



NMICC
NEW MEXICO INDEPENDENT COMMUNITY COLLEGES



NEW MEXICO
**ASSOCIATION of
COMMUNITY
COLLEGES**

HIGHER EDUCATION UNIFIED PRIORITIES for 2024 LEGISLATIVE SESSION

(supported by the Higher Education Regents Coalition [HERC])

FUNDING TO TRANSFORM AND GROW NEW MEXICO'S ECONOMY

A Few Facts -- New I&G Funding Formula Dollars Ratio to New Tuition Dollars:

- Every 1% of I&G higher education formula funding is approximately a 2.8% tuition increase.
 - Each 1% of formula funding generates approximately \$7.9M for formula funded institutions.
 - A 1% Base increase to I&G is approximately (\$10.4M)
 - Tuition increases: each 1% tuition increase generates approximately \$2.8M.

RECURRING FUNDING

Instruction & General (I&G) Funding Increase: (\$83.1 million – 10.5% increase in I&G) Funding for core higher education operations -- including instruction and student support -- has a significant impact on student outcomes. While a portion of the I&G funding could be designated, there must be flexible funding which allows institutions to direct funding as needed.

General Operations/Higher Education Price Increases (\$49.3 million)

- Inflation impacts higher education institutions in the same way it impacts families and businesses. As higher education has a unique 'market basket' of goods and services, the Higher Education Price Index (HEPI) was created. The latest HEPI forecast (August 2023) estimates higher education institutions will require a 4.4% increase in instruction and general funding to maintain the same purchasing power. Based upon FY 2020 higher education expenditures, institutions require \$45.4M in additional funding (each 1% = \$10.3M).
- Increased cost of health insurance.

Student Support Initiatives to increase student retention & graduation (\$15.8 million)

Including:

- Tutoring and academic advising
- Student basic needs services, also referred to as wrap around services.
- Behavioral and mental health

Campus Safety (\$11.0 million)

- Increasing campus safety services at all public higher education institutions, including NM Military Institute and New Mexico's Native American institutions.

Employee Benefit Enhancements (\$7.0 million minimum)

- Fully fund employee benefit enhancements, such as increasing the employer share of group insurance, including funding for recurring unfunded benefit enhancements made in the 2023 session.

Compensation (6% increase for all employees):

- Provide a compensation increase equivalent to the increase provided for state agency and public education employees, no less than the national COLA.
- Increase the compensation percentage funded by the state (the general fund appropriation). In FY 2023 the legislature supported 80% of the compensation increase, the remaining 20% was left to institutions to fund, in many cases requiring the institutions to either increase tuition or reduce expenses.
- Higher education institutions request flexibility for the institutions to budget an "average" increase so that institutions can address pay inequities, including addressing compensation for our lowest paid staff.

(3% additional increase for targeted faculty)

- Continued support for targeted faculty compensation increases to retain and attract full and part-time faculty.

NON-RECURRING FUNDING

Higher Education Endowment Fund: (\$10.0 million) –

- Continued support for the Higher Education Endowment Fund

Dual Credit: (\$15.0 million)

- Significant infusion of non-recurring funding from sources outside the funding formula to support Higher Education Dual Credit programs over a three-to-five-year period. Funding dual credit a New Mexico's higher education institutions is a good investment for the state – dual credit students require fewer credit hours to complete their higher education program of study.

Campus Safety: (\$11.0 million)

- Provide support for campus safety equipment including vehicles, patrol bicycles, patrol golf carts, access control, cameras, and other safety equipment. This funding is for at all public higher education institutions, including NM Military Institute and New Mexico's Native American institutions.

Research Closing Fund: (\$ 100 million) –

- Continued funding for the Technology Enhancement Fund with the goal of a \$500M permanent fund.

Regional Universities & Community Colleges (\$100 million) –

(For expenditure in five fiscal years)

- Service-Learning Funding (Paid Internships for Credit)
- Undergraduate Research Program/Workforce Training
- Short-term, industry recognized workforce training

The regional universities and the community colleges seek the creation and funding of a permanent higher education workforce training fund.

SUPPORTED STATEWIDE INITIATIVES

Building Renewal & Replacement: (\$50 million)

- Support non-recurring funding for critical infrastructure.
- Support to address critical deferred maintenance needs.
 - (Use the original BR&R formula, excluding square footage added in last 5 years.)
- Support continued funding for building demolition for health and safety.
- Support funding for construction cost overruns due to inflation and supply chain challenges.

Equipment Renewal & Replacement: (\$10 million)

- Support non-recurring funding for institutional instruction and general equipment.

Expanded Cybersecurity Initiatives: (minimum \$11.5 million)

- Attacks against educational IT services have exploded in frequency and severity across the world, leaving many schools faced with extortion or being faced with rebuilding information and services from backups, where those are available.

FINANCIAL AID

Lottery Scholarship:

- Support strategies to ensure the Legislative Lottery Scholarship is fully funded.
- Non-recurring funding to set lottery scholarship support at 100%, current additional funding sources are set to expire in FY25.
- The associations support legislative authorization for broad hardship exemptions to 15 SCH / 7-semester Lottery Scholarship requirements, to allow 12 SCH loads for recipients with family, personal, health, financial, employment issues.
- Allow for lottery to be used for summer school.

Opportunity Scholarship:

- Support continued funding of the Opportunity Scholarship, recognizing the relationship between state appropriations for higher education institutions and the established tuition and fees are linked.
- Potential authorization for Opportunity Scholarship to cover additional student credit hours costs to allow Opportunity Scholarship Hardship Exemption students to complete bachelor's degrees.
- Allow Opportunity Scholarship exemptions for at risk part-time students.

HIGHER EDUCATION DEPARTMENT INITIATIVES

Longitudinal Data System: (\$xx million)

- Continue to support the Longitudinal Data Study overseen by the Higher Education Department.

HED FY25 Budget Request

Eight (8) new full-time employees (FTE)

- Institutional Finance Division
- Capital Projects Division
- Financial Aid Division (2)
- Planning and Research Division
- Academic Affairs and Policy Division
- Indian Education Division
- Communications Specialist