
Conduct analysis of the effectiveness and productivity of postsecondary educational programs and an identification of marginal programs and of unnecessary or excessive duplication of programs (21-2-5 NMSA 1978)
Identify present and projected needs for postsecondary education on a statewide basis by identifying necessary expansion, elimination, or establishment of new programs or institutions (21-2-5 NMSA 1978)
Identify present and projected needs for postsecondary education on a statewide basis by identifying necessary expansion, elimination, or establishment of new programs or institutions (21-2-5 NMSA 1978)
Develop strategies for infusing occupational education and career education into the educational system at all levels on an equal basis with traditional academic education (21-2-5 NMSA 1978)
Develop provisions for the operation of postsecondary education and for the effective utilization of federal, state and local funding available for such education (21-2-5 NMSA1978)
Establish a program for receipt of distance education by students in the state; and of distance education to students in other states (21-23B-3 NMSA 1978)

Statutory Authority by Program

Fiscal Management and Oversight

Be concerned with the problems of finance of those public educational institutions designated in Article 12, Section 11 of the Constitution of New Mexico and other public post-secondary educational institutions in the state. (21-1-26 NMSA 1978)
Be concerned with adequate financing of public institutions and with the equitable distribution of funds (21-1-26 NMSA 1978)
Receive, adjust and approve the budgets submitted by public institutions prior to the submission of these budgets to the Department of Finance and Administration (21-1-26NMSA 1978)
Administer funds furnished under acts of congress for post-secondary educational institutions (21-1-26 NMSA 1978)
Provide prior approval for proposed purchase or construction or remodeling for public institutions (21-1-21 NMSA 1978)
Conduct special verifications of the institutions to include enrollments, fund balances, compliance with legislation, comparison of expenditures to budgets and other areas (21-1-26.3 NMSA 1978)
Make recommendations to the executive and to the legislature for determining appropriations from the state general fund to implement the planned system of postsecondary education pertaining (21-2-5 NMSA 1978)
Present to the legislature a comprehensive funding request and a legislative priorities list for all higher education contemplating the needs of all public post-secondary educational institutions and programs (9-25-9 NMSA 1978)
Develop a funding formula that will provide funding for each institution of higher education to accomplish its mission as determined by a statewide plan (21-2-5.1 NMSA1978)

Community Development, Local Government Assistance and Fiscal Oversight

Develop and maintain programs for the orientation and in-service education of members of the boards of regents and the governing bodies of other public postsecondary institutions (21-26 NMSA 1978)
Enter into agreement for the western interstate commission for higher education to administer and the state to participate in a state authorization reciprocity agreement (21-23B-3 NMSA 1978)

Program Support

Administer over 20 programs that finance higher education, including aid programs, legislative lottery scholarship, loan for service and loan repayment programs and the college savings program (21-21B-1 through 21-22I-8 NMSA 1978)
Submit an annual report to the governor and the legislature (21-2-7 NMSA 1978)
Make and adopt procedural rules necessary to carry out duties of the department (9-25-8NMSA 1978)
Appoint and convene a higher education advisory board to advise the secretary and the governor on policy matters (9-25-10 NMSA 1978)

Summary

The New Mexico Department of Higher Education provides vital support, oversight, guidance, policy, reviews, and capital outlay coordination throughout the state. The Department oversees both public and private institutions of post-secondary education for the benefit of students, communities, and the state as a whole. HED’s goal is to support post-secondary educational attainment at the level of 66% of New Mexicans with a degree or credential by 2030 – *the Route to 66!*

