



## **REPORT OF THE GOVERNOR'S ADVISORY PANEL ON HIGHER EDUCATION RESTRUCTURING**

### **I. INTRODUCTION**

In addressing Governor Whitman's charge to make recommendations on restructuring higher education in New Jersey, the members of this Advisory Panel have regarded their role as one part of an ongoing process of development and change in our state system of higher education, a process to which the Department and Board of Higher Education have made significant contributions. While the Panel fully endorses the Governor's position that higher education in New Jersey can best meet its responsibilities in the decades ahead by shifting to a system of governance and accountability that calls more directly upon the expanded strength and maturity of the individual institutions, its members wish to underscore the critical importance of ensuring a stable system for higher education that upholds the integrity of certain ongoing statewide functions and programs.

As Governor Whitman affirmed in an interview for the Chronicle of Higher Education in fall, 1993, an appropriate balance of the state's legitimate interests and of the institutions' appropriate concerns for greater freedom of action "can be struck by balancing state accountability for standards and student outcomes with local autonomy for colleges and universities in meeting their missions and goals." In inviting this Panel to define new higher education structures that can better promote such a desirable balance and at the same time foster greater responsiveness to the constantly changing needs of our diverse population, the Governor cited four touchstones for achieving an excellent system:

1. Ensure that higher education is affordable, accessible, and of high quality;
2. Ensure that institutions are given greater autonomy with a minimum of bureaucratic controls;
3. Guard against the intrusion of political influence into the decisionmaking process; and
4. Provide for appropriate coordination at the state level.

These general principles are very similar to those articulated in the May, 1966 report of the Goheen Committee on higher education in New Jersey. Indeed, in reviewing that report, members of the Advisory Panel were struck by how many of the benchmarks recommended there have retained their vitality and relevance. Their broad applicability in the present situation suggests that the goals of an effective higher education system for New Jersey are little different now than they were nearly thirty years ago. As paraphrased from the report and from a memorandum by President Goheen written at the time the report was released, they are:

- Serve many more of the state's citizens from all backgrounds, including those who cannot afford or do not wish to go outside the state for higher education;
- Assume responsibility to develop broad guidelines within which institutions can serve both their individual missions and statewide goals;
- Ensure that statewide boards and departments are engaged in long-range planning and policymaking, not in administration, since the state's function is fundamentally to develop guidelines

within which the presidents and other institutional officers can work;

- Give individual colleges and universities sufficient initiative to allow their leadership to develop and to encourage "vital faculty," an "enthusiastic student body," and "loyal alumni;"
- Ensure that able lay persons are selected for boards of trustees to give direction and advice to administrative officers who run the day-to-day affairs of an institution;
- Develop mechanisms through which the institutions can communicate effectively with one another and be encouraged to conceive of the higher education system as a whole, rather than as fragmented units;
- Provide that the central state board which oversees the system be made up of non-political appointments and represents various segments of the state's citizenry. It should consist of "men and women of stature who have the time, energy and courage to devote to the job."
- Do not have a large professional staff for the statewide bodies; "indeed there are those who believe that there is an inverse relationship between the size of the central state staff and the effectiveness of the system. Smaller staffs tend (by the very limitations of time) to confine themselves to essentials."
- Ensure fairness for all institutions, public and private.

These recommendations remain highly relevant to the current situation, but it is clear that New Jersey in the mid-1990's confronts a dramatically different situation than it did in the mid-sixties. Back then, Rutgers had only

been the State University of New Jersey for a decade; the Newark College of Engineering had not yet expanded and become N.J.I.T.; and the independent colleges enrolled over forty percent of students attending institutions in the state. Moreover, at that time three of the senior public colleges had not yet been born; the county college system that now enrolls over half of all students attending college in New Jersey was still in its infancy; and the state had only a tiny public facility for education and research in the medical sciences.

It is not surprising that a new coordinating agency, working with what was then a largely immature set of institutions, developed broad authority over those institutions, with extensive controls over most of their governing boards and many of their other functions. That agency also acquired a substantial professional staff that, despite recent cuts, remains among the largest higher education staffs in the nation. Such a structure may have made sense for a period in which the new higher education system was being established, but it makes little sense today.

