

Postsecondary Certificates



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September 9, 2024

Stephanie Rodriguez, Cabinet Secretary
New Mexico Higher Education Department
2048 Galisteo Street
Santa Fe, New Mexico 87505

Dear Secretary Rodriguez:

The Legislative Finance Committee (LFC) is pleased to transmit the evaluation *Postsecondary Certificates*. The program evaluation examined the wage and employment outcomes of postsecondary certificates, analyzed the cost associated with certificate programs for students and providers, and explored best practices for tracking data. An exit conference was held with you and your staff on September 4, 2024, to discuss the report's contents.

The report will be presented to the LFC on September 17, 2024. LFC would like plans to address the recommendations within this report from the Higher Education Department within 30 days of the hearing.

I believe this report addresses issues the LFC asked us to review, and hope the department will benefit from our efforts. We very much appreciate the cooperation and assistance we received from you and your staff.

Sincerely,



Charles Sallee, Director

Cc: Senator George K. Muñoz, Chair, Legislative Finance Committee
Representative Nathan Small, Vice-Chair, Legislative Finance Committee
Daniel Schlegel, Chief of Staff, Office of the Governor
Wayne Propst, Secretary, Department of Finance and Administration
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Summary

Some postsecondary certificates provide measurable benefits, but the state does not identify those of highest value.

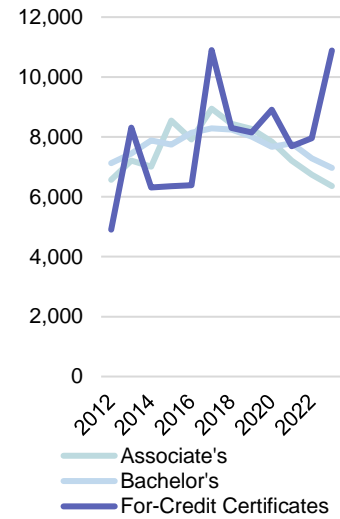
Postsecondary certificates, unlike conventional undergraduate degrees, operate within a largely unregulated and fragmented marketplace. Research shows mixed student outcomes across states, driven by differing policies and implementation strategies. In New Mexico and other states, two- and four-year degrees derive their legitimacy from the Higher Learning Commission’s accreditation, while certificates receive their authority from diverse sources such as industry recognition, state or federal licensure, or academic accreditation processes. These certificates, offered by higher education institutions (HEIs) in both for-credit and noncredit formats, have expanded rapidly in recent years. Annual awards of for-credit certificates more than doubled between 2012 and 2022, from around 5,000 to over 11 thousand. However, outcomes tracking has lagged for both certificate types, inhibiting judicious decision-making for students choosing a career pathway, for HEIs considering which programs to offer, and for the Legislature as it considers future investments in New Mexico’s workforce programming.

A few of the state’s largest community colleges are granting certificates in areas misaligned with the state’s high-demand, high-wage occupations. In recent years, liberal arts certificates have driven the growth of nondegree for-credit credentials in New Mexico, accounting for 90 percent of the growth in for-credit certificates between 2012 and 2022. These liberal arts certificates may endow students with some benefits but lead to smaller wage increases compared to occupation-aligned for-credit certificates in fields such as healthcare and precision manufacturing. These well-aligned certificates can serve as viable alternatives to conventional college degrees for some students or as flexible building blocks that students can stack toward a higher degree.

As for-credit certificates continue to grow in popularity, a functional state longitudinal data system is even more essential to tracking and understanding student outcomes. Yet even after spending over \$13 million and five years building the New Mexico longitudinal data system, the platform remains incomplete and inaccessible even to state researchers. The obstacles faced in obtaining data from the Higher Education Department (HED) for this report reinforce the need for timely, accessible, and comprehensive data collection and dissemination.

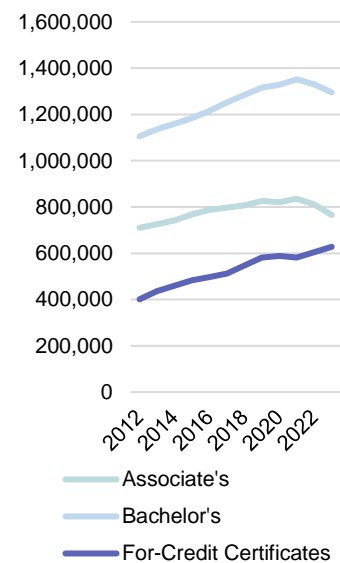
In New Mexico and nationwide, data tracking for noncredit programs is still in its infancy. The FY25 \$60 million government results and

Chart 1. Number of New Mexico Students Receiving Award by Award Type



Source: LFC analysis of IPEDS data

Chart 2. Number of U.S. Students Receiving Award by Award Type



Source: LFC analysis of IPEDS data

opportunity (GRO) appropriation provides a critical opportunity for New Mexico to lead by piloting rigorous outcomes tracking for noncredit certificates. HED’s current recommendations for GRO performance tracking are a step in the right direction that could be strengthened with additional metrics, such as student wage outcomes. Alongside the expansion of Pell grants and the opportunity scholarship in recent years to support more students pursuing for-credit certificates, the GRO appropriation now promises a parallel growth of financial aid for noncredit students. As a result, this report underscores the necessity of providing performance guardrails to ensure GRO expenditures improve student outcomes and contribute to statewide workforce development goals.

Figure 1: Two Pathways from For-Credit Certificates to High-Wage, High-Demand Occupations

LFC analysis of for-credit certificate completer data revealed many potential ways for students to use for-credit certificates to enter desirable, well-compensated professions. Two of these pathways are highlighted below.

Key Findings

- Some postsecondary certificates can offer an alternative to traditional college degrees but many others confer little workforce or wage value.
- Certificate programs are supported by various funding sources, including significantly increased state support, but with uneven accountability for outcomes.
- Improved data tracking and communication are needed to guide support for the most valuable certificates.

Key Recommendations

The Legislature should consider:

- Pausing all future appropriations to the New Mexico longitudinal data system (NMLDS) until a usable platform is demonstrated; and
- Requiring completion of the free application for federal student aid or an alternative income verification to be eligible for lottery and opportunity scholarships.

Higher education institutions should:

- Award liberal arts certificates only as components of transfer programs to four-year institutions; and
- Wherever possible, award short for-credit certificates only as a part of “stacked” certificate or degree programs.

The Higher Education Department should:

- Use the December 15, 2024 mid-year reporting deadline set by the Higher Education Department for the GRO workforce appropriation to provide feedback to HEIs and release timely information about how FY25 performance and fund expenditures will affect potential FY26 distributions;
- Collaborate with the Workforce Solutions Department to measure student wages as a GRO performance metric and consider adding additional performance metrics; and
- Collaborate with LFC staff to test the NMLDS.

A Steppingstone into the Nursing Pathway: Many of New Mexico’s two-year colleges have agreements that allow students who complete a healthcare certificate to continue on to become a registered nurse by receiving an associate’s degree in nursing or transferring seamlessly to a four-year HEI for their bachelors of science in nursing.

**Certified Nursing Assistant
Median Salary in New Mexico:**
\$37,000



Registered Nurse Median Salary:
\$92,000

An Introduction to Precision Manufacturing: New Mexico students who earned a precision production certificate saw their incomes increase by approximately \$10 thousand. Experienced precision production workers can earn well above the state median wage. In 2023, New Mexico was the fifth highest-paying state for mechanical technicians.

**Mechanical Engineering
Technician Median Salary:**
\$79,000

Source: LFC analysis of HED and WSD data; Bureau of Labor Statistics

Background

Some postsecondary certificates can be equivalently valuable alternatives to two- and four-year college degrees. These programs are typically shorter in duration and offer greater flexibility, especially for nontraditional students who now make up the majority at New Mexico higher education institutions (HEIs). Nationally, students who enroll in postsecondary certificate programs tend to be poorer, older, and more racially diverse than those enrolled in two- or four-year degree programs. This is true in New Mexico as well, where Native American students are twice as likely to earn a for-credit certificate compared to a bachelor’s degree. As a result, postsecondary certificates can be an important strategy for promoting economic mobility by allowing underrepresented students to pursue higher-wage careers without committing to a full-time degree program. Postsecondary certificates tend to be more closely aligned with specific occupational pathways than traditional degrees. In recent years, the number of certificate programs across New Mexico has grown, but little is known about whether these programs increase employment and earnings among program completers. Previous research on certificates has stressed that results vary among states, programs, and fields of study.

Terms and Definitions

While other terms might be equally correct, this report uses the following terminology:

Nondegree credentials

Any credential that is not a conventional college degree (i.e. an associate’s or bachelor’s), awarded by any entity. This covers the whole range of nondegree educational options in New Mexico, including badges, diplomas, certifications, state or federal licenses, and all kinds of postsecondary certificates.

Postsecondary certificates

A credential awarded by one of New Mexico’s higher education institutions. Most commonly, they take less than two years to complete.

For-credit certificates

A category of postsecondary certificates with college credit attached. These programs are accredited through the Higher Learning Commission. Most analyses in this report use data from for-credit certificates, which are tracked much more rigorously than that of noncredit certificates.

Noncredit certificates

A category of postsecondary certificates that comes with no college credit. These are also sometimes called “professional” or “workforce” certificates, but this report will use the term “noncredit” exclusively.

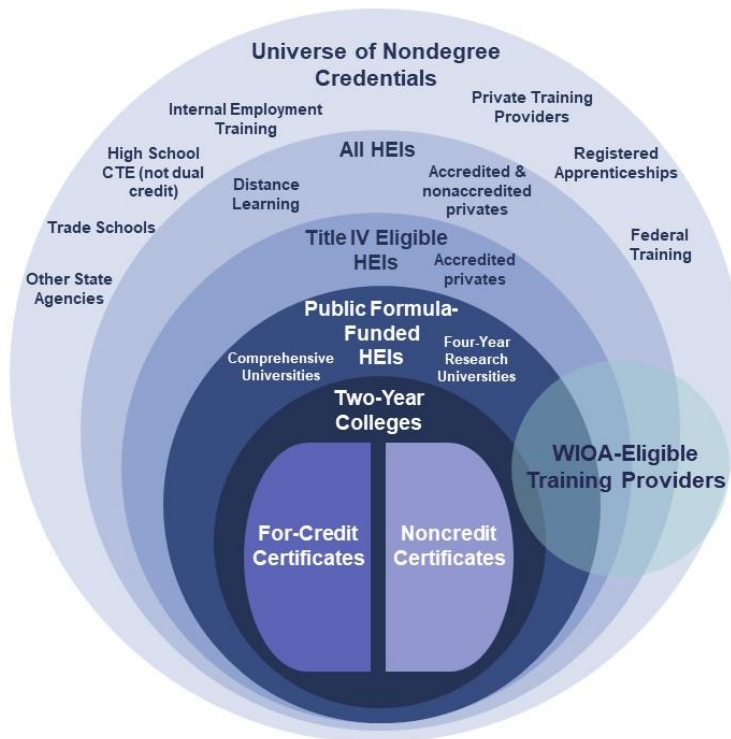
Short Certificates

Any certificate requiring 12 weeks or fewer to complete. These are sometimes called microcredentials. Most of the analysis in this report focuses on short for-credit certificates, but noncredit certificates are very frequently offered in short formats.

Liberal Arts Certificates

A program that is a structured combination of the arts, biological and physical sciences, social sciences, and humanities, emphasizing breadth of study. Other terms used in research literature include arts and sciences, general studies, progress certificates, or transfer certificates.

Figure 2. Universe of Nondegree Credentials

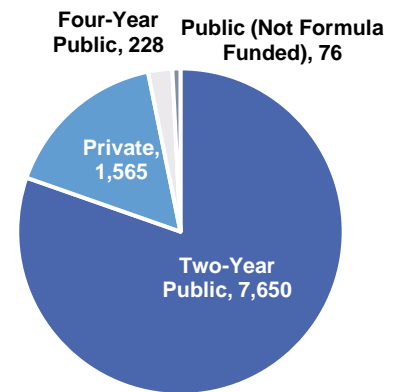


Source: LFC files

Over 140 entities award nondegree credentials in New Mexico, with varying approaches to accountability, data tracking, and quality control.

Postsecondary certificates reside within a broader universe of nondegree credentials. Unlike conventional two- and four-year degrees in New Mexico, which rely on a centralized accreditation process through the Higher Learning Commission, nondegree credentials vary significantly in how they are awarded and recognized. Nondegree credentials include badges, diplomas, certificates, certifications, apprenticeship completion, and licenses recognized at the state or federal level. The training leading to these credentials also varies, ranging anywhere from a week-long continuing education course for employed professionals to full-time coursework spanning several academic semesters. These programs take place in-person, online, and in hybrid formats. Some credentials are add-ons for students seeking additional specialization after earning a degree. Even when the training takes place at an accredited, publicly funded HEI, multiple mechanisms exist for awarding the credential, such as a licensure exam or testing by a third party. This report focuses on credentials awarded by New Mexico’s two-year colleges, referred to here as postsecondary certificates. Owing to the nature of available data, the report’s analyses focus primarily on for-credit certificates while highlighting the potential for improving outcomes tracking across noncredit and for-credit certificates alike.

Chart 3. Share of Students Awarded For-Credit Certificates by Institution Type, 2021-22 Academic Year



Source: LFC analysis of IPEDS data

Higher education institutions and the Workforce Solutions Department have statutory authority to award certificates in technical and vocational fields. Community colleges are authorized to offer technical training that does not exceed two years. Statute specifies, “An associate degree or *certificate* may be awarded only to students...having completed satisfactorily the prescribed course of study” (Section 21-13-2 NMSA 1978). A subsequent section delegates similar authority to branch campuses (Section 21-14-1). The Workforce Solutions Department (WSD) is empowered to award certificates for the completion of apprenticeships, under New Mexico Administrative Code 11.2.3.26. WSD’s apprenticeship office is charged with creating guidelines for eligible programs, registering and approving apprenticeship programs, and ensuring students meet the requirements of those programs (NMAC 11.2.3.7). Secondary schools can also offer industry-recognized credentials through career and technical education programs, either by working with an industry partner or national platform such as NC3 to offer noncredit certificates or partnering with an HEI to offer dual-credit certificates for high school and college credit. Credentials in the form of occupational licenses recognized by the state are described in Chapter 61 of state statute, “Professional and Occupational Licenses.”

Federal funding tends to dictate reporting requirements for nondegree credentials. While registered apprenticeships and accredited private HEIs eligible for federal funding have substantive reporting

requirements, some of the smaller, non-accredited private certificate providers have virtually none (see Figure 2, page 6). Although many training providers track student headcounts and completion rates, few have the resources to collect data on student employment or wage outcomes, nor are they required to do so. Data collected by WSD as a requirement of the Workforce Innovation and Opportunity Act (WIOA) is the source of most current New Mexico data on noncredit postsecondary certificate outcomes.

Table 1. Pros and Cons of For-Credit vs. Noncredit Certificates

Credit-Bearing Certificates	Noncredit Certificates
Pros for Students	
Creates a credit record that allows students to stack certificates towards two- or four-year degrees. Under certain circumstances, students may receive institutional financial aid, the opportunity scholarship, or Pell grants.	Frequently shorter and more flexible; tend to be offered more often and in more formats. Overwhelmingly geared towards specific occupational skills and pathways.
Cons for students	
Tend to be more time-consuming and less flexible. Many are offered on a traditional academic calendar schedule.	Students sometimes pay out-of-pocket because these are ineligible for many federal and state financial aid options. May not allow students to build credit toward higher degrees.
Pros for HEIs	
Some are rewarded under the state's higher education funding formula. HEIs can spend instructional & general funds on these programs. Creates greater potential for stacking and articulation agreements.	Flexibility in creating new programs and shutting them down allows HEIs to adapt dynamically to changing workforce needs. Industry partnerships can be leveraged to pay for equipment and start-up costs.
Cons for HEIs	
More cumbersome to stand up and fund new programs due to accreditation requirements.	While HEIs can technically spend instructional and general funds on these programs, funding is typically a complex mix of industry, federal, and other monies.

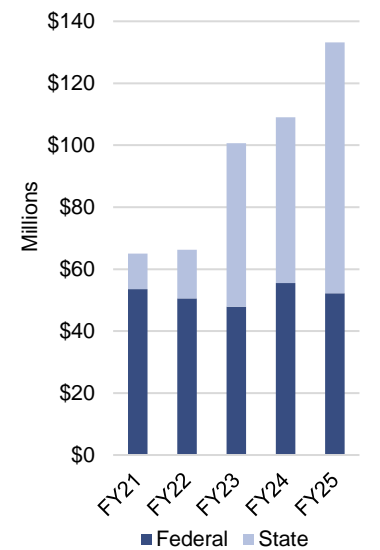
Source: LFC survey of HEIs and LFC site visits

Certificates at two-year institutions are broken down between for-credit and noncredit categories, differentiated by funding stability, reporting requirements, and curricular flexibility. Colleges typically have separate departments and deans who oversee for-credit and noncredit certificate programs. While for-credit credentials might be overseen by academic affairs, noncredit certificates are often part of another school or department such as “skilled trades and arts” or “workforce development programs.” Noncredit certificates tend to be shorter and are typically paid for out-of-pocket by students or financed by an employer who has commissioned customized training.

Growing state investment in workforce development, including postsecondary certificates, bolsters the need for robust outcomes tracking.

Over the past five fiscal years, New Mexico has increased state investment in workforce development by \$70 million, from \$11 million in FY21 to nearly \$81 million in FY25. The recent \$60 million, three-year appropriation from the government results and opportunity (GRO) fund marks a major shift in helping students afford tuition for noncredit certificates at two-year colleges, aiming to improve outcomes and accountability. This initiative offers an opportunity for HED to implement

Chart 4. New Mexico State and Federal Workforce Training Funding, FY21-FY25



Source: HB2 and LFC files

performance metrics and ensure noncredit programs align with industry needs and lead to meaningful employment and wage increases for students.