State of New Mexico
Approved Active Measures

Business Unit: Higher Education Department

Agency: 95000

Program Name: Policy Development and Institution Financial Oversight

PCode: P505

Measure Code	PM Type	Measure Name	Format Code	Key	HB2	Good Direction	Inactive in FY	Sort
95000P505001	Outcome	Percent of unemployed adult education students obtaining employment two quarters after exit	5- Percent (12%)	No	Yes	Over	ACTIVE	01
95000P505002	Outcome	Percent of adult education high school equivalency test-takers who earn a high school equivalency credential	5- Percent (12%)	No	Yes	Over	ACTIVE	02
95000P505003	Outcome	Percent of fiscal watch program quarterly reports from institutions submitted to the department of finance and administration and the legislative finance committee	8- Percent 2 dec. (12.12%)	No	No	Under	ACTIVE	03
95000P505004	Efficiency	Agency performance rate on annual loss prevention and control audit conducted by the general services department	8- Percent 2 dec. (12.12%)	No	No	Over	ACTIVE	04
95000P505005	Outcome	Percent of high school equivalency graduates entering postsecondary degree or certificate programs	5- Percent (12%)	No	Yes	Over	ACTIVE	05
95000P505006	Explanatory	Percent of first-time, full-time, degree-seeking students, from the most recently available cohort, at state-funded universities who graduated within four-years of their initial enrollment	8- Percent 2 dec. (12.12%)	No	No	Over	ACTIVE	06
95000P505007	Explanatory	Percent of first-time, full-time, degree-seeking students, from the most recently available cohort, at state-funded community colleges who graduated within two-years of their initial enrollment	8- Percent 2 dec. (12.12%)	No	No	Over	ACTIVE	07
95000P505008	Output	Number of certificates issued for new and existing private postsecondary schools by type of state authorization	1- Integer (1,234)	No	No	Over	ACTIVE	08
95000P505009	Output	Number of current state authorized and exempted private postsecondary schools by school type	1- Integer (1,234)	No	No	Over	ACTIVE	09

State of New Mexico
Approved Active Measures

Business Unit: Higher Education Department — **Agency:** 95000

Program Name: Student Financial Aid — **PCode:** P506

Measure Code	PM Type	Measure Name	Format Code	Key	HB2	Good Direction	Inactive in FY	Sort
95000P506001	Explanatory	Percent of eligible state loan-for-service applicants receiving funds	8- Percent 2 dec. (12.12%)	No	No	Over	ACTIVE	01
95000P506002	Explanatory	Percent of eligible state loan repayment applicants receiving funds	8- Percent 2 dec. (12.12%)	No	No	Over	ACTIVE	02

State of New Mexico

Full Program and Measure Report

BusUnit: Higher Education Department

Code: 95000

Program Name: Policy Development and Institution Financial Oversight

Code: P505

Authority: Sections 21-1-26 through 21-1-27; 21-1-32 through 21-1-33 NMSA 1978.

Purpose: The purpose of the policy development and institutional financial oversight program is to provide a continuous process of statewide planning and oversight within the department's statutory authority for the state higher education system and to ensure both the efficient use of state resources and progress in implementing a statewide agenda.

Performance Measures:		2025-26 Actuals	2026-27 Target	2027-28 Target
Efficiency	Agency performance rate on annual loss prevention and control audit conducted by the general services department	100.00%	100.0%	100.00%
Explanatory	Percent of first-time, full-time, degree-seeking students, from the most recently available cohort, at state-funded community colleges who graduated within two-years of their initial enrollment	30.00%	N/A	N/A
Explanatory	Percent of first-time, full-time, degree-seeking students, from the most recently available cohort, at state-funded universities who graduated within four-years of their initial enrollment	31.50%	N/A	N/A
Outcome	Percent of adult education high school equivalency test-takers who earn a high school equivalency credential	74%	32%	76%
Outcome	Percent of fiscal watch program quarterly reports from institutions submitted to the department of finance and administration and the legislative finance committee	100.00%	100.0%	100.00%
Outcome	Percent of high school equivalency graduates entering postsecondary degree or certificate programs	34%	25%	37%
Outcome	Percent of unemployed adult education students obtaining employment two quarters after exit	42%	45%	45%
Output	Number of certificates issued for new and existing private postsecondary schools by type of state authorization	86	100	100
Output	Number of current state authorized and exempted private postsecondary schools by school type	160	100	100

Program Name: Student Financial Aid

Code: P506

Authority: Sections 21-22A-1through 21-22K-7 NMSA 1978.

Purpose: The purpose of the student financial aid program is to provide access, affordability and opportunities for success in higher education to students and their families so all New Mexicans may benefit from postsecondary education and training beyond high school.

