

## NOTICE OF PROPOSED RULEMAKING

**NOTICE IS HEREBY GIVEN** that the New Mexico Higher Education Department (NMHED or department) will hold a public rulemaking hearing on November 16, 2018. The hearing will begin at 3:00 p.m. and will be held at NMHED located at 2044 Galisteo Street, Suite 4, Santa Fe, NM 87505. The purpose of the rulemaking hearing is to take public comment regarding proposed rulemaking adopting a new rule 5.3.11 NMAC, FISCAL OVERSIGHT.

### **Purpose:**

The department proposes adoption of new rule 5.3.11 NMAC. The new proposed rule establishes regulations and procedures for the fiscal oversight of institutions designated in Article 12, Section 11 of the Constitution of New Mexico and any other public higher education institutions operating within and receiving financial support from the state of New Mexico. The proposed rule establishes standard financial reporting requirements and the Enhanced Fiscal Oversight Program to provide additional oversight by the department for institutions found to exhibit risk factors indicating potential problems of finance.

### **Summary of proposed rule:**

The department proposes a new rule for the regulation of fiscal oversight for public higher education institutions receiving financial support from the state of New Mexico. The proposed rule addresses the following topics related to fiscal oversight: standard financial reporting requirements by institutions; detection of poor fiscal health or potential problems of finance at the institution through assessment of risk factors; an overview of the Enhanced Fiscal Oversight Program (EFOP); EFOP procedures including notice to the institution, meeting requirements and corrective action plan criteria; procedures for EFOP reporting, compliance, campus visits, meetings, and verification; requirements for removal of EFOP designation and procedures for addressing institutional non-compliance with the EFOP.

**Details for Obtaining a Copy, Public Hearing and Comments:** The proposed rules are available at NMHED located at 2044 Galisteo Street, Suite 4, Santa Fe, NM 87505-2100. The proposed rules are also posted on the NMHED website and may be accessed at <http://www.hed.state.nm.us/> under the "Events" section. To request that a copy of the proposed rules be sent to you by mail or e-mail, please contact [HigherEd.Info@state.nm.us](mailto:HigherEd.Info@state.nm.us) OR (505) 476-8411.

A public hearing will be held from 3:00 p.m. until 4:00 p.m. at NMHED on November 16, 2018. Any person who is or may be affected by these proposed rules may appear and testify. **Interested persons may submit written comments to NMHED at 2044 Galisteo Street, Suite 4, Santa Fe, NM 87505 or [HigherEd.Info@state.nm.us](mailto:HigherEd.Info@state.nm.us). Written comments must be received no later than 4:00 p.m. on November 15, 2018.** Please note that any written comments received will become part of the rulemaking record, be posted to the New Mexico Sunshine Portal, and be accessible to the public. If submitting written comments by email, please indicate in the subject line the number and section of each rule(s) for which you are providing comments. Oral comments will also be accepted at the rule hearing, subject to time limitations.

Legal authority for this rulemaking can be found in Section 9-25-8 NMSA 1978, Section 21-1-26 NMSA 1978, Section 21-1-26.3 NMSA 1978, Section 21-1-26.12 NMSA 1978, and Section 21-1-33 NMSA 1978.

Any person with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or auxiliary aid or service to attend or participate in the hearing should contact (505) 476-8411 ten (10) business days prior to the hearing.