

January 26, 2012

Establishing the New Rowan University
A Report from The Learning Alliance for Higher Education
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Yesterday, the Governor of New Jersey fully endorsed the report of The University of Medicine and Dentistry of New Jersey Advisory Committee, chaired by Dr. Sol J. Barer, which outlines a fundamental reshaping of medical and dental education in New Jersey. In addition to recommending the consolidation of medical education across the State, the Advisory Committee called for an integration of publicly funded university assets in South Jersey leading to a strengthened and recast Rowan University headquartered in Glassboro, a thriving Cooper Medical School of Rowan University, co-located with Cooper University Hospital in Camden, and a strengthened institution formerly designated as Rutgers University-Camden. The Advisory Committee’s Report and the Governor’s recommendation of its adoption is almost certain to spark debate and controversy, and perhaps legal challenges focusing on the actions the Governor is expected to pursue as he seeks to implement the Report’s recommendations. Much, probably even most, of the ensuing clamor will focus on the Report’s recommendations for consolidating medical and dental education across the state. In South Jersey, however, most of the controversy will likely center on the integration of Rutgers-Camden with an enhanced and recast Rowan University—what we have labeled below the “*New Rowan University*.”

Last November, The Learning Alliance was asked to develop a work plan identifying the actions and considerations that would prove necessary when, and if, the Advisory Committee recommended the integration of Rowan University and its newly accredited School of Medicine, Rutgers-Camden, and possibly other postsecondary institutions and agencies across South Jersey. In developing our report we have used the following calendar of events:

1. The University of Medicine and Dentistry of New Jersey Advisory Committee reported on January 25, 2012, and the Governor endorsed those recommendations without specifying the processes to be used in implementing the Advisory Committee's recommendations.
2. The Governor informs the New Jersey State Legislature of the processes he will use to implement the Advisory Committee's recommendations.
3. The New Rowan University is designated a public research university with enhanced autonomy and authority.
4. The New Rowan University prepares and submits its initial budget request as a public research university with similar powers and statutory privileges that are afforded to New Jersey's other public research universities.
5. The New Rowan University commences operations on or about July 1, 2012, though it is expected that full implementation of the Advisory Committee's recommendations will likely unfold over the next two to three years.

In developing our list of tasks, three considerations have shaped our recommendations.

- First, we believe a significant portion of the faculty and staff at Rutgers-Camden will express their unhappiness with what the Advisory Committee has recommended. We suspect the rhetoric used by those opposed to the integration of Rutgers-Camden into the New Rowan University will be strong and perhaps even personal. It is important, however, that those protests do not set the tone for what ought to be an optimistic discussion of the educational future the Advisory

Committee has imagined. It is important that those responsible for managing the transition to a New Rowan University spend as little time as possible explaining how and why the protests have missed the point. Rather, those responsible for managing the transition to a New Rowan University should spend the great majority of their time describing the opportunities a New Rowan University makes possible: increased research and economic development, better patient care, and an expanding set of educational opportunities for both new and returning students across New Jersey.

- Second, it is important to note that many of the institutions impacted by the Advisory Committee's recommendations are in the process of choosing new presidents. Rowan University, for example, is currently being led by its Provost, who is serving as the University's Interim President. One of the first tasks of the New Rowan University will be to complete the choosing of a new President as quickly and as judiciously as possible. Choosing a president with a broad national reputation who can, immediately upon selection, become the New Rowan University's principal spokesman and cheerleader, ought to be an important consideration in the selection process.
- Third, it is possible that the opposition voiced by key segments of the Rutgers-Camden community will delay the full implementation of the Advisory Committee's recommendations. As we note below, it is likely that the process of accrediting the New Rowan University undergraduate programs at the current Rutgers-Camden location will be substantially slowed—even put on hold—pending the outcome of possible legal challenges. We believe that the most salient elements necessary to the launching of the New Rowan University should not be delayed. Quite the contrary, the Steering Committee appointed to develop the procedures and processes that Rowan University will require as a newly designated public research university must expeditiously complete its work by July 1, 2012.

We have organized our recommendations within each of the following phases as a set of tasks and, where appropriate, an accompanying set of observations and findings.

Ultimately, the tasks will be the responsibility of the Steering Committee created to oversee the transition to a New Rowan University, although we expect the Steering Committee to create a number of Working Groups and Special Task Forces to do much of the work required between now and the formal launching of the New Rowan University.

PHASE 1: ANNOUNCEMENT THROUGH MID-MARCH 2012.

