



NEW JERSEY

Association of State Colleges and Universities

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**NJASCU Testimony on Assembly Bill No. 3847
Assembly Higher Education Committee
February 27, 2017**

The state colleges and universities support the intent behind Assembly Bill No. 3847. Our institutions provide their students with extensive information to make the cost of attendance as transparent as possible. Without significant amendments, however, we respectfully oppose the bill.

Under Section 1, we are concerned that the bill would set New Jersey apart from best practices and procedures recommended by the National Association of College and University Budget Officers (NACUBO). For example, the bill would require institutions to establish separate funds for each individual mandatory student fee, and to implement separate accounting procedures regarding student fees. As NACUBO explains in the attached section of its Financial Accounting and Reporting Manual, there are differences between designated fees and restricted fees, and they are treated differently in their accounting. With regard to restricted fees, NACUBO indicates that “there is no need to subsequently recognize or measure restricted fee revenue,” and fees are recorded “net of allowances and discounts.”

Section 2 of the bill would require colleges and universities to provide a financial aid “shopping sheet” to prospective students and their families. Again, while we support the intent of the legislation, we have concerns regarding its implementation.

First, much of the information which would be required by this bill is already provided by colleges and universities pursuant to the New Jersey College Student and Parent Consumer Information Act (P.L.2009, Ch.197). Under that law, the colleges and universities already provide informative data regarding access and cost including, but not limited to: overall four-year and six-year graduation rates; the student transfer rates; the cost of attending the institution for the current academic year; a description of the types of financial assistance offered directly by the institutions to both student athletes and non-athletes; the total projected cost for an incoming freshman to complete a degree in four years versus six years; the average loan indebtedness for four-year graduates who live on campus versus those who commute; and the average loan indebtedness for six-year graduates who live on campus

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*The College of New Jersey
Kean University
Montclair State University*

*New Jersey City University
Ramapo College of New Jersey
Rowan University*

*Stockton University
Thomas Edison State University
William Paterson University*

versus those who commute. This information can be found on the New Jersey Higher Education website: <http://nj.gov/highereducation/ConsumerInfo.htm>.

We also have concerns about the feasibility of collecting or predicting some of the data required under the bill. For example, sections b(2), b(3) and b(4) require the colleges and universities to provide student eligibility per year for grants and scholarships, the net amount the student will owe after factoring in those grants and scholarships, and the total amount per year of student eligibility for student loans and work study funds. It would be impossible for our schools to predict a particular student's eligibility for assistance for years into the future.

It is instructive to consider the federal version of the shopping sheet, which is attached for your convenience and referenced as a potential model in the bill and can be found online at <https://www.ifap.ed.gov/eannouncements/attachments/ShoppingSheetTemplate20152016.pdf>. The federal Shopping Sheet became available for use beginning in the 2013-2014 award year. In July 2012, the Obama Administration unveiled the 2013-2014 version of the Shopping Sheet. At the same time, Education Secretary Arne Duncan published an open letter to college and university presidents asking institutions to adopt the Shopping Sheet for use during the 2013-2014 school year. On December 13, 2013, the Department released the 2014-2015 edition of the Shopping Sheet.

As you will see, the sheet provides the estimated costs of attendance, calculations for grants and scholarships, and options to pay net costs which are specific to the prospective student for the upcoming academic year. With regard to the total borrowing and repayment amounts, the sheet provides only averages for students at the institution, and notes that every student's borrowing may be different.

The federal model is accepted in the higher education community as the national standard, and for that reason we respectfully request that A-3847 be amended to require only the information which is set forth on the federal shopping sheet. We also ask that the bill be harmonized with the already existing law, the New Jersey College Student and Parent Consumer Information Act (P.L.2009, Ch.197).

Most important, if New Jersey's shopping sheet is substantially different from the model which has been implemented and is being used throughout the country, then students looking to compare New Jersey colleges and universities against schools in other states will be disadvantaged. If the data about New Jersey schools is not the same information presented in the same format as other states' shopping sheets, students will likely disregard New Jersey's sheet, and in the worst case scenario, disregard consideration of New Jersey's fine institutions of higher education.

Thank you for considering our comments.