New Jersey Presidents’ Council  
FY2017 Budget Statement

We, New Jersey public and independent higher education, institutions are committed:

- To create an educated citizenry, as well as future leaders and engaged members of our communities, thereby supporting a vibrant society and the economic development of the State;
- To be accountable for preparing graduates who can fill jobs in growth industries with the necessary education and skill levels; and,
- To be outstanding members of their local communities, providing services, events and facilities in order to enrich the quality of life of New Jersey’s citizens.

This New Jersey Presidents’ Council budget statement represents a commitment to provide quality post-secondary education for students and families, strengthen partnerships with business and industry to be a leader in innovation in this country, enhance higher education facilities, as well as highlight the importance of public and independent higher education and preeminent research universities as one of the greatest economic assets for our state. A key to this is strong investment in post-secondary education also strengthens our democracy by supporting higher education and research, and our institutions create an educated, critical thinking population of citizens ready to contribute to our society.

We acknowledge the positive impact on the system of higher education through the state-supported Building Our Future Bond Act, the additional revolving bond funds, resulting in a most recent competitive grant opportunity for over $180 million. The Governor, Secretary of Higher Education, and Legislature’s and voters investment in critically needed facilities and technology is an important infusion of resources resulting in extraordinary enhancements on individual campuses, much needed new facilities, renovations and repairs as well as significant stimulus to local economies. Moving forward, the on-going support for institutions creates state of the art facilities in-state and enhanced infrastructure for our students and the neighboring regions to succeed with an affordable post-secondary education that meets the knowledge-based workforce needs of New Jersey.

While the long-term outlook for state funding for higher education in New Jersey remains challenging, the next investment in our state’s higher education institutions must address the urgent need with respect to the tens of thousands of increased enrollments in our colleges and universities while operating support decreased to levels not seen for more than two decades. For fiscal year 2017, the Presidents’ Council requests the following:

- Operating support for higher education is considered a top priority in the development of the State’s budget. Nationally and globally, higher education continues to be recognized as the indispensable key to meeting sustainable communities and economic challenges of the 21st century. If the State invests, the dividends will become enormous.
- Critical funding to support the maintenance of financial aid programs that benefit New Jersey's neediest families. Both the Educational Opportunity Fund (EOF) and Tuition Aid Grants (TAG)
are vital programs for the low and middle income students to receive a life transforming higher education. In addition, we ask that the TAG awards are equitable for the individual student in accordance with the goal of TAG to assist NJ students to afford an education at the institution and in the sector of their choice.

- Funding consideration for the public employees’ pensions that impact every level of our higher education systems, and we believe our employees contribute to the economic growth and economic stability in the state. In a recent study, severe economic conditions have caused some colleges and universities and state and local governments to significantly alter the structure and funding of their employee retirement programs.

We, support the economic growth and university linkages from our students and staff in connection to the State Strategic Plan. We prepare the workforce and talent for identified industrial and commercial clusters including: Bio/Pharmaceuticals and Life Sciences; Transportation; Logistics and Distribution; Financial Services; Advanced Manufacturing; Health Care; Technology; and Leisure, Hospitality, and Retail. In response to these clusters, the President’s Council is prepared to lead and build upon the education, workforce and education assets that are present within the New Jersey.

Higher education has a great deal to offer in branding the State as a source of a superbly trained and educated workforce. We are united in our efforts to work collaboratively with the Secretary of Higher Education, the New Jersey Department of Labor and Workforce Development, Choose New Jersey, the Innovation Council, and employer organizations such as the New Jersey Business and Industry Association and the New Jersey Chamber of Commerce to continue to identify best practices, and examine efforts that have occurred in other states to align higher education programs with workforce needs in order to achieve increased prosperity: economic expansion, job growth, new business development and ultimately higher tax revenue.

New Jersey Data that Support the Demand of Postsecondary Education and Workforce Needs:

- By 2018, two-thirds of all jobs in New Jersey will require a college degree. The national economy will have created 46.8 million job openings (new jobs and replacement jobs). Of these, 63 percent will require workers with at least some college education: 33 percent will require a bachelor’s degree of higher, and 30 percent will require some college or an associate’s degree. (NJPC Task Force Report).

- New Jersey ranks 16th in the nation in postsecondary intensity, or the concentration of jobs requiring some postsecondary education (64%), and 2nd in the nation in the proportion of 2018 jobs that will require a bachelor’s degree. (NJPC Task Force).

- Within New Jersey, the technological thrust is even more pronounced. The State Strategic Plan has identified the previously identified six key industry clusters deemed critical to the State’s economic growth. These clusters are increasingly technology dependent thereby requiring increasing technology in our higher education and training programs. (NJPC Task Force).

- The rising demand for higher education and costs. On average, annual tuition and fee increases in New Jersey have moderated considerably in recent years, resulting in average annual increases over the most recent five year period at below 3 percent. According to the Pew
study, “On virtually every measure of economic well-being and career attainment—from personal earnings to job satisfaction to the share employed full time—young college graduates are outperforming their peers with less education” (Pew Research Center: “The Rising Cost of Not Going to College”).

- Nationally, projections show college enrollment rising by 14 percent through 2022 -- about a third the pace of the past decade, but still aggressive given the declining number of traditional college-age Americans, according to a study conducted by the National Center for Education Statistics. The report also found, 37 percent of students from New Jersey go to school outside of the state.

The New Jersey Presidents’ Council is fully cognizant of the important responsibility that higher education has in the economic prosperity of the state to attract, retain and educate students for careers within our key sectors in state and become engaged civic members of society. In a period in which the allocation of budgetary resources, whether federal, state, public, or private, must be treated with great care and with consideration for achieving efficiency and effectiveness, the Presidents’ Council is fully committed to strengthening standards to increase accountability and improve outcomes through enhanced self-monitoring and increased collaborations.

Over the last several years, the Council has significantly improved the accountability standards for its review of all academic program development. Important collaborations include: exploring participation in K-12 Common Core, coordinating with the Secretary of Higher Educating for investigating funding formula options; executing and matching State bonds for capital construction; reducing student costs by means of tuition averaging through the community college transfer system; and, as a result of the success of the State’s Building Our Futures capital construction program and a successor program, reducing overreliance on institutional tuition increases as a means to fund modernization of facilities and technology essential to preparing New Jersey students for the challenges of the future.

Approved at the January 25, 2016, NJPC Board meeting