Tasks

1. *Create an intra-institutional Steering Committee to manage the transition process.*

It is possible that Rutgers-Camden will choose not to name participants to a Steering Committee until the campus and Rutgers, the State University of New Jersey (“Rutgers University”) have formally acquiesced in the proposed integration of Rowan and Rutgers-Camden. It is also possible that Rutgers-Camden will designate “observers” to work with the Steering Committee.

2. *Complete the development of a Phase 1 Communications Plan.*

There is currently in draft a Communications Plan that focused primarily on the period leading up to the announcement of the Advisory Committee’s recommendations. That plan’s stated objective is:

To educate the greater southern New Jersey community about the benefits of a Rowan/Rutgers-Camden reorganization and gain acceptance and support of key opinion leaders, who are critical to the overall success of the effort.

This plan represents a solid beginning but it ought to be immediately augmented to include:

- A concise statement stating the *Case for a New Rowan University*.
- A list of the key leaders—both internal and external—who need to be supplied with a copy of the *Case for a New Rowan University*; need first to be consulted with concerning the importance of the Advisory Committee’s recommendations; and, if appropriate, be asked if they can be called upon to publicly support the Advisory Committee’s recommendations.

To repeat our earlier observation, this Communications Plan and the messaging it develops needs to focus on the future, not the past. The goal is to have the maximum number of key people talking about the advantages the New Rowan will bring to South Jersey and not why South Jersey deserves more attention and investment.

At the same time, the Steering Committee and its communications team need to be prepared to provide concise, relatively low-key answers to the questions and objections raised by those opposed to the integration of Rowan University and Rutgers-Camden. To the extent possible, however, it is important that this kind of charge and response not become the dominant story.

3. *Analyze the Advisory Committee's Report and anticipate the Governor's specific recommendation as to the processes to be used to implement the Advisory Committee's report.*

The section of the Advisory Committee's report dealing with the integration of Rowan University, Rutgers-Camden, and other South Jersey educational and research entities is relatively short and without substantial detail. The Governor's message to the State Legislature, however, will necessarily be more complex. The Steering Committee needs to be in a position to answer questions that will likely come from the Governor's office concerning appropriate details. Four issues in particular will be important:

- A. Budgetary requirements to complete the transition
- B. Accreditation
- C. Personnel Classifications
- D. Governance, particularly the composition of an expanded Board of Trustees for the New Rowan University

During this first phase of the transition the Steering Committee will need to develop both information about and initial positions on each of these issues.

4. *Formally advise all the relevant accrediting agencies of the Advisory Committee's recommendations.*

At this point all that is necessary is a courtesy call asking how the agency would like to proceed if and when the necessary actions called for in the Advisory Committee's Report are complete.

PHASE 2: MID-MARCH 2012 THROUGH COMPLETION OF THE GOVERNMENTAL ACTIONS IMPLEMENTING THE ADVISORY COMMITTEE'S REPORT.

Our understanding is that sometime around the middle of March 2012, the Governor will specify the necessary procedural actions necessary to designate Rowan University as a public research university and providing for the integration of Rowan University, Rutgers-Camden, and the other South Jersey entities identified in the Advisory Committee's Report. It is during this critical period that the Steering Committee needs to set in motion a detailed transition plan, such that the New Rowan University can commence operations on or about July 1, 2012. To this end the Steering Committee will need to address, in detail, the four key issues identified above: the budget for the New Rowan University; the seamless accreditation of its programs; the reclassification of its personnel; and, the composition of an enlarged Board of Trustees as proposed by the Advisory Committee's report. The Steering Committee will also have to continue to oversee the Communications Plan—which, may now have to include formal responses to the legal challenges by those opposed to the integration of Rowan University and Rutgers-Camden are likely to bring.

Tasks

1. *Develop a plan addressing questions relating to the status and affiliation of personnel.*

Currently all Rowan employees except faculty and managerial staff are civil service employees. Rutgers University (including Rutgers-Camden) employees do not have Civil Service Status. It is reasonable to expect that once the New Rowan University is designated a public research university its employees will have the same designation as Rutgers employees—that is, they will not be classified as civil service employees.

At present, Rowan University's staff, both faculty and non-faculty, are part of bargaining units that include all faculty and staff at all nine New Jersey state colleges and universities. For these faculty and staff, the State negotiates contracts that are uniform across the set of nine institutions. Rutgers University, including Rutgers-Camden, negotiates its own contracts for all of the units in the University.

