

**Assembly Budget Committee
Secretary of Higher Education
Statement
April 18, 2013**

Good morning, Chairman Prieto, Vice Chairman Schaer and members of the Committee. My name is Rochelle Hendricks, Secretary of Higher Education. It is my pleasure to join you today and to provide an update on some of the activities underway in New Jersey higher education.

During the past year, with strong bipartisan cooperation, we have achieved great things together. The Legislature approved the Building Our Future Bond Act, which was signed by Governor Christie in August. In November, it was approved by the voters. By December, my agency submitted regulations to facilitate the implementation of this landmark legislation. By February, in partnership with the Educational Facilities Authority (EFA), we released a Solicitation for Grant Applications and held a technical assistance session, providing information to college officials about how they could apply for the approximately \$1.6 billion in available funds, which includes matching funds, four contract bond programs and the General Obligation bond approved by voters. It is proof of Governor Christie's commitment to improving New Jersey's system of higher education and a credit to bipartisanship that we are engaged in this significant effort.

We began accepting applications on March 1 of this year, conducted a completion review of 144 applications submitted by March 11, and by the March 25 deadline, our colleges and universities submitted 254 applications requesting funding for construction projects. While I cannot speak to project specifics or to institutional requests, I can say that for the first time in 25 years, the State is providing funding to support expansion and improvement of facilities on our college campuses. To support this effort, my office is working diligently with the EFA, the Schools Development Authority and the Economic Development Authority to compile a list of approved projects to submit to the Legislature.

By working together in a bipartisan fashion, we have proved that we can address long-standing needs and take common-sense action that had been discussed, but never implemented, for years. For example, our flagship university, Rutgers, was hampered in its ability to compete for even more federal research dollars without the necessary medical education apparatus. Meanwhile, the University of Medicine and Dentistry had world-class medical schools and is conducting important research. But, those accomplishments were too often overshadowed, unfortunately, by past troubles.

Together, we took action to address these long-standing concerns. Important steps were taken to establish Rowan University as a center of excellence, providing improved educational opportunities for Southern New Jersey, which as you know has traditionally been an underserved region in our State. The restructuring is on course, and the July 1 deadline established by the Legislature is rapidly approaching. With full consideration of the complexity and the importance of the integration efforts, the leadership teams from each of the three institutions continue to

work in a focused, collaborative manner to facilitate the most positive process possible for all stakeholders.

In many ways, our blueprint for action was established by the Governor's Task Force on Higher Education, led by former Governor Kean. The 140-page report, released in December 2010, provided more than 70 recommendations which have served as a guideline for the reforms we have worked together to accomplish. By all accounts, this report is the path forward for improving higher education in New Jersey.

The most important change, after decades of neglect, was the decision by Governor Christie to make higher education a priority in New Jersey. In a State that values education and leads the nation in support of learning in PreK-12, we must re-commit our State to higher education at a time when our economy is demanding a better-educated workforce. Governor Christie and the bipartisan leadership in the Legislature recognize this, and I want to thank you for supporting our efforts to move us in the right direction for our State.

Great challenges remain, and we are taking action to address them. The achievement gaps that trouble education in our PreK-12 system do not simply disappear when students apply for admission to our colleges and universities. Stronger collaborations with the New Jersey Department of Education and school districts are required and taking place...with more to come. The significant autonomy given to our public institutions of higher education is producing creative thinking on this issue.

In the Christie Administration, we remain committed to the ideal that all students deserve access to a high-quality higher education. But it is not good enough anymore to merely help students enroll in colleges. Our institutions must help them complete their studies and attain their degrees, and we must keep college affordable so that students do not emerge from college with crippling debt. To keep college affordable and facilitate attainment, there are great opportunities on the horizon, including the promise of new technologies.

That is why I dispatched a state delegation to attend a national conference this week on new trends in distance learning. Our three-person team will participate in discussions on the implementation of recommendations made by the Council of State Governments, the regional higher education compacts and the Commission on the Regulation of Postsecondary Distance Education regarding a practical framework to achieve interstate reciprocity in regulating distance learning. Issues of quality assurance and consumer protection will be explored. I have asked the team to prepare a report and recommendations upon their return.

Just as affordability is a crucial issue that must be addressed, so is attainment of postsecondary credentials. In general, New Jersey colleges rank high in the nation in terms of degree completion and achievement. However, too many students in New Jersey, especially those from our most distressed communities, are completing college at an unacceptably low rate. As you know, this is a national problem, too.