Table 2. Sources of Funding for Workforce Development and Training by Fiscal Year
(in thousands)

Recipient	Purpose	Source	State/ Federal	FY21	FY22	FY23	FY24	FY25
Higher Education Department	Noncredit workforce training tuition for HEIs	GF-GRO	State	-	-	-	-	\$20,000
	Work-study in high-demand degree fields	GF	State	-	-	\$20,000	-	-
	IET programs	GF-GRO	State	-	-	-	-	\$2,000
	IET programs	TANF	Federal	-	-	-	\$1,000	\$1,000
	Noncredit workforce training funds (high skills)	GF	State	\$461	\$761	\$761	\$761	\$761
Health Care Authority	New Mexico Works Career Link	TANF	Federal	\$4,165	\$4,165	\$2,748	\$2,748	\$2,748
	New Mexico Works Wage Subsidy	TANF	Federal	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Workforce Solutions Department	Trades and career exploration	GF-GRO	State	-	-	-	-	\$2,000
	Youth re-employment and pre-apprenticeships*	GF-GRO	State	-	-	\$5,000	-	\$600
	WIOA Title III (Wagner-Peyser)	WIOA	Federal	\$5,549	\$5,550	\$5,584	\$5,627	\$5,589
	Registered Apprenticeships (FY25 reflects HB5)	GF, PWAT, and Workforce Development and Apprenticeship Fund	State	-	-	~\$3,000	~\$3,000	\$8,000
Local Workforce Development Boards	WIOA Title I	WIOA	Federal	\$36,686	\$33,245	\$30,243	\$36,476	\$33,143
Economic Development Department	Job Training Incentive Program (JTIP)**	GF	State	\$9,000	\$12,000	\$12,000	\$9,700	\$7,600
	Creative industries fund & division	GF	State	-	-	-	\$20,000	-
Public Education Department	NextGen CTE pilot	PERF	State	\$2,000	\$3,000	\$10,000	\$20,000	\$40,000
	Perkins	Perkins	Federal	\$9,353	\$9,727	\$10,062	\$10,432	\$10,518
TOTALS				\$69,214	\$70,448	\$101,398	\$111,744	\$135,959
State TOTALS				\$11,461	\$15,761	\$52,761	\$53,461	\$80,961
Federal TOTALS				\$52,588	\$50,522	\$47,889	\$55,535	\$52,250

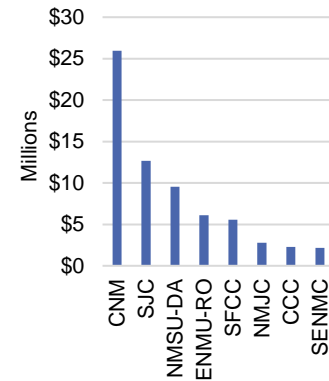
*In FY25, WSD received a \$5 million special appropriation for evidence-based re-employment and case management. WSD used a portion of this appropriation, along with a portion of the youth re-employment special appropriation for the career exploration initiative (Be Pro Be Proud).

**All amounts are appropriations, not expenditures. Some programs retain significant cash balances. In July 2024, the JTIP fund had a \$34.8 million balance.

Source: LFC Files

Over the last five fiscal years, annual investment of state funds in workforce development and training has grown from \$11 million to \$81 million. Between FY21 and FY25, the amount of federal funds New Mexico has appropriated to workforce development has remained relatively steady. Federal funding sources for workforce training derive predominantly from training programs within New Mexico Works (from Temporary Assistance for Needy Families funds), the Workforce Innovation and Opportunity Act (WIOA), and the Strengthening Career and Technical Education for the 21st Century Act. Minor variations in federal funding derive either from oscillating state distributions within a federal funding formula (WIOA, e.g.) or from state-level allocations of TANF and other federal block grants. However, New Mexico recently invested new state funds in initiatives across multiple agencies, including HED, WSD, the Economic Development Department, and the Public Education Department. In FY25, \$24.6 million of that new investment funded pilot programs covered under the GRO fund.

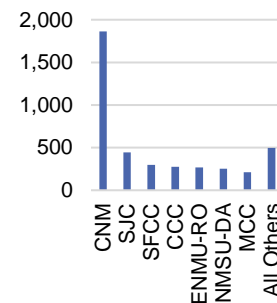
Chart 5. Spending on Vocational and Career Instruction at New Mexico HEIs in FY23 >\$1 Million



Source: HEI Reports of Actuals

New Mexico HEIs spent over \$77 million on vocational and workforce programs in FY23 and employed over one thousand full-time instructional staff in vocational and technical fields. According to HEIs’ reports of actuals, a majority of this spending occurred at the two-year level, with four-year institutions collectively spending only \$8 million on vocational and career instruction. By comparison, three two-year institutions, Central New Mexico Community College (CNM), San Juan College (SJC), and New Mexico State University-Doña Ana (NMSU-DA) each spent more than \$9 million on vocational and career instruction for both for-credit and noncredit postsecondary certificate programs. CNM accounted for about one-third of the total spending by itself. These figures are likely underestimations as HEI expenditures on workforce programs in the report of actuals may be recorded under categories not designated specifically as vocational and workforce. CNM’s workforce-centered spinoff, CNM Ingenuity, for instance, is not included in the college’s report of actuals.

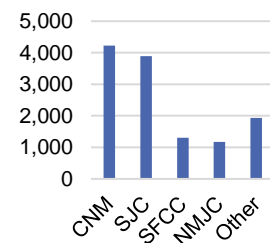
Chart 6. 2023 For-Credit Certificates Counted in Higher Education Funding Formula for FY25



Source: FY25 Higher Education Funding Formula

Higher education institutions can use state instruction and general funding for both credit and noncredit programs. In FY25, New Mexico’s formula-funded HEIs received a total of \$831 million for instruction and general support (I&G). The funding formula is a base-plus model which protects the current year appropriation and only “new money” is directed through the funding formula. Of the new money, historically around 5 percent has been directly tied to performance. The proportion doubled for FY25; now 10 percent of new money is based on institutional performance. The formula rewards institutions for the degrees and for-credit certificates they produce, except certificates of less than a year outside science, technology, engineering, math, and health fields. HEIs awarded 4,115 for-credit certificates in 2023 that contributed to the calculation of FY25 performance funding awards. Though the performance-based funding formula uses certificate production to determine the allocation of I&G funding, institutions are free to use as much of their I&G funds as they choose on for-credit or noncredit certificate

Chart 7. 2023 Headcounts for Noncredit Certificate Workforce Funding



Source: High-skills workforce funding headcounts

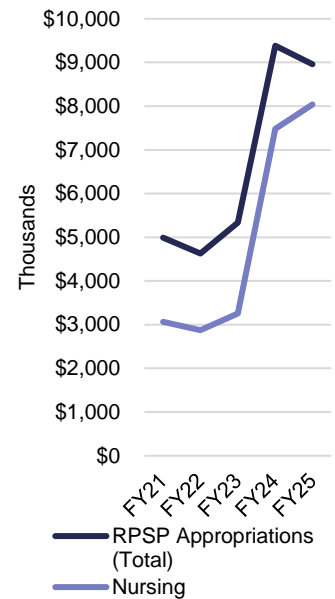
programs. In addition to I&G support, since 2007 the state has appropriated about \$760 thousand annually to HED to reward noncredit workforce training in the fields in highest demand among employers. Distributions of this “high skills funding” are based on student headcounts in noncredit programs, which numbered over 12 thousand in 2023.

Research and public service project (RPSP) appropriations for workforce-related programs at New Mexico’s formula-funded two-year colleges have risen over the last five fiscal years from \$5 million to \$9 million. After reaching a high of \$9.4 million in FY24, workforce RPSP funding for two-year colleges dipped slightly in FY25 as several recurring appropriations were repackaged into base instruction and general funding. Most of these workforce RPSP appropriations (averaging 74 percent) went to nursing programs. Of the state’s 17 formula-funded two-year colleges, San Juan College has received the largest influx of RPSP funds in the last five years (\$5.1 million), driven largely by the school’s new Center of Excellence for Renewable Energy and Sustainability. After SJC, NMSU-DA (\$4.5 million), CNM (\$3.5 million), and Santa Fe Community College (\$3.3 million) received the next highest amounts. These four colleges are also leaders in the production of for-credit and noncredit certificates in the state. See Appendix B for the list of RPSPs used in this report.

Over the past four fiscal years, the Legislature has made significant nonrecurring investments in postsecondary workforce development—focusing on noncredit programs. In 2022, the Legislature appropriated \$20 million to support “work study for students in high-demand degree fields as determined by the higher education department.” In 2023, the appropriation was extended and expanded to include use by HEIs to “provide workforce training that results in an industry-recognized credential, endorsement or support, including apprenticeships or internships.” In 2024, the Legislature passed a \$60 million appropriation from the GRO fund to be used over the next three fiscal years. The new appropriation represents the largest single share of the \$216 million GRO fund. The workforce training component of the GRO targets community colleges and regional universities, covering full tuition and fees for courses that lead to industry-recognized credentials or endorsements.

Noncredit certificate programs offered at New Mexico’s formula-funded two-year institutions are almost eight times as expensive per contact hour as for-credit programs. Statewide, noncredit certificates required an average of 71 hours to complete. By comparison, the average for-credit certificate required an average of 375 contact hours to complete. This difference in time means that, while the full price of the typical noncredit course (\$1,654) is less than the full price for the typical for-credit course (\$2,076), noncredit students pay more per contact hour. The average noncredit certificate program costs 789 percent more per contact hour than the average for-credit course. Noncredit courses were more expensive per-credit hour at almost every institution that offered them. HEIs attribute this

Chart 8. Workforce RPSP Appropriations for Two-Year HEIs



Source: LFC files

Table 3. Cost per Hour between Credit and Noncredit Workforce Certificate Programs

Institution	For-credit	Noncredit
CCC	\$6.27	\$5.02
CNM	\$6.82	\$30.09
ENMU-RO	\$3.06	\$6.97
MCC	\$3.88	N/A
NMJC	\$3.33	\$26.90
NMSU-AL	\$9.37	\$51.11
NMSU-DA	\$6.03	\$14.39
NMSU-GR	\$5.93	N/A
SENMC	\$3.83	\$14.06
SFCC	\$4.77	\$92.56
SJC	\$7.44	\$26.88
UNM-GA	\$5.84	N/A
UNM-LA	\$5.80	\$19.29
UNM-Taos	\$5.51	N/A
UNM-VA	\$5.51	N/A
Statewide average	\$5.80	\$45.75

Source: NM HEIs

cost differential to the lack of major state or federal funding sources—meaning that noncredit programs operate on a “cost-recovery” basis. Some institutions have taken steps to defray these higher costs for students. For example, CNM staff report that noncredit programs offered through CNM Ingenuity, which cost approximately \$11 thousand, only require students pay what they can, with CNM covering the rest. Out of the 369 CNM Ingenuity learners approved for funding so far, 72 of those (or 20 percent) paid some amount out of pocket, with a median cost of around \$1,000.

CNM, the state’s largest producer of noncredit certificates, reported braiding together 10 local, state, and federal funding sources to support its workforce training programs. In the 2022-23 academic year, CNM accounted for over 30 percent of student instructional hours within noncredit workforce training. Beyond the sources listed in the table below, the institution also receives outside grants and philanthropic support for its noncredit programs. For instance, in 2024 CNM received \$862 thousand in federal funding to establish a quantum science lab and develop a quantum training program as part of its Deep Dive programs within CNM Ingenuity.

The number of for-credit certificates awarded annually in New Mexico has more than doubled since 2012.

In the 2011-12 academic year, New Mexico’s HEIs awarded 5,300 for-credit certificates taking less than two years to complete. In the 2022-23 academic year, the state awarded over 11 thousand certificates. New Mexico numbers track with national growth over the past decade, with more students stacking multiple for-credit certificates or using certificates to build towards two- or four-year degrees.

A previous LFC evaluation tied the growth in certificates at least partially to changes in the higher education funding formula. In FY13, New Mexico introduced a performance-based element to its higher education funding formula that provides modest financial incentives to institutions based on several metrics, as discussed in the previous section. The 2018 program evaluation *Review of the Higher Education Funding Formula* showed that even modest performance-based funding contributes to increases in for-credit certificate production. Though rates fell in subsequent years, they remained elevated above previous levels. For the four most recent academic years, New Mexico’s for-credit certificate production has outpaced awards of associate’s and bachelor’s degrees. In the 2021-22 academic year, the largest number of for-credit certificates were awarded in the liberal arts (34 percent of all certificates), followed by

Table 4. CNM Workforce Training Funding

Funding Source	Type
Work Study Funds (\$5 million of \$20 million statewide allotted to CNM)	State
WIOA (Title I Adult, Dislocated Worker, and Youth Programs)	Federal
NM Division of Vocational Rehabilitation	Federal/State
Veterans Affairs Post 9/11	Federal
Trade Adjustment Assistance for Workers Program	Federal
Job Training Incentive Program (Economic Development Department)	State
Job Training Albuquerque (City of Albuquerque Economic Dev. Dept.)	Local
USDOT Commercial Motor Vehicle Safety Training Grant	Federal
Bosomworth Workforce Scholarship Endowment and Cathy and Sherman McCorkle Workforce Training Center Endowment	Private Endowment
GI Bill	Federal

Source: CNM Workforce Training Funding Breakdown

health (19 percent), business (8 percent), and education (6 percent) disciplines. See Appendix C for full breakdown of programs by field and completers.

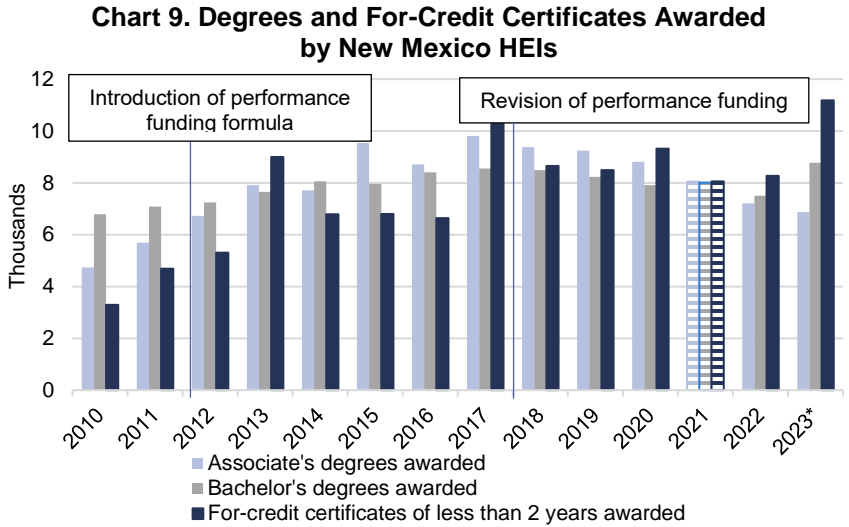
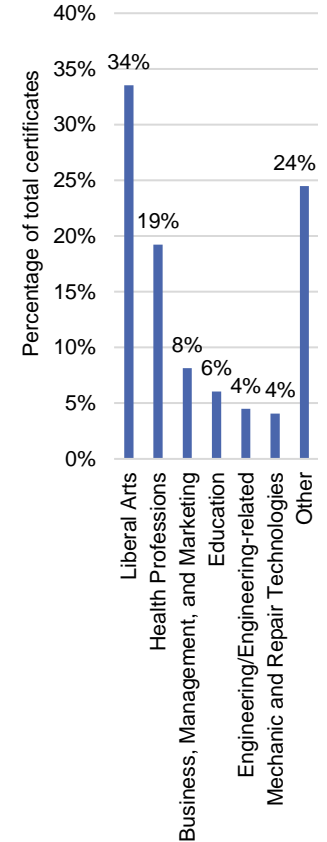
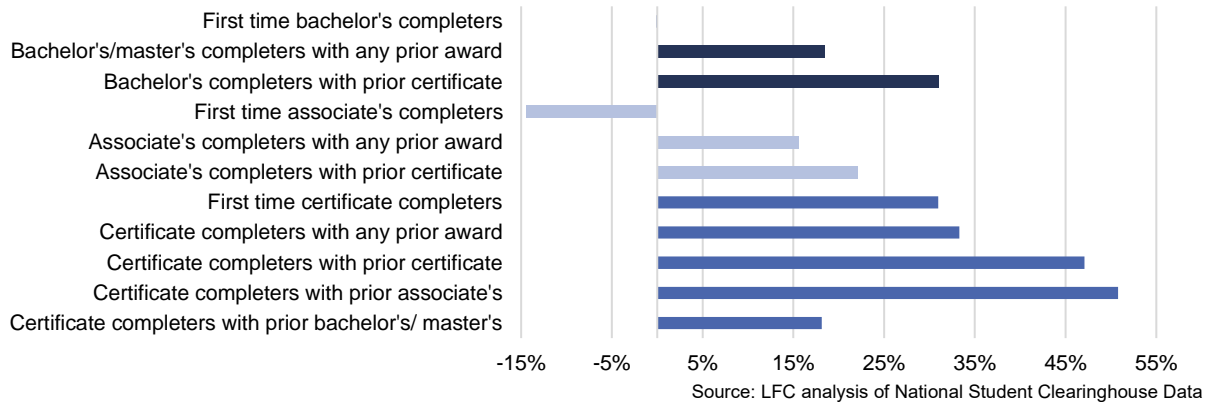


Chart 10. For-Credit Certificates Awarded by Field, 2021-22 Academic Year



Nationwide, for-credit certificate completions have increased, with more students earning multiple certificates or a combination of certificates and degrees. Data from the National Student Clearinghouse shows more students over the past 10 years have started stacking, or completing multiple degrees and certificates. Though the number of first-time completers of associate’s degrees has declined 14 percent, the number of associate’s completers who previously earned for-credit certificates has increased 22 percent. Though the number of completers for whom a bachelor’s degree was their first award has remained virtually unchanged, 31 percent more bachelor’s completers in the 2022-23 academic year had previously earned a certificate as compared to 10 years prior. The largest

Chart 11. U.S. Percentage Change in First-Time Completers Between the 2013-14 and the 2022-23 Academic Years



growth has been among certificate earners who attained a for-credit certificate previously or who already had an associate’s degree.

For-credit certificate outcomes have higher variability in outcomes than traditional degrees.

Nationally, for-credit certificates exhibit greater variability in terms of return on investment, with some providing quick payoffs while others offer little financial benefit compared to traditional degrees. Research from other states shows student income and employment outcomes depend on the certificates’ occupational focus and state education and workforce policies, underscoring the need to examine how New Mexico’s institutions support student success.

