

Higher Education Strategic Information and Governance (HESIG) Policy Steering Council Meeting

June 17, 2015

Meeting Summary

HESIG's Policy Steering Council held its fourth meeting beginning with an informal dinner June 16, and a working session June 17, 2015 at Stockton Seaview Resort. Participating Council members and guests included: Robert Altman, Daniel Bachalis, Kevin Broeker, Peter Caporilli, Henry Coleman, Daniel Douglas, Stanley Ellis, Elizabeth Garlatti, Darryl Greer, Martin Grogan, Dennis Jones, Daniel Julius, Claudine Keenan, Harvey Kesselman, Michael Klein, Larry Nespoli, Richard Novak, Maryam Sarhan, Sharon Schulman, and John Wilson.

Introductions

Darryl Greer, who facilitated the discussion, introduced Council members, and outlined meeting objectives. Acting President Harvey Kesselman greeted the Council, and thanked members for their contributions and support.

Discussion and Advice

The Council was asked to advise on emerging trends affecting New Jersey and national higher education policy; issues that help to define and enhance college value and expected outcomes; and the developing governance role of boards of trustees in managing needed policy change. Agenda, background materials and questions to help guide discussion, as well as Council members' bios, are available at:

www.stockton.edu/hughescenter/hesig.

In brief summary, the Council's discussion and advice are as follows:

- 1. Trends:** Greer introduced this agenda item by sharing trends identified by the Council at its 2012 inaugural meeting, and revisited in prior meetings. Identification of trends helps to inform HESIG's work plan, within its mission. New Jersey policy advocates, Grogan, Klein, Nespoli and Wilson, representing each segment of NJ higher education, led discussion; followed by Jones, who provided insight from a national perspective.

In addition to trends shared with the agenda, including those published by AGB and AASCU, additional insights offered include:

- Continuing loss of state financial support, including reduced appropriations for the senior publics to offset increases in state fringe benefit payments, placing greater dependence on tuition and fee revenue and more pressure to constrain expenditures, thereby leading to greater financial uncertainty for institutions;
- More competition for state dollars for other public funding needs, such as health and pensions;
- More competition among institutions for students as NJ faces a moderate decline in traditional-age college bound students;
- Greater need for investment in student financial aid, and higher expectations for college completion;
- A loss of higher education budget and policy experts at the state level;

- Increasing need to build partnerships with businesses, and among colleges and universities to meet revenue and college completion goals;
- Greater federal pressure regarding academic quality assurance;
- Increased state legislative interest in “free college tuition,” especially for community colleges (e.g., TN);
- Continuing need for higher education to make a case for its value as a public and private good, especially in light of its ability to adjust to a steady decline in public investment, without demonstrably reducing service;
- New legal/regulatory challenges, such as for tax exempt status, royalty and intellectual property, and non-business related income.

Much of the discussion focused on institutions setting clear priorities regarding student success and managing scarce resources in an increasingly competitive environment, with constrained resources, and low expectation for new state investment. Council members suggested that student demand in NJ will continue to rise, but that much of the increased demand will be from lower-income students, who will require greater investment in support services, and whose academic and career choices should not be determined by ability to pay. Institutions should look to the adult student market as an opportunity to provide more educational service.

Furthermore, community college initiatives, such as College Promise, and partnerships with senior universities and others on college readiness provide an opportunity to increase college access, affordability and completion.

Several individuals concurred that NJ colleges should continue to cooperate on defining a funding rationale for state investment; and communicate better with policy makers regarding redesigning policy and practice to improve educational effectiveness and productivity. Part of the discussion focused on NJ colleges’ resilience in adjusting to diminishing state support, without demonstrating negative effects of such disinvestment. One member suggested creating a stronger partnership with organized labor, in addition to business leaders, to help advocate the needs of higher education.

Finally, the panel suggested that HESIG focus on identifying policy priorities and practices that need reform, aligned with these trends.

2. **College Value:** Greer reminded the group of prior advice for HESIG to focus on college value as a priority policy issue, and the results of a 2014 HESIG/Stockton Polling Institute statewide survey and two executive roundtable discussions of this matter, funded by an ETS grant.

Elizabeth Garlatti, Chief of Staff to the NJ Secretary of Higher Education, initiated discussion by sharing the perspective and initiatives of the Office of the Secretary. She stressed that the Secretary’s strategy is focused principally on student success initiatives, and building partnerships with colleges and others to encourage student success across all institutions. These partnerships help, also, to accelerate improvement in outcomes by defining and disseminating best practices. Furthermore, the Secretary is working with college and other organizations to improve management information systems to support success initiatives. Finally, she provided an overview of survey research commissioned by the Secretary, conducted by HESIG/Stockton Polling Institute, regarding students’ attitudes on availability, usage, quality and needed change in NJ academic advising and career counseling services. The statewide survey included nearly 5,000 undergraduate students from 31 colleges and universities.

