New Mexico Higher Education in the 21st Century:
May You Live In Interesting Times

Proverb or Curse

Legislative Education Study Committee
David A Longanecker, President
September 25, 2015 – Silver City, NM
Setting A Context: *These Interesting Times*

- Competitiveness
- Demographics
- Finances
- Productivity
The Context: *These Interesting Times*

- Competitiveness
- Demographics
- Finances
- Productivity
Percent of Adults with an Associate Degree or Higher by Age Group
U.S. & Leading OECD Countries, 2012

NCHEMS/Source: OECD, Education at a Glance 2014 (for 2012); U.S. Census Bureau
Comparing New Mexico with Nations and Other States in the Percentage of Young Adult Degree Attainment (Ages 25-34)

<table>
<thead>
<tr>
<th>U.S. States</th>
<th>%</th>
<th>OECD Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Korea (65.7)</td>
<td>60</td>
<td>Japan</td>
</tr>
<tr>
<td>58</td>
<td>Canada</td>
<td></td>
</tr>
<tr>
<td>56</td>
<td>Massachusetts</td>
<td></td>
</tr>
<tr>
<td>54</td>
<td>Minnesota, Iowa, New York</td>
<td></td>
</tr>
<tr>
<td>52</td>
<td>Nebraska, New Hampshire, New Jersey, North Dakota</td>
<td></td>
</tr>
<tr>
<td>50</td>
<td>Virginia, Colorado, Illinois, Connecticut, Maryland, Pennsylvania</td>
<td></td>
</tr>
<tr>
<td>48</td>
<td>Luxembourg</td>
<td></td>
</tr>
<tr>
<td>46</td>
<td>Ireland, United Kingdom, New Zealand, Australia</td>
<td></td>
</tr>
<tr>
<td>44</td>
<td>Norway, Israel, United States</td>
<td></td>
</tr>
<tr>
<td>42</td>
<td>Sweden, Netherlands, Belgium, France</td>
<td></td>
</tr>
<tr>
<td>40</td>
<td>Poland, Switzerland, Denmark, Estonia, Finland</td>
<td></td>
</tr>
<tr>
<td>38</td>
<td>Spain, Iceland, Slovenia, Greece</td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>Michigan, Maine, Indiana, Florida, South Carolina, Idaho, Georgia</td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>Wyoming, Texas, Kentucky, Oklahoma, Mississippi, West Virginia</td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>New Mexico, Louisiana, Alaska, Arkansas, Nevada</td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>Hungary, Germany</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Portugal, Czech Republic, Slovakia</td>
<td></td>
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<tr>
<td>26</td>
<td>Mexico, Austria</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Chile, Italy, Turkey</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Mexico, Austria, Chile, Italy, Turkey</td>
<td></td>
</tr>
</tbody>
</table>

Source: 2014 OECD Education at a Glance (for year 2012); 2012 American Community Survey via NCHEMS
### Difference in College Attainment between Young Adults (25-34) and Older Adults (45-64), 2011

<table>
<thead>
<tr>
<th>State</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iowa</td>
<td>11.1</td>
</tr>
<tr>
<td>North Dakota</td>
<td>9.7</td>
</tr>
<tr>
<td>South Dakota</td>
<td>9.2</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>9.1</td>
</tr>
<tr>
<td>New York</td>
<td>8.9</td>
</tr>
<tr>
<td>Minnesota</td>
<td>9.4</td>
</tr>
<tr>
<td>Missouri</td>
<td>6.6</td>
</tr>
<tr>
<td>Ohio</td>
<td>5.9</td>
</tr>
<tr>
<td>Illinois</td>
<td>7.2</td>
</tr>
<tr>
<td>Indiana</td>
<td>5.4</td>
</tr>
<tr>
<td>Kentucky</td>
<td>4.2</td>
</tr>
<tr>
<td>Louisiana</td>
<td>4.0</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>3.9</td>
</tr>
<tr>
<td>Nebraska</td>
<td>3.4</td>
</tr>
<tr>
<td>Virginia</td>
<td>3.1</td>
</tr>
<tr>
<td>West Virginia</td>
<td>3.0</td>
</tr>
<tr>
<td>New Jersey</td>
<td>2.1</td>
</tr>
<tr>
<td>New Mexico</td>
<td>-2.4</td>
</tr>
<tr>
<td>North Carolina</td>
<td>-1.7</td>
</tr>
<tr>
<td>South Carolina</td>
<td>-3.6</td>
</tr>
<tr>
<td>Michigan</td>
<td>-1.1</td>
</tr>
<tr>
<td>Ohio</td>
<td>-0.4</td>
</tr>
<tr>
<td>Michigan</td>
<td>-0.8</td>
</tr>
<tr>
<td>Minnesota</td>
<td>-1.1</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>-1.3</td>
</tr>
<tr>
<td>Iowa</td>
<td>-1.7</td>
</tr>
<tr>
<td>Nebraska</td>
<td>-1.8</td>
</tr>
<tr>
<td>South Dakota</td>
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<td>-3.6</td>
</tr>
</tbody>
</table>

