

MEMORANDUM

To: University Senate Executive Committee

From: Andrés Acebo, Interim President

Cc: Board of Trustees

Millie Peralta, Chief of Staff

Dr. Donna Adair Breault, Provost and Senior Vice President for Academic Affairs

Brian Kirkpatrick, Vice President for Administration and Finance

Erin McCann, Vice President for Student Development and Community Engagement

Dr. Rachel Fester, Vice President for Institutional Effectiveness

Monica de los Rios, Esq., University Counsel

AFT Local 1839 Executive Committee

CWA Local 1031 (Staff Representatives)

IFPTE Local 195

NJCU Foundation

Date: February 7, 2025

Subject: Institutional Updates and OSHE Transition Plan Compliance

I. Introduction

On February 5, 2025, we gathered as a university community for a candid and constructive forum that underscored the strength of our shared commitment to New Jersey City University's mission. Faculty, staff, and students engaged in thoughtful exchanges about the state of the university, reflecting on both the challenges we face and the opportunities before us. These discussions were not just an exercise in dialogue; they were a testament to our collective resolve to continuously improve, adapt, and future-proof our institution in service of our students and the communities we uplift.

This memorandum seeks to capture the key themes that emerged from our conversations—the areas where we are making progress, those that require renewed focus, and the steps we must take to ensure that NJCU remains a beacon of opportunity and excellence for generations to come. More than an assessment of the present, this document is a blueprint for the future—one that is shaped by the voices of those who define our institution and its impact every day.

The progress we have achieved at NJCU over the past year reflects not only the diligent efforts of our leadership team but also the revitalization of our shared governance and labor relations framework. These relationships have been instrumental in developing and implementing a renewed institutional vision, a strengthened strategic direction, and a framework for long-term sustainability.

Through deep collaboration with faculty, staff, students, and union leadership, NJCU has articulated a refreshed mission statement and, for the first time in our institution's history, a formal vision statement. These defining statements are not simply words on paper—they are guiding

principles that reaffirm our role as a beacon of opportunity, a champion for social mobility, and an engine of economic advancement for the communities we serve.

Navigating Higher Education's Crossroads: Challenges and Opportunities

NJCU is not alone in confronting the headwinds facing higher education—particularly regional comprehensive public universities that serve underrepresented and underserved populations. Across the nation, institutions like ours face:

- Declining Enrollment Trends – Driven by shifting demographics, fewer traditional college-age students, and increased competition from alternative education models.
- Public Skepticism and Policy Shifts – As institutions of higher learning are asked to prove their value, we must demonstrate our return on investment through career outcomes, affordability, and social impact.
- Financial Pressures – As state and federal funding structures evolve, universities must become more financially self-sustaining while ensuring accessibility and affordability for students.
- Workforce and Industry Demands – Higher education must continuously evolve to meet the workforce's changing needs, ensuring that our students graduate with the skills necessary to thrive in high-demand fields.

While these challenges are significant, they also present unprecedented opportunities for institutions willing to embrace innovation, form strategic partnerships, and redefine their role in an evolving educational landscape. NJCU is rising to this challenge, ensuring that we are not just reacting to change but leading it.

Each of the institutional advancements detailed in this memorandum strengthens NJCU's ability to forge and sustain strategic partnerships that will fortify our future. By staying true to our mission, embracing collaborative innovation, and leveraging strategic relationships, we are positioning NJCU as a national model for urban, public higher education in the 21st century.

Strengthening Governance, Mission, and Strategic Direction

At the heart of our efforts has been a renewed commitment to shared governance, collaboration, and transparency. Together, we have achieved the following:

- Refreshed our institutional mission statement and, for the first time in NJCU's nearly century-long history, established a formal vision statement that reflects our unwavering dedication to access, equity, and academic excellence.
- Implemented a series of strategic frameworks, ensuring that NJCU's future is built on a solid foundation of data-driven decision-making and intentional planning:
 - **The Academic Master Plan**, aligning our curriculum with workforce demands and regional economic development needs to enhance student career pathways.

- **The Strategic Enrollment and Retention Plan**, which has already yielded measurable enrollment gains and introduced new initiatives to support student persistence and success.
- **The Student Development and Community Engagement Plan**, which strengthens student support services, student persistence initiatives, student persistence, leadership development, and community partnerships that are central to NJCU's mission.

These frameworks are not just documents; they are action plans that will guide NJCU through the next decade, ensuring that we continue to be a leader in providing accessible, high-quality education to those who need it most.

With this foundation in place, we are now focused on securing NJCU's long-term sustainability—not just through financial and enrollment stabilization, but through thoughtful, strategic partnerships that align with our mission and preserve our identity.

