BUDGET LISTENING SESSION

10: 29: 2020:

BY MAX BACA, VP FOR FINANCE, ADMINISTRATION & GOVERNMENT RELATIONS



START RECORDING

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BUDGET PROCESS OVERVIEW





- Timelines / Forms
- What's New
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HIGH-LEVEL BUDGET TIMELINE



Strategic Planning Group

Identify critical objectives for the upcoming fiscal year based on current strategic plan

Department / VP Level Discussion

Budget and department budget discussion and recommendations

Campus Recommendation

Campus-wide presentation of next year's budget recommendation by President Minner and VPFA Max Baca

APRIL



numerous listening sessions

WHAT'S NEW THIS YEAR....



To facilitate a continuing process improvement in 2021-2022, the following steps will continue to be implemented.

- All Deans or VPs are to provide explicit feedback, including but not limited to their list of prioritizations, to the department's chairs and/or unit heads. This feedback shall be in written form to the chair/unit head.
- The Deans and VPs will hold a meeting with the chair/heads of their respective units to discuss their prioritization list.
- The chair/head may appeal a prioritization to the Provost or appropriate VP by providing a written explanation, with the introduction of new evidence not considered by the Dean, and with an indication of where they think their priority should appear on the Dean's list. The Provost or VP shall respond with a simple Yes or No to the appeal, following the process established last year.
- VP will make final budget priorities; this is to replace presidential final recommendation. The details of this process is still being finalized.
- Please ensure that NMHU's Budget Office receives a copy of your department budget request.



FISCAL UPDATE / OUTLOOK



THIS YEAR'S (FY21) BUDGET

Source of Revenues	Dollars	Diff FY2020
State Appropriations	\$31,558,700	(\$1,995,600)
Tuition	\$15,984,084	(\$216,716)
	\$47,542,784	(\$2,212,316)



NEW MEXICO'S REVENUE UPDATE*

- New Mexico Recovery is better than expected.
- In the revised forecast during the August LFC meeting, the forecasters represented a positive update on Fiscal Year 2020, whereas its projected ending balance is now \$534.1M surplus versus a \$439 M deficit during the June 2020 forecast. This swing of nearly a billion dollars only stresses how volatile our revenue streams are in New Mexico. For FY2020 the forecasted budget is \$7.8B.
- Focusing now on the fiscal year 2021, the forecasters had a range from a low of a negative \$460.6M to the upper level of a high of a negative \$1.35B. The forecasted budget for FY2021 ranges from the high end to \$7.2B to a low of \$6.3B from a \$5.9B in June forecast.
- On to the upcoming fiscal year 2022, from the June forecast, the forecast was \$6.2B down from the December 2019 forecast of \$7.9B a difference of \$1.7B in loss of revenues. The August forecasts \$7.6B on the high end to \$6.7B on the low end. A difference from the June forecast of \$1.4B on the high end to \$572.9M on the low end. In summary, the best scenario is \$376M to a worse case of \$1.2B.

* LFC, DFA, and TRD 2020 September's Consensus Revenue Update and Forecast

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RISKS TO NM REVENUES

- Factors or possible risks affecting the forecast is the "Personal Income Tax" (PIT) because the tax lags a year, therefore, the state should realize the massive unemployment from March thru December 2020 during the COVID pandemic. Additionally, the lags of active "oil" rigs counts (41* vs 117) will begin to impact the oil and gas revenues over the next couple of years, however, the volume of oil is still above the second quarter of 2019 production levels. Worldwide capacity is inching down, and prices are stable in the \$40/B. This worldwide capacity is being held down by the lack of airline industry. Another factor that could impact these revenues is another statewide shut down due to the resurgence of the virus like we are experiencing now.
- Additionally, the slow opening of New Mexico's economy coupled with slow job growth, loss of unemployment benefits, and no concrete decision of a stimulus package from Washington is due to a current gridlock. These factors could worsen consumer confidence and extend a slower recovery. Additionally, the "federal paycheck protection program" will add more pressure to a weakening economy.
- The brighter side of fiscal year 2022, when a potential vaccine is available on a mass scale and a potential reduction of political unrest across the country could result in a "V" shape economic recovery.
- It's because of all this uncertainty for both on recovery or negative pressure on the NM's economy that resulted in a high and low range revenue forecast. Most economists' recovery outlooks vary from "V", "K", "U" or "L".

