

State Colleges and Universities Pledge to Keep College Affordable, in Wake of Continuing State Underinvestment

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As the state budget process is completed, the New Jersey Association of State Colleges and Universities, in calculations it calls conservative, indicates that the state colleges and universities will have been cut, or have to make up, the equivalent of 10% of their funding. This is based on the fact that while the proposed FY 2008 budget *increases college and university direct appropriations by 4%*; this is less than one-half of *the 8% decrease* they received for FY 2007. On top of that, salary commitments under the new labor contracts, estimated to about \$20 million, are not expected to be funded, the equivalent of a 6% decrease.

The nine state colleges and universities sever, in total, over 90,000 students -- over 80,000 of them New Jersey residents.

Calculations are Conservative

ASCU's estimate of the budget's impact does not include the negative effects of the current year (FY 2007) mandated salary costs of \$30.8 million, and do not include \$2.2 million in the FY 2008 proposal to help mitigate some of those FY 2007 costs. These calculations also do not include the deleterious effect of other unfunded state mandates such as the under-funded NJ STARS scholarship program expected to cost the institutions about \$600,000 in FY 2008.

Addressing the Affordability Challenge

Despite extremely tough budget challenges, including multi-million dollar unfunded state mandates, state colleges and universities plan to keep their commitment to affordability. Most will set tuition in July once the budget is signed into law. The institutions, through their Association, are embarking on a major project, called *New Jersey College Promise*, to seek innovative ways of conserving resources with the goals of increasing productivity, holding down tuition and preserving quality.

The nine state colleges are already recognized as among some of the nation's most productive public colleges (NCHEMS 2005 Report).