As we approach a new century with a set of mature institutions that now have both the strength and capacity to exert more influence over their individual and collective fates, a very different structure is needed. That structure ought to release more of the institutions' capacities and energies in a way that enables them to meet their responsibilities more effectively. Some statewide coordination and decision-making are obviously still required, but what is called for now is a structure that promotes more collaborative participation by the institutions themselves.

What has changed, then, is less the goals of an effective system of higher education for New Jersey than the means through which those goals can most appropriately be realized. The very success of the approach recommended by the Goheen Committee has now made it possible for New Jersey to adopt a new structure, one that is better adapted to the system as it has evolved and is also more flexible, more collegial, and more capable of positioning the state to meet the higher education challenges of the next century.

The framework we are proposing here is thus the logical outcome of the changes initiated through the recommendations of the Goheen Committee and of other studies conducted in the post-World War II expansion era. As we move forward to implement new structures, the Panel urges that this administration continue a dialogue with all our citizens on the appropriate means to realize, together and fully, the benefits of an excellent higher education system.

## **II. BASIC CONSIDERATIONS FOR AN EXCELLENT HIGHER EDUCATION SYSTEM FOR THE FUTURE**

The Advisory Panel on Higher Education Restructuring reaffirms that despite increased pressures on all institutions, the central mission of colleges and universities remains the same: the education of students and the creation of new knowledge. Key requirements for the success of this mission are academic freedom and freedom of inquiry.

The Panel also reaffirms that access, affordability and excellence are critical objectives for higher education in New Jersey, and that vigorous efforts are still needed to enhance educational opportunity and quality. In setting out its proposals for a structural framework for higher education to be presented in the next section, the Panel urges consideration of the following recommendations and guidelines:

- \* Access without quality is meaningless. Excellence in higher education must be an explicit goal and we must demonstrate a clear, unambiguous and ongoing commitment to improving the quality of higher education.
- \* A diversity of educational opportunities must be available to New Jersey college students. Students must be able to receive the knowledge, skills, and training needed to tackle the problems of the twenty-first century. Our institutions of higher education must provide opportunities to study with excellent faculty, receive effective academic support services, and learn with state-of-the-art equipment, facilities, laboratories and communications technologies. For the research universities, students must be able to participate in research, use advanced technologies, and participate in the furthering of knowledge and scholarship. Faculty at research universities should be engaged in work that pushes past the boundaries of existing knowledge and creates new methods of inquiry as well as new bodies of knowledge.

- A diversity of healthy institutions -- public and private; college and university; two-year and four-year; urban, suburban, and rural; teaching and research universities -- must be maintained to ensure that these public purposes are served. It is on this principle that the basis for student and institutional aid from public monies is founded.
- Higher education in New Jersey is a critical engine for the State's economic, civic and intellectual development, a partner in identifying and solving problems in the public interest, and the key to improved livelihoods and futures for all the students it serves. According to a recent study, nearly half of the new jobs that will become available between now and 2005 in New Jersey will be jobs that require college-level training.
- Higher education must continue to expand programs that encourage access as well as provide financial and academic support to non-traditional student populations, including growing numbers of immigrants. It should also remain attuned to the needs of women students, the "new majority" in higher education since the 1980's. Curricula and programs should continue to address the interests and concerns of all student populations.
- There remains a continuing need to build more effective means of communication and links between urban, suburban and rural institutions and between K-12 institutions and New Jersey's colleges and universities.

- New Jersey's colleges and universities are mission-driven on three levels: state, sector and campus. A higher education structure that would maximize the ability to serve the diverse needs of its citizens, and maximize efficient and effective expenditure of public resources, should ensure that these missions are appropriately differentiated as part of the process of creating the framework for increased institutional autonomy.
- Greater institutional autonomy will enhance quality, increase institutional flexibility and demand greater accountability.
- Greater institutional autonomy will require significantly strengthened institutional boards of trustees. This will mean identifying ways to ensure that heightened board strength is maintained over time throughout the system.
- Political influences must be minimized in the decisionmaking process at the state and local levels, and a restructured system must seek to avoid administrative overlap and duplication.
- Higher education institutions have shouldered a disproportionate share of state budget reductions in the past six years. A restructured higher education system must incorporate ways to ensure more effective public advocacy for the needs of its institutions of higher learning.

