New Mexico’s
& The West’s
Perfect Storm

Presented by:
David Longanecker
Executive Director
WICHE
Three Strikes & Your Out – The Story of the West Today

- Increase in Demand
- Increase in Difficulty in Serving the Increased Demand
- No Money
- But New Mexico Doesn’t fit the story well
New Mexico’s Imperfect Storm

The Leaky Pipeline, et.al.
New Mexico’s growth in demand – no big deal

Figure 17. Percent Change in Number of Public and Nonpublic High School Graduates by State, U.S., 2001-02 (actual) and 2017-18 (projected)

The challenge – no growth in a growth industry

- Innovating on budget dust
- Redistribution within a static flow

Figure 4. New Mexico Public High School Graduates by Race/Ethnicity
1990-91 through 2001-02 (actual), 2002-03 through 2017-18 (projected)
Opportunities – growth from elsewhere

Migration of first-time, first-year college students, 2000-2001

<table>
<thead>
<tr>
<th>State</th>
<th>Receiving</th>
<th>Sending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona</td>
<td>28%(^3)</td>
<td>9%(^2)</td>
</tr>
<tr>
<td>California</td>
<td>9%(^4)</td>
<td>8%(^4)</td>
</tr>
<tr>
<td>Colorado</td>
<td>24%(^2)</td>
<td>14%(^3)</td>
</tr>
<tr>
<td>New Mexico</td>
<td>17%</td>
<td>20%</td>
</tr>
<tr>
<td>Nevada</td>
<td>14%</td>
<td>23%</td>
</tr>
<tr>
<td>Texas</td>
<td>9%(^1)</td>
<td>9%(^1)</td>
</tr>
<tr>
<td>Utah</td>
<td>22%</td>
<td>7%</td>
</tr>
</tbody>
</table>
Opportunities – growth from within – preparing high school students better

Performance on preparation:

F : Measuring Up 2004
(Down from a “D-” in ’02)

Why?
How does New Mexico measure up?

**Completion--Ouch**
High school completers as a portion of 9th graders 4 years earlier

- **WICHE**
  - 1998-99/2001-02: 64

- **U.S.**
  - 1998-99/2001-02: 64

- **New Mexico**
  - 1998-99/2001-02: 64

**Curriculum--Ouch**

<table>
<thead>
<tr>
<th>Grade Level</th>
<th>NM 2004</th>
<th>Top States 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>9th-12th grade upper level math</td>
<td>34%</td>
<td>59%</td>
</tr>
<tr>
<td>9th-12th grade upper level science</td>
<td>19%</td>
<td>41%</td>
</tr>
<tr>
<td>8th grade algebra</td>
<td>15%</td>
<td>35%</td>
</tr>
<tr>
<td>12th grade upper level math</td>
<td>33%</td>
<td>66%</td>
</tr>
</tbody>
</table>

Source: *Measuring Up 2004*
<table>
<thead>
<tr>
<th>State</th>
<th>Percent of 18- to 24-year-olds with no high school diploma</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>25.3</td>
</tr>
<tr>
<td>Hawaii</td>
<td>14.2</td>
</tr>
<tr>
<td>North Dakota</td>
<td>14.2</td>
</tr>
<tr>
<td>Vermont</td>
<td>25.3</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>29.5</td>
</tr>
<tr>
<td>North Carolina</td>
<td>33.3</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, 2000
Maintaining high participation—Kudos (maybe)

Performance on participation:

A: Measuring Up 2002

Why?

<table>
<thead>
<tr>
<th></th>
<th>NM</th>
<th>WICHE</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recent HS Grads enrolling anywhere</td>
<td>56.8%</td>
<td>48.0%</td>
<td>56.1%</td>
</tr>
<tr>
<td>Adult participation</td>
<td>6.0%</td>
<td>-</td>
<td>5.4%</td>
</tr>
</tbody>
</table>
Improving student success (and maybe not on the Kudos) Bt

Performance on successful participation:

D : Measuring Up 2002

Why?

<table>
<thead>
<tr>
<th>Degree Production</th>
<th>NM</th>
<th>WICHE</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Associates Degree</td>
<td>26.4%</td>
<td>25.8%</td>
<td>21.8%</td>
</tr>
<tr>
<td>Bachelors Degree</td>
<td>35.6%</td>
<td>43.9%</td>
<td>47.7%</td>
</tr>
</tbody>
</table>
Student pipeline – the net effect

Of 100 9th graders, how many...

- **Graduate from High School**: 84, 67, 60
- **Enter College**: 58, 38, 36
- **Enroll Sophomore Year**: 42, 26, 22
- **Graduate Within 150%**: 28, 18, 11
- **25-44 with Bachelor's Degree**: 38.8, 26.7, 21.2

Best Performing State | U.S. Average | New Mexico
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Source: U.S. Census Bureau, Public Use Microdata Samples, 2000
Why Is This Important to America -- Percent of Adults with an Associate or Higher Degree

OECD Countries

Source: Prepared by NCHEMS from Organisation of Economic Cooperation and Development, American Community Survey
Why Is This Important to New Mexico – Percent of Adults, Young and Older, with College Degrees

Source: Prepared by NCHEMS from U.S. Census Bureau, 2000 Census data
How important is this – median earnings by degree level

Source: U.S. Census Bureau, Public Use Microdata Samples, 2000
The Fiscal Challenge

State and local surplus or shortfall as a percent of baseline revenues

Source: National Center for Higher Education Management Systems (NCHEMS)
How does New Mexico measure up?

Support of Institutions – mixed
- Effort is substantial

State share to Higher Ed
- NM: 16.6%
- WICHE: 12.4%
- US: 10.9%

National Competitiveness

<table>
<thead>
<tr>
<th>E&amp;G/FT Student</th>
<th>NM</th>
<th>WICHE</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Two year</td>
<td>$5,258</td>
<td>$8,553</td>
<td>$9,299</td>
</tr>
<tr>
<td>Baccalaureate</td>
<td>$15,889</td>
<td>$12,470</td>
<td>$11,890</td>
</tr>
<tr>
<td>Research</td>
<td>$25,030</td>
<td>$28,485</td>
<td>$23,831</td>
</tr>
</tbody>
</table>
How does New Mexico measure up?

Support of students

C- : Affordability *(Measuring Up 2002)*

Why?

- Low tuition
- Low need-based aid/now corrected.
How does New Mexico measure up?

Distribution of Need- and Non Need-Based Aid per Undergraduate FTE, 2000-2001

- New Mexico: 31.6% Need-Based, 68.4% Non Need-Based
- WICHE: 90.6% Need-Based, 9.4% Non Need-Based
- US: 73.8% Need-Based, 26.2% Non Need-Based

Estimated Need-Based Aid Dollars per Undergraduate FTE, 2002-2003

- New Mexico: $229
- WICHE: $238
- US: $316
Performance relative to total funding per FTE - overall index scores for state higher education systems
New Mexico’s Imperfect storm

Your challenges

- No Growth
- Broken pipeline at two points
  - High School Completion
  - College Completion
- Not much room for increasing state resources
Your opportunities
- Draw from elsewhere
- Improve High-school productivity – rigor & through-put
- Result: Draw more from New Mexico
- Improve College/University articulation
- Improve College/University through-put
- Look to tuition for additional support
  - Recognize resources necessary for both demand & supply