That is why New Jersey, in partnership with the Education Trust and the Washington, D.C.-based Education Delivery Institute, became one of a dozen states participating in an Access to

Success project. We have assembled a 10-member New Jersey State Team, including three college presidents, who have agreed to work with us to reduce achievement gaps in our State by 50 percent over the next seven years. Steven Rose, President of Passaic County Community College, and Richard Levao, President of Bloomfield College, are helping to lead our efforts to reduce achievement gaps. Another member of our team, Casey Crabill, President of Raritan Valley Community College, is leading the effort to help students complete college more quickly and at a greatly reduced cost through “dual enrollment programs” which allow students to earn credits simultaneously for their last year in high school and their first year in college. We will sorely miss Casey when she leaves our State for another college presidency in June, but we will continue to advocate for the dual enrollment programs that can help thousands of students earn degrees faster at a much lower cost.

While there are many new initiatives underway, some of our traditional programs remain among our most important and effective. The Educational Opportunity Fund (EOF), each year helps more than 12,000 disadvantaged students stay in college by offering services such as tutoring and mentoring. The EOF program, begun by former Governor Kean almost 45 years ago, when he was a member of the General Assembly, remains a strong and central part of our mission.

My office’s new organizational structure and the diligent efforts of our team to improve and streamline our Licensure and Accreditation activities have yielded positive results. We will continue to seek improvements through enhancements and efficiencies. This work includes reviewing petitions from out-of-state institutions to operate and expand offerings in New Jersey, as well as evaluating petitions from our own institutions. We have an active role with the Academic Issues Committee of the Presidents’ Council. In addition, we support our institutions during the accreditation processes of regional and national accrediting agencies. I am very proud of the instrumental role the Office of the Secretary played in supporting Kean University and the county colleges in Essex and Bergen during their accreditation renewal this year.

Our federally funded College Access Challenge Grant (CACG) program won renewed funding this year. The CACG grant supports programs such as Disengaged Adults Returning to College (DARC), and our Aim High Academies that help provide top-level academic experiences for low-income students during the summer. Our Gaining Early Awareness and Readiness for Undergraduates Program or GEAR UP is helping disadvantaged students from 56 schools in eight communities transition from high school to college.

Our Governor’s School programs were revitalized this year when Governor Christie appointed a new board of overseers. Rutgers and Drew universities host engineering and science programs for about 170 Governor’s School scholars during the summer. The students – who are among the brightest in the State -- live on the college campuses and are taught by university faculty. The students were thrilled this year when Adam Reiss, a 2011 Nobel Prize winner who is a Governor’s School alumnus, returned to the campus and passed around his gold Nobel medal, allowing the students to hold it and take pictures with it...and to imagine themselves as future Nobel laureates.

My Office is also working with the rebuilding effort following the devastation caused by Superstorm Sandy. The Office moved from pre-Sandy preparation, to post-storm support

immediately following the aftermath of the storm to help colleges have their power and services restored, find temporary shelter, share information, interface with the USDOE, and address other emergent needs. As you know, a number of our institutions served as State, county or local shelters and volunteered assistance wherever help was most needed. I would like to publicly thank them in this forum for their efforts.

Today, we continue to monitor and collect information to provide additional support if needed and to inform future preparation and response. We are currently working in concert with other State agencies to engage college students from around the country and those right here in the Garden State, who have volunteered to help rebuild our State.

In a knowledge economy, education is the new currency by which nations maintain economic competitiveness and prosperity. New Jersey has a rich history as a national and global leader in innovation from which to build an innovation ecosystem, linking R&D efforts and the resources of government, academia and industry. New Jersey higher education can do more to build up its entrepreneurial culture, encouraging faculty and students to launch startups, build curricula and establish mentoring networks to teach them how. We can develop ways to license technology seamlessly and quickly, to get products into the marketplace. We can work to spur breakthrough innovations to drive the economy and create new markets, even new industries.

With this in mind and in response to the *Building Bridges II* report issued last month by NJPRO and InnovationNJ, Lt. Governor Guadagno announced the formation of a new Council on Innovation comprised of representatives from academia, industry and government to advise the State's Partnership for Action on how industry and academia can better work together to enhance the State's economy. The Lt. Governor also announced that I would be the newest member of the Partnership for Action in addition to chairing the Council. I am pleased to increase my own role and my office's role in these collaborative initiatives.

In summary, we are moving forward with a comprehensive restructuring of medical education in our State. My office, in partnership with sister agencies, is reviewing applications for approximately \$1.6 billion in construction projects. We are studying distance learning and the potential of technology to enhance student learning and outcomes while promoting efficiencies. We are researching and identifying effective policies and programs to address access, affordability and attainment. At the same time, my staff of 18 (soon to become 22), maintains the agency's important traditional programs while revamping the office's operations, policies and infrastructure. In comparison to most of our national counterparts, we are an extremely lean and effective operation. Only six states have agencies that are smaller. I would suggest that none are as efficient. In partnership with the Governor, the Legislature, and our sister agencies, we are getting the job done.

I will be happy to entertain your questions.