### **III. RECOMMENDED STRUCTURAL FRAMEWORK TO SUPPORT THESE REQUIREMENTS**

Members of the Advisory Panel on Higher Education Restructuring have considered possible frameworks that can embody the above guidelines. They are persuaded that many of the principles that underlie the recommendations in the Goheen report and policy memorandum still provide sound advice for ensuring an effective higher education system in New Jersey. At the same time, given the dramatic statewide changes that have occurred since the mid-sixties -- changes that should inform policymaking -- as well as the expanded growth and maturity of the individual institutions, the Panel concludes that a Department and Board of Higher Education are no longer the best means to carry forward the needed coordination, planning and general oversight functions for the system as a whole.

The Advisory Panel's recommendations therefore are these:

- \* Governing Boards of New Jersey's public colleges and universities that are greatly strengthened to ensure institutions that are more responsive to the needs of their students and communities while being accountable to the public for maintaining quality, affordability, and effective management;
- \* A Presidents' Council that will draw upon the leadership and expertise of the presidents of New Jersey's colleges and universities to improve coordination and sharing of resources among these institutions and to provide advice on

statewide planning and policy to the Commission on Higher Education;

- A Higher Education Student Assistance Authority that will ensure both continuity and strengthened capacity to deliver student financial assistance and services to students more effectively, consistently and with a minimum of bureaucratic red tape;
- A New Jersey Commission on Higher Education, a public body to provide, in cooperation with the Presidents' Council, overall planning and policy coordination for the higher education system as well as advice to the Governor and Legislature on policy and budget priorities. Commission members, who will be appointed by the Governor and selected without regard for political affiliation, will be distinguished citizens of the state from a variety of backgrounds.
- Orderly transition and implementation of key elements of the new structure.

By the mid-nineties the institutions of higher learning in the State of New Jersey are ready for more direct roles in a collaborative, consensus-building structure of the sort recommended here, whose entities can function more cooperatively. In addition to a sector of considerably expanded senior public research institutions and another of the original independents, the higher education system now includes an expanded sector of state colleges and teaching universities as well as the sector composed of nineteen county colleges. In the

years since the 1960's, moreover, institutions within all four of these sectors have expanded their cooperative ties, including consensus-building through sector organizations that bring them together.

The structure being proposed here builds upon that history of cooperation and also encourages enhanced cross-sector ties. In addition, Panel members are persuaded that the existing formal linkages between K-12 and the entire higher education system have not worked well, and that the proposed system will be more likely to foster increased communications and cooperative arrangements. These will occur through the Presidents' Council, which is urged to initiate such arrangements, and through more formal statewide planning initiatives of the Commission on Higher Education. It is noted, in addition, that Panel members endorse the maintenance of a modest higher education research capacity to gather and disseminate data and to aid in planning, policymaking and evaluation. The Panel recommends that this capacity be placed in the Commission and work cooperatively with the Presidents' Council as well as with individuals in the institutions responsible for information and data collection.

The Panel members, moreover, strongly endorse the continuation and strengthening of student assistance programs and academic support units designed to enhance access to colleges and universities. These include the Tuition Aid Grant (TAG) program, which provided over \$120 million in support to New Jersey students in 1994; the Educational Opportunity Fund, which has opened doors to higher education for more than 25,000 needy students who have graduated since its creation in 1968; and the extensive statewide student loan program, whose total loans guaranteed have exceeded \$4.6 billion.

The Panel wishes to note that while discussions of some issues in this report have revealed differences among us on details, what stands out at the close of our deliberations is the broad and deep consensus we have achieved on the issues that matter most in our charge. What follows is an outline of these areas of consensus among Panel members that constitutes our response to the Governors' request that we make specific recommendations on a new structure for higher education in New Jersey.

**A. Governing Boards of Public Institutions**

In addition to their current authority and responsibility as set forth in state law, the institutional governing boards shall:

1. Have the responsibility for public accountability for performance and for effective management;
2. Determine their size and composition;
3. Nominate, for the Governor's consideration, potential members for appointment to the governing boards, with attention to missions and diversity;
4. Receive and act upon personnel appeals;
5. Have final authority and responsibility with regard to all internal academic decisions within schools and/or degree levels already authorized (A.A., B.A., M.A., PH.D.);
6. Set tuition and fees;
7. Have the authority and responsibility to invest institutional funds;

8. Have the authority and responsibility to retain legal counsel of their own choosing (including reliance on the Attorney General's office for state colleges and teaching universities);
9. Have the authority and responsibility for all institutional planning, financing, staffing, existing program offerings, and capital improvements subject to funding availability.