Table 5. Time to Recoup Net Tuition by Type of Degree

Years post-graduation	Bachelor’s	Associate’s	For-Credit Certificates
0-5	66%	77%	47%
6-10	26%	10%	6%
10+	7%	6%	8%
No ROI	1%	7%	39%

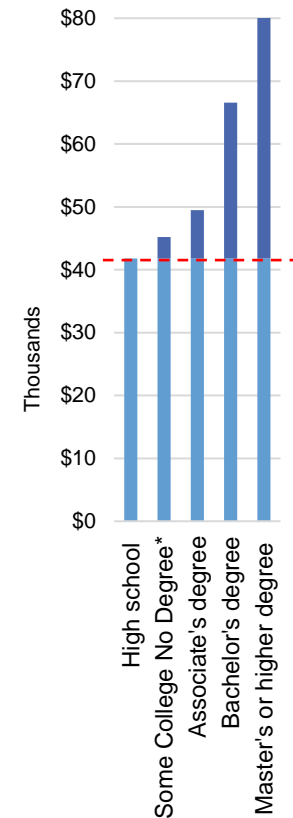
Source: Third Way analysis of U.S. Department of Education and Census Bureau data

For-credit certificates demonstrate greater variability in return on investment than traditional two- or four-year degrees. One analysis by the Third Way think tank from 2020 found that while 47 percent of for-credit certificates allowed students to recoup their tuition investments in less than five years through increased earnings, 39 percent yielded no return on the initial investment of tuition. By comparison, associate’s and bachelor’s degrees have a much higher likelihood of paying off in the long-term, even if the tuition investment takes longer to recoup. Since 2012, the annual earnings premiums of holding a bachelor’s degree or master’s degree have both grown about \$4,000. During this same period, the earnings premium for associate’s degrees shrank and grew less than \$1,000 for those with some college but no degree, including those who have completed for-credit certificates.

State-level education and workforce structures play a significant role in determining whether for-credit certificates pay off for completers.

A 2016 analysis showed that certificates taking over one year to complete had significantly higher financial payoffs in North Carolina than they did in Virginia. North Carolina’s certificates tended to be more occupationally driven than Virginia, which had more general education certificates not linked to any one vocation. These studies underscore the need to understand how New Mexico’s HEIs and their programs serve the state’s unique student population. See Appendix D for synthesis of previous literature.

Chart 12. New Mexico Median Annual Earnings by Education as Compared to High School Baseline, 2022



*Note: New Mexico’s wage averages are within 1% of national averages in every category. Some college no degree data for New Mexico was not available so LFC used national statistics for this category.

Source: LFC analysis of NCES data, 2022

Some For-Credit Certificates Lead to Real Wage Increases, but not all Programs Pay off Equally

Though most for-credit certificate students see real wage increases, returns vary widely depending on the field. Gaps persist between the skills provided by these credentials and the needs of the state's labor market, with many certificates poorly aligned with in-demand occupations leading to low-paying jobs. Aligning for-credit certificate programs with high-wage, high-demand fields is crucial for ensuring better outcomes for students and the state's workforce.

Liberal arts awards have driven the growth of New Mexico's for-credit certificates over the past decade—with limited payoff for students.

LFC staff analyzed changes in wages for students using a combination of graduation and unemployment insurance data. This analysis found most categories of for-credit certificates were associated with positive wage increases, with the typical non-liberal arts certificate associated with a \$7,000 increase in an awardee's annual earnings. Owing to the time constraints of data collection, the LFC analysis was not able to account for many factors, such as how a certificate earners' age, race, sex, socioeconomic status, prior level of employment, or individual ability may interact to affect their choice of postsecondary certificate and post-graduation income. However, LFC analysis aligns with broader research literature in finding: (1) Longer certificates were associated with greater wage increases for earners than shorter certificates. (2) Stacking awards was associated with increased wages. (3) Certificates in highly technical fields were associated with greater wage increases than certificates in liberal arts or non-technical fields. See Appendix E for more on wage analysis methodology and Appendix F for certificate completers left out of the data set.

For-credit certificates in health, construction, education, manufacturing, and law enforcement tend to result in the greatest wage return for students. Academic research literature consistently finds certificates in technical and healthcare fields deliver the best returns for earners. A review of studies across seven states found vocational certificates resulted in greater wage gains than more academic certificates. Among New Mexicans who received a for-credit certificate from a New Mexico HEI between 2016 and 2023, students in construction trades, precision production, and mechanic and repair technologies, and other technical fields saw the greatest increases in their wages, approximately \$6,000 to \$11 thousand annually, although these estimates likely overstate the actual impact of the certificate. As shown in Table 6, individuals who earned a

single for-credit liberal arts, business, or personal services certificate had the three lowest median wage increases.

Table 6. Comparison of Pre- and Post-Enrollment Annual Wages by Discipline for Individuals with One For-Credit Certificate

Discipline	Examples of Programs	Median Pre-Enrollment Annual Wage	Median Post-Graduation Annual Wage	Change
Homeland Security, Law Enforcement, and Firefighting	Police Science, Firefighting	\$35,276	\$62,530	\$27,255
Education	Special Education and Teaching	\$30,637	\$47,916	\$17,278
Transportation and Materials Moving	Commercial Driver's License	\$34,965	\$42,518	\$11,209
Precision Production	Precision Metal Working, Welder	\$10,802	\$21,684	\$10,881
Mechanic and Repair Technologies	HVAC, Diesel Mechanic	\$10,523	\$19,246	\$8,723
Health Professions and Related Programs	Dental Assisting, Certified Nursing Assistant	\$15,585	\$24,251	\$8,667
Construction Trades	Carpentry, Electrician	\$18,014	\$24,625	\$6,611
Family and Consumer Sciences/Human Sciences	Child Care Assistant	\$20,091	\$23,047	\$4,386
Liberal Arts and Sciences, General Studies and Humanities	General Studies	\$20,086	\$23,330	\$3,244
Culinary, Entertainment, and Personal Services	Cosmetology, Culinary Arts	\$10,231	\$12,425	\$2,853
Business, Management, and Marketing	Accounting, Customer Service Support	\$32,249	\$35,102	\$2,852

Source: LFC analysis of HED and WSD data

Some high-impact for-credit certificates, such as law enforcement and education, are likely used to “up-skill” workers already in the labor force. Unlike prior academic research, LFC staff found certificates in law enforcement and homeland security, education, and transportation and materials moving were all associated with significant increases in wages for students. While these wage gains are real, these employees appear to be using these certificates to “up-skill” within an industry in which they are already working. On average, individuals who earned these certificates earned close to or more than the state median wage for workers with a high school diploma (\$34,603) over the same period, indicating they were already working higher-paying jobs compared to other for-credit certificate earners in the data set. As shown by Table 6, earners of for-credit certificates in other disciplines had significantly lower pre-enrollment wages, meaning these were likely younger workers using these certificates to enter the workforce for the first time, individuals working only part-time, or individuals switching from a low-paying career.

Different preferences for academic disciplines may partly explain the variations in earnings increases across ethnic groups. Different racial and ethnic groups saw significant differences in wage changes among individuals who received a single for-credit certificate. As shown by Table

Table 7. Comparison of Median Change in Annual Wages by Racial or Ethnic Group

Racial or ethnic group	Median change in annual wages
Native American	\$1,458
Asian	\$516
Black or African American	\$2,637
Hispanic	\$7,379
White	\$9,667

Source: LFC analysis of HED and WSD data

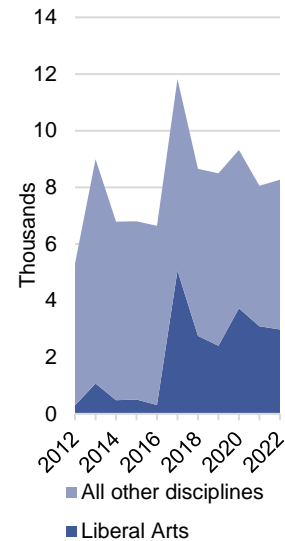
7, white and Hispanic students had wage gains five to six times greater than those of than Native American students and 14 to 18 times greater than those of Asian students. At least part of the difference may be explainable by different certificate attainment rates across disciplines. In the 2021-22 academic year, 41 percent of Native American students and 45 percent of Asian students in New Mexico who received a for-credit certificate earned that credential in the liberal arts compared to only 30 percent of Hispanic and 31 percent of non-Hispanic white students.

Despite their relatively poor returns for graduates, for-credit liberal arts certificates have seen the largest growth in New Mexico since the 2012 academic year. Across all fields, the number of students awarded certificates each year has grown from approximately 5,300 in the 2012 academic year to 8,200 in the 2022 academic year, a 56 percent increase. However, if liberal arts certificates are removed from the calculation, for-credit certificate awardees increased a mere 6 percent over the same period. Liberal arts certificates were the single largest group of certificates awarded in 2022, followed by certificates in health professions and business, management, and marketing (see Chart 10 on page 13). Based on recommendations from a 2018 LFC program evaluation, HED now only awards performance-based formula funding for for-credit certificates in STEM, healthcare, or areas of high workforce demand, but liberal arts award levels have remained elevated. These for-credit certificates allow students to earn credits toward future degrees and may assist with general academic preparedness. However, as shown in Appendix C, many students are entering the workforce with only a liberal arts certificate, and without the benefit of research-backed vocational preparation.

Proactively awarding liberal arts certificates lacks the key curricular features that improve student outcomes. Research shows that awarding certificates on the way to a higher degree can build student confidence, bolster retention, and encourage persistence provided (1) the certificate is occupationally aligned, and (2) students are aware they are working toward this certificate. These features are found in some New Mexico certificate programs already—for example, CNM embeds several industry credentials, such as CompTIA Network+, within its associate’s of computer information systems degree. By comparison, CNM’s and San Juan College’s policy of proactively awarding for-credit liberal arts certificates to students who may be unaware of their progress toward this credential likely does not produce the same positive effects.

While for-credit certificates can increase incomes, four-year degrees still result in much higher lifetime earnings. Earning a bachelor’s degree results in a significant wage increase compared to an associate’s degree or a for-credit certificate (see Chart 12 on page 14). Other research has shown that even certificate holders who earned their credentials in the highest-demand fields have lower earnings than those with a bachelor’s in a humanities discipline. LFC staff calculated the median postgraduation wage for students who received only one for-credit certificate, associate’s degree, or bachelor’s degree from a New Mexico HEI using the same age

Chart 13. For-Credit Certificates Awarded by NM HEIs, 2011-12 to 2021-22 Academic Years



Source: LFC analysis of IPEDS data

Case Study: CNM and For-Credit Liberal Arts Certificates

CNM is largely responsible for the growth and continuing elevated rates of liberal arts awards. In 2017, CNM awarded over 4,500 certificates to students on the way to a liberal arts associate’s degree. The next year, the funding formula ceased to count these certificates towards performance-based metrics and CNM’s awardees in this category fell to 2,400. In 2022, CNM students still accounted for 75 percent of these awards, though this may change as other institutions automate the distribution of similar awards.

Source: LFC analysis of IPEDs data

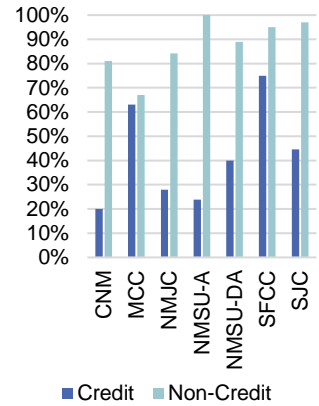
groups as Chart 7. Weighting by the number of students within each age group, bachelor’s degree-holders earned an average dollar amount of \$6,500 more than certificate holders annually within a year and a half of graduating. Additionally, students derive maximum financial benefit from for-credit certificates if they graduate from the program. As shown by Chart 14, for-credit certificate programs at New Mexico HEIs that responded to the LFC survey had an average completion rate of 42 percent.

Short for-credit certificates have limited benefit unless earned as a part of a stacked certificate program.

While HEIs increasingly award short for-credit certificates in fields like healthcare and engineering, the long-term impact of these short certificates on wages may be limited compared to longer programs unless stacked with other credentials or degrees. Stacking occurs when students combine shorter certificates on the way to a terminal degree within the same discipline or achieve multiple certificates across different fields. National research supports the idea that stacking certificates either progressively towards a degree or independently at the same academic level can lead to increased wages. In New Mexico, 58 percent of all postsecondary certificate programs are explicitly designed to incorporate stacking.

Between the 2019-20 and 2021-22 academic years, Mesalands Community College and CNM awarded more short for-credit certificates than all other two-year HEIs combined. Most for-credit certificates in New Mexico still require more than 12 weeks to complete (92 percent during the years analyzed), but shorter certificates are on the rise both in New Mexico and nationally. Two HEIs, Mesalands Community College (MCC) and CNM, are responsible for producing most of the state’s short certificates. Between the 2019-20 and 2021-22 academic years, MCC awarded nearly 700 short certificates (mostly in engineering fields) and CNM awarded over 550 (mostly in health fields). Altogether, other two-year HEIs awarded only 874. Statewide, most short for-credit certificates were awarded in healthcare (58 percent) or engineering (33 percent). According to the state’s higher education funding formula, these short for-credit certificates generate performance-based funding only if they are awarded in STEM, healthcare, or areas of high workforce demand.

Chart 14. Completion Rates of For-Credit and Noncredit Certificates, Fall 2022 Cohort



Note: Only institutions that submitted completion rates in both categories were included in the analysis.
Source: LFC survey of HEIs

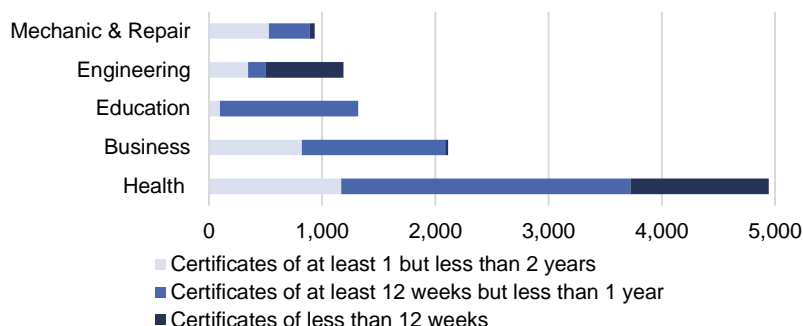
Types of Certificate Stacking

Vertical/Progressive Stacking: Individuals start with a for-credit certificate and then stack credentials up to the degree level, or start with a nondegree certificate and go on to stack towards any for-credit certificate or degree.

Horizontal/Independent Stacking: Individuals stack certificates at the same level, earning multiple noncredit certificates or multiple credit-bearing certificates.

Source: Daugherty and Anderson, “Stackable Credential Pipelines in Ohio,” 2021

Chart 15. For-Credit Certificate Completions by Field of Study by Program Length, New Mexico Public HEIs, Aggregate of 2019-20 to 2021-22 Academic Years

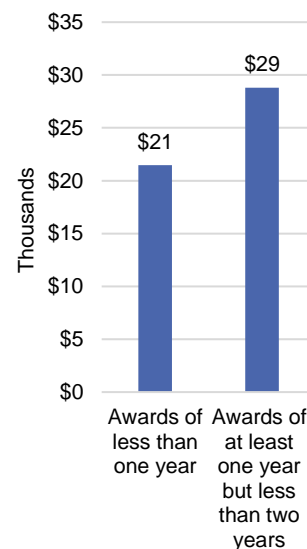


Source: LFC analysis of IPEDS data

Individuals who only earned a short for-credit certificate saw wage gains, but research suggests short certificates have less benefit than longer certificates. Among individuals who earned only a single for-credit certificate, those who received a certificate of between one to two years (excluding liberal arts) saw their wages increase by a median of \$8,887, more than twice the increase of \$4,197 for workers who earned a certificate of less than a year. While short certificates can be a part of a longer stacked program, prior academic research has established that short certificates alone do not have as large an impact on wages as longer-term certificates. Even studies finding positive effects on wages for short certificates suggest that those effects may fade within a few years. Given the high proportion of short for-credit certificates in the health discipline, LFC staff compared the earnings of individuals who earned either one short (less than a year) or one long (one to two years) for-credit certificate in health. Individuals who earned a long certificate in health had postgraduation annual earnings 30 percent higher than those who earned a short certificate.

Individuals who progressively stacked a for-credit certificate on the way to a terminal certificate or degree saw improved wage gains compared to those who did not stack. While short certificates provide limited utility on their own, earning a short certificate as part of a stacked certificate program can lead to a more significant wage increase. LFC staff compared pre-enrollment and postgraduation earnings for those who received multiple for-credit certificates and those who received at least one for-credit certificate plus an associate’s degree. HED data did not include specific information identifying which certificate programs were stackable. LFC staff estimated that between 34 percent and 58 percent of individuals

Chart 16. Annual Postgraduation Earnings for Holders of Single For-Credit Certificates in Health Disciplines



Source: LFC analysis of HED and WSD data

Table 8. Comparison of Change in Annual Wages by Certificate Stacking Status

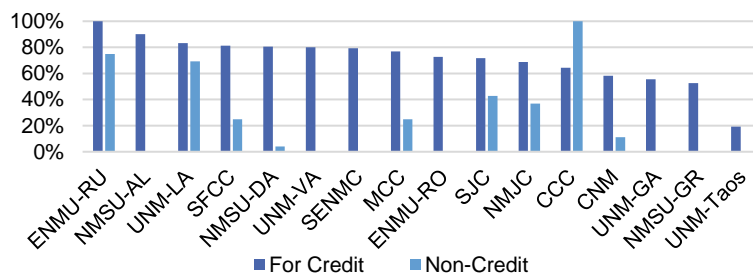
	Multiple for-credit certificates	At least one for-credit certificate and associate's
Did not stack	\$12,257	\$14,351
Did stack	\$14,789	\$19,847

Source: LFC analysis of HED and WSD data

with multiple for-credit certificates and 25 to 38 percent of individuals with at least one for-credit certificate and associate’s stacked their awards (see Appendix E for the criteria used for stacking). Across both categories, individuals who stacked their awards had wage increases 29 percent higher than those who did not stack.

Most two-year HEIs report that their certificate programs incorporate stacking. Multiple studies, including two recent analyses from Virginia and Ohio, find that stacking certificates progressively toward a degree or independently at the same academic level can lead to increased wages for students. As a part of the survey of two-year HEIs in New Mexico, LFC staff asked institutions to describe the extent to which their certificate programs are stackable. Overall, 58 percent of postsecondary certificate programs are designed to incorporate credential stacking. Institutions report that a much higher percentage of their for-credit programs (71 percent) are designed to be stackable compared to noncredit programs (26 percent). This may be because some institutions described their noncredit programs as more frequently providing one-time, short training opportunities compared to their for-credit programs. It is worth noting, however, that just because a certificate is not overtly designed to stack, that does not necessarily prevent students from doing so. As described on page 22, improved credit for prior learning processes creates increasing opportunities for stacking across noncredit programs.

Chart 17. Percentage of For-Credit and Noncredit Certificate Programs that Incorporate Stacking by Institution



Note: Some institutions do not offer noncredit certificates.

Source: LFC analysis of HEI survey data

In line with national trends, New Mexico’s postsecondary certificates align only partially with high-wage, high-demand occupations.