II. Middle States Self-Study and Accreditation Compliance

The Middle States Commission on Higher Education (MSCHE) self-study process is incredibly important. It is an opportunity to demonstrate institutional integrity, showcase academic excellence, and affirm our commitment to continuous improvement.

NJCU's Self-Study Steering Committee, composed of faculty, staff, and administrative leaders, has worked diligently to prepare a comprehensive, data-driven assessment of our institution. The self-study process is not just about compliance—it is about charting a bold, forward-thinking strategy for the university's future.

Key Developments in the Self-Study Process

- The Self-Study Design, which articulates our approach to evaluating NJCU's performance against MSCHE standards, is scheduled for submission this month. This design reflects a collaborative and transparent process that has engaged faculty, staff, students, and governance bodies across the university.
- The Self-Study process is aligned with NJCU's broader institutional transformation, ensuring that our recent strategic planning efforts—including the Academic Master Plan, Strategic Enrollment and Retention Plan, and Student Development and Community Engagement Plan—are fully integrated into our accreditation documentation.
- The MSCHE site visit is scheduled for **April 21, 2025**. This will be a critical moment for NJCU, as it will allow the MSCHE representatives to assess our self-study design's measuring of our progress, institutional effectiveness, and compliance with accreditation standards.

Our goal is to ensure that this visit affirms NJCU's commitment to academic excellence, financial sustainability, and mission-driven innovation.

We are taking this process seriously, not just as an exercise in compliance, but as an opportunity to reaffirm NJCU's standing as a mission-driven, student-centered institution committed to academic rigor and institutional sustainability.

This process also serves as an essential complement to our ongoing strategic partnership exploration, ensuring that NJCU is positioned for long-term success regardless of the pathway forward.

III. Strategic Partnership Exploration

Aligning with the OSHE Transition Plan and Regulatory Oversight

As part of the April 2024 Office of the Secretary of Higher Education of New Jersey's (OSHE) Transition Plan, NJCU has undertaken a comprehensive and deliberative process to evaluate potential merger, partnership, or affiliation opportunities with other New Jersey public institutions.

The Transition Plan mandates that:

"By or before March 31, 2025, the University will select a partnership option(s) and begin the process of memorializing the terms and conditions of said partnership. Concurrent with the assessment described above, the University will make a diligent effort to keep the appropriate accreditation bodies reasonably informed about any potential partnership option(s) under consideration by the University."

Since the onset of this process, we have been deliberate, transparent, and methodical, ensuring that any potential partnership will achieve the following:

- Enhance NJCU's long-term financial and operational sustainability.
- Preserve our mission as a minority-serving, access-oriented institution.
- Expand academic and career opportunities for our students.
- Strengthen our ability to serve our mission.

Engaging an Expert Consultant to Guide the Process

To ensure a rigorous, data-driven evaluation of all partnership options, NJCU conducted a competitive selection process in July 2024 and engaged SPH Consulting Group—a firm with extensive experience in higher education strategy, finance, and institutional partnerships.

SPH was tasked with conducting a comprehensive study and evaluation of partnership and affiliation options, ensuring that any future partnership aligns with NJCU's:

- Refreshed mission and vision
- Academic Master Plan
- Strategic Enrollment and Retention Plan
- Strategic Student Development and Community Engagement Plan

The consultant was engaged to complete the following:

- Provide expert analysis, strategic recommendations, and cost projections to inform NJCU's decision-making process.
- Ensure that NJCU maintains and enhances its presence in offering degree programs and distinctive services to the communities it serves.

Scope of Work and Key Areas of Analysis

SPH's required scope of work has been extensive, including the following:

1. Institutional Review & Data Analysis
 - Conducted a comprehensive review of NJCU's mission, vision, and integrated strategic plan.
 - Analyzed the most recent IPEDS and financial data (FY 2020–present) to assess NJCU's position.
2. Institutional Strengths and Market Positioning
 - Assessed student demographics, faculty, staff, facilities, academic programming, and extracurricular offerings to identify strengths and weaknesses.
 - Conducted a limited market analysis of higher education institutions in New Jersey, evaluating NJCU's competitive position and growth opportunities.
3. Partnership & Affiliation Evaluations
 - Identified and assessed potential partnership opportunities with higher education institutions, corporations, nonprofit organizations, and government entities.
 - Conducted a financial analysis of select potential partnership, examining costs, revenue generation potential, and long-term return on investment.
 - Evaluated potential partnerships based on their ability to:
 - Expand academic programming
 - Strengthen student recruitment, retention, and graduation rates
 - Foster research collaboration and institutional sustainability

- Enhance NJCU’s presence in critical markets

SPH’s findings and recommendations have been instrumental in guiding NJCU’s Board and leadership in making informed decisions about the future of the institution.