Rowan faculty are part of a statewide bargaining unit of the American Federation of Teachers (AFT). The negotiated agreement covers all teaching and/or research faculty, department chairs, and librarians. Rutgers faculty are represented by the American Association of University Professors (AAUP), and that agreement is negotiated by the University with a single bargaining unit for the whole University. The agreement covers all faculty, teaching assistants and graduate assistants. The current agreement expired more than a year ago and negotiations have gone to arbitration.

At this point, the Steering Committee, perhaps with the assistance of a special Working Group, will need to explore the options the New Rowan University will have in contracting with its non-faculty staff. Our assumption is that a way can be found to have employees currently with civil service status maintain that status through retirement or departure from Rowan University if they wish to. Beyond the issue of civil service status, however, there are a host of issues that will require detailed exploration including whether, and under what conditions, there will need to be new elections held certifying new or continuing bargaining units for these employees. Once it is clear that the non-faculty staff at Rutgers-Camden will be part of the New Rowan University, there will be a parallel need for similar explorations of status, bargaining units, and continuing benefits for these staff. Many of these same issues are already being explored by staff at Rutgers University who have been looking at the technical issues that will likely be raised if staff are transferred to the University in accord with the Advisory Committee's recommendations for the consolidation of medical and dental education. We recommend that the Steering Committee charged with overseeing the launching of a New Rowan University contact its Rutgers University counterpart as a first step in developing a consistent

strategy for the transfer of non-faculty Rutgers-Camden staff to the New Rowan University.

The faculty questions, particularly those involving tenure and teaching loads, are necessarily more complex and potentially more contentious, including both personnel policies and budgets. Faculty at Rutgers-Camden are tenured by Rutgers, the State University of New Jersey, rather than by Rutgers-Camden. Many of those faculty have already made clear that they have little or no intention of voluntarily surrendering their rights and privileges associated with a tenured appointment at Rutgers University.

We believe there are two possible outcomes governing the status of faculty and staff currently at Rutgers-Camden.

- A. After a period of reflection, a substantial majority of the faculty will see the advantage of the proposed integration of Rowan and Rutgers-Camden—even under this scenario, however, we expect that there will first be a period of protest leading to delays.
- B. As the State of New Jersey and eventually Rutgers University take the legal steps necessary to change the designation of Rowan University and transfer the assets of Rutgers-Camden to the New Rowan University, aggrieved faculty, quite possibly represented by their unions, will seek legal redress to prevent the transfer of those assets. Our best estimate is that both the internal processes regarding the reclassification of Rutgers-Camden faculty and staff, along with employees and the related transfer of Rutgers-Camden's physical and financial assets, will be put on hold pending the outcome of the legal challenges.

Our recommendation, if Scenario B unfolds, is for the Steering Committee to continue to operate, moving expeditiously towards the July 1, 2012 date for the formal launching of the New Rowan University. We believe it will be possible to realize the Advisory Committee's vision of having in place a major research university in South Jersey even if the full integration of Rutgers-Camden is delayed. All that is required to start the process is the designation of Rowan as a public

research university, the necessary reclassification of staff, and a substantial augment in the funds available to the New Rowan University to build the infrastructure a successful major research university will require. If Rowan, Cooper University Hospital, and the State of New Jersey make clear their intention to establish a major research university in South Jersey, we believe that sooner or later the great majority of faculty at Rutgers Camden will ask to join—in effect shifting from Scenario B to Scenario A.

Finally it is important to understand that faculty currently at Rowan University will likely have their own concerns that may delay the process. The first involves teaching loads and the tenure clock. The nominal teaching load at both Rowan and Rutgers-Camden is three courses (or 9 credits) /semester. However, research faculty (which is virtually all faculty) at Rutgers-Camden are relieved of two courses per year to pursue research. Rowan faculty, on the other hand, must request relief from teaching.

Once part of a public research university, Rowan faculty will likely demand that they be treated the same as their counterparts at the State's other publicly designated research universities. There will likely be questions about research and sabbatical leaves, research support, and timetables for tenure review. Currently, Rowan faculty must request paid research or sabbatical leave (i.e., it is not an entitlement). The tenure probationary clock at Rowan is five years.

There is also a lingering issue at Rowan regarding the power of the Board of Trustees and the role of the faculty in the governance of the institution. We believe that many of the faculty feel their interests were simply ignored as the Board moved to begin a Presidential transition. Those concerns will need to be addressed to preclude the faculty's discontent producing a series of delays in the enacting of the organizational and curricular changes the New Rowan University will require.