[Note: The Advisory Panel recognizes that the application of these recommendations to the various State Colleges, County Colleges, UMDNJ, NJIT and Rutgers, The State University varies depending on their differing present governing statutes.]

#### **B. Presidents' Council**

To draw upon the leadership and expertise of the state's college and university presidents, to improve coordination and sharing of resources among institutions and to provide advice on statewide planning and policy, a Presidents' Council shall be established. It shall have these characteristics:

1. **Membership:** All presidents of public institutions of higher education in the state and all independent institutions that receive direct state aid.
2. **Meetings:** The full Council will meet at least twice a year.
3. **Executive Board:** The Presidents' Council shall conduct business through a thirteen member executive board.

Members will be the Presidents of the three senior public research institutions -- Rutgers University, N.J.I.T., and U.M.D.N.J. -- as well as the presidents of three of the state colleges and teaching universities; three of the independent colleges; and four of the County Colleges. Representatives to the Board from the independent, state and county college sectors will be selected by each sector. The Chair of the board shall rotate every two years through the four categories: senior research publics, state colleges and teaching universities, independents, and county colleges.

#### **4. Responsibilities**

a. Cooperation: encourages and recommends to the institutions the formation of regional or other alliances among institutions from all sectors including interinstitutional transfer, articulation, cooperative programs and shared resources in areas such as libraries. The Council shall also inform institutions of actions by other institutions to discontinue programs at their institutions.

b. Planning: Assists the Commission with statewide planning, including the establishment of new institutions, closure of existing institutions and consolidation of institutions.

- c. **Policy Recommendations:** Provides general policy recommendations to the Commission on statewide higher education issues.
- d. **Budget:** In cooperation with the Commission, develops statewide priorities for the future funding of New Jersey higher education to ensure that the system is affordable, accessible, and of high quality, based on the Commission's long-range planning process. This should include both annual budget priorities as well as a multi-year budget.
- e. **New program review:** Receives and reviews proposals for new programs that exceed the traditional mission of the institution, change that mission, demand significant added resources, or raise serious questions of duplication. In cases involving new programs that either exceed the traditional mission or change it, the Presidents' Council makes a recommendation to the Commission on Higher Education for final decision. In cases of new program review that demand significant added resources or raise serious issues of duplication, the Presidents' Council will be the last review, and its opinion is advisory to the institutional board, which retains final authority.
- f. **Public Information and Research:** Responsible for providing public information and

recommending research through a research group that is formally housed in the Commission of Higher Education but works cooperatively with the Presidents' Council;

g. **Student Aid Advice:** Advises the Commission on overall policy and level of funding of student aid programs in order to maintain access to higher education.

h. **Licensure:** Makes recommendations to Commission on initial institutional licensure.

i. **Sector-specific governance issue:** The Council may request sector representative organizations to receive and determine matters under the purview of the Presidents' Council which relate only to that sector.

### **C. HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY**

To provide both continuity and strengthened capacity to deliver student financial assistance and student services more effectively, consistently and with a minimum of bureaucratic difficulties, the Panel recommends the establishment of a consolidated Higher Education Student Assistance Authority. It shall be located at least initially in but not of the Department of Treasury, and shall operate within the planning and policy framework of the Commission on Higher Education.

The Advisory Panel recommends that the New Jersey Higher Education Assistance Authority, which now exists with an extensive statutory base that predates the statutes establishing the Board and Department of Higher Education, be continued and work within the policy framework set by the Commission to maintain continuity of services and federal funding for students. The Authority, which should be located in but not of the Department of Treasury (as should the Educational Facilities Authority) should be augmented to include the policy development and administration for all state programs of student assistance, including the Tuition Aid Grant program, the Distinguished Scholarship program, the Urban Scholarship program, the Garden State Scholarship program, the Public Tuition Benefits program, and the Veterinary Medical Education program, as well as existing Student Loan programs and any future student assistance program. The major purpose of the Authority would be to act as a higher education services provider to individual students and their institutions.

