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# *Public Hearing*

before

## ASSEMBLY HIGHER EDUCATION COMMITTEE

*“The Committee will hold three public hearings on higher education reform. The issues to be discussed at the hearings will include, but not be limited to, higher education affordability, accountability, college readiness, degree attainment, graduation rates, remedial instruction, dual enrollment, and reverse transfer agreements”*

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**LOCATION:** The College of New Jersey  
Ewing, New Jersey

**DATE:** May 14, 2014  
10:30 a.m.

### **MEMBERS OF COMMITTEE PRESENT:**

Assemblywoman Celeste M. Riley, Chair  
Assemblyman Thomas P. Giblin, Vice Chair  
Assemblyman Joseph Cryan  
Assemblyman Gordon M. Johnson  
Assemblywoman Nancy J. Pinkin  
Assemblyman Gregory P. McGuckin



### **ALSO PRESENT:**

Adrian G. Crook  
*Office of Legislative Services*  
*Committee Aide*

Keith White  
*Assembly Majority*  
*Committee Aide*

Kevin Nedza  
*Assembly Republican*  
*Committee Aide*

*Hearing Recorded and Transcribed by*  
The Office of Legislative Services, Public Information Office,  
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey

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CELESTE M. RILEY  
Chair

THOMAS P. GIBLIN  
Vice-Chair

MILA M. JASEY  
NANCY J. PINKIN  
LINDA STENDER  
JOHN DIMAIO  
DIANNE C. GOVE  
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**New Jersey State Legislature**  
**ASSEMBLY HIGHER EDUCATION COMMITTEE**  
STATE HOUSE ANNEX  
PO BOX 068  
TRENTON NJ 08625-0068

**PUBLIC HEARING NOTICE**

The Assembly Higher Education Committee will hold three public hearings on higher education reform. The issues to be discussed at the hearings will include, but not be limited to, higher education affordability, accountability, college readiness, degree attainment, graduation rates, remedial instruction, dual enrollment, and reverse transfer agreements.

The hearings will be held at the following places at the dates and times listed:

**Wednesday, May 14, 2014**  
**10:30 AM**

**The College of New Jersey**  
**School of Education Building, Room 212**  
**2000 Pennington Road**  
**Ewing, New Jersey 08628**

**Wednesday, May 28, 2014**  
**10:30 AM**

**Rowan University**  
**Room 3091**  
**James Hall, College of Education**  
**North Campus Drive**  
**Glassboro, New Jersey 08028**

**Wednesday, June 11, 2014**  
**10:30 AM**

**Hudson County Community College**  
**Culinary Conference Center**  
**Scott Ring Room, 2<sup>nd</sup> Floor**  
**161 Newkirk Street**  
**Jersey City, New Jersey 07306**

*The public may address comments and questions to Adrian G. Crook, Committee Aide, or make bill status and scheduling inquiries to Larkin Cugnitti, Secretary, Marguerite Tazza, Secretary, or Julia A. Love, Secretary, at (609)847-3850, fax (609)984-9808, or e-mail: OLS AideAHI@njleg.org. Written and electronic comments, questions and testimony submitted to the committee by the public, as well as recordings and transcripts, if any, of oral testimony, are government records and will be available to the public upon request.*

**Persons wishing to testify should call (609) 847-3850. The committee requests that the oral presentation be limited to five minutes. All persons who are testifying should submit 15 written copies of their testimony the day of the public hearing. Persons who are not presenting oral testimony may submit 15 copies of written testimony for consideration by the committee and inclusion in the record.**

Issued 5/9/14

For reasonable accommodation of a disability call the telephone number or fax number above, or TTY for persons with hearing loss 609-777-2744 (toll free in NJ) 800-257-7490. The provision of assistive listening devices requires 24 hours' notice. Real time reporter or sign language interpretation requires 5 days' notice.

For changes in schedule due to snow or other emergencies, call 800-792-8630 (toll-free in NJ) or 609-292-4840.

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**ASSEMBLYWOMAN CELESTE M. RILEY (Chair):**

Good morning. I welcome you to the Assembly Higher Education Committee.

I want to first thank TCNJ and President Gitenstein, particularly during this very hectic time of year, since this is graduation season. I want to also commend the campus -- how beautiful it is. When you drive up, it's just extraordinary how pretty, and right here in the middle of the State of New Jersey. I would consider it, kind of, a little bit of a crown jewel that we have here.

I'm eager to hear what's being built behind the fences of higher education, and what's being built here.

I want to thank the students, and parents, and advocates and the Higher Ed Committee members. Assemblywoman Pinkin is here today, Assemblyman McGuckin is here; Assemblyman Cryan is substituting today -- which is very important, since there is a lot of legislation that he is sponsoring. And we're waiting for other Assembly members -- Giblin and Johnson -- but they're on their way.

Although we knew it was going to be a busy time and not easy for everyone to get here, the Committee members and I felt that graduation would provide a great -- or that the graduation days would provide a great and excellent opportunity to shine a light on our institutions' successes, and the areas where we, as a State, can improve.

We appreciate all those who reached out to us over the last two weeks or so; and yes, we will be coming and welcome your participation in the next two hearings. We fully understand everyone's constraints on attending today.

So I just want to let you know, over the next two hearings this is what we're going to do. Our next one will be on May 28, and it will be at Rowan University. And our final one will be on June 11, and it will be at Hudson Community College.

We were thinking that today we would go over the first 10 Bills of the package. But I think that we will address any and listen to any testimony that anyone wants to speak to today. So we're going to open it up that way.

Our first two speakers will be-- I'm going to invite up President Gitenstein from TCNJ; I'd like to hear from you. I say thank you, and welcome.

**P R E S I D E N T   R .   B A R B A R A   G I T E N S T E I N :**  
Thank you so very much.

Madam Chair and members of the Committee, we're so pleased to welcome you to our campus this morning. We appreciate the attention being given to the important issue of higher education, particularly access and affordability.

You join us in a very busy week. Tomorrow we will graduate 2,118 students; and I find out Assemblyman McGuckin's daughter will be one of those 2,118. Congratulations.

I hope you will understand, because of this busy week, that I will have to excuse myself after my remarks and any questions you might have for me. I will try to come back, ducking in between meetings and celebrations.

This class is a particularly exciting class. As I said, that's 2,118; and some of the successes of what they're going to be doing after

they graduate are extraordinary. We have one student who is entering Harvard Law School to study health law, biotech, and bioethics; we have one student going to Columbia University College of Physicians and Surgeons; one who is going to Thomas Jefferson University for a Ph.D. in cell and developmental biology. In addition, several of them are joining the workforce -- going to Lockheed Martin, JP Morgan; and some are continuing in their commitment to service, joining Teach for America and the U.S. Peace Corps.

Beyond the commencement preparations and proceedings, I'm sure you noticed lots of construction as you came in. The construction site you passed on your way to this building will be the site for the new TCNJ STEM building, which will enhance our ability to educate students in science, technology, engineering, and mathematics, and all health-related disciplines.

The development greeting you at the entrance to the campus -- the two big screens -- is our Campus Town project. Financed by a private developer, it will add 446 beds for our TCNJ students, as well as a new fitness center, a bookstore, and multiple retail opportunities for our students, faculty, staff, and, of course, the community of Ewing.

Additionally, the developer will provide the college with an annual ground-lease payment beginning in 2018 of \$425,000, increasing \$25,000 a year thereafter.

Neither of these major projects would be underway without the support of the Legislature -- thank you. The Building Our Future Bond Act is providing TCNJ with \$41 million for the STEM building, and Campus Town is being built using provisions contained in the New

Jersey Economic Stimulus Act of 2009. This enables State colleges to enter into public/private partnerships and to build these kinds of projects that we, perhaps, would not build otherwise.

The College of New Jersey is applying this same kind of entrepreneurial thinking to other projects on the campus. One such partnership that I think you should be aware of is a partnership that we have with Sodexo, our food service provider on the campus. Sodexo is upgrading dining venues on the campus at their expense and providing a substantial investment to support a major renovation of our student center. That investment will be over \$30 million.

Innovative partnerships such as these allow us to pursue projects that we, perhaps, would not pursue like academic projects, for which we use State money, as with the bond, and student money. But these partnerships are important in terms of developing the community sense on the campus; and we are pleased to be able to do them without any State money or any student dollars.

TCNJ takes very seriously the responsibility of delivering a quality and cost-effective education; and by any measure, and at nearly every college or university, the price of tuition and fees has grown enormously over the last decade. It is daunting.

Even at TCNJ -- which is routinely lauded as one of the best values in the nation -- the cost of attaining a degree would be out of reach for some of our students without generous aid programs and subsidized loans for low-income students. We are very appreciative of the State's and the Legislature's continuing support for the TAG program and for EOF, both of which help support students of great

talent who just happen to come from challenging financial backgrounds; and, in the case of EOF, from challenging academic backgrounds as well.

Leaders in public higher education must be unafraid to learn from one another about creative and innovative methods of educational delivery. At TCNJ we have a wide range of faculty engaging in thoughtful uses of technology as an important means of improving learning and skills. These faculty are particularly involved at TCNJ in what is called *blended learning*. That's a combination of face-to-face education and the use of technology. These experiences allow students more flexibility and more ability to work at their own pace.

In addition, TCNJ has been providing additional academic experiences during the winter intersession and during the summer months, which also provides flexibility and additional opportunities for students. Because time-to-degree is one area where TCNJ has placed considerable emphasis, this helps keep the students' net cost as low as possible. If a student spends less time obtaining a degree the net cost for the student, and for the State, is lessened. In addition, of course, the graduate enters the workforce earlier, increasing the graduate's lifetime earning power and also his or her contributions to the State and to the community in which they live.

In order to assure greater focus on time-to-degree, we established an Enrollment Management Division four years ago. This has helped us focus all sorts of support services to assure that our time-to-degree is lessened. We have increased the four-year graduation rate over 11 percent since 2003. This increase is particularly noteworthy if

you consider that TCNJ's graduation rate in 2003 was already one of the highest in the nation for public institutions.

Today our graduation rate is the fourth-highest in the country for public institutions -- 74 percent -- which I don't think is high enough, but it's still pretty impressive.

In addition to top-notch classroom instructions, student services -- such as residential education, tutoring, academic advising, psychological and health services, and other mechanisms of support -- are important factors in the success of our students. In keeping students on track, working to capacity, and graduating on time we save money, as I said before, for families and taxpayers.

It is incumbent on leaders in higher education to be accountable and to share outcomes with the public. Indeed, in making our case for investment in the STEM building, we pointed out that our acceptance rate for students into medical school is 84 percent. And nearly 100 percent of our chemistry students are either employed or in graduate school within a year of graduation.

Part of this accountability should be a challenge to any institution to improve, no matter how good the current outcomes are. One of the methods we have employed at TCNJ is to choose a set of out-of-state peers who are recognized as some of the best public institutions in the nation and constantly challenge ourselves to realize the same or better outcomes as these peers. These peers include SUNY Geneseo, SUNY Binghamton, Miami of Ohio, Truman State of Missouri, James Madison of Virginia, San Luis Obispo of California, William and Mary, and the University of Virginia.

Higher education is facing enormous challenges. There's a public that questions the value of a college education, there are sharp declines in State support, and there's a tough economic climate.

The public discourse on access and affordability that you are beginning here today is an exceptionally important one -- not just for higher education, but for the State's future -- and you recognize that. There are many issues to be addressed, and innovative ideas and solutions to be explored toward the goal of expanding access and ensuring affordability. We at TCNJ welcome the opportunity to have you here today and to participate in this conversation.

Thank you very much.

ASSEMBLYWOMAN RILEY: I thank you very much.

And you have to leave, right, immediately? Or can you stay for just a few minutes?

PRESIDENT GITENSTEIN: Absolutely.

ASSEMBLYWOMAN RILEY: Because I am just so thoroughly impressed by the list that you have just gone through.

PRESIDENT GITENSTEIN: Thank you,

ASSEMBLYWOMAN RILEY: And it sounds like you're doing some amazing things.

I did wonder about one-- When you were talking about Sodexo and the upgrade, and they're doing the upgrade on their own. I mean, their financial-- They're using their money to do the upgrade.

PRESIDENT GITENSTEIN: Right.

ASSEMBLYWOMAN RILEY: There must be some form of benefit for them.

PRESIDENT GITENSTEIN: Oh, absolutely.

ASSEMBLYWOMAN RILEY: Okay.

PRESIDENT GITENSTEIN: Because if they enhance the eating facilities, more students will choose to eat there.

ASSEMBLYWOMAN RILEY: Okay, all right.

PRESIDENT GITENSTEIN: And that's precisely why it's a benefit for them.

ASSEMBLYWOMAN RILEY: But do you--

PRESIDENT GITENSTEIN: We also engaged in a long-term contract with them.

ASSEMBLYWOMAN RILEY: All right. With the students who are on campus and living on campus, do they have the ability to go off campus with their dollars?

PRESIDENT GITENSTEIN: No.

ASSEMBLYWOMAN RILEY: Some of the universities are starting to do that, so that some of the dollars can be used in the community, and not just necessarily on campus.

PRESIDENT GITENSTEIN: That's correct. The contract that we entered into, however -- which is a long-term contract -- would not allow that.

ASSEMBLYWOMAN RILEY: Okay.

I'll open it up to any questions of the Committee.

Assemblyman Cryan.

ASSEMBLYMAN CRYAN: President, thank you. Thanks so much for taking the time. We appreciate it.

I wanted to follow up in a couple of different areas.

So you talked about EOF and TAG. So low-income students can, in fact, succeed here?

PRESIDENT GITENSTEIN: Absolutely.

ASSEMBLYMAN CRYAN: All right. Because one of the things and one of the ongoing discussions here is the opportunity for low- or middle-class--

PRESIDENT GITENSTEIN: Absolutely.

ASSEMBLYMAN CRYAN: Have you been able to--

PRESIDENT GITENSTEIN: Absolutely. And our graduation rate -- and I'm not going to be able to come up with the exact number, but we can get this for you -- our EOF graduation rate is, I believe, the highest in the state.

ASSEMBLYMAN CRYAN: And--

PRESIDENT GITENSTEIN: It lags our general graduation rate, but is higher than the subpopulations.

ASSEMBLYMAN CRYAN: And have you had special difficulty at all with first generation college students, that you're aware of?

PRESIDENT GITENSTEIN: We have special programs that attend to their needs. So there are challenges for them -- there are challenges for first-generation students and for EOF students, but we have an exceptionally strong EOF leadership and a mentoring program for first-generation students that is helping those students make the transitions. Unlike some of the rest of us who might have had parents who had been to college and could help them -- help mentor a student in choices -- we have to provide that.

ASSEMBLYMAN CRYAN: So when you put a focus in on time-to-degree, I wanted to go over those benefits with you a little bit. But I do think it's important. We had a discussion the other day in Trenton about four-year institutions. And I suppose definitions are subjective. But if there are only three institutions in New Jersey that graduate over 60 percent of their students in four years -- that would be Princeton -- and that's not really fair to NJIT, which is a five-year program -- but yourself, as second, and Drew University. Everybody else is below 60 percent. As a matter of fact, if I compare you to the rates of Bloomfield or some of the other schools, you're seven, eight times that amount in four years.

PRESIDENT GITENSTEIN: Yes.

ASSEMBLYMAN CRYAN: So it's significant that some of the-- You obviously have a process that works. So can you talk about the support processes, or focus a little bit more--

PRESIDENT GITENSTEIN: Well, I think there are two issues there. We do have strong support services; we do. But I also think we have-- The students who come to TCNJ are different from the students who go to some of these other institutions that you have mentioned.

ASSEMBLYMAN CRYAN: In terms of the fact that they're ready?

PRESIDENT GITENSTEIN: Well, I think students are ready for different educational experiences. What I would submit is the best way to assess if an institution is doing well is to identify the appropriate peer groups, because there are peers similar to all of those

institutions you've mentioned. And TCNJ might not be a good comparative. But there are such institutions in other states across the nation that maybe are more successful than the peers. I think each institution-- What's been successful-- Let's put it this way. What's been successful for TCNJ has been to identify peers and, as you probably noticed in that list, some of those are aspirant peers. In other words, we don't have graduation rates as high as the University of Virginia. But I submit we should challenge ourselves to look at the University of Virginia and say, "Why don't we?" And I would think that every institution could look across the country and identify five -- maybe they won't have as many as we do -- five or six that they aspire to be like and then compare themselves. What are these other institutions doing? We're studying very hard. What is it that UVA is doing that is making their graduation rate so high? And we're spending time stealing from them. (laughter) And we hope people will steal from us -- ideas. So I think that that's the way to look at it. So that each institution-- Because I think an institution-- A state as diverse as New Jersey should provide educational opportunity for a diverse array of students. And TCNJ cannot serve every student in the state; and an institution like TCNJ can't. But every citizen in the State of New Jersey should have an opportunity.

ASSEMBLYMAN CRYAN: Speaking one-to-one, I couldn't agree with you more. I just believe that every student also deserves an opportunity to have a realistic chance of graduating in a timely fashion. And a great deal of the frustration -- which is what my last point will be, because I do know how busy you are today -- is could you again go over

for us a little bit the benefits. You talked about the student getting out into the workforce -- the opportunity to repay; as a result of the emphasis on time-to-degree, the student net cost can be reduced. I was wondering if you could just expand your thoughts there a little bit?

And I promise, Madam Chair, that will be my last question.

PRESIDENT GITENSTEIN: I'll be glad to.

The State of New Jersey partners with families to support education at public institutions. We can argue that we wished that it was supporting us more, and those families more, but we understand the challenges of the State.

Put those dollars together per year. If it takes more years for a student to get to the degree, it's going to be more costly for both the family and the State to get that student to attain the degree. So just on the face of it, it costs more. That doesn't even take into account the extra costs of living in a residence hall, living in an apartment, or paying for food, or whatever. So just the cost of just attaining the degree is more if it takes five years than if it takes four years.

Then if the student -- the graduate is out in the workforce, by definition their lifetimes earnings will be larger because they have at least one more year -- or we hope, in some cases, two more years -- to-- Because we're starting to look at four-year degrees -- focusing because we are a four-year program -- as opposed to six-year graduation rates. You save two years of tuition. You also mean that the graduate is in the workforce two years earlier making more money and, furthermore, paying taxes.

If you believe, as I strongly believe, that better citizens are -- that individuals who have baccalaureate degrees are better citizens, and therefore more involved in the community, voting, participating in volunteer work, engaging in community activities, support services, and those kinds of things; also using less social network -- social programs because they're working-- Then they are both giving more and using less of State monies, and for more years. So to me it's just an economic issue, as well as four years-- I mean, I love these students. But four years -- it's time, it's time for them to go.

ASSEMBLYMAN CRYAN: Thank you.

ASSEMBLYWOMAN RILEY: Thank you.

PRESIDENT GITENSTEIN: You're welcome.

ASSEMBLYWOMAN RILEY: I do want to ask, though, one question. And I will probably ask this of every one of our speakers today.

So if you have an institution such as yours that is successful -- relatively successful in graduating students in four years, do you feel or do you think that it is right for us as a legislative body to be involved in ensuring that the other institutions know of your success; that your success is the success that is the one that we should be following? Should the other institutions of higher learning in the state be following your success, and implementing it?

PRESIDENT GITENSTEIN: Well, I would submit-- What I was saying before to Assemblyman Cryan in response -- in response to Assemblyman Cryan's question, I think it would be more useful to discover what are the appropriate peers for these institutions. Because

the students are different who come in. We have different, what people call -- and this is offensive for students, I think -- *inputs* than some of the other institutions do. And I think the real question, from a legislative point of view and from a public policy point of view, is how do these institutions compare to their peers across the country. Because there are institutions like these different institutions, and they're very important to the future of the State -- because TCNJ cannot graduate, cannot take care of, cannot educate, and cannot educate them well. I mean, a great example of an institution that deals with a completely different population than we do is Thomas Edison State College. Dr. Pruitt always likes to say to me, "You know, none of your students could get into Thomas Edison." Because they're not old enough -- you have to be 21. And he's exactly right. And we don't serve that population. Doesn't that population deserve to be served? Absolutely.