2. *Develop an initial plan focusing on financial and related operations*

The New Rowan University will require both augmented funds and greater financial autonomy once it has been designated a public research university. Here the first task for the Steering Committee, or a Working Group reporting to it, will be to analyze the process designating the New Rowan as a public research university. Next, the Steering Committee will need to develop a specific budget covering the costs of transition to the New Rowan University, including the cost of legal counsel, necessary changes to Rowan's core administrative IT systems, the integration of the separate libraries, the development of an institution-wide human resources system addressing, among other issues, contract negotiations and employee reclassifications, and the need to have substantial assistance in completing many of the other tasks identified in our report. At the same time, the Steering Committee will need to develop a strategy for requesting funds for next year and beyond. Here again, the immediate tasks at hand will be defined by whether the assets of Rutgers-Camden have been successfully transferred to the New Rowan University. Finally, the Steering Committee will need to address the budgetary questions associated with a possible adjustment of teaching loads and sabbatical policies at Rowan University.

Rowan currently receives just over \$78 million in annual funding from the State of New Jersey. Our understanding of the current budget parameters is as follows:

- A direct grant of \$28 million
- \$31 million for employee and related benefits
- A direct grant of \$18 million to support the new medical school

Rutgers-Camden, on the other hand, receives no direct support from the State of New Jersey. Rather, operations at Rutgers-Camden are supported, in part, through the direct annual grant the central university receives. Rather than allocating funds to its satellite campuses, Rutgers University allocates a specified number of state-authorized positions to these locations. In addition, all administrative services (for example, payroll, human resources, student enrollment services, IT, libraries) are provided centrally, and the University pays the debt service costs for all of its campuses.

We believe that there will be two intertwined bargains that need to be struck if and when the assets of Rutgers-Camden become an integral part of the New Rowan University. One set of negotiations must answer the question of how much of Rutgers' current state appropriation and its allocation of state-authorized positions ought to be included in the package. It seems clear to us that all of the tuitions received by Rutgers-Camden and all indirect cost recoveries will need to be included. The second bargain involves just how much of these resources should be vested with the central administration of the New Rowan University and how much in campus operations.

This latter question cannot be answered without a detailed analysis of the central administrative functions that the three principal locations of the New Rowan University will require: Glassboro, Camden, and the new Medical School. Those discussions will be further complicated by the fact that Rutgers University has assumed considerable debt attributable to its Camden location. That debt, we believe, includes approximately \$60 million in general obligation borrowing, \$17 million in revenue bonds in support of athletics and dining services, and a share of a \$55 million University-wide pool for student housing. If the Camden location separates from the central university, it may be necessary to refinance some debt depending on whether existing covenants specify Rutgers University or Rutgers-Camden as the responsible party. Finally, any transfer of debt would also have to take into account Rowan's relatively highly leveraged status as a result of borrowing for construction of the new Medical School facilities.

The important task at hand will be to conduct a detailed analysis of each of these issues. For that work to proceed it will be necessary to have the full cooperation of the administrative offices responsible for financial operations at Rutgers University.

At the same time the Steering Committee will have to develop an initial set of budget protocols defining how much responsibility and independence each of the operating units will exercise—including the Camden campus once it becomes an integral part of the New Rowan University. While the temptation will be to accord each of the units all of its own revenue, our experience with decentralized budgeting

at the University of Pennsylvania indicates that it is of paramount importance to reserve sufficient discretionary operating funds for allocation by the central administration.

Finally, the Steering Committee will have to develop two budget strategies: one that assumes the Camden campus becomes an operating unit of the New Rowan University on or about July 1, 2012; and, an alternate strategy that assumes the New Rowan University will begin operations without the Camden campus at least initially.

3. *Identify a set of initial strategic investments.*

In all of our sessions with representatives of Rowan University, Rutgers-Camden, and Cooper University Hospital we have stressed the importance of the State of New Jersey making a substantial, up-front investment in the New Rowan University. We believe two actions are necessary from the start. The first is the creation of a funded Research Investment Fund capable of awarding substantial grants to faculty from across the New Rowan University with priority being given to projects that involve faculty from two or more of the University's previously separate units. At the same time it will be important for the State to create and fund a quasi-independent research foundation with sufficient authority and funding to create a network of research institutes capable of recruiting outstanding faculty and garnering substantial external research funds.

We believe it will be the responsibility of the Steering Committee, most likely supported by the work of a Special Task Force, to identify research areas likely to attract external funding over the next five years, as well as recommending operating procedures and a governance mechanism for a Rowan University Research Foundation and a Rowan University Faculty Research Fund.

