

State Colleges Support Level Funding with Student Aid Increase

The higher education budget proposed by Governor Christie for Fiscal Year 2012 provides level funding for the nine state colleges and universities. The proposal provides the nine state colleges and universities with \$243.6 million ~ the same as current year direct state funding. Many higher education advocates are confident that the practice of slashing higher education appropriations to balance the total state budget may be coming to an end, as recognition grows that higher education will be critical to jump starting the economy.

Still, the proposed budget, while more favorable than in past years, would provide state colleges and universities with the same amount of money the state appropriated in 1995.

The budget proposal is positive in addressing college affordability by increasing, by \$25.2 million, funding for New Jersey's key student aid program that reaches many low- and middle-income students: the Tuition Aid Grant (TAG) program. In recent testimony for Assembly and Senate Budget hearings, the Association urged support for proposed state college/university funding. This level of funding will allow institutions to keep tuition increases modest, providing there are no surprise, adverse developments.

In addition, the Association advocated

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New Jersey Disconnect: Voters See Public College Opportunity Linked to Jobs and Prosperity, Anxious for a State Plan

New Jersey likely voters say state colleges and universities are linked to economic recovery, and the institutions merit more state investment to help them fulfill this role. But voters aren't sure there is a statewide plan to make this happen. And, while voters trust college leaders to make educational and financial decisions, these public institutions need to do more to show the public they are working hard to contain costs and keep tuition and fees affordable.

These are among the principal conclusions of those analyzing a scientific public opinion survey for ASCU conducted March 31-April 4, 2011 of 750 New Jersey likely voters by Penn, Schoen & Berland Associates (PSB). The margin of error for this study is plus/minus 3.58% at the 95% confidence level.

College investment tied with jobs, economic development. The vast majority (95%) of likely voters think it is important for the state to have a plan to connect higher education with jobs and the economy. A 57% majority said they were not aware that the state has such a plan.

Most residents support investing in higher education. Among likely voters, 57% strongly agree that excellent and affordable state colleges are vital to New Jersey's economy. More than 60% say they are likely to support investment in college and university facilities, including a bond issue of \$1.3 billion or \$2.6 billion. Better than four out of five likely voters agree ~ and 39% strongly agree ~ that the state should provide consistent, predictable support to state colleges and universities so they can make long-term plans.

Colleges viewed as high quality, but affordability concerns deepen. Citizens recognize the education at state colleges and universities is of high quality: 14% say quality is excellent, 67% say good, 17% say fair, and 1% say poor.

Likely voters are divided about the affordability of state colleges: citizens' perception that college remains affordable continues to slip in the bad economy. In the current poll, 51% say the colleges

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are not affordable (not very + not at all), while 42% say colleges are somewhat affordable, and 7% say the colleges are very affordable. By comparison, in 2007, 16% of residents said state colleges were not affordable.

The poll found that about one-half (51%) of likely voters had experienced at least one personal economic setback (e.g., job loss, pay cut, reduced hours) over the past year.

While citizens are basically correct about the rising cost of college, they tend to overestimate that cost, sometimes by 50% or more. Many of those surveyed (38%) accurately responded the current state college tuition and fees rate range (above \$10,000 but below \$15,000), although approximately the same share think that tuition is above \$15,000. (Note: the question specified "excluding room and board".) While citizens support helping others through student financial aid, 38% of likely voters think financial aid to those at NJ state colleges benefits "people like me and my family." A majority (62%) respond that such programs "benefit others but not me and my family."

Beyond state investment, productivity is key to affordability. While the colleges have been cutting costs, improving productivity, and finding new revenue to supplement lost state funds, much of the public may be unaware of these efforts. Twenty-two percent (22%) of likely voters say that the main reason for tuition increases is colleges' inability to cut back on spending. A large segment of the public cites state budget cuts as the chief reason for tuition increases (32%).

Confidence in trustees is strong. Most likely voters favor giving college trustee boards, rather than the legislature or state agencies, the freedom and responsibility to manage personnel, operations and programs. Four out of five believe that increasing Trenton control will increase political interference.

As in past PSB polls, citizens are far more likely to trust college presidents and the nonpartisan trustee boards than state bodies and agencies to make the best decisions for institutions. For example, when it comes to decisions about planning and facilities construction, trustee boards are favored over state entities nearly 2:1, and they are favored 3:1 when it comes to decisions regarding managing employees.

Scholarships should not restrict choice. The public is not at all keen about state student financial aid programs that are limited to one type of New Jersey college. Seven out of ten likely voters say that state-funded scholarships should be available to students attending any New Jersey college or university. Another 21% say scholarships should be limited to those attending four-year colleges, and 9% say they should be limited to those attending county/community colleges.