* LFC, DFA, and TRD 2020 September's Consensus Revenue Update and Forecast

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NMHU ENROLLMENT DATA









ENROLLMENT DATA



HeadCount					
	2018	2019	2020	%	
Main Campus	1,756	1,576	1,397	(11.4%)	
Centers	1,425	1,326	1,383	4.3%	
Overall	3,181	2,902	2,780	(4.2%)	

Student Credit Hour Production					
	2018	2019	2020	%	
Main Campus	53,724	26,534	51,647	94.6%	
Centers	18,942	40,884	11,717	(71.3%)	
Overall	72,666	67,418	63,364	(6.0%)	



FISCAL YEAR BUDGET PRIORITIES UPDATES

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FISCAL YEAR 2021 PRESIDENT'S PRIORITIES

	Priority	Description	Budget Request	Strategic Plan	Status
		Compensation	TBD after state		
	1		budget is approved	All	Funded
	2	Academic Affairs to expand, strengthen, and develop new programs	\$ 400,000	1, 2, 5, 6	Not Funded
		Strategic Enrollment Management to increase enrollment and improve			
	3	retention	\$ 150,000	1, 2, 5	Not Funded
		Student Affairs to improve / expand the student experience including		r	
	4	Career Services	\$ 150,000	1, 2, 5	Not Funded
		Business Affairs / Government Relations to improve business processes			
		and strengthen our engagement with local, state, and federal			
	5	government and other agencies	\$ 150,000	1, 2, 5	Not Funded
	6	Athletics to improved student athletes outcomes	\$ 150,000	1, 2, 5, 6	Not Funded
/		Office of the President to expand and devise new equity and diversity			
	7	initiatives	\$ 150,000	1, 2, 4, 5, 6	Funded*
	8	Chair Innovation Fund to support innovation in each discipline	\$ 100,000	1, 2	Not Funded
	9	Planning for Forestry Research Station	\$ 100,000	1, 2, 3	Not Funded
	10	Dean's Innovation Fund to support innovation in each academic unit	\$ 80,000	1, 2	Not Funded
	11	Expansion of NMHU Community Liaison	\$ 50,000	1, 2, 5, 6	Funded
	12	Biennial matanza planning and implementation	\$ 50,000	1, 2, 5	Funded*
	13	University Relations to expand advertising	\$ 50,000	1, 2	Funded*
	14	Staff professional development and other staff-related initiatives	\$ 75,000	1, 2	Not Funded
	15	IR for new equipment	\$ 5,000	1,2	Not Funded
		Total + Compensation	\$ 1,660,000		

33.3% of President Priorities were funded!

FISCAL YEAR
2020
PRESIDENT'S
PRIORITIES

		D	Strategic
Description/Position	Budget	Request	Goals
Unfunded Employee Compensation and Fringe	\$	730,800	All
Increase Reserves per BOR Action	\$	250,000	All
Student Success Initiatives	\$	250,000	1, 2, 5, 6
Success Coaches			
Ad Astra			
Transfer Eval.			
Advertising & Equipment	\$	50,000	1, 2, 5, 6
International Recruitment, Professional Dev, Add Printing &			
Postage	\$	50,000	1, 2, 5
Funding for New Programs to increase enrollment	\$	175,000	1, 2
New Tenure Track in Counseling	\$	75,000	1, 2
Internal Research Initiatives	\$	100,000	1,2
Digital Signage	\$	-	3, 5
System Analyst	\$	-	1, 2, 5, 6
Total + Compensation	\$ 1	,680,800	

81.3% of President Priorities were funded!