NCHEMS//Source: U.S. Census Bureau, 2011 American Community Survey
The Relationship Between Educational Attainment, Personal Income, and the State New Economy Index (2010)

Source: U.S. Census Bureau, 2010 American Community Survey; Bureau of Economic Analysis; Kauffman Foundation
The Context: *These Interesting Times*

- Competitiveness
- Demographics
- Finances
- Productivity
Difference in College Attainment Between Whites and Minorities (Blacks, Hispanics, Native Americans) (2008-10)
Composition of Public Higher School Graduates By Race/Ethnicity 2008-09 (Actual) and 2009-10 to 2027-28 (Projected)
Composition of Public Higher School Graduates By Race/Ethnicity 2008-09 (Actual) and 2009-10 to 2027-28 (Projected)
Public High School Graduates in New Mexico by Race/Ethnicity, 1996-97 to 2008-09 (Actual); 2009-10 to 2027-28 (Projected)

Source: WICHE, Knocking at the College Door
The Context: *These Interesting Times*

- Competitiveness
- Demographics
- Finances
- Productivity
Public FTE Enrollment, Educational Appropriations and Total Educational Revenue per FTE, United States, Fiscal 1989-2014 -- SHEEO SHEF

Note: Constant 2014 dollars adjusted by SHEEO Higher Education Cost Adjustment. Educational Appropriations include ARRA funds. (HECA)

Source: SHEEO
New Mexico Financing Trends

Public FTE Enrollment, Educational Appropriations and Total Educational Revenue per FTE, New Mexico -- Fiscal 1989-2014

Note: Constant 2014 dollars adjusted by SHEEO Higher Education Cost Adjustment (HECA). Educational Appropriations include ARRA funds.
Total Educational Revenue Per FTE
State Differences From U.S. Average, Fiscal 2014

Source: SHEEO SHEF FY 2014
The Importance of These Statistics To New Mexico Today and Tomorrow

- Can’t Blame It on Funding
  - Overall funding near the national average
  - State Tax Effort: 7.6% Effective Tax Rate
    - Same as average nationally
  - State Share of Tax Effort to Higher Education: 12.1%
    - Twice the national average of 5.8%
The Context: *These Interesting Times*

- Competitiveness
- Demographics
- Finances
- Productivity
The Importance of These Statistics To New Mexico Today and Tomorrow

- Not competitive nationally or internationally
  - Most significant negative gap nationally between education levels of young and middle-aged adults.
- Not producing competitively with the rest of the nation.
  - NSC Data for 4 yr institutions
    - National 6 yr graduation rate: 69%
    - New Mexico 6 yr graduation rate: 46%
    - No data for Community Colleges
Credential & Degrees Awarded Per $100,000 of Education & Related Expenditures – Total: Public Colleges & Universities

1.84/$100,000 = $54,348/Degree
Credential & Degrees Awarded Per $100,000 of Education & Related Expenditures – Public Research Universities

1.82/$100,000 = $54,945/Degree

Source: NCES, IPEDS Completion and Finance Surveys, U.S. Census Bureau, American Community Survey, Public Use Microdata Samples
Credential & Degrees Awarded Per $100,000 of Education & Related Expenditures – Public Bachelor’s & Master’s Colleges & Universities

2.20/$100,000 = $45,455/Degree
Credential & Degrees Awarded Per $100,000 of Education & Related Expenditures – Public Two-Year Institutions

1.58/$100,000 = $63,291/Degree
In Sum: *These Interesting Times*

*You’re Not Competitive*

Your *Demographics* present challenges

There is a *New Normal* for Higher Education Finances

You have a relatively *Productive* but . . .
The Change Agenda: *These Interesting Times*