So the question should be how does Thomas Edison compare to the comparable kind of institution across the country? And there are comparables.

ASSEMBLYWOMAN RILEY: One quick question from Assemblyman Johnson.

ASSEMBLYMAN JOHNSON: Good morning.

PRESIDENT GITENSTEIN: Good morning.

ASSEMBLYMAN JOHNSON: And thank you for taking the time. I know you have to be at an event on campus here.

I have a question regarding the remedial education that some colleges -- or all colleges, I guess -- are required to help these

students catch up, so to speak, after they've been accepted. I guess for TCNJ that's not a major issue on campus?

PRESIDENT GITENSTEIN: It's not a major issue.

ASSEMBLYMAN JOHNSON: Right?

PRESIDENT GITENSTEIN: And we are putting together-- There was a question -- and I don't have that for you yet today -- we got that question late. We were not on the original e-mail requesting the information about remedial education. So we are getting you that data -- Dr. Rose. But it's small.

ASSEMBLYMAN JOHNSON: Yes, William Paterson University states that they spend about \$300,000 a year annually on remedial education. So it seems to me that we need some dialogue between these high schools and our State colleges and community colleges when it comes to what's being produced at the high school level -- young people graduating out of high school.

I guess my question is not really directed at you because you don't have that problem. So Chairwoman, I'll just wait and let the President attend to her business.

ASSEMBLYWOMAN RILEY: Thank you, thank you so much.

Your entrance student -- what is the average SAT?

PRESIDENT GITENSTEIN: For next year, it's looking at 1235.

ASSEMBLYWOMAN RILEY: 1235. And with your new beds -- 446 new beds -- will you be increasing your enrollment?

PRESIDENT GITENSTEIN: It's interesting. Our enrollment has not-- Our total enrollment has not increased over time. But our freshman class has increased. So how do you explain that, by the graduation rate? So we are increasing our freshman class. When I came here we were bringing in about 1,150 freshmen; we're now bringing in 1,440. But our problem is they graduate on time so we don't have-- And I don't think that's something for which we should be criticized. I think that's a good thing. (laughter)

ASSEMBLYWOMAN RILEY: I think we should be duplicating what you do here. I do know students who have been turned away because they're just a little bit below. And they go out-of-state, and so--

PRESIDENT GITENSTEIN: Yes, yes, and that's unfortunate. The beds that will be added by the Town Center will be for upper class students. Right now we guarantee residence for freshmen and sophomores; we do not for juniors and seniors. And we house as many as we can. I would like to house all of them, and I know the community of Ewing would like us to house all of them. (laughter) But we simply don't have the resources.

ASSEMBLYWOMAN RILEY: I thank you very much.

PRESIDENT GITENSTEIN: You're more than welcome.

ASSEMBLYMAN CRYAN: Do your students work when they come here?

PRESIDENT GITENSTEIN: Some of them do, yes they do.

ASSEMBLYMAN CRYAN: And they're able to work and complete -- get their degree on time?

PRESIDENT GITENSTEIN: Yes. We hope that they're spending enough time on their education, though. And we have great advisement through faculty, particularly, to help them find the appropriate kind of work so that they can do their academic work, which is their primary job.

ASSEMBLYMAN CRYAN: Thank you.

ASSEMBLYWOMAN RILEY: That's another discussion, so we're going to move that forward. I'll let you go on to your-- I apologize -- like I'll *let* you. Listen to me. (laughter)

But upon graduation, getting employment is also absolutely top on the list of what we should do, as a State.

PRESIDENT GITENSTEIN: I think that that's a more-- If we're looking at a metric to ask the question, rather than graduation rates, that might be a more -- a metric that could be shared across the board, you know?

ASSEMBLYWOMAN RILEY: Sure.

PRESIDENT GITENSTEIN: If you can't do something with the degree that you've got, that's a problem -- whenever you graduate. We're very proud; we're at about 92 percent, either in graduate -- we have a lot of graduate school students -- who go onto graduate school, or employed.

ASSEMBLYWOMAN RILEY: Wonderful.

Well, thank you very much.

PRESIDENT GITENSTEIN: Oh, you're very welcome.

ASSEMBLYWOMAN RILEY: Enjoy the rest of your day.

PRESIDENT GITENSTEIN: And I apologize for leaving.

ASSEMBLYWOMAN RILEY: And again, thank you for--

ASSEMBLYMAN CRYAN: Dry weather -- dry weather.

PRESIDENT GITENSTEIN: Thank you. Yes, dry weather tomorrow. (laughter)

ASSEMBLYWOMAN RILEY: All right. Dr. Patricia Donohue and Lynn Nowak -- if you would like to both come up.

And Dr. Donohue, you are the President of Mercer County College.

**PATRICIA C. DONOHUE, Ph.D.:** Correct.

ASSEMBLYWOMAN RILEY: Thank you very much for coming.

DR. DONOHUE: So thank you, Madam Chair and members of the Committee, for this opportunity.

And I will start with just a little bit-- Mercer also is preparing for graduation on May 22, and we will be awarding just under 1,000 degrees and certificates.

Like Dr. Gitenstein, I would thank you for the funding of the higher education bond. We do not have a new building; we will be doing extensive renovation and preparation of our buildings, starting with our math/science building -- our STEM field and our advanced engineering -- so that we are prepared for the long term -- for the next 20 to 40 years for what we need to do in serving our students and preparing them for our workforce locally.

We are also using some of that money to expand our Trenton campus, improving education in the capital city of New Jersey where we have added some new degrees, and have planned to continue

adding new degrees and certificates there to raise that education level; and help as one of the anchors in the capital city for its activity.

About 50 percent of our graduates transfer; many of our graduates are in career fields where their goal is to go directly to work. Our transfers -- many go to New Jersey colleges; Rutgers, Rowan, Montclair are pretty high on that list. But we're proud to say we also have honor students and honor society students who transfer to Columbia, to American, to other top-tier schools around the country. And we expect, with our new American Honors Program, for that number to increase as well.

Now that I've bragged on Mercer, let me turn to your business today. I'm pleased to be here today as the Chair of the Presidents of the Council of County Colleges, and I'm going to be addressing two of the Bills in the package. We will have representatives at each of your hearings, so we're trying not to repeat ourselves.

But I'm pleased to speak to Bills proposed by you, and Assemblyman Cryan, and other members. Today I'm going to speak specifically to A-676 on performance-based funding; and A-2804 on graduation rates.

The Bill on performance-based funding for New Jersey public higher education institutions is inline with what's happening around the country, with 20 states already having some form of performance-based funding in higher education. However, it's only fair to point out, if we compare ourselves to them and performance-based funding, that many of those states have also been able to increase their funding to higher education, coming back from the cuts that occurred

nationwide four and five years ago. And some have completely restored their funding. In contrast, New Jersey cut its State operating aid to community colleges by 7 percent in FY2011, and has not restored any of that cut. In fact, the proposed budget for FY2015 continues to maintain level funding for the fourth year in a row.

We would suggest that restoration of past cuts in State funding to community colleges should be an equal and parallel priority to instigating performance funding. Having said that, the community college presidents have undertaken a comprehensive study of performance funding in other state so we will be well-informed for the policy discussions as they occur.

We like that A-676 directs the New Jersey Secretary of Higher Education to develop a performance-based plan, rather than putting all of the particulars into statute. This will provide the necessary flexibility in developing the initial plan, while allowing future adjustments -- as will most certainly be necessary. We do learn from other states that most have had to tweak their system or make some minor modifications.

We also like the fact that the bill suggests separate and different performance metrics for county colleges than those to be used for senior colleges. This is a must. However, we feel that a set-aside of 25 percent for performance funding may be too high. Some states, like Texas, have adopted a model that is used to allocate a maximum of 10 percent of its total funding to the community colleges as the performance base.

In addition, and consistent with the point made earlier that the State should restore its funding to community colleges, we want to suggest that a useful model going forward might be that State funding for community colleges be compared on a per FTE basis to the funding provided for the senior public institutions. Such language could be inserted in the performance funding bill, or it could be introduced as a separate bill altogether.

And finally, it is important to note that community colleges can easily blend performance funding into our existing funding formula. We have already started those discussions. If that should occur, community college presidents are willing and able to work with the Secretary of Higher Education to agree on both performance metrics and methodology used to distribute those funds among the 19 colleges.

There's a lot of pollen out there.

ASSEMBLYWOMAN RILEY: I know.

DR. DONOHUE: And what makes it so beautiful is also what makes us allergic. (laughter)

ASSEMBLYWOMAN RILEY: Right.

DR. DONOHUE: I'm going to change to talk about graduation rates next, so if you'd like to ask questions on performance-based funding first, we can do that.

ASSEMBLYWOMAN RILEY: Sure.

I mean, does anyone have questions, on the Committee?

Assemblyman Cryan does.

ASSEMBLYMAN CRYAN: Is 10 percent a national-- I mean, the Bill-- All these bills, as the Chairlady opened up with, are

written to be amended. So thank you so much for the comments on performance-based budgeting.

Is the 10 percent that you quoted -- that you noted out of Texas -- is that a national model, by any chance?

DR. DONOHUE: There are a variety of -- because we looked at them in many states. Ten percent is a good starting number; they were sort of early out. There are some others that have a 25 percent projection, but it is over a longer period of time. Some of them don't expect to get there for 10 years or more.

ASSEMBLYMAN CRYAN: And in the other part you mentioned-- Can you give me an example of two very simple metrics that are measurable that the community of higher education sees as a viable measurement?

DR. DONOHUE: Well, when we look at many of the states -- particularly in the community college sector -- they break down the success factor so graduation is not the only one, recognizing that it is our goal to prepare students for a variety of different things and what they come-- So some states recognize, for community colleges, that a student got through developmental education and became fully college-ready as one of the targets. Many states recognize that students completed 30 hours of what are sometimes called *skill seekers*, so they finished the equivalent of one year of college even if they don't finish here.

Another major one for community colleges is transfer students --- meaning that many of our students come and they either make up the shortfalls they had, or they get through the first year of college living at home and transfer before they finish a two-year degree.

ASSEMBLYMAN CRYAN: But you measure-- And do you folks in the community college world of New Jersey, do you measure -- I have data here -- do you measure the folks who are transferring into, for example, the community college to TCNJ, for argument's sake? Are those the types of things that are measurable for you?

DR. DONOHUE: We measure all of those as best we can. When I talk about graduation rates, I'm also going to tell you the National Student Clearing House is now providing better and better data -- so they are increasing our ability to know where students transferred, more than just the students who report to us where they transfer.

ASSEMBLYMAN CRYAN: So in terms of accuracy of transfer data, is there any way you can -- half accurate? Is it-- I mean, it's like constantly-- I know there is going to be challenges today to the IPEDS data, but I don't hear anybody saying how accurate the transfer data is and how measurable it is. One of the Bills actually talks about that.

DR. DONOHUE: Well, the National Student Clearing House is providing more, and-- It's been around for a long time and its original function had a lot more to do with transferring loan data from students from one school to the next. But now it is becoming much better. Of course, you can only get data from them about your transfer students if the place they're going is also a participating institution.

ASSEMBLYMAN CRYAN: Okay, and of the institutions--

DR. DONOHUE: So yes, it's--

ASSEMBLYMAN CRYAN: --of the institutions that are out there, do you happen to know the participating rate for this place, this

clearing house? Are all institutions in it, half, more than--? I have no idea.

DR. DONOHUE: I don't know that number. I know that, as someone who has been tracking numbers through them for more than 20 years, that it is significantly larger now than it was. It is becoming a more common basis. It's one of the primary ways that an institution can know -- particularly when their transfer students come in -- if students are carrying loans from previous institutions. That's sort of the Mecca, and it allows--

ASSEMBLYMAN CRYAN: Do you happen to know if all New Jerseyans -- higher education institutions -- participate?

DR. DONOHUE: I don't, but I'm sure we can get that answer to you very quickly.

ASSEMBLYMAN CRYAN: Could you, please? Through the Chair, if that's all right?

ASSEMBLYWOMAN RILEY: That's fine, that's fine.

ASSEMBLYMAN CRYAN: And thank you for that. It's about getting the data right.

DR. DONOHUE: Well, it is an important piece that we are able to get better data now than we had been in the past. It's still not perfect, but the strategies are getting better. And I know the Secretary of Higher Education is also looking at ways to be sure that the data we're getting is better.

ASSEMBLYMAN CRYAN: Thank you.

ASSEMBLYWOMAN RILEY: The tracking of data is becoming more and more in demand as we move forward. And it's

necessary; we are realizing that we can make good policy judgments as we move forward and actually improve not only the quality of education, but the quality of outcome of the student and making them more successful. So it's necessary, and I know that you hear it a lot from us as a legislative body, and there's a little bit of a push back sometimes from the institutions. But it's coming, it's coming.

DR. DONOHUE: I think one of the other things relative to performance funding -- and your question, that's different for community colleges -- is actually, for us, the input. In our success model we have started to include how many developmental courses did a student need to take before they started college-level courses: tracking the differential between what percent of the class came in college-ready and what percent started with a deficit changes what are the performance goals for those students and the likelihood that they'll graduate in three years or six years.

ASSEMBLYWOMAN RILEY: Any other questions on performance-based funding? (no response)

All right.

DR. DONOHUE: Okay, speaking to A-2804 then on graduation rates. The bill requires county colleges to develop a plan to achieve a three-year graduation rate of at least 33 percent for full-time, degree-seeking students by 2019-20. While no one would deny the importance of graduation rates for full-time students, several observations are important here that are unique to community colleges.

Because community colleges are by law open-door institutions that must admit all high school graduates, many students are

not ready for college when they enroll. When you take an average across all colleges, it's in the neighborhood of 60 to 70 percent who require some pre-college work. It often takes several semesters for them to get ready for their first college course. Thus, the three-year timeframe in the Bill is not appropriate.

Likewise, many of our students are adults when they come to the college. They are in the community, and they come to us at the pre-college level hoping to improve their education so they have a chance for a good job in the community; to be better partners in the workforce and better contributors.

About half of community college students enroll part-time, and many of those who start full-time end up as part-time students. So we probably ought to be including part-time students in the Bill, which reinforces the importance of a longer timeframe – probably six years rather than three years.

Someone asked Dr. Gitenstein about students who work. At my college more than 80 percent of my students work; probably half of them work full-time. So we have some students who start full-time and they try to maintain full-time employment also. That is one of the reasons -- the amount of time they are working -- that many of our full-time students end up dropping down to part-time students; because they need to maintain their work schedule while they are in school.

Many of our community college students are *skill builders* -- that is, they are looking for employment and using college not to get a degree, but rather to gain specific kinds of skills and expertise. A recent study in California found that nearly a third of all community college

students in California are skill builders. We expect those numbers are probably much the same in New Jersey, but I don't have data now. This means that graduation rates are an incomplete measure for community colleges, and they need to be supplemented by other measures of course completion short of a degree, by other measures that align with what the community college students' goals are when they come to us.

For example, we should also be tracking and reporting how many students complete at least one year of college in good standing so that we at least recognize the success of these skill builder students. Recent studies by the Heldrich Center at Rutgers show that these students who complete college credits in fact earn increased wages, even when they do not finish the degree.

There is a fourth reason why graduation rates are an incomplete measure. Many of our community college students successfully transfer to a four-year institution without first completing their community college program. These transfer students should also be included when measuring the success of community college students.

Finally, it's important to recognize that many students go on to graduate from a college different than the where they started. Recent data from the National Student Clearinghouse is now able to provide that more complete graduation picture. For New Jersey's community colleges, we know that over 37 percent of students who first enrolled at a community college went on to graduate, if you include those students who transferred and graduated from a different 2-year or another 4-year college.

So if the purpose of this bill is to focus solely on graduation rates, we need a least a six year timeframe, and include both full-time and part-time students; and the National Student Clearinghouse data should be utilized. If the purpose of the Bill is instead to present a more complete picture of community college success, it should include at least graduation rates, students who transfer before completing their community college program, and skill builder students who successfully complete at least one year of community college.

As I said before, the community college presidents are prepared to work with the Secretary of Higher Education in clarifying these success measures and in developing a performance funding system.

Thank you so much for the opportunity to share our thoughts with you.

ASSEMBLYWOMAN RILEY: I thank very much for your commentary. And some of the information that you presented to the Committee is very interesting.

The legislation that we're speaking about, though, deals only with full-time students -- first-time, full-time. So I would say to that -- I would prefer that a first-time, full-time student should be achieving some form of a graduation rate in three years. That's what I would think; that's what I would want and I would be encouraging. I think -- and I'm just going to give an opinion -- I think it's in our best interest as a State to ensure that they have success. And while there is support here -- you had, from the Heldrich Center, that even with some form of college credits that those students are successful -- they are more successful with a piece of paper that says, "You've completed this, you've got a degree, a

diploma. You have a certificate.” They are just more successful, and we’re more successful as a State. So I think it’s in our-- Maybe I’m wrong, but I think it’s in the best interest of the State to encourage -- for that full-time, first-time student to get out of school as soon as they possibly can.

DR. DONOHUE: Well, I couldn’t agree with you more.

ASSEMBLYWOMAN RILEY: Okay.

DR. DONOHUE: I do think that graduation should be a goal for every student. I also know we deal with a reality of the amount of work that our students are doing. And in my case they are not students living in a dorm on campus. Many of them are also taking care of children at home or the responsible caregiver for older people who are at home.

So I agree that that should be the goal; but if that’s the goal, we have to find a way to help support them so they don’t try to work full-time while they’re doing it.

ASSEMBLYWOMAN RILEY: No, I agree with you on that. And when you were saying earlier about having your campus in the capital city of Trenton -- Passaic does their campus in downtown Paterson. And it’s wonderful. I mean, it’s one of the few I visited in a downtown atmosphere. But they have onsite daycare facilities for those individuals who need it. And that’s so important because it usually is a mother taking care of children, going back to school, trying to support herself and her family. And so the school is there, providing the necessary things to make them more successful as a student.

So I like the idea that the community college is looking more towards staying inner city, where transportation is more accessible, where the school itself is just more accessible. And it's actually helping that urban center itself.

Are there any questions?

**ASSEMBLYMAN THOMAS P. GIBLIN (Vice Chair):**

Dr. Donohue, how much interaction do you have -- the students with counselors -- to kind of bring them in, individually, and look at their courses they've taken, and try to help them or motivate them? I know that's -- on the high school level, that's a little bit more prevalent, but it doesn't seem like -- in the colleges, they seem to be on their own, so to speak. Is that the case?

DR. DONOHUE: Well, that is the case, to some extent. We have several counselors who are there to help with personal problems, as well as academic problems and planning issues. We try to get students connected with faculty advisors as soon as they've chosen a program. But New Jersey's community colleges as a group have been looking at how do we increase student success. And Mercer, in particular, is doing the same kind of thing, so I'm going to use our example: We have totally revamped our orientation so that it really focuses not just on introducing them to the campus, but to orienting them to how to be a college student. We have changed our college success course, again to get them more connected to how to be a student. And we will be, in the fall, moving from a pilot project we've had for coaching to make that a program for all new students. And it speaks to exactly what you're talking about -- connecting the student to one person

who is supposed to be their go-to connection about choosing the right classes, about being sure they make and follow their academic plan; and we know across the country all the colleges are looking at improving success. And getting that student really connected to an individual is a key part of that. You're right on track.

ASSEMBLYMAN GIBLIN: Another issue is with trade unions, apprenticeships -- you know, people who graduate a union sponsored training program, they have the technical side of their craft but they have problems with the college in terms of trying to get their AAS degree, I guess. Do you have much interaction with that, or are these people coming to the program after they complete their union apprenticeship maybe deficient in language or math skills? What's your take on people in that category?