Change sport to sports

FISCAL YEAR 2019 PRESIDENT'S FUNDED PRIORITIES

Description/Position	Bud	get Request	Strate	gic Goals
Unfunded Employee Compensation and Fringe	\$	466,000	All	Funded
Outcomes Assessment Grants	\$	30,000	1	Funded
Automated Scheduling Package	\$	100,000	1, 2, 5, 6	Funded
ARMAS Student Coordinator	\$	20,000	1, 2	Funded
Graduate Assistantships for new Media Arts MFA	\$	50,000	1, 2	Funded
Raiser's Edge (annual fee)	\$	31,000	4, 5, 6	Funded
Sport Information Director	\$	50,000	2, 4, 5, 6	Funded
Advertising	\$	50,000	2, 6	Funded
Graphic Designer	\$	62,000	2, 6	Funded
Web Content Manager	\$	65,000	1, 2, 5, 6	Funded
Total + Compensation	\$	924,000		

43% of President Priorities were funded!

FISCAL YEAR 2018 PRESIDENT'S PRIORITIES

Description/Position	Budg	et Request	
Employee Compensation 1% is about \$280K	TBD		
Outcomes Assessment Grants	\$	30,000	
Automated Scheduling Package	\$	100,000	
ARMAS Student Coordinator	\$	20,000	
Graduate Assistantships for new Media Arts MFA	\$	50,000	
Academic Affairs Personnel to Support Enrollment Growth	\$	150,000	
Online Initiative	\$	50,000	
Professional Development School initiative in partnership with Pojoaque school district and Los Alamos National Laboratories	\$	75,000	
Raiser's Edge (annual fee)	\$	31,000	
Sports Information Director	\$	50,000	
Advertising	\$	50,000	
Graphic Designer	\$	62,000	
Web Content Manager	\$	65,000	
Website Technical Expertise (consultants)	\$	30,000	
Digital Signage	\$	50,000	
Career Services Initiative (first steps)	\$	75,000	
Housing Software	\$	37,000	
Collaborative Undergraduate Research Grants	\$	50,000	
System Analysis	\$	100,000	
Total + Compensation	\$	1,075,00 0	

PRESIDENT MINNER'S FY22 PRIORITIES:



- 1. Employee compensation, particularly moving floor to \$15.00/hour, but other improvements as well
- 2. Expansion of social work and teacher education programs
- 3. Funding Wiley initiatives
- 4. Funding Doctor of Nursing Practitioner (DNP) (assuming approved internally and externally)
- 5. Funding additional dean level discretionary initiatives designed to increase enrollment and retention and or improve program quality
- 6. Funding NMHU office of research and grants
 - a. Associate Vice President for research and grants
 - b. Meaningful research and or grants awards
 - c. Possible NCUR membership and participation
 - d. Grant program(s) to support greater faculty-student collaborations
 - e. Faculty buy-out program to promote greater grant activity

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PRESIDENT MINNER'S FY21 PRIORITIES CONTINUED:



- 6. Expansion of NMHU legislative fellows to Washington, D.C.
- 7. New faculty development program to prepare faculty to effectively engage NMHU students, particularly Hispanic, Native American, and first-generation students
- 8. Funding NMHU regent's professor program (if approved during bargaining)
- 9. Funding numerous division/department/school/college initiatives
- 10. Funding *Dignidad en el Trabajo* initiative (if this initiative moves forward, numerous steps required)

NEW STRATEGIC PLAN

2020...2025

GOAL 1:

Teach and mentor students to integrate a broad range of academic skills, a breadth and depth of curricular knowledge, and in interdisciplinary understanding.