Performance Measures:		2025-26 Actuals	2026-27 Target	2027-28 Target
Explanatory	Percent of eligible state loan-for-service applicants receiving funds	34.00%	N/A	N/A
Explanatory	Percent of eligible state loan repayment applicants receiving funds	40.00%	N/A	N/A

State of New Mexico

Performance Monitoring Plan

Agency: Higher Education Department

BusUnit: **95000**

Program Name: Policy Development and Institution Financial Oversight

PCode: **P505**

The purpose of the policy development and institutional financial oversight program is to provide a continuous process of statewide planning and oversight within the department's statutory authority for the state higher education system and to ensure both the efficient use of state resources and progress in implementing a statewide agenda.

Measure:	Percent of unemployed adult education students obtaining employment two quarters after exit
Strategic Goal:	Meet the economic needs of New Mexico for 2020
Data Sources and Methodology:	
Data Validity:	Moving from a self report survey process to a data matching process increases the likelihood that we are in fact measuring what we intend to measure (job attainment).FY 08 will serve as the baseline for the data matching process. Subsequent years of data will allow us the opportunity to demonstrate validity evidence. Initially, we anticipate the ability of the matching process to more accurately reflect the true number of ABE students obtaining employment as it minimizes human error and other issues associated with self reporting.
Data Reliability:	Data matching puts in place a system with consistent methodology establishing confidence that year after year we will be measuring the same thing.FY 08 will serve as the baseline for the data matching process. Subsequent years of data will allow us the opportunity to conduct further reliability analysis. Initially, we anticipate the ability of the matching process to more accurately reflect the true number of ABE students obtaining employment as it minimizes human error and other issues associated with self reporting.

Measure:	Percent of adult education high school equivalency test-takers who earn a high school equivalency credential
Strategic Goal:	Increase degree attainment and student success
Data Sources and Methodology:	
Data Validity:	Data validity for this measures will be reviewed and methodolgy defined so that we moving forward we can ensure that we are accuratly reflecting the outcome for this measure.
Data Reliability:	Data reliablilty for this measures will be reviewed and methodolgy defined so that we moving forward we can ensure that we are in fact measuring the same thing year after year.

Measure:	Percent of fiscal watch program quarterly reports from institutions submitted to the department of finance and administration and the legislative finance committee
Strategic Goal:	Enhance statutory oversight of public post secondary institutions for fiscal accountabiltiy
Data Sources and Methodology:	
Data Validity:	
Data Reliability:	

Measure:	Agency performance rate on annual loss prevention and control audit conducted by the general services department
Strategic Goal:	
Data Sources and Methodology:	
Data Validity:	
Data Reliability:	

Measure:	Percent of high school equivalency graduates entering postsecondary degree or certificate programs
Strategic Goal:	
Data Sources and Methodology:	
Data Validity:	
Data Reliability:	

Measure:	Percent of first-time, full-time, degree-seeking students, from the most recently available cohort, at state-funded universities who graduated within four-years of their initial enrollment
Strategic Goal:	
Data Sources and Methodology:	
Data Validity:	
Data Reliability:	

State of New Mexico

Performance Monitoring Plan

Measure: Percent of first-time, full-time, degree-seeking students, from the most recently available cohort, at state-funded community colleges who graduated within two-years of their initial enrollment

Strategic Goal:

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Number of certificates issued for new and existing private postsecondary schools by type of state authorization

Strategic Goal:

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Number of current state authorized and exempted private postsecondary schools by school type

Strategic Goal:

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Average number of credit hours for students who start as a first time freshman accrued in the attainment of a bachelor's degree by students graduating from state-funded higher education institutions.

Strategic Goal:

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Average number of credit hours for students who start as a first time freshman accrued in the attainment of an associate's degree by students graduating from state-funded higher education institutions.

Strategic Goal:

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Percent of first-time, degree-seeking community college students who have graduated from the same institution or another public institution within two years

Strategic Goal: Increase degree attainment and student success

Data Sources and Methodology:

Data Validity: Data validity for this measures will be reviewed and methodolgy defined so that we moving forward we can ensure that we are accurratly reflecting the outcome for this measure.

Data Reliability: Data reliablilty for this measures will be reviewed and methodolgy defined so that we moving forward we can ensure that we are in fact measuring the same thing year after year.