DR. DONOHUE: Well, that has varied at every college where I have been, and it varies across New Jersey as well on the amount of activity and what there is. We have-- I think all of us have some clearly articulated programs for particular apprenticeships or unions, where the degree they would go into is very clear and how much credit they get for that degree. You don't get a degree just for the apprenticeship.

ASSEMBLYMAN GIBLIN: No, it's generally about half the--

DR. DONOHUE: It's generally about half, and then we pair the other courses with it. Sometimes students have even taken some college courses while they were doing that, if that's their goal.

ASSEMBLYMAN GIBLIN: I'm trying to get a profile: Does the person have a tendency to be better motivated, better prepared? A lot of people look at a trade, and say, "Well, that's for the people who can't get a college degree," where, in fact, math skills, language skills, study habits are just as important for them to get their apprenticeship completion certificate.

DR. DONOHUE: I think it also varies by what trade they're in. Generally someone who has completed the full apprenticeship has learned those basic skills about how to study, perseverance, to finish the assignment, to stay on target. So they are better than a student who just walks in off the street who says, "Gee, maybe I'll go to college today." So you are correct about that.

I think one the things we recently found when we looked around the state is there are not as many people interested in doing that as we thought there would be, and as there probably should be. So that may be another issue that we need to look at, as a State, about encouraging more college completion for those who do apprenticeships.

ASSEMBLYMAN GIBLIN: Though if you were going to just capsule three reasons why this 33 percent is not attainable in five years, what would they be? I mean, the issue of jobs versus education -- I mean, what three things would jump out at you why this is not feasible, the 33 percent attainment rate?

DR. DONOHUE: Well, I think a big reason would be the amount of work that students are doing while they try to attend a county college -- many of them are our students -- because they are working and they're not willing to walk away from their jobs or cannot

afford to walk away from their jobs. So the work-- And I have to go look at these numbers -- the number of students who start as full-time, first-time students and stay full-time the whole time -- those students we should expect at least that kind of graduation rate. The problem for us is that they don't stay full-time. They end up part-time students, and it's part-time either because they're having academic difficulties or they're just plain working too much to concentrate on their academics.

The second factor for us is what the starting level for the student is. If I was TCNJ, where I was selecting students who all had SATs averaging 1235, I could guarantee a 33 percent graduation rate in three years very easily. But I know I'm starting -- even with first-time, full-time -- with students who are not nearly college ready -- even much lower than the TCNJ rates. So as long as we are the place where adult students and high school graduating students, who are not necessarily prepared for other places-- Our job by statute, the reason we were created, includes being available to educate those students. Knowing what their starting point is, is going to have an impact on how soon we can get to the end point.

ASSEMBLYMAN GIBLIN: You have a pretty good sense of the students that you're drawing from -- like the geographical area, I assume, is greater Mercer County. Are you proactive in terms of trying to work with the local Boards of Education or school districts? In other words, to try to see if you can upgrade those skills so eventually down the road we lessen the load, I guess is a good way of putting it. I mean, it just seems to me it might even be cost-effective to try to go into, hypothetically, schools in Hamilton or Trenton or the other

municipalities in Mercer to say, "Let's put our heads together. This is cost-effective; we want to get a better quality of student." Do you have anything at work like that?

DR. DONOHUE: Thank you so much for asking that question. We're delighted to respond to that question.

All of us across the state work with school districts in a number of ways and have, usually as part of recruiting, allowed students to start placement testing in the spring of their senior year; which, at best, gave them the summertime to take some developmental courses and catch up.

We are now working on a project that we call *College Readiness Now*, and with some support from the Secretary of Higher Education they have a pilot project going on at all 19 county colleges, working with one or two school districts in each area. In Mercer County we're working with the East Windsor School District, at Hightstown High School; and at Trenton School District, at both Trenton Central and Trenton West, where we are testing students in their junior year about college preparation, and then offering a summer bridge program to hopefully get them back on track. They still have their senior year to finish any capstone for that. The high school superintendents -- the superintendents of the school districts are hopeful that some of them will do so well in their bridge program in the summer that they might even be up to college readiness -- to take dual enrollment while they are seniors.

We do have a proposal-- We have, for several years, proposed that the State should incorporate in the budget an amount of

money to facilitate the county colleges working with all of the school districts to do this work. So it really is a matter of saying, “We’ll help to be part of the process, but let’s do that catch-up while they’re still in high school.”

ASSEMBLYWOMAN RILEY: There’s a Bill that supports that right now in the package. And we’re encouraged that you are promoting that also. So we are supportive of that.

Yes, Assemblyman Cryan.

ASSEMBLYMAN CRYAN: I have some questions for you.

I have to admit I found your comments to be somewhat startling.

There are about 13,000 students at your school?

DR. DONOHUE: There are 13,000 credit students on an annual basis.

ASSEMBLYMAN CRYAN: Okay. And about 60 percent of those folks need remediation when they come in? None of those folks are from out-of-state, right?

DR. DONOHUE: Very few.

ASSEMBLYMAN CRYAN: Very few; not enough to count?

DR. DONOHUE: Well, there are a few athletes and a few from the Bucks County area who cross the river, particularly for unique programs.

ASSEMBLYMAN CRYAN: Okay. Graduation rate in the State of New Jersey last year was 87.4 percent from high school. Does that sound right to you? I think it’s right.

I just want to go through these, one by one, because the Bill -- as the Chairlady and Assemblyman Giblin noted -- is for full-time students only. So-- And understanding we're having a conversation today-- In fact, it often takes several semesters to get them ready for their first college courses, thus the three year timeframe is not appropriate, which is 50 percent more than the two-year. And to me -- and I need to be clear -- your three-year graduation rate at Mercer is 18 percent. It's 8 percent in two years, which is significantly higher than, for example -- Essex is 1 percent in two years, it's 6 percent in three. I always say Union -- so that nobody thinks I'm parochial (laughter) -- Union is 3 percent in two years and 9 percent in three years. So I want everybody to think about that for a minute. These are full-time students who go into a county college -- full-time when they start -- 3 percent graduate in two years; 9 percent graduate in three. Think about that. And the idea to me is -- and I guess this is going to be one of the fundamental things of this -- is once you take them, the collective *you* of higher education, they're yours. It's your responsibility to finish, in my opinion. And others may strongly disagree with that.

Why does it take several semesters to get a full-time student ready for their first college course?

DR. DONOHUE: When an 18-year-old or a 33-year-old comes into the college--

ASSEMBLYMAN CRYAN: No, no. We're only talking about-- Remember, this data -- and I apologize for interrupting, but I want to make sure we're apples-to-apples -- the data we're talking about is the student that graduates in May -- this month -- and goes into your

-- from high school -- goes into county college in September. If that's incorrect, you tell me; but I believe that this data -- and certainly Dr. Rose gave the comments to the Budget Committee the other day and has in previous times -- we're talking May to September. So we're not talking about the guy coming back from the workforce; we're also not talking about the part-time student. Why does it take several semesters for a person who's graduated in May, who's enrolled full-time in a county college in September, to just get up to par for college-level classes?

DR. DONOHUE: There are a lot of reasons that that could happen -- because I don't control what the existing standard is for that student, or if that student had disabilities and accommodations that allowed them to bypass the normal HSPA test and that they graduated with alternate standards. And most of those students are coming to me -- they're not coming to TCNJ or Rutgers.

ASSEMBLYMAN CRYAN: So how many classes does it take for a student, and how many of the 60 percent of the remedials that you have, have to take more than one semester's worth of courses to be college-ready?

DR. DONOHUE: Okay. First, I want to be clear, when I say it's 60 to 80 percent of our students require developmental, that is not all about high school students. That's about all of our entering students. And I could go back and ask for a different number, but that's the number we use all the time because that's what comes in the door. But that may be more heavily weighted to adults coming back who have been out of school.

ASSEMBLYMAN CRYAN: I completely admit to leaning on Dr. Rose's comments and this data that goes from May to September. So I'll accept that, but realizing that, again, if you're 33 and you're rolling back, algebra doesn't -- the quadratic equation doesn't roll back that fast. I get it. But I'd sure like to know from May to September as to why that's a problem.

ASSEMBLYWOMAN RILEY: Can I interject here, Assemblyman? Because this is the community college--

ASSEMBLYMAN CRYAN: Right.

ASSEMBLYWOMAN RILEY: Okay. So this is where, when you are graduating from high school, if you have not been accepted into a four-year institution, right, because of academics, you are encouraged to go to your community college. So right there, that's one. Number two, if you have financial-- Okay, so academically you might still have been accepted to a four-year college but you have financial needs to go to the two-year college. You might only go there for one year and transfer out. And this is one of the community colleges--

ASSEMBLYMAN CRYAN: But my question is how many classes?

ASSEMBLYWOMAN RILEY: Great. So it depends on what has to be remediated.

ASSEMBLYMAN CRYAN: Well, I assume you're tracking, so--

DR. DONOHUE: We do try to look at what is the starting point for the students. And a student who really has reading problems will have at least a three-course sequence -- if they have to start with

reading, before they complete writing, to be college ready. And in math, if they really-- If they have to start with arithmetic -- as some of them do -- it's a three-course sequence to get them ready. Now, for the stronger students, we're looking at strategies for -- if they come in and you can really get them started, and they latch on, to be able to put two courses in the same semester -- to accelerate them more quickly. If they're close, if they're just below the line and they only need one remedial course, many of us are looking at strategies now -- we're using it, and with great success, to have them take that remedial course and the first college course at the same time so that one supplements the other, and we are finding that to be enormously successful.

ASSEMBLYMAN CRYAN: If you have a student who's deficient in, for argument's sake, arithmetic, and is therefore sufficient in reading-- I mean, is there a focus on counseling and such that that student begins -- for lack of a better way of putting it -- takes English I and remedial Math I, and those sort of things are laid out appropriately?

DR. DONOHUE: Yes.

ASSEMBLYMAN CRYAN: Okay. Well, then, if that's the case, why should it take six years? And why are the graduation rates the way they are?

DR. DONOHUE: Well, if it takes them three semesters to finish those developmental things, they're not taking their first college course until the fourth semester. And even if they thought they were going to be full-time students, when they're fighting their way through developmental -- by that time, they're not full-time students. And they have to-- We are trying to give them a support system to take three

courses and be successful, rather than take five college courses and repeat their patterns of failure.

ASSEMBLYWOMAN RILEY: So what I'm hearing is that that's your model; your model is remediation of a student who doesn't pass a certain college-based performance test. But other schools, from what I understand, are now starting to say, "We are going to remediate you as you go, all right, so that you have success." Because what we are finding is those students that have to take remediation course after remediation course after remediation course, they say, "I'm done; I'm not going to do school anymore," and so we've lost that student.

So what other-- We've had testimony from other colleges -- Bloomfield was one of them -- that actually said that they were actually remediating within the course work that the student was doing. They were making a more successful student. So have you thought about changing your model?

DR. DONOHUE: Well, we are doing that.

ASSEMBLYWOMAN RILEY: Okay.

DR. DONOHUE: That was the model -- the last example I gave.

ASSEMBLYWOMAN RILEY: Got it.

DR. DONOHUE: But you can't do that with the student who can't read. You can do that with the student who's missed the mark but they're close; they're still good enough. We can supplement that work and we are finding that very successful. We just reported on that to our Board of Trustees and the model is working very well in the pilot.

So we're expanding the pilot, and we hope that when we go to scale it works as well.

ASSEMBLYWOMAN RILEY: And with this new PARCC assessment tool that the schools are now -- the K-12 schools are now participating in since, actually, we bought into this change in 2010 -- are you seeing, or are you working with them on the assessment tools, and will that be your assessment tool for students?

DR. DONOHUE: Community colleges have committed to use PARCC as the standard for those students coming from high school. We'll still have to use something else for the adults coming in because they won't have PARCC scores. But we won't have PARCC scores for students from all schools this year, and they're not set to be normed until 2016.

ASSEMBLYWOMAN RILEY: Right.

DR. DONOHUE: There are just pilot schools doing it this year.

ASSEMBLYWOMAN RILEY: Okay, thank you.

ASSEMBLYMAN CRYAN: Just one more on finances.

ASSEMBLYWOMAN RILEY: Yes.

ASSEMBLYMAN CRYAN: The student who goes in and needs remedial help uses NJ CLASS or TAG grants, potentially, is that correct?

DR. DONOHUE: They may.

ASSEMBLYMAN CRYAN: And therefore they would be taking college classes but not be able to earn any credits with those loan opportunities -- is that correct -- or grant opportunities?

DR. DONOHUE: When they are in remedial classes they are zero-level courses; they do not count towards their degree.

ASSEMBLYMAN CRYAN: So we have -- if I understand you correctly, Doctor, we have students who, based on the plan that is utilized, can take potentially several semesters of college courses, effectuating their CLASS and TAG eligibility, and achieve no credits for that. And TAG and CLASS also, by the way, have a limited run in terms of how long you can use them. Is that correct?

DR. DONOHUE: As does the Pell grant, yes.

ASSEMBLYMAN CRYAN: That's a pretty frightening (indiscernible).

DR. DONOHUE: And we try to work with students. Part of that advising that Assemblyman Giblin asked about is to help students understand they've got to be on a plan, and they've got to do this faster than some of them have in the past, if they want to stay on schedule to be able to use their aid.

ASSEMBLYMAN CRYAN: Okay. I won't explore the rest of what your comments are. I'd say they are, to me, head scratching and eye-opening. But I will say that your comments actually, to me, reinforce the need for the Bill. What's wrong with developing a plan to simply ask how you graduate a 30-year-old student? If it's a year -- whether it's the skill builders, and they should be certificates -- I think most folks would agree that that's a good thing and let's supply that. If it's transfers that could accurately be measured across the board, let's work on that if we can do that. We're looking for success. But some of the stuff you have in here makes me want that Bill even more, about a

plan that in less -- especially the six-year number for a two-year associate's degree. That's just mind boggling to me.

DR. DONOHUE: The one thing I would remind all of you of, and I hope you keep in mind, is if this becomes an issue of every student who starts has to finish at a certain kind of level, what that will do is start shutting the door to the students at the bottom. And right now there's no other system that will work with those students who have the most deficiencies to get them more capable in our workforce, regardless of how far they go. So we need a parallel thought about being sure we don't let the bottom fall off.

ASSEMBLYMAN CRYAN: You could, therefore, just provide another model in the plan.

By the way, one other thing about the Bill -- it's Assemblyman Giblin's Bill, but-- You may have a plan laid out that doesn't reach by 2019 or 2020, but therefore highlights some of the head-scratching issues that we just talked about, and therefore allows us -- with you and others -- to work in partnership to help correct issues. That's the idea.

DR. DONOHUE: And we are most anxious to work in partnership with you. All of us are educators at heart; we would like every student to be successful.

ASSEMBLYMAN CRYAN: Thank you.

ASSEMBLYWOMAN RILEY: All right. Any other questions?

Assemblywoman Pinkin. Oh, you all three do? That's wonderful.

ASSEMBLYWOMAN PINKIN: All right. So just to-- I mean, it sounds like some of this, in a way, is like a truth in advertising issue. You know, there's the policy that was changed at one point that says the colleges have to take everyone. I mean, maybe that's part of the problem; I don't know. But also, if we look at the costs versus high school and the costs versus college, is there-- The fact that so many people are coming out and are not ready -- is it that they should be staying in the high school longer? That they need to pass the tests, or-- I mean, something seems out of sorts, whether it's maybe some people-- Who's to say that you can't go somewhere if you feel like you want to, and you know that, according to the plan, there's an assessment and that you might not be successful, but you're going in with the idea that that's your choice. It seems like there are a number of things -- as Assemblyman Cryan said, there are so many issues and concerns. And I think one of the reasons why this has become a bigger problem is because the cost has been escalating and the job opportunities have not been as great. So it exacerbates the problem.

DR. DONOHUE: And I think the points you make are good points. For us -- and I've been in community colleges for a long time; I also worked for the University of Missouri and I worked in high schools so I've seen the issues at every level. For us one of the driving factors is we need the student who appears at our door to leave with enough skills that they can be self-sufficient in the workplace -- that they can be contributing in the workplace and earning a salary, and not drawing on the system for everything they need.

And that was my point about -- if we change the system at county colleges so we eliminate those people with the lowest skill levels, we as a society will have to do something else, or else we will just engender an underclass that cannot improve the skills to get the jobs that we need them to have and that they need to have to be self-sufficient.

So there are problems in the system; I'm not going to point to one place. There are problems a lot of places. We try to work with the students as much as we can to understand where they are and what the pathway forward is. There is some truth in advertising problem, but we also know -- especially if they need financial aid from the Federal level, the State level, they're trying to get scholarships -- that they're going to have to make progress, and significant progress, or they're going to lose their aid. But we still need a system in New Jersey that brings people up to a level of education where they can get and maintain sustainable jobs.

ASSEMBLYWOMAN PINKIN: Is there a way to accomplish that where they are supposed to be accomplishing it -- which is in the high school, or the K-12?

DR. DONOHUE: You know, I believe that's what the Common Core State standards are aiming for. I hope the PARCC testing is going to lead us there -- knock on wood. I've been in education a long time; I certainly hope it changes the percentages a lot. And a lot of people are working on it.

ASSEMBLYWOMAN PINKIN: It's a complicated issue, for sure.

ASSEMBLYWOMAN RILEY: Assemblyman McGuckin.

ASSEMBLYMAN MCGUCKIN: Thank you.

Thank you for being here today; I appreciate it very much.

As with Assemblyman Cryan, I hear some of these statistics and I'm almost flabbergasted. Not that they're new; I mean, we've been reading about them and learning about them.

Can you tell me the percentage of remedial -- of the students who need remedial classes when they come to Mercer County College for the first time, full-time?

DR. DONOHUE: I can't tell you of the first-time, full-time. The number I have in my head that I use all the time is that we're between 60 and 70 percent in any given year, but that includes all students -- so part-time and returning adults as well.

ASSEMBLYMAN MCGUCKIN: And in order to enroll they must have a high school diploma, correct? So of that 60 or 70 percent who need remedial classes, all of those individuals have graduated high school?

DR. DONOHUE: That would not be accurate. When adults come back to us, some of them weren't even educated in the United States; some of them really start with us in English as a Second Language classes -- sometimes at the level where it's not college credit at all, but the Federally funded literacy English as a Second Language -- which we also deliver, so I know something about that.

When adults come back to us, they are not all high school graduates. So part of the disconnect is that they didn't start there.

ASSEMBLYMAN McGUCKIN: First-time, full-time, traditional path -- a large percentage of your students, correct? And we hear high school graduation rates of 87 percent. Is that what we have in New Jersey at the moment? Eighty-seven percent, yet let's assume it's not even 60 percent, based on the older-- You know, at least half of your students need -- half of those students need remedial classes. Is that a fair--

DR. DONOHUE: That's why we're all working with the schools, yes.

ASSEMBLYMAN McGUCKIN: That's a fair summary of the events, right? So how does that compare to other states? Because I hear all the time about we have a high graduation rate here in our high schools, yet we have so many students who need remedial education if they're pursuing college. So how does that (indiscernible) our education -- excuse me -- graduation rate of 87 percent, and the number of students needing remedial help at the junior college level. How does that compare to other states?

DR. DONOHUE: It's been roughly the same in all five states I've worked in, and the numbers I hear at national meetings are fairly comparable.

ASSEMBLYMAN McGUCKIN: Okay, that answers that question.

So the high school diploma is not necessarily the stepping stone that's needed to pursue a four-year or two-year degree within a reasonable timeframe. That's not the appropriate method to determine--

DR. DONOHUE: That is true.

ASSEMBLYMAN McGUCKIN: Thank you.

ASSEMBLYWOMAN RILEY: Assemblyman Johnson.

ASSEMBLYMAN JOHNSON: Thank you.

The community colleges -- they accept students who have completed GED training, correct?

DR. DONOHUE: We absolutely do. We also provide GED training and administer the tests.

ASSEMBLYMAN JOHNSON: And you provide GED training, okay, as a way to help these students, or young people, or older people achieve that goal of contributing to the workplace.

