The Changing Landscape of Higher Education
Seismic Shifts in Higher Education

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
<th>Description</th>
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<tbody>
<tr>
<td>1636</td>
<td>Harvard University Founded</td>
<td>Higher Education is largely private and for the wealthy</td>
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<td>1862</td>
<td>Morrill Act Enacted</td>
<td>Funds Land Grants promoting Agriculture &amp; Mechanical Arts</td>
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<td>1887</td>
<td>Hatch Act Established</td>
<td>Funds Agricultural Experiment Stations for scientific research</td>
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<td>1890</td>
<td>Second Morrill Act</td>
<td>Requires states to admit students of all races or establish separate Land Grant</td>
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<td>1895</td>
<td>National Youth Administration</td>
<td>Provide grants to students in exchange for work</td>
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<td>1935</td>
<td>Servicemen’s Readjustment Act</td>
<td>GI Bill provides tuition &amp; expenses to WWII veterans</td>
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<td>1944</td>
<td>Science: The Endless Revolution</td>
<td>Calls on federal government to invest in university research</td>
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<td>1850’s</td>
<td>Proliferation of 2-Year Colleges</td>
<td>Community colleges become the largest sector in the 60’s</td>
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<td>1960’s</td>
<td>Lyndon Johnson signs the Higher Ed Act of 1965</td>
<td>Nearly 80% of instructional workforce is in tenure system</td>
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<td>1970’s-80’s</td>
<td>Number of liberal arts colleges declines significantly</td>
<td>Pell Grants extended - State appropriations provide 83% of cost</td>
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<td>1989</td>
<td>University of Phoenix Online Program Established</td>
<td>For-profits double</td>
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<td>2008</td>
<td>Only 1/3 of faculty are tenure system, nearly 50% of faculty part-time</td>
<td>Online education deemed critical to long-term strategy by 70% of academics</td>
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<td>2012</td>
<td>State support for state colleges declines to 23%</td>
<td>Online education deemed critical to long-term strategy by 70% of academics</td>
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<tr>
<td>2015</td>
<td>4,700 degree granting institutions</td>
<td>Free community college in some states</td>
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- Land Grant mission is established, education is extended to more Americans
- Diversity is established as a critical component of Land Grant Universities
- Two thirds of students are enrolled in liberal arts colleges
- Focus on transfer and creation of knowledge
- Education begins to be funded on an individual basis
- The GI Bill introduces the concept of higher education for all
- Approximately 1,000 colleges exist
- By 1950, only 25% of students are enrolled in liberal arts colleges
- Considerable state and federal investment
- Education for the masses
- Increase in gender and racial diversity
- 40 year decline in public funding for higher education
- As personal costs have increased, along with loans and debt, so has the payee’s interest in value, time required to finish a degree, and employment opportunities
- Market forces have played an increasing role in competition and programs offered
- Explosion of online education and increasing competition
- As in the world at large, higher education realizes efficiencies
- Employers find many ways to partner with institutions, eg Starbucks and ASU

Shift in Consumer and Financial Stability

- **Decline of the traditional college student**
  - Majority of students are working while attending college, older than 24, financially independent, and/or bring 30+ dual or transfer credit hours
  - Hispanic students will account for nearly all college student growth nationally in the coming years

- **Reduction of the middle class**
  - The Great Recession caused a growing gap between family resources and the cost of education

- **Decline in public investment in higher education**
  - Funding levels are unlikely to return to pre-recession levels due to state fiscal pressures (particularly healthcare)

- **Cross-sector competition**
  - Increasing tuition revenue dependence has caused colleges to look further and harder in recruiting out-of-state students, international students, working adults and highly qualified minority students

- **Return on investment**
  - The Great Recession shook confidence in higher education value, placing greater focus on quality of programs and colleges
  - Payscale and other internet sites provide quick comparison of average salaries and degree programs
  - Business and STEM programs are growing on many campuses, while other programs are in decline

Source: Addressing the Top 5 Threats to Financial Stability, Educational Advisory Board, Jan 2017
Shift in Public Opinion

The Student Debt Crisis
LIVES ON HOLD

Millions of Americans who went to college seeking a better future now face crushing debt from student loans—while the industry makes a handsome profit. How a broken system landed so many in this mess.

Read More

Student loan debt in the US has topped $1.3 trillion

The college debt crisis is even worse than you think

We tell students they need a bachelor's degree to get ahead. But for too many, the numbers no longer add up.

