
Committee Meeting

of

SENATE HIGHER EDUCATION COMMITTEE ASSEMBLY HIGHER EDUCATION COMMITTEE

“The Committees will receive testimony from invited guests on the findings of New Jersey City University’s Fiscal & Governance Monitoring Report and Accountability Plan recently issued by the State Appointed Monitor to New Jersey City University”

LOCATION: Committee Room 11
State House Annex
Trenton, New Jersey

DATE: June 10, 2024
10:00 a.m.

MEMBERS OF COMMITTEE PRESENT:

Senator Joseph P. Cryan, Chair
Senator Andrew Zwicker, Vice Chair
Assemblywoman Linda S. Carter, Chair
Assemblyman Reginald W. Atkins, Vice Chair
Senator Paul D. Moriarty
Senator Carmen F. Amato, Jr.
Senator Robert W. Singer
Assemblyman Cody D. Miller
Assemblywoman Heather Simmons
Assemblyman Benjie E. Wimberly
Assemblyman Gerry Scharfenberger



ALSO PRESENT:

Noah H. Callahan
Sarah Haimowitz
Christopher Myles
Jessica S. Rueb
*Office of Legislative Services
Committee Aides*

Juan Flores-Serrano
*Senate Majority
Committee Aide*

Sam Aloï
*Assembly Majority
Committee Aide*

Gregory Harris
*Senate Republican
Committee Aide*

Brett Philip
*Assembly Republican
Committee Aide*

***Meeting Recorded and Transcribed by
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Hearing Unit, State House Annex, PO 068, Trenton, New Jersey***

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Heather Simmons
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Gerry Scharfenberger

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COMMITTEE NOTICE

TO: MEMBERS OF THE SENATE HIGHER EDUCATION COMMITTEE
MEMBERS OF THE ASSEMBLY HIGHER EDUCATION COMMITTEE

FROM: SENATOR JOSEPH P. CRYAN, CHAIR
ASSEMBLYWOMAN LINDA S. CARTER, CHAIR

SUBJECT: COMMITTEE MEETING - JUNE 10, 2024

The public may address comments and questions to, Noah H. Callahan, Sarah Haimowitz, Christopher Myles, or Jessica S. Rueb, Committee Aides, or make bill status and scheduling inquiries to Nadine Loretucci, Secretary, at (609)847-3850, fax (609)984-9808, or e-mail: OLSAideSHI@njleg.org, OLSAideAHI@njleg.org. Written and electronic comments, questions and testimony submitted to the committee by the public, as well as recordings and transcripts, if any, of oral testimony, are government records and will be available to the public upon request.

The Senate Higher Education Committee and the Assembly Higher Education Committee will meet on Monday, June 10, 2024 at 10:00 AM in Committee Room 11, 4th Floor, State House Annex, Trenton, New Jersey.

The Senate Higher Education Committee and the Assembly Higher Education Committee will receive testimony from invited guests on the findings of New Jersey City University's Fiscal & Governance Monitoring Report and Accountability Plan recently issued by the State Appointed Monitor to New Jersey City University.

Issued 6/3/24

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mej: 1-101

SENATOR JOSEPH P. CRYAN (Chair): Morning, everybody.
Why don't we go ahead and start with the Pledge of Allegiance before we begin.

(Pledge of Allegiance is recited)

SENATOR CRYAN: Let's do roll first.

MS. HAIMOWITZ: For the Senate Higher Education Committee.

Senator Singer will be here momentarily.

Senator Amato will be here momentarily.

Senator Moriarty.

SENATOR MORIARTY: Here.

MS. HAIMOWITZ: Is here.

Senator Zwicker.

SENATOR ANDREW ZWICKER (Vice Chair): Present.

MS. HAIMOWITZ: Senator Cryan.

SENATOR CRYAN: Here.

MS. RUEB: And, for the Assembly Higher Education Committee.

Assemblywoman Matsikoudis is not currently present.

Assemblyman Scharfenberger.

ASSEMBLYMAN SCHARFENBERGER: Here.

MS. RUEB: Is present.

Assemblywoman Simmons.

ASSEMBLYWOMAN SIMMONS: Here.

MS. RUEB: Is present.

Assemblyman Miller.

ASSEMBLYMAN MILLER: Here.

MS. RUEB: Is present.

Assemblyman Wimberly.

ASSEMBLYMAN WIMBERLY: Here.

MS. RUEB: Is present.

Assemblyman Atkins.

ASSEMBLYMAN REGINALD W. ATKINS (Vice Chair):
Present.

MS. RUEB: Is present.

And, Chairwoman Carter.

ASSEMBLYWOMAN LINDA S. CARTER (Chair): Present.

MS. RUEB: Is present.

SENATOR CRYAN: So, thank you, everyone, for coming out
this morning.

This is a joint committee, obviously, with the Assembly as well,
and I want to welcome the Assembly Higher Education Committee members
and thank, in particular, Chairlady Carter for her support and teamwork as
we prepared for this hearing.

Thank you very much.

I do have some very brief opening comments, and I do want to
make a couple other points.

First, what I want to do is remind my fellow Senate members
that we have a very quick hearing after this. We have a couple bills to hear,
so hang around and have that opportunity -- there's only three.

With that said, the purpose of today's hearing is to understand
the complex issues that are surrounding New Jersey City University --

financial, long-term planning, and others, primarily as outlined through the Monitor's report.

It is my hope that today's hearing gives members a complete understanding of the complexity of the issues of where we stand and, hopefully, a vision as to where the future may lie.

With that said, I hope that first and foremost we understand that while the issues here are complex and appropriate to New Jersey City University, as many of us know with the challenge of higher education, we may in fact be here in the future for others. As we've talked about privately, every issue from enrollment cliff to financial pressures reflects a challenging environment in higher education.

I am very, very honored that Secretary Bridges took a moment to join us. And, just so we understand each other, today's hearing will comprise of three speakers. First, we will hear from Secretary Bridges; second from Interim President Andy Acebo; and, then, third, from the Monitor Henry Amoroso. They'll come up separately.

I want to make a couple other comments before I finish up, and that is we've received statements of support from some elected officials and some of them in the Legislature, so I want to make sure that they are noted and in the record. They are from Bayonne Mayor Jim Davis and Senator McKnight; from Assemblyman Sampson; from Assemblyman Rodriguez; and Assemblywoman Stamato. Hopefully I pronounced that correctly.

And, with that said, I am going to turn it over for some opening comments to the Chairlady today. I said Senator McKnight, right?

UNIDENTIFIED SPEAKER: Yes.

SENATOR CRYAN: Hopefully I didn't forget Angela.

So, with that said, I want to turn it over to our Chair -- our Co-Chair today -- Assemblywoman Carter.

ASSEMBLYWOMAN CARTER: Thank you, Chair.

You know, today is a day when we all come together and really take some hard look at information. But, a hard look at stuff we need to understand as legislators and move forward.

So, in saying that, I want to say good morning and thank you to everyone for being here today. I would also like to thank the Senate and Assembly staff for coordinating this joint hearing.

As Chair of Higher Ed. and as Senator Cryan, Chair of Senate Higher Ed., it's important that we continue to do this and have this collaboration. It also gives us a view of where everybody is in both Houses. So, that, to me, speaks volumes.

And, for all the honorable speakers on making time to be here today. I know that your schedules are busy and we're at a time of the year, especially during the budget process, that we're trying to gather information. But, this is part of our job, that we need to make sure that we collaboratively understand what's going on as we're preparing to move forward.

I would also like to acknowledge one of my colleagues who I have had in-depth conversation recently with, Assemblyman Rodriguez, who is here in the audience with us today, who is one of the individuals, and everyone should have received this on the dais -- a copy of their statement. But, also, he is a proud alumni and in support of Jersey City University.

When you look at it, he understands their mission; he understands the thousands of students and families who are thriving in what is going on in Jersey City. Families like his who, because of their institution,

they were able to earn their degrees. And, that's what we want everybody to be able to do. Our institutions-- We want to make sure that, you know what, you get in there; you get your degree; and you graduate. Further their careers and giving them the opportunity to provide, not only for their sons and daughters, but also giving them the ability to serve their communities as educators, counselors, law enforcement, and healthcare workers.

When you look at Jersey City State University, it's one of the State's oldest minority-serving and Hispanic-serving institutions. And, a lot are commuters. There are overwhelming commuting students, and they identify as Hispanic, Latino, and even Black and African American. And, there is a percentage -- 8% -- that are Asian American Pacific Islanders. This is important. We need to make sure that we all understand what is going on as we see what also is on the horizon for all of us in our future. We all understand some of the things, and I think we're going to get a lot of information today from our speakers in reference to this.

So, Assemblyman Rodriguez, thank you so much for this letter of support and information that you provided, and all of the letters of support that came from our colleagues here in the Legislature, because they understand exactly how important the University is to that community. But, we also have to understand what's going on as we move forward throughout the state for all of our universities.

Thank you.

SENATOR CRYAN: Thank you, Chairlady Carter.

And, with that, Secretary Bridges, thank you for being here and look forward to your comments.

Thank you.

BRIAN K. BRIDGES, Ph.D.: Thank you, Senator.

Chair Cryan, Chair Carter, and members of the Senate and Assembly Higher Education Committees, thank you for the opportunity to be here this morning to speak on behalf of the Office of the Secretary of Higher Education -- or OSHE -- in our work to strengthen the fiscal future of higher education in New Jersey in partnership with our State's institutions and with our Legislative partners as well.

The recently established fiscal-monitoring regulations and functions within OSHE -- which grew out of the Murphy Administration and this Legislature shared commitment to transparency and to addressing the economic, social, and demographic trends, challenging the long-term financial sustainability around colleges and universities, have shown themselves to be critical, particularly in the case of New Jersey City University. My office-- Or NJCU.

My office remains anchored by an understanding and assertion of higher education, as one of the surest paths to social and economic opportunity, especially for those who are historically underserved. We also take very seriously the State's role in serving as responsible stewards of students', families', and taxpayers' investments in higher education and in creating greater transparency for individuals across the state as they make critical education decisions that will impact their future.

Following public reports of an ongoing financial crisis, the State Comptroller's report, and the fact that the University was operating at a deficit and did not have a plan adequate to address it, the appointment of a State monitor pursuant to NJSA 18 8-3b53-53.4 was warranted. To be clear,

this financial crisis occurred under the previous administration at NJCU, and is *not* a reflection of President Acebo's stewardship.

My office announced on August 30, 2023, the State's appointment of Mr. Henry Amoroso, a seasoned expert with extensive expertise and the skillset necessary to work with NJCU Interim President Acebo, his administration, and the Board of Trustees to secure a stronger financial and operational footing for the university. As required by the statute, the Monitor will work with the institution to conduct an array of thorough monitoring and assessment activities in the course of his first six months, which included meetings in my office as well as a variety of stakeholder groups to produce the Fiscal and Governance Monitoring Report and Accountability Plan that was issued to NJCU and OSHE on March 12, 2024.

We, as OSHE, find that the Monitor's report and plan provides an important -- provides important transparency and a sound, reasonable analysis of NJCU's needs and strengths in the context of its physical and operational realities. Our response was in the form of a statutorily required transition plan, which I issued to NJCU and the Legislature in April. This plan closely reflects the Monitor's 11 recommendations across fiscal and governance operations, and provides the prerequisites for the cessation of State Monitor oversight of NJCU.

While there has been a lot of press coverage of NJCU and discussion about the University's future, subsequent to the release of the Monitor's report and plan, I would like to be very clear that we as the Murphy Administration are committed to maintaining students' access to a high-quality, public four-year higher-education option in Jersey City. As the oldest

minority- and Hispanic-serving institution in the state, NJCU plays a pivotal role for thousands in Hudson County. The institution's resiliency mirrors that of the broader NJCU community. We share NJCU's commitment to its mission and duty to students, faculty, alumni, and staff.

Right now, the Monitor is working diligently and collaboratively with the Interim President, his administration, and the Board to meet the benchmark set forth by the transition plan. The most imminent requirements involve implementation of an updated property monetization plan, and the activation of a fully organized nine-member board. Throughout, my office has remained in regular communication to understand the progress being made.

Our goal is to ensure our institutions -- specifically our public colleges and universities that receive the largest portion of operational funding from the state -- are and can remain on firm financial footing. To that end, the Secretary's authority to appoint a monitor is integral in the working relationship in the case of NJCU sets the bar. But, let me be equally clear that while the Monitor's appointment in this instance has been incredibly productive and should speak volumes already to the success of the new law, my office sees the appointment as a rare occasion -- a very rare occasion -- with the Monitor being more of a last resort.

Through the financial-assessment and risk-monitoring processes now in place, we have a framework to work more closely with institutions and to get out in front of any situations that may challenge their financial position in our shared priority to maintain the solvency of New Jersey's higher education enterprise.

We appreciate the time to go on record today to detail the steps that bring us to where we are. This is very important, and I am looking forward to working with you in a way that could not happen without the shared commitment and partnership of the Legislature.

Thank you.

SENATOR CRYAN: Thank you, Mr. Secretary.

Let me begin with a couple questions, and I'm sure members of the Committee-- I'm going to go next to Assemblywoman Carter in just a few moments.

You brought up two specific points that are the next step in the agenda: the property and monetization plan, and the nine-member board. Can you follow up on comments in terms of where we are in the process, in your view?

DR. BRIDGES: Well, since-- Thank you for that question, Senator.

Since the Monitor himself will be speaking to you a little bit later, I will let him elaborate on the monetization plan, because he has intimate details and knowledge of it, and I don't want to necessarily misspeak or (indiscernible) a little bit out of line.

We have been working very closely with the institution around trying to-- We appoint board members, some of whom, their terms have lapsed; some of whom are holdovers; so that we can get a fully functioning board that can help plot out the -- work with the administration and the Monitor on the transition plan, the recommendations, and plot out the path forward.

It's particularly around the government's recommendations and the recommendations for identifying a third-party who can help figure out which -- what's the path forward for the institution.

SENATOR CRYAN: You mentioned third-party, so let me just touch upon a couple things.

Do you have-- Do you have specific requirements in whether or not we look for a partnership? We've all read the Monitor's report, so the terms partnership, merger, things like that, are familiar to the Committee.

Do we have any sort of guidelines, regulations, and/or anything we need to codify in terms of what that may look like should a partners -- their financial stability, their record of academic success, their debt ratios -- that's-- We're going to clearly have some financial discussions today. Diversity, regional-- Have any of those things been codified in any way?

DR. BRIDGES: Great question, Senator.

No, they have not. There is not a codification of what a merger partner or a partner institution should look like. And, I think we are willing to work with the legislative -- our legislative partners -- here with us to help identify what some of those basic benchmarks may be.

But, based on the Monitor's report, the Monitor recommends that a third-party be identified to help lay some of the foundation for that. And, so, I think that we've got a potential path forward.

But, to your specific question, no. There are no statutes that provide a benchmark for that at this point.

SENATOR CRYAN: Would the reporting and the benchmarks that are used in the Montclair State-Bloomfield merger be applicable here, potentially?

DR. BRIDGES: There may be some lessons learned there; however, that is a very different situation, given that Bloomfield was a small, independent institution. The debt levels at Bloomfield and NJCU weren't necessarily comparable.

And, so, there might be some lessons learned. I would not necessarily cast any big aside to be learned from that situation. But, they are very different circumstances.

SENATOR CRYAN: I want to be sure that -- because financial is going to come up, I suspect, repeatedly today -- that we are talking the same language with you.

The Monitor's report identifies a total of \$287 million in debt, both from immediate debt and leases and all sorts of variety -- EDA and the rest. Do you want to be clear -- even though you mentioned the fact that you worked on this report -- that's the number we're dealing with? Is that correct?

DR. BRIDGES: Yes, sir; yes.