Also, if you could-- I stepped out of the room before; I don't know if you discussed the community college when it comes to their relationships with manufacturing, or meeting the needs of industry -- the specialized skills that have come up? Have you-- Is there a (indiscernible) between the community colleges and the business world when it comes to filling these special needs that may not require a four-year degree, but may require a certification course, or some type of skill set that's specific to that particular, specific manufacturer?

DR. DONOHUE: All of us across the state work with business and industry in our areas to try to match the programs we have. That's why we don't all have exactly the same programs. We have, over time, tailored those programs for the industry we have. So we have less engineering technology in Mercer County than many of the schools in some of the other areas where there's a lot more manufacturing going on. We are building up manufacturing that matches the needs of the people

in the Mercer County region and what they've been telling us. But I still won't have the amount of it that Camden has.

We have just approved, and are starting in the fall, a new degree in Security Systems Technology, because that industry came to us and said, "We need to hire a lot of people; we need them to have this certain training so they will be prepared for our field." So with them, we developed what's in that degree, what courses did we already have that worked, what did we have to add -- so it's what the industry needs.

ASSEMBLYMAN JOHNSON: So you have a young person who's taking that specific curriculum, and also studying Shakespeare on the side.

DR. DONOHUE: Absolutely.

ASSEMBLYMAN JOHNSON: That's the way it goes. I know even in the County of Bergen where I reside, Bergen Community College has a relationship with one of the local truck driving schools. So there's a course where a person could be certified through the college and get his or her CDL and -- recognizing that there is a shortage of truck drivers throughout the United States.

So I commend community colleges for what you're doing to fill that need -- where you have people who may not want to obtain a four-year degree, but it still allows them to be certified or trained in a specific trade and/or skill set that's needed in New Jersey -- which is always changing and ongoing.

So I'll close with that. And I don't think I have any other questions.

Oh, yes -- one more question. Do you know what percent of the students at Mercer come out of the Trenton school system -- full-time?

DR. DONOHUE: Hamilton is our largest sending district; I think Trenton is second.

ASSEMBLYMAN JOHNSON: Second.

DR. DONOHUE: I don't know--

ASSEMBLYMAN JOHNSON: And 60 percent, as you said, 60 to 70 percent of these individuals need remedial training. Understanding that some of these individuals are adults coming back into the academic area, I also find that an extremely high number -- even if you--

DR. DONOHUE: It's a national number.

ASSEMBLYMAN JOHNSON: It's a national number? So you're saying that 60 percent of young people graduating from high school are not ready for college nationally.

DR. DONOHUE: No; 60 percent of those who come to community colleges, nationally--

ASSEMBLYMAN JOHNSON: Community colleges; oh, okay, okay. Because there's a--

DR. DONOHUE: You've already--

ASSEMBLYMAN JOHNSON: A part of that are people coming back to school -- adults coming back to school.

DR. DONOHUE: But not all high school graduates are coming to community colleges. The best prepared graduates have gone to four-year schools. So it's 60 percent of those who graduated from the

high school and who come to a community college -- because they didn't go somewhere else.

ASSEMBLYMAN JOHNSON: But the standard, or the-- The standard graduating from a community college is the same as the standard that graduates from Rutgers.

DR. DONOHUE: That is true. The standard to get out is equally--

ASSEMBLYMAN JOHNSON: The same.

DR. DONOHUE: --difficult. The standard to get in -- that we will start with them wherever they are, and get them into the system; but we won't graduate them unless they have achieved the same standard that they would have achieved in two years at Rutgers or at Stanford.

ASSEMBLYMAN JOHNSON: Or at TCNJ.

DR. DONOHUE: Or at TCNJ.

ASSEMBLYMAN JOHNSON: Thank you.

ASSEMBLYWOMAN RILEY: I just want to add some comments, because some of our Committee members are new; just for edification.

Remediation is a national problem; it's not just a State of New Jersey problem, it is a national problem. And that's why the Common Core came up. The United States said that we are going to go with this Common Core curriculum, and we're going to have an assessment tool so that we can see why and/or where our students are. This is nationally we're doing this. So we as a State bought into this program -- the Common Core curriculum -- and then the PARCC

assessment in 2010. We said, "Yes, we will participate in this." And the federal government is giving us funding to participate in it. But this is not just a State of New Jersey problem.

And the other thing that is troubling to me -- and I know this is what we do now -- but back in 1978 my husband graduated from high school and went to work for PSE&G down at Salem Nuclear, and has been there for 37 years. They trained him; they didn't say, "You have to go to a community college before you come to work for us. We will make you the employee that we want you to be." And he's an extraordinary employee -- I'm just going to give him kudos right now. (laughter) The smartest man I ever met.

But it is troubling when I hear employers say, "Well, you know, I want community colleges to gear up so that I can decide whether or not I can have these employees come work for me; you have to have this course from the community college." So employees now, instead of getting a job or a promise of employment and then going to get training for it, have to be trained prior to, financed by themselves or by the State, and then not even necessarily assured employment.

So we're kind of in a different paradigm. It's a huge shift. The employers are now telling us what we want to do instead of the other way around. So it's troubling.

DR. DONOHUE: That's a very important point; that has been a major change. The other thing is the one job, company loyalty -- company loyal to employee, employee loyal to company -- it has become quite rare. It is normal now for most people to expect to have 7 to 10 --

not just jobs, but career shifts in the process, and making it even more important for them to have a basic education that has transferable skills.

ASSEMBLYWOMAN RILEY: Good point.

Assemblyman Giblin.

ASSEMBLYMAN GIBLIN: Well, just to concur about this issue of employees in the state. What I find -- I put a lot of people to work throughout the years; they want people 35 years of age with 25 years of experience. They want the sun, the moon, and the stars before they hire them. (laughter) And you might think that's a joke, but that's the reality, in terms of they're very selective about the people they hire.

I was looking at a couple of reports from schools in Newark, New Jersey, okay? These are high schools, prep schools, and of course they list the colleges where the graduates are going to. And I'll be frank with you: My memory-- I don't remember if there was even any going to any type of county college in New Jersey. And it just seems to me that is going to present more problems down the road, whether it be the prep schools or the charter schools, because the charter schools have the ability to cherry pick a lot of their students. And it seems to me that your problem might tend to get worse instead of better, considering the changing face of New Jersey. Do you envision that, down the road? That your challenges are going to be much more complex in terms of the students who you're going to get, because the charter schools, the prep schools are pushing the kids towards four-year programs?

DR. DONOHUE: Well, in fact, the statistics most states across the country keep have pushed kids to four-year schools as well -- when the school district reports as their college-going students only those

going to four-year schools. I would say, over my very long career in education, the challenge for community colleges continues to take in new issues, both because -- since community colleges were started in the 1960s we are sending a much larger portion of the population to post-secondary education than we ever did before; and as that number increases, it continues to be reaching deeper and to the less-prepared. And the end goal -- I was an engineering dean -- the end goal is, as a country, we have to have a bigger and bigger percentage of our population well trained for jobs that demand higher skills. And we used to get away without doing that; or companies trained them themselves, which very few companies do anymore.

ASSEMBLYMAN GIBLIN: I know, but the point I'm getting at is your potential students -- is the cream is being taken off and pushed into four-year programs, and you're going to left with the balance and you're going to have to -- you're supposed to be the miracle worker.

DR. DONOHUE: Oh, I'm agreeing with that. Plus, in addition, that we are reaching farther and farther down to increase the percent of students going, and that means-- Those who were not qualified weren't coming at all, so it's-- Our problems are increasing from both directions -- the creaming--

ASSEMBLYMAN GIBLIN: That was my observation.

DR. DONOHUE: Yes.

ASSEMBLYWOMAN RILEY: All right. Any other questions? (no response)

I thank you very much. Thank you for your time, for your testimony, and you'll be hearing from us. (laughter)

DR. DONOHUE: Thank you. We'll see you at the next hearing.

ASSEMBLYWOMAN RILEY: Absolutely.

DR. DONOHUE: We'll be here, and we're happy to answer any questions for you.

ASSEMBLYWOMAN RILEY: All right. Next we'd like to hear testimony from Giancarlo Tello from the New Jersey Working Families Alliance.

Good morning.

**GIANCARLO TELLO:** Good morning -- or afternoon already, at this point, Committee members. Thanks for allowing me this chance to speak today. I'm speaking on behalf of the New Jersey Working Families Alliance, which represents 40,000 members across environmental, labor, and community-based groups.

But I'm also speaking from the personal experience of a student who had to drop out of college; as a student who was raised, actually, in Teaneck; went to Bergen Community College, and was luckily able to graduate in three years; but had to drop out when I tried to go to Rutgers University, which is a school that -- their in-state tuition rate is about the rate as the out-of-the state tuition rate over in New York -- where in New Jersey we have 50 percent higher average tuition rate than the rest of the country. In New Jersey our average tuition rate is \$12,000, and the national average is \$8,000.

As most of you are aware, last year I was fortunate enough to be part of a movement that resulted in the passage of the New Jersey DREAM Act. But that is unfortunately only part of -- half of it. The in-

state tuition bill for undocumented students -- thankfully, because of that bill, now my tuition bill will be a lot more affordable. I'll be able to pay what my peers pay, and I thank each and every one of you who voted on that bill in the affirmative.

Unfortunately, it's still not full equality. Unfortunately, New Jersey is still discriminating against me and my friends and family. There has been a lot of talk about how much it will cost. This already passed in others states such as Texas, where undocumented students only accounted for 1 percent of all the state aid packages that they gave. State aid for undocumented students, such as TAG, EOF, and STARS, is vital for all of New Jersey, for all of our students, to be able to graduate college on time -- as I think we all want to do -- for all of us to work here and to contribute taxes.

As we all know, if you have a bachelor's degree you're likely paying three times as much in taxes as opposed to just having a high school diploma. This is good for New Jersey if more people have bachelor's degrees. It's good for New Jersey if we stop discriminating against students. I don't know why, when I pay taxes, I shouldn't be eligible for these State aid programs administered by HESSA that my friends are. I know how much taxes I'm paying; undocumented people in New Jersey pay, on average, \$447 million a year. The myth that we're not paying taxes is a lie, and this discrimination needs to stop now. And that's why I'm asking all of you, for when we start up this (indiscernible) campaign again, for when we come back and try to get full equality from this Governor again-- Because I don't believe equality should be delayed by who's in the front office; I believe equality should be pushed forward

by those who believe in it. I don't believe we should wait for the time to make itself right. I believe we should force the time. I don't think we should allow the Governor to decide what we're going to be pushing or not. I think we should decide that on our own, and I think we should end discriminatory practices between students, especially in New Jersey. I'm thankful enough that I've lived and grown in New Jersey since I was 6 years old. I'm now 24 and, thankfully, I'm going to be going back to Rutgers University this fall, thanks to passage of the in-state tuition bill last year. But I know a lot of my friends still won't even be able to get that opportunity because there's no State aid available for them. We're already discriminated against in the Federal Pell grants eligibility.

So I ask that all of you please keep this in mind as we continue hearings and we continue any bills that are discussed, and vote in the affirmative when this does come up.

Thank you.

ASSEMBLYWOMAN RILEY: Thank you very much for your testimony.

Speaking for myself and the majority of this Committee -- that we were very supportive of your issue and your plight, and we are still working on that to ensure that you are treated fully and wholeheartedly at all institutions, and that you're eligible for all the financial aids. So you can rest assured that's on our list.

MR. TELLO: Thank you very much.

ASSEMBLYWOMAN RILEY: You're welcome.

ASSEMBLYMAN GIBLIN: Madam Chair.

ASSEMBLYWOMAN RILEY: Yes.

ASSEMBLYMAN GIBLIN: Just one question, Giancarlo.

What kind of numbers do you think you're talking about of people who belong to a similar situation as you in the state? Do you have any idea?

MR. TELLO: So New Jersey Policy Prospective did release-- If we're talking in regards to just, specifically, State aid, of how many would be eligible?

ASSEMBLYMAN GIBLIN: No, about the whole-- With the tuition rate that you're talking about, in-state versus out-of-state. I mean, is there any way of ascertaining that number?

MR. TELLO: So, accurately, no, but the New Jersey Policy Perspective report that came out last year in support of it -- I believe the numbers were around 20,000 to 30,000 students that would be eligible for it. Of course, that only takes into account just by eligibility, not how many would actually be able to afford to actually even try to go to college or have the means to go it. And in regards to at least the State aid portion -- which is the part that we need to fight for now -- according to their report, only less than a thousands students would actually be eligible and apply for those State aid programs, which would be less than 1 percent of how much this State gives out in State aid grants.

ASSEMBLYWOMAN RILEY: All right. Any questions?  
(no responses)

Thank you very much.

MR. TELLO: Thank you.

ASSEMBLYMAN CRYAN: Thanks.

ASSEMBLYWOMAN RILEY: All right. Next we will hear from Wendell Steinhauer, NJEA.

I just want you to know I'm a fellow member.

**WENDELL STEINHAUER:** Thank you.

Good morning. First of all, I want to thank the Chair and the Committee for having these hearings. And I have to tell you, I've been in a lot of testimonies. This is pretty wide open here. (laughter) So thank you for that.

I also come here as a parent of three children -- two college graduates already, and one who is in a community college right now. So I'll try to add some commentary on there because, Assemblyman Cryan, you were asking some tough questions there, and I said, "Wow, I actually know -- I can give him answers on that. So hopefully we can help you out on that one.

NJEA represents 4,000 members who are in higher education through the 19 community colleges in the state. And all of our members are invested in the welfare of the children -- of the students who actually get to those colleges too.

I'm going to talk about five areas. I'm not going to address any bills in general, just the five areas that I think that those bills are touching on.

The first one will be affordability, the second one is college completion, the third one is readiness, the fourth one is data, and the fifth one is Common Core. And it does actually move through the testimony, but I didn't think you wanted me to just read the testimony to you.

So on the issue of college affordability: You're throwing out a lot of data here. New college graduates owe an average of a crushing \$29,000 each in debt -- which actually I think is low, because my son graduated from this institution, and \$29,000 -- it's probably about two years here, maybe a little more. And he went here for four years, so that number is-- And I also think it's kind of funny it says "student debt," because every month I'm reminded of how much debt my children have because I'm the one paying those bills -- they're not paying them -- which we'll talk about also with jobs.

I heard-- You know, sometimes-- I don't want to argue conflicting information, but you know, I've heard it said, "Well, get a college degree and you'll get a great job." The jobs my two college graduates have are not paying -- they would not be able to sustain what they're doing and pay those loans. So yes, I agree -- the higher degrees will get you better jobs if there are jobs to have. There are a lot of people pumping gas with college degrees, and doing other things that they're overqualified for. So yes, in that perfect scheme of things it all works out that way.

New Jersey is a very well-educated state. That's why I believe that our debt is high; it ranks 8th in the nation for student debt. Two-thirds of our college graduates leave school owing money. Or worse, our high school graduates simply don't go to college because they know they can't afford it.

So this package of bills seems to be increasing the costs and burdens on two- and four-year institutions. That's a concern we have. And it comes down to who's really paying the bill at the end of the day.

We have some research that says that from county community colleges, State of New Jersey, for fiscal years 2009 to 2012 -- it says tuitions and fees-- I can tell you who is paying it: It's the students. They're paying 62.5 percent of the total revenue needed to operate schools. The State funding has dropped from 16.7 percent down to 13.9 percent; and county funding -- which is also a part of this -- has dropped from 24 percent to 19 percent. So we are seeing a shift of the costs going to students, which any parents of a college-age student will tell you.

We are pleased about the scholarships; they've been noted. You know we're a big supporter of the New Jersey STARS program -- we mentioned that in our budget testimony. And we're just hoping that the Legislature can renew its commitment to funding public colleges.

The second thing -- college completion. This is a tough area because. in community colleges, students who go -- and I know you've talked about full-time students. Sometimes people are going there just to get brushed up on their jobs. I mean, community colleges offer Microsoft courses, Word, Excel -- things that you need to move up, perhaps, in the work that you're doing. You talked about the employers expect everybody -- the colleges to have everything done for them. So that is a pushback. And not all of these students are going there to look to get a two-year degree or a four-year degree. They're just going to get a few courses and add it up -- and sometimes it even hits that full-time. So we're afraid that some of those accountability things may actually discourage applicants.

And as far as performance-based funding, NJEA doesn't entirely oppose the issue of performance-based funding as it pertains to

higher education. But what we do oppose is using graduation rates, and degree certificates, and job placement as criteria to determine that funding. Just as I mentioned: I have two college graduates who I just finally got out of my house, all right? But the jobs they're in wouldn't necessarily say that the college did a great job in what they did.

College readiness: I think this has become-- This is a thing that's going around and it's become overblown, I think, and there are a couple of reasons why.

First of all, I can now talk of my third child. The first two -- yes, they had the grades, they had the Honor Society, they were the easy children. This one, I can tell you -- and it can relate to a lot of other things here -- struggled through school. She was in that 87 percent who did graduate, but she struggled through. And she worked really hard to get through that. She never took an SAT test. I knew what would happen with that. I was glad that she got through the HSPA test -- that's another day to talk about those tests and PARCC -- but she got through. So she is in that 87 percent. She didn't take an SAT test because I knew what the results would be. She would get the 400 for signing it, and a little more.

She walked into a community college because everybody can walk into a community college. So readiness? She was a college (*sic*) graduate, but I don't think she was ready for the college-level courses, and we proved that in the remediation courses that she's taken this year. She just completed her first year.

Assemblyman Cryan said, "How many courses?" She took 24 credits, 12 credits each semester. She got credit for 10 of them. So

yes, we paid the tuition for all of them, but she got 10 credits. So in that design you were talking about, you do get some credits along the way. So there was a mix of them in there.

And it's also about maturity level. Once you get there, you know, maturity level in high school and maturity level in college -- it's a whole new ball game. Sometimes that location change makes the difference. I was glad that that maturity came at 19. Some people hit it at 25. I have neighbors who haven't hit it yet, in their 30s and 40s. So it's about when it's ready. You know, when the student's ready, that's when the teachers appear. So that's a big part of it. And I would hate if she had picked a higher-priced four-year college to start figuring this stuff out. This was a good decision for her to start in community college. This is a good place to go, to get her feet wet, to understand what college life is about. And she is moving towards that first real year. It will be her second year in community college, but now I'm looking at her with a full scale.

So sometimes the statistics don't tell you the story. And that's what I'm afraid of. I'll point that out in data later that, yes, we can quote statistics all day long, but how you interpret them can go in a hundred different directions. We have to be careful how we interpret them.

So college readiness-- The other thing I think that's a problem in college readiness is the placements -- these ACCUPLACER tests and so on. I write in my testimony, we have the experience of a valedictorian in high school who took this test and she was placed in remediation -- an English honors person. So the tests-- And I can tell

you why; it's real simple. We are just in the process, from K-12, of trying to align everything up and get the standards. Who has aligned K-12 to college? There's a big bridge there, there's a big gap. Nobody has, and that's the problem. Here's one curriculum, here's another, okay? So if you haven't been in that format, that's going to be a big problem. I think I heard, "Yes, they can graduate in this curriculum, but now we're starting on a new path." So we have to be careful with that.

I will point out, too, in remedial instruction, I paid for a full 24 credits and got 10 credits -- she got 10 credits out of it. So there is a cost factor which does drive the affordability up.

So I think that's all on college readiness.

Oh, the Columbia study -- some of you have referenced that. Sixty percent entering community college students who recently graduated high school are assigned to remediation. I think it's those two factors. I don't think you can put your finger on one or the other, and there's probably more. But in my experience, that's the case.

And I will tell you, the community college -- I am very happy with the community college because they had a group of kids -- there were about 40 -- because I know, they travelled together, they were in those same classes. They created a bond, and that's part of the college experience. There was no housing for community colleges, but that was their bond moving through. And I can tell you, a lot of her classmates did not pass those remediations, and they will be in that next year of doing some more remediation. So it's a mixed bag in what levels, what interests, what maturity happens there.

