



MAY 2007 POLL OF N. J. LIKELY VOTERS ON HIGHER EDUCATION CONCERNS:

Cuts in State Funding as Reason for Rising Tuition

Extremely important	50%
Somewhat important	32%
Not important	11%

Affordability Trend, Past 2-3 Years

A lot more affordable	5%
Somewhat more affordable	16%
Somewhat less affordable	40%
A lot less affordable	19%

State College Management

Very well managed	11%
Somewhat well managed	50%
Not very well managed	15%
Not at all well managed	3%

Political Interference if Trenton had More Control

More subject to interference	76%
Less subject to interference	14%
About the same	4%

Who Should Decide About Higher Education Investment?

Governor & Legislature	12%
State Agencies in Trenton	8%
Non-partisan Boards & College Presidents	73%

ASCU Unveils *New Jersey College Promise*; Goals Include Greater Efficiency and Smarter State Policy to Keep College Costs Affordable

New Jersey has neglected, for too long, expanding its public colleges' capacity to serve more residents and making the necessary investments to keep college affordable. In response, the New Jersey Association of State Colleges and Universities (ASCU), is launching a multi-step effort that includes enabling the group of nine institutions to advance, collectively, from third to first in the nation in cost effectiveness.*

The plan, called *New Jersey College Promise*, was unanimously endorsed by the ASCU board at its June 12 meeting. Its objectives include:

- Building on information directly from citizens about affordability concerns, translating these concerns to policy action to expand college access, and increase affordability.
- Soliciting some of the best minds in the nation and state to advise on how to move the institutions from third highest position among the 50 states to number one in productivity, and pass cost savings on to students and families.
- Creating a legislative and policy agenda for affordability that emphasizes what both the State of New Jersey and the institutions can do to keep student costs down, including maximizing current flexibility and protecting public colleges from political interference.

The *New Jersey College Promise* affordability agenda will include giving institutions more control over certain costs inflated by the state, such as workers' compensation; allowing more partnerships with private sector contractors and providers to gain spending efficiencies; and resisting pressure to increase fees paid by some students.

Major activities will include public opinion polling and analysis (see story on page 3); making public

INSIDE THIS ISSUE

Higher Education Budget	2
State Colleges Deliver High Value (Poll of Likely Voters)	3
Northeastern States Look to Invest in Higher Education	4
Presidents Tell CHE of Grave Concerns	4
NJ Health Care Needs Graduates	5
Not Enough U.S. Students Earn Degrees	5
HEPI Up 3.4% for FY 2007	5

Continued on page 2

Higher Education Budget a Missed Opportunity

The recently enacted FY 2008 state budget for higher education is both "an improvement over last year," and a "missed opportunity," according to ASCU Executive Director Darryl G. Greer.

While the spending plan increases institutions' direct appropriations 4%, it does so on top of an 8% cut experienced during FY 2007. Moreover, salary commitments under the new labor contracts are unfunded and estimated to cost the nine state colleges and universities a total of about \$20 million, the equivalent of a 6% decrease. In all, the net effect compared to FY 2006 is a cut of about 10%, conservatively, Greer says.

Time to wake up. Repeated failure to make strides in higher education investment will hurt the Garden State, Greer maintains. "New Jersey needs to wake up and reconsider its priorities. There is a global, not just a national market for the best minds. Only New Jersey can make New Jersey competitive, and our policy decisions do not reflect the importance citizens place on public colleges as vehicles of opportunity and economic prosperity."

Tuition impact. Greer predicted that despite tough budget challenges in store for the colleges in the new fiscal year, trustee boards will keep their commitment to tuition affordability. He explained that increases, generally acted upon in July, will be "responsible" and will anticipate the strain already placed on students as a result of having some of the nation's highest public college costs. *Follow-up note: Increases in the neighborhood of 7% were announced by mid-July at several institutions. A summary of increases was not available at that time.* ■

ASCU UNVEILS NEW JERSEY COLLEGE PROMISE

Continued from page 1

more data about member institutions; releasing comparative information pertaining to peer colleges in other states; and constructing a solution to the affordability challenge based on recommendations tested with citizens' values and needs.

As part of the project, ASCU vows to open up direct dialogues with the public about higher education issues characterized by a spirit of openness, willingness to listen, responsibility and accountability. It will then make recommendations on ways the colleges can become more efficient and effective to reduce the tuition burden. "The Association is committed to transparency and accountability in all of its public education activities," says Henry A. Coleman, chair of ASCU.

Once the New Jersey College Promise goals are clarified, ASCU will ask others to join in a campaign to build public support for a policy agenda to fulfill them. Each year, beginning this fall, ASCU will present a set of specific policy steps the state can take in partnership with the colleges to make costs more affordable, including allowing campuses greater administrative flexibility. ■

* ASCU's nine members, as a group, are rated third most productive among the 50 states based on an analysis of enrollment, student progress, funding, and regional salary differentials by the National Center for Higher Education Management Systems. During the past decade, ASCU has documented, using national peer data, its member institutions' significant progress on goals of opportunity, diversity, quality, reputation, and accountability under nonpartisan trustee governance.

