

## Discussion Points

1. The Governor's budget incorporates an estimated \$5.183 billion over two fiscal years in federal stimulus funding provided by the American Recovery and Reinvestment Act (ARRA) of 2009. According to a table on page 42 of the Governor's abbreviated budget, the State will use \$3.074 billion (\$854 million in FY 2009 and \$2.220 billion in FY 2010) from ARRA for budget relief. In addition to these funds which will offset revenue shortfalls, \$2.109 billion will be used for new or expanded programs or initiatives. The ARRA allocates funds to states both by formula and by competitive awards. Most executive departments anticipate stimulus funding in either FY 2009, FY 2010 or both.

- **Question:** Please itemize the federal stimulus funding, if any, other than portions of the \$3.074 billion allocated for budget relief, included in the Commission on Higher Education (CHE) and Higher Education Student Assistance Authority (HESAA) budgets, by fiscal year and federal program, setting forth program goals and eligible uses together with the amount for State administrative expenses and the amount for allocation to local public and private recipients, respectively. Please identify intended and actual recipients and the process by which the CHE and HESAA determine recipients and funding awards. Are there ARRA funds that flow through the CHE and HESAA for which the State has no discretion? Please also set forth the timetable for obtaining federal approval of funding, obligation and allocation of funding to recipients, and use by recipients. Could any of this funding be used to offset other State appropriations, and if so, what programs and in what amount? What additional positions, if any, have been and will be hired with these funds? If this money is being used for new or expanded activities, will the new or expanded activities be continued in FY 2011? If so, how will they be funded?

**CHE Response:** The ARRA guidelines on higher education funding specify that the funds must be directed to public colleges, so the Commission on Higher Education does not expect to receive any of these funds.

For higher education the bulk of funding is direct student aid. The Pell grant increase is expected to mean an additional \$140 million to needy New Jersey college goers; the additional federal work study money is expected to mean an additional \$120,000 for students. The State Stabilization fund dollars allotted to New Jersey and directed toward education are still under consideration by the Treasurer's office.

**HESAA Response:** At the time of the budget message, USDE had not yet released its guidelines on the application for and the use of the ARRA State Fiscal Stabilization Fund (SFSF). On April 1, USDE released its guidelines, and unfortunately, they indicate that SFSF dollars cannot be used to support tuition assistance programs like Tuition Aid Grants (TAG). We are currently working with both the Governor's and Treasurer's Offices in obtaining greater flexibility regarding the use of SFSF dollars for TAG from the federal government. If this is unsuccessful, the Governor is committed to funding TAG at the level recommended in the Governor's Budget.

- **Question:** In addition to funding incorporated in the FY 2010 budget, what specific competitive grant opportunities has the CHE or HESAA identified that they are eligible to pursue, has applied for, and has been awarded, respectively?

**Discussion Points (Cont'd)**

**CHE Response:** The Commission on Higher Education currently has a federal statewide GEAR UP grant (Gaining Early Awareness and Readiness for Undergraduate Programs). The program, funded at \$3,499,116 per year through August 2011 (total funding \$20,994,689 plus a dollar-for-dollar matching requirement) utilizes partnerships with seven institutions of higher education, several state entities, 28 middle and high schools, and several business and community agencies to create an educational pathway by which low-income students can prepare for and succeed in postsecondary education. The GEAR UP grant has leveraged its funding to earn grants from AT&T (\$38,260) in 2006 and Citi Foundation (\$15,000) in 2008 to supplement services to students and teachers in the target schools.

The Commission applied for the federal College Access Challenge Grant (CACG) program and was awarded \$1,097,047. The CHE has used the CACG to build on the activities of our colleges to improve access to higher education. In January, the CHE held a competition for colleges to extend their initiatives to assist families in completing the FAFSA. Using these funds, colleges were invited to submit proposals on how they would go beyond the informational sessions that they currently host, to provide in-depth one-on-one assistance to families who are unfamiliar with the process. Each college was awarded up to \$10,000 to work with families this year. The funded projects:

Bloomfield College  
Cumberland County College  
Essex County College  
Fairleigh Dickinson University  
Georgian Court University  
Hudson County Community College  
Kean University  
Middlesex County College  
New Jersey Institute of Technology  
Ocean County College  
Passaic County Community College  
Saint Peter's College  
Richard Stockton College of New Jersey  
University of Medicine and Dentistry of New Jersey  
Union County College  
Warren County Community College  
William Paterson University of New Jersey

The second stage of CACG funding was distributed to colleges on a competitive basis to create or expand dual enrollment programs. Dual enrollment is a proven way to demonstrate to students that they are ready for college courses. While enrolled in high school, students earn college credits establishing real courses that could be applied to their college transcript, while containing costs and potentially accelerating degree completion. Colleges will be awarded up to \$20,000 for the 09-10 school year.

## Discussion Points (Cont'd)

The funded projects:

- Camden County College
- Cumberland County College
- Georgian Court University
- Middlesex County College
- New Jersey City University
- New Jersey Institute of Technology
- Ocean County College
- Passaic County Community College
- Raritan Valley Community College
- Rowan University
- Saint Peter's College
- Salem Community College
- Sussex County Community College
- The College of New Jersey
- William Paterson University of New Jersey

The final CACG dollars are dedicated to funding colleges to identify, contact, and re-enroll students who left college in good academic standing, but without having earned a degree. Hundreds of thousands of New Jersey residents have earned some college credits, but are unable to use their academic credentials to improve their standing in the workforce due to the lack of completion. The Commission developed an RFP for the "Disengaged Adults Returning to College" grant program and held a technical assistance session on the RFP requirements on April 8, 2009. Grant proposals are due on April 30, 2009.

The CHE has also been awarded a competitive grant from the Western Interstate Commission on Higher Education (WICHE) to work on the identification and recruitment of disengaged adults. This \$65,000 grant will complement our CACG efforts and provide a cross-state resource network for our grantees and other colleges in New Jersey.

The CHE will continue to look for competitive grant sources, being mindful that our first commitment is to support our colleges in these efforts. Our primary mission is to make sure that the colleges are aware of the various funding opportunities for campuses and to support that we send the federal grant opportunities to campus contacts each week.

**HESAA Response:** Federal student assistance funding within the ARRA has been dedicated to increasing student grant award amounts under the campus-based Pell grant and College Work-Study programs. Therefore, to date, there have not been any competitive grant opportunities issued for student assistance programs.