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FISCAL IMPACT REPORT

SPONSOR Trujillo, C. **ORIGINAL DATE** 2/12/20
LAST UPDATED _____ **HB** 330
SHORT TITLE Higher Ed Statewide Student Info System **SB** _____
ANALYST Valenzuela

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
	\$3,200.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Senate Bill 264

SOURCES OF INFORMATION

2019 LFC Hearing Brief, *Managing for Results: Higher Education Institutions*, June 19, 2019
 LFC Hearing in Portales, NM.

Responses Received From

NM Higher Education Department (HED)
 Central NM Community College (CNM)
 NM Independent Community Colleges (NMICC)

SUMMARY

Synopsis of Bill

House Bill 330 appropriates \$3.2 million from the general fund through HED to five independent community colleges for the purpose of planning and implementing a statewide student information and enterprise resource planning system. There is no effective date of this bill. It is assumed that the effective date is 90 days following adjournment of the Legislature.

FISCAL IMPLICATIONS

The appropriation of \$3.2 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY21 shall revert to the general fund. Although HB330 does not specify future appropriations, this appropriation is scored as recurring recognizing the ongoing costs such as software development and system maintenance associated with this planning system.

SIGNIFICANT ISSUES

The New Mexico Independent Community Colleges (NMICC) have organized some of its member institutions to collaborate on a shared-services model for its back office business processes (financial and administrative operations) and for its student financial aid and student information systems.

The independent community colleges listed in the bill use three different software products for systems that include student information (including admissions, course registration, class scheduling, etc.), student financial aid, accounting, and human resources/payroll. San Juan College uses a product called Colleague. Luna Community College in Las Vegas uses Jenzabar. Clovis CC, Santa Fe CC, and CNM use Banner, but customized the software for their respective and often differing business processes.

HB330 would assist, financially, the institutions formalize their strategic path to collaborate and share resources.

PERFORMANCE IMPLICATIONS

Excerpt from *Managing for Results: Higher Education Institutions*, LFC Hearing Brief, June 19, 2019 LFC Hearing in Portales, NM.

Imagine running a billion-dollar company with data that is two years old. The outcomes would likely not be positive, given the rapid pace of business innovation and disruption. Analogous to this is performance management for higher education, which is hindered by the lack of data availability in real time. Each year, the Legislature invests in programs aimed at improving student outcomes, then must wait a year or more for the data to catch up to inform those decisions, if meaningful data exists. In contrast, the private sector has disrupted latent industries by turning data management on its head; it has effectively turned the arcane business of capturing and organizing data into real-time business intelligence.

Data Rich, Information Poor

In higher education, the data exists; it is being collected on a real-time basis at institutions. Every semester, colleges and universities gather tremendous amounts of data on students: the number of students enrolled, the number of classes a student completes, a student's academic performance in those classes, a student's success in progressing through their degree plan, a student's financial history, etc.

Data reporting is robust by colleges and universities; they report reams of data throughout the year to state and federal governments, to stakeholders (non-profits, the press, alumni, etc.), and to investors (the Legislature, the parents and students). The deluge of reporting – and the labyrinth of databases and processes created for compliance – has obscured data's informational value.

Leaders in higher education, who shift from a mindset of data-management-for-compliance to data-mining-for-business-intelligence, will disrupt and innovate on college campuses. Several higher education institutions in other states have made this transition with improved outcomes of student success. Universities in surrounding

states are experiencing higher enrollments and producing more degrees. Arizona universities, as an example, are all experiencing growth in students and degrees awarded, which may serve as a model for New Mexico.

Maybe the best example of a disrupter is Georgia State University, a research university located in Atlanta, who works with its data to inform its leadership, in real time, of any potential problems its students may be experiencing. Partnering with a private company, Georgia State – using existing student financial and performance data – began tracking 801 student factors, daily. Using predictive analytics, the University is able to discern if students are attending classes or struggling, withdrawing from courses, or facing challenges. The predictive analytics program will point to a potential struggling student so the institution can intervene with support before the student leaves college altogether.

The excerpt speaks to the value of collaborative efforts to integrate student and financial information together to glean important information to assist and better support students.

DUPLICATION

HB330 Duplicates SB264.

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