**POLL OF LIKELY VOTERS:
State Colleges Deliver High Value,
But Are Less Affordable Due to State Underfunding**

Seven out of ten New Jersey likely voters say state colleges deliver a good or excellent education, according to a recent Penn, Schoen & Berland Associates poll. However, many are not convinced that the state colleges and universities are affordable: 51% say they are but 36% say they are not.

Voters also say state colleges deliver high value for the dollar invested. Greater than six out of ten (63%) say they deliver more value than private colleges and universities.

The telephone poll was sponsored by ASCU and conducted in May 2007 with 655 likely voters and has a margin of error of plus or minus 3.83 at the 95% confidence level (larger for subgroups).

The poll also revealed that New Jersey residents may be getting much more out of the investment in state colleges and universities than they realize. Less than one out of six of those polled correctly responded that over 90% of the institutions' students are state residents.

Affordability Trend Tied to State Funding, Personnel Costs.

Nearly 60% of likely voters say that college is less affordable than it was 2-3 years ago. The causes? When asked about the primary cause, the most frequent response was "cuts in state funding." Other common responses included faculty, staff and administrative salaries and increased spending in other areas, such as technology.

The poll also did not indicate any clear mandate for some cost cutting measures at state colleges. Asked *separately* about each of these ideas, only 21% strongly support using more part-time faculty and fewer full-time faculty; only 19% strongly support "not improving campus facilities as often," and only 19% strongly support allowing larger classes.

ASCU Executive Director Darryl G. Greer says the Penn, Schoen & Berland poll seems to indicate that voters *do* want a return to previous higher levels of support for higher education. "They see this as the way to get back to more affordable tuition and expect the colleges to also keep their promise of preserving access and quality. Citizens also seem reluctant to give up any indicators of college quality, including new technology, new facilities, and well-credentialed faculty."

Voters See Room for Improvement in Spending. One of the goals of the poll was to ascertain whether the image of the state colleges and universities has been tarnished by various state scandals and allegations of corruption. The poll reveals that 61% of likely voters say the institutions are well managed, and only 18% say they are *not* well managed.

Nevertheless, many voters remain worried that some things may be amiss, a concern the Association plans to address head-on, says Greer. When asked about whether they believe the nine state colleges are spending money in ways that are wasteful, voters were more likely to agree: 58% vs. 18%, with 24% saying they do not know. However, when asked the same question about state government, there was a broader agreement: on wasteful spending, 80% agreed.

Trenton to the Rescue? Not. While expressing concerns about public college and university accountability, likely voters say greater involvement by Trenton will result in *more, not less*, political intrusion by a margin greater than 5:1. They are also more likely to select nonpartisan trustee boards over state agencies when it comes to higher education spending: when asked whom they would entrust with spending new funds wisely, they selected nonpartisan trustee boards over state agencies

State College Education Quality	
Excellent	15%
Good	56%
Fair	17%
Poor	3%

State College Affordability	
Very Affordable	9%
Somewhat Affordable	42%
Not Very Affordable	27%
Not at All Affordable	9%

Continued on page 6

To Compete for College Grads, Northeastern States Look to Invest in Higher Education

Several of New Jersey's Northeastly neighbor states are looking to invest more hope, energy and funds in higher education over the coming year: New York, Massachusetts and Maine. A major motive is revving up state economic competition for college grads.

New York Governor Mark Spitzer created a new state higher education commission charged with identifying and improving access to public higher education, quality and excellence. Goals include smoothing transition for community college graduates to four-year institutions and jobs, carving out a greater role for institutions in regional economic development, and increasing the state's research capacity. (NY Governor's Office 6/1/07)

Maine Governor John Baldacci signed into law a new tax credit program for graduates to combat the state's brain drain when college graduates there migrate to other states. Graduates leave the state, according to an Associated Press account, "in search of better pay to meet the demands of their college loans and other expenses." The new program, dubbed Opportunity Maine, would offer tax credits of up to \$2,100 per year for up to four years after graduation. The new law was the result of a citizens' petition drive for the program by a coalition of groups, including the League of Young Voters. It was subsequently supported by legislators and the governor. (*New York Times*, Associated Press, 7/2/07)

Massachusetts Governor Deval L. Patrick is working with leaders from various sectors to hammer out the details of a plan he has to make community college education free to all the Commonwealth's high school graduates. Lingering questions include how to manage such a program's estimated \$180 million annual cost and whether there should be academic eligibility requirements. Urgent regional workforce demands seem to be giving the plan wings; *The Chronicle's* Elyse Ashburn reports the governor's office as saying that Massachusetts has "20,000 jobs that are vacant because workers lack the two-year degrees required to fill them." (*Chronicle of Higher Education*, June 15, 2007) ■

Presidents Tell CHE of Grave Concerns; Panel Urges Meeting with Governor

Three state college/university presidents, representing the group of nine, spoke before the New Jersey Commission on Higher Education (CHE) June 22 to underscore the need for budget and policy improvements in higher education and, specifically, the state's need to assist, and invest in, public baccalaureate/master's institutions here.