The financial aid administration of the Educational Opportunity Fund would also be handled by the Authority. The E.O.F. Policy Board itself shall be advisory and attached to the Commission on Higher Education.

The membership of the Higher Education Assistance Authority, which the Panel recommends be renamed the Higher Education Student Assistance Authority, should be augmented to include the functionality of the existing Student Assistance Board by adding institutional and student representatives to the public members of the existing Authority; the new

Authority would have 11 members, with five institutional sector representatives, four public representatives, and two students. Terms would be for four years, with maximum tenure of two terms. The Authority should have a Student Advisory Committee, which should recommend students from its membership for the two Authority seats of one year terms (as with the present Student Assistance Board). The Authority's Chair should be elected by members of the Authority for a four-year term. The Governor should retain control over the work of the Authority through minutes being subject to veto, as now exists.

The Authority should continue to receive all federal funds for which it is eligible for the administration of student loan programs. Those state program activities not eligible for federal subsidy should continue to be supported by state appropriation.

The Authority would continue its liaison activities with the Federal Government on student assistance policy matters. It would also continue to disseminate information to students and families on New Jersey academic programs and financial assistance opportunities. It should carry out audits of student assistance procedures and expenditures at the institutional level (audits of non-student assistance expenditures should be performed by the Department of the Treasury).

One voting member of the Authority should be appointed by the Commission on Higher Education as its liaison member, as should one member of the EOF Board. The Authority should recommend

statewide policy on student assistance to the Higher Education Commission.

**D. New Jersey Commission on Higher Education**

A New Jersey Commission on Higher Education in but not of the Department of State will provide, in cooperation with the Presidents' Council, overall planning and policy coordination for the state's higher education system. It will conduct statewide planning and advise the Governor and Legislature on policy and budget priorities. The Commission shall:

1. Provide advocacy on behalf of higher education before the Governor, the Legislature and the public;
2. Make recommendations to the Governor and Legislature on Higher Education initiatives of statewide significance;
3. Consider and act on institutional licensure upon recommendation of the Presidents' Council and in consideration of the action of appropriate accreditation groups, if applicable;
4. Assume responsibility for the E.O.F. Board and the statewide academic support program; the E.O.F. Board would recommend overall policy to the Commission.
5. Conduct statewide planning for the higher education system as a whole, working in cooperation with the Presidents' Council.

6. Ensure against improper political intrusions and uphold the existing code of ethics;
7. Review and have final authority over new academic programs which go beyond the traditional mission of the institution or authorize a new mission of the institution;
8. Develop, in collaboration with the Presidents' Council, and recommend to the Governor and Legislature, statewide priorities for the future funding of New Jersey higher education. This activity should include both annual budget priorities and multi-year priorities.
9. Administer the federally designated State Postsecondary Review Entity (SPRE) and communicate with federal agencies in cooperation with the Presidents' Council;
10. Recommend incentive programs for statewide initiatives;
11. Provide public information and non-institution specific research data;
12. Approve projects authorized by Higher Education Facilities Trust Fund/Equipment Leasing Fund and work with the Educational Facilities Authority.

The Commission shall initially include fifteen members, fourteen appointed by the Governor without regard to political affiliation and the Chair of the Presidents' Council, who shall serve ex officio as a voting member. Of the initial fourteen appointments, eight shall be public members appointed to staggered six-year terms and six shall be trustees serving at the time of their appointments on the boards of institutions of higher education in New Jersey.

These six members will be called upon for their experience as the system is being phased in; and unlike the other members, they shall serve for a period of four years, after which their positions are terminated. Once the phase-in period is over, the Commission shall consist of a total of nine members, the eight public members and the Chair of the Presidents' Council. The public members shall serve six years with a maximum of two terms.

The Governor will appoint the Chair and Vice-Chair of the Commission. The Chair shall be of cabinet level rank, but without being a member of the cabinet. The Chair will be authorized at the discretion of the Governor to attend cabinet-level meetings, particularly those in which higher education or state budget matters will be discussed.

**Note on Collective Bargaining:** All regulations concerning terms and conditions of employment shall be continued in the Commission for a period of one year. The Commission shall conduct a study to determine what regulations should be retained for each sector. This should be done with advice from the sectors. The Commission will also make recommendations concerning the regulations process. The Commission will report to the Governor and Legislature within six months regarding these issues. The Commission shall promulgate regulations to implement by July 1, 1995.