Holders of postsecondary certificates in New Mexico are often either under- or over-qualified for many in-demand occupations, with only about 20 percent of in-demand jobs in most counties fillable by certificate holders. While some certificates, like commercial drivers’ licenses (CDL) and certified nursing assistants (CNA), are in high demand, they do not always lead to high-paying jobs, with many certificate holders earning wages below the state median. Moreover, gaps persist between certificate

production and the needs of the state’s labor force, with only 14 of New Mexico’s 33 counties achieving at least 50 percent alignment between local job openings and certificate production.

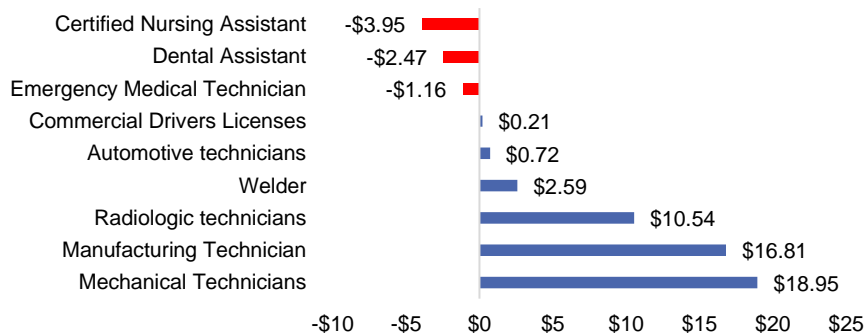
Table 9. Jobs Most Commonly Listed in Demand in New Mexico

Job Title	Statewide Job Openings	Level of Education Generally Required
Registered Nurses	2699	Associate's
Physical Therapists	668	Doctoral
Physicians, All Other	627	Doctoral
Retail Salespersons	450	No degree
Customer Service Representatives	376	No degree
Personal Care Aides	310	Certificate
Nurse Practitioners	273	Master's
Fast Food and Counter Workers	264	No degree
General and Operations Managers	186	Bachelor's
First-Line Supervisors of Food Preparation and Serving Workers	182	No degree

Source: Workforce Connections Online System, April 2024

Some postsecondary certificates in high demand by employers across New Mexico do not necessarily lead to the highest-paying jobs. Data pulled from the Workforce Connections Online system identified several certificates, such as commercial driver’s licenses (CDLs) or certified nursing assistants (CNAs), that are in high demand across the state. However, these credentials do not necessarily lead to the highest-paying jobs. Based on federal Bureau of Labor Statistics data, the median hourly wage for New Mexico workers was \$20.97 as of May 2023. LFC staff matched in-demand certificates or categories of certificates to job categories to determine the jobs and wages associated with these certificates. Based on this analysis, several certificates or categories of certificates in high demand do not lead to the highest-paying positions. For example, a CDL is one of the top 10 most in-demand certificates in 32 of 33 New Mexico counties, but workers with a CDL make an average of only 21 cents an hour more than the median New Mexican worker. A CNA credential is in demand in 31 of 33 counties, but workers with a CNA earn

Chart 18. Difference Between State Median Hourly Wage and and Hourly Wages for Certificate Professions



Note: Wages are a weighted averaged based on the number of workers in matched BLS categories.

Source: WCOS and BLS OEWS data

an average of \$4 less per hour than the median. However, other in-demand certificates, especially those related to high-tech manufacturing, can earn wages significantly above the state median wage.

Better coordination between state agencies could improve occupational alignment of certificate programs. New Mexico’s workforce development ecosystem is fragmented across several state agencies and numerous local groups, including workforce development boards and chambers of commerce. The Economic Development Department (EDD), local workforce development boards, and the Public Education Department all carve the state into different regions. Private sector economic development and chamber leaders interviewed for this report emphasized the need for greater coordination and data transparency between state agencies and industry. While all the state’s two-year HEIs report working with the state or local workforce development boards to inform their program choices, only nine out of 14 HEIs that completed the LFC survey reported working with EDD.

Outcomes data for noncredit certificates is extremely limited. New Mexico’s public HEIs are required to report comprehensive data to HED and the federal government for for-credit certificate and degree programs. LFC staff used this data to match awardees with student outcomes for this report’s analyses. Lack of consistent data collection and reporting requirements means conducting similar analyses for students enrolled at private institutions and in noncredit programs is impossible. At the federal level, the only information collected on noncredit program outcomes is for participants in training programs subsidized through the Workforce Innovation and Opportunity Act. Prior to the FY25 GRO appropriation, HED did not require public institutions to collect or report data for their noncredit programs either. While some institutions conduct surveys on student employment and wages after completing a noncredit certificate, these surveys are of limited scope and quality.

Some HEIs are taking steps to improve alignment of certificate programs with occupational needs. At least 11 of New Mexico’s 17 two-year HEIs make curricular decisions partly through a curriculum coordination committee that engages employers and other stakeholders to review programs periodically. Coordination committees are a requirement for some federal programs, and industry stakeholders and HED alike say the process could be strengthened and better leveraged for student success. However, some HEIs report difficulties in sunseting certificate programs that are no longer aligned with demand from industry. CNM’s collegewide integrated program review process, detailed on the following page, offers an established model for prioritizing staff time and funding by identifying programs that require improvement or additional support.

Credit for prior learning offers a potential to bridge the gap between credit and noncredit certificates and build stronger pathways toward degrees. CNM has implemented a robust credit for prior learning (CPL) system with 26 noncredit to credit “crosswalks,” allowing students to

Table 10. How HEIs Decide Which Postsecondary Certificate Programs to Offer

Practice	Percent of HEIs
Use occupational and demand projection data, such as data from the Bureau of Labor Statistics.	100% (14/14)
Survey students to understand their interests and quantify demand for new programs.	79% (11/14)
Work with an institutional business advisory board convened specifically for this purpose.	79% (11/14)
Work with the Economic Development Department.	64% (9/14)
Work with a local economic development agency, such as the Albuquerque Regional Economic Alliance.	71% (10/14)
Work with the local and/or state chamber of commerce.	86% (12/14)
Work with the regional and/or state workforce development board.	100% (14/14)

Note: 14 of 17 two-year, formula-funded HEIs responded to LFC’s survey.

Source: LFC survey of HEIs

transition from noncredit programs to for-credit courses. CNM reports that 450 of their courses have at least one possibility to earn CPL credit. An agreement with Bernalillo County allows crosswalk certifications such as CPR, First Aid, and OSHA Training into their academic programs. New Mexico’s common course numbering system has made significant strides in enabling transfer of credits between the state’s HEIs. HED reports that since the system’s inception in 2019, almost 3,000 common-numbered courses have been added to the system. Now, buoyed by the GRO appropriation, an adjacent system on the noncredit side could be implemented. Currently, six of New Mexico’s two-year colleges report having a CPL system that recognizes noncredit training completed at their own or another institution.

Recommendations

Higher education institutions should:

- Award liberal arts certificates only as components of transfer programs to four-year institutions;
- Wherever possible, award short for-credit certificates only as a part of “stacked” certificate or degree programs;
- If not already doing so, implement a program review process with clear metrics to ensure that certificates awarded on the way to a higher degree are aligned with the state’s workforce demands;
- Communicate the earnings potential of certificates on their websites, flagging certificates with particularly low or high expected outcomes; and
- Build upon the existing universal course numbering system by expanding credit for prior learning opportunities including developing clear crosswalks between noncredit and for-credit programs.

The Higher Education Department should:

- Provide technical assistance to HEIs to help them align their programs with high-wage, high-demand jobs; and
- Collaborate with the Workforce Solutions Department and HEIs to implement data submission on the noncredit side similar to what is tracked on the for-credit side.

Case Study: CNM’s CIPR Process

CNM implemented the collegewide integrated program review (CIPR) process in 2021 to ensure program offerings align with the college’s mission, student needs, and labor market demands. CIPR evaluates programs using 10 key metrics, including contribution per student credit hour, market rating, number of graduates, employment rates, transfer rates, and course performance indicators. Key features include:

- **Cross-Divisional Input:** The process incorporates feedback from various college divisions, including academic schools, workforce development, finance, marketing, and diversity offices.
- **Data-Informed Decision Making:** CIPR utilizes internal and external data on program performance, market demand, student interest, and program economics.
- **Clear Outcomes:** Each program receives a final designation of sustain, grow, fix, or sunset, with support plans developed for programs needing improvement or deactivation.
- **Flexibility:** The process allows for programs to be transitioned to noncredit offerings through CNM Ingenuity, enabling more responsive and flexible workforce training.

According to CNM, the CIPR process allows the school to make informed decisions about program offerings, ensuring they remain relevant, economically viable, and aligned with student and employer needs.

Source: CNM files

The GRO Appropriation Offers New Access and Accountability for Noncredit Certificates

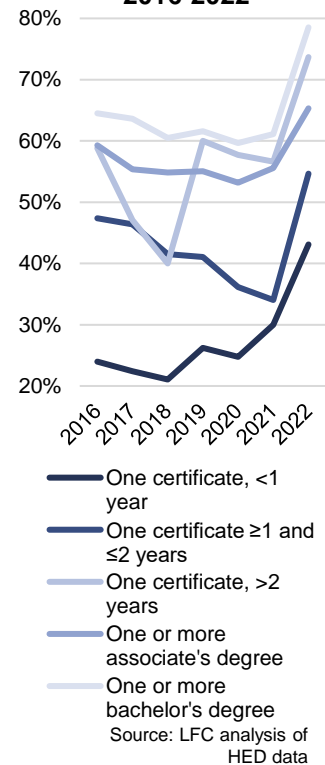
Students pursuing for-credit certificates have increasing options for financial aid and scholarships. However, HEIs and HED could improve financial aid uptake of certificate students by requiring completion of the free application for federal student aid (FAFSA) and better communicating with students about opportunity scholarship eligibility. Prior to the 2024 government results and opportunity (GRO) appropriation, students in noncredit programs generally relied on institutional tuition discounts and employer contributions to limit out-of-pocket costs. Now, GRO promises to break down financial barriers for students interested in noncredit programs, underscoring the need to better understand and communicate the outcomes of these programs with all stakeholders. HED’s proposed GRO performance metrics are a crucial first step that can be expanded with the addition of other LFC-recommended criteria.

Challenges in applying for and finding information about financial aid may impact uptake among certificate students.

As the national popularity of for-credit certificates has grown since the turn of the century, federal loan, grant, and scholarship options have not kept up with demand. Additionally, recent difficulties with the FAFSA may be disproportionately impacting certificate students’ access to federal financial aid. New Mexico has expanded state-funded scholarship options for students pursuing for-credit certificates, particularly those in high-demand fields. HEIs and HED can continue to encourage opportunity scholarship uptake among for-credit certificate students through better public communication.

In 2024, New Mexico’s FAFSA completion rates fell following updates to the form—a decline likely even more severe among for-credit certificate students. Federal grants and scholarships tend to only be available for certificates when (1) the certificate is for credit, (2) the student does not already possess a postsecondary degree, and (3) if the U.S. Department of Education approves the certificate. Students entering a noncredit postsecondary certificate program typically do not qualify for federal financial aid. For-credit postsecondary certificate program students can fill out the FAFSA to determine if they qualify for federal aid, including Pell grants and federal supplemental educational opportunity grants. Between 2016 and 2022, FAFSA completions rose across all New Mexico student groups, including those pursuing certificates. However, provisional data suggests this trend reversed in 2024 when updates to the form and online glitches led to nationwide drops in FAFSA completion. As of July

Chart 19. New Mexico FAFSA Completion Rates 2016-2022



26, 2024, New Mexico’s completion rate for the high school class of 2024 was 49 percent, down 13 percentage points from 2023. Early reports suggest issues with the new form disproportionately affected poor students and students of color in New Mexico. This could have additional ramifications for certificate earners, who are more likely to fall into these categories than their degree-seeking peers. A 2023 LFC evaluation of higher education financial aid found New Mexico’s low FAFSA completion rate resulted in students foregoing \$27 million annually in Pell grants alone.

Financial Aid Options for Students Pursuing For-Credit Certificates

Grad PLUS Loan: The U.S. Department of Education offers the Direct PLUS loan (more commonly known as the grad PLUS loan) to help pay for educational expenses of graduate or professional school not covered by other financial aid. Certificate students who are enrolled at least half time are eligible for this loan.

New Mexico Lottery Scholarship: Available to students who are enrolled 15 credit hours per semester at a four-year institution or 12 credit hours at a two-year institution. While some of the more time-intensive certificate programs meet this criteria, the lottery scholarship is primarily aimed at students pursuing a two- or four-year degree.

New Mexico Opportunity Scholarship: Available for some certificate programs at a New Mexico college or university of at least six credit hours.

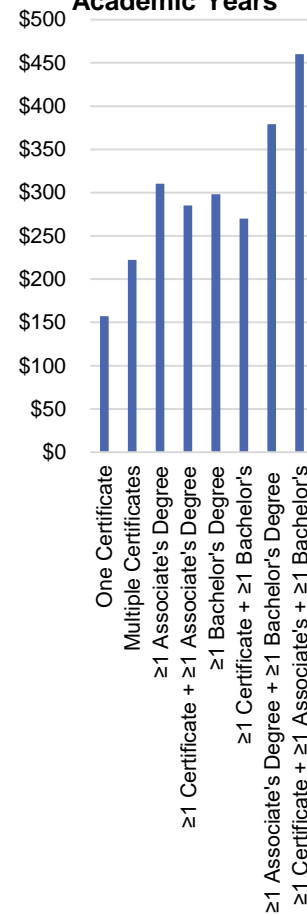
Pell Grants: In 2019, the U.S. Congress expanded Pell grant eligibility to cover some programs as short as 16 semester credit hours over a minimum of 15 weeks of instructional time, or less than two-thirds of an academic year. To qualify, certificate programs must have a job placement rate and student completion rate of at least 70 percent.

Private Loans: In addition to federal student loans, which tend to offer a greater degree of borrower protections and extended grace periods following certificate completion, some private lenders will also provide loans towards certificate completion.

Source: HED and ReachHigherNM.org; U.S. Department of Education

Financial aid data shows students are capitalizing on the opportunity scholarship’s ability to support stacking certificates towards higher degrees. Over several legislative sessions, the opportunity scholarship has expanded from supporting only full-time community college students in FY21 to supporting everyone from traditional college students to nontraditional part-time students in FY23. Statute caps the number of credits a student can use the opportunity scholarship for on the way to either an associate’s or a bachelor’s degree. In 2024, the Legislature amended the opportunity scholarship to ensure the college credits earned by high school students through dual-credit programs do not interfere with scholarship eligibility. Currently students can use the opportunity scholarship for certain certificates determined by HED in collaboration with the Workforce Solutions Department. Eligible certificates are classed as science, technology, engineering, math, healthcare, or in high-demand industries (the same fields counted for performance-based awards in the funding formula). The existing credit-hour caps for associate’s and bachelor’s degrees allow students to stack multiple certificates on the way to degrees. CNM, which automatically awards liberal arts certificates for some students who have earned the requisite credits, reports exempting

Chart 20. Annual Average Opportunity Scholarship Student Award, 2019-20 to 2021-22 Academic Years



Source: LFC analysis of HED data

opportunity scholarship recipients from automatic awards lest this unintentionally put them closer to the credit-hour cap.

HEIs and HED can better provide students with information about using the opportunity scholarship for for-credit certificates. Of the 17 two-year HEIs, only CNM’s scholarship and financial aid website provides an easily accessible list of certificate programs eligible for the opportunity scholarship. ENMU Roswell says only certificates within high-need fields, STEM, and healthcare are eligible, but no other sites mention the opportunity scholarship has only selective eligibility for certificates. While students can call institutional financial aid offices or send an email, this creates an additional barrier. A 2023 LFC progress report on stacked income supports found that such barriers discourage program uptake, especially among communities facing poverty or other obstacles. HEIs could eliminate this barrier by following CNM’s example of publishing regularly updated lists of eligible programs. Additionally, HED should publicly post its annually-updated composite list of eligible program designations to the agency’s website.

Figure 3. The Opportunity Scholarship Information Vacuum



Source: LFC analysis of HED and HEI websites

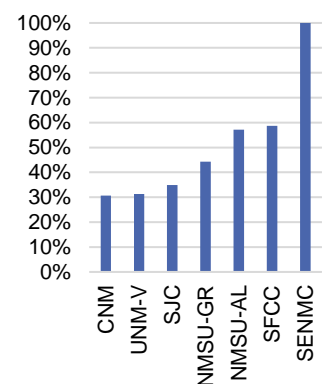
Difficulties spending down the \$20 million 2023 work-study expansion provided insights in designing new GRO guidelines and procedures.

Before the 2024 GRO appropriations, a \$20 million workforce training expansion in 2023 was one of the state’s largest non-recurring investments into postsecondary noncredit workforce development. Spending and reimbursements for that workforce funding have proved challenging as HEIs and HED learn how to encumber this money and get dollars to the programs and students who need it. This process provides valuable insights as HED prepares to distribute the new GRO appropriation.

At the end of FY24, two-year institutions had only spent 27 percent of their original work-study appropriations. In 2022, the Legislature appropriated \$20 million of the state’s federal American Rescue Plan Act funding to support college student work-study programs and in 2023, that funding was expanded to allow HEIs to use it for workforce training and apprenticeships through FY25. Four two-year institutions to date (CNM, Santa Fe Community College, Southeastern New Mexico College, and San Juan College) have taken advantage of the expansion. In LFC’s survey, HEIs cited a number of difficulties in accessing the new expansion. Some HEIs reported delayed authorization from HED to expend funds and long waiting times for clarification on official guidance. For institutions with no or very small noncredit programs, identifying suitable uses for funds has also been a challenge. Finally, the University of New Mexico only authorized its branch campuses to use these funds for their original work-study purpose.

HED released clearer and timelier guidance for the GRO appropriation, and early indications show an improved framework of

Chart 21. Percentage Spent of Total FY23 Work-Study Award and 2023 Workforce Expansion, ≥30%



Source: LFC survey of HEIs

accountability. The original \$20 million work-study appropriation did not include any reporting requirements, unlike GRO, which will be evaluated across several criteria outlined by HED. HED solicited and incorporated feedback from LFC, DFA, and WSD in drafting its initial GRO distributions and performance metrics. On August 2, 2024, HED released a memo providing HEIs with guidance and preliminary distribution amounts (see Appendix F). HEIs were to submit an implementation plan to HED before receiving GRO funding, due August 23, 2024. HED clarified that outcomes and expenditures in FY25 could affect distribution amounts in future years. After HEIs submit their implementation plans and are approved, HED will draft separate memoranda of understanding (MOUs) with each institution. HED has not yet provided a timeline for approving implementation plans, drafting MOUs, or distributing funds. However, the memo did articulate data tracking requirements.