Measure: Percent of adult education students who enter into postsecondary education and training

Strategic Goal: Expand access to postsecondary education

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Percent of first-time, degree-seeking university students who have graduated from the same institution or another public institution within four years

Strategic Goal: Increase degree attainment and student success

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Number of awards produced in postsecondary programs geared toward New Mexico workforce needs

Strategic Goal:

Data Sources and Methodology:

Data Validity:

```
select count(1) 'No.of Degrees from CTE' from Degree
where
AcademicYear = 2013 and
Major1 in (
select
 [CIP Code]
from [DUGTEMPT].dbo.CareerTech where [CTE need] = 1)
```

Data Reliability: Data reliability for this measures will be reviewed and methodology defined so that we moving forward we can ensure that we are in fact measuring the same thing year after year.

Measure: Number of enrolled students in adult education programs

Strategic Goal: Increase degree attainment and student success

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Number of students receiving an associate's degree from a New Mexico public postsecondary institution

Strategic Goal:

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Number of students receiving a baccalaureate degree from a New Mexico public postsecondary institution

Strategic Goal: To increase the number of graduates in NM

Data Sources and Methodology:

Data Validity:

Data Reliability: Insitutuions submit annual data on number of graduates to NMHED. Currently the data is being report as with a trailing summer with a one year lag. Starting in FY16, we will be switching to a leading summer.

Measure: Number of students receiving a certificate from a New Mexico public postsecondary institution

Strategic Goal: To increase the number of Associates Degrees

Data Sources and Methodology:

Data Validity:

Data Reliability: Data is submitted annually to NMHED using Edear which validates data fields. Does include less than one year certificates.

Measure: Number of high school students earning dual credits from New Mexico public postsecondary institutions

Strategic Goal: Expand access to postsecondary education

Data Sources and Methodology: By the end of next year we expect that this number will remain at 100% and should not continue to be a measure for the Accountability and Government Act.

Data Validity: Where dc_stu = 'Y' and starsid (a.k.a PED unique ID) is not blank

Data Reliability: Institutions self-report data to NMHED. Edear has validation checks to make sure that a dual credit student is identified correctly and there is a valid 9 digit STARSID. The query limits to student's that are from NM public school or homeschoolers.

State of New Mexico

Performance Monitoring Plan

Measure: For recent New Mexico high school graduates, percent of students who require remediation in math and/or English, or both who pass the remedial course and pass the ensuing college credit course within the same discipline within one year

Strategic Goal: Increase degree attainment and student success

Data Sources and Methodology: Fall DEAR file submissions

Data Validity:

Data Reliability:

Measure: Average time for the private and proprietary schools division to approve or reject a license or registration application

Strategic Goal: Increase degree attainment and student success

Data Sources and Methodology:

Data Validity: Moving from a self report survey process to a data matching process increases the likelihood that we are in fact measuring what we intend to measure (GED attainment).

FY 08 will serve as the baseline for the data matching process. Subsequent years of data will allow us the opportunity to demonstrate validity evidence. Initially, we anticipate the ability of the matching process to more accurately reflect the true number of ABE students receiving GED diplomas as it minimizes human error and other issues associated with self reporting.

Data Reliability: Data matching puts in place a system with consistent methodology establishing confidence that year after year we will be measuring the same thing.

FY 08 will serve as the baseline for the data matching process. Subsequent years of data will allow us the opportunity to conduct further reliability analysis. Initially, we anticipate the ability of the matching process to more accurately reflect the true number of ABE students receiving GED diploma's as it minimizes human error and other issues associated with self reporting.

Measure: Percent of enrollees in four-year public postsecondary institutions who are transfers from public two-year postsecondary institutions

Strategic Goal: Increase degree attainment and student success

Data Sources and Methodology: DEAR

Data Validity: Data validity for this measures will be reviewed and methodology defined so that we moving forward we can ensure that we are accurately reflecting the outcome for this measure.

Data Reliability: Data reliability for this measures will be reviewed and methodology defined so that we moving forward we can ensure that we are in fact measuring the same thing year after year

Measure: Average number of credit hours accrued in the attainment of a bachelor's degree by students who transfer in versus those who originate at the degree-awarding institution

Strategic Goal: Increase degree attainment and student success

Data Sources and Methodology: DEAR Student File

Data Validity: Data validity for this measures will be reviewed and methodology defined so that we moving forward we can ensure that we are accurately reflecting the outcome for this measure.