SUMMARY OF  
REPORT OF THE GOVERNOR'S ADVISORY PANEL  
ON HIGHER EDUCATION RESTRUCTURING

A 15-member panel, The Advisory Panel on Higher Education Restructuring, appointed by Governor Whitman in 1994 and chaired by Mary S. Hartman, Dean of Douglass College of Rutgers, The State University, was charged with assisting the Governor in proposing legislation to create a new governance structure for higher education in New Jersey. After deliberations over a month long period and two public hearings, the Panel reached the conclusion that the ideal goals of an effective higher education system for New Jersey today have not changed significantly from those outlined in the report made by the Citizens Committee for Higher Education in New Jersey, appointed by Governor Hughes in 1965. However, as New Jersey's higher education system has evolved and its needs have changed over the past 28 years, a new governance structure is now needed for the system as it approaches a new century that will be dramatically different.

The panel's report contained the following recommendations:

1. That governing boards of New Jersey's public colleges and universities be strengthened to ensure institutions are more accountable to the public for maintaining quality, affordability, and effective management. The institutional governing boards should:
  - a. Have the responsibility for public accountability for performance and for effective management.
  - b. Determine their size and composition except for the county colleges.
  - c. Nominate for the Governor's consideration potential board of trustee members for appointment.
  - d. Receive and act upon personnel appeals.
  - e. Have final authority and responsibility with regard to all internal academic decisions within schools and/or degree levels already authorized.
  - f. Set tuition and fees.
  - g. Have the authority and responsibility to invest institutional funds.
  - h. Have the authority and responsibility to retain legal counsel of their own choosing, including reliance on the Attorney General's office.
  - i. Have the authority and responsibility for all institutional planning, financing, staffing, program offerings, and capital improvements subject to funding availability.
2. That a newly created public body, the "New Jersey Commission on Higher Education," provide overall planning and policy coordination for the state's higher education system through statewide planning in cooperation with the Presidents' Council. In addition, the Commission should advise the Governor and Legislature on statewide policy and budget priorities.

**CHARACTERISTICS OF THE COMMISSION:**

- a. Membership: eight public members appointed by the Governor to staggered six-year terms, the Chair of the Presidents' Council (ex-officio), and, initially, six institutional trustees who will all serve one four-year term simultaneously. Once the trustees' term is finished, Commission membership will consist of eight public members and the Chair of the Presidents' Council only (total of nine).
- b. Location: in but not of the Department of State.
- c. The Chair of the Commission should be assigned the authority of cabinet level status but should not be a member of the Governor's cabinet. The Chair should attend only those cabinet meetings that involve higher education issues.

**RESPONSIBILITIES OF THE COMMISSION:**

- a. Provide advocacy on behalf of higher education before the Governor, Legislature, and public.
- b. Recommend to the Governor and Legislature statewide higher education initiatives.
- c. Make final decision regarding institutional licensure with consideration of recommendation by the Presidents' Council and appropriate accrediting bodies, if applicable.

- d. Assume responsibility for the EOF Board and administer the EOF program (excluding financial aid functions)
  - e. Conduct statewide planning on higher education system as a whole in cooperation with Presidents' Council.
  - f. Ensure against improper political intrusions and uphold existing code of ethics.
  - g. Make final determinations regarding academic programs that go beyond traditional mission of an institution.
  - h. Develop, in collaboration with Presidents' Council, and recommend to Governor and Legislature statewide higher education priorities for future funding, including annual budget priorities and long term priorities.
  - i. Administer SPRE.
  - j. Communicate with federal agencies in cooperation with The Presidents' Council.
  - k. Recommend incentive programs for statewide initiatives.
  - l. Provide public information and non-institutional specific research data.
  - m. Approve Higher Education Trust Fund and Equipment Leasing Fund projects and work with EFA.
3. That a newly created quasi-public body, a "Presidents' Council," improve coordination and sharing of resources among all institutions and provide advice on statewide planning and policy to the Commission on Higher Education.