HED’s proposed GRO metrics align with LFC evaluation goals and nationally recognized criteria, with room to expand in future years. The National Skills Coalition’s Nondegree Credential Quality Imperative has analyzed frameworks from major national postsecondary organizations and found that criteria converge around five categories. HED’s current list of metrics aligns with this list, though the agency may consider adding additional outcomes criteria in future years such as post-award wages and others compiled by LFC’s higher education analyst in Appendix G.

Table 11. Timeline of Recent HED Workforce Appropriations

FY23: \$20 million work study appropriation
FY24: Renewal and use-case expansion of original FY23 appropriation
FY25: \$60 million GRO appropriation for workforce development to be used over next three years.
August 2, 2024: HED released initial guidance and distributions for the FY25
August 23, 2024: Institutional implementation plans due to HED.
December 15, 2024: Initial GRO performance metrics report due to HED.
December 30, 2024: All funds from the \$20 million work study appropriation must be “obligated” by the HEIs.
June 31, 2025 (end of FY25): Any unspent funds from the work study appropriation will revert to the U.S. Treasury.
June 31, 2025 (end of FY25): Any remaining funds from the FY25 \$20 million GRO appropriation will revert.
July 15, 2025: Final GRO performance metrics report and budget summary due to HED.
June 31, 2026 (end of FY26): Any remaining funds from the FY26 \$20 million GRO appropriation will revert.
June 31, 2027 (end of FY27): Any remaining funds from the FY27 \$20 million GRO appropriation will revert.

Source: HB2 and LFC files

Figure 4. Recognized Certificate Criteria vs. HED’s Proposed GRO Measures

Market Alignment: Is the credential prioritized by employers hiring for in-demand, high-wage roles? Is it an industry-recognized credential? GRO Measures: On the right track
Equity: Are there gaps in credential attainment or other outcomes by race, gender, or other student characteristics? GRO Measures: On the right track
Outcomes: Are employment, earnings, and pathway outcomes connected to a specific credential comparable and reliable? Are the data around job placement and earnings defined using consistent definitions? GRO Measures: On the right track
Stackability: Can the credential be stacked to additional education or training to help people advance in their educational, training, or employment pathway? GRO Measures: Room to grow
Learning and Competencies: Does the credential serve as an appropriate marker for the mastery of competencies that are valued by employers; is it aligned with industry or sector standards; and does it provide the credential holder with the tools to achieve their related career goals? GRO Measures: Room to grow

Adapted from: Non-degree Credential Quality Imperative

Spending from the GRO appropriation is unlikely to supplant much federal workforce funding, but carryover should be monitored. Prior to the GRO appropriation, the Workforce Innovation and Opportunity Act (WIOA), was one of the few sources of financial aid available to eligible

students in noncredit certificate programs. WIOA helps people with certain risk factors and no other financial aid options access workforce training and education. In program year 2022-23, two-year HEIs provided 768 students with training or education through WIOA, 32 percent of the total 2,427 WIOA completers in the state that year. A 2024 LFC evaluation of the state’s workforce system found that complex applications and intensive eligibility requirements already inhibit WIOA uptake. While the GRO’s implications for WIOA spending are still unclear, close monitoring of year-to-year carryover will indicate whether state money is supplanting federal funding. New Mexico’s HEIs have already seen their Strengthening Career and Technical Education for the 21st Century Act allocation reduced due to lack of uptake. In FY2023, New Mexico received \$10.4 million through this act, from which postsecondary institutions received \$4.4 million. However, New Mexico’s 2024-2028 plan shifts the balance of allocations by five percent annually towards secondary institutions due to a lack of uptake by postsecondary institutions.

Wage outcome data would enhance limited understanding of noncredit certificate outcomes. In LFC’s survey, HEIs reported using a variety of methods to measure the success of their noncredit programs, which do not carry the same reporting requirements as accredited for-credit programs. Clovis Community College, for instance, surveys their noncredit completers but only within certain programs or fields. CNM reports using unemployment insurance information data to track the outcomes of its noncredit completers. Given the current lack of understanding about which noncredit certificates lead to the best outcomes, student wage is the most important metric for HED to add to its GRO criteria. This could be accomplished even before the completion of the New Mexico longitudinal data system by running a “matching” analysis with Workforce Solutions Department (WSD) unemployment insurance data similar to the one deployed in this report.

Nationally, New Mexico is on par with other states’ tracking efforts but could highlight “priority” certificates. Rutgers’ State Noncredit Data Project conducted a survey in 2024 revealing that outcomes tracking is still in its infancy in most states, with many facing the same lack of central oversight and coordination and concerns over data accuracy. However, 14 states currently maintain lists of priority certifications that align with higher-wage careers. Though WSD maintains a list of in-demand certifications, a centralized public repository in partnership with HED and the HEIs could help students understand which certificates have the best chance of leading to high-wage careers.

Recurring high skills funding for noncredit certificate programs likely duplicates new GRO funding. Since 2007, the state has maintained a modest \$760 thousand annual appropriation to HED to reward workforce training in fields that are in the highest demand among employers. The headcount reporting required for the high-skills award duplicates new reporting for the GRO appropriation. To streamline reporting and

Table 12. How HEIs Maintain Quality of Noncredit Certificate Programs

Practice	Percent of HEIs
Use federal student success metrics (such as WIOA Title I reporting requirements) to track quality.	79% (11/14)
Require faculty to pursue continuing education and upskilling.	64% (9/14)
Feedback from employers who hired certificate recipients.	79% (11/14)
Student surveys/ feedback	71% (10/14)
Track student employment and earnings outcomes.	43% (6/14)

Note: 14 of 17 two-year, formula-funded HEIs responded to LFC’s survey.

Source: LFC survey of HEIs

administrative overhead, the Legislature may wish to explore subsuming high skills funding into the GRO or eliminating it in future years.

Successful noncredit funding programs in other states offer useful models for GRO disbursement and dynamic performance-based funding. Programs in Virginia and Texas have seen success using a pay-for-performance model that rewards students and institutions for noncredit certificate completion. Texas House Bill 8 (2023) ties \$683 million of community college funding to measurable, student-focused outcomes. This bill, which came out of extensive consultation with national experts and community college stakeholders, also emphasizes transparency around “credentials of value”—those where students can earn enough within 10 years to pay for the cost of their education and surpass the earnings of an average high school graduate. In 2016, Virginia established the New Economy Workforce Grant Program, a pay-for-performance model for funding noncredit workforce training that leads to a credential in a high-demand field. A 2023 program review found that participants saw a median annual wage increase of \$6,120, or 23 percent. In FY22, 11,553 individuals were enrolled in training, and 99 percent completed training. By distributing risk and incentivizing completion, Virginia has increased training completion and credential attainment in its highest demand fields, including commercial transport, medical assisting, and information technology. NMSU-DA is exploring implementing a similar model for its GRO distribution. Their plan would involve students paying a third the cost of tuition, which could be refunded on successful certificate completion.

**Texas House Bill 8:
Outcomes-Based
Funding for
Community Colleges**

- The number of credentials of value awarded, including badges, certificates, and degrees that position graduates for well-paying jobs.
- Credentials of value awarded in high-demand fields where employers are looking for skilled employees.
- Successful student transfers from community colleges to four-year universities.
- Completion of a sequence of dual credit courses, which are offered to high school students and can set them on early pathways to success.

Source: Texas House Bill 8

Table 13. Virginia’s Pay-for-Performance Model

Payment scenario if a student...	Student pays...	State pays training institution
...Completed training and credential	1/3 cost	2/3 cost*
...Completed training but did not earn or report credential to the training institution.	1/3 cost	1/3 cost*
...Did not complete training and did not earn or report a credential	2/3 cost	No

Note: *Maximum contribution from the state is \$3,000.

Source: State Council of Higher Education for Virginia

Recommendations

The Legislature should consider:

- Subsuming high skills funding into GRO appropriations to streamline administrative work for HEIs; and
- Requiring completion of the free application for federal student aid or an alternative income verification to be eligible for lottery and opportunity scholarships.

The Higher Education Department should:

- Use the December 15, 2024, mid-year reporting deadline set by the Higher Education Department for the GRO workforce

appropriation to provide feedback to HEIs and release timely information about how FY25 performance and fund expenditures will affect potential FY26 distributions;

- Collaborate with the Workforce Solutions Department to measure student wages as a GRO performance metric and consider adding additional metrics; and
- Make the annual list of opportunity scholarship-eligible certificate programs publicly accessible on the HED website and ReachHigherNM.org by the end of 2024.

Higher education institutions should:

- Flag certificates eligible for opportunity scholarship funding on scholarship or financial aid web pages by the end of 2024 if not already doing so.

Improved Data Tracking and Communication Could Address Diverse Challenges for Postsecondary Certificates

A functional and accessible state longitudinal data system (SLDS) is critical to ensuring that postsecondary certificates are paying off for students. Currently, New Mexico’s SLDS is tied for last in the nation in development and implementation. Lacking access to such a data system, many institutions have devised costly and time-intensive work-arounds to track student outcomes. Meanwhile, new federal reporting requirements for private institutions hold promise for ensuring that New Mexico’s private HEIs are providing students with good returns on investment—especially in high-demand healthcare fields. Data transparency around certificate outcomes would help students make informed education and career choices.

Access to the New Mexico longitudinal data system would improve analysis of student outcomes and save HEIs money and staff time.

Most states collect longitudinal data on for-credit certificates to better understand their labor market value by integrating education and workforce data systems and tracking outcomes through data-sharing agreements between HEIs and labor agencies. Data-driven decision-making in education gained momentum in the 1990s and early 2000s, accelerated by the reporting requirements of the No Child Left Behind Act (2001). The U.S. Department of Education established the State Longitudinal Data System Grant Program in 2005 to support statewide data systems. During the 2010s, many states improved data integration to better track cradle-to-career outcomes and disaggregated across demographic factors to uncover potential equity issues within education. New Mexico’s progress has been slow compared to most other states. Currently, lack of easily accessible data through the New Mexico longitudinal data system (NMLDS) is costing HEIs unnecessary money and staff time tracking student outcomes.

New Mexico is tied for the last in the nation for the development and implementation of its SLDS. The George W. Bush Institute scores state longitudinal data systems based on governance, accessibility, data-driven policy, and transparency. New Mexico’s SLDS scored a total of eight out of 16 possible points across this rubric, tied with New York and Wyoming

Case Study: Maryland’s Longitudinal Data System

What makes a strong state longitudinal data system?

Strong Governance: Maryland established the Maryland Longitudinal Data System Center with a governance board, ensuring effective oversight and sustainability.

Robust Data Security and Privacy: The state created a cybersecurity subcommittee and appointed a chief privacy officer to safeguard data and ensure compliance with privacy laws.

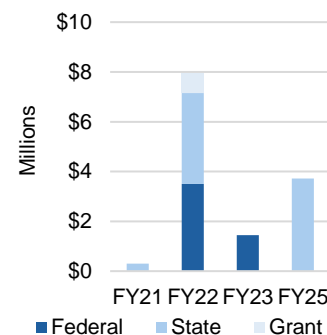
High Quality Data: Dedicated staff support ensures rigorous data collection, validation, and analysis, maintaining the accuracy and reliability of the system.

User-Friendly Access: Implementation of data dashboards and clear data definitions enhances transparency and makes data easily accessible to stakeholders.

Continuous Improvement: Maryland’s ongoing system enhancements demonstrate a commitment to adapting to emerging needs and improving system effectiveness.

Adapted from: George W. Bush Institute

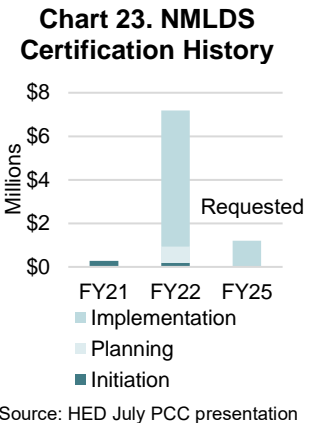
Chart 22. NMLDS Appropriation History, FY21-25



Source: HED July PCC Presentation

for the lowest composite scores in the nation. As of 2021, New Mexico was one of 10 states without a functioning SLDS according to the Education Commission for the States. Over the past five fiscal years, New Mexico appropriated \$13 million to support the NMLDS. Previously, the state received a federal SLDS Grant in 2012 of \$4.6 million. To date, \$7.4 million from the recent appropriations has been certified for use.

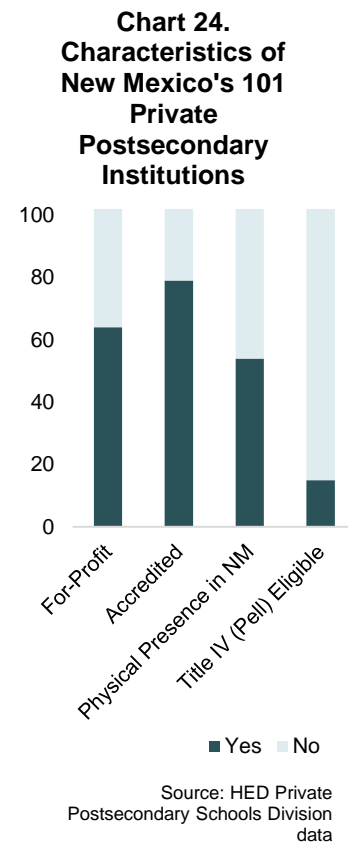
New Mexico’s HEIs deploy a patchwork of software and manual workarounds to track for-credit certificate student outcomes, most of which could be streamlined or eliminated through the NMLDS. San Juan College’s notably high graduate employment survey response rate (71 percent in 2023 and 83 percent in 2022) is the result of a campaign combining in-person student outreach with manual trawling of alumni LinkedIn profiles. NMSU-DA uses the Stepping Blocks software to automate its LinkedIn searches, but only locates a small percentage of graduates using this method. Stepping Blocks costs Doña Ana \$5,000 per year and the entire NMSU system \$50 thousand annually. Additionally, some colleges used federally-compiled data, such as the College Scorecard that incorporates information on employment outcomes, to provide students with information linking credentials to jobs and earnings.



Private institutions award about 17 percent of the state’s for-credit certificates, but are much more expensive than public HEIs and their outcomes are unknown.

National research shows private certificates often yield limited or even negative returns on investment compared to public institutions, with lower employment rates and earnings for graduates, especially from for-profit and online programs. In New Mexico, private institutions play a significant role in producing certificates, particularly in healthcare and personal services, though their programs tend to be more expensive than those offered by public institutions. The state’s regulation of private institutions aligns with national best practices, focusing on financial stability, curriculum quality, and consumer protection, but challenges remain with ensuring transparency and alignment with student outcomes.

National research indicates certificates from private for-profit institutions produce limited or even negative returns on investment for most students. A 2016 study of students who received certificates from private for-profits found that these completers were 1.5 percentage points less likely to be employed than students who completed similar programs at public institutions. For those who did attain employment, earnings were 11 percent lower than their public school peers. Outcomes were particularly poor for students who took for-profit courses online or at multi-campus chains. Looking at the cost of for-profit certificates and the marginal returns over not attending college at all, the authors concluded that “for-profit certificate programs do not pay off for the average student.”



Private institutions play a significant role in the production of for-credit certificates in New Mexico, especially in healthcare and personal services fields. In 2023, there were 101 private postsecondary state-authorized institutions operating in New Mexico. Over 10 thousand New Mexico students were enrolled in private institutions, 46 percent of whom were in certificate programs. Private institutions awarded 3,132 for-credit certificates in the 2021-22 academic year—17 percent of the state’s total. Many were awarded in fields with historically high female participation rates, such as entry-level healthcare, alternative medicine, and cosmetology. Over the last three academic years, over four times as many women earned medium-term for-credit certificates as compared to men and nearly 30 times as many women earned long-term certificates.

Table 16. For-Credit Certificates Awarded by New Mexico Title IV-Eligible Private Institutions, 2021-22 Academic Year

Field of Study	Certificates Awarded by Private HEIs	Share of Total Awards in State
Other*	1566	16%
Health	582	25%
Personal Services	983	79%
Veterinary Sciences	41	14%

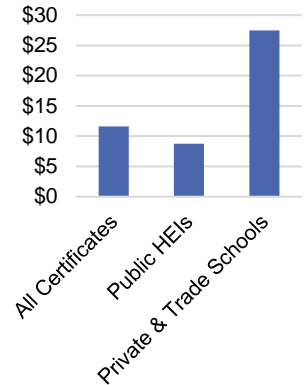
Note: Almost all the certificates in the “Other” instructional category were awarded by schools specializing in personal services and cosmetology.

Source: LFC analysis of IPEDS Data

On average, certificates offered at New Mexico private institutions and trade schools are more expensive in terms of both total cost and cost per instructional hour. Based on the 287 public and private certificate programs included in LFC analysis of Workforce Connections Online System data, the median total cost of a postsecondary certificate in New Mexico is \$3,950, while the median cost per instructional hour is \$11.61. However, students enrolling in a private or trade school can expect to pay more for their certificates as well as more per hour.

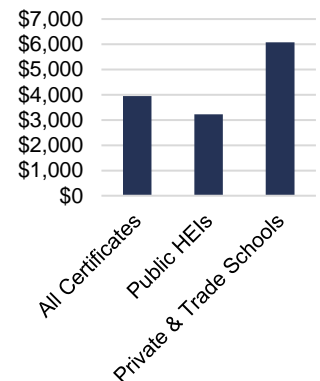
HED’s regulation of private higher education institutions aligns with national best practices, though risks of private certificates could be more clearly communicated. HED oversees the authorization process, which includes reviewing financial stability, faculty qualifications, curriculum, and facilities for both accredited and nonaccredited institutions. Nonaccredited institutions undergo an additional committee review. To protect students and taxpayers, HED also assesses financial stability through audit reports, tax returns, and fiscal responsibility scores. In addition to regulatory oversight, private institutions in New Mexico pay fees that are mid-range compared to other states, with an initial application fee ranging from \$500 to \$5,000 depending on tuition revenue. These fees, along with other smaller administrative costs, help fund the state’s oversight including consumer protection measures. The State Higher Education Executive Officers Association has recognized New Mexico as one of the most stringent states in this area.

Chart 25. Median Instructional Cost Per Instructional Hour



Source: LFC analysis of WCOS data

Chart 26. Median Total Certificate Cost



Source: LFC analysis of WCOS data

Figure 5. Potential Risks for New Mexico Certificate Students Attending Private Institutions in Common Fields

Personal Services (Cosmetology):

New Mexico's median annual pay in cosmetology and hair styling was only \$27 thousand in 2023. Private institutions awarded almost 1,000 certificates in this field in 2023, but there were only 273 annual openings in this field on average between 2018 and 2023.

