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CN-001
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RELEASE: July 8, 1997



Best Practices of New Jersey Colleges Released

Eileen McGinnis, Chief of Policy and Planning for Gov. Christie Whitman, today released the report of the College Review Team Project that identifies many of the costs confronting college and university administrators and highlights some of the best practices utilized by New Jersey state colleges and universities to control costs.

"This report of best practices clearly demonstrates that New Jersey's state colleges and universities have individually adopted fiscal practices that have helped hold the line on tuition increases. More important, the report demonstrates that future tuition increases could be constrained if our institutions take advantage of each other's valuable experiences," Gov. Whitman said.

The College Review Team Project is modeled in part after the Local Budget Review Program that performs budget reviews and makes suggestions for cost-saving initiatives to municipalities and school districts. The report released today was the result of a cooperative effort among state college administrators and staff from the Department of the Treasury and the Governor's office.

Project teams have reviewed operations at William Paterson College, Kean College and Stockton State College. The college review project will ultimately include sending review teams to all New Jersey state colleges and universities.

The report includes a campus profile for each New Jersey state college and university that analyzes institutional expenditures in a variety of areas. The report compares the expenditure levels at each New Jersey institution with statewide and national averages for similar spending.

"This first-of-its-kind report should be a valuable tool to enable our state institutions to learn from one another and keep an even tighter control on costs and tuition," McGinnis said.

Tuition at state colleges and universities has increased at an average annual rate of 6.6% during the Governor's first three years. By comparison, the same tuition increased by an average annual rate of 10.7% during the first three years of the Florio term and 10.2% during the first three years of Governor Kean's first term and 9.0% during the first three years of his second term. (see attached graphic and tables) Tuition information during the fourth year of the Whitman administration is not yet available because some colleges are still in the process of setting set their tuition.

The report cites 10 best management practices by New Jersey state colleges and universities. Best practices were found in areas as diverse as the use of technology assistants to improve computer literacy, the operation and delivery of student services, the use of formalized inter-institution agreement and other items.

The report also looks closely at some of the ways that state resources could be shared with colleges and universities in order to improve efficiency and control costs. The review team found that utilizing state resources in areas that are not central to a pure education mission could be cost-effective for the state and the higher education system.

Among the areas where the report found that increased use of state resources could help control costs and tuition are transportation and infrastructure programs, telecommunications, energy conservation and purchasing as well as other areas.

Recently, the Commission on Higher Education released its second annual systemwide accountability report. That report, entitled "Higher Education Costs and Revenues," compared New Jersey's institutions to their peers in other states. Among other things, the report found that the state's contribution to our system of higher education is relatively generous compared to other states in the region and nationally. The report also found that New Jersey ranks fifth in the nation on a measure of financial aid as a percentage of the overall higher education budget, and that New Jersey colleges spend more than their counterparts in areas such as buildings operation, management, and institutional support.

"While these two reports are different, they share a primary purpose -- to bring campus and government leaders together to develop a greater understanding of higher education cost issues and the ways that they may be addressed," McGinnis said.

"Taken together, these reports indicate that greater cost control is indeed possible at New Jersey's colleges and universities and that by instituting such controls the reliance on increased tuition revenue can be substantially lessened," Gov. Whitman said.

A copy of the report is available from the Governor's Communications Office.