#### CHARACTERISTICS OF THE COUNCIL:

- a. Membership: all presidents of NJ public higher education institutions and all independent institutions that receive direct state aid.
- b. The full Council should meet at least twice a year.
- c. Business should be conducted through a 13 member executive board consisting of the presidents of Rutgers University, the University of Medicine and Dentistry of New Jersey, New Jersey Institute of Technology, three state colleges/universities, three independent colleges/universities, and four county colleges.

#### RESPONSIBILITIES OF THE COUNCIL:

- a. Encourage and recommend the formation of regional or other alliances among institutions from all sectors, including inter-institutional transfer agreements, articulation, cooperative programs, and shared resources in areas such as libraries. Inform institutions when a college or university discontinues a program.
  - b. Assist the Commission with statewide planning, including establishment of new institutions, institutional closures, and institutional mergers.
  - c. Provide general policy recommendations on statewide higher education issues.
  - d. Develop statewide priorities, in cooperation with the Commission, for future funding of NJ higher education to ensure that the system is affordable, accessible, and of high quality bases on the Commission's long-range planning process.
  - e. Receive and review proposals for new academic programs that exceed the traditional mission of an institution, change that mission, demand significant additional resources, or raise serious questions of duplication. **NOTE:** if a new program exceeds the traditional mission of an institution or changes it, the Council will make a recommendation to the Commission for a final determination. If a new program demands significant additional resources or raises issues of duplication, the Council shall advise the proponent institution's board of trustees and the board of trustees will make the final determination.
  - f. Provide public information.
  - g. Recommend research to be conducted through a research group that is formally housed in the Commission on Higher Education but works cooperatively with the Council.
  - h. Advise the Commission on overall policy and level of funding of student aid programs (including EOF) in order to maintain access to higher education.
  - i. Make recommendations to the Commission on institutional licensure.
  - j. May request a specific sector organization to receive and determine matters under the purview of the Council that relate only to that particular sector.
4. That a consolidated "Higher Education Student Assistance Authority" ensure both continuity and strengthened capacity to deliver student financial assistance and services to students more effectively. The major purpose of the Authority should be to act as a higher education services provider.

**CHARACTERISTICS OF THE AUTHORITY:**

- a. **Membership:** Should consolidate members and functions of current NJHEAA and SAB and include five institutional members, four public members, and two student members (total of 11). Institutional and public member terms should be for three years with a maximum tenure of two terms. Student member terms should be for one year. The chair of the Authority should be elected by Authority members for a three-year term. One member of the Commission on Higher Education and one member of the EOF Board should be ex-officio, non voting members of the Authority.
- b. Should have a Student Advisory Committee that recommends students from its membership for the two student member slots on the Authority.
- c. **Location:** at least initially, in but not of Department of Treasury. **NOTE:** Panel also recommends that EFA be in but not of Department of Treasury.

**RESPONSIBILITIES OF THE AUTHORITY:**

- a. Operate within the planning and policy framework of the Commission on Higher Education.
  - b. Governor should retain control over Authority's work through its minutes, which are subject to Governor's veto.
  - c. Develop policy and administer all state student assistance programs, including TAG, Distinguished Scholarships, Urban Scholarships, Garden State Scholarships, Public Tuition Benefits program, Veterinary Medical Education program, student loan programs, and any future state student assistance programs. **NOTE:** Panel recommends state student aid programs continue to receive state appropriation.
  - d. Administer financial aid functions of the EOF program.
  - e. Receive all federal funds for which it is eligible for the administration of federal student loan programs.
  - f. Liaison with federal government on student assistance policy matters.
  - g. Disseminate information to public on academic programs offered by NJ institutions and financial assistance opportunities.
  - h. Audit student assistance procedures and expenditures at the institutional level. **NOTE:** Panel recommends that audits of non-student assistance expenditures be performed by Treasury.
  - i. Recommend statewide policy on student assistance to Commission on Higher Education. Receive recommendations from Commission and Presidents' Council about such policy.
5. **Panel's Recommendations on Collective Bargaining:**
- a. Regulations concerning terms and conditions of employment should be continued in Commission on Higher Education for a one-year period.
  - b. Commission should conduct a study to determine what regulations should be retained for each sector with input from the sectors.
  - c. Commission should make recommendation re: regulations process and report to Governor and Legislature within 6 months regarding these issues.
  - d. Commission should promulgate regulations to be implemented by July 1, 1995.