Healthcare and Nursing:

New Mexico's public institutions invest heavily in nursing programs and nursing expansions. Students attending public HEIs can make use of the opportunity scholarship for healthcare certificates. While New Mexico's biggest three private healthcare trainers (Pima, Carrington, and Brookline) are Pell eligible, their healthcare certificates cost substantially more for students than those earned at their public equivalents, which makes being able to calculate their potential returns on investment even more essential.

Source: LFC analysis of state occupational projections and IPEDS data

Financial Value Transparency and Gainful Employment Regulations

Beginning on July 1, 2024, Title-IV eligible institutions are required to report data to the U.S. Department of Education. The department will use that data to calculate debt-to-earnings and earnings premium for each eligible program offered by a particular institution. While this will provide information on outcomes for private HEIs, it is unclear when data will be publicly available.

Source: FSA Dear Colleague Letter Gen-24-04

New federal financial reporting requirements implemented in July 2024 (see box at right) should make it easier in coming years for HED to track and report on the debt-to-earnings ratio at both public and private institutions. By combining this information with future NMLDS dashboards, there is the potential to craft powerful consumer-oriented tools to help students, institutions, and Legislators make informed decisions regarding the state's workforce development.

Recommendations

The Legislature should consider:

- Pausing all future appropriations to the New Mexico longitudinal data system (NMLDS) until a usable platform is demonstrated.

The Higher Education Department should:

- Collaborate with LFC staff to test the NMLDS; and
- Add a section to the HED website and/or ReachHigherNM.org communicating average costs and potential return on investment of popular certificates and degrees at both private and public institutions.

Higher Education Institutions should:

- Once the NMLDS is operational, use wage and employment data in student career advising and to inform development of course pathways.

Agency Response

NEW MEXICO
HIGHER EDUCATION
DEPARTMENT



Fostering Student Success from Cradle to Career

Michelle Lujan Grisham, Governor
Stephanie M. Rodriguez, Cabinet Secretary
Patricia Trujillo, Ph.D., Deputy Secretary

September 11, 2024

Charles Sallee, Director
New Mexico Legislative Finance Committee
325 Don Gaspar Avenue, Suite 101
Santa Fe, NM 87501

Dear Director Sallee:

The New Mexico Higher Education Department (Department) appreciates the opportunity to respond to the Legislative Finance Committee's (LFC) program evaluation titled "Postsecondary Certificates," provided to the Department on September 9, 2024. We recognize the work of the program evaluation team in their independent research and coordination of the Department, sector leaders, and higher education experts, which we hope will support continued efforts to improve postsecondary outcomes for New Mexicans and the state's workforce.

Throughout the Department's response to the report, we added context to the information contained within the program evaluation and expand it to a broader conversation outside of the listed parameters. The Department looks forward to continued collaboration with our partner cabinet agencies and the Legislature to sustain the momentous progress and investments New Mexico has made in higher education.

Key Finding 1: Some postsecondary certificates can offer an alternative to traditional college degrees, but many others confer little workforce or wage value.

The Department agrees that postsecondary certificates have varying value depending on the field in which they were awarded and the length of the program. Both the broader literature as well as our agency's own analysis confirm the varied workforce and wage outcomes can result from the receipt of these certificates. However, where we take issue with the report's findings is stating that "many others confer little workforce or wage value," and we find these statements overly broad. The Department's analysis of the requested dataset finds that while wage returns are varied, some program areas which are criticized by the report, such as liberal arts certificates, have wage returns that follow similar trajectories to high-priority areas such as engineering technology and healthcare (refer to Figure 1, in this letter under Key Recommendation 2).

Furthermore, postsecondary certificates and degrees have value beyond wages which cannot be measured by the data used in this analysis. Completely writing off programs which have lower wage returns would be an overreaction and defeats the purpose of higher education in which students are free to pick a field of study and expertise. Additionally, when we analyze the value of any academic program, we must make sure to explore the full breadth of both the need for and the impact of the

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NEW MEXICO
HIGHER EDUCATION
DEPARTMENT



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Patricia Trujillo, Ph.D., Deputy Secretary

program, including not only wage returns for credential recipients but also workforce demand, student demand, student satisfaction, student learning outcomes, and other positive externalities tied to postsecondary education, such as improved critical thinking and community engagement.

Even more, the report acknowledges on pages 21 to 22 how some high-need fields that require certificate-level credentials such as a certified nursing assistant (CNA) and a commercial driver's license (CDL) have relatively low wage returns. Continuing to train students in these areas is essential to the state's workforce. While improving wage returns to these fields is an important challenge for the state to tackle, it is beyond the scope of the Department.

A dangerous narrative is to refer to two- and four-year degrees as "traditional" and "conventional" college degrees. This implies that certificate programs are not conventional postsecondary credentials. The reality is that these programs have a long standing within higher education, particularly for-credit certificates, and are a central component to the higher education landscape and state's economy, not an unconventional side offering.

Key Finding 2: Certificate programs are supported by various funding sources, including significantly increased state support, but with uneven accountability for outcomes.

The Department must point out that the report frequently speaks about for-credit and noncredit certificates as a single block. These types of credentials are distinct, and while the report does delve into the differences between these credential types, such as on page 9, including their differing governance models, data collection processes, and funding sources, at other times, including in the first sentence of the summary, these differences are not clearly delineated.

For both for-credit and noncredit certificates the Department agrees that it is important, both to the state's financial investments in higher education and to students' personal and financial investments into their education, that we ensure that programs offered by the state's higher education institutions are sufficiently monitored to ensure that accountability is fair, transparent, and consistent. Currently, accountability measures at the federal level, such as Gainful Employment, are in place to ensure certificate programs, both for-credit and noncredit, are of meaningful financial value to the students who participate in them. Additionally, for-credit certificates must meet the same academic accountability measures as two- and four-year degrees as set out by the Higher Learning Commission. This ensures that these certificates have academic merit and provide learning outcomes of comparable stringency as two- and four-year degrees. Still, we acknowledge that there is room to increase this accountability at the state level, particularly as we develop systems of data collection for noncredit certificates.

We also appreciate the report's findings that private higher education institutions are well monitored by the Department, and we recognize that while New Mexico does well compared to other states

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across the country, there is always more work to do to ensure students do not fall prey to any predatory activity by private higher education institutions. Among the changes the agency can make to improve in this area is to work with our partners at New Mexico's public colleges and universities to better communicate to students the potential cost savings they can achieve by pursuing certificates at our public higher education institutions.

Key Finding 3: Improved data tracking and communication are needed to guide support for the most valuable certificates.

The Department views the collection of high-quality data as essential to understanding the experiences of students and educational institutions across the state. High-quality data is one of our most important tools for ensuring that students are provided the high-quality training that is necessary for later success. We are excited by the opportunity that the Government Results and Opportunity (GRO) appropriation has created for the Department to collect data on noncredit certificates for the first time and we look forward to reviewing and analyzing this data in the near to better understand the noncredit certificate landscape at New Mexico's public higher education institutions.

It is critical to note that the report comments that the requested dataset from the Department does not include data on which programs stack. This is not a data element currently collected by the Department nor did LFC evaluators inquire about this type of data with their request. However, we do see the potential value in collecting such data and could potentially explore adding such an element into our data collection in the future. Such a change would have to be done in conjunction with our partners at higher education institutions.

Key Recommendation 1

The Legislature should consider:

- **Pausing all future appropriations to the New Mexico Longitudinal Data System until a usable platform can be publicly demonstrated; and**
- **Requiring completion of the Free Application for Federal Student Aid or an alternative income verification to be eligible for Lottery and Opportunity scholarships.**

The New Mexico Longitudinal Data System (NMLDS) is a comprehensive statewide longitudinal data system (SLDS) supported by five partner executive agencies, is a priority project for Governor Michelle Lujan Grisham, and is required by the Legislature, but, while NMLDS does house data related to postsecondary certificates, this discussion is tangential to the focus of this evaluation. All data requested for this evaluation that exists in NMLDS is available at the Department and the New Mexico Department of Workforce Solutions (NMDWS) and was sent to LFC staff.

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The report claims that NMLDS has spent over thirteen million dollars (\$13,000,000), though the most recent financial information shared with LFC staff at the July Project Certification Committee (PCC) hearing and indicated that that amount includes funding secured for Phase II project work. The report also claims that the "...platform remains incomplete and inaccessible even to state researchers" (page 5). NMLDS is currently in use, and agency partners are beta testing the system to inform researcher needs for the next phase of project work. This includes a planned second attempt at exploring undergraduate certificate and degree data by the Department with a slightly different dataset and analytical approach than was used for this analysis. LFC has received two demonstrations including both the public-facing visualizations and the data warehouse developed during Phase I of project work.

The Department strongly disagrees with the recommendation to pause funding for NMLDS. To ask the project to stop work due to paused funding contradicts this report's request for NMLDS to expand its research scope to answer more questions of interest to LFC and other stakeholders. Pausing funding also puts the project in a precarious position as it transitions into Phase II of project work and the enhancements and improvements that come with that. Further, NMLDS has garnered national attention and serves as a resource for other SLDS programs throughout the country. Pausing the project may risk the national attention that the project has garnered for its work over the previous years.

Regarding the recommendation to require Free Application for Federal Student Aid (FAFSA) completion or other income verification, noncredit certificates do not leverage FAFSA-related funding, and they are not eligible for Lottery Scholarship or Opportunity Scholarship funding. A requirement for FAFSA completion would only affect students pursuing credit-bearing certificates, a portion of overall certificates attained in New Mexico. The Department and higher education institutions strongly encourage students to complete a FAFSA, but requiring FAFSA completion puts an extra obstacle in front of students looking to take advantage of higher education offerings, possibly decreasing enrollment in certificate courses and programs.

Similar to the inclusion of NMLDS in this evaluation, the Department feels that the inclusion of FAFSA requirements is tangential to the primary focus of the report. An evaluation of postsecondary certificates should remain separate from requirements related to FAFSA and alternative income verification at this stage to remain focused on trends in certificate program participation, outcomes for certificate recipients, etc.

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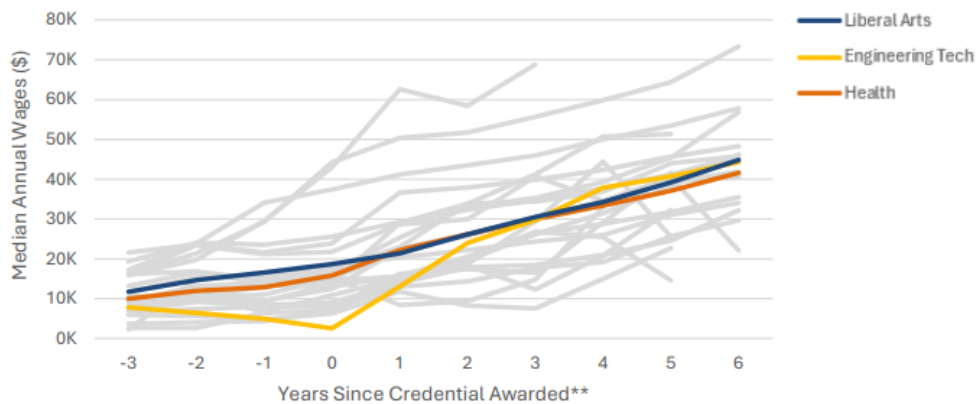
Key Recommendation 2: Higher education institutions should:

- Award liberal arts certificates only as components of transfer programs to four-year institutions; and
- Wherever possible, award short for-credit certificates only as a part of “stacked” certificate or degree programs.

While we can understand the report’s concern regarding an increase in liberal arts certificates, we feel that the analysis conducted by the LFC evaluators does not accurately reflect both the purpose of these certificates and the potential returns students receiving these certificates are gaining.

Through NMHED’s analysis of the requested dataset (Figure 1), we find evidence that, at worst, liberal arts certificates have middle-of-the-road wage returns relative to other certificate areas. In fact, liberal arts certificate returns are similar to those of certificates in priority areas like healthcare and engineering technology. Our analytical approach differed from that of the LFC evaluation, including providing longer horizons both before and after the receipt of an award by students. We feel that the short post-credential horizon used by LFC evaluators is particularly limiting to understanding the potential wage returns students have previously achieved.

Figure 1: Median Annual Wages Earned by Years Since Certificate* Awarded
Awardees from 2016-17 to 2022-23



* For-credit certificates of no more than 2 years in length.

** “Years Since Credential Awarded” is calculated by subtracting the Academic Year (AY) from the Fiscal Year (FY) then subtracting one to account for the difference in naming convention. For example, at the x-axis value of 0, students earning a credential in AY2022 (summer 2022 to spring 2023) have their wages from FY2023 (July 2022 to June 2023) reported. Negative values are years prior to the awarding of a given credential.

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Beyond wage returns, we do not have enough data to say whether these certificates in liberal arts are directly or indirectly beneficial to students as they work toward their educational goals. It is possible that many recipients of these awards who receive them automatically from Central New Mexico Community College (CNM) and San Juan College (SJC) would leave without any award in their absence. It is also possible that these awards benefit students as important stepping stones along their educational pathways, providing a beneficial mid-pathway achievement to bolster students' ongoing progress. Without any specific evidence in these areas, the report's conclusion that these certificates are unlikely to benefit students is conjecture.

Additionally, it is unclear to the Department why LFC calls for liberal arts certificates to only be awarded as components of transfer programs to four-year institutions and does not include two-year programs. The report is supportive of articulation between certificates and degrees (vertical stacking), and this exclusion feels out-of-step with the broader recommendations and findings in the report.

The Department recognizes the potential for improved outcomes for students who participate in stacking. However, our interpretation of the available literature is that findings are more mixed than the LFC report concludes. While stacking in certain fields and for certain students can be a useful resource for improved outcomes, it is not a remedy. The agency has not conducted its own analysis with a stacked credential lens, but we would have liked to see further data in the LFC report which discusses the differences in stacking outcomes by program type and student background. In the absence of a deeper analysis, we feel that this recommendation should be tempered. At the same time, the Department will look to explore this area in future analyses.

We also feel that stacking credentials needs to be viewed as a part of larger conversations around transfer, articulation, and credit for prior learning. Taken as a whole, these topics are fundamentally about how we can ensure that students can leverage their existing proficiencies, coursework, and earned credentials toward greater advancement on their chosen educational and professional pathways. The Department supports building more extensive vertical articulation pathways for certificate programs offered at higher education institutions, continued work around providing credit for prior learning, and identifying opportunities where horizontally stacked certificates can offer additive or synergistic returns for students. We are undertaking some work in this space, such as via our prior transfer summits, a proposed transfer working group, and our annual higher education summits. We would welcome the opportunity to dig deeper into these areas with partners across the state, not only from higher education institutions but also from other state agencies, representatives from the legislature, and employers.

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Key Recommendation 3

The Higher Education Department should:

- **Use the December 15, 2024, mid-year reporting deadline set by the New Mexico Higher Education Department for the GRO workforce appropriation to provide feedback to higher education institutions and release timely information about how FY25 performance and fund expenditures will affect potential FY26 distributions;**
- **Collaborate with the New Mexico Department of Workforce Solutions to measure student wages as a GRO performance metric and consider adding additional performance metrics; and**
- **Collaborate with LFC staff to test the NMLDS.**

The Department agrees with the recommendation to use the data reports from higher education institutions on their use of GRO funds, due on December 15, 2024, to further refine our guidance to community colleges and regional universities on the best use of GRO funds, in collaboration with Workforce Innovation and Opportunity Act (WIOA) dollars and other funding sources for noncredit certificates. We will also refine our data collection templates and provide guidance on the end-of-the-year report on FY25 use of GRO funds, due on July 15, 2025. In addition, the Department will use the information gained from these reports to inform our distribution of GRO funding for FY26 and FY27.

It is important to note that the Department has already begun discussions with NMDWS to utilize their Workforce Connection Online System, where feasible, to capture demographic data about who is being served by the GRO funding, to track these students into the workforce, and to be able to integrate that data into NMLDS for future tracking. Both Secretary Sarita Nair of NMDWS and I have met with the New Mexico Independent Community College Association (NMICC) and the New Mexico Association of Community Colleges (NMACC) to discuss this collaboration. Another benefit of this collaboration is that it will help identify students who need additional wraparound services, such as supplies, equipment, transportation, and childcare, that could be provided from funds available to NMDWS and that would supplement the tuition and fees paid out of the GRO funds.

Regarding the recommendation to collaborate with LFC staff to test NMLDS, I will bring that recommendation forward to the Office of the Governor and the four other partner agencies. It is important to state that NMLDS is designed to help all state entities better serve the citizens of New Mexico.

If access was granted to an entity outside of the Executive to test NMLDS, there would need to be clear conditions and agreements as to the scope and purpose of access. For example, NMLDS data is not set up for oversight purposes directly and when LFC works with Executive agencies on evaluations, such as this performance evaluation, the Executive agency staff need to prepare data to meet the needs of LFC staff and guide LFC staff on the appropriate usage of that data.

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Beta testing by its nature is intended for smaller groups and this team has been pulled from the partner agencies' project team. The project is not yet ready to consider data access for external stakeholders outside of the partner agencies. In addition, since NMLDS is in beta testing, it is not ready for live reporting. Data is in the warehouse and is being used for exploratory testing that will inform changes, improvements, and adjustments to the system as part of upcoming Phase II work. Executive agency researchers are currently testing the warehouse.

Part of Phase II project work is to implement the Data Request Portal (DRP), a web application that serves as the primary manner for stakeholders from outside of the partner agencies to request access to NMLDS data. LFC will be welcome to submit requests through the DRP once it is live. Further, NMLDS will need testers for the DRP, including external testers, and would welcome LFC's support in testing the DRP from an external requestor's point of view.

Other Recommendations in the Report

There are several recommendations embedded within the report that are not specifically called out as "Key Recommendations", however, the Department has provided responses to those recommendations below.

On page 24 of the report the following additional recommendations are included for higher education institutions and the New Mexico Higher Education Department.

Higher education institutions should:

- If not already doing so, implement a program review process with clear metrics to ensure that certificates awarded on the way to a higher degree are aligned with the state's workforce demands;
- Communicate the earnings potential of certificates on their websites, flagging certificates with particularly low or high expected outcomes; and
- Build upon the existing universal course numbering system by expanding credit for prior learning opportunities including developing clear crosswalks between noncredit and for-credit programs.

The Department agrees with the recommendation to post the earnings potential of certificates but do not feel that flagging low or high expected outcomes is necessary. The data can speak for itself. We are willing to partner with NMDWS to develop wage expectations that can be posted.