International Business Times
Student Debt Crisis 2016: Millennials Regret College Loans, Struggle To Pay Them Back

The Huffington Post
Why Millennials Are Shut Out Of The American Dream
Shift in Delivery Model – Online, Anytime, Anywhere

Degrees you can earn 100% online

A world-class university, online

- U.S. News & World Report named ASU the #1 university for innovation in the country, ahead of both MIT and Stanford.

- U.S. News & World Report ranks ASU in the top 5 in the nation for online education.

Get noticed by employers

- 87% of ASU graduates get job offers within 90 days of graduation.

- The Wall Street Journal ranks ASU as Top 5 in the U.S. for producing the best-qualified graduates.
Threats to the Historic Higher Education Funding Model
(Large freshman and sophomore classes subsidize other areas)

• HS/College Dual Credit
  o Reduces the cost to the state and student

• Online Platforms and Providers
  for example, edX and ExtensionEducation
  o Prestigious universities provide course content including major-related, general education, freshman year, etc.
  o Supports multiple cost models and distribution models for the institution and student
  o Includes free courses allowing students to gain knowledge to get a job, test out of college courses, or pay for college credit
  o ASUx Global Freshman Academy...a “New model for the American Research University”
    ▪ Students may complete the entire freshman year free of charge
    ▪ Courses are open, no application or transcript required, and pay for credit later if desired

• Acquisition of Online Providers
  o Land Grant Purdue University acquires Kaplan University, a for-profit online course provider

Preparing for the Decade Ahead

• **Help existing students graduate**
  - Improve retention and graduation rates (60% nationally)
  - Increases enrollment, enhances public perception, reduces the cost of education and student debt burden

• **Increase affordability, accessibility and inclusiveness**
  - Change recruiting strategies and optimize financial aid
  - Reduce barriers to enrolling and effectively support students from diverse backgrounds

• **Attract new students with a clear value proposition**
  - Clearly articulate typical career outcomes of academic programs
  - Complement programs with experiential learning (internships, apprenticeships, practicums, etc)
  - Provide comprehensive career services

• **Align resources with institutional priorities**
  - Reallocation of resources is key, trade-offs among competing priorities are necessary
  - Revenue growth is critical

Source: Addressing the Top 5 Threats to Financial Stability, Educational Advisory Board, Jan 2017
Challenges to Overcome for NMSU’s Future
NMSU’s Strategic Priorities / Vision 2020 Six Pillars

• Graduate Students on Time
  - Enrollment
    - Rebuild to 18,000 students, with 21% graduate students
  - Retention
    - 83% of freshman
  - Graduation
    - Graduate at least 39% of students in 4 years, 59% in 5 years, 63% in 6 years

• Ensure Students Get a Job After Graduation
  - Experiential Learning
    - Provide all students an internship, apprenticeship, practicum or research project
  - Job Placement
    - Ensure at least 80% of students find employment post graduation
  - Research
    - Regain $150 million in funded research, providing students skills for the future

• Create a Culture of Giving Back through a Superior Education and Employment Outcomes
  - Giving
    - Achieve a 10% alumni giving rate

• Resources
  - Achieve New Revenues through Growth
  - Align Resources and Investments with Institutional Priorities
NMSU lost the greatest percentage of enrollment of all peer institutions from FY13 to FY16.

NMSU lost the second greatest percentage of enrollment of NM Four-Year Institutions from FY13 to FY16.

Each 1% drop in enrollment equates to ~ $1 million in annual revenue.

- NMSU enrollment is below pre-recession era levels, declining to 30 year lows
- NMSU’s market share in the region has declined

- Retention rate flat, 6 year graduation rate flat
- 4 year graduation rate increasing, but significantly trails peer averages

Source: Integrated Postsecondary Education Data System (IPEDS) [https://nces.ed.gov/ipeds/Home/UseTheData](https://nces.ed.gov/ipeds/Home/UseTheData) and Office of Institutional Analysis [https://oia.nmsu.edu/](https://oia.nmsu.edu/)
NMSU lost the greatest percentage of research salary of all peers even before taking into account FY16 and FY17 losses.

Source: Integrated Postsecondary Education Data System (IPEDS) https://nces.ed.gov/ipeds/Home/UseTheData, Vice President for Research, Senior VP for Administration & Finance
Revenue and Giving

- Tuition revenue is dependent on tuition increases and enrollment declines.
- Alumni giving has increased. The successful Ignite Campaign has raised $81.1 M to date (65% of goal).