Richard Stockton College President Herman J. Saatkamp, Jr. thanked the Commission for providing a forum and its willingness to listen, asking for the panel's future cooperation and support in making a case for state funding of mandated costs and capital needs.

Montclair State University President Susan A. Cole pointed to statistics showing how that University was but one example of how state colleges have been enrolling and graduating far more students than six years prior, with far fewer funds per full-time student. She said too often state officials have often answered pleas for support with responses that are both "disinterested and disappointing."

William Paterson University President Arnold Speert cited state budget policy that appears shortsighted, leading to the undoing of the Outstanding Scholar Recruitment Program, the zeroing out of the state's community college transfer initiative, and severe underfunding of the NJ STARS II program (for high-achieving NJ STARS students from community colleges).

Meeting with Governor proposed. In response to the presidents' concerns, CHE members advised seeking a meeting including the Governor and legislative leaders to make higher education a higher priority. ■

NJ Health Care Technology Industry Needs Well Educated Graduates

There is a striking disparity between six high-demand occupations in the pharmaceutical and medical industry and the number of educated, qualified workers available to fill them, according to a recent report from the Heldrich Center for Workforce Development at Rutgers University for the HealthCare Institute of New Jersey (HINJ).

While overall growth of the health care industry will be modest, the report says it will be tough for the industry to fill openings in these six occupations: product and marketing managers; clinical scientists; regulatory affairs managers; medical doctors; biostatisticians; and engineers.

Among the credentials most in demand:

- Bachelor's degrees in biochemistry, chemistry, animal science, and marketing.
- Master's degrees in various fields of science and business.

The Heldrich Center study calls for New Jersey's colleges and universities to help out and adopt a "stronger, more focused role in preparing students for these career opportunities." It is likely that state college/university leaders will be taking a close look at the report to see where their institution might address the challenge. Entitled "The Workforce Needs of New Jersey's Pharmaceutical and Medical Technology Industry," the report is available at the HINJ website: www.hinj.org. ■

Report Says Not Enough U.S. Students Earn Degrees

The United States is not producing the number of college graduates it will need to compete with other countries in the global, knowledge-driven economy, according to a 2007 report from a multi-organizational initiative led by Jobs for the Future (JFF), and supported by the Lumina Foundation.

The report, authored by Travis Reindl of JFF, says the gap between degree production and the number of degrees needed will reach 16 million by 2025. To bridge the gap, it asserts, nearly 11 million of the degrees will have to be earned by minority, adult and low-income students. The report, called "Hitting Home: Quality, Cost and Access Challenges Confronting Higher Education Today," calls for goal-setting efforts at the state level to reach these students and help them build college-level proficiencies.

The report is available online at www.makingopportunityaffordable.org. ■

Higher Education Price Index (HEPI) Up 3.4% for FY 2007

What is the index? A measure developed by the Commonfund Institute to indicate changes, over time, in colleges and universities' costs of doing business.

How is HEPI tied to the US Consumer Price Index? CPI changes are one factor used to calculate the HEPI, also, salary surveys, U.S. labor statistics, and Producer Price Index data are used.

What costs are examined? Salaries, wages, fringe benefits, contracted service costs and utilities costs are all considered in setting the HEPI.

What time period is covered? The 3.4% represents increases in costs for FY 2007 compared to the previous year. In the previous year (FY 2006), the HEPI increased 5%. For more details go to www.commonfund.org. ■



Policy Outlook

COMMITTED TO COLLEGE OPPORTUNITY FOR NJ CITIZENS

DARRYL G. GREER, Executive Editor
PAUL R. SHELLY, Editor-in-chief
CHARLENE R. PIPHER, Associate Editor

ASCU MEMBER INSTITUTIONS:

- The College of New Jersey
- Kean University
- Montclair State University
- New Jersey City University
- Ramapo College of New Jersey
- Richard Stockton College of New Jersey
- Rowan University
- Thomas Edison State College
- William Paterson University

STATE COLLEGES DELIVER HIGH VALUE

Continued from page 3

by an 8:1 margin, and over the governor and legislature by a 6:1 margin.

Says Greer, "Clearly, there are some messages in these poll results for pundits who blame colleges for high tuition ~ and those who say greater state control will mean more efficiency and accountability. Those individuals are clearly not in step with the electorate on this issue."

Capacity Concerns. Another area where there may be a disconnect between Trenton and likely voters is on the level of urgency felt about expanding state college and university capacity. A proxy for this concern was a question in the poll about support for more dorms: 60% said this is an "important" matter, including 21% who thought it a "very important" matter. New Jersey currently ranks 45th among the 50 states in enrollment per capita at four-year public colleges and universities.

The Association plans on using the information about voter views as part of a broad-based effort to craft and promote **New Jersey College Promise** across the state. ■