4. *Provisionally appoint a Study Group to begin the process of integrating instructional programs across the New Rowan University.*

Once the decision to integrate the instructional programs now located at Rutgers-Camden with those currently offered by Rowan University has been made and accepted, it will be necessary to begin the detailed planning of an integrated set of curricula. Part of the process will entail a detailed mapping of current curricula,

particularly at the undergraduate level in the arts and sciences and related disciplines. Special attention should also be paid to the two business schools, each of which is independently accredited by the American Association of Collegiate Schools of Business (AACSB).

5. *Provisionally appoint a Working Group to oversee the process by which the New Rowan University will secure the accreditation of all of its programs, certificates, and degrees.*

We believe that accreditation will prove a much less sticky issue than originally imagined, particularly at the undergraduate level. We have had continuing conversations with officials from the Middle States Association of Colleges and Universities that have convinced us that achieving the necessary “substantive change” amendments to Rowan University’s current accreditation will be quite straightforward. What will be required is a detailed request from the New Rowan University to be authorized to offer undergraduate instruction on the Camden Campus. At the same time Rutgers University will have to notify Middle States that it no longer wishes to offer undergraduate instruction in Camden. We have also been told, however, that Middle States is not likely to act on these requests as long as there are significant legal proceedings in process.

The accreditation of the Rutgers-Camden School of Law is a special case that should not be addressed until the integration of that unit has been fully accepted by Rutgers University as well as the faculty governing and bargaining units of the School.

6. *Update the Communications Plan to take account of the initiatives undertaken by those opposed to the integration of Rowan University and Rutgers-Camden.*

Because of the potentially controversial nature of the initiatives, both legal and rhetorical, of those opposed to the inclusion of Rutgers-Camden in the New Rowan University, it will be important to have an updated communications plan that specifically addresses each of the constituencies impacted by the creation of a new public research university in South Jersey. Considerable attention will need to be paid to developing cogent arguments, identifying additional civic and economic leaders prepared to champion the New Rowan University, and the identification of a single

senior spokesperson to respond to specific criticisms and actions. When there are two potential outcomes, alternative scenarios should be drawn out so that the Steering Committee is able to avoid, as much as possible, miscommunication and/or negative speculation about its actions.

PHASE 3: THROUGH THE FORMAL LAUNCHING OF THE NEW ROWAN UNIVERSITY ON OR ABOUT JULY 1, 2012.

We expect that work on each of the seven tasks identified in the previous sections will continue through at least July 1, 2012, paying increasing attention to the development of the detailed plans that will become operational on or about July 1. Work during this Phase will necessarily reflect whether or not there is a protracted campaign to block Rutgers-Camden from becoming an integral part of the New Rowan University—and whether that campaign is successful in delaying the full implementation of the Advisory Committee’s recommendations. Even if there is a delay in making the Rutgers-Camden campus a part of the New Rowan University, we believe it will be both possible and necessary to proceed with the launching of the New Rowan University provided the Legislature and Governor have furnished the necessary start-up funds and the Steering Committee has signaled the importance of creating both a Rowan University Research Foundation and a Rowan University Faculty Research Fund.

Two new tasks must also be undertaken during this Phase. We have recommended delaying the start of these efforts until after the New Rowan University has formally been designated a public research university fearing that premature actions might increase opposition to the planned integration of Rowan University and Rutgers-Camden.

Tasks

1. *Develop a set of Governance Procedures for the New Rowan University giving special attention to the size, composition, and by-laws of the University’s Board of Trustees.*

The Advisory Committee has recommended a significantly expanded Board of Trustees for the New Rowan University. While the selection of those Trustees is the

responsibility of the Governor, we expect the Steering Committee, in particular, to begin the process of developing a list of potential trustees—men and women from South Jersey and beyond whose presence on the Board will help signal the importance of the New Rowan University, as well as bring to the Board those skills that will prove essential to steering the institution over the next decade and beyond.

At the same time, the Steering Committee and others need to review the by-laws and operating procedures of the current Rowan University Board of Trustees. The launching of the New Rowan University will provide a unique opportunity to fix whatever needs fixing in terms of how the Board schedules its meetings and conducts its business.

2. *Develop a list of Critical Events associated with the launching of the New Rowan University.*

The Steering Committee's final task will be to oversee the events in the final weeks of the transition period prior to the formal launching of the New Rowan University. Some of those events will be administrative, reflecting the work associated with the Tasks we have already outlined above. But part of the work during this, the final transition phase also needs to be celebratory—a clear and imaginative telling of the story of the New Rowan University. It will be a time to bring all of the constituent parts of the New Rowan together, and it will be a time to introduce the principal research and academic initiatives that will come to define South Jersey's new public research university.