Data Reliability: Data reliability for this measures is still reviewed and methodology defined. CCA methodology is being used to report AY2012-13 data.

Measure: Percent of properly completed capital infrastructure draws released to the state board of finance within thirty days of receipt from the institutions

Strategic Goal: Improve department efficiency and effectiveness

Data Sources and Methodology: Draws are regularly logged into the division quarterly indicators spreadsheet by the number of draws and the 30 day indicator of Board of Finance.

Data Validity: Data validity for this measures will be reviewed and methodology defined so that we moving forward we can ensure that we are accurately reflecting the outcome for this measure.

Data Reliability: Data reliability for this measures will be reviewed and methodology defined so that we moving forward we can ensure that we are in fact measuring the same thing year after year.

Measure: Percent of institutional operating budgets approved by the New Mexico higher education department deadline of June 1st

State of New Mexico
Performance Monitoring Plan

Strategic Goal: Enhance statutory oversight of public post secondary institutions for fiscal accountabiltiy

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Time for the private and proprietary schools division to address and close a student complaint

Strategic Goal:

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Time for the private and proprietary schools division to complete a request for student transcripts

Strategic Goal:

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Percent of dual-credit courses successfully completed annually

Strategic Goal: Ensure accurate and meaningful data are available.

Data Sources and Methodology:

Data Validity: This performance measure result reported by the PED represents sensitivity to program change(s), an evaluation of program impact and effectiveness, and provides a meaningful connection to program performance as defined by PED leadership.

Data Reliability: The PED will use a clear definition and a standardized procedure for analyzing and collecting the data for this performance measure. This ensures that the measuring procedure used yields responsive results for repeated data collection(s).

Measure: Number of dual-credit courses students enroll in within New Mexico public high schools and postsecondary institutions

Strategic Goal: Increase graduation rates.

Data Sources and Methodology:

Data Validity: This performance measure result reported by the PED represents sensitivity to program change(s), an evaluation of program impact and effectiveness, and provides a meaningful connection to program performance as defined by PED leadership.

Data Reliability: The PED will use a clear definition and a standardized procedure for analyzing and collecting the data for this performance measure. This ensures that the measuring procedure used yields responsive results for repeated data collection(s).

Measure: Percent of capital projects evaluations and audits performed to ensure institutional accountability and responsibility

Strategic Goal: Improve department efficiency and effectiveness

Data Sources and Methodology:

Data Validity:

Data Reliability: The rigorous validation process described above ensures that this measure is consistently captured and reported.

Measure: Percent of audit oversight reviews completed by higher education department to ensure institutions are implementing corrective measures to reduce and eliminate new and recurring findings

Strategic Goal: Enhance statutory oversight of public post secondary institutions for fiscal accountabiltiy

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Percentage of New Mexico's workforce population, ages 25 through 64, with a postsecondary credential

Strategic Goal:

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Average number of credit hours accrued in the attainment of a bachelor's degree by students graduating from state-funded higher education institutions

Strategic Goal:

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Average number of credit hours accrued in the attainment of an associate's degree by students graduating from state-funded higher education institutions

Strategic Goal:

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Number of returning undergraduate students who are taking remedial education courses

Strategic Goal: To measure the number of adults (25 or older) that take remediation coursees

Data Sources and Methodology:

Data Validity: Adult Students that are 25 or above enrolling in a NM Public Postsecondary Institutions that enroll in a remedial Math and/or Remedial English.

Data Reliability: While adults requiring remediation upon reentry into college is worthy of measurement for performance, NMHED is reviewing the curecnt measure to ensure actionable data is measured.

Measure: Percent of first-time, degree-seeking community college students who have graduated from the same institution or another public institution or have transferred within three years

Strategic Goal: Increase degree attainment and student success

Data Sources and Methodology: DEAR Degree file & Student File
percent and number of first-time, degree-seeking undergraduates who have graduated or are still enrolled in public higher education after six academic year.

Data Validity: Data validity for this measures will continued to be reviewed and methodolgy defined

Data Reliability: Data reliablilty for this measures will be reviewed and methodolgy defined so that we moving forward we can ensure that we are in fact measuring the same thing year after year.