Source: Integrated Postsecondary Education Data System (IPEDS), Senior VP for Administration & Finance, Vice President for Advancement
Resources and Productivity

Productivity levels are in decline and below peer averages (student to personnel ratio)

Despite sustained enrollment declines faculty salaries have increased

Strengths and Opportunities
Immediate Opportunities

• Online Education
  o NMSU offers fully online programs: 3 Bachelors, 12 Masters, 1 PhD
  o 8 NMSU online completer programs with Associates degree, 60 credit hours or an RN, and gen-ed complete
  o Arizona State University (ASU) offers 150+ fully online programs, Grand Canyon University (GCU) offers 100+ fully online, Colorado State University at least 25+ with 8 week courses starting every month and a full complement of gen-ed
  o Nimble institutions provide programs consumers demand, particularly through online delivery. Professional Masters degrees are in high demand. NMSU’s own graduates are a ready market.

• Recruiting
  o Claim our backyard – Dona Ana County and New Mexico
  o Seize phenomenal growth in Texas HS students. In 2009 Texas graduated 277,000 students. By 2028, Texas will graduate 100,000 more.
  o NMSU is military friendly. Historically, courses were offered at WSMR. Courses are now offered at Holloman. NMSU’s fee structure is problematic and credentials must be synced with military requirements for maximum value.
  o NMSU has an excellent value proposition that could be articulated more meaningfully to a wider audience.

• Investment
  o A multi-year strategic investment plan is needed, with a focus on revenue generation
  o NMSU has lost on the order of $30-50 million through sustained enrollment losses
  o Budget planning must include:
    ▪ Examination of opportunities for reallocation of resources
    ▪ Productivity review and alignment with peer averages
    ▪ Incentives for growth
| #1 | NMSU ranks #1 in science and engineering funding for minority-serving institutions according to NSF |
| #2 | The Brookings Institution, ranks NMSU #2 in equal access to higher ed for social mobility and research |
| #3 | Diverse Issues in Higher Education-Top 10 for Hispanic and Native American Bachelor’s degrees awarded |
| #4 | For the 4th time in 5 years NMSU ranked as a top tier university by U.S. News and World Report |
| #5 | Among 50 most underrated colleges in America, says Business Insider, citing $84,600 mid-career salary avg |
| #6 | The Ag college is ranked the 6th best value in America by College Values Online |
| #7 | NMSU is leveraging its 2 and 4 year campuses and programs - the Aggie Pathway program is a giant step |
| #8 | The Education college ranks 101st in Best Online Graduate Schools, quickly climbing the ranks |
| #9 | NMSU recognized for Community Engagement by the Carnegie Foundation |
| #10 | Top 10 in value-added mid-career salary, according to the Brookings Institution |

We are Aggies
Formation of Criteria
Organization Complexities/Stakeholders
(Note: no significance to size, color or order)

Student Success
Enroll, retain, graduate, get a job, give back

Land Grant Mission

Research
Deans / Administrators
High Minority Serving
Community Colleges
Agricultural Science Centers
Staff
Other

New Mexico Department of Agriculture
Athletics
Distant Learners

Faculty
Foundation and Donors
Community and State
Cooperative Extension
Alumni
Parents
Elected Officials
Public Schools

Employers / Business Community
Aggie Development
Arrowhead

New Mexico Department of Agriculture
Economic Development

Community and State
What qualities, credentials, background and experiences are critical for the next leader?

Think out of the box
Tentative Search Timeline (Subject to Change)

Oct-Nov 2017........ Garner critical search criteria from key stakeholders
October 2017........ Determine the chair of the search committee – Mike Cheney
October 2017........ Establish search planning subcommittee, Co-Chairs Regent Kari Mitchell and Regent Mike Cheney
Oct-Nov 2017........ Conduct an RFP process for search firm services
Oct-Nov 2017........ Conduct listening sessions throughout the state and by webcast
November 2017..... BOR executes contract with search firm; determines the search committee composition; finalizes the search criteria, job description and informational packet; appoints the search committee
November 2017..... On-board the search firm, share the informational packet and seek guidance
December 2017...... Solicit candidates through the search firm
January 2018.......... Kick off the search committee work; examine search criteria, job description and informational packet; begin candidate review.
Jan-Mar 2018........ Committee reviews and vets candidates, proposes finalists to the Board of Regents
March 2018.......... Board of Regents determines finalists
April 2018............ Finalists are hosted on-campus
May 2018............. Contract is signed with new Chancellor with anticipated start date July 2018
Upcoming Webcasts

Las Cruces Domenici Hall Yates Auditorium on Tuesday, Nov 7\textsuperscript{th} @3:30pm

https://nmsu.hosted.panopto.com/Panopto/Pages/Viewer.aspx?id=2ca4872d-b8cd-4525-a310-bf3da761725b

Feedback

The Chancellor Search website links

https://www.nmsu.edu/chancellorsearch and https://chancellorsearch.nmsu.edu/

provide opportunity for comments and feedback