SENATOR CRYAN: As a baseline.

DR. BRIDGES: Yes, as a baseline. Some of that debt is definitely, as you mentioned, immediate. Some are triggered by certain covenants if they aren't met. But, yes, it is a substantial debt load for an institution of that size.

SENATOR CRYAN: And, then, do you agree with the Monitor's assessment about the need for an immediate infusion of \$50 million in capital?

DR. BRIDGES: Yes. You know, I-- The Monitor's recommendation, we trust that the Monitor did all his due diligence.

I will say that, having been on the campus a few times, there is definitely a need for an infusion of capital needs there at the campus.

SENATOR CRYAN: So, is it reasonable for the members with microphones here to work with a debt figure of \$337 million, as a starting point along with future capital needs?

DR. BRIDGES: Yes, if you want to combine the debt and capital needs, yes. That sounds like an accurate ballpark to be in.

SENATOR CRYAN: A couple other questions for you.

What happens if they can't -- if NJCU can't meet the Monitor's requirements? What is the remedy to that?

DR. BRIDGES: Well, I think that we've seen, in higher education over the last several years, that there are lots of institutions that have closed or merged. I think, if I remember right -- there's a report I'm giving to the Independent Colleges and Universities tomorrow -- I think we identified 35 institutions that have closed or merged within the last five years, and another nine planned this year in the northeast region.

Almost all of those are private institutions. I think that given where higher ed. tends to go, it's rare for a public institution to just close, because that does involve State institutions, and the State commitment. Given that there is a lot of work that needs to be done in order to determine how NJCU would move forward, I don't think that we would see the institution close, but, if those debt obligations aren't met, I think we would have to have some serious conversations at the State about the institution's path moving forward.

SENATOR CRYAN: Is it safe to say that there are other institutions of higher education that could promote the same kind of concerns on financial stress in the short term here in the state?

DR. BRIDGES: Public institutions?

SENATOR CRYAN: And, some private.

DR. BRIDGES: Well, yes, the private sector -- small privates -- are definitely, especially in the northeast where enrollment trends are trending downward. Small private institutions are under threat.

And, so, yes, I think that there are probably a few privates in the state that are in financial distress. At this time, I don't necessarily see any other publics who are in the same level of distress, but one year to the next there are institutions that are always facing challenges financially, for sure. Especially given the way higher education has been funded and various challenges facing the sector in the general public.

SENATOR CRYAN: Before I go to Assemblywoman Carter -- (indiscernible) for you -- I know NJCU, I believe, has tried to expand its transfer portal. Not like -- not like basketball, but for academics.

Do you, as the Secretary of Higher Ed., have stewardship of the definition of what student could be accepted in any way, any term, any credits accepted, anything like that on a transfer?

DR. BRIDGES: We do not have oversight over transfer. We work collaboratively with the NJ -- the President's Council, the New Jersey President's Council, on that.

And, the President's Council, in partnership with legislators like the Lampitt Law that was signed into law, some 15, 16 years -- 17 years ago now -- have made tremendous strides on transfer. We play a role in

collaborating with the institutions. We provide data through the transfer report that has shown that we've made tremendous strides since the last -- since the Lampitt Law was passed in 2007 -- to have more credits, significantly more credits, of students who transfer from two-year to four-year institutions to be accepted.

And, so, we are looking forward to continuing that work--

SENATOR CRYAN: But, from other universities, for example, do you have any -- any criteria or anything?

DR. BRIDGES: I'm sorry?

SENATOR CRYAN: From other universities, maybe other states, acceptance, things like that-- You don't have any control over that?

DR. BRIDGES: No, no we don't.

SENATOR CRYAN: All right.

What role does Middle States play?

DR. BRIDGES: Well, Middle States is part of-- So, to provide kind of a guidance around how higher education governance works nationally, there are-- There is what is called the triad.

There is what's called the triad, and the triad consists of the Federal Government and, essentially, the Department of Education and other regulators that provide guidance to higher education; the states -- the State Higher Education Executive Officers, the CEOs, which provide state regulatory guidance to higher education, college and universities.

And, then, the accreditors. The accreditors are the third leg of the triad, which really provide quality assurance around academics and other financial -- other financial and operational governance requirements to make

sure that the institution is sound and solvent in order to be able to deliver on its quality assurance needs.

And, so, Middle States is a critical player that we have to work with from time to time on more intimately than others on various issues. We had several conversations -- (indiscernible) conversations with Middle States last year related to the Montclair and Bloomfield partnership, and our coordination with Middle States on various other issues related to our institutions.

SENATOR CRYAN: Thank you very much.

Assemblywoman.

ASSEMBLYWOMAN CARTER: Thank you.

You talked a little bit about the reporting and everything. So, in our report, there's a lot of benchmarks that have been set, and a lot of dates established with those benchmarks. Are we on track to meet those -- NJCU on track to meet it, based off the Monitor's reporting?

Because, I know that there are some that are coming up in June and everything; you have some in August. Are there any dates that we're not going to be able to get that information, and has any significance since this reporting has come out -- any changes to it?

DR. BRIDGES: Thank you for that question, Assemblywoman.

So, the transition plan that we issued-- The Monitor's report was issued in March, our transition plan was issued in late April. And, we can refresh that with you.

We did soften some of those dates a little bit in the transition plan. And, right now, we're on track to meet all of those dates that are outlined in the transition plan.

ASSEMBLYWOMAN CARTER: OK.

And, you talked about the nine-member board and all. So, when I look at-- I think I saw eight members, and there were an obligation to make sure that that was filled, and I think that's one of them. Are they on track to do that? Are you monitoring that?

DR. BRIDGES: Yes, we were working with the Appointment's Office, and through the Judiciary Committee to try to get the additional appointments made to the board so that the board could function properly, fully. So, we've been working very diligently with the institution; with the administration; with the board appointees; and the Appointment's Office to try to move those along.

ASSEMBLYWOMAN CARTER: Is the nine-member board the set number, or will it increase, or anything like that?

DR. BRIDGES: Yes, I think the board-- The board bylaws requires nine board members.

ASSEMBLYWOMAN CARTER: So, as this transition is going through, you have a lot of students. They decreased their programming, according to the report that we got, probably I think it was 60-something programming that they're not supporting.

What happens to those students? Are those students able to transfer them or are there agreements that they'll be able to go other places? Or, are they just in limbo? And, what happens to the students who are there as we move forward as programs they have downsized -- best word to use.

DR. BRIDGES: Yes, that's a great question.

And, I would encourage you to ask Interim President Acebo for that question, given that--

ASSEMBLYWOMAN CARTER: So, you're not monitoring any of that -- you're just allowing -- because, I'm going to ask him that, too--

DR. BRIDGES: We're aware of the potential impact on students for sure, but given that this is on the ground with students at the institution, that is definitely more of an institutional answer.

ASSEMBLYWOMAN CARTER: Thank you.

SENATOR CRYAN: Thank you.

Assemblyman.

ASSEMBLYMAN SCHARFENBERGER: Thank you, Mr. Chair.

Morning, Dr. Bridges--

DR. BRIDGES: Good morning--

ASSEMBLYMAN SCHARFENBERGER: --good to see you.

You had mentioned before that there was -- you know of -- other private institutions that are in somewhat difficult financial shape. Do you see a pattern on what's causing this across the board? Is there any one thing, like dropping enrollment, or is it a variety of things, as we've seen in New Jersey City University?

DR. BRIDGES: Yes, for-- So, thank you for that question, Assemblyman.

And, as you know, I mean, I know that you know that you're a faculty member yourself and at small privates across the country, this is reflective of what's happening nationally, that some institutions-- There are a variety of issues; enrollment is definitely one of them.

Interestingly enough, there's a report recently that shows that while small privates are struggling with enrollment, the largest institutions in the country are actually growing. So, students are kind of voting with their

feet and consolidating at the places like Rutgers and Penn State and Ohio State and other large state institutions.

But, some privates get themselves in trouble by discounting tuition too much, and the lack of external support, whether it's through alumni, (indiscernible), whatever the case may be, or a part of an interesting mix of factors that have made the independent sector, especially, challenging to navigate these (indiscernible).

ASSEMBLYMAN SCHARFENBERGER: I mean, one of the things -- and, I think we've spoken about this a bit -- is always looking at administration. Is administration too top heavy? Are they carrying too much expenses to justify with the revenue that they're bringing in?

Do you see that as a problem, too? Maybe with the administration to take a look at administration, you see where they can make cuts without sacrificing services to the students, and certainly not the academic end of their offerings.

DR. BRIDGES: Well, thank you for that question, Assemblyman.

I definitely would say that that is not the case at NJCU. I mean, NJCU is a very lean organization at this point -- arguably too lean, at this point. And, so, I don't think that's definitely-- That wasn't even the case at NJCU previously.

I know that that's a common question around top heavy administrators at institutions. What I see in New Jersey-- I don't see that being the case in New Jersey. The institutions here tend to be rather lean, given, I think, that's part of their response to what has essentially amounted

to flash-funding from the State from, essentially, the early '90s until about the last -- until this administration, actually.

And, so, institutions here in New Jersey aren't incredibly, overwhelmingly top heavy like you might see in other places.

ASSEMBLYMAN SCHARFENBERGER: Thank you.

Thank you, Mr. Chair.

SENATOR CRYAN: Thank you, Assemblyman.

(indiscernible) you've got a question?

SENATOR SINGER: Yes, sure.

Can you help me understand how many students are totally involved in the institution?

DR. BRIDGES: Excuse me, how many students enrolled at NJCU?

SENATOR SINGER: Yes.

DR. BRIDGES: I believe that -- I believe the number is around the 5,000 student number, maybe a little more, a little less. I don't have the exact number right in front of me, but I'm sure that President Acebo can give you the exact number.

SENATOR SINGER: And, their operating deficit is about \$6 million a year -- it boils down to about that?

DR. BRIDGES: That sounds like it might be accurate. I don't have that number, the Monitor and the Interim President can give you that specifically.

SENATOR SINGER: OK.

And, we're also looking at a set debt obligation of about \$300 million that you're aware of, correct?

DR. BRIDGES: In that ballpark.

SENATOR SINGER: In that ballpark.

Can I ask a provocative question, you say is -- is it, some point, do we turn around and say, "How did this happen?" to anybody, or just -- do we just kind of say it happened?

I mean, there's got to be somebody who had to be looking at this through the years and saying, "oops." I mean, you're talking \$300 million in leases, in other obligations. At what point-- I understand at one point it was a \$22 million deficit each year. At what point -- I know there's a monitor there -- but, at what point did someone say, "Are you kidding me?" I mean, was this -- or, do you just let these things go to the point that now it's -- unless it's a Hail Mary of \$300 million if somebody wants to take on a huge amount of debt, we have an institution that's going to close.

DR. BRIDGES: Well, Senator, that's a great question. And, the Comptroller's report documented many of the issues that led to where they are, where the institution is. The prior administration -- I mean, if I'm honest, without trying to relitigate -- that prior administration over-extended itself significantly.

We now have some laws in place that allows our office to have a greater line of sight into that. There was not that line of sight previously. And, so, I'm confident that these laws allow us to have -- the State to have -- a better handle on situations like this so that institutions don't overextend themselves.

But, there is still more work to be done in that regard as well.

SENATOR SINGER: Just one last -- Mr. Chair -- just one last question.

So, we've prepared, if something happens to these institutions, that the records are safe, kept so that students who graduate, who need information, needs the verification, are taken care of.

Is there some safeguard that way?

DR. BRIDGES: That is a great question, Senator.

We do have-- There is a law on the books that was passed a couple of years ago related to teach-out plans for institutions when there's imminent closure. And, that allows us to have the institutions provide a plan for the current students.

But, there is not currently any law on the books about institutions, housing, records, in the event of imminent closure. Which, I do know that is a law that some states have in place.

SENATOR SINGER: Mr. Chairman, just you and the Chairman in the Assembly might just want to take a look at that. I mean, I can tell you that when you apply for an application to a job five years down the road, 10 years down the road, and you say, "Where'd you graduate?" and then can't verify it, it becomes a major problem.

SENATOR CRYAN: Thank you, Senator. Good advice.

Senator Zwicker.

SENATOR ZWICKER: Thank you, Chairman.

Good to see you, Secretary Bridges. Just a couple of questions for you.

So, you mentioned the fact that your office, about a month after the Monitor had submitted his final plan, that you submitted through your office a transition plan. The Monitor, as you pointed out -- others have

pointed out; Chairwoman Carter has pointed out -- had some very specific target dates.

And, so, you said you had softened some of those. Can you just fill us in a little bit more about what that means, and are these dates now firm, based upon your department's analysis?

DR. BRIDGES: Yes; thank you for that question, Senator.

Yes. When I say the rules softened those dates a little bit we basically pushed-- There were a couple of dates. One I think was to come up in June; we pushed that out to August, for instance, that's part of the transition. I think there might have been a date that required us to have the vendor in place and try to figure out all over the report about the path forward, and I think we might have pushed that back to December.

So, I think that we-- The Monitor's recommendations, we continue to endorse with simply pushing back a couple of dates a little bit so as not to provide more pressure for the institution and the board and the leadership, but allow them to navigate these challenges at a more reasonable pace.

SENATOR ZWICKER: Thank you.

Is there anything in the Monitor's report that the department does not endorse?

DR. BRIDGES: No, we worked with the Monitor and got a chance to get some insight into the way that he was thinking through our regular conversations and reports, and so we feel that the Monitor provided a good sound set of recommendations related to governance and finance for the institution to move forward.

SENATOR ZWICKER: Thank you.

My last question is around the possibility of a merger or an affiliation.

And, so, my understanding is we'll hear this from the Monitor himself that that at least beginning steps of trying to identify an expert to now help guide the university through that has started. I'm not sure if that person -- that institution -- has been identified yet.

But, in the Monitor's report, it is very specific. He is very specific in terms of what the goals of this merger or affiliation might look like, and, in particular, talks about a chancellor style of administration. And, something you and I have talked about, you know very well, is certainly decades ago, that was what the State had, was much more of a chancellor style.

So, I'm curious if, Number 1, your thoughts on, in general, merger affiliation and that recommendation; and, 2, some of the specifics about what that would look like moving forward, given what's in the Monitor's report.

DR. BRIDGES: Sure; great question, Senator.

And, I think someone clarified that I think the Monitor's recommendation related to a chancellor will give you a sense of how higher education tends to structure; it's administration, different states, the term chancellor or presidents are often interchanged. For instance, in the North Carolina system, where I worked previously years ago, the head of the system of the 17 campuses is the President, and each campus president is a chancellor. A lot of other places, the head of the system is the chancellor and each campus president -- or, each campus has a president.

And, I think that the Monitor was recommending that whoever the institution partners with, the chancellor model would be-- The kind of parent institution would be the president, with the person leading NJCU would be the chancellor. And, I think that was the recommendation there.

And, so, I think that moving forward, I wouldn't want to speculate on which institution-- I know I get asked that often, which institution should be the partner? I think the recommendation of the Monitor is that the board work with kind of a third party to identify through all of the benchmarking that Senator Cryan mentioned to identify who is the best partner. I mean, I think that there are institutions that people would speculate would make the best partner, but without understanding that institution's books and their cultural orientation toward serving a certain set of students, it might not necessarily make the best partnership in reality.

So, I think that moving forward, the best path forward would be-- That organization has not been identified yet to help them figure that out, but I think there will be a lot more information in six months to a year that can help the Legislature and the Governor figure out the path forward about what institution might be the best partner to work with for NJCU.

SENATOR ZWICKER: Thank you.

And, then, just my last question, and sort of reading between the lines of what you just said.

In your analysis -- your department's analysis -- is there a path forward where NJCU can move and become financially sound without an affiliation or without a merger?

DR. BRIDGES: Well, yes, that is possible. It would require a significant substantial infusion of cash from the State. And, I think that is

where the Monitor was coming from, given NJCU educates their average student income. They have the lowest average student income -- household income -- of any institution in the state. And, given the resources that the institution has and capital needs it has, unless the State is willing to invest substantially to get them on more solid footing, it will be an institution that would always basically be robbing Peter to pay Paul. And, we know that in many of those instances, institutions -- when prices comes up, and an institution is kind of in disarray.

And, so, I think that the path forward -- yes, the institution could be independent, but it would require substantial infusion of resources from the state.

SENATOR ZWICKER: Thank you; thank you, Chairman.

ASSEMBLYWOMAN CARTER: Thank you, Senator Zwicker.

You guys are good? Everybody is good? (no response)

Just a couple more questions.

So, the comprehensive audit-- Are all institutions on track to complete their first comprehensive audit and release their fiscal monitoring report before the end of the fiscal year?

DR. BRIDGES: We are in the process-- Thank you for that question, Assemblywoman.

We are in the process of collecting that data and doing the analysis, so it might not be done before the end of the fiscal year, which is in a few weeks.

ASSEMBLYWOMAN CARTER: (laughter)

DR. BRIDGES: But, we will provide-- We will have that analysis probably in July, completed in July. If not, maybe August at the latest.

ASSEMBLYWOMAN CARTER: OK.

And, just to piggyback off of what Senator Zwicker was asking in reference to what it would take for them, and whether or not they have an opportunity to get out of their transition out of their fiscal monitoring: Is the timeline outlined for this a realistic plan, or is it something that we really need to be monitoring a little bit closer to make sure? Because, you're saying that they need an infusion of cash in order to be on a stable footing. But, there is a plan that's out there.

Is that a realistic plan?

DR. BRIDGES: Well -- and, just for clarity, Assemblywoman, that they do need an infusion of cash, in response to the Senator's question about whether or not they would need that in order to be independent -- to remain an independent institution.

Yes, they would need a substantial infusion of cash, to be able to do that without falling into kind of financial distress on a regular basis.

I do think that it's a reasonable plan, but we know that things -- plans often slip, dates often, get (indiscernible), and so I think that it's a reasonable plan whether or not we abide by -- and continue to abide by -- all the dates that we meet every benchmark by a particular time. That is to remain to be seen.

But, I do think it's a reasonable plan for us to work with-- I mean, I think that given that NJCU has received some stabilization funds last year, I think there was some stabilization funds proposed this year. And, when I say an infusion of cash to remain independent, it would need to be substantially higher than the stabilization fund level.

And, until we've endorsed those stabilization funds with the institution and (indiscernible) that it's necessary to continue on the path that they're on to continue to rectify the financial situation that the current administration is not its element.

SENATOR CRYAN: Thank you.

Just a couple more and then we'll finish up.

Assuming you don't want to give us a number on that substantial--

(laughter)

DR. BRIDGES: At this point, I -- at this point, Senator, I mean -- it would be unwise for me to provide a number, given that there are a considerable amount of challenges. It depends on how much tuition revenue the institution is able to generate; what enrollment looks like; (indiscernible) tuition.

So, it's a whole host of factors that would help to -- help us to figure that number out. But, I wouldn't want to speculate on that number.

SENATOR CRYAN: I just have some follow ups, more longer term, but one of them directly relevant.

So, in the Monitor's report, when we've talked about \$337 million, and we don't even talk about the needs for overhead and the rest in there. There's a couple things that jump out in terms of the finances. One is the lost opportunity with the \$49 million in Federal money, which is just a tragedy, to put it mildly, for the students at NJCU.

But the second -- at least to me -- is this continuing refinancing of debt that's occurred, and it's occurred in other universities as well. The President of TCNJ is very upfront over the fact that he has a very large

balloon payment coming, I believe north of \$32 million, within the next two years.

Are there steps that the Legislature should take -- our yourself -- in order to prevent us from not coming here again on things like this refinancing of debt, and what that mission needs?

DR. BRIDGES: Well, that's a great question for the long-term financial health of this sector.

I think that when you look at it-- So, we get a report from-- Moody's does a report for us annually, and Moody's doesn't necessarily rate every institution, but they rate the majority of institutions in the state.

And, our institutions -- our colleges and universities in New Jersey -- carry a lot of debt. We tend to be-- And, part of that is because of-- The biggest driver of debt is capital needs, and we're one of the few states, if I remember right, the State Higher Education Executive Officers issued a report, I think we're one of six states that don't fund capital improvements annually. We do these bond programs which requires debt to be taken out by the State and the institutions.

And, so, our institutions, we're in the, I believe, in the top 20 of carrying amount of debt. So, yes, the debt burden for our institutions is a concern long term that we should be mindful of. And, I think that the refinancing of debt is complex, because, in the short term, it can actually reduce debt; it can-- But, it actually adds to the debt long term, because when you refinance, you become-- You get more favorable terms in the short term, but often extend the debt over a period of time. And, so-- And, especially given what's going on with interest rates now--

SENATOR CRYAN: You get caught, don't you, when you're used to lower interest rates and then you have to come back because it's part of your financial strategy and you have higher rates?

DR. BRIDGES: Yes, yes.

SENATOR CRYAN: I mean, it comes calling, doesn't it?

DR. BRIDGES: Yes, yes.

So, I will acknowledge that the debt burden of our institutions is a concern that the State should be mindful of, and something that we do have to watch moving forward. Because, our institutions are trying to compete against not just each other in the state, but given where we are in the northeast megalopolis, our institutions are competing against schools in Pennsylvania, New York, and Connecticut, and they need to take out debt to maintain their facilities and their campuses to be competitive against those institutions when Delaware is offering in-state -- what amounts to in-state -- tuition for New Jersey students to come to Delaware for college.

So, yes, the debt burden is something that we need to be mindful of at our schools.

SENATOR CRYAN: By the way, I believe that might be a technique NJCU is adopting. We'll ask the President about that.

But, in line-- By the way, the 10 public universities in the State of New Jersey -- or however many there are -- have a debt total north of \$5 billion and approaching \$6, do they not?

DR. BRIDGES: Yes, that sounds accurate.

SENATOR CRYAN: OK.

Which leads me to my final point. You don't really have to answer this one. I'm putting you on the spot a little bit, but I do want to begin the conversation.

Especially in the northern part of the state, there are universities that are literally 2, 3 miles from each other -- in some cases sharing the same mission. And, in some cases, everybody wanting to be everything to everybody. Twenty-five, 30 years ago -- I don't remember the exact date, but I think it was more like 25 -- New Jersey set upon a Commission for Higher Education to review where we are; to look at mission; to say what's appropriate and define that. That's what put us in the position of having our current higher education system.

In your view -- and, you don't have to answer this here unless you're comfortable with it -- is it time to have another commission take a look at the missions of the these universities; take a look at what opportunities we can have; and set us on a path that we're not sitting here looking at a university with less than 5,000 undergrad students and north of \$300 million in debt?

Is there-- In your opinion, is that something that the Legislature should at least consider?

DR. BRIDGES: Well, Senator, I would simply say that I would endorse -- if the Legislature chose to go down that path -- our office would stand ready to work with you to help chart the course for that commission or task force so that we can strengthen our higher education enterprises moving forward.

SENATOR CRYAN: And, to be clear, you can't veto the minutes of any public hearings, right?

DR. BRIDGES: No.

SENATOR CRYAN: OK.

I thank you very much for your comments, your insightful comments.

Very grateful for you taking the time today. On behalf of the Committee, thank you so very, very much.

And, now I am going to ask President Acebo to come forward.

DR. BRIDGES: Thank you.

SENATOR CRYAN: How are you?

A N D R É S A C E B O, J.D.: Doing well.

SENATOR CRYAN: Good. I hope that seat's not too warm.

(laughter)

SENATOR CRYAN: You've been in a lot of hot seats, President Acebo, and thank you so very much for coming today. We're very grateful for it.

We look forward to your comments, and then obviously the Committee will follow up with questions.

MR. ACEBO: Wonderful. Thank you--

SENATOR CRYAN: And, it's good to see you turn your light on.

MR. ACEBO: Thank you very much, Senator.

Assemblywoman Carter, members of the Legislature -- esteemed and honorable members of the Legislature -- distinguished colleagues, and cherished supporters of public higher education: Today, we have convened to take testimony on the State-appointed Monitor's initial report and recommendations; OSHE's superseding corrective action plan for our

institution; the university's significant progress in stabilizing its affairs, with a campus-driven and collaborative vision for a bolder and more sustainable future; and, our collective efforts for an equitable and enhanced presence for our nearly century-old institution -- one that is anchored in the most diverse and densely populated community in our country.

Today, you'll disproportionately -- but importantly -- hear about the financial challenges that NJCU has weathered, and those still left to overcome; along with the broader needs and stresses of public higher education in New Jersey, and the national and regional trends that impact them.

But, I would be remiss to not begin with the names of just some of the students who crossed our graduation stage over the last two years, and those who will follow them soon and mark them present in our discussion. Students like Thyquel Halley; Darwin Garrido; Laney Fox; Kudret Ozkaya; Feifei Wang; Sydney Millevoi; Ruth Diegue; Breanna Felix; Dr. Lamont Tyrone Harris, Jr.; Dr. Melissa Garcia; Sandy Guerrero; Ashley Pottinger; David Valica; and Shahod Augustin.

These are just some of the students who we are privileged to serve; students who New Jersey is privileged to call theirs. Students who were the first to be able to earn a doctoral, master's, and/or bachelor's degree in their families. And, they did it in their communities so that others could see; so that others could dream; so that others could follow. And, because they did, others will have someone to chase.

Perhaps to defy some conventional wisdom and whispers under the golden dome, those are the true stars of this NJCU saga. Many of them weathered a pandemic that robbed them of the rites of passages like proms

and high school graduations. Others found themselves -- not uncommon in our community -- finishing a degree that life delayed because academic journeys are not linear in our community. Some were deployed to serve and protect the freedoms that are too often taken for granted before they move the college graduation tassel from right to left. They are dreamers; they are trailblazers; they are radically resilient. They are the unprecedented people who these unprecedented times require and desperately need.

Some of them, unjustly and inequitably, are forced to feed a curious mind with a starved belly. They work multiple jobs to care for themselves and their parents and loved ones. They find themselves at times unhoused and insecure, but they persist. They climb. Each one of them is their ancestors' wildest dream. And, at NJCU, they are celebrated. They are championed. And, they have been centered in every campus and community discussion; every constituent and stakeholder deliberation; every strategic plan designed and implemented; every curricular form; and every academic and community partnership that we've launched over the last 18 months.

And, today should be no different. Today, I stand before you not just as the person blessed to lead NJCU at this critical time, but as someone whose life has been profoundly transformed by the power of education. And, this State's investment in *me* -- I am a first-generation college student, and my journey through higher education has shaped my deep commitment to ensuring that NJCU remains a beacon of hope and opportunity for countless others who dare to dream beyond the confines of their present circumstances.

My story begins in a humble household where the notion of attending college was both an expectation and a distant dream and an

uncharted path. My immigrant and working-class parents, hardworking and resilient, instilled in me the values of perseverance and the belief that education was the key to unlocking a better future. With their encouragement and the support of dedicated educators -- overwhelmingly graduates of NJCU -- I embarked on a journey that would forever change my life. The challenges were many, but the rewards were immeasurable. I learned firsthand the transformative power of education -- how it can uplift individuals, empower families, and strengthen communities.

Stories like that are common on our campus. They underscore the importance of the mission our campus has refreshed, revitalized, and championed over the last year and a half. Our university has long served as a lifeline for students from diverse backgrounds and experiences -- many of whom are the first in their families not to attend college, but to be able to attend college. We are committed to providing them with not just an education, but a transformative experience that equips them with the knowledge, skills, and confidence to thrive in this ever-changing world.

Members of the Legislature, NJCU is at a pivotal moment in its almost century-long history. It has faced significant challenges -- many exacerbated by a global pandemic -- but, I am here to share with you also a story of resilience and revitalization. Over the last 18 months, we have embarked on an ambitious journey to secure the future of our institution, and to ensure that we enter our second century with an enhanced ability to serve our students with excellence and integrity. To be worthy of those who walk on our campus and pursue the most noble of pursuits -- a shot at a better life.

Our revitalization efforts have been comprehensive and multifaceted. Our work began last spring, well before the monitoring statute was even enacted. We launched our recovery and revitalization plan -- a framework for long-term financial sustainability, mission focus, and student success. By addressing various essential areas, including structural operating deficit reduction; long-term debt defeasance; deferred maintenance; student success retention investments; and resource allocation for a mission focus to drive mobility and community engagement.

We have implemented a strategic plan. The focus is on financial sustainability, academic programming that is responsive to our students' acute needs as we shepherd their success in community engagement that only solidifies our role as -- that not only solidifies our role as -- the only public anchor university in our community, but as a magnet for resources and partnerships that lifts that community.

Through prudent financial management, we have stabilized our affairs to create a more sustainable financial model that New Jersey's taxpayers can be proud to hold equity in, and continue to invest in as we continue to create something better than what has existed on our campus before. Our work has involved difficult decisions, but one step necessary to secure our long-term sustainability with a distinctively proud mission. We have set a new foundation that, again, is worthy of the resilience and hopes of the communities we serve. A path forward has been paved to strengthen our mission and our commitments for the thousands who cross our campus, and the tens of thousands who have been touched by it.

NJCU began Fiscal Year '23 confronting an unsustainable multi-year structural operating budget deficit. And, at the beginning of our

administration, it was at the earliest stages of fundamentally addressing it. We immediately developed and implemented strategies aimed at eliminating this burden on our mission, and were successful in significantly reducing the existing structural operating deficit. We positioned ourselves to strengthen our mission-focused revitalization. This work was not accomplished without pain or sacrifice, but it was achieved with the establishment of unprecedented shared governance and labor relations and collaboration in New Jersey. Through concerted advocacy efforts by campus stakeholders, including legislative leaders in this room and not; labor leaders; faculty; staff; students; and alumni; last June, the State announced a \$10 million stabilization funding investment in NJCU for this current fiscal year. The State further invested an increase in outcomes-based allocation -- OBA -- for institutions of higher education, which led NJCU to receive a \$3.8 million out OBA increase.

Working with our Board of Trustees, we announced at our last September board meeting that net of any additional stabilization funding appropriations from the State, the university further reduced and reconciled the structural operating deficit for Fiscal Year '24 by another 25%, or \$2.8 million, through a combination of additional savings and new revenues.

Every day, collaboratively and in partnership with our Monitor and state stakeholders and community, we implement strategies that meaningfully drive our mission; reduces and mitigates our financial constraints; and evaluates every single potential option and strategy for the longer-term reinvestment in decades-long deferred capital maintenance, mitigation of excess debt obligations; and mission strengthening.

As a result, the university, in a few short weeks, will end the fiscal year with a year-end balanced operating budget for the first time in more than five years, as we strategically drew down on the \$10 million stabilization funding to address critical deferred maintenance needs, both budgeted and unbudgeted. We still have more work to do, and we need your continued support to do it.

I would be remiss, again, to not highlight that that work and that support is before this general body in the form of Senator Stack's Senate Budget Resolution 4006 and Assemblyman Rodriguez' Assembly Budget Resolution 4378.

The current state of higher education presents both challenges and opportunities. Economic pressures; shifting demographics; and a rapidly changing technology requires us to be agile and forward thinking. At NJCU, we are embracing these challenges and changes with a spirit of innovation, and a commitment to excellence by embracing and leading the disruption -- not being consumed by it. Our students are at the heart of everything we do. They come to us with dreams of a brighter future, and it is our responsibility to support them on that journey.

We are expanding our support services to ensure that every student can thrive. This includes academic advising; career counseling; mental health services; and financial aid. We are also fostering a diverse and inclusive campus environment, where all students feel valued and supported so that they know that they belong in every space that didn't contemplate encountering them for lack of vision and imagination.

And, as we look to the future, we must continue to advocate for policies that support equitable access to higher education, sustainable

funding models, and the creation of an environment where academic excellence can truly thrive, rather than be distressed by under-investment and a lack of collaboration.

The NJCU community has been tested. And, as most of us know, through life, that there can be no testimony if there was no test. So, let it be said that NJCU is a testament to what can be achieved when we work together with a shared vision and common purpose. When leadership knows and feels the needs of its community. When we listen and not just dictate.

Our story of revitalization is one of hope and resilience. It is a story that highlights the power of education to transform lives and communities and the promise to deliver by countless individuals who care about where that story begins. It is a story that affirms our commitment to our mission and our belief in the potential of every student who walks onto our campus.

This past December, NJCU launched a partnership with Hudson Community College to create the Hudson Connect Program, inspired by the AASCU Aspen Institute, this initiative facilitated the seamless transfer pathways for students from Hudson Community College to NJCU, promoting higher education accessibility and continuity. The program is a model that, in the coming weeks, will unveil new partnerships with other community colleges, and underscores NJCU's commitment to educational collaboration and student retention. It builds on our unprecedented reforms to our general education curriculum.

In February 2024, we unveiled a refreshed university mission, and our first-ever institutional vision statement, reflecting its commitment to serving a richly diverse community, as New Jersey's oldest public four-year

minority- and Hispanic-serving institution. A mission so bold that we published it in two languages. These statements, developed with campus stakeholders, emphasize NJCU's dedication to service and shared governance. By refreshing our mission vision statements, we underscored NJCU in empowering its students and fostering community development.

Even more recently, this spring we introduced our first-ever academic master plan as part of our strategic initiatives. The plan was driven by new institutional pillars – 1) student success and retention; 2) community engagement; 3) a culture of continuous improvement; and, 4) the financial stewardship and responsibility that would otherwise be unbecoming of our university -- which outline 10 measurable goals aimed at enhancing academic quality and institutional sustainability. This newly formed and focused approach signifies that NJCU's efforts on long-term academic excellence and operational efficiency are on track towards bearing the results we seek.

Following the academic master plan, we launched our first-ever strategic enrollment plan to tackle enrollment challenges and support the institution's mission. That plan details goals and key performance indicators -- which have been shared with this Committee -- aimed at improving application yields; transfer student integration; retention; and graduation rates. It also highlights engagement opportunities with key academic programs.

NJCU's financial health has also significantly improved, with the University reporting its first balanced operating budget since 2017. And, in recognition of that progress, Moody's Investor Services -- a global rating agency -- upgraded NJCU's outlook from negative to stable for the first time in multiple years. This upgrade reflects the successful implementation of

financial turnaround plans and robust management practices. Enrollment -- but, more importantly, retention and completion -- have also been a priority for our administration. NJCU has experienced significant growth in this area thanks to focused efforts on student success and support services.

Yet there is, admittedly, much more to do. Enrollment declines have impacted institutions across higher education since the pandemic, and few have been immune. However, our deliberate effort to breaking down institutional and systemic barriers of access as we continue to reimagine what a regional, comprehensive public university looks like, and how it delivers its mission to serve its community, is demonstrating measurable outcomes.

For spring 2024, new transfer undergraduate and graduate enrollment saw significant increases, marking our first substantial gains since the pandemic. On May 15, 2024, NJCU celebrated the graduation of nearly 1,700 students -- an increase in both undergraduate and graduate degree conferrals compared to previous years -- even after reducing the size of our academic portfolio. This achievement demonstrates the effectiveness of NJCU's renewed focus on academic programming and its renewed commitment to student success.

NJCU continues to be a catalyst for education and community development, making significant strides in academic planning, financial stability, governance reforms, and student success initiatives, that I hope our conversation today will highlight.

In closing, I want to express my deepest gratitude for your support and your partnership. The progress we have made would not have been possible without the collective effort of our dedicated faculty, staff, students, and community members -- many of whom are seated right behind

me today, as well as the unwavering commitment of all of you, our Legislative partners -- those in this chamber and those not.

Together, we can ensure that NJCU remains a vibrant and dynamic institution that not only meets the challenges of today, but also paves the way for a brighter and more inclusive and equitable future. Let us move forward with confidence and passion and a resolute belief in the power of education to transform lives and build a better tomorrow right in the communities that most depend upon it.

Our work has rejected -- admittedly, stubbornly -- the illusion of complexity that too often gives cover to do nothing or to do too little when it's time to address the needs of people who have been marginalized, underserved, and woefully underrepresented. Higher education has been under attack -- perhaps justifiably -- in some peoples' eyes. Too much attention is given to the ideologies of left and right on our campuses, and not enough on the promise of lifting those from the bottom to the top. Higher education sits on the mantle of tradition, but it's always driven innovation. The greatest innovation will be how it evolves and transforms itself by not just simply harnessing the destructive but promising nature of artificial intelligence, but by confronting -- as we are at NJCU -- manufactured apathy, which is the unfortunately effective strategy of tiring individual resolve and collective hope.

Baldwin eloquently observed that the world is held together -- that it really is held together because of the love and passion of very few people. The ancient Greeks gave this love and passion a word -- agape. King spoke of it, too, when he observed the fierce urgency of now. It means understanding, creative, redeeming good will for all people. It is an

overflowing love which seeks nothing in return. It is not set in motion by any quality or function of its object. It is purely spontaneous, unmotivated, groundless, and creative. King said that it's the love of God operating in the human heart.

The people who walk on our campus, members of the Legislature, vote different than they did when these institutions were first established. Our institution is even more indispensable today precisely because of the people who depend upon it to realize generational mobility that changes one family at a time; one neighborhood at a time; one city or town at a time; one state at a time; to deliver for us to the nation -- and, us, a nation that is more perfect than could have been contemplated at its founding.

We have an amazing opportunity in front of us to strengthen not just individual institutions, but an entire public higher education ecosystem in New Jersey. And, like every act in our society -- every great act in our society -- it will require the love and passion of a very few people.

I thank you for being amongst those people. I look forward to working with you to center our students and their promise. Thank you for your dedication to the cause of higher education, and for the opportunity to address this esteemed group.

I ask that we continue this journey together, inspired by the possibilities ahead, and united by our commitment to make those possibilities a reality in my community.

SENATOR CRYAN: Thank you for your comments.

I'm going to go to our Co-Chair, Assemblywoman Carter.

ASSEMBLYWOMAN CARTER: Thank you, Chair.

Thank you, President Acebo, for being here and providing that testimony to us.

There's a lot of information that's in there, but there -- I don't think there was a lot of information in there. I think that our students are important; I think that their trajectory has a lot to do with our institutions.

And, one of the things that I've noticed is, in order for you to kind of reduce some of your expenses and all, you've also had to eliminate 48 programs -- undergraduate programs. If I have that correct. So, how many programs -- undergraduate programs -- do you still currently run? You have 24 minors that you've eliminated; 28 graduate programs; 10 certificate programs; a doctoral program.

And, what does that mean? I'm going to go-- And, my thinking is going to what the Senator was bringing up earlier. We have individuals who are in the process of obtaining some of those degrees and everything. What happens to that? What are you, as an institution, doing?

We're going to get into the financial stuff, but, just like you said, that trajectory of our students means a lot, and it seems like you've done a lot of work since you've been there, and I know it was a hard task to take on, and I appreciate what you've been doing, and really trying to bring this where it is not -- where it's stable. And, you've done that -- according to Moody's -- you've gotten them at least to a stable position since you've been there.

But, what happens to those -- the elimination of all of those programs to those who were in transition and had not received their degrees yet? And, is that lessening the value of those degrees that were already issued? We're going to start there first.

MR. ACEBO: Thank you, Assemblywoman Carter for that question.

I need to begin with what the academic portfolio looked like before these decisions were made to sunset. NJCU's academic portfolio was larger than Rowan University's, with a fraction of its student body.

Bigger isn't always better.

ASSEMBLYWOMAN CARTER: Correct.

MR. ACEBO: A lot of those programs -- and, with a commitment to that student body is that the university has teach-out protocols, both bound by our accreditation standards and State law.

None of these students who have been upended because of a sunseting of a particular academic program have been disrupted in the completion of their course of studies. What the sunseting of these programs means is that no new students are matriculated or enrolled in those programs until the last student finishes, or transfers out, or stops out. So, that's an important distinction.

In total, about 97 distinct degree and certificate programs were sunsetted at my recommendation after a very deliberate process of shared governance-driven process on our campus that provided an opportunity to appeal those decisions. The vast majority of those programs that were sunsetted were not appealed by those most intimately impacted by them -- mainly the faculty that teaches and leads those programs. So, that, I think, is an important thing to put in the public domain as not just a virtue of the shared governance approach that we deployed, but the methodical approach to making these decisions.

All being said, less than 10% of our student body were associated with those distinct degree programs. There were some programs that had three students in them. So, the larger part of this was a focus not just on consolidation or reduction, but a practice and an approach to be able to take finite resources and reallocate them where they would be more meaningful and core to our academic enterprise.

ASSEMBLYWOMAN CARTER: You also mentioned that one of the things that you're doing is your partnership with Hudson Community College, really to attract some of your students. What other actions are you taking, because the University announced a significant enrollment increase from Fall '22 to Spring of '24. So, what other things are you doing to attract your students, and what is your plan over the next couple of years?

MR. ACEBO: Thank you, Assemblywoman.

I was raised to believe that you can't be for the community unless you're in the community, and so that's been the approach that we've deployed. A very skillful focus on working with our feeder institutions, namely Hudson Community College being the largest feeder for transfer students; our sister institution that is literally right down the boulevard. The Aspen Institute, AASCU Program; this Connect Program. It's unique, and it's concurring matriculation and dual advisement -- literally a Hudson County Community College student, when they set foot on that campus, gets an NJCU ID card. They get to access our housing, our libraries, all of our resources, to address what is also a challenge in higher education, particularly for two-year institutions, which is the completion and matriculation rate -- national, less than 30% of community college students pursue a four-year

degree or even obtain an associates degree. That, I think, is being a steward of recognizing who is it that this institution organically serves.

The nontraditional student. A lot has been said, and I've had the pleasure of speaking with Senator Cryan about graduation rates, and the scrutiny that that invites on an institution like NJCU. All data is nuanced. And, if you look at what the sources are and you've measured just success based on how first-time, full-time freshman perform at an institution, then you're missing the mark of what makes NJCU indispensable to the ecosystem in New Jersey.

So, it's those approaches; working with our K-12 partners. NJCU, the largest feeder, overwhelmingly is 60+ percent of our undergraduates come from Hudson County -- Bayonne, Jersey City, and Union City Public Schools. Institutions that struggle, candidly, sometimes with confronting the proverbial achievement gap; being intentional and methodical about engaging with those partners where the public anchor institution of higher education needs to be involved in that work because it is too late to wait for the student to set foot on our campus; the work begins long before (indiscernible) contemplated going to college.

In a few short weeks, we will be launching a one-of-its-kind partnership with the Boys and Girls Club of Hudson County. The firm belief that we have as an institution that you're not just a product of your environment, you are a product of our expectations. And, so, working with that with pure mentorship, putting our men of color initiative in the community to work; where our students will earn college credits to be of service to their community, to mentor those who come behind them, to move that needle. Those significant gains -- and, they are significant, Senator, when

you look at bucking a trend, not enough, I would be disingenuous to suggest otherwise, that it's the end-all-be-all for our long-term sustainability. But, it is an important variable that is being addressed, which is the presence of value in our community and being top-of-the-line, an institution of first choice, and not just (indiscernible) accessibility.

ASSEMBLYWOMAN CARTER: So, NJCU originally was more of a regionalized university. And, so, what I'm hearing you say is you are pretty much staying among -- regionalizing it, continuing with the regionalization, and really trying to build up those feeder programs into NJCU.

Is that-- Is that a fair statement?

MR. ACEBO: That is correct.

ASSEMBLYWOMAN CARTER: OK, so, how much are you trying to promote outside of the region, really, to try to attract and bring students in? Because I know it's more of-- You have more commuters than you do, really, housing.

MR. ACEBO: That's correct. I think, primarily, the overwhelming profile of our students are that of commuters; working adults by and large as well.

Perhaps not the best thing to say in Trenton, but Hudson County is the center of the universe, and so our proximity and leveraging our profile and our reach has been something that is -- something that has shown dividends. We've launched a reciprocal in-state tuition program with New York State residents, leveraging our proximity to the schools in Staten Island. We have a proposal before the Board of Trustees that will be adopted shortly after the State adopts *its* budget in July, maximizing -- whenever we

contemplate tuition and fee increases, that there has to be value propositions associated to that.

We will be one of the first -- if not *the* first -- public institution in New Jersey to embed in our total tuition and fees the cost of books, so that our students are day-one ready. That has been an appeal.

But, being plugged into the community, Assemblywoman, has been the greatest key. Showing up not hosting with this financial aid, FAFSA debacle, being a partner in our communities with our high schools and having financial aid counselors educating demystify the sticker price fears.

The overwhelming majority of our students, as the Secretary admitted earlier -- and I'll give you the exact number, because that's not above my pay grade to know -- is \$42,000 a year. That's the median household income of our students in Northern New Jersey. The next closest peer is double that. So, those variables, we are most-- Over 70% of our students are Pell-eligible. There's a host of reasons why they don't tap in -- probably less than two-thirds are actually receiving Pell and TAG, and I think that that's probably the product of more the consternation and distrust that sometimes plagues our community about sharing information, particularly about their personal finances. So, those are things that we've had to tackle in real time to demystify access to higher education.

ASSEMBLYWOMAN CARTER: And, I have one more before I turn it over to Chairman Cryan.

So, the Monitor has set several benchmarks from the beginning. Are you on track to meeting his benchmarks? Where are you at? Especially when you're looking at the possibility of identifying the recommendations on

identifying firms to help you conduct the feasibility study, on particular partnerships, things like that.

MR. ACEBO: Thank you for that, Assemblywoman.

I will say that I am emboldened by the benchmarks, because so much of them were things that we had set forth as our objectives before even the Monitor was appointed. We've worked collaboratively with the Monitor to accelerate that.

When it comes to whether it's property -- monetization, those are things that we launched last spring, bringing in an outside expert to evaluate our holdings and the market value of those propositions to develop a debt defeasance strategy. So, we are completely in alignment with that.

When it comes to the overall trajectory in meeting those benchmarks, Senator, I can tell you that -- and Assemblywoman -- I can tell you that our June 24 meeting, I intend to make a robust presentation to our board that shows that not only are we ready, able, and willing to meet those benchmarks, we far exceeded them in many instances.

ASSEMBLYWOMAN CARTER: OK.

Chairman, feel free. I'm done.

Well, members?

SENATOR CRYAN: I'm sorry, Senator Singer.

SENATOR SINGER: Thank you, Mr. Chairman.

ASSEMBLYWOMAN CARTER: And, then we'll give him a chance--

SENATOR SINGER: Thank you for being here.

Having served on the board for 10 years of a Catholic university, I understand the trials and tribulations of private institutions in this state.

What dollar amount -- you, I know we couldn't get it from -- what dollar amount do you think you need an infusion from the State to get you on the right road? Is it \$30 million, \$50 -- what -- do you have any idea of a number? Is that just for the Monitor?

MR. ACEBO: I think the Monitor and I may have a difference of opinion on how much money, but we both agree that we need money.

It's hard for me to pinpoint an exact dollar amount, Senator, because the goal here -- for me and for my administration and the university and campus community -- it's not to die a slow death; it's to do something dramatic and innovative and bold for higher education and for our community.

And, that requires an infusion, perhaps in the form of debt defeasance. There's a lot of talk about how the debt accumulation, and you will find a partner in me that that's something that I think the Legislature should be more engaged in, and help codify to put boundaries so that institutions don't over-leverage themselves; to not try to be all things to everyone, but to be everything -- as you so eloquently said, Senator Cryan -- everything to someone. So, there's a combination of that.

Certainly, we need support. I alluded to the budget resolutions that are before the General Assembly and the State Senate--

SENATOR SINGER: How much is that for, by the way?

MR. ACEBO: It's \$15 million for capital. Governor Murphy's proposed budget seeks \$7 million in continued stabilization funding. Both of those resources will make a significant dent.

We talked about the \$50 million in deferred maintenance, a loan of critical deferred maintenance will-- Between this year and next year, the

university will be able to address nearly two-thirds of that aggressively, by pursuing a methodical approach of just even off-budget allowances and allocations. Whether it's (indiscernible) programs, or decarbonization programs, that infuse our campus with the revenue and resources to address decades-long deferred maintenance.

So, it's in combinations. But, Senator, I'm not trying to avoid--

SENATOR SINGER: I understand. You really don't-- The answer is, you need substantial money to get you on the right course, long term.

MR. ACEBO: I need -- we need -- the State of New Jersey to be a continued partner.

SENATOR SINGER: Partner, but big-time partner.

And, help me understand, too, of the board members on the Board of Trustees, how many of them have been there more than two years?

MR. ACEBO: The -- all of them. All of them but one.

SENATOR SINGER: All but one who were there through all these crises and all the missteps are still there.

MR. ACEBO: There's been, Senator, since last summer, names submitted.

SENATOR SINGER: I understand, but, I'm just saying, the present time.

ASSEMBLYWOMAN CARTER: If you can hit your button; hit your button.

SENATOR SINGER: I'm sorry.

At the present time, all but one have been there through all this crisis that got us to this point.

MR. ACEBO: And, three of them -- out of the seven voting members appointed -- nominated by the Governor, and confirmed by the State Judiciary Committee -- three of them were appointed by this administration and were particularly instrumental in helping guide the university through this challenging time.

SENATOR SINGER: But, four weren't.

MR. ACEBO: Four of our holdovers.

SENATOR SINGER: OK.

So, in other words, I think we have to take a look at the four holdovers, because for revamping something -- and, we're looking to be partners -- there has to be someone who has to be held accountable.

I just, I know the past president is no longer there and left I think with a quarter of a million dollars, but I have no problem in being someone who is pro non-public institutions in this state, because if you take a look at the non-public institutions, they take the ball just as you said, because the institution I was on the board of for 10 years, 70 percent of our students were aid students, and many of them were working students, and were able to come back.

So, I appreciate and support what you're trying to do, it's very, very important to the state and to our residents. But, I'm also a person who believes at some point there has to be some accountability. And, we can't just say, well, there are people sitting there all through this that didn't run to the guns and say, wait a second, there's a problem, stop this; kind of flowed with everything. And, I just am bothered when there's no true accountability for people. I'm not saying the person who just came on last year. But, other people have been through this whole thing and are still there. We need

change. So, that's just a thought, and something I will certainly share with the Governor on this.

Thank you.

SENATOR CRYAN: Thank you, Senator.

Assemblyman. We're going over here.

Senator Zwicker.

ASSEMBLYMAN SCHARFENBERGER: Thank you.

Dr. Bridges, before, mentioned about being lean and mean at NJCU. Has that happened since you took over? And, if so, what steps did you take to take a look at administration and staffing and make sure it's appropriate but not -- there's no superfluous or extraneous positions there that you can maybe do without?

And, the reason I keep harping on that is because you don't want to perpetuate what got you into the situation you're in now going forward -- especially if the State is going to put in money to bridge the recovery.

MR. ACEBO: Thank you, Assemblyman.

I would begin that, yes, that was under our administration. Bringing to fruition some of the re-organization of our managerial ranks, that is actually, Assemblyman, where we began before a single layoff notice was issued to any tenured faculty member or rank-and-file staff member; we began with executive management.

I think you'll hear from the Monitor that, as the Secretary alluded, we run a lean operation. There is a purpose and a nuance in context to that conversation, that it should not be lost on this body, which is the first step is to baseline in-operation, to stabilize an enterprise. Yes, it is true that there were more senior executives at the university prior to this

administration than there are today, but there are -- but there is more focus on the intended mission of the institution and with a focus -- a deliberate focus -- on onboarding and recruiting senior members and executives who are going to drive student success. That is a work for that I hope you'll hear from the Monitor in a short while that we've engaged in, over the last couple of weeks and months, to really round that out.

We've also reorganized a lot of our divisions. We had a traditional student affairs division that wasn't as responsive to our commuter population, first-generation focus, so we revamped that into a student development and community engagement division where I'm interviewing finalists for our (indiscernible) Chief Persistence Officer role. We've brought on a new Executive Director to the University Foundation. We've fleshed out our Academic Affairs Division; we now have an Assistant Provost for Student Success and Retention; faculty development and program review. All those things are critically important, so it's not just about the bodies occupying offices, it's about the work that they're doing.

ASSEMBLYMAN SCHARFENBERGER: OK, but, where you can, combining--

MR. ACEBO: We've done -- we've done that, and I will never say that we've exhausted it, because there's always -- if you're going to embrace a culture of continuous improvement -- there's always things that you troubleshoot and learned from experience and time. But, that has been something in earnest we've pursued to minimize institutional bureaucracy and administrative bloat where and wherever possible.

ASSEMBLYMAN SCHARFENBERGER: And, have you reviewed basic things like course offerings and things like that, to assess which are not viable?

MR. ACEBO: Yes, that is something that is ongoing. There has been a host of reforms that we've pushed through to our university senate. Again, for those of you who are not as familiar with university politics, it might make your skin crawl. It even makes those who have weathered Trenton politics more bashful. But, we've made significant strides on these institutional reforms. There is, again, a culture of continuous improvement. We've overhauled our general education curriculum; we've adopted policies that are more responsive and attentive to our student population. We have a policy that no courses will be canceled once they have been listed and a student relies on it and builds their life around that course offering. That is unique for our institution, and being responsive to their needs.

But, it requires, Senator, not just planting your flag. It requires repeated and habitual review, and that's something that we've enshrined in our approach.

ASSEMBLYMAN SCHARFENBERGER: OK, thank you.

And, you already answered about the Board of Trustees question, so I thank you very much.

Thank you, Mr. Chairman.

SENATOR CRYAN: Thank you; thank you.

Assemblyman Wimberly.

ASSEMBLYMAN WIMBERLY: Thank you, Mr. Chair, Madam Chair.

Mr. President, good morning, how you doing?

MR. ACEBO: Doing well, thank you.

ASSEMBLYMAN WIMBERLY: You covered so many things, and hopefully I didn't miss anything. The one thing is the marketing strategies, because of your logistics to New York City, and Jersey City being a pretty nice to live. In particular, I see a lot of young folks have gone there to live.

How is your recruitment in the New York City area and in Staten Island? I heard you mention that, as far as student population.

MR. ACEBO: So, something that-- When you're financially stressed, Assemblyman, you have finite resources. And, so, that marketing is not as robust as I would like it to be, or as the dollars will be able to be stretched to accomplish.

But, the first thing -- and, the first step before we market it -- is to develop it. And, so, the work -- whether it's the reciprocity in in-state tuition; whether it's total cost of attendance being mitigated -- facilitating those things has a high yield. I think we've gone on a blitz of sorts over the last year and a half to tell our story of who we distinctly serve and are proud of, and there are a lot of students--

ASSEMBLYMAN WIMBERLY: And, what -- I'm sorry, not to cut you off -- but, what percentage of your students are from New York City, or from New York?

MR. ACEBO: A very limited amount.

ASSEMBLYMAN WIMBERLY: Very limited amount?

MR. ACEBO: The overwhelming majority, Assemblyman, of our students are actually from Hudson County.

ASSEMBLYMAN WIMBERLY: From Hudson -- Hudson County?

MR. ACEBO: Over 60%.

ASSEMBLYMAN WIMBERLY: And, would you say that the tuition at Jersey City State would be probably cheaper than any New York City school that is--

MR. ACEBO: Regrettably, certainly with public -- with privates, that is for sure, particularly when New Jersey City University is amongst the most affordable of all our public institutions in New Jersey by a significant mark.

But, regrettably, Assemblyman, our friends to the east of the Hudson invest a considerable -- a lot more -- in higher education.

ASSEMBLYMAN WIMBERLY: So, education -- and, obviously there's something that you probably heard me talk about -- recruiting minority males, in particular, for education, and minority Black and brown teachers -- what percentage of your student population are education majors?

MR. ACEBO: A significant percentage, about 25%.

ASSEMBLYMAN WIMBERLY: And, it's -- and, I know you've been known for certifications, and particularly for special education; I went through the process there.

What percentage number though is that in education?

MR. ACEBO: I'm sorry?

ASSEMBLYMAN WIMBERLY: What percentage of your student population are education majors?

MR. ACEBO: Almost 20%.

ASSEMBLYMAN WIMBERLY: Twenty percent?

MR. ACEBO: Yes.

ASSEMBLYMAN WIMBERLY: OK.

And, out of that 20%, would you say a large majority are commuters?

MR. ACEBO: Overwhelmingly Black and brown. New Jersey City University educates more Black and brown nurses and teachers than any other public university in New Jersey.

ASSEMBLYMAN WIMBERLY: And, do you foresee a marketing plan to recruit more minority teachers or education majors (indiscernible)?

MR. ACEBO: Absolutely, we've actually partnered with a lot of our -- there's Jersey City or Bayonne developing programs for a grow-your-own initiative. Whether it's pathways for paraprofessionals or others, we've launched, a month into our administration, a "men of color" initiative that I alluded to--

ASSEMBLYMAN WIMBERLY: Are there any programs that you're working with the DOE on, currently?

MR. ACEBO: There are programs. There's a -- we've received a minority teacher preparation programming grant, that's something we've very successfully fleshed out with Union City Public Schools and if I look to expanding that with other public schools in the area.

ASSEMBLYMAN WIMBERLY: OK.

And, my last question is, what percentage -- I know you're a majority commuter school -- what percentage of your students live on campus?

MR. ACEBO: A fraction, Assemblyman. Probably less than 300 students.

ASSEMBLYMAN WIMBERLY: Only 300 students?

MR. ACEBO: Yes, and to just go on the record -- because it's also not above my pay grade to know the exact numbers -- we have just short of 6,000 total students on our campus.

ASSEMBLYMAN WIMBERLY: And, only 300 live on campus?

MR. ACEBO: Correct, and they're primarily either student athletes and, quite frankly, students who have housing insecurity.

ASSEMBLYMAN WIMBERLY: Is that due to lack of facilities, is that due to just not the plan of the institution?

MR. ACEBO: So, the University has three dorm units, one of which is fully offline for a host of deferred maintenance needs. And, the one -- the newer space, west campus housing, that was developed about six or seven years ago, is fully accommodated, but, again, the reach here has not been for non-commuter students.

ASSEMBLYMAN WIMBERLY: I know it was a small amount, but, the 300 is very small. I just think that on-campus housing would probably help with the graduation rate within the four- to five-year period.

MR. ACEBO: Agreed.

ASSEMBLYMAN WIMBERLY: And, as you said, you have your athletes--

MR. ACEBO: They do.

ASSEMBLYMAN WIMBERLY: -- and hopefully that's a high graduation rate for your student athletes.

But, I just would close by saying that the market -- and, I think you're in a great area outside of this Hudson, that people would want to come there.

MR. ACEBO: That's right.

ASSEMBLYMAN WIMBERLY: And, particularly young folks who may not want to go to a SUNY school in New York. Because I know we get a lot of up-county folks and Bergen and stuff go to SUNY schools still, that, you know, once you put a marketing strategy in place, I think that would make a major difference.

MR. ACEBO: I completely agree, Assemblyman, and I think that that's why the approach, even with our Hudson Connect Program and some that will come up online with other community college students.

Housing is a big piece, and I think you touched on it, but again, I would be remiss to not amplify it, which is for a lot of our students, the focus with (indiscernible) attention is that life disproportionately happens to our students. And, again, housing insecurity is a very real thing. It's why I made it a point to talk in my opening remarks about curious minds trying to work and operate with a starved belly. Those are real things on our campus.

And, so, that is a holistic approach that our Division of Student Development and Community Engagement will be driving.

ASSEMBLYMAN WIMBERLY: Thank you.

MR. ACEBO: Thank you.

SENATOR CRYAN: Thank you.

Assemblyman Atkins.

ASSEMBLYMAN ATKINS: Thank you, Senator.

Honestly, the Assemblyman just took all my fire.

(laughter)

ASSEMBLYMAN ATKINS: I will say, NJCU is-- You used the word in your report that NJCU is a testament. And, I'd like to confirm that, because I have two children who graduated from NJCU. And, I will say that my daughter-- My daughter texted me and said, "I'm not too sure what I would do if it wasn't for NJCU, because it was less expensive than all the others."

What I will say -- and, thanks to my colleague who stole a lot of my thunder -- is I would love to know what the metrics are around your plan of collaboration outside of Union County -- outside of *Hudson* County. I know Hudson County is great, but God lives in Union County.

(laughter)

ASSEMBLYMAN ATKINS: And, I would love to know what the collaboration plan is for other counties other than just Hudson County. Because, if you only have 6,000, I can only imagine what you could have if you had the same collaboration in other counties as well.

MR. ACEBO: Thank you, Assemblyman.

So, the approach has been about diversifying your pathways from matriculation and enrollment. So, there is a robust engagement with, particularly, the county colleges in the area to streamline transfer pathways.

When I say that we are overwhelmingly Hudson County, that's just because that's-- That's just a fact of where the majority of our students come. And, so, the primary focus has been about taking care of home first. And, but that does not mean that we've ceded any interest in meeting our students wherever our mission can move them.

So, there is a thoughtful approach. Our admissions office scours the entire State of New Jersey, including Union County. We don't skip it on the way down south. So, that focus has been intentional. But, we've been more focused, admittedly, Assemblyman, on the acceptance yield and the retention focus.

Too much is said about enrollment numbers. And, a lot of that sometimes gets bloated when you talk -- especially when you're talking about head count, some of the things that we didn't get into here. But, even bringing our fiscal house in order, a lot of that is because while there might have been a more -- a larger published head-count number -- the institution was bleeding money, aggressively discounting students who didn't serve -- who actually didn't depend on our institution for their academic success. We took a \$16 million discounting program, and in a single year reduced it to \$9.2 million without seeing double-digit enrollment drops.

So, that focus in making sure that dollars go more to the students than our most vulnerable in our communities -- because, again, this goes back to being an institution that has a distinctive mission, something to offer the higher-education ecosystem. My colleagues across the state, who are leading institutions, are all doing remarkable things on their campus. And, I -- because imitation is the greatest form of flattery -- I've copied a lot of their great ideas on our campus. And, I hope that when all is said and done of the work that we've done at NJCU, that they'll find themselves emulating what we've resolved to do as well.

SENATOR CRYAN: OK.

Assemblywoman Simmons.

ASSEMBLYWOMAN SIMMONS: Thank you, Chairman.

Thank you, Chairwoman.

Thank you, Dr. Acebo for being here today.

I think it deserves to be said that your remarks were really centered on your values as an individual and as a first-generation student, and your passion for the students that you serve truly came through in your remarks.

And, to that end, I want to thank you for bringing students and graduates here with you today. I think you mentioned that they are the stars of this issue, and I think sometimes it's easy to lose sight of that, particularly under the gold dome. So, it's important for us to remember that.

So, thank you very much to you and for the students who are with you.

You mentioned the discount program that went from \$16 million to \$9.2 million. When you are reducing those types of tuition assistance and discount programs, what are you doing to update the program so that the students' path isn't compromised by that? And, how do you balance the students' needs with the financial crisis of the institution?

MR. ACEBO: So, if it doesn't serve the students, it's not sacrosanct, right? And, that's-- That's where the values approach is anchored.

So, yes, a \$16 million discounting program, much of which has been covered in the press -- I think sometimes inaccurately so, with that number and that financial impact was to the institution. There was never a \$16, \$14 million scholarship fund. Those are discounting waivers that are last dollar programs. So, when the overwhelming majority of your students receive Pell and TAG and you have a debt-free promise, you're forgiving the difference -- or aggressively discounting. We're also a Division III institution,

so, it's not like we're awarding athletic scholarships. The vast majority of our students have received assistance because of financial hardships. I alluded to it in my remarks, and I spoke about it in response to some other questions. Life disproportionately happens to our students.

So, most of the funding is going to make sure that our students aren't unhoused between semesters; that we remain and keep our dorms open year-round. That, if there's food insecurity that plagues our students -- not just during the holidays when everyone is on break or recess -- that that is being funneled to them. And, when a student loses their only parent and the academic rigor is not what keeps them from persisting -- it's trauma and tragedy -- an institution, a public anchor institution, has the responsibility, because it holds public trust, to do well and to do good by the people who trust us to aide them in their life's journeys and academic pursuits.

And, so, the approach has been about taking the finite resources but doing more with it. And, I can tell you, unequivocally, that we've done more with less than prior administrations who couldn't have even contemplated the biggest crises sometimes have a way of revealing opportunities. And, hardships don't create character, Assemblywoman, they reveal it.

ASSEMBLYWOMAN SIMMONS: Thank you for that.

You led well into my follow-up question. A lot has been said about completion rates at NJCU. But, I think what's lost in that is what you just said -- that life happens to your students in a disproportionate percentage than it may to students in other circumstances.

So, do you have a feel for how many of your students aren't able to complete their degrees because of food insecurity, or housing insecurity, or some kind of trauma or tragedy that may occur during their academic career?

MR. ACEBO: So, this is primarily anecdotal, but these are things that we charged our administration with actually doing -- crunching the data so that we can build budgets and initiatives that meet those needs.

But, I can tell you, given where we're anchored on the west side of Jersey City, everyone talks about the renaissance that is Jersey City, but it's still very much, notwithstanding that renaissance, a tale of two cities. The vast majority of our community -- in particular that North Hudson Corridor -- when you're the first to pursue something, there's a hidden curriculum that you have to traverse on your way to that degree. And, so, yes, I appreciate you centering and demystifying and perhaps contextualizing better what I think sometimes is too much stock is put into stale and tired metrics of student success that don't apply to our institution.

I will say that a student who stops out of college because they raise a family and comes back is a success. I would say that a student--

SENATOR CYRAN: I'd like to move along a little bit, OK?

MR. ACEBO: And, just -- to wrap it up, I think that those are the metrics that we chase. And, when you look at that (indiscernible) number, we do incredibly well, particularly with our transfer students. And, more than 70% finish within a two-year timeframe after transferring to NJCU, so I think it's about reorienting our mission to meeting that population where it is.

ASSEMBLYWOMAN SIMMONS: Thank you very much.

Thank you, Chairman.

SENATOR CRYAN: Thank you, Assemblywoman.
Assemblyman.

ASSEMBLYMAN MILLER: Yes; I am going to be brief, because I want to be cognizant of everyone's time.

So, Mr. President, I really appreciate you coming out to speak to us today. And, as someone who served on a board of a higher education institution who now works in higher ed., I understand that these challenges right now are difficult, and you aren't responsible for them, so you're trying to mitigate the risk and you're trying to ensure that your university survives.

The question I have regarding that is, we talk in higher education about the "enrollment cliff" that we're all going to be experiencing. You talked about some of the retention strategies, but the concern that I have is that where most institutions right now are not at pre-pandemic levels of student enrollment -- FTE -- and full-time enrollment is what, essentially, allows your institution -- and our institutions -- to operate.

So, going forward, there's the possibility that we're going to continue to see enrollment declines. So, my question for you is, in regards to that, what mitigation plans or contingency plans do you have in place that are going to be able to ensure that? Because it's my understanding that most colleges have some reserves where they're able to offset those dips in student enrollment over the years. You really don't have the flexibility or the opportunity to do that.

So, if that happens, what are the plans that you presently have in place to mitigate those issues and those risks?

MR. ACEBO: Thank you, Assemblyman.

I think I have to demystify this enrollment cliff first. And, while it is a significant threat to higher education -- particularly in the northeast -- I think it's sometimes overstated, particularly for regional, public comprehensives like at NJCU, that is primarily commuter and regionally-focused and anchored in a community.

When you talk about an enrollment cliff, what we're really talking about is white male and female 18-year-olds not matriculating at the same levels because of the financial recession of 2007-2008; there were less babies being made, and we feel that years later.

The real stress for our institution, and the mitigation that we're seeking to deploy, is to finding ourselves an anchor and affiliating and partnering with other institutions so that we're not needlessly competing. Because the real stress for our institutions is that in that vacuum, there will be other institutions that are perhaps not as intentional about pursuing our students *will* pursue them, out of a means and a means to just exist and operate.

So, the mitigation strategy is to be an institution of first choice for underserved, underrepresented students who rely on institutions like NJCU to be their on-ramp to economic mobility. That's the strategy, Assemblyman.

ASSEMBLYMAN MILLER: Thank you.

ASSEMBLYWOMAN CARTER: Thank you.

SENATOR CRYAN: Thank you.

I have a few questions myself.

And, thank you again very much for taking the time to come and, clearly, your passion for your work shines through.

The first, as you mentioned the transfer portal briefly. I'm interested-- Do you decline credits, and how many credits have you declined in your transfer portal?

MR. ACEBO: I'm proud to say that we seldom deny credits. And, that's primarily because of our overhauling of the general education curriculum. It's (indiscernible) where any credits earned at a community college or other peer institution is evaluated and due consideration is given to them. And, the thumb on the scales is always put to acknowledging them and giving service credits to it.

SENATOR CRYAN: So, we shouldn't be concerned, back here with the microphones, on an open transfer portal?

MR. ACEBO: No.

SENATOR CRYAN: OK.

Let me ask you about-- I really want to go into the finances briefly, but I do want to understand this marketing strategy.

I took a look; there's about 4,500 graduate students in Hudson County this year graduating high school. And, there's about 1,500 who graduated Hudson County Community College. Studies show that anywhere between 18 and 30% of Black and Latino students who graduate want to move on to higher education. You take 30% of -- for argument's sake -- the 4,500, that leaves you 1,500. And, that leaves you a pool -- in theory -- in Hudson Community College of another 1,500 max. That's 3,000 students of a pool to work from.

When NJCU had an enrollment 20 years ago of 9,361 -- you said 6,000 today -- which I believe includes graduates--

MR. ACEBO: That's correct.

SENATOR CRYAN: Right. But, from an undergraduate, it's still under 5,000.

MR. ACEBO: That's right.

SENATOR CRYAN: Is it sustainable? Is that a sustainable model? I noticed-- Because in the report, the Monitor calls for 5% growth each and every year. Is that a remotely sustainable model?

MR. ACEBO: I think, Senator, respectfully, I think you're overlooking the biggest feeder that's been neglected by our institution and most of higher education, and that's the State's second-largest high school system, Jersey City Public Schools, and Bayonne Public Schools.

I think a public anchor institution, and NJCU specifically, has significant gains to be made by being a deliberate partner--

SENATOR CRYAN: I didn't overlook them, they're the 4,500 -- Bayonne High School is graduating 542 students this year. Harrison, 168. I can read them all if you like. North Bergen, 555. They tally between 4,400 and 4,500.

So -- again, taking the approach that all Black and Latino -- which is a false premise to begin with -- 30% gives you, at max, 1,500. Max. And, that's absolutely not correct, because obviously there's a portion of those students who are different ethnicities.

So, again, you look at that and you accept the Hudson Community College, it looks like your max pool facing your marketing strategy is about -- *max* pool -- is about 3,000. And, that's a generous number.

MR. ACEBO: Well, Senator, I don't accept the soft bigotry of low expectations--

SENATOR CRYAN: It's not a bigotry, it's the way that you--
Wait a minute, that's a fact. And, as the numbers I just presented to you --
if you want me to read off each high school -- don't give me bigotry. Don't
do that, sir.

MR. ACEBO: No, I'm not, Senator that's--

SENATOR CRYAN: Don't -- don't use that word here.

MR. ACEBO: No, I'm saying that that sometimes plagues our
communities where students limit themselves. And, so, when you're talking
about the profile--

SENATOR CRYAN: Well, this is your marketing plan.

MR. ACEBO: I'm sorry?

SENATOR CRYAN: This is *your* marketing plan.

MR. ACEBO: Correct, Senator. But, the aim is to move that,
that is a benchmark and a profile of where things stand. What I'm advocating
for, and what the approach here deliberately is, is to work with our public
school partners to increase the profile of students from Black and brown
communities that even consider and are ready to go to college.

And, so, that is a snapshot in time to assess the circumstances.
The goal is to move the needle of working with those school districts to on-
ramp those students to a college degree.

SENATOR CRYAN: So, on-ramp. Let's talk about that.

Your four-year graduation rate is still around 20%, right, one in
five?

MR. ACEBO: The four-year graduation rate--

SENATOR CRYAN: But, it's better than it was. Is that a fair
way to put it?

MR. ACEBO: The four-year graduation rate? Yes.

SENATOR CRYAN: OK. As a matter of fact, it used to be less than 15, right? It's escalated--

MR. ACEBO: It's my understanding that it was single digits 10 years ago.

SENATOR CRYAN: That's correct. And, it's less than four in 10 today on a six-year graduation rate, correct?

MR. ACEBO: That's correct. For first-time, full-time freshman.

SENATOR CRYAN: Let me shift you over to the Monitor's report, because this is a financial discussion, all right. And, the first thing I want to understand is -- actually, the first one is from this.

You said you have two-thirds of the \$50 million to do the capital improvements. Which capital improvements have you prioritized?

MR. ACEBO: The deferred-- The focus has been on the deferred maintenance, primarily, for instance, seeking to address our HVAC systems and boiler program; our university's parking garages, one that has been distressing and being sought.

And, so, we actually just this week, Senator, will be having the first inaugural Real Estate and Capital Committee meeting of the board to present a prioritization of those investments. The goal has been to seek out focuses on what -- thank you for the opportunity to be even clearer about my statement -- is that with a combination of the budget request for capital that has been made to the Legislature and this budget, and what we've already done including securing a \$5 million decarbonization grant and other grant opportunities, the goal will be to have addressed a significant -- it made a significant dent in that over the course of two years.

SENATOR CRYAN: Two-thirds. Two-thirds of the \$50.

MR. ACEBO: That's the goal.

SENATOR CRYAN: Where are we now?

MR. ACEBO: We've addressed-- By year's end, we will have done close to \$13 million in open POs.

SENATOR CRYAN: So, next year you'll be able to do--

MR. ACEBO: We're seeking to be--

SENATOR CRYAN: Two-thirds--

MR. ACEBO: We've asked for \$15 million.

SENATOR CRYAN: What's two-thirds of \$50? Jesus. Is it \$33?

So, you've got another \$20 million coming next year?

MR. ACEBO: We've asked for \$15 million from the Legislature and we secured a \$5 million decarbonization grant. So, that \$20.

SENATOR CRYAN: OK, so that's how-- That's how you get to \$33. OK.

MR. ACEBO: Yes.

SEN. CRYAN: All right, some other questions I just want to understand.

In 2022, the University took appropriate steps, looked at a Real Estate Commission in terms of being able to monetize, potentially, Fort Monmouth, the West Side campus properties. They explored this real estate consulting firm.

Do we have preliminary analysis? Where are we in terms of the Forth Monmouth situation, the West Side campus, and the potential monetization?

MR. ACEBO: So, we've made significant progress in identifying partners. But, if I -- just, Senator, I would be -- I'm reluctant to discuss that in an open forum, because there are active negotiations taking place.

I can tell you, though, with respect to some of the ground leases on the west side of Jersey City that the university possesses, that's been the most robust focus in the last couple of months, and at least with one partner we've developed a purchase/sale agreement that has to be finalized.

SENATOR CRYAN: Partner where? Which one?

MR. ACEBO: To monetize the ground -- one of the ground leases.

SENATOR CRYAN: So, it's a significant ground lease, or a small--

MR. ACEBO: It is-- It's an eight figure.

SENATOR CRYAN: And -- thank you.

The thing that struck me in visiting the campus is the absolute absence of campus life. There's nobody there. Quite frankly, there's more people in this room right now than there were walking NJCU at our visit, which was astonishing to me.

Are any of the reforms, projects, plans, projections that you have -- because I noticed you mentioned the parking garage and the others. Do they enhance campus life in any way?

MR. ACEBO: Well, Senator, I will submit that addressing temporary chillers and makeshift boilers when you have classrooms that are too cold in the winter and too hot in the summer, that that does enhance a campus; that those are teaching experiences and teaching environments and learning environments.

SENATOR CRYAN: The reason I ask is to follow up with Assemblyman Wimberly when he talked about folks in dorms, and his comments there about student life.

So, at the moment, what you're dealing with is parking garages and chillers; that's your current problem.

MR. ACEBO: Those are the critical health and safety considerations, yes.

SENATOR CRYAN: OK.

Let me just-- Let me try to finish up here, and then we'll move on to the Monitor.

The Monitor's recommendation, the benchmarks that you mentioned-- In fact, they were on track with each and every benchmark, is that correct?

MR. ACEBO: That's correct.

SENATOR CRYAN: And, last thing from me is -- because I do believe this is a financial discussion -- is the debt. I used \$287 million with the \$50 million -- at the time of the report -- \$50 million issuing capital with a longer-term capital need and an operating revenue that the Monitor indicates is \$92 million from tuition, about \$88 in (indiscernible) turns over in salaries.

Are those numbers correct in your eyes at the time of the report?

MR. ACEBO: I think it's lower than that. I think tuition and fees equals about -- just comparing payrolls, it's a zero-sum game for that \$78 million.

SENATOR CRYAN: OK, so you actually end up this year with -- and, correct me if I'm wrong -- but you indicated a higher student body

performance this year. So, if you had \$92 million last year, it's actually going to be a higher tuition fees figure, is that correct?

MR. ACEBO: I don't know where the \$92 million from last year figure is coming from.

SENATOR CRYAN: It's in the Monitor's report.

MR. ACEBO: It's-- I'll let the Monitor speak to that, then.

The numbers, I think, probably reflect what is booked and not what is discounted, so this goes back to the conversation about net tuition revenue versus total gross revenue.

SENATOR CRYAN: So, how much money do you take in?

MR. ACEBO: Seventy-seven million.

SENATOR CRYAN: And, then, how much money do you spend in salaries?

MR. ACEBO: About equal.

SENATOR CRYAN: OK, so, what you take in and what you spend, just on salaries, is equal. That doesn't include the electric bill, capital -- that doesn't include anything else. Is that correct?

MR. ACEBO: That's correct, that's where State appropriations for a public institution comes in.

SENATOR CRYAN: All right, so, we're not-- You're not asking for a State appropriate for a long-term plan. You're asking for survivability, because you don't make enough money in any year -- not you, and I apologize for that.

The Secretary's comments about what you inherited stand strong, OK, stand strong here. And, your efforts are to be commended and, quite frankly, your passion is amazing.

But, that said, dealing with what we're dealing with here, revenues and salaries are essentially equal. What happens to all the rest of the overhead and the expenses? Is it the State's obligation at this point to carry the work?

MR. ACEBO: I think that-- I will refrain from saying it's a State obligation. Maybe it's semantics, but I think it's a shared responsibility, which is why we're so engaged in having conversations about partnerships and affiliations and whatever nuance that looks like so that it's worthy of the investment.

SENATOR CRYAN: So, in your marketing plan and student potential growth enrollment, when -- what year -- does tuition and fees cover the operating cost, the total operating cost of NJCU?

MR. ACEBO: There's a lot of variables, Senator, that I'd be speculating exclusively about. And, you'd be hard pressed to find another college president to tell you that without significant re-investment from the State of New Jersey so that we don't rank amongst the lowest in the nation in higher education base operating infusion. They could significantly move the needle on that dependence.

The State of New Jersey and this body and this administration have done extraordinary work on college affordability, expanding TAG--

SENATOR CRYAN: Right, we all know what we've done.

I just--

MR. ACEBO: But, the base appropriations is something that has *not* been addressed, and we heard the Secretary of Higher Education speak to it, that it's remained somewhat static since the '90s.

SENATOR CRYAN: And, let's be candid. Nobody asked NJCU to add 60, 70 programs, or have anything more than Rowan--

MR. ACEBO: That's right.

SENATOR CRYAN: --OK, like you brought up.

So, some of this spending we can all have a conversation about, who did it and why. That said, you've got the hot seat -- lucky you --

MR. ACEBO: Yes.

SENATOR CRYAN: --but, that said, the reality of this is, is that the performance of this university still raises is a great question.

You yourself said 10 years ago you were in single digits on graduation rates. You've done, in my opinion, focus on student supports -- which are incredibly important. But, the reality of it is, is for four and 10 -- we're sending a whole lot of kids over the past 20 years, thousands and thousands, out there with debt and no degree. And, we all need to understand that that's a piece of this equation as well.

I thank you very much for your comments, and I appreciate it.

Let me ask the Monitor to come forward.

MR. ACEBO: Thank you.

SENATOR CRYAN: How are you?

HENRY J. AMOROSO, Esq.: Very well, thank you.

SENATOR CRYAN: Good.

All right, Mr. Amoroso is our -- for what reasons, I have no idea -- but he decided to accept the position of being the Monitor.

We appreciate your report -- I'm teasing -- we're thankful for your efforts, so far.

I know you brought us testimony, but I do not have time. So, I hope it's OK by you that, if we move to questions, if that's acceptable by you, if you'd like to make a brief comment.

MR. AMOROSO: Absolutely.

SENATOR CRYAN: Would you like to make a brief comment?

MR. AMOROSO: Other than to say thank you, Chairman; thank you, Chairwoman, for having me here today.

Thank you members of the Committee. It's a privilege and an honor to serve in this role, and I am happy to move as quickly as you would like into questions and rely on the written testimony I submitted to your staff.

SENATOR CRYAN: Thank you, Monitor.

I am going to turn, then, to our Co-Chair, Assemblywoman Carter, to lead us off.

ASSEMBLYWOMAN CARTER: Thank you so much.

Thank you, also, for taking on this huge task and everything. The information that you provided.

One of the things that I just wanted to ask, and then I'm going to ask a long question and then take it over to my colleagues.

The fiscal monitoring law gives you broad oversight, overall, of all staffing at NJCU and the power to override any action taken by the President of the institution, or by a vote of the governing body.

In your time, so far, have you ever needed to utilize those powers?

MR. AMOROSO: No, and I don't anticipate I will.

ASSEMBLYWOMAN CARTER: OK.

How are we -- against the benchmarks that are being done -- are we on track in everything that you set forth, or are there some additional things that we need to understand with the benchmarks that have been set?

MR. AMOROSO: I would like to -- I would like to say that, from the time of being appointed Monitor -- let's be realistic, nobody really wants a monitor -- but the university's administration, its Board, Interim President Acebo, staff, students, faculty, have been incredibly welcoming. Ideally, the role is one that's been collaborative and collegial.

And, much of my recommendation was developed in consultation with the work that has already been done there. I am happy to report that we are far along on the benchmarks. We will have, submitted to the Board by its early July meeting for purposes of selection, a consultant that the Board will choose. We will-- We will begin developing the bylaw modifications that call for a more robust board participation.

I think, one of the problems that confronted the university over its past several years has been board participation. I noticed that-- I think it was Senator Singer who may have asked earlier how long some board members have been there. There are some who were there over 20 years.

The idea of turning over -- and, this is a reflection -- that the board needs to turn over. It needs to have subject-matter expertise; it needs to be able to meet the current challenges that are present. So, a board turning over is important to bring community stakeholders in; it's important to bring subject-matter expertise, is important. And, the university has not had the benefit of that, though it has had some very committed board members over the years, particularly its current chair.

ASSEMBLYWOMAN CARTER: Thank you.

I'll turn it over to my colleagues.

Assemblyman Atkins.

ASSEMBLYMAN ATKINS: Good afternoon, how are you?

MR. AMOROSO: Good, thank you very much.

ASSEMBLYMAN ATKINS: Awesome.

In your monitoring report, the recommendations that NJCU evaluated feasibility of entering into a partnership with another four-year college or university. What is the status of that proposed feasibility study regarding that partnership? And, what partnership models will be evaluated as part of this study?

MR. AMOROSO: Sure; thank you.

One of the reasons I had recommended the bringing on of an advisor to guide the board in looking at what types of partnerships is to look at the full range of partnerships. For good or for bad, you heard earlier a number of colleges in the northeast have closed and/or merged. There is probably, from my latest count among some of my colleagues, over 70 NDAs being negotiated right now for college merger and affiliation.

We shouldn't be linear in our thinking as to what a partnership may entail. A partnership may entail a relationship; it may be shared services; it may be the allocation of resources and programs of the students of Hudson County and the immediate region have greater opportunity than they presently have. It may ultimately lead into a merger. It may lead into an alternative delivery model.

But, we have an obligation to study each and every opportunity and option, including looking at whether or not the university could sustain itself independently -- and, which I think is a long bridge to build. But, we

will look at all of them in determining what is best, and we will have that report to the board by the end of the second -- by the end of the fourth quarter, very beginning of first.

ASSEMBLYMAN ATKINS: Great, thank you.

MR. AMOROSO: Thank you, sir.

ASSEMBLYWOMAN CARTER: Assemblyman Wimberly. (no response)

OK, Assemblyman Miller. (No response)

Assemblywoman Simmons.

ASSEMBLYWOMAN SIMMONS: Thank you, Chairwoman.

Mr. Amoroso, can you contrast the oversight role of the Board of Trustees prior to the emergency declaration versus now? How has their role changed?

MR. AMOROSO: Evolving. The board was presented last -- as you'll see referenced in my written testimony -- was presented with a fiscal (indiscernible) state of emergency, indicating it was a \$22 million structural deficit.

My findings did not ratify that. In fact, I believe last year the audit will show that we're somewhere -- we ended the year, somewhere around \$14 million cash positive. Notwithstanding, however, the-- There was a reliance on projections as to what might happen with enrollment without the cuts that Interim President Acebo put in place, which could have led to this \$22 million structural deficit.

In reality, I think a full operation might even be a greater deficit from that, if completely and properly funded. The prior board dealt with the issues of an expansion -- a mission (indiscernible), if you will. They dealt

with looking at international programs; they dealt with the pandemic. And, there are a number of issues that confronted them. The current board recognized the (indiscernible), has supported Interim Acebo (*sic*), whose work has been exemplary, in addressing some of those issues.

But, we need a full board to have working committees so it doesn't land on just a few people making decisions. And, I have recommended the re-alignment of some of those committees around academic affairs; capital and real estate; audit and finance; and executive, with the view that others than just board members might be able to participate in those committees.

So, I do feel that the board fully understands its current circumstances now. We have now one new board member. We have two, I believe, who are in the queue, who have had the appropriate sign-off, whatever that process might be, and there are I think two beyond that who are still waiting for that type of sign-off.

ASSEMBLYWOMAN SIMMONS: And -- thank you.

Have all of the board members received training in that fiscal accountability plan?

MR. AMOROSO: Consistent with the requirements of the Comptroller's report and the recommendations of the Comptroller, we did with the collaboration -- again, of Interim President Acebo and the Board Chair -- hold a full-day retreat in December where we worked on educating the Board as to the level of responsibility and participation that's needed. We are moving more steadily to in-person participation -- which I believe to be critical -- and, so, we have educated them on that; we will continue to

educate them on that. And, that's one specific assignment's delegated to the Monitor to ensure that the Board understands its governance obligations.

ASSEMBLYWOMAN SIMMONS: Thank you very much.

MR. AMOROSO: Thank you.

ASSEMBLYWOMAN SIMMONS: Thank you, Chair.

ASSEMBLYWOMAN CARTER: Thank you.

Senator Moriarty.

SENATOR MORIARTY: Thank you, Madam Chair.

Thank you, Mr. Amoroso, for appearing here today.

Mr. Amoroso, if you were a doctor and this institution is your patient, how would you describe the patient's condition today?

MR. AMOROSO: It's a fascinating question.

(laughter)

MR. AMOROSO: And, if you noticed my stall for a moment to give it some proper thought, rather than--

SENATOR MORIARTY: Find an adjective, Sir.

MR. AMOROSO: I think I would have-- If I were a doctor a year and a half ago, I would say that the circumstances are very, very serious, and they ought to be getting their house in order.

Given the past year, year and a half, the patient is still suffering but recovering. But, now it needs the type of intervention to make that recovery a full realization.

SENATOR MORIARTY: Can this patient survive?

MR. AMOROSO: Independently?

SENATOR MORIARTY: That's the question, yes.

MR. AMOROSO: Without significant financial intervention, I do not think so.

SENATOR MORIARTY: Can it survive as a standalone university?

MR. AMOROSO: Not without significant financial intervention.

SENATOR MORIARTY: That financial intervention-- Would that be a one-time shot, or are you talking about an annual stipend?

MR. AMOROSO: So, if I may -- if I might use the opportunity to address some of the issues I have in my testimony to answer your question.

SENATOR MORIARTY: Please do.

MR. AMOROSO: So, as Senator Cryan has indicated, the debt stack forms three categories: what I call direct debt; and then there's an indirect debt; and then there's an even more remote indirect debt.

The combination of that debt is bleeding the bottom line, diverting necessary dollars away from ensuring student success and student persistence.

SENATOR MORIARTY: Is there any way to restructure that?

MR. AMOROSO: The answer to that question is yes.

So, \$94 million of the debt is related to long-term leases. The University, at the time, was locked out of the debt market, through the traditional format, and what it did in entering into these long-term leases is capitalize many of the improvements, hence the need for a long-term lease.

Those long-term leases, though they provide some return, do not provide the return one would expect from that level of investment. The long-

term commitment on those leases are \$94 million. If those leases were to be exited, we would reduce our debt exposure by \$94 million.

While I would recommend moving forward with the monetization of the Fort Monmouth campus, I would not be so quick to recommend that until we go through our study with the Harborside campus. The Harborside campus is a stunning renovation -- probably the single nicest facilities that the University has -- and, in a discussion with a potential relationship, it may prove to be an asset. For us, right now, it is a burden dragging on our bottom line. But, we have some time.

If we can get out of that debt or get in a relationship, that Harborside lease producing a better return on investment, I think that would be positive.

The secondary investment that I reference is the \$50 million -- now, maybe \$47 million -- which was related to the West Campus dormitory. It would be a misnomer to say that *all* of that was spent on the dormitory -- although, in my opinion, too much was spent on the dormitory for too little results. But, there was some money also spent on infrastructure improvement on the West Campus.

We have pledged the revenue of our three dormitories to the servicing of that debt -- which is *not* the direct debt of the university; it's a debt of our foundation, an independent 501c3. Nonetheless, we bear the responsibility of paying that debt. The current revenue from our dormitories is inadequate to cover that debt service, along with maintenance. Again, because of the good work of Interim President Acebo and his staff, we are moving to potentially bring online one of our two closed dormitories, which

will allow students to begin to return to campus to address some of the deficit in campus life that's currently present.

SENATOR MORIARTY: So, getting back to my medical analogy, the patient at the moment -- is the patient in the emergency room, the intensive care unit, or a med surge floor?

MR. AMOROSO: We are likely on a med surge floor, where we have to fear a retreat to the intensive care unit, and we need medical intervention -- medicine in the form of money.

SENATOR MORIARTY: Don't we all.

(laughter)

MR. AMOROSO: Now, I'm not sure if you knew that I ran two large hospital systems, so--

SENATOR MORIARTY: I did not know that. You were perfect -- perfect for the analogy. Thank you very much.

MR. AMOROSO: Both merged or closed at this point.

SENATOR MORIARTY: Thank you. (indiscernible)

I won't even go there.

ASSEMBLYWOMAN CARTER: Thank you.

Assemblyman Scharfenberger.

ASSEMBLYMAN SCHARFENBERGER: Thank you; thank you, Madam Chair.

I'm not sure if I'm going to go down the road with the patient much more. I'm not that kind of doctor -- I'm a doctor who faints at the sight of blood, so, I'll let that go with that.

Just one procedural question. In the 18 months, I guess, since you've been overseeing this, or--

MR. AMOROSO: I was appointed August 23, this past August 23, so I'm not yet there a full year.

ASSEMBLYMAN SCHARFENBERGER: OK, but, initially, have you seen-- The efforts made by the new administration, have they been sufficient in your eyes? And, if not, what's lacking at this point?

MR. AMOROSO: I think efforts have been laudatory. I think the passion of Interim President Acebo is clear, and I think President Acebo has a terrific staff behind him.

In my professional opinion, the university is understaffed at its administrative level. For a person who does turnaround work -- that's an unusual statement for me to make -- so many cuts have taken place over the last four years, as is detailed in my monitoring report. So, I -- it's a very thin operation, presently, and though they rise to the occasion, it's nonetheless a stressed operation.

Additionally, an observation I make as a professor -- I have 35 years at Seton Hall University, I've chaired the department. Campus life is important, and the presence of a robust, fully participatory faculty is important. We have roughly 157 full-time faculty members, all of them qualified, good, committed, decent people. And, we have roughly 400-plus adjunct professors. Sixty-five percent of our classes are taught by adjuncts. Overwhelmingly, our classes have carried through with the pandemic limitation of being online. Interim President Acebo, working with the shared governance he referenced before, is working on bringing back students to campus.

But, if we were to properly build out a budget for the university -- which we will do over these next six months as we look at all the options

-- I would encourage that there be an increased hiring of full-time professors to contribute to that campus life; to be present. Because our students need more support in persisting through to graduation. And, that's costly.

So, the work has been done well. It continues to be done well, and innovative. But, it needs additional dollars in order to thrive as it should in the community in which it resides.

ASSEMBLYMAN SCHARFENBERGER: Got it. Thank you very much.

Thank you, Madam Chair.

ASSEMBLYWOMAN CARTER: Thank you.

I'll turn it back over to you, Chair.

SENATOR CRYAN: Thanks.

And, thank you, Monitor.

MR. AMOROSO: Thank you very much.

Thank you Mr. Chair, and Madam Chair.

SENATOR AMATO: If you were a baseball team--

(laughter)

SENATOR AMATO: Thank you, Senator Moriarty, I appreciate that analogy.

On a serious note, Senator Moriarty and I are -- we share our passion for the same team, which I'll -- I won't tell anybody that.

But, on a serious note, I just had an opportunity to go through the Monitor report, and, going back, and to dovetail on what Senator Singer had said -- I mean, obviously, this just didn't happen overnight. I mean, 2013, you had an operating surplus of \$108 million. And, as of 2022, it was

down to \$67 million. And, I know the college president had made some cuts and tried to get that whittled down.

But, in comparison to other colleges, do you -- I'm not sure, maybe I should have asked the other individuals who testified -- in comparison, how much is a college credit at the school?