Measure: Number of adult education students who enter into postsecondary education and training

Strategic Goal: Expand access to postsecondary education

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Number of adult education students obtaining employment

Strategic Goal: Meet the economic needs of New Mexico for 2020

Data Sources and Methodology: A data matching MOU has been established with the Department of Workforce Solutions (DWS). Reports from the Literacy Adult and Community Education System (LACES) are the initial data source for this measure. Matching will take place between LACES data and the DWS reporting system.

All students enrolled in the fiscal year (June 30 - July 29) will be included in the matching algorithm. Any student from the generated list that shows up as employed in the DWS database will be included in the final number.

Data Validity: Moving from a self report survey process to a data matching process increases the likelihood that we are in fact measuring what we intend to measure (job attainment).FY 08 will serve as the baseline for the data matching process. Subsequent years of data will allow us the opportunity to demonstrate validity evidence. Initially, we anticipate the ability of the matching process to more accurately reflect the true number of ABE students obtaining employment as it minimizes human error and other issues associated with self reporting.

Data Reliability: Data matching puts in place a system with consistent methodology establishing confidence that year after year we will be measuring the same thing.FY 08 will serve as the baseline for the data matching process. Subsequent years of data will allow us the opportunity to conduct further reliability analysis. Initially, we anticipate the ability of the matching process to more accurately reflect the true number of ABE students obtaining employment as it minimizes human error and other issues associated with self reporting.

Measure: Percent of first-time, degree-seeking university students who have graduated from the same institution or another public institution within six years

Strategic Goal: Increase degree attainment and student success

Data Sources and Methodology: DEAR Degree file & Student File

Data Validity:

Data Reliability:

Measure: Number of students receiving an associate's degree or certificate from a New Mexico public postsecondary institution

Strategic Goal: To increase the number of Associates Degrees

Data Sources and Methodology:

Data Validity:

Data Reliability: Data is submitted annually to NMHED using Edear which validates data fields. Does not include less than one year certificates. Includes post-

Measure: Number of enrollees in four-year public postsecondary institutions who are transfers from public two-year postsecondary institutions

Strategic Goal: Increase degree attainment and student success

Data Sources and Methodology: DEAR student files

Data Validity: Data validity for this measures will be reviewed and methodolgy defined so that we moving forward we can ensure that we are accuratly reflecting the outcome for this measure.

Data Reliability: Data reliablilty for this measures will be reviewed and methodolgy defined so that we moving forward we can ensure that we are in fact measuring the same thing year after year.

Measure: Number of adult education students who earn the high school equivalency credential

Strategic Goal: Increase degree attainment and student success

Data Sources and Methodology: The data source for this measure is the LACES database.
A data matching MOU has been established with Oklahoma Scoring. Reports from the Literacy Adult and Community Education System (LACES) are the initial data source for this measure. Matching will take place between LACES data and the Oklahoma scoring data system.

All students enrolled in the fiscal year (June 30 - July 29) wwho set the goal of passing the GED will be included in the matching algorithm. Any student from the generated list who is determined to have received a passing score on the GED will be included in the final number.

Data is monitored monthly and reported to DFA annually.

Data Validity: Moving from a self report survey process to a data matching process increases the likelihood that we are in fact measuring what we intend to measure (GED attainment).

FY 08 will serve as the baseline for the data matching process. Subsequent years of data will allow us the opportunity to demonstrate validity evidence. Initially, we anticipate the ability of the matching process to more accurately reflect the true number of ABE students receiving GED diplomas as it minimizes human error and other issues associated with self reporting.

Data Reliability: Data matching puts in place a system with consistent methodology establishing confidence that year after year we will be measuring the same thing.

FY 08 will serve as the baseline for the data matching process. Subsequent years of data will allow us the opportunity to conduct further reliability analysis. Initially, we anticipate the ability of the matching process to more accurately reflect the true number of ABE students receiving GED diploma's as it minimizes human error and other issues associated with self reporting.

Program Name: Student Financial Aid

PCode: P506

State of New Mexico

Performance Monitoring Plan

The purpose of the student financial aid program is to provide access, affordability and opportunities for success in higher education to students and their families so all New Mexicans may benefit from postsecondary education and training beyond high school.

