Good morning, Chairman Sarlo, Vice Chairman Stack and members of the Committee. My name is Rochelle Hendricks, and I am New Jersey’s Secretary of Higher Education.

I am pleased that Governor Christie has made higher education a priority of his administration, starting with the appointment of former Governor Kean to head a task force that established a clear blueprint for reform. The extensive report’s recommendations are aimed at positioning New Jersey higher education to meet 21st Century challenges. The report covered a wide range of issues including governance, mission, financing and affordability, the role of the state research universities and medical education.

One of the Kean Task Force’s most important recommendations concerned a plan to restructure a significant portion of the public higher education landscape in New Jersey. As you know, this vision was advanced by a committee led by Dr. Sol Barer, who chaired the Governor’s UMDNJ Advisory Committee.

Regarding the Barer Committee, the members can best be described as serious, purposeful, independent and experienced citizens with a noble intention: To recommend a model that will benefit New Jersey and create a system that serves its residents and students for many decades to come. This model seeks to propel the entire system to greatness while providing incentives to have more of our students remain here to attend college. We all know that, unfortunately, New Jersey exports far more college-bound students than any other State.

The Committee was acutely aware of these issues. While each member had a particular expertise, it is fitting to note that four of the members are Rutgers alumni and two are current members of the Board of Trustees. In addition, Dr. Harold Shapiro, the former president of the University of Michigan and Princeton University, and Bob Campbell, who has spent a lifetime devoted to the life sciences here in New Jersey at Johnson & Johnson as Vice Chairman, were also members of the Vagelos Commission, which you recall not only recommended the integration of UMDNJ’s medical school in Piscataway with Rutgers, but also made a strong argument for and recommended that a comprehensive research university be created in Southern New Jersey.

The Barer Advisory Committee agreed unanimously with Vagelos about both these recommendations. Certainly, the Barer Report provides a different path toward those objectives. Still, these are objectives that have found strong support from a broad array of experts over time.

It is the Governor’s view -- and mine -- that the creation of regional centers of excellence, as envisioned by the Barer Committee, will dramatically improve both medical and higher education in the State. We are seeking to increase our capacity to partner with business and industry, promote economic growth and innovation, and provide increased opportunities for students by expanding the number of seats and academic offerings.
Now, I would like to speak about my role in this initiative.

Soon after Dr. Sol Barer delivered his interim report to the Governor in September 2011, I attended the UMDNJ Advisory Committee meetings and deliberations at the Governor’s request. The Advisory Committee welcomed me and I found their process to be inclusive and intellectually rigorous.

In November 2011, representatives from the Administration and I began taking part in monthly Integration Steering Committee meetings with leadership from UMDNJ and Rutgers. These teams continue to work diligently toward a successful integration of the Robert Wood Johnson Medical School, the Cancer Institute of New Jersey and the School of Public Health. This integration, you will recall, was recommended in Dr. Barer’s interim report.

I am pleased with the progress that has been made to date and with the collegiality displayed among the Steering Committee’s members in addressing this challenging and complex integration. I am confident that the integration will strengthen and enhance these universities as well as the State.

More recently, Rutgers and Rowan Universities have begun a similar process. Accordingly, the Administration and I have adopted a similar role of engagement in working with our colleagues from Rowan and Rutgers to implement the successful integration of Rutgers-Camden with Rowan University, creating the comprehensive research university the region has long required.

There is also, clearly, a significant regional and local economic and workforce development aspect that will provide a boost, short and long term, to the City of Camden and the southern counties, which as you know, have been underserved in higher education investment.

To answer the question, “What will it cost?” the Administration has been working with the universities on the financial aspect of this plan for months. The universities have brought in outside legal, financial and planning expertise to assist them and the Administration and to ensure that the result is universities structured to best serve the State from a stronger, more viable financial position.

Clearly, an integration of this magnitude will take time, effort and commitment to bear fruit. But let us not dismiss the significant benefits and find ourselves, in 10 years, looking back at this moment in time wishing we had acted decisively. If not now, when? If not us, who?

We are committed to thoughtful and specific plans that will carefully consider provisions for students, faculty, administrators and staff, and the disposition of the institutions’ assets. I am certain that in every decision that is made, whether by me, the Administration or the universities involved, that the academic interests of all present and future students will be paramount.

The Office of the Secretary has been actively involved in other issues as well. In the past few months, my office has taken steps to reintroduce New Jersey to the national conversation about reforms needed in higher education. In December, the National Governors Association (NGA) conducted a policy academy focused specifically on New Jersey’s needs for the members of our State Team.
Members of the NGA State Team included Kurt Landgraf, President and CEO of Educational Testing Service; Sen. Tom Kean, Minority Leader of the State Senate; and Herman Saatkamp, President of Stockton College, and a former leader of New Jersey’s Association of State Colleges and Universities; Nancy Style, Senior Staff, Office of Management and Budget; David Weinstein, Senior Policy Advisor, the Governor’s Office; and me.

The National Governors Association’s facilitator provided a national context for us to explore how higher education measures could be used to gauge the effectiveness and efficiency of higher education and options for using those metrics to inform policy decisions. We plan to follow up with the State Team and other stakeholders on the role of progress metrics in helping to address such issues as closing the attainment gaps, degrees needed in high-growth fields to meet the State’s current and future demands, degree and certificate completion, alignment requirements between secondary schools and the State’s colleges and universities, and funding rationale with performance incentives aligned with state goals.

We are also joining a dozen other states in the Education Delivery Institute, a Washington, D.C.-based group that advises states on how to move ideas to action – at no cost to the states. Currently we are planning a pilot project, looking at issues of equity and access, closing achievement and aspiration gaps, to improve low graduation rates and help more low-income and non-traditional students complete their college education.

The agency participated in the Data Quality Conference in Washington, D.C. to help us improve the presentation and dissemination of data, so that it can be used to better inform stakeholders and transform how data is used to improve educational and operational outcomes.

I am pleased to note that although the state continues to face challenging economic circumstances, Governor Christie’s fiscal 2013 budget recommends additional support for our colleges and universities and an increase for the Tuition Aid Grant program. The Governor has also proposed an Urban Scholarship Program that would make college more accessible by providing $1,000 grants to 1,000 of our top scholars in 14 of our most distressed communities.

The Governor’s budget also calls for increased support for the Educational Opportunity Fund (EOF), our agency’s nationally recognized program serving more than 12,400 students at our colleges and universities. The Governor’s budget includes support for the College Bound program which is the state match to our successful federal NJ GEAR UP grant, a program that helps disadvantaged students transition from high school to college.

Enrollment in New Jersey colleges remains strong, though it has decreased slightly from record numbers in 2010. This past fall, according to preliminary enrollment figures, 441,725 students (378,444 undergraduates and 63,281 graduate students) signed up for classes in New Jersey institutions – a decrease of two-tenths of a percentage point from fall 2010.

About 47 percent of all undergraduates were enrolled at a county college and an additional 38 percent at a senior public college or university. Twelve percent of all undergraduates were enrolled at a public mission independent college or university.
The number of students graduating from New Jersey colleges and universities increased slightly. During the 2010-11 academic year, about 75,702 students received certificates or degrees from a New Jersey college or university, an increase of 5.5 percent from the year before.

In summary, we are doing well, though there is room for improvement. Our graduation rates and retention rates show that we are ahead of national averages, but we need to do a better job of ensuring that our students complete their education and obtain their degrees if we are to meet our state’s workforce needs in the decades ahead. Higher Education is integral to our economic, social and cultural well-being, and investing in higher education is a strategic necessity for the future of our State. Thank you for your time. I look forward to answering your questions.