

NEW MEXICO'S

Higher Education Institutions

Instruction & General Funding and Research & Public Service Projects

THE IMPORTANCE OF HIGHER EDUCATION IN TODAY'S SOCIETY

New Mexico has a burgeoning national reputation for higher education policies that put students first. Whether through expansive free-tuition programs or debt relief mechanisms for full-time workers in high-need fields, more first-time and returning students are benefiting from the tools the Higher Education Department has made available to them in pursuit of fulfilling careers. This is reflected in increased college enrollment across the board for several years in a row: traditional, non-traditional and returning adult learners are entering college classrooms in higher numbers and seeking out credentials that will improve individual economic mobility and strengthen New Mexico communities.

The Higher Education Department emphasizes the entire student experience by supporting financial accessibility and providing wraparound services once students are on campus-- both through the higher education funding formula and basic needs funding. Graduates are well-positioned to immediately thrive upon entering the workforce, with relevant skills training and high-need certificates and credentials. By strengthening career pathways and providing incentives for workers to remain in New Mexico after graduation, the Higher Education Department is setting the foundation for a more robust and resilient 21st century economy in the state.

Our philosophy is simple: Higher education is a collective good. Investments in individual student success pay off as benefits to the larger community. Providing education and trainings to people who want a better life for themselves and their families ultimately boosts the function of our communities, industries, and government.

Photo courtesy of Complete College America, Northern New Mexico College

LOOKING AHEAD: HIGHER EDUCATION SUSTAINABILITY STUDY & FUNDING FORMULA

The agency, in collaboration with the National Center for Higher Education Management Systems, is finalizing the Higher Education Sustainability Study which is thoroughly reviewing and recommending changes to the state's higher education funding formula, commonly known as Instruction and General (I&G), and Research and Public Services (RPSP) funding processes.

In reviewing the state's I&G funding, the study will examine base funding and determine potential inequities at individual formula-funded colleges and universities or higher education sectors, including research institutions, comprehensive universities, independent community colleges and branch campuses. Although the study will not impact this year's funding recommendations, it will be completed no later than January 2025.

The current higher education funding formula distributes new money based on eight different performance measures. These measures are separated into two categories, four shared measures, and four mission-specific measures. Last year, four small adjustments were made to the funding formula:

1
Used the highest level of weighted production within the last five years of data to establish a benchmark for the Institutional Performance Premium (IPP).

2
Modified the IPP from two performance levels and one award level to four performance levels and four award levels.

3
Increased the IPP award amount from 10% to 20% of new money allocated to shared measures and reduce the standard award percentage from 90% to 80%.

4
Used dual credit weighting on a three-year average of the resident undergraduate part-time tuition rate per student credit hour instead of the part-time rate.



Photo courtesy of Complete College America, Northern New Mexico College

NEW MEXICO'S HIGHER EDUCATION SECTOR

Governor Michelle Lujan Grisham and the Higher Education Department announced this fall that nearly 110,000 New Mexicans are pursuing career training certificates, associate, bachelor's and graduate degrees at public colleges and universities across New Mexico, an increase of 2.3% over last year. Over 12,000 New Mexicans are pursuing higher education for the first time and as full-time students. Since 2022, all formula-funded colleges and universities submitted a Strategic Enrollment Management Plan to the agency and the Legislative Finance Committee. While enrollment and graduation rates take several years to stabilize as students move through the system, many key indicators project sustained progress in New Mexico. Enrollment has increased statewide for each of the past three years, as have graduation rates.

AT A GLANCE: FY2026 BUDGET REQUEST FOR HIGHER EDUCATION INSTITUTIONS

Overall Higher Education Funding: **\$1,418,478,800**

→ Higher Education Institutions: **\$1,217,436,800**

- Instruction & General Funding: **\$972,811,600**
 - 3% in new money
- Research & Public Service Projects: **\$139,765,000**

→ Higher Education Department: **\$201,042,000**