It is valuable to have credit for prior learning (CPL) crosswalks built between noncredit and for-credit programs. We have started that work and have incorporated several of the trades into the Common Course Numbering Matrix. The agency also worked with trade unions to ensure that courses in the trades and learning provided by the union are mutually transferrable through CPL agreements. Much

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of the development of CPL crosswalks will have to be done at the institutional level, such as the many crosswalks already developed by CNM, and the agency will work with higher education institutions to further these agreements.

The Higher Education Department should:

- Provide technical assistance to higher education institutions to help them align their programs with high-wage, high-demand jobs; and
- Collaborate with the New Mexico Department of Workforce Solutions and higher education institutions to implement data submission on the noncredit side similar to what is tracked on the for-credit side.

The Department already works in collaboration with NMDWS to identify high-demand jobs in New Mexico. These jobs, of importance to the New Mexico workforce, determine which short-term for-credit certificate programs are eligible for the Opportunity Scholarship. In addition, the higher education funding formula, commonly referred to as Instruction and General (I&G) funding, provides extra weight to certificates and degrees granted in these high-demand workforce areas in addition to awards in science, technology, engineering, math, and health. And as mentioned previously, the Department is already working with NMDWS to develop new mechanisms for collecting data about students and student outcomes for noncredit certificates.

On pages 30 and 31, the following additional recommendations are included for the Legislature and the Department:

The Legislature should consider:

- Subsuming high skills funding into GRO appropriations to streamline administrative work for higher education institutions.

Subsuming high skills funding into GRO may reduce administrative burdens and give higher education institutions more flexibility in administering these funds. It is worth considering. It is also important to note that the GRO money does not only pay tuition and fees for courses not otherwise eligible for state or federal financial aid, it can also be used to support apprenticeships and internships. Having more money available could increase the number of apprenticeships and internships that could be funded.

The Higher Education Department should:

- Make the annual list of opportunity scholarship-eligible certificate programs publicly accessible on their website and ReachHigherNM.com by the end of 2024.

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The Department agrees with the recommendation to post Opportunity Scholarship-eligible certificate programs on the website and the ReachHigherNM.com site and will work to implement that recommendation this fall.

Finally, on page 35 the following additional recommendations are included for NMHED and HEIs:

The Higher Education Department should:

- Add a section to the website and/or ReachHigherNM.com communicating average costs and potential return on investment of popular certificates and degrees at both private and public institutions.

Several states, such as Texas, have used their LDS data to identify specific certificates and degrees and the potential return on investment for students. We have discussed the development of a similar report for NMLDS and will continue that discussion. We do see the potential value of such data for students as they consider their educational objectives.

Higher education institutions should:

- Once the NMLDS is operational, use wage and employment data in student career advising and to inform development of course pathways.

One of the stated benefits of NMLDS is to be able to provide exactly the type of data recommended. We will work with higher education institutions to provide them that kind of data as they work on course pathways. We also see that as valuable information for high school students and as good guidance for the courses they may want to take for dual credit.

Conclusion

New Mexico is working hard to develop higher education policies that ensure state higher education institutions offer postsecondary programs that meet the educational and career goals of students and lead to positive returns for local communities and the state. With new sources of funding for noncredit certificate programs via GRO and continuing support for students via the Lottery and Opportunity scholarships, students have access to more opportunities than ever before. Furthermore, the Department and its partners across the state are working diligently to improve data collection and analysis so we can make better informed decisions about where to allocate resources and provide better advising support to students on their educational and career pathways.

With your partnership, the New Mexico Higher Education Department will continue to support students as they pursue their goals, regardless of the type of credential pathway they choose. By making an honest assessment of the credential offerings within our higher education landscape and

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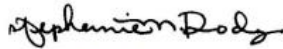
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the impacts these credentials have on our students, colleges, universities, and workforce needs, we seek to better serve our state.

Thank you for your attention to the Department's response. We look forward to continuing to work with the Executive and the Legislature going forward.

Sincerely,



Stephanie M. Rodriguez
Cabinet Secretary

cc: Sarita Nair, Cabinet Secretary, New Mexico Department of Workforce Solutions
Mariana Padilla, Acting Cabinet Secretary, New Mexico Public Education Department
Scott Groginsky, Deputy Secretary, New Mexico Department of Workforce Solutions
Dr. Patricia Trujillo, Deputy Cabinet Secretary, New Mexico Higher Education Department
Gerald Hoehne, Chief of Staff, New Mexico Higher Education Department
Senator George Muñoz, Chair, Senate Finance Committee
Representative Nathan Small, Chair, House Appropriations and Finance Committee
Micaela Fischer, Deputy Director, New Mexico Legislative Finance Committee
Dr. Sarah Rovang, Program Evaluator, New Mexico Legislative Finance Committee
Sam Lesemann, Program Evaluator, New Mexico Legislative Finance Committee

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NMICC

NEW MEXICO INDEPENDENT COMMUNITY COLLEGES

Central New Mexico Community College • Clovis Community College • Luna Community College
Mesalands Community College • New Mexico Junior College • New Mexico Military Institute
Northern New Mexico College • San Juan College • Santa Fe Community College
Southeast New Mexico College • Western New Mexico University

September 11, 2024

Charles Sallee, Executive Director
cc: Micaela Fischer, Deputy Director
Sarah Rovang, Program Evaluator II
Josh Chaffin, Program Evaluator
Sam Lesemann, Program Evaluator
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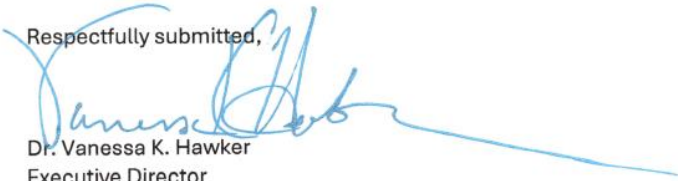
The New Mexico Independent Community Colleges (NMICC) wish to thank the Legislative Finance Committee for examining postsecondary education workforce credentials, providing suggestions on opportunities for improvements. We appreciate the ability and professionalism of the LFC Evaluation Team: Sarah Rovang, Josh Chaffin, Sam Lesemann, and Deputy Director Micaela Fischer as they worked on the “Postsecondary Certificates” evaluation.

Examining the world of workforce credentials is complex and convoluted – there are multiple types of training entities, many potential funding sources, students with wide ranging skills and abilities. This complexity is compounded by the need to respond quickly to the ever-changing needs of New Mexico’s businesses.

This evaluation examines another component of New Mexico’s workforce training landscape – complementing the LFC’s April 2024 evaluation: “Improving New Mexico’s Workforce Participation”. NMICC suggests the LFC consider continuing its evaluation of New Mexico workforce training with an evaluation of the Perkins and NextGen CTE programs. Continuing to gather data on all New Mexico’s workforce programs could lead to stronger collaboration between stakeholders, resulting in greater benefits to the people of New Mexico.

NMICC is thankful to the Legislature and the Governor for supporting workforce training appropriations to our community colleges and regional universities. So often the students who need financial assistance are ineligible for federal financial assistance, and New Mexico financial aid including the Legislative Lottery Scholarship, the Opportunity Scholarship. These workforce training appropriations will help students enroll in training programs and obtain good jobs.

Respectfully submitted,



Dr. Vanessa K. Hawker
Executive Director
New Mexico Independent Community Colleges

Appendix A. Evaluation Scope and Methodology

Evaluation Objectives

- Understand the outcomes of New Mexico’s postsecondary certificates for individuals and statewide workforce development, disaggregated by educational institution and field of study as well as student gender, race, and socioeconomic status;
- Analyze costs associated with certificate programs for students and providers, public and private funding streams, and the revenue generated by these credentials; and
- Explore best practices in other states and evaluate New Mexico data to make targeted policy recommendations to help certificates pay off for students and the state’s workforce.

Scope and Methodology

- Reviewed academic studies, policy research, and higher education institution (HEI) data;
- Analyzed completer data from the Integrated Postsecondary Education Data System (IPEDS);
- Executed a longitudinal matching analysis pairing Higher Education Department (HED) awards data with Unemployment Insurance information provided by the Workforce Solutions Department;
- Surveyed and interviewed key staff from two-year HEIs,
- Consulted with business association leaders on occupational projections and alignment;
- Conducted eight site visits of two-year colleges and branch campuses;
- Examined applicable laws, administrative rules, regulations, and policies.

Evaluation Team

Dr. Sarah Rovang, Project Lead, Program Evaluator

Sam Lesemann, Program Evaluator

Josh Chaffin, Program Evaluator

Authority for Evaluation: LFC is authorized under the provisions of Section 2-5-3 NMSA 1978 to examine laws governing the finances and operations of departments, agencies, and institutions of New Mexico and all of its political subdivisions; the effects of laws on the proper functioning of these governmental units; and the policies and costs. LFC is also authorized to make recommendations for change to the Legislature. In furtherance of its statutory responsibility, LFC may conduct inquiries into specific transactions affecting the operating policies and cost of governmental units and their compliance with state laws.

Exit Conferences: The contents of this report were discussed with Stephanie Rodriguez, HED Cabinet Secretary; Dr. Patricia Trujillo, HED Deputy Secretary; Marc Saavedra, Council of University Presidents Executive Director; Dr. Vanessa Hawker, New Mexico Independent Community College Association Executive Director; and Dr. Barbara Medina, New Mexico Association of Community Colleges on September 4, 2024.

Report Distribution: This report is intended for the information of the Office of the Governor, Department of Finance and Administration, Office of the State Auditor, and the Legislative Finance Committee. This restriction is not intended to limit distribution of this report, which is a matter of public record.



Micaela Fischer, CFE
Deputy Director for Program Evaluation

Appendix B. Workforce RPSP Appropriations

Methodology

LFC staff sourced research and public service project (RPSP) appropriations related to workforce development from LFC volume 3 for the last five fiscal years across the 17 formula-funded two-year colleges profiled in this report. Nursing expansions have been highlighted in light blue. For FY25, some workforce appropriations that were previously within RPSPs were rolled into instruction and general funding, accounting for the apparent slight dip in RPSP workforce funding that year. Those items that were rolled over to I&G have been highlighted in turquoise.

RSPS Purpose/Name	Fiscal Year	Institution	Dollar Amount in Thousands
Workforce development programs	2021	UNM-Gallup	200
Nurse Expansion	2021	UNM-Gallup	192.1
Nurse Expansion	2021	UNM-Valencia	155.8
Nurse Expansion	2021	UNM-Taos	223.8
Manufacturing sector development program	2021	SENMC	232.9
Nurse Expansion	2021	SENMC	108.9
Dental hygiene program	2021	NMSU-Dona Ana	306
Nurse Expansion	2021	NMSU-Dona Ana	293.6
Nurse Expansion	2021	ENMU-Roswell	279
Airframe Mechanics	2021	ENMU-Roswell	75.1
Nursing program	2021	ENMU-Ruidoso	190
Teacher Education Expansion	2021	SFCC	150
EMS Mental Health Resiliency Pilot	2021	SFCC	100
First born, home visiting training and technical assistance	2021	SFCC	150
Nurse Expansion	2021	SFCC	353.9
Nurse Expansion	2021	CNM	179.6
Nurse Expansion	2021	LCC	267
Wind Training Center	2021	MCC	113.4
Oil & gas management program	2021	NMJC	171.3
Nurse Expansion	2021	NMJC	299.9
Center for Excellence - Renewable Energy	2021	SJC	250
Dental hygiene program	2021	SJC	175
Nurse Expansion	2021	SJC	250
Nurse Expansion	2021	CCC	272.9
Workforce development programs	2022	UNM-Gallup	182.4
Nurse Expansion	2022	UNM-Gallup	180.6
Nurse Expansion	2022	UNM-Valencia	146.5
Nurse Expansion	2022	UNM-Taos	210.4
Manufacturing sector development program	2022	SENMC	212.4
Nurse Expansion	2022	SENMC	102.4
Dental hygiene program	2022	NMSU-Dona Ana	279
Nurse Expansion	2022	NMSU-Dona Ana	275.9
Nurse Expansion	2022	ENMU-Roswell	253.8
Airframe Mechanics	2022	ENMU-Roswell	68.5
Nursing program	2022	ENMU-Ruidoso	178.6
Teacher Education Expansion	2022	SFCC	136.8
EMS Mental Health Resiliency Pilot	2022	SFCC	91.2
First born, home visiting training and technical assistance	2022	SFCC	136.8
Nurse Expansion	2022	SFCC	332.7
Nurse Expansion	2022	CNM	168.8
Nurse Expansion	2022	LCC	251

Postsecondary Certificates



Wind Training Center	2022	MCC	103.4
Oil & gas management program	2022	NMJC	156.2
Nurse Expansion	2022	NMJC	281.9
Center for Excellence - Renewable Energy	2022	SJC	228
Dental hygiene program	2022	SJC	159.6
Nurse Expansion	2022	SJC	235
Nurse Expansion	2022	CCC	256.5
Workforce development programs	2023	UNM-Gallup	182.4
Nurse Expansion	2023	UNM-Gallup	180.6
Nurse Expansion	2023	UNM-Valencia	145.5
Nurse Expansion	2023	UNM-Taos	210.4
Manufacturing sector development program	2023	SENMC	214.6
Nurse Expansion	2023	SENMC	102.4
Dental hygiene program	2023	NMSU-Dona Ana	279
Nurse Expansion	2023	NMSU-Dona Ana	275.9
Nurse Expansion	2023	ENMU-Roswell	332.2
Airframe Mechanics	2023	ENMU-Roswell	68.5
Nursing program	2023	ENMU-Ruidoso	176.6
Teacher Education Expansion	2023	SFCC	136.8
EMS Mental Health Resiliency Pilot	2023	SFCC	91.2
First born, home visiting training and technical assistance	2023	SFCC	235
Nurse Expansion	2023	SFCC	439.4
Nurse Expansion	2023	CNM	268.8
Nurse Expansion	2023	LCC	251
Wind Training Center	2023	MCC	103.8
Oil & gas management program	2023	NMJC	156.2
Nurse Expansion	2023	NMJC	281.9
Center for Excellence - Renewable Energy	2023	SJC	328
Dental hygiene program	2023	SJC	159.6
Nurse Expansion	2023	SJC	235
Nurse Expansion	2023	CCC	356.5
HVAC Program	2023	CCC	100
Workforce development programs	2024	UNM-Gallup	182.4
Nurse Expansion	2024	UNM-Gallup	803.5
Nurse Expansion	2024	UNM-Valencia	427.2
Workforce development programs	2024	UNM-Taos	150
Nurse Expansion	2024	UNM-Taos	884.6
Dental hygiene program	2024	NMSU-Dona Ana	379
Nurse Expansion	2024	NMSU-Dona Ana	928.9
Clinical Administrator	2024	NMSU-Dona Ana	50
Nursing development	2024	NMSU-Grants	100
Nurse Expansion	2024	ENMU-Roswell	350
Airframe Mechanics	2024	ENMU-Roswell	68.5
Nursing program	2024	ENMU-Ruidoso	178.6
Nurse Expansion	2024	SFCC	439.4
Employment boot camps	2024	SFCC	60
Nurse Expansion	2024	CNM	1400
Workforce development programs	2024	CNM	70
Nurse Expansion	2024	LCC	267
Nursing program	2024	MCC	0
Wind Training Center	2024	MCC	115
Oil & gas management program	2024	NMJC	156.2
Nurse Expansion	2024	NMJC	581.9
Center for Excellence - Renewable Energy	2024	SJC	500
Dental hygiene program	2024	SJC	175
Nurse Expansion	2024	SJC	1116

Postsecondary Certificates



Workforce development programs	2025	UNM-Gallup	0
Nurse Expansion	2025	UNM-Gallup	803.5
Nurse Expansion	2025	UNM-Valencia	427.2
Workforce development programs	2025	UNM-Taos	0
Nurse Expansion	2025	UNM-Taos	884.6
Dental hygiene program	2025	NMSU-Dona Ana	557.5
Nurse Expansion	2025	NMSU-Dona Ana	928.9
Nurse Expansion	2025	ENMU-Roswell	350
Airframe Mechanics	2025	ENMU-Roswell	0
Nurse Expansion	2025	SFCC	439.4
Employment boot camps	2025	SFCC	0
Nurse Expansion	2025	CNM	1400
Workforce development programs	2025	CNM	70
Nurse Expansion	2025	LCC	509
Nursing program	2025	MCC	0
Wind Training Center	2025	MCC	116.2
Oil & gas management program	2025	NMJC	0
Nurse Expansion	2025	NMJC	781.9
Nurse Expansion	2025	SENMC	398.6
Manufacturing sector development program	2025	SENMC	0
Center for Excellence - Renewable Energy	2025	SJC	175
Dental hygiene program	2025	SJC	0
Nurse Expansion	2025	SJC	1116

Source: LFC Volume 3

Appendix C: For-Credit Certificate Programs and Completers by Field

CIP Title	Example of Programs	Count of Programs*	Count of Academic Year 2022 Students
Liberal Arts and Sciences, General Studies and Humanities	Health, Wellness, and Public Safety, Liberal Arts	9	2773
Health Professions and Related Programs	Emergency Medical Technician, Dental Assisting	119	1589
Business, Management, Marketing, and Related Support Services	Accounting, Customer Service	61	673
Education	Alternative Teacher Licensure Secondary Education, Early Childhood Education	27	499
Engineering/Engineering-related Technologies/Technicians	Petroleum Technology, Basic Wind Energy Technology	55	371
Mechanic and Repair Technologies/Technicians	Automotive Engine Repair, Powerplant Maintenance Technician	58	344
Culinary, Entertainment, and Personal Services	Culinary Fundamentals, Cosmetology Esthetician	31	267
Agricultural/Animal/Plant/Veterinary Science and Related Fields	Veterinary Assistant Certificate, Distilled Spirits Technology	11	252
Transportation and Materials Moving	Commercial Driver's License, Unmanned Aerial Systems	4	239
Homeland Security, Law Enforcement, Firefighting, and Related Protective Service	Wildland Firefighter, Law Enforcement Academy	14	226
Precision Production	Welding, Fine Woodworking	27	218
Computer and Information Sciences and Support Services	Computer Information Systems, Software Development	44	192
Family and Consumer Sciences/Human Sciences	Child Development, Nutrition	7	176
Construction Trades	Electrical Trades, Construction Trades	24	173
Visual and Performing Arts	Art Studio, Ceramics	35	123
Foreign Languages, Literatures, and Linguistics	Spanish Language, American Sign Language	6	32
Social Sciences	Geographic Information Systems	5	29
Communication, Journalism, and Related Programs	Web Design with Wordpress, Digital Video	10	21
Legal Professions and Studies	Paralegal Studies, Legal Assistant Studies	6	20
Parks, Recreation, Leisure, Fitness, and Kinesiology	Fitness, Exercise Specialist	2	16
Communications Technologies/Technicians and Support Services	Film Technician Training, Audio Production	8	15
Public Administration and Social Service Professions	Human Services	2	15
Multi/Interdisciplinary Studies		0	10
Architecture and Related Services	Architectural Technology	2	3
English Language and Literature/Letters	Creative Writing, Technical and Professional Writing	4	3
Biological and Biomedical Sciences	Biotechnology	1	1
Area, Ethnic, Cultural, Gender, and Group Studies	Southwest Heritage Studies	2	0
Basic Life Skills	Independent Living	2	0
Science Technologies/Technicians	Radiation Control Technology	2	0
CIP Missing		29	0

*Note: Program inventory is based on LFC's 2024 survey of HEIs from this report and should be treated as an approximation when comparing against completers from 2022.