Stakeholder Engagement and Progress

Throughout this process, we have prioritized transparency, engagement, and shared governance to ensure that our faculty, staff, students, and community stakeholders have been involved in shaping NJCU’s future:

- **Fall 2024** – Facilitated direct engagements between SPH Consulting Group and the University Senate Executive Committee, AFT Local leadership, and the President’s Community Advisory Council, fostering robust conversations on NJCU’s future and the role of shared governance in the transition process; and
- **December 16, 2024** – Provided a full update to the University Senate, outlining our selection process, evaluation criteria, and stakeholder engagement strategy; and
- **January 8, 2025** – Held a campus-wide forum with faculty, staff, students, and governance representatives, presenting our progress toward meeting the OSHE partnership mandate; and
- Ongoing engagement with student government leaders and university governance committees, ensuring that NJCU’s constituencies are heard and involved in shaping the implementation of any future partnership.

Decision-Making and Timeline

- **February 10, 2025** – The Board of Trustees will hold a closed session meeting, where institutions that submitted partnership proposals will present their plans.
- **March 31, 2025** – NJCU remains on track to finalize partnership option identification, as mandated by the OSHE’s transition plan benchmarks.

This is not just about meeting a deadline — it’s about securing the right partnership that respects NJCU’s legacy, advances its mission, and ensures its long-term sustainability.

Partnership Identification Criteria

All partnership considerations have been and will continue to be guided by seven (7) guiding principles.

1. **Students First:** Prioritize student success and experience in all aspects of the partnership.
2. **Mission Alignment:** Ensure the partnership aligns with NJCU’s mission of providing accessible, equity-driven education.

3. **Focus on Long-Term Financial Sustainability:** Develop strategies that enhance financial health and stability.
4. **Academic Programming Complementarity:** Leverage complementary academic strengths to expand educational offerings.
5. **Commitment to Financial and Programmatic Investment:** Demonstrate willingness to invest in shared goals and initiatives.
6. **Experience with Wrap-Around Support Services:** Provide robust support services tailored to diverse student needs.
7. **Respect and Support for Local Community Needs:** Engage with and support the unique needs of NJCU's local community.

IV. Spring 2024 Enrollment Update

As of **February 7, 2025**, our pre-census spring headcount enrollment report reflects significant enrollment gains, a testament to the success of our strategic recruitment, retention initiatives, and targeted enrollment strategies:

- New undergraduate headcount enrollment has increased by over 80% compared to the same period last year.
- Transfer enrollment has increased by approximately 15% spring-over-spring.
- Our pathway partnerships, dual enrollment articulations, and the Some College/No Degree initiative have seen dramatic improvements, resulting in an over 150% increase in matriculation compared to last year.
- New graduate enrollment headcount is up by over 16% from the same period last year.

While we acknowledge that serious enrollment challenges remain, and the university is still well below its pre-pandemic headcount peak levels, these improvements demonstrate that our collective strategies are yielding meaningful results.

Our dual enrollment agreements, community college transfer pipelines, and outreach efforts focused on adult learners are directly impacting these improvements. Specifically, our Some College/No Degree initiative has allowed us to re-engage individuals who have educational credits but no credential, positioning NJCU as a leader in helping non-traditional students complete their academic journeys.

Moreover, our enrollment efforts are supported by a revised and disciplined approach to financial aid management, including reforms to discounting practices and waivers that ensure enrollment growth does not come at the expense of institutional financial stability. These practices are a key component of our efforts to maintain balanced budgets while increasing access and opportunity for students.

Our renewed focus on student persistence and retention are critical elements to our student success efforts. Moving the needle significantly in those metrics is critical to the long-term sustainability and impact of our mission. We have much work to do in this regard considering decades of underinvestment. I am very proud of our faculty, staff, and administrators who are leaning into this work with innovative focus. Those efforts tied to the right institutional relationships will embolden the work with the appropriate and necessary level of resources to make a measurable difference.

V. Fiscal and Operational Stability

Credit Rating and Renewed Market Confidence

NJCU has made measurable strides in stabilizing our financial position, reaffirming our commitment to fiscal responsibility while investing in our institutional future.

Our unaudited FY24 financial statements reveal a \$7 million improvement in our net financial position over the prior fiscal year. This achievement is the result of deliberate financial stewardship, cost containment measures, and strategic revenue enhancements.

For the second consecutive year, NJCU remains on track to close the fiscal year with a balanced budget, a milestone that underscores our ongoing efforts to ensure financial sustainability.

A critical component of our fiscal stability has been the strategic allocation of stabilization funding, which has been primarily directed toward addressing decades-long deferred maintenance needs on campus. Specifically, we have committed approximately \$13 million toward essential capital improvements, ensuring that our students, faculty, and staff have access to a modernized, functional, and sustainable learning environment.