Data: In this package of bills there is a lot of longitudinal data systems going on, and they collect data. That's great; that keeps people in business -- statisticians. I'm a math teacher, so I get the statistics. But it's what you do with that data that's unclear, and the unanswered questions-- I've listened to testimony this morning about the apples and the oranges. You know, they're all colleges, but some colleges serve different clients. So it's tough to lump things in together and say, "All can--" Just like it's hard to say, "Eighty-seven percent of New Jersey seniors graduated last year." At what level? You have the honor students, you have the middle students, you have the going-to-a-career, you have the military kids. You have all different levels in there, but you lump it in as "they all graduated." So we have to be careful when we use those statistics, and that's another testimony for tomorrow -- that I can tell you about statistics, being careful with that.

So I talked about data. Common Core -- and the reason I'm mentioning Common Core is the jury's still out on that too. That's a testimony for tomorrow. All these changes coming in education, all of a sudden everything had to be revamped and changed as though we're starting from scratch. We're taking a great system in New Jersey -- I can go on and on about statistics about how great New Jersey is; it's in the top two in the nation in education. But none of that matters because we all have to change, and we all have to go to one system. We have to be careful with that, that when you throw everything out and start fresh -- what was it that we were doing so wrong in the first place that we have to change?

But change is inevitable, and I get that. And it's going to keep coming, and coming, and coming. But all change isn't necessarily progressive and good. And we have to be careful with that, and before we start making wholesale changes in the colleges, perhaps we better see how this experiment works out in the K-12 and what puts them on a curriculum that might not even make the right bridge towards that college curriculum that I talked about. So I'm warning in that.

I have a suggestion: S-979 and A-2236, Assemblywoman, I'm sure you're familiar with that one.

ASSEMBLYWOMAN RILEY: That's my Bill, yes.

MR. STEINHAUER: Hopefully that's going to get signed by the Governor. And that Bill would establish this College Affordability Study Commission to examine and work on that, and maybe be looking at some of these bills to get that study out.

And in closing I'll say this: NJEA is reserving comment on any one bill specifically until a Committee is addressing them separately. And we know when we get on the floor that's where things start to move around.

But I want to be careful with this. Most of these bills proposed seem to be a hindrance upon the colleges and the students they serve. And that would actually prevent them from achieving their goals. As always, we look forward to meeting with the sponsors, and we appreciate your openness. And I appreciate the chance to discuss today. You run a great hearing, Assemblywoman.

ASSEMBLYWOMAN RILEY: Thank you, thank you.

MR. STEINHAUER: Very open and interactive. Thank you.

ASSEMBLYWOMAN RILEY: Well, it's an important topic. And I appreciate that you came in with your point of view -- whether I agree with it or not. (laughter) I'll tell you, a lot of the bills in the package have been remediated with and/or even approached by some of the community colleges and the four-year institutions. So it's not like we went out there and just wrote some bills.

On the fact of the remediation-- And I know, I know -- I come from a very large family, and I know that some of us did really well in school and others -- I'm one of 11 -- and others actually had to get extra help, and struggled, and did it differently than just entering into that four-year college. They went through community college.

But that doesn't mean that we say, "That's the standard." I think that we always have to look for a standard for that full-time student. Because the legislation that we're proposing is based on full-time for the community colleges -- not for the part-time or that adult who's coming back in. It's for that full-time student.

And I know a valedictorian who graduated and she had to get remediated. And that was one of the reasons why I just thought that was appalling -- to be a valedictorian of a public high school and to be remediated in English in community college is just unacceptable -- it's not acceptable. And that makes parents go crazy. They're like, "I cannot believe she had to take a remediation course. She's the valedictorian of her high school."

So that's a rude awakening. You say, "Well, something has got to change," right? Something has got to change, and so that's what we're looking at here. Somebody sent me to Trenton to say, "This is an issue," and that's what I'm here for.

And when we get into the Common Core -- there is a reason for it; you know the reason; we're educated. As a teacher myself, I remember going through all of this and being told why we, as a State, are going to go and do this. So that even though we are really good deliverers of education, as a whole country we have to be better. And maybe there's something that Mississippi can learn from the State of New Jersey. And maybe we're not as good as another state. And you can't judge that based on everybody having a different test, and administering it a different test. We all have to take the same test.

And so that's where we are. And I understand going slow. Sometimes, you know, slow isn't going to get you the answer that you need today. And I understand it; I understand it. The government moves slow -- moves really slow sometimes -- especially when you know what the answer is. And we've been given so many answers, but we're so hard to, as you said, except change, and move forward with change, and just accept it and say, "Okay, let's do it, let's do it."

I'm with you 100 percent, you know that. I think that you represent a lot of very intelligent teachers, and extra service personnel, and a lot of important people who actually help the State of New Jersey achieve the goals that they need in education. So I commend you for that today, and I'm glad you're going to work with us.

Any comments or-- Anybody?

Assemblyman Cryan.

ASSEMBLYMAN CRYAN: First things first: New Jersey is in the top two in the country, I think I heard you say, in education.

MR. STEINHAUER: Yes -- Connecticut and New Jersey.

ASSEMBLYMAN CRYAN: Connecticut and New Jersey. So what percentage of those, in your view -- because you guys tout graduation rates even in your ads, I think, right?

MR. STEINHAUER: Sure we do.

ASSEMBLYMAN CRYAN: So when I'm rounding off those--

MR. STEINHAUER: I heard 87.3 percent, yes.

ASSEMBLYMAN CRYAN: But the county college remediation rates, which are May to September, of 60, 70, 80 percent -- Dr. Rose looked at it and said 80 percent. Is that somehow-- When does it end? I guess it might be, really, the-- Because people have had it. You know, I'm not going to talk to you about money, but when does it end? When is it that-- I think the expectation of the public is-- You guys (indiscernible). But it's an immensely frustrating thing to hear that. We're in the top two but, by the way, you're supposed to accept remediation -- that students aren't ready for higher ed. I think that's terrible, Wendell, I really do. I think it's an incredible comment, and I think it's fundamentally what's wrong.

I'm not sure how to ask a question, because I'm just flabbergasted by your comment. Because I really believe (indiscernible) -- I or any other member -- that people are saying-- People expect that when a student graduates high school that they are at least minimally

prepared to at least go to a county college. I believe that taxpayers in this state believe that when that happens, that they have an expectation -- They may not think their kid can get to Princeton, but they sure as hell think they can go to the county college down the street.

MR. STEINHAUER: Well, again, I think I referenced that. I said when you graduate, it's not just you graduate and you're college-ready. It's college- and career-ready. And not all those graduates-- You know, probably a better one would be that -- a statistic -- instead of using "they all graduated," what percent of those are actually continuing on into education and so on? Because you're using the whole universe to squeeze down into just the kids who go to college.

ASSEMBLYMAN CRYAN: I'll tell you, for the purposes of this discussion, almost 9 out of 10 walk out of high school with a diploma. How is it that 6 out of those -- or whatever the right math is -- walk into a community college and can't do basic English and math just five weeks later? I mean, that's insane.

MICHAEL FLYNN: If I may, this is Mike Flynn from NJEA.

It's not-- The problem is not the student or the K-12. It's the process for how they're admitting them. This ACCUPLACER test, which is highly flawed--

ASSEMBLYMAN CRYAN: Okay, so Mike-- And you guys don't like PARCC, either, right, or have a concern?

MR. FLYNN: No, but I don't know-- I've shared this with the Committee in the past. Columbia University, which has a community college research center, showed that 60 percent of these students placed in remedial education are placed there incorrectly. And I

think the Assemblywoman highlighted it -- that her student, who she knows, should not have been in remedial education by any standards. Why they did that? I'll tell you why. What we hear is that this test, this ACCUPLACER test, which is severely flawed and outdated -- that kids are well beyond it -- well beyond it.

ASSEMBLYWOMAN RILEY: The one that they take in community college, you mean? The one-- Because they're not taking that in a four-year institution.

MR. FLYNN: Right.

ASSEMBLYWOMAN RILEY: Four-year institutions say, "We're going to accept you."

MR. FLYNN: So I would say it's not the fault of the K-12 or the student -- it's the fault of the system that is actually placing these kids in this system.

ASSEMBLYWOMAN RILEY: Okay, all right.

ASSEMBLYMAN CRYAN: Did you hear Dr. Donohue talk about multiple semesters to do remediation? And even if 60 percent of them are wrong, Mike, Middlesex has an almost 80 percent remediation rate. I don't even want to get into that-- That means half, right? Sixty percent of 80 is about half -- 48. So that means half -- even if the thing is flawed, half are bad. You get into New Jersey City University, a higher ed public which we all fund -- and I do want to mention the funding piece in a minute -- is at almost 80 percent. Even if 60 percent of those are wrong, half those kids walking in to higher education are off.

When do we fix the data? When do we, who all invest, have an opportunity to say it works right? Because I have to tell you, for

years and years it's been about, "Well, maybe it's a remediation issue, maybe it's the data." I listen to Dr. Donohue who said, "Maybe the transfer rates are right or wrong." I think we all pay enough, and I have to tell you I'm frustrated. Because you know what? I couldn't disagree with you more, Wendell, on one thing: I do think it's about the diploma. I think that when you start and your kids start -- whether it's your family or whether it's that youngster who's a full-time student as a freshman -- they walk in to get a degree. I may not like that they're going for a political science degree, let's say -- all right? -- because they may not be as employable, shall we say, as something else, all right? I may prefer that they be an engineer. But it's about getting a piece of paper and taking a walk tomorrow, okay?

ASSEMBLYWOMAN RILEY: Right, exactly.

ASSEMBLYMAN CRYAN: I don't even think-- It's a stock market price for a CEO. To me, I don't know what else could be more important. I mean, this stuff about a year and a skill, I get it. And we don't want to measure those folks, and let's have accurate measurements. But it's about getting a diploma. That's what it's about. That's the whole idea. And I don't get how we could think of it any other way; I really don't. Who starts their kid-- What kid starts as a full-time college student and says, "You know what? Maybe I'll make it, maybe I won't." I don't think that's really the way it works. You start today, given the cost, you want to finish. And I think that has to be the focus for the most part. I get that every kid is different; but not at the kind of abysmal rates we're looking at -- I really don't.

And I guess I want you to answer the question without my sermon, and I apologize for that. I have to tell you, you blew my mind with some of your stuff. When do we fix the system so that people who graduate are actually ready to go? And how does that get done?

MR. STEINHAUER: Graduate high school, you're talking about?

ASSEMBLYMAN CRYAN: Graduate high school, and can walk into a-- I'm not even looking for a higher ed public, and never mind the abysmal Bloomfields of the world -- just in community college. When do we get it so that the investments that we all make -- so that a student can start in community college without an SAT, without anything else but a high school diploma that basically says, "You're ready to go." When does that happen, and how does it happen?

MR. STEINHAUER: Again, you're talking about college level walking in. And I-- What you're asking is, you want us to graduate everybody from high school who can walk right into college, day one. That's what you're asking for, right?

ASSEMBLYMAN CRYAN: A community college level. Yes, I guess I am.

MR. STEINHAUER: Well, that was that No Child Left Behind thing -- that everybody was going to pass every standardized test and be up through. And that experiment blew up. Joe, I don't know-- If given enough time-- I've watched students who were, maybe, not college material when they were in 10th and 11th grade; but I've watched them, later, become nurses, I've watched them become teachers, I've watched them become successful. There's a point in time where the motivation is

there to do it. And I don't know the ages, I don't know the maturity, I don't know all the stuff on those 80 percents.

ASSEMBLYMAN CRYAN: But let me give you this. When you take a picture today of the students just in higher ed publics, by our math, students who take a loan, go into some form of debt when they go in -- TCNJ, for example, the debt, I think, is 50 percent; others it's closer to 90, all right? Students who go into debt today, there's almost 35,000 kids -- if you take a Kodak moment right now -- a Polaroid, for some of you who might remember -- there are 35,000 students in that system who will leave and have a significant debt and no degree to help pay for it. And you know what? The argument has to change, because it has got to be about that. Because the economic factors of that are driving far too much in this State in terms of negative impact. You can't buy a home, you can't leave. How many of you know somebody who had to go back with their parents because they couldn't find a job/had to pay student debt; and therefore couldn't buy a car, a mortgage, or the basic functionals of life, and/or have three roommates to pay for basic rent. Because that's the way it is, because your loans are staggering you. And you don't have a degree.

Think about it: That's a picture in time -- picture in time. That means that over the course of the last decade we sent out a population that's larger than just about every city in New Jersey -- with the exception of Newark and Jersey City -- that's in our state who doesn't have a degree and is carrying a student debt that they can't relieve themselves of. We have to fix that issue.

MR. STEINHAEUER: And that's what-- You have fixed it with community college. That's why my daughter didn't go to here or a four-year college. What I paid for those 24 credits was a little less than \$4,000. That wouldn't get you one semester at one of these four-year institutions. I'm telling you, community college is the perfect place for these kids to start out with. And then when they get those graduates--

ASSEMBLYMAN CRYAN: And I don't disagree with you. But in the example you gave -- and I don't like the personal examples; I admit that -- but even in the example you gave, that's after one year. Why can't that individual pass in three? All we're asking for is a plan that one-third -- one-third, 3 in 10 -- actually can graduate in three years. We're not asking for -- to Tommy's comments -- the stars and the sky.

MR. STEINHAEUER: I don't think we oppose that.

ASSEMBLYMAN CRYAN: We're asking for something that shocks the conscience of why it's so low.

MR. STEINHAEUER: And you know what? Maybe my kid will be on that plan; I don't know yet. We're going to see a little further down the line, but I can tell you her classmates who started with her are not going to be on that plan. So should they not be allowed to continue, or should the college be held accountable to them because they're still trying?

ASSEMBLYMAN CRYAN: No, no. The college should be accountable for providing the supports or--

MR. STEINHAEUER: And they are.

ASSEMBLYMAN CRYAN: Hear me out. For providing the supports and a time-to-degree that actually manages to get it done. The

performance today doesn't show that. With all due respect, it doesn't show that. And for the student who goes into that debt -- whether it's TAG, CLASS, or any of those sort of things, where they have an obligation at the end and no degree -- that's an impact that all of us suffer from. So with all due respect, I don't think it's unreasonable in the least to say, and one of the -- part of the culture, that when you accept a student -- whether it's in Union High School, or whether it's in Bergen Community College, or whether it's New Jersey City State University -- you are accountable for that student to finish. That is your obligation as the institution that says yes. If it's not, that's a culture change that we all have to go through.

MR. STEINHAUER: You're right, that's half of it. But the student is also accountable for the other half. And that's the--

ASSEMBLYMAN CRYAN: That's why I don't think a third is so unbelievable. I'm shocked that you'd oppose a third.

MR. FLYNN: We don't oppose putting a plan together to do that.

ASSEMBLYMAN CRYAN: Okay, well, that's the way it came out.

MR. FLYNN: We don't oppose that, no. And I apologize if you thought-- We don't oppose that, and it depends on the criteria of the plan; let's see what the plan is.

ASSEMBLYWOMAN RILEY: Which is all doable, it's all doable.

MR. FLYNN: Yes, we don't oppose that. We would like to see a plan put together, and we do want everyone to graduate.

MR. STEINHAUER: Right.

ASSEMBLYWOMAN RILEY: Okay. Are you satisfied?

(laughter)

ASSEMBLYMAN CRYAN: I am.

MR. STEINHAUER: And Assemblyman Cryan, we can continue this again later. (laughter)

ASSEMBLYMAN CRYAN: I'm sure we will, Wendell, I'm sure we will. (laughter)

ASSEMBLYWOMAN RILEY: Assemblyman Giblin.

ASSEMBLYMAN GIBLIN: Wendell, it appears you take more than active interest -- well, in all your kids' education, especially your youngest with her experience at Burlington Community College. How much overall do you think-- I know in high school, grammar school, they have parents/teachers associations, and I know this is something, maybe, college students don't want to hear. But it just seems to me the interest of parents-- I know my father kind of told me years ago, "Well, it's four years and then you're on your own." And that was a hell of a motivator, if you get what I'm saying, as far as getting the student to complete. Is that something you think is lacking, as far as the parental involvement in a student's progress?

MR. STEINHAUER: Assemblyman, I have gone through my first year of college all over again. My vocabulary is much higher now; my math skills were still good. I'm becoming a better helper of writing now. I think I became better at that. So yes, that is huge -- the parental involvement. It's also critical that you make sure the students use the tutors. There are tutors onsite at these community colleges too.

And I kind of forced-- You have to hear it from somebody else too. So yes, that is critical -- parent involvement.

ASSEMBLYWOMAN RILEY: So along the same line, though, it is also the school's inherent responsibility to ensure that that student remediates themselves.

MR. STEINHAEUER: Absolutely.

ASSEMBLYWOMAN RILEY: What we're trying to do is -- and some schools are doing this already -- that if you're starting to show failure in a course, you have to remediate immediately. You cannot move forward in that course--

MR. STEINHAEUER: Right.

ASSEMBLYWOMAN RILEY: --until you've been remediated. And I know that Cumberland County College is doing this right now in their nursing program. Initially they were saying students -- if you fail, they allow you to fail all the way through and then you have to take that course over. No, no, no, no, no. We want you to have success in that course so that you're not paying for another course and taking that course over and wasting your time. So that's something that the schools have to change too. It's not just the parents -- and some people don't have parents.

MR. FLYNN: Yes, but I think your Bill about the test scores and using the scores -- using some type of grade point average when they're in high school to determine whether or not they need remediation is the way to go and would end up saving money.

ASSEMBLYWOMAN RILEY: Right. It's a whole paradigm shift. We just have to look at education a little bit differently as we

move forward. It's always good to say, "We're doing well," but we can always do better.

MR. STEINHAUER: Of course we can.

ASSEMBLYWOMAN RILEY: Right? And we're trying to educate people to become a different -- even in a different mind set. So where I come from, people grow up and want to be corrections officers. That's what they see, right? We have three prisons down there -- Federal and two State. That's what they see, that's the job that pays. But how do you get that child who says, "Well, I want to grow up to be what my father is" -- which is what most of us want to aspire to; it's very difficult to change -- to become an engineer, to become a doctor. And that has to come through the school. The school has to educate them on, "This is a career possibility, and this is something that you can do. You don't have to do that other--" Not that there's something wrong with it.

MR. FLYNN: And to address, too, what Assemblyman Giblin had said, one of our concerns too -- and you have to keep in mind going forward -- is in our suburban community colleges and in our urban community colleges we want to make sure-- Those are first generation people going to college, and we don't want to scare them off or keep them out of school in any way, because they don't have the family support at home. You know, they may have the family support that's saying, "You know what? Don't go to college, stay home, and work and go find a job somewhere else and support the family." And we do see that difference that we have to be aware of with these bills.

ASSEMBLYWOMAN RILEY: Yes. Thank you very much.

Do we have any other--

ASSEMBLYMAN McGUCKIN: I had one.

ASSEMBLYWOMAN RILEY: Oh, Assemblyman McGuckin.

ASSEMBLYMAN McGUCKIN: Thank you.

I don't say this often, and I don't often agree with my colleagues on the other side of the aisle on some issues, but I am 100 percent in agreement with Assemblyman Cryan and the Chair's comments with respect to this issue.

I'm troubled by the remedial program. It has bothered me for years; my first daughter had to take an extra class and I had to pay for it. And I couldn't understand; she was a very good high school student.

The Columbia University community college study -- is there some conclusion as to why students are placed in these remedial help classes? Is there some incentive to the junior colleges?

MR. FLYNN: I think it's the overreliance on the ACCUPLACER.

ASSEMBLYMAN McGUCKIN: Do the community colleges want these remedial classes, or don't they want them?

MR. FLYNN: I think it's-- And I don't want to speak for-- I think in many respects it's a little easier. You know, "Come on in, sign up, take the ACCUPLACER, and let's see where we can place you." You know, "Take the test, let's see where we can place you." "Oh, you got a particular score, now you need remediation."