Capacity problem understood. Better than four out of ten (42%) likely voters are aware that New Jersey state colleges have to turn away students. Most expressed the importance of addressing New Jersey's (nation's worst) loss of college bound high school graduates to out-of-state institutions (net 30,000 per year). Half of those surveyed said that doing something about this loss is "very important," and an additional 36% said it is "important," with 10% saying "not that important" and 4% "not at all important."

The Association has sponsored numerous scientific polls of New Jersey residents and New Jersey likely voters over the past decade, conducted by Penn, Schoen & Berland Associates, a leading national independent polling firm. These polls help the Association fulfill its mission to build concrete policy recommendations for the state and NJASCU institutions to serve the higher educational needs of our citizens. For a copy of the most recent poll, go to www.njascu.org. ■

Legislation Would Give Colleges More Time to Partner with Private Firms on Facilities Needs

There is a possibility that the New Jersey legislature will approve, later this year, a bill which would give more time to state colleges and universities to enter partnerships with private enterprises to build or improve facilities on campus.

The partnerships help state colleges build facilities with fewer delays and with more cost-effectiveness. Senate Bill No. 2830/ Assembly Bill No. 4103 would extend the deadline for applications for such projects to February 1, 2015 ~ currently, it is February 1, 2012. The original legislation, the New Jersey Economic Development Act of 2009, provided an 18-month window of opportunity through temporary suspension of provisions of the State College Contracts Laws. The suspension of the contracts laws was extended as a result of additional legislation enacted in 2010.

The Senate bill, sponsored by Senators Ray Lesniak and Stephen Sweeney, was released from the Senate Economic Growth Committee on May 20. On June 13, a companion bill, A-4103, was introduced in the Assembly. The sponsors are Assemblywoman Pamela Lampitt and Assemblyman Albert Coutinho. It is noteworthy that state college student leaders are among those who urged sponsors to introduce the legislation.

One recent example of how current public-private partnership legislation is helping can be found at Ramapo College of New Jersey. The college has entered a partnership with a private entity that will fund the capital cost of replacing aging roofs on several campus buildings, an estimated \$9.325 million expense. The private firm will receive, in addition to tax credits, a return on its investment through the sale of renewable energy to the college.

The first project under the Economic Development Act is "The Heights" at Montclair State University. The project, located at the north end of the campus, consists of two complexes, each of which has four residential buildings and features common areas including a state of the art dining facility. The project, scheduled to open this fall, will provide residence for 2,000 more students, bringing the total number of residents to 5,000.

Applications for partnership projects are made through the NJ Economic Development Authority. Necessary elements of the partnership include the higher education institution's retention of full ownership of the lands involved. ■

School Reform Advocate Named Higher Education Secretary; Council Formed

On May 12, Governor Christie named Rochelle Hendricks the state's first Secretary of Higher Education. Hendricks, who has been serving as Acting Deputy Commissioner of Education, was praised by the governor as an "extraordinary, reform-minded professional" with a 20-year record addressing educational challenges facing New Jersey students. The governor said that he envisions her having a strong role in advancing a "blueprint for educational excellence."

Ms. Hendricks' professional portfolio includes classroom teaching, school and university administration, and state-level policy and planning.

Upon confirmation by the Senate, the new Secretary will take on multiple responsibilities which include working with the Governor's Higher Education Council, that was formed in April, and serving as the executive director of the Commission on Higher Education.

The new five-member Council is chaired by John L. McGoldrick, a trustee at Montclair State University and Chair of ASCU, who will be stepping down from the latter role. Mr. McGoldrick, the Chairman of Zimmer Holdings, recently served as a member of the Governor's Task Force on Higher Education.

Other members of the council include: Anne Evans Estabrook, Chief Executive of Elberon Development; Patricia Nachtigal, former Vice Chairwoman of the Rutgers University Board of Governors; John Wefing, Seton Hall University law professor; and Richard Wellbrock, former Chairman of Raritan Valley Community College Board of Trustees and Chairman of Hilltop Bank of Summit. ■

Operation College Promise Programs Gain a National Audience

Founded and supported by ASCU, Operation College Promise (OCP) has continued to grow this year. The program supports more than 12,000 active-duty and veteran students who now constitute about 12% of the New Jersey state college/university student population. To date, OCP has reached, through live presentations, over 500 individuals who provide veterans services, and it has reached thousands more through electronic means. Some recent highlights follow:

- Several OCP advisory council members contributed to a concurrent session program at the national symposium of the Council of College and Military Educators. The session focused on the collaborative model that has helped make OCP a success, and the professional development programming that resulted, including the Certificate for Veterans' Service Providers (CVSP).
 - OCP was well represented at the American Council on Education (ACE) annual forum which highlighted ACE/Walmart "Success for Veterans" grant awardees. (OCP was among 20 organizations nationally receiving these awards made available in 2009.)
 - OCP has several CVSP training programs in the works, including one recently completed in Texas, funded by the Educational Testing Service (ETS). For more information about what is available this year, contact Wendy Lang at walang@njascu.org or call (609) 989-1100. ■
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Facilities Bond Issue for Higher Education a Distinct Possibility in 2012

Momentum is building for a higher education facilities bond issue, which would be the first such measure brought to the voters since 1988. A bond issue would enable institutions to build classrooms, libraries, laboratories, or to do other construction based on their greatest needs, and do so without further adding to the colleges' and students' debt burden.