Six Current Thrusts of the Change Agenda

*Policy & Practice*

- The completion agenda
- Expanding the concept of student
- *Student Learning Outcomes*
- Competence as the new coin of the realm
- *Innovation & disruption*
- The new normal for funding
The Change Agenda: *These Interesting Times*

The Completion Agenda – Access to Success

- The President’s Challenge
  - First in the World Again
  - Meet our Workforce Needs
  - 65% of Young Adults – some postsecondary credential of value – 2020
- Lumina
  - 60% by 2025
- Complete College America -- 34 States, 1 Territory
- Angst
  - Do we really need to get there?
  - Can we get there from here?
  - Will quality suffer?

- The New Mexico Story: Way behind but significant progress

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WICHE
The Change Agenda: **These Interesting Times**

**Expanding the Concept of student**

- Looking down
  - Early learning high schools (the Gates redesign)
  - College/Postsecondary in all high schools (AP, dual & concurrent enrolment, IB, CTE)
  - Improving Preparation
    - Common Core/Higher Ed for Higher Standards
    - Reinventing Remedial – The High School as partner

- Looking up
  - Adult College Completion – low hanging fruit
  - New Adult Focus – A mighty heavy lift
  - Workforce & Workplace partnerships

- The New Mexico Story:
  - You can’t get to goals with recent high school graduates alone
  - Work place is as important as work force
The Change Agenda: *These Interesting Times*

**Student Learning – the new name of the game**

- A good idea whose time has come
  - Why now
    - “Evidence based practice” has caught on in public policy
    - Analytics can support evidence based practice (CLA, CAAP, ETS Proficiency Profile, AHELO, Work-keys, PLA, etc.)

- Angst
  - Whopping big change – moving to external validity
  - Still sorting out
    - Teacher’s role
    - Institution’s role
    - Governing board’s role
    - Government’s role

- *The New Mexico Story: Behind the curve*
The Change Agenda: These Interesting Times

Competence – the new coin of the realm

- Competency Assessment: for the Student
  - Transfer and Articulation - Trusting the community (Passport)
  - Demonstrated college level learning outside the Academy
    - Prior Leaning Assessment – PLA
    - CLEP, testing out, etc.
- Competency Assessment: for the Institution (Educational Improvement & Credibility)
  - Predictive Analytics/MLDE
  - Degree Qualifications Profiles
  - Tuning
- Competency Based Education As a New Delivery Model
  - Direct Assessment Institutions
  - CBE Straight Up
- The New Mexico Story: A mixed bag; uncoordinated
The Change Agenda: *These Interesting Times*

Innovation & Disruption are good (everything else is boring)

- A partial list
  - New providers of degrees
    - The expansion of the for-profit sector
    - The expansion of most institutions on-line
    - The $10,000 Degree in Public Institutions
    - WGU expansion into multi-state “recognition”
  - New providers of courses & services
    - MOOCS
    - Courses only – Straighter Line, DreamDegree, etc.
    - Support services only – Insidetrack, Kahn Academy, Smarthinking, etc.
    - Boot Camps, App Academy,
  - The New Mexico Story: I have no idea; **BUT**
    - Embrace innovation, but Beware of seduction
The Change Agenda: *These Interesting Times*

**The New Normal for Funding**

- Why a new normal & not return to the old normal
  - Can’t afford the old normal
    - Hyper-inflationary model is unsustainable (unaffordable)

- What the new normal will look like
  - Performance funding is the wave to be on
    - Makes sense at the state level

- The New Mexico Story
  - A very good start
  - Adjust to improve, not covertly scuttle
  - Think bigger – whopping big change takes **bold** action
The Change Agenda: *These Interesting Times*

*Summing it all up*

- The times they are a changing
  - The way we provide education is changing
  - Who we educate is changing
  - The way we assess the quality of our enterprise is changing
  - The way we finance the enterprise is changing
  - So,

- To Survive & Thrive
  - Prepare to Change, Big Time
  - Look Forward, not back
If This Is Too Uncomfortable
To Pursue as A Change Agenda
Accept Your Fate
Einstein’s Alleged Saying
“The definition of insanity is doing the same thing over and over again and expecting different results”

Big Change is Your Only Hope