For the first time in over a decade, NJCU's credit rating outlook has been upgraded to stable by both Moody's and Fitch. This is a direct reflection of the progress we have made—it signals to policymakers, funders, and potential partners that NJCU is on the rise.

Real Estate Transactions and Financial Performance

We have strategically monetized underutilized assets while ensuring that NJCU remains aligned with its long-term mission-driven priorities:

- **Claremont/Hampshire Ground Lease Sale** – \$9 million in net proceeds, strengthening liquidity and long-term debt defeasance planning.
- **Fort Monmouth Lease Assignment** – Facilitating the eventual elimination of \$22 million in long-term lease liabilities and immediately reduced annual operating costs by \$2 million.
- **Honeywell Transaction** – Executed a purchase-sale agreement that will generate approximately \$5.2 million in enhanced liquidity allowing for reinvestment into student success initiatives and campus modernization.

Capital Investments and Deferred Maintenance Projects

As part of our commitment to campus modernization and safety, we have launched an aggressive capital improvement to address long-deferred infrastructure needs. This includes:

- **Vodra Hall Dormitory Renovations** – A full-scale renovation of Vodra Hall, including HVAC system replacements, plumbing upgrades, and modernized living spaces to improve student residential life.
- **Campus Classroom Upgrades** – Significant classroom refurbishments, including new technology integration, updated furnishings, and improved lighting and accessibility to create modern learning environments.
- **Boiler and Chiller Replacements** – The replacement and modernization of aging boiler and chiller systems across campus, improving energy efficiency, heating, and cooling reliability.
- **Critical Roof Repairs** – Completion of long-overdue roof replacements and leak prevention projects to protect campus facilities from further structural damage.
- **IT Infrastructure Enhancements** – Expanding Wi-Fi access, upgrading network security, and modernizing classroom technology to enhance student learning experiences and campus connectivity.

Each of these projects directly supports our goal of providing a safe, functional, and technologically advanced campus environment. These improvements also ensure that NJCU remains competitive in attracting and retaining students by offering facilities that meet the expectations of today's and tomorrow's learners.

IV. Strengthening Our Prospects for Partnership

The progress we have made in stabilizing NJCU, reinvesting in our campus, and expanding our enrollment pipeline has strengthened our ability to secure a strong partnership that will ensure NJCU's mission endures for generations.

By leveraging our institutional progress, embracing strategic collaboration, and staying true to our mission, NJCU is not just seeking a partnership but shaping a future that preserves and strengthens our legacy as an engine of opportunity and social mobility.

At this pivotal moment, we are proving that an institution built to serve, uplift, and transform lives can—and will—secure its future.

We have stabilized, strengthened, and positioned NJCU for a sustainable future with innovative and strategic partnerships. Through rigorous analysis, strategic planning, and deliberate action, we are ensuring that NJCU is built to serve students for generations to come.

Enclosed is a copy of the SPH summary report, which provides an assessment of NJCU's operations and recommendations for its structural future. The report recommends that NJCU explore a strategic partnership with another higher education institution in the state to secure our long-term mission. While acknowledging the significant efforts made to address financial challenges—including reductions in staff, academic programs, and debt – the consultant observes that the structural and systemic issues weathered by NJCU are best addressed by seeking an innovative relationship with another four-year public institution. This is a relationship that NJCU has been exploring and developing for nearly a year.

The Board of Trustees has undertaken a deliberate and thorough evaluation of strategic options for NJCU's long-term sustainability. While the SPH report does not dictate a specific course of action, it provides a strong foundation for the Board to make an informed decision about NJCU's future. University leadership is emboldened by the report's recognition of our progress and the fact that, due to our efforts over the past two years, multiple institutions now view NJCU as a valued potential partner with much to offer. Additionally, SPH encourages NJCU to consider several restructuring initiatives, identifying the most viable options as scaling down or downsizing, sharing facilities, or a complete merger. We continue to proactively seek OSHE's feedback and engage our State and local representatives. Throughout this process we have also kept our MSCHE representatives duly informed.

In late 2024, NJCU issued an RFP for a potential partner institution, and the Board is currently reviewing multiple proposals while engaging in productive discussions with interested institutions. No decisions have been made, and the process remains in strict compliance with State law and confidentiality agreements. As we move forward, NJCU will continue to engage and communicate with students, faculty, staff, and our broader community. The release of this report is an opportunity to continue our meaningful dialogue, and your input remains essential as we chart the best path forward for our university and the students we serve.

I remain grateful for the dedication of our faculty, staff, and collective leadership as we navigate this transformative moment together in service to our extraordinary community of students. I look forward to discussing these updates further at our upcoming university senate meeting and remain profoundly grateful for your commitment to NJCU's mission.