Facilities needs at state colleges and universities were a primary item of discussion during both Senate and Assembly budget committee hearings on higher education this spring. At a Senate hearing, former Governor Tom Kean testified that he has witnessed first hand the need for building renovation and renewal on public college campuses in the state.

One of the factors driving up student costs, and limiting enrollment growth, over the past decade is the lack of state funding for higher education facilities. These were issues discussed in the report of the Governor's Task Force on Higher Education earlier this year. The report, citing years of neglect by the State of New Jersey, spelled out options for addressing facilities needs, including a large bond issue as a long-term measure or a smaller revolving fund to provide more immediate relief.

A bond issue promoted during 2005, which never made it to voters, would have been for about \$2.7 billion. This amount was based on an agreed upon distribution that would help all New Jersey institutions ~ county colleges, state colleges and universities, research universities and independent institutions. A similar amount, \$2.6 billion, was recently tested with likely voters in ASCU's poll and 68% of those polled said they were likely to favor it.

At the Senate hearing, Governor Kean explained to committee members that a major bond referendum is likely to pass if there is broad support for it from labor, business and state government. To advance, legislation must pass by summer 2012 authorizing a referendum, and needs the support of the governor, labor and business leaders.

Currently, the New Jersey Presidents' Council is offering several alternative proposals for the state to consider, including a \$2.5 billion bond issue, reflecting options spelled out in the Governor's Task Force report. ■

Now, Let's Fix a New Jersey Disconnect

(excerpt from recent op-ed published in *The Trenton Times* and elsewhere)

by Dr. Darryl G. Greer, CEO

Citizens with high aspirations to achieve in New Jersey, tie college opportunity directly to jobs and their future prosperity here, according to our recent poll (see page 1 story). In short, citizens get it: there is an important connection, between education, liberty and prosperity.

Many state officials in Trenton understand this. But many still do not. Policy to make higher education a priority for investment lags behind the will of citizens.

Here is an agenda to promptly bridge that gap.

Make state college opportunity a priority. College opportunity, to many, is the key to a good job, especially during a time of economic uncertainty. What's needed is more opportunity supported by a more robust state policy vision, and investment. We need to form a statewide coalition of business and nonprofit leaders, state officials, labor educators, and others to build a strategic policy agenda, coordinating with the new Secretary of Higher Education and Higher Education Advisory Council.

Start now on a facilities investment strategy. State colleges have done their best to meet critical academic facilities. Unfortunately, it is often financed through student fee increases. Private donations, and revenue generating partnerships with the private sector have also helped. Regarding responsible debt levels, most are near the limit. The reason for this is no mystery. New Jersey has failed to provide annual capital support for facilities renewal and maintenance. In addition, there has been no general obligation bond issue for higher education facilities since 1988.

The next realistic opportunity for putting a facilities bond issue on the ballot is November 2012. Legislative action to bring this to the voters over the next 12 months should be framed as an economic imperative.

Take state college autonomy, productivity, and accountability to the next level. Not only has New Jersey's 25-year-old path toward state college self-governance been a success, but the state has become the nation's foremost model regarding how trustee-governed colleges lead to greater productivity and efficiency, freedom from partisan interference, and direct accountability to the public. Our recent poll shows that likely voters understand this. With less regulation from Trenton (and declining investment), the state colleges have increased enrollment and graduation rates; improved programs; and made huge strides in productivity. Continuing to follow this path is crucial.

Position New Jersey as a national model of success. Other states, including Oregon, Ohio, Wisconsin, Pennsylvania, and New York are looking at ways to free institutions from state control in order to improve service in the face of declining state funding.

New Jersey, which boasts higher than average graduation rates and, nationally, a top three ranking in state college productivity, can be a model regarding college access, attainment, affordability, productivity, and accountability. We can obtain philanthropic, business, and federal funding to accelerate our success. We can keep talented New Jerseyans here, working, contributing, and helping to retain and attract business, and create jobs. We can serve our diverse population. A strategic policy agenda, a shared vision among leaders, and the will of the citizens can take us there. ■



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an increase in the proposed funding for the Educational Opportunity Fund (EOF) program, restoring it to the FY 2010 dollar amount. The increase would help support the EOF summer program, which, many have concluded, supports higher persistence and graduation rates for disadvantaged students. ■