- 1. Maintain and build upon a core curriculum to develop a broad liberal arts education and transferable skills.
- 2. Teach students to master competencies in their undergraduate and graduate programs of study with theoretical and applied knowledge in their areas of specialization.
- 3. Provide educational experiences that promote interdisciplinary understanding.
- Recognize and acknowledge efforts of faculty, staff, and students highlighting strong demonstration of pedagogy, skill development, active learning, advising, mentorship, or content knowledge.

GOAL 2:

Inspire students to action through environments that foster scholarship and produce graduates equipped to address regional and global issues.

- Link course content, curriculum, and co-curricular activities to understanding and addressing significant local, regional, and global issues (i.e., infuse big issues and big ideas into discussion in all areas of campus life).
- 2. Develop students into confident graduates with effective communication skills, professionalism, and determination that prepares them to make informed decisions in pursuit of lifelong learning and professional success.
- 3. Encourage and support fieldwork, internships, externships, practicums, multi-institutional research projects, grant-related engagements, and other related activities that broaden students' horizons outside of the classroom.

GOAL 3:

Engage with and serve our communities for mutually beneficial exchanges of knowledge, services and resources.

- Establish and sustain a service learning, civic engagement, co-curricular, social justice, and community network in collaboration for, by and with faculty, staff, students and local, regional and global partners.
- 2. Identify and prioritize strategic opportunities and partnerships for aligning university and community needs and resources for mutual benefit.
- 3. Protect and promote rights to higher education for all students in need.

GOAL 4:

Advance excellence in diversity, equity and inclusion policies and practices.

- Embrace our mission as a Hispanic-Serving Institution (HSI) and emerging Native American-Serving Nontribal Institution (NASNTI) to increase the diversity of NMHU's faculty, staff, and administrators to better reflect the demographics of New Mexico and our students.
- 2. Develop an active, intentional, and ongoing engagement with intellectual, social, cultural and geographical diversity that leads to personal growth through community engagement and curricular and co-curricular programming.
- 3. Advance and promote a welcoming and inclusive university environment that recruits broadly, supports equity, and improves diverse students, faculty, and staff retention and success.
- 4. Employ student engagement and success strategies for students from diverse backgrounds to ensure persistence and completion through active and collaborative learning.
- Cultivate, promote, sustain, assess, and improve multiculturalism and diversity initiatives throughout the campus community in curricular and co-curricular activities, student support services, civic engagement, and professional development.

GOAL 5:

Be a comprehensive educational provider for all students including traditional, non-traditional, online, distance, community, and lifelong learners.

- Develop guiding principles for becoming a more comprehensive educational provider that promotes equitable student outcomes for all students across NMHU.
- 2. Enhance professional development for faculty and staff in effective use of technology to more effectively reach, educate, and support all students across NMHU.
- Develop, adopt, implement a process to research and address the need for new or modified academic degrees, professional certificates, and community interest programs.



IMPORTANT INFORMATION & TIMELINES

TIMELINES:



Date	Milestones	Description
10/5/20	Campus Communication	Send budget information and budget template to campus community
10/21/20	Initial Deadline	Completed budget requests to respective Vice President
10/26/20	Campus Listening Session (Afternoon)	Fiscal Update with Budget Listening Session (afternoon session) provided by VPFA office
10/29/20	Campus Listening Session (Afternoon)	Fiscal Update with Budget Listening Session (morning session) provided by VPFA office
10/28/20	Faculty Listening Session (Morning)	Faculty Listening Session (date provided by Dr. Orit Tamir, Faculty Senate Chairperson)
11/2/20	VP Feedback	Directors/Departments provide Budget Priorities Feedback to Deans and Vice Presidents
11/16/20	VP Final Budget Deadline	Final FY21 Budget Requests Due to VPFA Office
11/23/20	Budget Prioritization	Review at EMT Level
12/1/20	Final Campus Communication	Fall Budget Presentation to Campus Community by Administration
TBD	Final Presentation to BOR	Final Budget Presentation to Board of Regents





➢Budget Template

- ➢Budget Priorities
- ➢ Relevant information

http://www.nmhu.edu/finance-and-administration/





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