ASSEMBLYMAN McGUCKIN: I think that while we don't want to shut the door, it's certainly not something we should hold open for someone who's just not going to be college material. And what we don't see are the-- We see the low percentage of people who can receive their degrees in two and three years. What I don't see in these stats -- although I'm sure they're available -- people who never get a degree. And I think, as Assemblyman Cryan, the purpose of going to school is to get the degree. We all want to learn something, but the purpose is to get the degree. That's why you're going, that's why you're paying money, that's why you're borrowing money. And I'm very troubled by this and the remedial classes -- I think it has got to change. And whether that is the comment of -- you know, if you have a certain grade point average, sink or swim, get into that college-level English class. If it's not for you, well, then maybe you're not for college. Better to learn that your first or second semester, than after you've done four semesters of remedial, incurred debt, and now here you are two years further down the road.

So I just want to say I agree with my colleagues, and I hope we can get this resolved.

ASSEMBLYWOMAN RILEY: Great. I'm going to put it up, and I'll look for your vote. (laughter)

MR. STEINHAUER: Thank you. I didn't want to take all this time; it would've been quicker to read my testimony. (laughter)

ASSEMBLYWOMAN RILEY: Thank you. No, thank you so much, guys.

Mike Klein and Barbara Berreski.

Everybody okay here on the Committee?

ASSEMBLYMAN GIBLIN: Yes, Madam Chair.

ASSEMBLYWOMAN RILEY: Okay.

Good afternoon.

**MICHAEL W. KLEIN:** Good morning, Madam Chair -- good afternoon.

ASSEMBLYWOMAN RILEY: I know, I know. We started late, I think.

MR. KLEIN: No, no, you're doing great. It's nice to see you outside of Trenton. Thanks for having us.

I really appreciate the dialogue and openness with you and your staff, and all the members of the Committee, in preparation for the hearing today. And you've already heard from one of our great Presidents, Dr. Gitenstein.

So in understanding the format that you'd like to follow for your subsequent hearings, we'll get into the substance of each bill when the time is right then. So what I do want to do is, we have a document that's not quite ready for prime time; but when it is -- and we've discussed it down in your District Office during our visit a couple of weeks ago -- when we have input from all of our institutions, we'll share it with you, and your staff, and all the members of the Committee.

To give you an idea -- using sort of the headers when you initially introduced your bills -- we're trying to use those headlines and letting you know-- Because there are nine institutions that we work for, and I think your Committee and staff know us well enough now to know, now, that we represent the nine State colleges and universities.

So we're not representing Rutgers or the New Jersey Institute of Technology.

But there are about 100,000 undergraduates in total among our institutions, and we're very proud to represent all of them.

So again, using those sorts of headlines that you used back in March when your bills came out -- the idea of streamlining a student's time-to-degree. New Jersey City University -- and I know you'll hear directly from Dr. Henderson, the President of that institution, when you're up in Hudson County--

ASSEMBLYWOMAN RILEY: Okay.

MR. KLEIN: But just to give you, maybe, a sneak preview of what she might mention: They've established a new General Studies curriculum that reduces the number of general studies credits required for degree completion from 66 to 44 credits. So they've got in mind what one of your bills would do.

Similarly, at Ramapo College all students must declare their major by the time they reach 64 credits. Richard Stockton College has an accelerated degree program in Business and Criminal Justice. William Paterson University -- directly related to one of your bills -- in 2011 decreased the minimum number of graduation credits from 128 to 120, which is increasing the standard. And I know that's the number where your bill lands. And actually, as a direct result of that, just in the next subsequent years -- 2012, 2013 -- the number of graduates increased by 20 percent over 2011 levels.

ASSEMBLYWOMAN RILEY: How about that; that's impressive.

MR. KLEIN: I should stop right there, shouldn't I?

ASSEMBLYWOMAN RILEY: Yes, I'm impressed.

(laughter)

MR. KLEIN: But I'll keep going.

ASSEMBLYWOMAN RILEY: I feel like I had an effect.

MR. KLEIN: We've had a robust discussion this morning about counseling. It was something that Assemblyman Giblin talked about. At Montclair State University, as an example, students who have attained 45 or more credits but haven't selected a major are now required to meet with an advisor.

I'll try to give you some more examples.

Richard Stockton College has a program with the wonderful acronym of CARE. It's the Coordinated Actions to Retain and Educate program. It's designed to assist students with their overall experience at the college; it helps them navigate the system, both academic and student life. Once they join the program they're assigned a personal mentor or a peer mentor. Personal mentors are professional staff; peer mentors are students themselves.

Thomas Edison State College -- and you've had a bit of a discussion about that unique institution this morning -- they have a pre-graduation quality assurance review. It's conducted of all students who have completed at least 100 credits towards their bachelor's degree or 54 toward their associate's degree. And during the review, any discrepancies or problems are discussed with the student so they can stay on track toward graduation.

Again, getting right at the heart of advising, William Paterson University, in 2012, invested \$200,000 to hire three additional staff advisors to increase advisements from 10 professional staff -- to 10 professionals for 12-month advising.

And something that we talked about directly -- I know it's near and dear to your heart, Assemblywoman -- this idea of reverse transfer. To give you an idea -- and we've talked about this before in some bills that have already come in front of your Committee in the last several weeks -- New Jersey City University and Hudson County Community College have a reverse transfer articulation agreement that started last July. The way it works is students who have earned at least 30 credits towards an associate's degree at the county college but didn't complete sufficient credits to earn an associate's degree prior to enrolling in NJCU -- NJCU allows them to get their associate's degree back at Hudson County College. I hope that made sense.

Richard Stockton College has a dual degree program with Gloucester County College, which means that those county college students are guaranteed admission to Stockton when they finish their associate's degree. There is a similar program between Stockton and Atlantic Cape Community College.

I know one of your bills also addresses dual enrollment with high schools. New Jersey City University has a program with Union City High School. There are 22 students right now in Organic Chemistry I -- which I know scared the pants off of me as an undergraduate; in fact, I didn't take it, so I give them great credit for taking organic chemistry.

It's an honors course that's offered through the university at the high school for those 22 students.

Vocational education was part of your earlier discussion today. Ramapo College has a partnership with the academies at Morris County Vocational School District to establish a partnership that allows qualified students in that K-12 district to enroll in courses, during their senior year, at Ramapo that satisfy the curriculum graduation requirements at the high school, but they can get college credit at the same time.

So I'll stop there and answer any questions that you'd like. As usual, my brain trust, Barbara Berreski, is here to make sure I don't miss anything.

ASSEMBLYWOMAN RILEY: Mike, I'm encouraged. Sometimes the power of the Legislature is to promote change, and some organizations sometimes say that that's the direction that we're going in -- they go ahead and change themselves. So it's encouraging when you are reading off the list of things that are happening because of discussions that we've had over the last few years. And so, I'm encouraged.

MR. KLEIN: Great, thanks.

ASSEMBLYWOMAN RILEY: Any questions?

ASSEMBLYMAN GIBLIN: Just one question.

Mike, for the fall 2014, what's the numbers for your nine colleges -- is it up or down?

MR. KLEIN: For Rowan?

ASSEMBLYMAN GIBLIN: Yes, for Rowan.

MR. KLEIN: It's been pretty steady. What we're anticipating is there will be a drop in high school graduations of about 1 percent over the next few years. So it's something that we're taking a look at.

ASSEMBLYMAN GIBLIN: Is that 1 percent a year?

MR. KLEIN: I think-- No, compared to a point in time of about -- over about a five-year span, I think there's going to be a small drop and that it plateaus. Where before we were trying to prepare the Legislature and other leaders around the State for what we were calling this *enrollment tidal wave* that was coming, that really peaked in 2008 -- out of high schools -- of about 100,000 graduates a year. So that has plateaued and is going to subside; so I think it's a 1 percent drop compared to that 100,000 high mark.

ASSEMBLYMAN CRYAN: So why are we building more buildings everywhere if we're having less students?

MR. KLEIN: Assemblyman, what we're trying to do is-- A lot of those buildings are actually replacing old ones. You'll see--

ASSEMBLYMAN CRYAN: Well, I have three brand-new buildings on Morris Avenue in Union for a school that has a declining enrollment, according to Moody's, and a negative bond rating -- in Kean for the last two years -- an A2 negative bond rating, citing declining enrollment; a STEM building that's empty. I mean, we went over this in the Budget Committee last week. There is no rhyme or reason to the higher ed capital awards in terms of actual need and whether or not they're focused. But I can tell you, come on down, and go right into the non-taxpaying part of Union right there where there's a nice big, empty

STEM building -- you can go through floors 2 through 5 and get yourself all the space you want. You can go through a nice brand-new building being built, and there's a brand-new bookstore -- with a declining enrollment, and all sorts of amenities. And I just wonder, if you are expecting a declining population, has anybody looked at-- Especially given the amount of bonded debt that's out there, right? There's over \$5 billion of public -- nine publics have a total debt of over \$5 billion. Is anybody looking or have the final straw on whether or not we should be building, based on a declining population coming in and whether it makes sense?

MR. KLEIN: What makes sense, Assemblyman, is to look at the whole needs of the State; 29 percent of our jobs in the year 2020 are going to require bachelor's degrees. And what we're talking about with our Presidents is not just the traditional 18-year-old coming out of high school, but the needs of the adult community. And we're making a concerted effort -- and I hope we have something to announce in the next few months -- to find what we're calling the *near completers*: people who have just flat dropped out. We're trying to get them back. There is going to be a need for room for them, and to get them back, to get them the credentials that they need to get them into the workforce. So it's not just the traditional 18- to 22-year-old; we're trying to serve the adult community as well.

ASSEMBLYMAN CRYAN: You do realize that we just sat here and listened to the-- And we have the good fortune of listening to the NJEA President and Dr. Donohue, who, I believe, represent all the communities -- indicated that graduation rates or the diploma itself

wasn't the most important thing. And you just quoted the stat in terms of need for actual degrees. That seems to conflict with that.

MR. KLEIN: Our focus with our nine institutions is baccalaureate education. That's where our--

ASSEMBLYMAN CRYAN: Thanks.

ASSEMBLYWOMAN RILEY: I have no other questions, Mike.

Anybody else? (no response)

Thank you, guys.

MR. KLEIN: Thank you, Assemblywoman.

ASSEMBLYWOMAN RILEY: No, thank you for coming.

I have four students; can you all come up together? Timothy Kyle, Jalina Wayser, Jonathan Steinklein, and Marios Anth-- (indicating pronunciation) -- Oh, come on, help me with that.

**M A R I O A T H A N A S I O U:** Athanasiou (indicating pronunciation)

ASSEMBLYWOMAN RILEY: Thank you.

From New Jersey United Students.

**T I M O T H Y K Y L E:** Good morning, Committee. It is a pleasure to be here, and thank you for allowing me the chance to speak.

My name is Timothy Kyle, and I am an incoming student at Middlesex County College this fall. I'm here to speak to you about the state of higher education in New Jersey which, as you know, is in the midst of a crisis. State appropriations for higher education have been slashed by 22.6 percent in five years. Not only this, but New Jersey has the 20th lowest State appropriations to higher education per capita.

This is a prime example of the State shifting the obligation away from Trenton and onto the backs of students and their families.

We can see the effect of this when New Jersey ranks 1st in the nation in annual net loss of graduating high school seniors to colleges and universities in other states. A solution to help mitigate this problem would be some form of tuition control at the public universities, along with making sure that in Trenton education becomes a priority.

Graduating high school students today have a choice: to risk a financial black hole and to take on extraordinary amounts of debt, or to forego college and to risk a dead-end cycle of minimum wage jobs and unemployment.

Income equality plays a huge role in deciding who goes to college; 81.5 percent of high-income students enroll in college, compared to 22 percent of students coming from households making under \$29,000 a year who attend a public university. EOF funding is frozen in the current budget proposal; an increase of 4.9 percent could alleviate the costs and readiness for low-income students and help that program grow by at least 10 percent.

Not only are the lives of the youth of New Jersey at stake, but their financial integrity is in jeopardy. Students are excited that much-needed reforms are starting to happen in Trenton, and we ask that Trenton continues to make higher education a priority in the State of New Jersey.

Thank you.

ASSEMBLYMAN GIBLIN: Any questions from the Committee members? (no response)

Have you thought of any ways to increase the amount of dollars for higher education -- I mean, in the light of the State's current budget? I mean, I know that's probably a heavy question and everybody has their theories, but I'm just curious if you have given that any thought.

MR. KYLE: Certainly we need to start looking at new tax revenue sources; I'm not really sure, off the top of my head. But like you said, it's a heavy question.

ASSEMBLYMAN GIBLIN: Okay.

Our next speaker -- maybe identify yourself for the record?

J O N A T H A N S T E I N K L E I N: My name is Jonathan Steinklein. I'm going to be a graduating senior from the The College of New Jersey.

ASSEMBLYMAN GIBLIN: You're graduating this year?

MR. STEINKLEIN: Yes.

ASSEMBLYMAN GIBLIN: Okay, thank you.

MR. STEINKLEIN: Thank you so much for allowing me to speak today to the Committee and Chairwoman Riley.

I'd like to speak about the Bill, A-748, from the last Legislative Session pertaining to forgiving NJ CLASS student loan debt in the event of a borrower's death.

Students who unfortunately become deceased pass on the harrowing burden of their student loan debt to their grieving parents. The crassness of the current state of affairs cannot stay the same. Students who are alive are already burdened enough with trying to pay back loans in hopes of finding a career. Then there are students who

never get the chance to fulfill their dreams and find their passions -- these students pass on -- and their parents have to face this debt as a constant reminder of their deceased child instead of being able to grieve and move on.

Debt collectors can be ruthless and insensitive regardless of whether a child has died. And there have been reports of debt collectors calling up parents before a student, who has passed, has had their funeral. They haven't been put in the ground and they get called about this. It's not fair to burden parents in this way. Things should change, and this Bill could make this happen.

Thank you.

ASSEMBLYMAN GIBLIN: Just one question.

Term insurance for someone your age would be very inexpensive. You think that that should be one of the stipulations, especially with students who undertake student loans, that somehow-- It's almost like credit insurance, you know, with a car, hypothetically. If you (indiscernible) death, somehow it's covered as far as the balance.

MR. STEINKLEIN: I mean, maybe, but that might not help students who are lower-class; they might not be able to afford that insurance, and then they're still in the same place.

ASSEMBLYMAN GIBLIN: I don't think it's that expensive, because the likelihood of that happening is rather remote. But it's just something to think about.

The Chair is back.

ASSEMBLYWOMAN RILEY: Hi.

Thank you for the little bit of a break.

**J A L I N A W A Y S E R:** Thank you for allowing me to speak, Committee and Chairwoman Riley.

So to start off, my name is Jalina Wayser. I am a student at Rowan University. I am originally from Passaic, New Jersey, and I currently reside in District 3 in Glassboro.

So I could spew a whole lot of facts at you all, but you all know the facts: You all know the state that New Jersey is in. New Jersey has the 20th lowest -- 31st out of 50 states -- for state appropriations per capita in higher ed. And I personally want to share some of my experiences in higher ed as a student -- someone who is directly affected by all of the issues that you're talking about and how I have experienced higher education.

So I come from Passaic High School that, as you know, is a failing school district. It's not the first thing that you get told as a student there; you're sitting there with 600 students in a room. The first thing I was told, "Look to the left, look to the right of you. Half of you aren't going to be here; half of you aren't going to graduate." So this narrative being told -- there isn't even a narrative in schools like this of higher education--

**ASSEMBLYWOMAN RILEY:** What high school? I apologize.

**MS. WAYSER:** Passaic High School.

**ASSEMBLYWOMAN RILEY:** Passaic, okay.

**MS. WAYSER:** So there isn't a narrative of reaching college. I was lucky enough to be a GEAR UP student, which is a program that follows you from the 7th grade to the 12th grade, encouraging college

readiness and getting you prepared for college. And honestly, I would not be here or I would not be in higher education if I weren't a part of that program; and to have people there supporting, and those extra funds in programs, making sure that I'm getting through my high school education and looking past just graduating high school and getting into college.

When I was in high school I wasn't thinking about, "Oh, well, I want to go to college, and I want to get a diploma, and I want to get a degree." I was thinking, "How do I get out of this situation that I'm in?" I was in a failing school district, I didn't have the best home life, and thinking about education, essentially, became an escape for me. So it wasn't just, "I want to get a degree, I want to get a diploma," this is something to better me as a person, better me as a human being rather than just trying to get a diploma.

And I do want to commend you all for having this package and creating this discussion, this narrative, and really trying to tackle some of the issues of higher education. But from going through the package, one of the reoccurring themes that I've seen is graduation rates. So getting students in and out is important, but there's so much more to higher education than just having a diploma or just getting a career. It's about understanding yourself as a person and really learning who you are, who the people around you are. I think sometimes it's forgotten that in these institutions of higher education is where the solutions are coming out for some of our larger world problems, some of our social problems. And it really needs to be valued and not just looked at as,

“Oh, well, you’re going to go get a piece of paper and go into the job market.” There is so much more than that.

So I’d just like wrap up by saying that it really isn’t about getting students in and out of the workforce; although that is extremely important, that shouldn’t be the only, sole focus. And it’s all of our responsibilities -- you as elected officials -- to really make sure that students in New Jersey have an accessible, affordable, and quality higher education. It’s evident that it’s time that students and Legislators really start sitting together at the same table and talking about solutions together in the narrative; and not just speaking to administrators, but all of us as one. So I’d really like to encourage that we meet in the future and really talk about this, one-on-one, with you all.

ASSEMBLYWOMAN RILEY: Thank you very much.

Next.

MR. ATHANASIOU: All righty then.

Well, thank you all for allowing us to speak today, and good afternoon to you all. It’s wonderful to get a chance, as always, to speak to the Higher Education Committee.

My name is Marios Athanasiou. I am a third-year student at Rutgers University studying Planning, Public Policy and Political Science. And I am the outgoing President of New Jersey United Students -- which I realize we have not explained what that is.

New Jersey United Students is a statewide student association. We are comprised of various universities throughout the state that work on higher education, attacking the affordability, the access, and the equity of higher education through grassroots and

legislative tactics. And we have been working on a package of legislation, actually, this past semester.

One of the bills inside this package was from the last legislative cycle -- A-668 -- a *financial aid shopping sheet*. There are a lot of facts and figures mentioned today about costs of education in New Jersey and debt. But I just want to put some of those into perspective.

So people mentioned, for example, that the tuition in New Jersey, on average, is \$12,715, 50 percent higher than the national average. That's also the 4th most expensive rate throughout the nation. The average New Jersey debt that students graduate with is \$29,287, which is the 8th highest in the nation; 65 percent of students graduate with debt from New Jersey institutions of higher education, and that is the 11th highest state average.

Furthermore, on the national scale, students graduating in four years pay off their debt in 13 years at age 36. That's for students who manage to pay off their debt. There are still 7 million students in default on Federal and private loans. An important aspect of this to recognize is that this burden of debt prevents students like ourselves from entering the workforce, from entering their adult lives, from getting their first home, from settling down with a family, from making that entry into adult life in which they can be productive members of society that are contributing back within the tax base and within their communities.

A large problem with these debts is that students do not have the information that they require. Students go into college with little to no knowledge of what they're getting themselves into -- what all

of the costs will be; what hidden costs, like textbooks, will be. And they are faced-- They are often only given resources regarding privatized loans, and they fall into the hands of predatory lenders like Sallie Mae.

There is a need for transparency and this Bill will provide that. This will be addressing things like the total costs of one year of attendance including tuition and fees, room and board, textbooks. It will include things like the amount of graduates per year; the amount of scholarships that are provided there from the institution, from Federal grants, from State grants; the net amount owed per year; the percentage of students who have defaulted on their loans within three years, the percentage of students within four-year and six-year graduation (indiscernible) the average rates. A lot of really great and pertinent information.