Measure:	Percent of eligible state loan-for-service applicants receiving funds
Strategic Goal:	Increase the number of professionals providing medical; allied health; veterinary, dental; education; and public legal services in underserved areas of the state.
Data Sources and Methodology:	
Data Validity:	
Data Reliability:	

Measure:	Percent of eligible state loan repayment applicants receiving funds
Strategic Goal:	
Data Sources and Methodology:	
Data Validity:	
Data Reliability:	

Measure:	Percent of first-time freshman lottery recipients graduated from college after the ninth semester
Strategic Goal:	Increase degree attainment and success
Data Sources and Methodology:	FAFSA information together with student high school, residency, first semester GPA, and student degree files, which are all captured in DEAR, is the data source for this measure. Numbers reported for this measure are always a year behind because data from the degree files is not available until October. Degree files are submitted by institutions in September and have to go through edits before we certify data and upload from the staging area to DEAR.
Data Validity:	All financial aid measures are being reviewed as part of our strategic planning session. Full methodology is forthcoming but will not be available until we review historical stored queries. This review will should provide, or not the validity and reliability evidence for this measure.
Data Reliability:	

Measure:	Percent of students who received state loan-for-service funding who provided service after graduation
Strategic Goal:	Meet the economic needs of New Mexico for 2020
Data Sources and Methodology:	Financial Aid Access data base.
Data Validity:	All financial aid measures are being reviewed as part of our strategic planning session. Full methodology is forthcoming but will not be available until we review historical stored queries. This review will should provide, or not the validity and reliability evidence for this measure.
Data Reliability:	Cross-checks between the financial aid and access database and the DEAR database will be conducted as part of the review of financial aid measures.

Measure:	Percent of state financial aid funds used for need-based aid
Strategic Goal:	Make postsecondary education affordable for all
Data Sources and Methodology:	DEAR Financial Aid File (August) - FAFSA data, DEAR Student files (October) Financial aid access data base
Data Validity:	All financial aid measures are being reviewed as part of our strategic planning session. Full methodology is forthcoming but will not be available until we review historical stored queries. This review will should provide, or not the validity and reliability evidence for this measure.
Data Reliability:	Cross-checks between the financial aid and access database and the DEAR database will be conducted as part of the review of financial aid measures.

Measure:	Annual average federal student loan debt for all students enrolled at four-year public schools
Strategic Goal:	Make postsecondary education affordable to all
Data Sources and Methodology:	DEAR financial aid files - FASFA files
Data Validity:	All financail aid measures are being reviewed as part of our ptrategic planning session. Full methodology is forthcoming but will not be avaliable until we review historical stored queries. This review will should provide, or not the validity and reliablilty evidence for this measure.
Data Reliability:	Cross-checks between the financail aid and access database and the DEAR database will be conducted as part of the review of financial aid measures.

State of New Mexico

Performance Monitoring Plan

Measure: Annual average federal student loan debt for all students enrolled at two-year public schools

Strategic Goal: Make postsecondary education affordable for all

Data Sources and Methodology: DEAR financial aid files - FASFA files

Data Validity: All financial aid measures are being reviewed as part of our ptrategic planning session. Full methodology is forthcoming but will not be avaliable until we review historical stored queries. This review will should provide, or not the validity and reliablilty evidence for this measure.

Data Reliability:

Measure: Number of lottery success recipients enrolled in or graduated from college after the ninth semester

Strategic Goal: Increase degree attainment and student success

Data Sources and Methodology: FAFSA information together with student high school, residency, first semester GPA, and student degree files, which are all captured in DEAR, is the data source for this measure.

Numbers reported for this measure are always a year behind because data from the degree files is not available until October. Degree files are submitted by institutions in September and have to go through edits before we certify data and upload from the staging area to DEAR.

Data Validity: All financial aid measures are being reviewed as part of our strategic planning session. Full methodology is forthcoming but will not be available until we review historical stored queries. This review will should provide, or not the validity and reliability evidence for this measure.

Data Reliability:

Measure: Number of need-based scholarships awarded to students with an estimated family contribution of zero

Strategic Goal: Make post secondary eduaction affordable for all

Data Sources and Methodology:

Data Validity:

Data Reliability:

Measure: Number of students receiving college affordability awards

Strategic Goal: Make post secondary eduaction affordable for all

Data Sources and Methodology: DEAR financial aid files
Financial aid access data base

Data Validity:

Data Reliability: