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STRENGTHENING EDUCATIONAL EXCELLENCE AT THE STATE COLLEGES:

A Recommendation to the Board of Higher Education's Committee  
on Academic Affairs Regarding the Report of the Commission  
on the Future of the State Colleges

INTRODUCTION

The Commission on the Future of the State Colleges recommends important policy and operational changes to strengthen educational excellence. I commend and support its finding that the further improvement of educational excellence is the fundamental issue facing the state colleges. With but one exception, I support each of its findings and recommend them to the Board for their adoption and implementation. These recommendations express my special concern that the future viability and educational effectiveness of the state colleges rest upon the strength and character of the faculties of the institutions. In turn, their strength depends upon both sufficient compensation and an adequate physical environment with necessary support services. Further, college administrations require program flexibility to adapt to changing public needs. I do not concur, however, with the Commission's proposal to establish a new statewide system of higher education under the rubric "The University of New Jersey." While a nine-campus University of New Jersey could accomplish the goals identified by the Commission, other factors suggest a different approach. Thus, I propose alternatives which I believe will respond more effectively to each of the findings of the Commission.

New Jersey's state colleges have made remarkable progress during these past two decades. They rank well above average in this nation. They should

be among the very best. They can be so in my view if two further advances are implemented: if the recommendations set forth by the Commission as amended below are implemented; if the colleges use this new flexibility to build the excellence the students and the citizens of this state deserve. I commend these proposals to the members of the Board of Higher Education for their consideration and, when necessary, for possible recommendation to the Governor and the legislature.

#### SUMMARY OF RECOMMENDATIONS

This section summarizes my recommendations in the general areas of governance, mission and finance. Following the summary there appears a discussion of each of these areas that provides the information and analysis that informed my judgment.

##### A. Governance

1. The Board of Higher Education should recommend that the state agency status of the state colleges be ended, and that the state college boards of trustees be granted by statute the same fiscal and personnel authority accorded to the UMDNJ Board of Trustees, with the exception of collective bargaining, under policies and procedures established by the Board of Higher Education (the Governor should continue to be the employer of record). The colleges should be permitted to set their own tuition rates within limits established by the Board of Higher Education. The actual exercise of these authorities by a college board of trustees would begin upon the acceptance by the Board of Higher Education of a plan for the full or phased assumption of these authorities.

2. As is the case with UMDNJ, the Chancellor should become an ex-officio, non-voting member of each state college board of trustees. This would insure proper communication between the college and the Board of Higher Education and would provide an important measure of two-way accountability. (When it is not possible for the Chancellor to attend a trustee meeting, a representative of the Chancellor would attend as with UMDNJ).
3. Each college should be required triennially to submit to the Board of Higher Education for its approval a comprehensive three year institutional plan, to be evaluated in accordance with the Statewide Plan and the Administrative Code.
4. The Board of Higher Education should recommend the establishment, staffing and funding of a New Jersey State College Governing Boards Association (NJSCGBA) to replace the Council of State Colleges.
  - a. Role: The NJSCGBA would engage in activities for the collective advancement of the state colleges, would provide such services as it deems appropriate to support the state college sector, and would have membership on the collective bargaining team along with the Chancellor and the Governor's Office of Employee Relations in collective negotiations with the faculty/staff bargaining agent. The chair of the NJSCGBA would represent the state college sector on the Board of Higher Education.
  - b. Membership: The NJSCGBA would be comprised of one member from each of the nine state college boards of trustees, the Chancellor, and the state college presidents. Only the trustees would be voting members.
  - c. Staffing: The NJSCGBA would have an executive director with a small professional and clerical staff.
  - d. Funding: The NJSCGBA should be granted the statutory authority

comparable to that of the New Jersey School Boards Association to assess annual dues to the nine state colleges. As a transition step, the first year's funding should be provided through State appropriation. The NJSCGBA should also be permitted to establish an auxiliary corporation for purposes of receiving and expending non-state funds.

5. The Board of Higher Education should recommend the following transitional steps:
  - a. The establishment and initial funding of the New Jersey State College Governing Boards Association should be effective July 1, 1985. An executive director should be hired immediately thereafter.
  - b. State agency status for the state colleges should terminate upon enactment into law of legislation to bring about state college autonomy.
  - c. Transfer of fiscal authority to the college board of trustees should be fully implemented by July 1, 1988, in accordance with the individual plans approved by the Board of Higher Education.
  - d. All classified managerial professional positions should be moved into unclassified status effective July 1, 1985, with incumbents holding their civil service rights for as long as they hold their current position. (Classified positions that are currently part of the bargaining units represented by the Communication Workers of America, the International Federation of Professional and Technical Engineers, the Police Benevolent Association and the American Federation of State, County and Municipal Employees shall all remain within the classified Civil Service). The oversight of all state college faculty and other positions by such entities as the Vacancy

Review Board and the Salary Adjustment Committee should end on June 30, 1985.

e. The shift from a gross state appropriation to a net state appropriation should occur on July 1, 1988.

f. No change in existing collective bargaining patterns is proposed other than the NJSCGBA becoming a member of the team that negotiates with the AFT.

6. Legislation should be introduced to accomplish the proposed transfer of authority to the state colleges and to establish the New Jersey State College Governing Boards Association.

#### B. Mission

1. The recommendations of the Commission on the Future of the State Colleges in the area of mission should be accepted as the appropriate policy direction for the state colleges.
2. The state college should develop a three year plan intended to enhance its educational quality and strengthen its programmatic mission. One aspect of the plan should be the identification of new upper division and graduate degree programs to be initiated.
3. A program for faculty development should be implemented with representatives of the faculty being involved in the planning process.
4. After consultation with the state college presidents, the recommendations concerning minimum admissions standards should be adopted as part of the Administrative Code as soon as possible, not to become effective earlier than for the freshman class admitted for fall, 1987.

#### C. Finance

1. The recommendations of the Commission on the Future of the State Colleges in the area of finance should be accepted as the appropriate policy direction for the state colleges.

2. In order to accomplish certain mission-related and policy goals, each board of trustees should be able to waive the payment of up to two per cent of its anticipated tuition revenues.
3. The Board of Higher Education should appoint a task force to make recommendations concerning faculty salaries to insure that the state colleges can be competitive for the best faculty with other institutions of higher learning and the corporate sector.
4. New construction and major renovation efforts at the state colleges should be funded using Educational Facilities Authority bonds that have as their revenue source a tuition set-aside.

Response to the Report of the Commission  
on the Future of State Colleges

GOVERNANCE

The recommendation of the Commission on the Future of the State Colleges to combine the nine state colleges into a centrally governed University of New Jersey has proven to be the most controversial of the Commission's recommendations. It was based on the Commission's conclusion that "to the continuing disadvantage of the State Colleges, no state treasurer nor any of his/her directors has ever acknowledged the legislative intent of the Higher Education Act" as amended in 1969 by the State College Autonomy Act. The power and authority envisioned for the boards of trustees of the state colleges was never transferred from such executive agencies as Treasury and Civil Service. It was the Commission's conclusion that the lack of fiscal autonomy has hampered the ability of the state colleges to become high quality institutions, that they suffer from low prestige, and that they do not have the independence necessary for effective advocacy. The Commission's recommendation for a UNJ has won the support of two state colleges, but has raised the concerns of most of the state colleges that they would lose their identity as well as their ability to exercise the academic autonomy they now have.

The Higher Education Act of 1966

The difference in relationship between the State and the state colleges on the one hand and the State and other colleges on the other hand is not a recent phenomenon. Prior to the passage of The Higher Education Act of 1966, the state colleges were under the direct control of the Commissioner of Education who, according to Chapter 16 (Particular State Schools) of the

Education statutes, held such broad power that he could even prescribe courses of study. As directed by Chapter 22 (Public Higher Education) of that same statute, the relationship was not nearly so intimate between the Commissioner and the other public institutions.

The creation of the Board and Department of Higher Education in 1966 removed the state colleges from the purview of the Commissioner of Education. According to Chapter 64 (State Colleges) of Title 18A, the Legislature believed it to be "in the best interest of the State that the State colleges shall be and continue to be given a high degree of self-government." Further, the mission of these institutions was broadened from being teachers' colleges to colleges "providing higher education in the liberal arts and sciences and various professional areas" including teacher education.

Accordingly, each state college was organized under a board of trustees with "general supervision over and...vested with the conduct of the college" under policies and procedures established by the Board of Higher Education. Included among the responsibilities of the boards of trustees were all educational matters including the awarding of degrees, policies regarding organization, administration and development of the college, appointment of the president, advocacy of the college before the Governor and Legislature, and preparation of the college's annual budget request.

However, the powers of the local boards were not absolute. For example, while the boards were permitted to appoint (upon the nomination by the president) "such deans and other members of the academic, administrative and teaching staffs as shall be required," such appointments were to be made in accordance with policies established by the Board of Higher Education and concurred in by the Governor. All other employees were to be appointed,



removed, promoted, transferred and paid in accordance with the provisions of the Civil Service statutes.

The strongest controls on the powers of the local boards came as a result of the requirement that college expenditures be subject to the provisions of P.L. 1944, Chapter 112, and that purchases and contracts be subject to the provisions of P.L. 1954, Chapter 48. These statutes centralize the control of all financial matters in Treasury and enumerate the purchasing rules for all agencies of state government.

#### The State College Autonomy Act (1969)

After several years of experience with the new Title 18A, the Legislature concluded that the high degree of self-government it envisioned for the state colleges had not become a reality. It sought a remedy through the passage of the State College Autonomy Act which was intended to relax many of the burdensome controls exercised by Treasury and Civil Service. Title 18A was amended to note the belief of the Legislature that "a decentralization of authority and decision-making to the boards of trustees and administrators of the state colleges in the areas of personnel, budget execution, purchasing and contracting will enhance the ideal of self-government.

The reference to the fiscal control statute was revised to state, "Notwithstanding the provisions of P.L. 1944, c. 112...." In place of the earlier absolute controls by Treasury, new wording was added that gave more authority to the boards of trustees. For example, the boards were now empowered to "direct and control the expenditures of the college" in accordance with the budget act. They could delegate to the president the ability "to enter into contracts and agreements, create encumbrances, incur obligations and execute instruments of indebtedness." The law was specific that upon receipt of statements of indebtedness, the Director of the Division

of Budget and Accounting "shall execute and register warrant checks in settlement of those statements and shall transmit them forthwith to the State Treasurer who shall thereupon sign and deliver the same to payees." (emphasis added). Further, the board of trustees, upon nomination by the president, was empowered to appoint a college treasurer outside of the provisions of the civil service statutes.

While these statutory changes made by the Legislature seem to indicate its desire that the state colleges operate with a large measure of autonomy, such did not prove to be the case. 1. The 1969 legislation replaced the reference to P.L. 1954, chapter 48 (the state purchasing statutes) with a new provision that state college purchasing be accomplished under "the general policies, guidelines and procedures established by the Board of Higher Education and concurred in by the State Treasurer and the Director of Purchase and Property". (The latter two officials have consistently required the state colleges to follow the provisions in effect for other state agencies).

2. The ability to transfer funds between primary expenditure accounts was limited by requiring the approval of the Department of Higher Education, the Division of Budget and Accounting and the Legislative Budget and Finance Director. 3. The Director of the Division of Budget and Accounting was charged with the responsibility of assuring that the fiscal officer of the college has kept accounts, rendered reports and performed all duties as prescribed by the fiscal and accounting provisions of this statute. Thus, the state colleges have been required to conform to the state accounting system and fiscal procedures. 4. The act permits the state treasurer to require a central payroll and disbursing system for the state colleges. Every state treasurer has, in fact, established such a requirement.

### Differences in Statutes Affecting the Various Public Colleges and Universities

The statutes that govern the other public colleges and universities allow for greater independence from state government than do those that govern the state colleges. Except in the area of new program approval (where the statutes provide for even-handed treatment for all public institutions of higher learning), the state colleges more closely resemble state hospitals than colleges in so far as their relationship to state government is concerned. UMDNJ had been governed by the same restrictive covenants until the enactment in December, 1981 of an act granting it a large measure of autonomy.

The differences deriving from the statutes include the following:

- (1) Purchasing The state colleges must follow state agency rules and use state purchasing departments. Rutgers does its purchasing on an independent basis as does UMDNJ; however, the latter must follow the spirit of state purchasing laws. According to an opinion of the Attorney General, NJIT is required to follow local public contract law. The county colleges do their purchasing according to the provisions of a special statute that sets them outside of the state and county bureaucracies.
- (2) Legal Representation The Attorney General represents the state colleges and UMDNJ in all legal matters unless outside counsel is assigned. The state indemnifies these institutions in the event that a lawsuit is settled or lost (unless the Tort Claims Fund has no money in it, as is often the case). The institutions in the other three sectors have their own legal counsel and are not indemnified by the state.

- (3) Staffing All personnel at the state colleges other than faculty and the non-teaching academic affairs and student affairs professionals are civil service employees. Included among the civil service group are all professionals who work for the vice president for administration and finance including the directors of accounting purchasing, and personnel and the business officers. All clerical, technical, plant and other support staff are civil service as well. The other public colleges and universities are exempt from the civil service system for all positions.
- (4) Labor Negotiations The state colleges are included in the statewide contracts for the Communication Workers of America and International Federation of Professional and Technical Engineers. The governor's office of employee relations (OER) conducts those negotiations as well as the negotiations with the AFT. The state colleges are represented on the negotiating team. Rutgers, UMDNJ and NJIT each conduct the negotiations with their respective unions; OER participates as a member of the team. The county colleges each negotiate their own contracts.
- (5) Tuition and Fees The Board of Higher Education sets a common tuition for the state colleges and approves those fees affecting all students. NJIT's tuition level is established as part of its contract with the Board of Higher Education. Rutgers independently sets its tuition and fees. UMDNJ sets its tuition after consultation with the Board of Higher Education. The county colleges each set their own tuition and fees in accordance with a ceiling established by the Board of Higher Education. The tuition revenues, unlike those of all other institutions in the state, are deposited in the state's general fund.

### Problems Arising From Differences in Statutes

During the public hearings on the report of the Commission on the Future of the State Colleges, almost every speaker agreed that the Commission had done an excellent job in delineating the problems confronting the state colleges. Basically, the Commission found that boards of trustees were never granted the authority they needed to govern the state colleges effectively; that in many ways, the state colleges were governed more by the state bureaucracy than by their boards of trustees. The Commission pointed to several resultant problems, lack of prestige and lack of autonomy.

- (1) The state colleges are the least prestigious and least powerful of New Jersey's public colleges and universities. In some measure this may be due to their not having a single leader and advocate. The Council of State Colleges has been unable to fill that role in an effective manner.

The lack of prestige and power has many ramifications. Enrollment trends represent one problem found by the state colleges. As a sector, the state colleges have suffered enrollment declines beyond those planned by the Board of Higher Education's budget process. In FY76, the last year in which state college enrollments equaled or exceeded the expectations of the budget, there were 61,695 students (full time equivalent) at the state colleges (excluding Edison). By FY83, the state college enrollments had declined to 51,554, a drop of 16.4 per cent. Budgeted enrollments dropped from 58,580 in FY76 to 51,642 in FY83, a planned reduction of 11.8 percent. (Enrollments in FY84 were 4.3 per cent lower than the previous year and 4.5 per cent lower than had been budgeted.)

In comparison, during the same eight-year period, enrollments at Rutgers increased by 3.0 per cent. (Actual enrollments at Rutgers were below the budget level only once during this period.) At the same time, enrollments in FY83 at NJIT and the community colleges were 20 per cent and 9.6 per cent higher respectively than they were in FY76. Actual enrollments at NJIT were only below the budgeted levels twice during this period while the community colleges experienced this phenomenon only once through FY82. (Beginning in FY83, the funding approach for community colleges changed from being based on FTE students to being based on cost of instruction; thus, no budget enrollment figures exist from that year onward.)

Another indication of the low prestige enjoyed by the state colleges is visible through the results of a study recently conducted by the Center for Public Policy Research at Ramapo College. In a survey of 734 persons living in the surrounding region, the college asked the respondents to "name some colleges in New Jersey." William Paterson was cited by 39 per cent, Ramapo by 38 per cent and Montclair by 36 per cent. While this compared favorably with Princeton (39 per cent) and Bergen Community College (41 per cent), Rutgers (71 per cent) and Fairleigh Dickinson (63 per cent) were mentioned much more often. The report did not list those colleges with unassisted mentions of less than nine per cent. Thus, Stockton, Edison, Kean and Jersey City were not cited in the results of the general survey. While one might conclude that the lack of mention of these colleges is a result of their being out-of-region, several institutions in close proximity to Jersey City and Kean made the list: Seton Hall (18 per cent), NJIT (11 per cent) and St. Peters and Stevens (9 per cent

each). Also, Glassboro (15 per cent) and Trenton (10 per cent) were mentioned.

The survey also asked those who mentioned a college to state their opinion as to whether it was "above average" or "below average." In the first category the state colleges did not do well. Thirteen per cent of those who had mentioned Montclair thought it to be above average. For Paterson and Ramapo, the figures were eleven per cent and six per cent respectively. This compares to 67 per cent for Princeton, 47 per cent for Rutgers, 46 per cent for Stevens, 36 per cent for Fairleigh Dickinson, 26 per cent for NJIT. Among those mentioning a college who believed it to be below average, 22 per cent cited Bergen Community College, ten per cent cited Passaic Community College and nine per cent cited Rockland Community College (N.Y.). Ramapo and Paterson received below average ratings from 12 per cent and 11 per cent, respectively, of those who had mentioned the college and who had an opinion about its quality. Fairleigh Dickinson had a five per cent negative rating while all other colleges were rated below average by fewer than one per cent of the respondents.

- (2) The Commission reported that the lack of autonomy in fiscal and personnel matters has 'deleterious effects' on the state colleges. It cited serious delays in equipment acquisition and increased costs as a result of the current purchasing regulations. Within the last year or so, there has been some progress in this area: the processing of bid waivers and purchase orders has become more efficient; computer purchasing has become more flexible; and cooperation between the bureaucracy and the colleges has improved. Nevertheless, the current system cannot provide the sort of

responsiveness to local need that is so important for a high quality college.

A terribly vexing problem still remains in the personnel area. The state colleges are subject to the provisions of Executive Order Number 10, the Vacancy Review Board. In order to refill positions that become vacant due to retirement, all state agencies, including the state colleges, must first secure the approval of the Vacancy Review Board; no other public college or university in New Jersey is affected since they are not state agencies. Recently, William Paterson College, which was seeking to refill three faculty positions was requested to provide the Vacancy Review Board with information concerning curriculum, student demand and faculty workload in the specific academic departments in question as a precondition for approval. Such questions are more properly asked by the college's board of trustees.

- (3) The "state agency" status of the state colleges also has certain negative ramifications in the budget process. In a few budget categories, it is often to the advantage of the colleges to bank or "carry forward" a portion of its allocation so that it might combine that money with the following year's money in order to buy an expensive piece of equipment or to fund an extensive maintenance or modernization project. But, this practice is not always permitted. Last year and again this year, the Legislature restricted the amount that state agencies could carry forward. Last year, the state colleges accounted for approximately 13 per cent of the funds that were lapsed as a result. If the same proportion applies this year, the impact will be approximately \$750,000. The other public colleges and universities are not affected since they are not state agencies. Similarly, when the Legislature makes general state agency



reductions in such categories as the overtime account, the state colleges are disadvantaged.

### The Proposal for a University of New Jersey

After thoughtful consideration of the problems associated with the existing governance patterns, the Commission studied five alternative governance models and recommended a transfer of power from the state bureaucracy to a new board of governors of a consolidated state college system to be known as the University of New Jersey. The existing powers of the individual boards of trustees would be transferred to the board of governors. Thus, the board of governors would have by statute the same powers and responsibilities that are provided the board of trustees of UMDNJ. It would appoint a president for the university as well as the presidents of each of the nine colleges. The board of governors would decentralize operational responsibility to each college so that each would have maximum fiscal flexibility.

The Commission believed that this model would resolve the problems confronting the state colleges. The UNJ approach would provide the colleges with greater visibility and more prestige, and would provide the systemwide leader and advocate that they sorely lack. The centralized governing board could develop a coherent academic plan intended to reduce any unnecessary program duplication, promote the further development of the unique aspects of each college and develop a unified personnel planning approach as a means of controlling tenure rates and maximizing flexibility. Further, it would move the collective bargaining function into the control of those responsible for carrying out the contracts. Finally, it would provide the critical mass necessary for the transfer of fiscal and personnel controls from the State bureaucracy, and then would transfer this new authority to the individual colleges.

### Reaction to the UNJ Proposal

The proposal for the creation of a University of New Jersey has brought mixed reaction. On the legislative front, Assemblymen Rocco and Doria have introduced legislation that would implement the Commission's proposal. However, Senators Feldman and Dumont are sponsoring a bill that would implement the spirit of the 1969 State College Autonomy Act by transferring fiscal oversight of the state colleges from Treasury to the Board of Higher Education.

If one can make a judgment based on such factors as testimony presented at the public hearings, letters written to the Chancellor, discussions at Council of State Colleges and boards of trustee meetings, the sentiment seems to be running about two to one against the central board concept.

Proponents accept the Commission's logic and believe that what might be lost by having a central (rather than a local) board would be more than balanced by the increased operational autonomy that would flow to the colleges and the increased prestige that being a part of a University of New Jersey would bring. They believe that increased funding would result and that fewer students would leave the state for their higher education. Further, they point to the inability of the present system to resolve matters of academic program duplication among the northern colleges and believe that a UNJ board could do this.

Opponents to the recommendation accept the Commission's analysis of the problems that call for a governance change, but disagree that a central board is the right solution. Many fear that with a central board there would be no institutional autonomy, that one layer of bureaucracy would merely be replaced by another. They contend that the state college presidents would become glorified deans working for a distant president who, in turn, works for a

board so distant from the colleges that it could never understand their individual problems or have a true grasp of their unique missions and styles.

The sentiment among this group is that the correct approach would be to remove the state colleges from the oversight of the state bureaucracy by transferring power to the local boards of trustees. Those who see state college advocacy as wanting suggest that the Council of State Colleges either hire a staff person to fill this role or engage a lobbyist. Those who believe that a greater measure of coordination among the state colleges needs to occur believe that it should come either from the Board of Higher Education or from the Council of State Colleges. Those who believe that the Council has been ineffective suggest a structural change that would remove the state college presidents from the Council so that it might focus on policy and advocacy rather than operational matters.

#### Consideration of the Commission's Recommendation

The Commission on the Future of the State Colleges has described the environment in which the state colleges exist; and it draws a compelling argument that a change in governance patterns is required if the state colleges are to function effectively. A University of New Jersey that encompasses all nine state colleges could accomplish the goals identified by the Commission; however, there are other factors that suggest a different approach.

First, there is no compelling evidence to indicate that a central governing board approach, in and of itself, produces better education. Examples abound of strong and weak institutions among those governed centrally as well as those governed locally. While a central board is distant enough from the campus that it can more easily make decisions in a variety of troublesome areas and, thereby, improve overall educational quality, it cannot do so

without a sizable staff. Care can certainly be taken in the design of such a staff to insure that it not become another bureaucracy that duplicates or second-guesses campus operational staffs. This would serve as a limiting factor on the size of the central staff. Nevertheless, a significant number of research and policy specialists for a central governing board would be required to carry out its charge in an effective manner. The Commission suggested that the proposed central board function on an initial budget of \$1.6 million. I believe that experience across the country indicates that in their formative years the budgets of central administrations grow at a faster rate than campus budgets. A case can reasonably be made that these extra funds could be put to better use for enhancements at the campus level.

Second, a local board of trustees, given appropriate authority, can make a major difference to the campus ambience. Focused on one institution, it can keep its finger tips on the campus pulse. Faculty and students can have access to the board in a way that is not possible if the board were to have responsibility for nine colleges. Similarly, local boards can more readily hold the president accountable and can more readily take actions to promote the building of campus consensus around responses to campus problems, including strengthening of academic programs.

Finally, I am convinced that a governance pattern must fit the environment. New Jersey is a state that is characterized by home rule and local control. The solution that is likely to work best regarding the governance problems confronting the state colleges is one that is in keeping with the traditions of the State.

I am not prepared to recommend the creation of a new central governing board for the state colleges. Instead I suggest the adoption of a model already proven useful in New Jersey. Such an approach would, I believe, have

a strong chance of accomplishing the goals set forth by the Commission, keep institutional governance at a level close to the faculty and students, and provide for increased coordination in the state college sector.

#### Recommendations on Governance

In order for the state colleges to function effectively, they must be permitted to exercise the same authority in fiscal and personnel affairs as do the other senior public institutions, collective bargaining being the exception since it affects the entire sector. The state agency status of the state colleges should be ended and the powers that currently reside in Treasury and Civil Service should be transferred to the state college boards of trustees in accordance with policies and procedures established by the Board of Higher Education.

In the fiscal area, the state colleges should be permitted to manage their own cash, to do their own purchasing, to oversee the construction and renovation of their own buildings, to run their own payroll, to commit and expend their budgets as they deem appropriate, and (except in certain areas of concern to the Board of Higher Education) to transfer funds from one budget category to another without external approval. The colleges should also be permitted to retain any unexpended funds at the end of the fiscal year. Each college should also be permitted to adopt its own tuition and fee schedule in accordance with limitations established by the Board of Higher Education. In return for this autonomy, the state guarantee of the total budget would end and the colleges would receive funding on a net appropriation basis, one-twelfth of the money being paid the State to the college each month. Edison State College, due to its small budget and its different student fee schedule, should receive its funds quarterly. Further, regular post-auditing would be required.

In the area of personnel, the state colleges should be given the authority to develop their own recruitment, hiring and personnel management programs. Further, they must be permitted to make their own decisions regarding the refilling of vacant positions, the amount of travel money necessary to undertake an effective search, and (given broad parameters in keeping with the other public institutions) the salaries that should be offered to top level management. Further, all classified managerial professional positions should be moved into unclassified status with incumbents holding their civil service rights for as long as they hold their current position.

Since the unions which currently represent the state college employees have expressed their desire that the governor continue being their official employer and their desire to continue to negotiate directly with the governor through the office of employee relations, I do not propose any change in the existing collective bargaining patterns except that the state colleges have membership on the collective bargaining team that negotiates with the faculty/staff bargaining agent.

#### Autonomy and Accountability

In order to ensure accountability while promoting institutional autonomy, the Chancellor would become an ex-officio, non-voting member of each state college board of trustees. As is the case with UMDNJ, this approach promotes proper communication between the Board of Higher Education and the trustees of the colleges as well as providing an important measure of two-way accountability. (When it is not possible for the Chancellor to attend a trustee meeting, a representative of the Chancellor would attend as occurs with UMDNJ).

In order to assure effective comprehensive institutional planning, each college should also be required to submit triennially to the Board of Higher Education for its approval a three year institutional plan that should be evaluated in accordance with the Statewide Plan and the Administrative Code.

### Coordination, Advocacy and Service

In order to enhance the prospects for better coordination of the state colleges, the Board of Higher Education would assume a greater role. However, matters of state college advocacy and the provision of sector-wide services would become the responsibility of a New Jersey State College Governing Boards Association (NJSCGBA) that would be comprised of one trustee from each of the state colleges, with the Chancellor and the state college presidents serving ex officio, without vote.

To assist it in its activity, the NJSCGBA would have a senior level executive director with a small professional and clerical staff. In addition to fulfilling a staff function supportive of the NJSCGBA, the executive director would have specific responsibility for efforts to enhance the reputation of the state colleges and for advocacy of the state colleges before the Legislature and Governor. The NJSCGBA's activity would initially be funded through a separate budget appropriation submitted as part of the Board of Higher Education's request; however, the NJSCGBA would be granted the statutory authority comparable to that of the New Jersey School Boards Association to assess annual dues to the nine state colleges so that funding may be continued beyond the first year. It would also be empowered to establish an auxiliary corporation so that it might establish a state college development fund and a state college research foundation. Further, state college membership on the Educational Computer Network (ECN) Board should be determined by the NJSCGBA, and consideration should be given to including responsibility for ECN as one of the services offered by the NJSCGBA.

### Transition

In order to accomplish these changes in governance a number of statutory changes are required. Legislation, comparable to the statute governing UMDNJ, would be introduced to end the state agency status of the state colleges and

to mandate the transfer of fiscal and personnel power to the state colleges by July 1, 1988 in accordance with regulations adopted by the Board of Higher Education. The actual exercise of these authorities by a college board of trustees would begin upon the acceptance of a plan by the Board of Higher Education for the full or phased assumption of these authorities.

The oversight of all state college faculty and other positions by such entities as the Vacancy Review Board and the Salary Adjustment Committee would end on June 30, 1985. The Board of Higher Education would be granted the authority to waive other forms of State oversight during the transition period. The colleges would shift to a net state appropriation basis as of July 1, 1988.

The establishment of the New Jersey State College Governing Boards Association would become effective on July 1, 1985, and a special appropriation would be made to support the costs associated with its initial year of operation. The executive director would be hired as close to that date as possible.



## MISSION

The recommendations of the Commission on the Future of the State Colleges in the area of mission have received the general support of the state college community. Many of them are based upon or extend the recommendations of the Board of Higher Education's 1981 Statewide Plan. For example, the Commission endorses the concept that the state colleges should be arts and sciences institutions that offer high quality professional programs for which there is a demonstrated demand. Further, they suggest that all undergraduate programs should continue to be firmly grounded in general education, and that graduate programs not extend to the doctorate. Additionally, they recommend that the colleges continue their practice of engaging in the periodic review of existing degree programs. Several Commission recommendations in the academic program area bear special focus for, if implemented, they would noticeably contribute to the enhancement of academic quality at the state colleges.

### Strengthening Academic Quality

The challenge before the state colleges is clear: at a time when the decline in the traditionally aged college population may result in a loss of students in excess of 20 percent, it will be the quality of a college's programs and the public's perception of them that will determine the ability of the college to compete successfully for qualified students. The institutional planning requirement proposed earlier in this paper is intended as a mechanism to assure that the state colleges are addressing the issues regarding the nature and quality of the curriculum, the strengthening or abandoning of weak programs, and the development of new programs. While there is a proposal later in this paper for a five-year growth above inflation in state college budgets, the real growth in a college's budget will come from internal reallocations. Such reallocations are best made in accordance with a strategic plan such as that being proposed.

### New Program Development

While the transition from teachers colleges to comprehensive institutions has resulted in dramatic changes since 1966, the state colleges must continue to develop new academic programs and new educational approaches. The Commission mentioned the need for new upper division programs that would serve as a capstone to the many new and exciting associate's programs at the community colleges; such programs are particularly important given the Commission's recommendations concerning admissions standards.

Of equal importance is the development of new graduate programs at the state colleges. As the Commission has pointed out, there was a moratorium on new state college graduate programs during the growth years of the mid-1970s. The post-moratorium activity has been slow, in part due to the fiscal constraint that has predominated during the last half decade. However, the decline in undergraduate enrollments coupled with the large number of baccalaureate holders seeking more education provides the colleges with an opportunity to move toward greater diversification of graduate programs.

New program development, both at the upper division and graduate levels, should be another focus of the institutional plan to be developed by each state college. To facilitate this process the NJSCGBA should undertake a survey of programs at colleges comparable to ours to identify potential new program areas. So that new programs might contribute to New Jersey's economic development, it should also examine labor market forecast data and should consult with representatives of New Jersey's business community. Further, to assist the colleges in their decisions regarding internal reallocations, the NJSCGBA should also collect data concerning programmatic areas that will be in less demand in the future.

While it is clear that internal growth would be an outcome of closing low demand academic programs, the colleges would be wise to heed the advice of the Commission in its caution that "colleges must be careful in decisions regarding program closures." Not only is this the case since some programs with low enrollments provide the curriculum with a desirable enrichment and diversity, but also because program closures may affect the lives of faculty who have provided excellent service and who have made strong professional commitments to their institution and its students. Any recommendation regarding a program closure should attempt to provide for these faculty. For some, an early retirement incentive program should be made available. For others, retraining or developmental options should be offered.

#### Faculty Development

Since the future viability and educational effectiveness of the state colleges rest upon the strength and character of their faculties, the Commission's recommendation for the allocation of "adequate funds for the sole purpose of supporting faculty development" is, perhaps, one of its most important suggestions. In fulfillment of that goal, I recommend the initiation of a \$1 million faculty and staff development initiative, the framework of which should be established in accordance with appropriate collective bargaining requirements.

Approximately two-thirds of the funds would be earmarked for use by the state colleges individually. Each would submit for the Chancellor's approval a plan developed in consultation with members of the faculty and professional staff. Each plan would include both group and individual training programs including seminars, faculty colloquia, research support for young faculty, paid release for graduate training for talented tenured faculty currently in underenrolled areas and so forth.

Approximately one-third of the funds would be earmarked for programs open to faculty across the state college sector. A plan would be developed by the Chancellor in conjunction with an advisory group of faculty and professional staff. Included would be a series of conferences in the various academic disciplines that would focus on new curricular approaches, excellence in teaching and the application of instructional technology (including computers) in the discipline. The State College Mid-Career Faculty Fellowship Program, slated to begin in January, 1985 at Princeton University, would become a part of the plan. Further, retraining initiatives with a loan redemption feature (such as the masters degree program in computer science being offered at Stevens Institute for state college faculty who have appropriate math backgrounds) would be identified for inclusion in the plan.

#### Teacher Education

The Commission suggests that the colleges move "boldly and imaginatively to create a radically new educational sequence for the preparation of teachers." It proposes a five year undergraduate-master's program where the professional focus comes in only after the completion of an arts and sciences program. Such an approach would be one of many options with the potential to improve the quality of preparation and the profession of teaching and, thus, should be studied by the colleges.

#### Admissions Policy

The Commission has recommended that as a precondition for freshman admissions students who are admitted through the regular admissions program be required to have graduated in the top half of their high school graduating class or have SAT scores equal to or above the mean for that college's regularly admitted students of the previous fall. Students admitted through

the Educational Opportunity Fund and Special Admissions programs as well as those over 25 years of age would have different criteria set for them. After consultation with the state college presidents, these standards should be moved quickly into regulation (to become effective no earlier than with the class entering in the Fall, 1987 semester) since they would signal to our high schools that the state colleges are selective institutions interested in well-prepared students.

More, however, must be undertaken if that message is to be delivered to the people of New Jersey. Thus, I recommend that the NJSCGBA develop a public information program that will benefit all of the state colleges by informing the people of New Jersey and nearby states of the quality of our state college programs and our desire to serve well prepared students. This would be, perhaps, the most important and fruitful sort of advocacy activity in which the NJSCGBA could engage.

## FINANCE

The Commission on the Future of the State Colleges has made a number of recommendations concerning finance that are all geared toward supporting the autonomy and academic excellence recommendations. The suggestions concerning the development of an ideal student-faculty ratio, the core funding approach, and the counting of off-campus enrollments all make eminent sense.

If quality is to be the outcome, then we need to go beyond the recommendations of the Commission. For example, the budgetary increase in the base budgets of 3 per cent per year above normal growth for five years would accomplish the goal of improving library inventories, acquiring computers, re-equipping science labs and resolving deferred maintenance needs. In addition, however, we need to provide a focus on faculty salaries for if the state colleges are to attract and to retain excellent faculty they must provide salaries that are competitive with other institutions of higher education and with industry. The Board of Higher Education should appoint a task force to make recommendations concerning this issue.

The Commission recommended that a bond issue be enacted in order to provide new buildings and major renovations to existing buildings. I believe that a publicly financed bond issue is unlikely in the foreseeable future. Thus, I recommend an alternative whereby tuition would be increased by a modest amount with the funds generated from that increase (along with other locally generated funds) being set aside for capital construction. Upon the acceptance by the Board of Higher Education of a college's capital plan, the college would be authorized by the Board to initiate activity with the Educational Facilities Authority for the bonding of these projects using this capital fund as the revenue source. (Under this approach, Tuition Aid Grants would be raised so that needy students would not be disadvantaged by the

tuition increase.)

Finally, I believe that the state colleges need the ability accorded to most colleges across the country to promote their mission-related and other policy goals through the vehicle of tuition waivers. For example, a state college, utilizing grant funds, may develop and offer a graduate level program specifically to meet the training needs of a corporation or a school district. The college should have the flexibility to waive tuition charges for those students covered by the grant that sponsors the program. Similarly, tuition waivers are commonly used to support student exchange programs in which students pay tuition to their home institution while spending a year at another institution involved in a reciprocal program. Further, most colleges and universities make it possible for their employees to take a course each semester without charge. The state colleges cannot do this under the current statute. Thus, I propose that each state college board of trustees be empowered to waive tuition up to 2 percent of the anticipated tuition revenues in order to support such programs.