

Testimony Before the Assembly Budget Committee
Jane Oates, Executive Director
New Jersey Commission on Higher Education
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Good afternoon, Chairman Greenwald and members of the Committee, my name is Jane Oates, and I am the Executive Director of the New Jersey Commission on Higher Education. Thank you for providing the opportunity to talk with you today about higher education in New Jersey.

I am pleased to be speaking on behalf of the Commission on Higher Education. Commission Chairman Larry Downes and our Executive Committee support the comments I will make today, which are consistent with the Commission's views.

Since 1994, the Commission has collaborated with New Jersey colleges and universities to improve access, affordability, and excellence in higher education for all of our state's citizens. The Commission has a long-range plan, *A Blueprint for Excellence*, which sets out our goals to 1) enhance the quality of programs and services, 2) tie institutional accountability to state goals, and 3) continue to make the cost of higher education in New Jersey affordable for our families.

The Commission licenses the three research universities, the nine senior publics, the nineteen county colleges, the fourteen private colleges with a public mission, eleven rabbinical and theological colleges, and seven proprietary institutions. In Fiscal Year 2008, our colleges awarded 68,130 degrees and in fall 2008 enrolled 253,961 full-time students and 155,619 part-time students. We anticipate more graduates in 2009 than in 2008.

Since our budget hearing last year, the Commission has worked with colleges on new ways to provide access. We have completed the first year of the implementation of the Transfer of Credit legislation and issued our first report to the legislature on the progress. In fall 2008, 10,825 NJ community college students transferred into NJ senior publics.

We have also worked on the implementation of the Campus Safety Committee formed in response to the tragedy at Virginia Tech. Every campus was provided training developed by the UMD Behavioral HealthCare Violence Institute of NJ. Thanks to our partnership with Director Richard

Canas, our campus security personnel have had the opportunity to develop best practices and will begin campus meetings this summer to do a peer review of each institution every five years. This work will be overseen by the Presidents' Council. This peer review process will be a national model and will help all of our colleges increase their awareness of cutting edge security technology and procedures.

Governor Corzine gave us a tremendous opportunity to expand access when he allowed us to apply for the federal College Access Challenge Grants targeted to three specific areas.

The first is the completion of the Free Application for Federal Student Assistance (FAFSA). In order to make sure that our students are getting all of the federal and state dollars to assist them in paying for college, they must complete the FAFSA. Our colleges have a history of working with their local high schools and sponsoring many efforts on their campuses to increase awareness about the form. HESAA and the college financial aid professionals have hosted a College Goal Sunday effort every year. And yet we know that there are still students who fail to complete the forms. This year the CHE funded 17 colleges to provide outreach and one-to-one counseling for students and their families to walk them through the process and complete the electronic filing. Last year in a pilot project we were able to help nearly 1,000 families complete the form. Our hopes are that our efforts this year will exceed that number.

Last year, we explored the existing dual enrollment program in the state. Dual enrollment is when a student who is currently enrolled in high school is enrolled in a college-credit bearing class simultaneously. In a survey of our colleges, last year over 12,000 students were participating in colleges across the state. Through the College Access Challenge Grants the CHE is supporting the expansion of dual enrollment opportunities working with 15 colleges and universities and their partners in 30 school districts. The funding will allow college to recruit low-income students and will place an emphasis on mathematics and science courses. Colleges may use the funds to train prospective instructors, supplement tuition and book costs, or develop instructional models to fit local needs. The project will open the chance to earn college credit to more students and may be a way for school districts to expand their curricular offerings.

The last area of concentration is on re-enrolling students who left college in good academic standing without earning their degree. This is a national

problem that is gaining increased attention. Students leave for personal or financial reasons and fully intend to reconnect with college but for most of them, they never do. Working with researchers from the Western Interstate Commission on Higher Education we have determined that there are nearly 800,000 New Jersey residents who fit this category. These disengaged adults are often paying student loans without receiving any benefit in the workplace that the academic credential would give them. If we are to stay internationally competitive, we need to increase the number of our citizens who have an associate or baccalaureate degree – and many of these students could finish their degree quickly. We have had several discussions with our colleges on this topic and have released an RFP to offer grant funding to create several pilots to determine best practices in recruiting and re-enrolling these students. I hope that we will be able to report on this next year.

The Governor's proposed higher education budget of \$2,167.9 billion represents a 2% increase over the Fiscal Year 2009 budget of \$2.124 billion. You have heard from every agency head that the Governor was forced to make tough choices, and the CHE applauds the Governor's continued priority on student aid. This budget includes a 13% increase in Tuition Aid Grants (TAG), a 19% increase in Part-Time TAG at county colleges, a 21% increase in NJ STARS and level funding for the Educational Opportunity Fund. Even with those increases TAG students who are not in the lowest cell still receive a grant that is built on a three-year lag. That means that their TAG grant in September 2009 is based on the tuition in 2006.

Like other state agencies, the Commission has had its direct state operating budget reduced by 10% since Fiscal Year 2007. In our agency with 14 state funded employees, we have reduced our salary and non-salary budgets through personnel reductions and efficiencies. And yet since Fiscal Year 2007 we have new initiatives like the Governor's School, the Innovative Partnership Institutes, the grant programs with the colleges that I discussed earlier, and others which we have taken on with no additional funds. Any further cuts would definitely impact our ability to sustain our current work or add worthwhile projects.

In this economy our colleges find it difficult to pass on their cuts to students in tuition increases. They realize that this year families are feeling the economic pressures from all sides. Some of our colleges have already announced that they will continue internal efficiencies before considering large tuition increases. I hope that the Governor and this Committee will look

to provide additional resources to the colleges specifically tied to limiting tuition increases.

Our research institutions need to expand their outreach to New Jersey businesses to maintain our strength in bio-pharma, to rebuild financial services, and to support new businesses that will be the foundation of our future economy. Our county colleges are meeting the needs of dislocated workers who are anxious to retool and compete for available jobs, and all of our colleges are working to listen to the demands of the workforce so that their graduates are successful in competing for fewer entry level positions. Expanding advisement, course offerings, and opportunities requires an investment by the colleges, which becomes difficult when state funds are limited.

Last year I came before you and asked for a long-term plan to consider what the expectations are for the growth of higher education in New Jersey and to provide the operating, salary, and capital dollars needed to meet those goals. The current financial atmosphere has meant that everyone is concentrating on meeting the immediate needs, and there has been little time to think about long-range issues. I hope that this Committee will have the opportunity to have those discussions in the future.

Members of the Commission and the staff are ready to work together with the college presidents and legislators to do whatever is possible to build a better system of higher education in New Jersey.

Thank you, and I look forward to your questions.