And then I actually stumbled upon the Bill that is inside of your package -- A-2803 -- and I was impressed. There is a lot of really great additional information here as well. There's a lot of information here that wasn't-- This is also something that I thought was really important -- an important aspect of this being that it's provided online as well to any students who are curious of this information, and not just, as was A-668, the information given to students when they are receiving their financial aid packages. Which is great, because it encourages further transparency with these institutions and there is a lot of really great details here.

But I have to admit, there are some parts to this that talk about remedial help that I was a bit uncertain of. Because to be honest, we couldn't quite-- We were just a bit uncertain, and we were wondering

if you could provide some clarification with those aspects of this transparency financial aid shopping sheet bill in regards to remedial help. Because we're not policy analysts here; we are college students. So with some aspects of this legislation like that, we're just looking for some clarification. Because we think that these solutions need to come from students working with our legislators -- and our Assemblypeople -- to find the solutions to higher education our state needs.

ASSEMBLYMAN CRYAN: Okay.

ASSEMBLYWOMAN RILEY: Assemblyman.

ASSEMBLYMAN CRYAN: Ask whatever question you'd like. And by the way, offer a better idea. Remember, the whole idea of this hearing, as the Chairlady stated, is let's take your suggestions.

ASSEMBLYWOMAN RILEY: Right.

ASSEMBLYMAN CRYAN: If you see something you're not sure of, let's clarify it. If you have a better idea, let's plagiarize it.

MR. ATHANASIOU: It's the most sincere form of flattery.

Well, specifically, just certain sections that appear-- Like (indiscernible), they are discussing the information about remedial instruction. Just the way that's-- I suppose, like, if you could delve further into the reasons that you included that, and the specific information that would be provided about remedial help, within this transparency bill, that would be posted on websites of these schools.

ASSEMBLYMAN CRYAN: Okay, I'm pulling up the Bill now.

ASSEMBLYWOMAN RILEY: Which Bill is it, which number? I'll get a copy.

ASSEMBLYMAN CRYAN: They're in the packet; so much for the iPad.

ASSEMBLYWOMAN RILEY: A-28-- What?

MR. ATHANASIOU: Oh, the Bill? A-2803.

ASSEMBLYWOMAN RILEY: A-2803.

MR. ATHANASIOU: Yes.

ASSEMBLYMAN CRYAN: So where are you at? Which number?

MR. ATHANASIOU: I believe the first instance which remedial is mentioned is 18 -- or rather, line 26.

ASSEMBLYMAN CRYAN: The percentage of students that are required to enroll, the number-- That's pretty straightforward, right? Okay. How many folks are taking it, how many courses are taken. Because what occurs today, you've heard some of the dialogue, back-and-forth-- How do you say your name?

MR. ATHANASIOU: Marios.

ASSEMBLYMAN CRYAN: Marios?

MR. ATHANASIOU: Marios. Like Mario with an "s."

ASSEMBLYMAN CRYAN: Marios, okay.

What happens today, Marios, is that many schools of higher ed don't report or have to report whether a student is taking one class of remediation or two. We debated here and had an example of -- about math and English. The requirements for reporting that varies, so this whole idea was, "Are we failing more, or do we have of an issue, say, in math versus English," and we need to get the data for those.

We heard, as a matter of fact, the other day from Dr. Rose that his remediation rate at Passaic County College -- in the Budget Committee -- was nearly 90 percent. I think he actually quoted to Senator Sarlo 93 percent. But he said, "By the way, if I didn't have math, it would be 70." Well, you do have math. So the whole idea is you have to report each subject and, therefore, we would be able to analyze the data from there.

The number of students who enroll in credit-bearing courses after being required to enroll: So in other words, you take your remediation -- you just heard our debate, Marios, with Dr. Donohue; three semesters of classes, potentially, or whatever it is, where a student isn't gaining any college credits for those. And then how many classes are students actually taking post-remediation and/or with it? And we also heard Wendell talk about how his daughter took 24 credits overall and only received credit for 10 of those in one semester year. So the idea is to report that accurately: How many folks are actually taking classes after remediation, how many are frustrated out of the process -- is what the ultimate information for that will be.

The remedial instruction courses is pretty self-explanatory; and the graduation rates, specifically, of those students -- and I know we just discussed the holistic approach and what graduation rates mean. But in that context it's pretty clear. When you look at some of the worst graduation rates among the higher ed publics -- and I'll use two: Kean University is abysmal, all right? Its average graduation rate over the past four years is less than 20 percent; as a matter of fact, it's less than 16 percent. Their remedial rate is close to 50 percent. New Jersey City

University has the lowest graduation rate of any of the higher ed publics. Their remediation rate is 78 percent. You heard some of the numbers here implicitly, that we just gave out, in terms of remediation rates for the county colleges and what some of the challenges are. But it's pretty clear that if you have a higher remediation rate, you tend to have a lower graduation rate. I'm not an expert on that, and the idea there is to draw a correlation to that data and see what we need to do to fix it.

So hopefully that answers your questions very specifically.

MR. ATHANASIOU: Thank you for that clarification, then. And I think an important thing to note here is, you've talked a lot today about remediation in terms of the university's responsibilities and the public institutions' responsibilities of preparing those students within high school for college. We talked about this on both sides, but I think there needs to be a certain recognition of the fact that it has never been more difficult for students to go to college than it is today. And a lot of these-- In the past, we've heard countless anecdotal evidence of people who were able to work a job and be able to afford college, and do a summer job and pay for an entire semester's worth of college. We're currently living in a time where students have to have a job, or possibly two jobs, just to make the interest payments on the loans that they have that they're not going to pay off until they graduate. The system is completely changed. And we are facing such a challenge. And I think that this is a massive problem, both statewide and at a national level, that we are going to have to find new solutions to. And then in order to find these new solutions, we need to work together as students and as Legislators to find solutions with our universities.

ASSEMBLYMAN CRYAN: Timothy brought up the idea of tuition control -- I think that's what your comments were.

MR. KYLE: Yes.

ASSEMBLYMAN CRYAN: If you look at the data using higher ed publics, the average higher ed public, over the past six years, its tuition has gone up, on an average, north of 20 percent. I think you were talking about a community college where you're starting. And by the way, that's both tuition and fees, okay? Because fees matter, folks; fees matter. So, you know, one of the options that the Chairlady presented and that we have worked on is the idea that at least you know the cost going in, and what it is, and hopefully incentivize you. As the good President here mentioned, the time-to-degree -- getting you out of there faster is to give you the tuition and fee freeze so you can budget accordingly. That doesn't do anything for your loan and the cost of what it does and doesn't underwrite.

But I do want you to be aware of one factor. In 1998, the State of New Jersey provided \$747 million in higher ed funding; in 2006 it provided \$955 million. So you'd say, "Wow, that's a pretty big jump, a couple of hundred million dollars." The average tuition increase in the higher ed publics in 2006: 7.8 percent. So we have to figure out the paradigm, the short-term, and hopefully part of the solution is to help you be able to budget appropriately so you don't get costed out while you're in the middle of it. And then just as importantly, the data shows that just necessarily providing more money doesn't mean you get reduced costs. So we have to work on ways and solve that as well.

MR. KYLE: One of the things that we're worried about with a tuition lock specifically is that universities, after the first year that it is implemented, that it will continually increase for incoming students, and effectively what that does is just locks it in for that student and it continues to rise -- tuition and fees, specifically.

Another thing that we're also worried about is that essentially what this will create is a tier or class system of students who, over time, students have more debt than each other even with tuition cap and lock. And that will create a system where students don't care about rising tuition as much as other students did because you have-- Say, like a senior has \$20,000 worth of debt because their tuition is capped and locked; whereas, like an incoming freshman won't have as much, and they won't care to actually engage in the system of trying to change higher education in a very progressive way.

ASSEMBLYMAN CRYAN: Interesting.

ASSEMBLYWOMAN RILEY: That's an interesting argument.

That's the way it works -- the tuition freeze. That's the way it works -- is you freeze and you know. What's in the Bill -- and maybe I'm wrong, so, Joe, you can correct me -- but you can't raise that next year over a certain percentage, right? Isn't that what we said? There was some kind of an averaging?

ASSEMBLYMAN CRYAN: Yes.

MR. ATHANASIOU: So it's a cap and lock.

ASSEMBLYWOMAN RILEY: So -- exactly.

But, look, we had to start somewhere. It really gives a great solution. It's understandable, it's tangible. I can say, "Let's do it today," and next year everyone knows that, when they enter college, that's what their tuition is.

And always remember, you're talking about your four-year institutions. Two-year college is extremely affordable in the State of New Jersey -- extremely affordable. And with the way we have the Lampitt Bill with transferring your credits to any four-year college in the State, I mean, it's a real-- We need to be pushing more -- for those students who are looking for financial assistance -- to look at the two-year college first. Go two years, get your Associate's degree, then go on to your four-year college. At least you're not incurring four years of debt, all right?

I mean, that's one of the suggestions that I'm giving. But I appreciate your testimony today. And nothing is set in stone, so we are looking for your input.

Any other questions?

ASSEMBLYMAN CRYAN: Just one other thing.

These bills -- we costed them out with the higher ed publics on a tuition freeze. Our estimates were about \$8 million, which looked really good and we had accounts identified until there was a just a little problem coming up with tax collections of \$807 million for this year, and \$1 billion and change next year. I admit that that-- What we really would like not to be able to do is to just push it along; but preferably-- If \$8 million would have gotten us through the publics for one year, which

is a manageable number in a \$34 billion budget -- but it's a challenge now given our latest circumstances.

MR. ATHANASIOU: Assemblyman Cryan, in response to something you said there, I definitely do feel that a large element of the crisis for our education we find ourselves in, in New Jersey, is the amount of public funding that we do receive. In New Jersey alone, from 2007 to 2012, public funding of higher education dropped 22.6 percent. We are the 10th lowest -- as I mentioned before -- state in terms of State appropriations, and this is a figure that we mention often: the 30/70 split. The fact that it used to be in, I believe, the 1980s, that 70 percent of the cost of our education was being provided by the State in the State of New Jersey, and 30 percent from tuition dollars. This trend has now reversed. I go to Rutgers University, and we currently receive 21 percent of the funding from the State. And when it gets down to 21 percent, and you see tuition increasing every year -- which I don't see it as a tuition increase, I see it as a debt increase. Because what a tuition increase really means is that my fellow classmates have to take out more loans and burden themselves down with more debt. With 21 percent, how are you calling yourself The State University of New Jersey? How are you calling yourself a public university when your students are struggling so hard to afford your college?

ASSEMBLYMAN CRYAN: Don't get me wrong, I don't deny that the numbers have been reversed, or argue that in the least. I do want to let you know that more funding doesn't necessarily correlate to a tuition reduction; it just doesn't. Over the past 15 years that hasn't been the experience.

ASSEMBLYWOMAN RILEY: Do you understand what he's saying?

ASSEMBLYMAN CRYAN: That's my only point on it.

And the other thing I think we want to think about, at least, is between financial aid-- No student pays the same, right? When you're in a classroom with 15 other students, the reality is, is they are paying different tuitions based on financial aid, grants, scholarships, right? I mean, we have to think about that portion of it too a little bit in terms of the participation.

ASSEMBLYWOMAN RILEY: Right.

But you understand what he's saying, though, about that? Okay.

MR. ATHANASIOU: Yes, it's definitely-- I do believe still that it is a large part of the problem, but I definitely understand that that alone will not solve it. We need comprehensive solutions to our higher education crisis.

ASSEMBLYWOMAN RILEY: And that's why we're looking at all of the other areas of higher education, because it isn't just the cost. There are things that contribute to the cost.

MR. ATHANASIOU: Of course. Which is why we'd like to, of course, further work with you all to find these comprehensive solutions.

MS. WAYSER: A quick question.

So going back to the tuition-lock bill-- So you mentioned that it would be beneficial to students now, especially in community colleges, and locking that tuition in. But my question is, how will this

affect students long-term? Because this is a good short-term solution, but doing some research and seeing the trends of having you lock tuition for a fixed time, it eventually does negatively affect low-income students, as there is no cap of how much tuition can go up for the incoming class, although the class prior to that has been locked. So I just want to ask what long-term solutions do you see past a lock?

ASSEMBLYWOMAN RILEY: I don't know. I want you to research that for me, all right? Tell me what different solutions are going to be.

ASSEMBLYMAN CRYAN: And by the way, you should know the Bill does not--

ASSEMBLYWOMAN RILEY: It doesn't do community college.

ASSEMBLYMAN CRYAN: It doesn't do community colleges.

ASSEMBLYWOMAN RILEY: All right? Are you guys done? Anybody else? (no response)

All righty, thank you very much for your testimony.

ASSEMBLYMAN CRYAN: Thanks a lot.

ASSEMBLYWOMAN RILEY: Rowan is the next one.

All right. Our last testifier would be Deborah Cornavaca, and she is with Better Choices for New Jersey.

Thank you so much for waiting. It's been a long morning.

**D E B O R A H C O R N A V A C A, Ph.D.:** It was very helpful to be here.

Would you like copies?

Thank you very much for the opportunity to speak, and still being -- sitting at the table this afternoon.

As Campaign Coordinator for Better Choices for New Jersey -- which is a coalition brought together by New Jersey Working Families -- I'm here today to urge this Committee and our Legislature to take an active and aggressive leadership role to develop a vision and a plan to achieve that vision for higher education in New Jersey.

While you are considering a package of bills, many with great merit, many with immediate need, I would suggest that we don't want to put the cart before the horse. That what we need to do is to take a careful, probative look at what our goals are for higher education -- our expectations, define those, and then make sure that our plan reflects reaching those goals.

In the course of the hearing today, and the hearings that you're holding, I know that you've heard what you already know. In critical ways our higher education system in New Jersey is in shambles, and that the negative impacts are many on our students, our faculties, our university systems, and our economy because the ability to attract businesses to New Jersey and to provide jobs to our graduates suffers when our universities are struggling. It is unsustainable and it is most certainly unfair to the people of New Jersey to allow this to continue.

So the perspective I come with today is perhaps slightly different from that of others, although I come from a family of educators, college professors, K-12, and I could share a lot of my own personal opinions about many of the topics we've discussed today. I come from the perspective of the budget -- looking at it through the

budget. And we're in budget season, so it's appropriate. And as we all know, budgets reflect priorities and Better Choices believes that those priorities really ought to be reflecting the needs of the people of New Jersey.

Clearly we're not investing enough money in higher education in our State, which does not diminish the many great accomplishments of our students and faculty, but rather highlights the great potential for more success if we begin to make better and strategic choices. What compounds the problem -- because as you pointed out, it's not just a matter of how much money we have to spend. And what I believe makes the spending that we have less effective is that we're spending it without a plan, without a vision, or even a basic understanding of how to implement fundamental goals of providing access and affordability to our high school graduates to high-quality higher education.

In recent hearings with Secretary Hendricks it became clear that in the past year no substantive steps have been taken to develop a strategic plan at the State level, or even a plan to work on a plan from what we could take away. This is not a problem unique to higher education in our government right now, but it is especially critical as our students face this untenable debt and our universities face fiscal challenges without direction or help.

We heard that there is a funding formula being worked on, but no details shared and, indeed, President Cole of Montclair stated so eloquently-- And she's the Chair of the Presidents' Council, and she's not been asked to work on such a formula. She would be one of the first

people I would believe that the Secretary would contact if there was a sincere effort to do so. We heard that there's not even a timetable for a master plan for higher education, despite the fact that the Higher Education Task Force of 2010 made it clear that a plan is essential to reverse the current trend of divestment and underfunding.

So really my reason for being here today is very simple and straightforward. We need your leadership. As President Cole said before the Senate Budget hearing, we must find the political will for a long-term higher education plan. The political will is not coming from the Executive Branch, and so it must come from you.

Even in times of enormous fiscal constraints -- and even crisis, as some would characterize our current situation, as we were just downgraded again last night by Bloomberg -- strategic decisions must be made. Indeed, strategic vision and plans are even more critical when we have fewer resources. We cannot afford to use the current economic climate as an excuse, but rather further evidence about why the need is so urgent.

The process will be challenging and it must be inclusive and open. But we have the expertise and commitment of great people to ensure it will be a success, as I see witnessed by who came to testify today, and I think by the probative questions that you all are asking. Indeed, I think the process will, at some points, be contentious and perhaps painful, but the final plan is essential to our success. It will not offer a magic bullet, it will not offer quick fixes. But it will begin to put us back on a path towards increasing success rather than just mere survival.

This type of visionary planning must happen in every part of our State's budget right now. And I'm grateful that this Committee chose to convene the hearing today during Budget season to provide Better Choices with the opportunity to speak to this need. And so I'm asking you -- I'm urging you do everything within your power to build the political will necessary to not just move quick fixes or short-term solutions to the crisis that we're in, but to work on a master plan for higher education and then to act to take the necessary steps to accomplish it.

Thank you.

ASSEMBLYWOMAN RILEY: No, I thank you very much.

I couldn't agree more with you and with what you're saying here. And you've brought up some really great points about not having any clear direction from the Executive Branch -- you're absolutely right that we have been waiting for a funding formula for higher education. It's not been there, not in the six years I've been in the Legislature. So you're absolutely right on that.

And you're right about quick fixes. I don't think anyone on this Committee was looking for a quick fix. But we felt that it was time just to have the conversation about all areas and all facets of higher education -- not just the affordability, but the success of students and the remediation of students; and what we are going to do, how we are going to collect data, how we are going to use it as we move forward.

So I like everything that you had to say here. I want you to know that I've been on telephone conferences -- I haven't actually sat down yet with Complete College of America -- and they talk very much

about similar things and goals that you are speaking of right now. So I am working with them also.

Any questions?

ASSEMBLYMAN GIBLIN: Just one observation. And I don't know if we can get the information on this.

With foundation monies or endowment funds, my sense is that public colleges and universities -- they don't do what private colleges do, in terms of trying to be aggressive about trying to raise dollars either from alumni or corporations to help with their operations. I don't know if you have any insight on that, but I just think that people aren't of the same mind set about giving to a public university when they graduate, or somehow they think it's an endless pot of money there. I don't know if you-- What is your thinking on that?

DR. CORNAVACA: I have a couple of insights, but no true expertise. The first is, I went to a private college and a public graduate school, and I get about the same amount of calls asking for money from both. I don't know if people give the same. My answer for my first 20 years out was, "As soon as I'm done paying off my student debt I'll start making contributions."

But the second part is, is that to get confidence and significant donors -- not the individual donor -- you need to have a strong direction and strategic plan, and you need to demonstrate why you're asking for that money. Now, I do know, for example, that President Barchi spoke very eloquently about the strategic plan that they've done themselves, and that is phenomenal. But if the State system as a whole is in such crisis, it doesn't instill the sense that is

necessary to get the kinds of donation endowments that I think you're talking about. I think that if we did the hard work at this level, amongst the Legislature, to come up with that plan or to force those who are supposed to, to do it, that we would be in a better situation to make those asks. And that should be part of the plan; there should be a part of the plan that looks at gaining that kind of endowment money and going after it with the same aggressiveness that private institutions do.

ASSEMBLYMAN GIBLIN: I just want to-- I know you're the last person testifying, but this has always troubled me.

DR. CORNAVACA: So I get the hardest--

ASSEMBLYMAN GIBLIN: You go around colleges and universities in New Jersey on a Friday -- you could roll a bowling ball down the middle of the campus and hit nobody. Even during the summer months, if I was putting up an office building, and I didn't have better utilization of the facilities, it wouldn't make a lot of sense. Somehow this is an area I think you have to think about -- going back to the money being spent on capital improvements -- they're necessary, you want the state-of-the-art facilities -- but it's too much down time when they're not being utilized to the maximum degree. I mean, there's a cost factor associated with that. Whether you would sponsor more classes, or push people more-- I'll be frank with you. I run an apprenticeship training program, and we do a fall semester, we do a spring semester, we do a summer semester. The building's not-- I mean, years ago, we didn't do a program during the summer months, but now because of the crunch to get people prepared, and then the other issue with the utilization of the building, you're paying for air conditioning and everything else and

the building's not being utilized to the maximum. So it's something to think about.