Council discussion focused on several issues as a means to increase college value:

- Reduce time to degree completion by giving each student a long-term plan for academic success;
- Provide credit for work experience and more internships related to jobs, career aspirations and fields of study, while emphasizing liberal arts and community service;
- Set clear academic expectations for each student taking into consideration student financial aid needs (e.g., provide state/college/employer-supported paid internships as in WA);
- Reexamine faculty workload and evaluation policy to place greater emphasis on academic advising and tying academic programs to internships;
- Together with liberal arts essential learning skills, such as writing, speaking and problem solving, emphasize social and workplace skills, such as tolerance of opinion, punctuality, and responsiveness;
- Consider innovative approaches, such as Guided Pathways (Columbia University), to provide students with flexible college completion strategies;
- Ensure that boards of trustees regularly discuss and evaluate policy supporting student success and degree completion as an important accountability outcome measure.

The group's discussion revolved around a common theme of placing student success and more explicit student outcome measures at the center of increasing the value of college. Several members emphasized that student success must be made a higher institutional priority, and that the particular and shared roles of many actors, including trustees, faculty and administrators need reexamination. The discussion reflects earlier Council advice that college value remains an important issue for HESIG to examine, as it relates to the goals of college affordability and completion, institutional effectiveness and accountability, and retention of public trust which supports investment in colleges and universities.

The Council recommended that HESIG consider partnering with AGB to conduct a risk assessment analysis of NJ colleges' policies and procedures that affect student success. This would provide important internal assessment information for boards of trustees, and would allow HESIG to document and share best practices among institutions. Such assessments can inform HESIG polling on needed policy change, and could assist in advising policy makers and building citizen support for needed change. In this respect, the panel encouraged HESIG to continue its partnership with the Office of the Secretary and others.

3. **Trustee Governance Accountability:** Trustees Altman, Coleman and Ellis led discussion, with Novak providing a national framework, stemming from AGB's recent study commission on trusteeship.

Several trustees suggested that the authority and structure of boards of trustees needs to change to meet emerging challenges related to overall institutional accountability. Some suggested that the current trustee structure is out of step with expectations for effective governance, in a rapidly changing environment.

Council members provided several insights and suggestions in this regard:

- **Board size and committee structure:** Senior public university boards may be too small in size (7-15 public members appointed by the governor and confirmed by the senate); and committees are not comprehensive enough to address effectively expanding financial, legal and educational issues;

- **Board composition/Criteria for appointment:** Appointments should be made based on the needs of the institution, and based on recommendations of institutions, to complement roles of sitting trustees; to take into account the diverse constituencies of the institution, as well as to demonstrate an ability to understand the larger regional and state context within which a college works;
- **Board focus, education and evaluation:** Trustees should be committed to self-examination, evidence-based analysis of outcomes, and should set policy to provide for regular evaluation of its processes. The board should distinguish between short and long-term policy issues, and should spend more time on evaluating strategic issues affecting the college's effectiveness. Furthermore, the board should have an explicit trustee education program that helps trustees understand their role, responsibility and priority questions that need to be asked. Boards should be allowed to set criteria for trustee removal, if they are not performing appropriate responsibilities, such as regularly attending meetings.

Council members stressed that effective boards are more important than ever, and that there is an unfortunate disconnect between trusteeship in practice and theory. For example, laws governing trustee authority need reexamination in light of the stress on revenue, requiring institutions to create new business partnerships that generate more non-educational related income. Some suggested that trustees need more authority over legal and financial aspects of university governance, and that perhaps new structures under trustee authority need to be created in order to sequence effectively complex mission-related policy decisions regarding programs, investments, partnerships and use of real property.

Council members encouraged HESIG to involve trustees in its conferences, to provide information on best practices, and to partner with the Secretary and sector offices regarding trustee education and awareness of statewide policy issues. HESIG is also encouraged to involve community leaders and directors from the profit and nonprofit sectors; but is cautioned to recognize differences among types of institutions regarding governance structure.

4. **Other:** The Council took special interest in the evolving agenda of the Hughes Center, concerning analysis of income inequality, and concurs that HESIG can play a role on this important policy issue.

Finally, HESIG is advised to focus on a leadership role to prepare policy recommendations for higher education in anticipation of the 2017 statewide NJ elections. It is encouraged in all of its work to set both short and long-term priorities; to offer policy options to opinion leaders and policy makers; and to establish outcome measures to assess effectiveness in fulfilling its mission. In accomplishing its mission, within the framework of the broader mission of the William J. Hughes Center for Public Policy, HESIG should continue to build on partnerships with the Office of Secretary, the NJ Presidents Council, national organizations and others.

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