Source: LFC Survey of HEIs and IPEDs completer data

Appendix D: Findings from Research in Other States

Findings from Peer-Reviewed Research Studies on Certificate Outcomes in Other States

Finding	Research Consensus	Relevant Studies
Longer certificates tend to produce higher wage increases than shorter certificates.	All or Most	Belfield, Clive, and Thomas Bailey. "The Labor Market Returns to Sub-Baccalaureate College: A Review." Working Paper, 2017.
Certificates aligned with high-wage, high-demand occupations produce better employment and wage outcomes.	All or Most	Carnevale, Anthony P., et al. "The Overlooked Value of Certificates and Associate's Degrees." Georgetown University Center on Education and the Workforce, 2020.
Longer certificates in healthcare consistently have the best employment and wage outcomes of all credentials.	All or Most	Belfield, Clive, and Thomas Bailey. "The Labor Market Returns to Sub-Baccalaureate College: A Review." Working Paper, 2017. Jepsen, Christopher, Kenneth Troske, and Paul Coomes. "The Labor-Market Returns to Community College Degrees, Diplomas, and Certificates." Journal of Labor Economics 32, no. 1 (2014): 95-121.
Stacking, or earning multiple credentials in the same field, tends to produce higher wage bumps.	All or Most	Daugherty, Lindsay, and Drew M. Anderson. "Stackable Credential Pipelines in Ohio: Evidence on Programs and Earnings Outcomes." RAND Corporation, 2021.
Women tend to see bigger wage bumps than men after completing a certificate.	Mixed	Darolia, Rajeev, Chuanyi Guo, and Youngran Kim. "The Labor Market Returns to Very Short Postsecondary Certificates." SSRN Electronic Journal, 2023. Daugherty, Lindsay. "The Value of Education and Training After High School." RAND Corporation, 2022.
Minority students see less significant wage increases than white students, or those increases plateau sooner.	Mixed	Carnevale, Anthony P., et al. "The Overlooked Value of Certificates and Associate's Degrees." Georgetown University Center on Education and the Workforce, 2020. Carnevale, Anthony P., Jeff Strohl, Neil Ridley, and Artem Gulish. "Three Educational Pathways to Good Jobs." Georgetown University Center on Education and the Workforce, 2018.

Source: LFC literature review

Appendix E. Wage Change Analysis Methodology

Data cleaning

LFC staff cleaned several ancillary data sets used to adjust or modify the core data used within the wage change analysis. These data sets included:

1. Consumer Price Index (CPI) data for 2014-2024, quarterly adjusted with the base month set to March 2024 (the most recent data available at the time of the analysis). LFC staff downloaded CPI data from the Federal Reserve Bank of St. Louis Economic Data website.
2. A Classification of Instructional Programs (CIP) crosswalk used in prior program evaluations by LFC staff.
3. A list of CIP codes designated as eligible for the opportunity scholarship due to their demand in the labor force by HED staff.

Cleaning HED eDEAR data

To assess the impact of wages on certificates, LFC staff matched HED data from the eDEAR data system that included information on awards with unemployment insurance data provided by WSD. LFC staff assigned quarterly dates to the graduation dates included in the HED data to match graduation data with the quarterly unemployment insurance data. While this was necessarily inexact, the general graduation dates for spring, summer, and fall terms roughly align with the end months for the second, third, and fourth quarters. LFC staff then generated a numeric code for the level of award a student received, as well as several variables identifying a particular student's first, last, and most recent award along with the award level and graduation date for each award.

To account for different patterns of award taking, LFC staff generated indicator variables with nine values depending on the number and level of awards earned, ranging from only a single certificate to one or more certificates, associates, and bachelor's degrees. LFC staff also generated an indicator variable for each award to determine whether an award had the CIP codes for general studies or liberal arts and sciences. The HED data did not include the date of initial enrollment for each award, so for each award LFC staff estimated the likely time of enrollment based on the number of quarters generally required to complete a program. For example, a typical bachelor's degree generally takes four years, or 16 quarters, to complete. While many students likely take longer than the expected time to finish a degree, LFC staff viewed this as a reasonable tradeoff since the analysis was primarily focused on shorter awards and to maximize the number of students with sufficient post-graduation data

The HED data did not include information on credential stacking, meaning LFC staff had to estimate the portion of students who had stacked credentials. To do so, LFC staff sorted a student's award by graduation date, length of time, and then whether an award was general studies or not. LFC then checked prior awards against this final, non-general studies award (if a student had one) to determine if they were within the same two-digit CIP code, if they finished the prior award before or at the same time as their final award, and if the award was of a shorter or equal length to their final award. LFC staff generated an indicator that was set to one if a student had a pattern of prior awards that met this criteria and zero if they did not. LFC staff ran the check against every non-liberal arts final award that had the same graduation date for each student. Students whose final award was a liberal arts award were not included in the stacking analysis.

LFC staff also generated specific indicator variables for if a certificate was liberal arts and used these variables to generate an additional numeric variable to determine, if a student earned certificates, whether none, some, or all of them were general studies. LFC staff then merged the data with the HED classification of workforce certificates and the CIP crosswalk. The final dataset included one row per student.

Cleaning the Workforce Solutions Department data

After cleaning the HED data, LFC staff cleaned the unemployment insurance data provided by WSD. LFC staff modified the quarterly date variable to match the HED date variable. Some individuals had multiple rows per quarter due to working multiple jobs in multiple locations—LFC staff added these wages together and assigned the total to the job with the largest wages of the set. LFC staff then merged the CPI data into the dataset and converted all wage values to 2024 dollars.

Wage Change Analysis

LFC staff then merged the WSD and HED data using a randomized student ID number. Using the estimated date of enrollment, LFC calculated total annual wages and the average quarterly wage for the year that ended or began two quarters after graduation or before enrollment. LFC staff used a two-quarter buffer to avoid including any pre-enrollment wage declines that may have induced a student to enroll in an educational program and to allow students to establish themselves in the labor market after graduating. LFC staff then calculated median wage changes as well as post-graduation and pre-enrollment median annual wages by ethnicity, award discipline, stacking, and certificate length.

Limitations

Other analyses conducted by academic researchers have used causal inference methods, such as ordinary least squares regression, to account for the influence of factors that influence income and the likelihood of earning a certificate. For example, gender appears to be correlated with both the likelihood of earning a certificate and future incomes, as women appear to be more likely to pursue certificates in healthcare and tend to earn less than men overall. Not accounting for this might downwardly bias any estimate of the benefit of getting a healthcare certificate. Additionally, most statistically rigorous literature on education and wages utilizes a fixed effects model that controls for characteristics unique to students, such as intelligence, which might both make them more or less likely to earn a certificate and likely to earn more or less in the labor market. Accounting for these effects allows researchers to limit the impact of confounding variables and more precisely measure the actual effect of the educational award on earnings. However, these analyses require careful planning and design and, if run incorrectly, can produce misleading results. Given the significant delays LFC staff faced in obtaining the HED data and the wealth of existing literature on this topic, LFC staff ultimately decided not to attempt a causal inference analysis. As discussed in the report, this likely means that the LFC analysis overstates the impact of getting a certificate in New Mexico, but the direction of the findings does align with the general body of literature.

Appendix F: Graduates without Unemployment Insurance Data

As a part of the methodology discussed in Appendix E, LFC staff matched HED eDEAR data on academic awards to unemployment insurance (UI) data provided by WSD. While performing this match, 25,723 graduates from the HED dataset did not have UI records. There are several potential explanations for why these graduates may not have records:

- a. they are unemployed after graduation;
- b. they are continuing their education and are not working;
- c. they have left the state for employment,
- d. they are paid solely in cash and/or their employer is not paying unemployment insurance taxes; or
- e. they are not covered by the Unemployment Compensation Law, such as a worker for federal agency or other employer defined by Section 51-1-42E NMSA 1978.

LFC staff analyzed this group to determine if there were any significant differences between individuals who did have UI records and those who did not. The two groups did not vary significantly across discipline, sex, and age at graduation. Women comprised 60 percent of individuals with UI records and 59 percent of individuals without records. Both datasets were comprised of mostly younger graduates, with each having a median age of 24. As shown by Table A, while there were some small differences between disciplines (no more than two percentage points) for the most part disciplines made up a relatively similar proportion of awards in both groups.

There were larger differences between groups in the relative proportion of ethnicities and the institutions students graduated from. Among certificate producing institutions, CNM comprised 28 percent of graduates with linked unemployment insurance data but only 18 percent of graduates without linked data. By comparison, SJC graduates comprised 6 percentage points of students with linked data and 11 percent of students without linked data. This difference may be explained by SJC’s location within the four corners region—the shorter distance to multiple states may mean their students are more likely to find work across state lines. Graduates from other institutions did not see as large differences in their representations. Across ethnic and racial groups, Hispanic graduates comprised 50 percent of graduates with linked UI data but

Table A. Comparison of Proportion of Awards by Discipline for Graduates With and Without Linked UI Data

	Proportion of graduates linked to UI data	Proportion of graduates not linked to UI data
Agriculture and Natural Resources	1%	3%
Architecture and Engineering	7%	7%
Arts	3%	3%
Biology and Life Sciences	3%	3%
Business	10%	10%
Communications and Journalism	1%	1%
Computer Science and Mathematics	3%	3%
Education	7%	5%
Health	20%	21%
Humanities and Liberal Arts	22%	20%
Industrial Arts, Consumer Services, and Recreation	9%	10%
Law and Public Policy	0%	0%
Physical Sciences	1%	1%
Psychology and Social Work	4%	3%
Remedial/Basic Life Skills	4%	3%
Social Sciences	7%	6%

Source: LFD analysis of HED and WSD data

only 40 percent of students without linked data. As shown by Table B, non-Hispanic white and non-resident alien graduates saw larger representation in the non-UI linked group. For non-resident aliens this difference is likely due to students returning to their country of origin after graduation.

Given that the research literature identifies health as one of the higher paying disciplines for certificates and that it comprises a large portion of total awards, LFC staff compared the proportion of degree levels within each of the UI linkage groups. This analysis showed that certificate graduates were represented more heavily in the non-UI linked group of graduates, with individuals with a certificate of between one and two years comprising 25 percent of non-UI linked graduates and 12 percent of UI linked graduates. Additionally, those with an associate’s degree in a health discipline also made up a larger proportion of the non-UI linked graduates as shown by Table C. This difference in representation could be attributable to any of the reasons identified on the prior page—however, evidence on wages in other states indicates that certificated positions in health earn significantly more in Arizona and Colorado than in New Mexico as shown by Chart A. This means that the high proportion of health certificate students in the non-UI linked group may be due to those students leaving for employment in neighboring, higher-paying states. However, data limitations mean this cannot be proven at this time.

Table B. Comparison of Proportion of Awards by Ethnicity for Graduates With and Without Linked UI Data [I-6]

	Proportion of graduates linked to UI data	Proportion of graduates not linked to UI data
American Indian	8%	8%
Asian	2%	2%
Black or African American	2%	4%
Hispanic	50%	40%
Native Hawaiian	0%	0%
Non-Resident Alien	1%	5%
Race & Ethnicity Unknown	3%	4%
Two or More Races	2%	2%
White	32%	35%

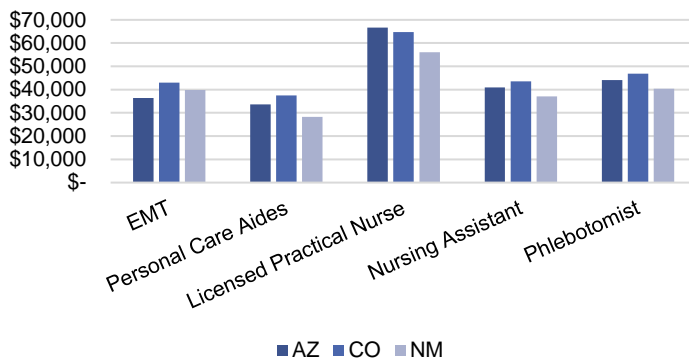
Source: LFD analysis of HED and WSD data

Table C. Comparison of Proportion of Health Awards for Graduates With and Without Linked UI Data

	Proportion of graduates linked to UI data	Proportion of graduates not linked to UI data
Associate's Degree	32%	26%
Awards of at least one year but less than two years	12%	25%
Awards of at least two years but less than four years	1%	0%
Awards of less than academic year	20%	20%
Bachelor's Degree	34%	29%

Source: LFD analysis of HED and WSD data

Chart A. Comparison of Annual Wages for Certificated Healthcare Positions in Arizona, Colorado, and New Mexico



Source: LFC analysis of BLS data

Appendix G. FY25 GRO Distribution

Distribution of FY25 HB2 Funds to Higher Education Institutions Based on Distributions of Workforce-related Student Credit Hours (SCH) and Awards

HB2
Appropriation: \$20,000,000
Minimum
Distribution: \$200,000

Higher Education Institution		Workforce SCH and Credential Distribution	Dollar Distribution with Minimum Distribution
ENMU	Eastern New Mexico University	6.59%	\$1,303,000
NMHU	New Mexico Highlands University	6.39%	\$1,263,000
NNMC	Northern New Mexico College	1.86%	\$367,000
WNMU	Western New Mexico University	6.03%	\$1,191,000
ENMU-RO	Eastern New Mexico University - Roswell	3.78%	\$748,000
ENMU-RU	Eastern New Mexico University - Ruidoso	0.63%	\$200,000
NMSU-AL	New Mexico State University - Alamogordo	1.00%	\$200,000
NMSU-DA	Doña Ana Community College	8.87%	\$1,752,000
NMSU-GR	New Mexico State University - Grants	0.63%	\$200,000
UNM-GA	University of New Mexico - Gallup	2.35%	\$465,000
UNM-LA	University of New Mexico - Los Alamos	0.79%	\$200,000
UNM-TA	University of New Mexico - Taos	0.83%	\$200,000
UNM-VA	University of New Mexico - Valencia	1.36%	\$268,000
CNM	Central New Mexico University	34.72%	\$6,862,000
CCC	Clovis Community College	3.75%	\$742,000
LCC	Luna Community College	1.23%	\$242,000
MCC	Mesalands Community College	1.54%	\$304,000
NMJC	New Mexico Junior College	2.39%	\$473,000
SJC	San Juan College	8.83%	\$1,745,000
SFCC	Santa Fe Community College	5.35%	\$1,058,000
SENMCC	Southeast New Mexico College	1.10%	\$217,000
Total		100.0%	\$20,000,000

Source: HED

Appendix H: LFC and HED GRO Performance Metrics

GRO Performance Measures Recommended by LFC Higher Education Analyst

Measure Type	Workforce Training Measures	Data Source
Output	Number of students enrolled in workforce training program	Institution files
Explanatory	Number of students enrolled in workforce training program who hold a master's degree or higher	Pre-enrollment survey
Explanatory	Number of students enrolled in workforce training program who hold a bachelor's degree	Pre-enrollment survey
Explanatory	Number of students enrolled in workforce training programs who hold an associate's degree	Pre-enrollment survey
Explanatory	Number of students enrolled in workforce training programs who hold a workforce training certificate	Pre-enrollment survey
Explanatory	Number of students enrolled in workforce training programs who hold neither certificate nor degree	Pre-enrollment survey
Explanatory	Number of enrolled students employed at the time of enrollment	Pre-enrollment survey
Explanatory	Current hourly wage of newly-enrolled students	Pre-enrollment survey
Explanatory	Average hours per week worked by newly-enrolled students	Pre-enrollment survey
Outcome	Number of participants employed at program exit	Restrict to completers only
Outcome	Average participant wage at program exit	Restrict to completers only
Outcome	Number of program completers employed	Post-completion survey
Outcome	Average program completer wage at program exit	Post-completion survey
Outcome	Number of program participants employed 12 weeks after exit	WSD
Outcome	Average participant wage 12 weeks after program exit	Post-completion survey
Outcome	Number of program completers employed at program exit	WSD
Outcome	Number of program completers employed 12 weeks after exit	WSD
Outcome	Average completer wage 12 weeks after exit	Post-completion survey
Outcome	Number of students completing workforce training program	Institution files
Output	Number of completing students workforce training program who hold a master's degree or higher	Institution files
Output	Number of completing students in workforce training program who hold a bachelor's degree	Institution files
Explanatory	Number of completing students in workforce training programs who hold an associate's degree	Institution files
Explanatory	Number of completing students in workforce training programs who hold a workforce training certificate	Institution files
Explanatory	Number of completing students in workforce training programs who hold neither certificate nor degree	Institution files
Output	Number of students completing workforce training program, by NAICS code	Institution files
Explanatory	Duration of training program	Institution files
Output	Total spending for training programs by industry sector	Institution files

Source: LFC files

December 15, 2024 Mid-Year Reporting Requirements from HED

For Certificates and Credentials

- List the programs being supported by the funds.
- List the number of students enrolled and the total expenditure for tuition and fees by program.
- Report on other types of funding, such as federal and institutional funds or private funds, utilized and the total dollar amount for each funding source by program.
- If any students completed the program, identify the percentage who started and then completed.
- If there are completions, the percentage of those who obtain jobs related to the program.
- Provide a demographic breakdown of the students – including sex, ethnicity, and age range – and for each demographic group, the number completing and the number getting jobs.

For Apprenticeships and Internships

- List the apprenticeship and/or internships that are being funded.
- List the number of students in apprenticeships or internships and the total expenditure for these students.
- If any students have completed their apprenticeship or internship, identify the percentage who started and then completed.
- If any students completed their certificate or degree, identify the percentage who obtain jobs related to their apprenticeship or internship.
- Indicate which apprenticeships are registered with the state or nationally.
- Provide a demographic breakdown of the students – including sex, ethnicity, and age range—and for each demographic group, the number completing and the number getting jobs.

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