DR. CORNAVACA: My college moved to a four-quarter system for that reason -- to keep the place and space year-round. And we all were mandated to do at least one summer semester -- one summer quarter there. But you know, again, I think that that's an excellent issue that you have to bring up at the State level. That's why Rutgers doing their own strategic plan isn't sufficient for the State, because we have a statewide system. So if we're investing money in facilities without a master statewide plan to where we invest -- do we need professional-level auditoriums on every single campus, or do we want to focus on certain places? Where do we want to put those resources? And until we have that discussion at the State level, then we're not going to be making the best use of the money we have.

ASSEMBLYWOMAN RILEY: Really, really good points.

Deborah, one question about the funding formula. Do you know any states that have a successful funding formula? Because you know what the Department of Higher Education is -- it's the Secretary and maybe one other person. (laughter) And that's-- I mean, therein lies one of the problems, right? They don't have the staff to do the things that are necessary to ensure the success of the actual institutions of higher education in the State of New Jersey.

DR. CORNAVACA: Which is why -- and then I'll answer your question -- which is why, I believe, that action at your level is necessary to create -- and I am not a big fan of recommending task forces and such -- but to garner the resources necessary to make these

discussions happen. And also because these discussions need to happen in open and in public. It is my opinion that under this Administration these discussions tend to happen in silos and we get the results of those discussions, but are not active participants. So I think that it would behoove us to have a much more open and broader discussion about it.

My expertise in funding formulas, such as it is, lies much more with K-12 funding. I know that some states do; I know that there's many, many issues and challenges, and that it needs to be specific to your state system. So I don't think there's an easy solution, and I don't think that it's time to just jump into as if it's going to solve it. But I certainly know that under financial constraint, the fact that we have no logic for why one institution is getting a certain amount of money versus another is very troubling. And I remember, again, President Barchi speaking in front of the Senate Budget Committee saying, "You may be playing with the numbers I know, but when we did the merger we worked out our own breakdown. So please don't mess with that." It was like-- It was a request to-- Like, "We've done your work; so at the very least, don't undermine it." It shouldn't be that way. The work should be done going into the budgeting process.

ASSEMBLYWOMAN RILEY: Yes, I couldn't agree with you more. But as I said, as government is dwindling financially and we're always in a deficit, it seems like, as we move forward, it gets hard.

DR. CORNAVACA: It is, it gets harder. But the critical juncture, such as it is now, is that if we don't take these steps-- We're in what some might call -- and I don't mean to sound too depressing -- but a *death spiral*, right? And at some point we have to stop. At some point

we have to say, “We might do less this year in terms of just throwing the money out there. But we’re going to take the year to plan how the money should go strategically, moving forward.” I mean, it’s not a comparable budget, but I’m President of my local township’s library board. And when the State slashed that funding and the township slashed its funding, there were two questions: Do we just close up three days a week, or do we strategically look at every place we’re putting money and make sure we can maintain excellence within it? And a lot of hard choices were made, and a lot of people made some really difficult realizations along the way, but we came through it with excellence because of those conversations. If we don’t have those conversations, what limited money we do have is most definitely not being spent the best way we can.

So I would say that this crisis urges the need for that action all the more.

ASSEMBLYWOMAN RILEY: Thank you very much.

DR. CORNAVACA: Thank you.

ASSEMBLYWOMAN RILEY: Any comments, questions?

ASSEMBLYMAN GIBLIN: Just one more question.

Do you think we need a Department of Higher Education again? I’m going to throw you a hardball. (laughter)

DR. CORNAVACA: At this point in time I would not be one to say that we need more bureaucratic infrastructure.

ASSEMBLYMAN GIBLIN: Well, I’m thinking more coordination or overseeing, because you’re talking about silos.

Everybody has their own turf and nobody-- "Don't mess with my place," and the big picture is not there the way it should be.

DR. CORNAVACA: I would suggest that should definitely be on the agenda of a strategic planning session for higher education.  
(laughter)

ASSEMBLYMAN GIBLIN: But you don't want to answer it. Okay.

ASSEMBLYWOMAN RILEY: Thank you so much.

DR. CORNAVACA: Thank you.

ASSEMBLYWOMAN RILEY: All right. I thank you all for coming out.

This meeting is adjourned. Enjoy the rest of your day.

**(HEARING CONCLUDED)**

**APPENDIX**



MR. BAKARI G. LEE, ESQ. – Chairman  
DR. LAWRENCE A. NESPOLI – President

TESTIMONY BEFORE THE  
ASSEMBLY HIGHER EDUCATION COMMITTEE  
DELIVERED BY DR. PATRICIA DONOHUE  
MAY 14, 2014

Thank you Madame Chair and Members of the Committee. I am pleased to be here today as the chair of the presidents of the Council of County Colleges to address two of the bills in the higher education package proposed by you and Assemblyman Cryan and other members of the Assembly: A676 which addresses performance based funding and A2804 which addresses graduation rates.

A676: Performance-Based Funding

This bill creates performance-based funding for NJ's public higher education institutions. With over twenty states including performance funding of some kind in their higher education funding systems, it is only fair that we point out that many of these states have begun to increase their state funding to higher education from the cuts that occurred several years ago – and some have completely restored

their funding. In contrast, New Jersey cut its state operating aid to community colleges by seven percent in FY2011, and has not restored funding since then. In fact, the proposed FY2015 state budget would maintain level funding for the fourth year in a row. We would suggest that restoration of past cuts in state funding to community colleges should be an equal priority to performance funding. Having said that, the community college presidents have undertaken a comprehensive study of performance funding in other states so that we will be well informed for the policy discussions as they occur in New Jersey. We like that A676 directs the New Jersey Secretary of Higher Education to develop a performance-based plan, rather than putting all of the particulars into statute. This will provide the necessary flexibility in developing the initial plan, while allowing future adjustments as will most certainly be necessary. We also like that the bill suggests separate and different performance metrics for county colleges than it does for senior colleges. That is a must. However, we feel that a set-aside of 25% for performance funding may be too high. Some states, like Texas, have adopted a model that is used to allocate a maximum of 10% of its total funding to the community colleges based on performance. In addition, and consistent with the point made earlier that the state should restore its funding to community colleges, we want to suggest that a useful model going forward might be that state funding per community college FTE should be linked to a certain percentage of state

funding per senior public college FTE. Language of this kind can be inserted into a performance funding bill or it could be introduced as a separate bill altogether.

And, finally, it is important to note that community colleges can easily blend performance funding into its existing funding formula. If that should occur, the community college presidents are willing and able to work with the Secretary of Higher Education to agree on performance metrics and the methodology used to distribute those funds among the nineteen community colleges.

#### A2804: Graduation Rates

This bill requires county colleges to develop a plan to achieve a three-year graduation rate of at least 33 percent for full-time degree-seeking students by 2019-20. While no one would deny the importance of graduation rates for full-time students, several observations are important here that are unique to community colleges: (1) Because community colleges are by law open door institutions that must admit all high school graduates, many students are not ready for college when they enroll. In fact, it often takes several semesters to get them ready for their first college courses. Thus, the three-year timeframe in the bill is not appropriate; (2) About half of community college students enroll part-time, and

even many of those who start full-time end up as part-time students. So, we probably ought to be including part-time students in this bill, which reinforces the importance of a longer timeframe of six years rather than three years; (3) Many community college students are “skill builders” – that is, they’re looking for employment and thus use college not to get degrees but rather to gain specific kinds of skills and expertise. A recent study in California found that nearly one third of all community college students in that state are “skill builders.” We expect that the numbers are much the same in New Jersey. This means that graduation rates are an incomplete measure for community colleges. They should be supplemented by other measures of course completion short of a degree. For example, we should also be tracking and reporting how many students complete at least one year of college in good standing so that we at least recognize the success of some of these “skill builder” students. Recent studies by the Heldrich Center at Rutgers shows that these students who complete college credits in fact earn increased wages, even when they do not finish the degree; (4) There is another compelling reason why graduation rates are an incomplete measure for community colleges. Many community college students successfully transfer to a four-year institution without first completing their community college program. These transfer students should also be included when measuring the success of community college students. (5) Finally, it’s important to recognize that many

students go on to graduate from a college different than the one they started at. Recent data from the National Student Clearinghouse is now able to provide that more complete graduation picture. For NJ's community colleges, we know that over 37% of the students who first enrolled at a community college went on to graduate, if you also include those students who transferred and graduated from a different 2-year or another 4-year institution.

If the purpose of this bill is to focus solely on graduation rates, then a six-year timeframe should be used, both full-time and part-time students should be included, and the National Student Clearinghouse data should be utilized. If the purpose of the bill is to instead present a more complete picture of community college student success, it should include graduation rates, students who transfer before completing their community college program, and "skill builder" students who successfully complete at least one year of community college.

**Wendell Steinhauer, NJEA President**  
**Testimony before Assembly Higher Education Committee**  
**The College of New Jersey, Ewing**  
**Wednesday, May 14, 2014**

Good morning. First of all, I would like to thank the chair for holding these hearings. This issue is of particular interest to me because I am the proud parent of two college graduates and my youngest child is currently enrolled as a student at Burlington County College.

Higher education is also an area of great interest for every NJEA member. While NJEA represents approximately 4,000 members in higher education at 19 county colleges in the state, every NJEA member is invested in how well prepared our students are for college, the workforce, and life. So we are very pleased to testify before this committee today.

The issue of college affordability, college completion and college readiness are monumental tasks that we all need to come together and solve. This is not – and cannot be – a partisan issue. It's a community issue. College affordability is one of the defining issues of our time and one of paramount importance to our middle class and working families across the state and the nation.

As college costs skyrocket and federal student aid lags, too many Americans must borrow staggering amounts of money to pay for higher education. Last year, new college graduates owed, on average, a crushing \$29,000 each in debt. At these levels student debt isn't just a burden, it's a barrier to our young men and women.

This is an issue that hits close to home for many New Jerseyans. We are a very well-educated state. So it's no surprise that New Jersey ranks 8th highest among states in student debt, according to the Project on Student Debt.

As costs rise, students borrow more: two-thirds of college graduates leave school owing money - or worse, our high school graduates simply don't go to college.

This package of bills seems to be increasing the costs and burdens on two-year and four-year institutions. But who will really bear this cost? The colleges? The students?

County colleges did their own internal study of revenues and expenditures from FY 2009 – FY 2012, titled "Financial Report of the County Community Colleges of the State of New Jersey for the Fiscal Years 2009-2012".

Some key findings of the report were that by FY 2012, tuition and fees accounted for 62.4% of the system's TOTAL revenue. State funding had declined from 16.7% of total revenue in FY 2009 to 13.9% in FY 2012. County funding decreased from 24.4% in FY 2009 to 19.8% in FY 2012.

Clearly we have a crisis about who should pay for public higher education. This shifting of the financial burden is the paramount question facing all of higher education today.

NJEA is pleased that some of the bills establish scholarships for students and partnerships with K-12 but we want to ensure that college faculty are teaching the college courses. As you are well aware, NJEA has long been a vocal supporter of the NJ Stars program and in our recent budget testimony, we echoed our annual plea for further investment in the program.

We must address the issue of affordability and one solution is for the state to renew its commitment to supporting its public colleges and universities. Hopefully, that can be part of the College Affordability Study Commission's work.

College completion is another area that this package of bills aims to address. But keep in mind, not every student enters these schools with the goal of achieving a degree. Some of these students may be mid-career professionals boosting their job qualifications in a particular industry. They do not need an additional degree to advance professionally, just a few classes. To impose accountability on our county colleges based on the number of students who earn a degree could actually discourage applicants.

As you examine the processes that are already in place, we would urge you to make changes, as necessary, that are research-based, and which further the colleges' mission, not impede it. While NJEA does not entirely oppose the issue of performance-based funding as it pertains to higher education, we do oppose using graduation rates and degree certificates and job placement as criteria to determine funding.

On the topic of college readiness, we feel that the battle about remedial education has become overblown. At county colleges, admissions are open to all and remediation is a function of their mission. As a career educator, I can tell you that some students take longer to decide that college is the right choice for them. They may not have focused the way they should have during their K-12 education to best prepare themselves for college. So remediation – while not the goal – is also NOT evidence that the county colleges or K-12 education system need to be overhauled.

Unfortunately, remediation is driving much of the rhetoric around this issue. There are plenty of people parroting the idea that students are coming to college unprepared, that they can't pass the Accuplacer, and that something is wrong with K-12 education. I know of one example where a college took the valedictorian of her class who was an English honors student and put her in remedial classes for English at a community college. This student blamed herself for what she perceived as her failure. But it wasn't her failure; it was the failure of the system to accurately place those who need remedial courses and those who do not.

And let me remind you that in almost every indicator, New Jersey's public schools are among the best in the nation. I could recite statistic after statistic from reputable organizations such as Education Week, the College Board, and surveys such as Quality Counts. But you already know these facts. So why would anyone believe that K-12 education is the problem?

But these accusations of failure seem to be gaining steam as an absolute truth. To counter that, I'd like to point you to a study from Columbia University, Community College Research Center, which states that "a significant number of students entering community colleges around the country are at risk of being inaccurately placed in remedial classes."

The study further points out that “nationwide, 60% of entering community college students who recently graduated high school are assigned to remediation. Students must pay tuition for remedial courses, but the credits they earn do not count towards graduation. The cost to schools of providing remedial instruction has been estimated at roughly \$2.5 billion dollars annually.” So let’s not place the blame on our students. Place it where it belongs – on a high stakes test that – like many other high stakes tests – only serves to frustrate our students and prevent them from learning while providing an opportunity to label them and their schools as failures.

NJEA also has concerns about the fact that this package of bills requires longitudinal data systems even though the purpose of collecting this data is unclear and there are unanswered questions about how this data will be used. At the same time, it appears that much of this data has already been collected in NJ Smart.

And NJEA really appreciates that this committee is looking into the for-profit colleges which seem to cause so much more harm than good.

In closing, while NJEA is reserving comment on any one bill specifically until the committee addresses them separately, most of the bills proposed seem to be a hindrance upon the colleges and the students they serve and would actually prevent them from achieving their goals. As always, we look forward to meeting with the sponsors and we appreciate their openness to suggestions on amendments.

Our suggestion is that this package of bills waits until S-979/(Sweeney)/A-2236 (Riley, Wisniewski, Benson, Lampitt) is hopefully signed by the governor. This bill establishes the College Affordability Study Commission to examine issues and develop recommendations to increase the affordability of higher education in New Jersey.

And with all the changes coming in education and K-12 with regards to Core Curriculum and College and Career Readiness, I think it’s best for the committee to wait for those initiatives, which have been many, many years in the making, to take hold before you proceed on some of the measures proposed in these bills.

Once again, I’m very happy that this committee is looking into the challenges facing our county colleges and county college students. NJEA is ready to work with you to help identify ways that we can make every college – and every student successful. But there is no place in that conversation for punishments and rhetoric that only serve to push students and colleges farther away from their goals.



As the campaign coordinator for Better Choices for New Jersey, a coalition brought together by New Jersey Working Families, I am here today to urge this committee and our Legislature to take an active and aggressive leadership role to develop a vision, and a plan to achieve that vision, for Higher Education in New Jersey.

Better Choices for New Jersey is a broad and diverse coalition of stakeholders united to advocate for a different vision of state priorities and investments. We share the conviction that the state has missed opportunities to make smart investments and has neglected to plan for our present and future. Our coalition includes many organizations deeply vested in our higher education system and we all recognize that our colleges and universities are a critical part of what makes our state great.

In the course of the hearings today you will hear what I am quite sure you already know. In critical ways our higher education system is in shambles. The negative impacts are many – on our students, our faculties, our university systems, and our economy – the ability to attract businesses to New Jersey and provide jobs to our graduates suffers when our universities are struggling. It is unsustainable and most certainly unfair to the people of New Jersey to allow this to continue.

So the perspective I come with today is perhaps slightly different from that of others, it is from that of our state's budget. As we all know, budgets reflect priorities – and Better Choices believes that those priorities should be the ones of the people of New Jersey. Clearly we are not investing enough in higher education in our state, which does not diminish many of the great accomplishments of our students and faculty, but rather highlights the great potential for more success if we make better choices.

What compounds the problem and makes what little we are spending less effective, is that we are spending without a plan, a vision, or even a basic understanding of how to implement fundamental goals of providing access and affordability to our high school graduates to high quality higher education.

In recent budget hearings with Secretary Hendricks, it became clear that in the past year no substantive steps have been taken to develop strategic plans at the state level – or frankly even a plan to work on that plan from what we could take away. This is not a problem unique to higher education but it is especially critical as our students face untenable debt and our universities face fiscal challenges without direction or help.

We heard that there is a funding formula being worked on but no details shared and indeed President Cole of Montclair stated that as Chair of the Presidents Council she has not been asked to work on such a formula. We heard that there is not even a timetable for a master plan for higher education despite the fact that Higher Education Task Force of 2010 made it clear that a plan is essential to reverse the current trend of divestment and underfunding.

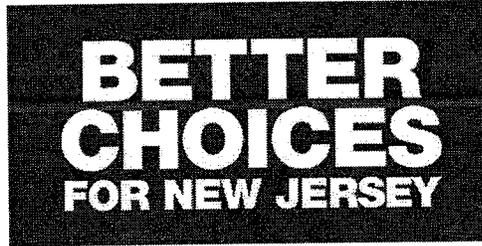
So really my reason for being here today is simple and straightforward. We need your leadership – as President Cole said before the Senate budget hearing, “We must find the political will for a long term higher education plan.” That political will does not seem to be coming from the Executive Branch, so it must come from you.

Even in times of enormous fiscal constraints, even crisis, strategic decisions must be made – indeed strategic vision and plans are even more critical when we have fewer resources. We cannot afford to use the current economic climate as an excuse but rather as further evidence why the need is so urgent.

The process will be challenging and must be inclusive and open, but we have the expertise and commitment of great people to ensure it will be a success. The final plan will not offer any magic bullets or quick fixes but will begin to put us back on the path towards increasing success rather than survival.

This type of visionary planning must happen in every part of our state’s budget right now and I am grateful that this committee chose to convene these hearings today, during budget season, to provide Better Choices the opportunity to speak to this need and urge you to do everything within your powers to build the political will necessary to get to work on a master plan for higher education.

Respectfully Submitted by:  
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## *About the Better Choices for New Jersey Campaign*

Better Choices is a diverse coalition of stakeholders united to advocate for a different vision of state priorities and investments. We share the conviction that the state has missed opportunities to make smart investments in strong, safe communities and left too many critical needs underfunded.

We all recognize the challenge of budgeting in a period of slow economic recovery and growth, but we must reinvest if we are to see our state flourish. Until we reinvest in the people of New Jersey, those who have already sacrificed the most under the past 6 years of austerity budgeting will continue to suffer. This is both unacceptable and avoidable.

The simple truth is that we do have the resources to meet our needs. If we are not funding critical investments for our present and our future with the available revenues, then we must engage in discussions of raising revenues. We must invest to see our people and state emerge from years of economic hardship.

We can afford to protect vital services and invest in our state's future. New Jersey has the third highest percentage of millionaires of all fifty states. We're second in median household income. While local property taxes are untenably high as a result of cost-shifting to local governments, New Jersey ranks 36th in state government tax revenue as percentage of income. We can make better choices that protect and strengthen New Jersey.

Our coalition is committed to work with our elected officials to make sure that the investments made in our state help all the people of New Jersey succeed. We want to see New Jersey thrive and we know that with Better Choices, we can make that happen.

*Better Choices for New Jersey is a non-partisan public education and issue-advocacy coalition chaired by New Jersey Working Families. It includes over 50 student, parent, environmental, labor, and faith-based groups.*

*Follow us on Facebook at Better Choices for New Jersey & on Twitter @BetterChoiceNJ*

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