MR. AMOROSO: What-- What the (indiscernible) will defer to the--

ASSEMBLYWOMAN CARTER: If you could put your button back on--

MR. AMOROSO: I will defer to Interim President Acebo on the listed cost of college credit.

The kind of work I do is work with him, and the CFO to determine what the *actualized* cost of a college credit is.

We are in a unique situation. Overwhelmingly, the percentage of student body at NJCU is entitled to full Pell and TAG. Yet, only north of 20% access themselves to full Pell and TAG. Another 29% take partial Pell and TAG. A full 51% are paying either through their hard-earned dollars of their family, themselves, or borrowed money.

Anecdotally, we believe it is, in large part, as Interim President Acebo addressed, a function of navigating the FASFA form. New Jersey has now moved to require high school graduates to be able to fill out a FAFSA form. They sometimes fear the information gathered, by whom it's gathered. And, additionally, many students have to work, even with the benefit of full-time assistance to go to school, and that disqualifies them for full-time -- for full Pell and TAG.

But, we have to be data driven, and not anecdotal, and move the subjective to the objective. So, during the process of the next several months, we will really look at that and determine what the actual amount realized per student is, and what the actual cost to the students are, and who is paying a differential, based in part on what their own financial circumstance might be. I don't have that completely parsed out yet, but that is part of our -- the next steps of our process.

SENATOR AMATO: Yes, if you could provide that through the Chairs, and get that information, that would be pretty helpful.

MR. AMOROSO: I absolutely will.

I can say it's among the most cost-effective -- if not the lowest -- in the state.

I also credit Interim President Acebo and his team with reconciling the difference for out-of-state tuition with in-state tuition at NJCU, which has had a dramatic effect -- and, I think it might have been Assemblyman Wimberly who brought it up, or you, perhaps, Atkins -- the number of people who came from Staten Island. They now have an option to cross the bridge and pay an equivalent tuition -- or a lesser tuition -- than they might have to pay across the state. There is opportunity for enrollment growth.

SENATOR AMATO: And, just, to American Rescue Funds -- do you know how much the college received and what that money was spent for?

MR. AMOROSO: Much of that was covered through the Comptroller's report. The amount of money that came in, I have been told that it has all been properly accounted for and adjusted. But, I do not have, at the ready, the exact amount that came in.

SENATOR AMATO: OK, if you can also--

MR. AMOROSO: That is what caused part of the problem as you know.

SENATOR AMATO: Yes, if you could provide that--

MR. AMOROSO: I absolutely will.

SENATOR AMATO: --through the Chairs, I would appreciate that, again.

And, just, lastly -- I apologize if you're not -- I came a little late.

What is the online component, or the virtual education? I mean, I know there's 300 students, you had mentioned, who are actually living on campus, out of roughly 4,500, almost 5,000 total students. And, the majority of that-- Is it online, is it virtual education?

MR. AMOROSO: Roughly-- It was roughly 5,000, plus or minus undergraduate students. Maybe 1,100, 1,200 and growing -- happily growing -- in the graduate field.

Almost all the graduate is online. And, that's a function just about everywhere. In the undergraduate, there are on-campus classes, but it is happening overwhelmingly online, continuing from the pandemic, in large part because of the reliance on the adjunct professors.

And, this concerns me. Because if we're going to invest the type of dollars needed in ensuring a proper learning space -- which is much greater than the \$50 million infrastructure needs -- we have to have campuses -- we have to have students back on campus. And, it's a beautiful bucolic little spot, and it's got a great opportunity to revive what was once an incredibly robust environment. And, I believe it's on track to do that again, in particular with its current leadership.

SENATOR AMATO: Thank you, Chairs.

SENATOR CRYAN: Thank you.

Thank you, members.

I have a couple follow ups for you. And, thank you.

I do want to just follow up on this discussion of adjuncts versus full-time. Sixty-five percent of adjuncts-- How many full-time professors are there?

MR. AMOROSO: There is roughly 157 full-time professors -- I might be off by one or two -- and there's some replacements in the queue. And, there is roughly 400 or so, maybe a little bit north of that, in the way of adjunct, resulting in about 65% of our classes -- maybe 60% of our classes -- end up being taught by adjunct professors.

And, of course I would subject that to any correction that the administration might have, but I'm pretty approximately close.

SENATOR CRYAN: I had a discussion when the President was here about operating revenue on tuition and fees, and salaries going out. Adjunct salaries, by my assumption, are significantly less than full-time. Is that correct?

MR. AMOROSO: Correct.

SENATOR CRYAN: So, is there a cost input to the fact that we're basically -- what comes in goes out today, with the idea of transitioning from adjuncts to full-time. Do you have any idea what that means in terms of fiscal impact?

MR. AMOROSO: That's exactly the issue that we're working on. I think it was on Page 9 of my report--

SENATOR CRYAN: It is--

MR. AMOROSO: --so, if you look at Page 9 of my report--

SENATOR CRYAN: It is--

MR. AMOROSO: --it will show in '20 -- Fiscal 2020 -- what the tuition fees were. They were listed at roughly \$99 million. In Fiscal '24, they were listed -- they were listed in Fiscal '24 -- they were listed at roughly \$82 million. And, it might actually net out less than that.

Our salary and wages in 2020 were \$92 million; in 2024, roughly \$75 or so million. The institution has had a history of its salary and wages being relatively equivalent to its tuition, and what historically happened is whatever was negotiated by way of a salary and wage increase pretty much dictated what the tuition increase was.

So, this is not entirely new; they have been reliant, in large part, for all operational costs based, essentially, on either development or State funds. And, the University has *some* grants but is not robust in that area at the present time, so in order to advance -- at least, in my opinion -- a more participatory full-time faculty, it would outpace the revenue numbers at this time.

SENATOR CRYAN: Gotcha.

I just want to go over a couple of financial things. I want to ask you then about the Chancellor model and what you think, all right?

So, I like numbers, too, which is what we've been harping on today--

SENATOR SINGER: Chairman, forgive me, I have another committee meeting to go to.

SENATOR CRYAN: Thank you.

So, the key metrics like debt to equity -- which is still alarming, I think it's safe to say -- on debt expenses, (indiscernible) income, enrollments -- a lot of stuff we've touched on today.

Are there things the Committee should be looking for moving forward that are particularly concerning that we haven't discussed today?

MR. AMOROSO: So, I'm not sure how unique NJCU is without having -- looking at every institution. Clearly, some institutions manage debt well. I think some of the institutions have taken on quite a bit of debt.

I think we have to acknowledge that in the last 16 years or so, we have had, historically -- and likely to remain historically -- low interest rates. So, a lot of people -- a lot of businesses, universities, municipalities -- looked to advantage themselves to the lower interest rate environment. What NJCU did was do an advanced refunding. So, it took advantage, appropriately, of moving from a higher interest rate environment to a lower interest rate environment, but pushed out its principle payments.

So, confronting us now in a fiscal -- a year from now, in the next fiscal year -- we will have a \$3 million pop in our debt service. That's the reason I called for, in my report, monetizing at least \$30 million in debt to neutralize that impact.

But, one of the things that I would suggest that the State do -- take a look at -- is how it will oversee advanced refundings. That would be one piece.

The secondary piece is-- The accumulation of debt is easy. In all the work I've ever done, whether it be municipalities, healthcare, and our university, it's a combination of two factors -- the (indiscernible) cash register. Revenue falls, expenses remain stubbornly high because of so much debt.

So, I do think the State does need some mechanism by which it is at least coordinating or having the type of oversights that are necessary to see the different types of debt that are placed. The State would not necessarily see the loading of very expensive capital leases because it wouldn't come before the State to see that. So, the step that the Legislature took in requiring an audit submission with a monitoring review over that -- different from the Monitor -- I think is a very important first step. But, we have to look at the packaging of debt on our institutions, particularly given the very high nature of debt we already have on institutions.

SENATOR CRYAN: I think it's safe to say you'll see legislation coming that will propose just that.

And, I thank you for the comments.

By the way, as the Monitor, you've had power to veto board minutes or anything of the such in the law. Have you had to do so?

MR. AMOROSO: I have not done so, and I do not anticipate doing so given the excellent collaboration that's taken place between the Office of the Secretary, the Board, and the Interim President.

SENATOR CRYAN: Let me ask the next question more broadly, and Assemblyman Atkins touched upon it, and a couple others as well.

So, whether we-- In your report, you talked about merger partnerships, some sort of delineation. By their criteria developed -- or, in your mind, need to be reached -- and, is there something this Committee should be doing? In line of that, in other words, what's the requirements of the merger? What's the requirements of the partner? Are they regional? A financial situation (indiscernible)? I asked the Secretary the same question.

And, then, in line with that, could you also follow up with the idea of the Chancellor model?

MR. AMOROSO: Certainly.

So, I think there is an overriding morally compelled criteria in any discussion relative to merger of public service entities -- whether they be healthcare, education -- that the mission to be protected.

This is a unique mission serving a large population of very diverse students and families -- not just undergraduates, as we might think of our own sons and daughters, but also adult learners. So, we have an obligation to ensure, in any discussion, that the mission is maintained, recognizing the nature of the student and the overwhelming number of Hispanic students who benefit from NJCU.

So, criteria Number 1 is preservation of mission. Criteria Number 2: Any discussion relative to any relationship must demonstrate to the board -- and to the Legislature, who will likely be called upon, very possibly -- that this is student-centered. This *must* be about student persistence. As a general comment -- because I know some of you are involved in higher education -- as a general comment, not specific to NJCU or any other institution, if we are going to bring students in the front door, we have a moral obligation to get them to the finish line. And, that is expensive, as circumstances and socio-economic circumstances change.

We are relying on an enormous amount of taxpayer money. We have to be good stewards of that taxpayer money. But, as important -- if not more important -- is ensure that students who pursue a college education actually persist to graduation. And, that must be a compelling part of our criteria.

The fourth piece is it must bring more to the table than currently presents itself. To simply preserve the status quo to have a zero-sum game is not enough. There is a large population in an incredibly dense area with a changing demographic in our region. Whatever relationship it be, it needs to bring more opportunity.

And, fifth, it *will* require financial support from the State, the amount yet to be determined because it will very much function-- It will very much be a function of the nature of the relationship.

SENATOR CRYAN: I do want you to mention the Chancellor thing, but my second to last question is -- so, \$15 million is in a resolution; there's \$20 in another, whatever that number is.

My concern is that we're piecemealing an inevitable end, to be perfectly candid about it. None of us want to quote a number today, and my sense is one would be sticker shock and two would be the unknown.

MR. AMOROSO: For the cost?

SENATOR CRYAN: Yes, both of those things, I think, are probably fair.

When would we -- based on your report and all your good work -- when would we have an understanding as to what the total State obligation might end up being?

MR. AMOROSO: OK, so, I've obviously given a lot of thought to this. So, I will -- if you would indulge me -- I'll explain the methodology (indiscernible) we intend to do that.

I believe that by exiting the Fort Monmouth lease, and by monetizing some of our West Campus properties, we will significantly reduce our debt. Our EFA debt will still remain at roughly 1.2 to 1 on debt-to-

revenue. So, even if we were to reduce all of that debt like I think we will likely do over the next year or so--

SENATOR CRYAN: Is that the \$30 you were talking about?

MR. AMOROSO: Oh, before-- I think it would be more than \$30 million when all is said and done.

We are still left with EFA debt, where our (indiscernible) is roughly a 1.2 to 1 on debt-to-revenue. So, we're essentially maxed at our debt already if we were to live within that covenant. So, even if we shed this lease debt, or significantly reduce the lease debt, we have to use some of our monetizations, and we've engaged in outside council because the process by which you reduce bond debt is complicated how we might reduce some of our EFA debt to create some space for borrowing anew that has an ROI, exiting our EDA debt -- I'm sorry, exiting our lease debt -- and then being able to properly service our EDA debt, which is the dormitory debt.

And, I think with the bringing online of one of our dormitories and the potentiality of either leasing another facility out, we'll be able to, within the confines of our budget, cover the EDA debt; reduce our exposure on the EFA debt; eliminate most of the capital lease debt -- but for the Harborside site -- and that becomes the variable in determining what might be needed from the State.

So, the State would be investing in *some* debt reduction, but it would probably be investing, additionally, in more ambitious capital projects. We will be-- We will probably spend \$10, close to \$13 million in this fiscal year on capital. Some of that is just the typical repair that takes place, some of it is new dollars. We are in the process of putting our budget together for the new fiscal year, and we'll likely have \$10 million more committed to the

capital. If the Legislature were to act on the capital request-- And, I was careful when speaking with my request to the Governor's Office, when I asked for the \$7 million for operation. I did say that we will need separate capital dollars allocated, whether that comes from the budgetary process or that comes through grants that might exist in the State.

But, that will get us a long way to meeting *just* infrastructure. Our overall capital needs are probably north of \$75-80 million, in order to create an appropriate learning environment. You saw some of our classrooms.

So, fixing the infrastructure -- the pipes; the HVAC; the roofs; the parking garage -- that doesn't get us to the enhanced learning environment and the enhanced living environment that our students rightfully deserve, as well as our entire staff rightfully deserves.

SENATOR CRYAN: Wow.

And, the Chancellor model?

MR. AMOROSO: On the issue with the Chancellor's model -- so, I think Secretary Bridges alluded to it. In many states, the Chancellor is the head and then they have a local president. In New Jersey, it's the reverse; we have -- the President is the head, and then there might be campus chancellors.

The thinking there was that in a partnership or in a relationship -- depending upon what form it takes -- having a dedicated leader at NJCU will be important. Someone who is there so it just doesn't become a secondary campus for another location. It needs to have the type of intentionality and the type of engagement that a lead person brings. So, the idea of the Chancellor model is actually not a diminution, but it was an

underscoring of what I believe is the need to have leadership at that campus advocating with, inside, whatever relationship might be developed.

SENATOR CRYAN: By the way, if we build dorms, they will come? Is that a given, or?

MR. AMOROSO: There once was a thinking, as most bond holders would share with you, that if you build dorms, they will come. With low interest rates, a lot of universities built dorms.

Just to nuance a little bit of what President Acebo said, there is an enrollment cliff that we all know about. It affects us a little bit differently, because we have an enormous supply -- as you referenced -- in Hudson County, but we're not yet capable of converting all of them to the belief that a college education could be a meaningful step into a dignified life. Not that you need a college degree to have a dignified life, but to improve one's life -- to improve one's circumstance -- to climb the proverbial ladder, we need to do better in identifying that in our three main senders -- Jersey City, Bayonne, and Union -- and reach out to your own community and beyond.

College education remains an incredible opportunity -- not the only opportunity -- but an incredible opportunity for so many people to really climb that proverbial ladder and have a more secure, more comfortable life.

SENATOR CRYAN: I think that's a great way to close.

I want to thank the Committee for your work and your time today.

I want to thank you--

MR. AMOROSO: Thank you.

SENATOR CRYAN: Thank you, Mr. Amoroso.

Thank you for your work--

MR. AMOROSO: Thank you so very much--

SENATOR CRYAN: --on behalf of the State--

MR. AMOROSO: --and thank you all very much for your time.

SENATOR CRYAN: I want to thank the President for being here, and the Secretary as well.

Thank you all.

Members of Higher Ed., it's 12:47; 12:55 we've got a quick meeting to do three bills, all right, real quick, so we can just say goodbye, folks.

Thank you.

ASSEMBLYWOMAN CARTER: Can I just state--

SENATOR CRYAN: Oh, I'm sorry.

ASSEMBLYWOMAN CARTER: No, that's OK.

I just want to recognize -- I know that they're walking out of the room -- but during this, we had students who came in. Thank you for coming and visiting, especially during this hearing.

Thank you so much.

(MEETING CONCLUDED)