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Office Of The President
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M E M O R A N D U M

TO: Members, Board of Trustees

FROM: George A. Pruitt
President

SUBJECT: Report of the President

I. Cost Efficiency Task Force Update

As you will recall from the last meeting, I have appointed a Task Force to make recommendations on increasing the cost-effectiveness of the College's services. Part of the Task Force's assignment was to study and make recommendations concerning the fees we charge our students and the relationship of these fees to the services performed. The Subcommittee on Fees reported to me its findings on February 28. The detail of its recommendations will be reviewed by the Finance Committee under new fee proposals to be acted upon at this meeting. I am delighted with the enthusiasm and vigor shown by the Task Force as it has come to grips with a number of very complex issues.

There are three significant outcomes of the fee proposal which will be presented to you. First, the proposal establishes a relationship between the fee a student pays and the work and cost required by the College to service an individual student. The current fee structure is derived by time and not activity. This proposal corrects this as well as eliminates the major source of complaints that I have received from students since December. The new fees should also provide a substantial source of increased revenues to the College. Second, the new fees provide a rational basis for explaining to students the relationship between their fees and the services they get. It will be much easier for a student to know what he is paying for. It will also allow the student to be in control of his/her educational cost and, therefore, make better preparation in securing the monies to support their education and, thirdly, the new structure establishes a rationale for distributing income and expenditures between the 440 Account and the 100 Account.

II. State College Proposal for Amending the Reduction in Force (RIF) Regulations

You may have read in the news that considerable opposition has been expressed by the state college bargaining units to a Department of Higher Education proposal to reduce the required notice in a reduction in force from 180 days to 45 days. This issue came up initially during the time that the colleges were evaluating alternatives in order to comply with the mandated budget reductions

occasioned by the State's shortfall in revenue this year. As you may remember, it was discovered that, following the tax increases voted by the legislature and signed by the Governor in December, the state colleges were still expected to make substantial reductions in their operating budgets. That situation required some institutions to consider a reduction in force to accommodate the fiscal crisis.

It was discovered that, after a college declared a state of fiscal exigency, a 180 day notice still had to be given before a reduction in force could be accomplished in the case of individuals on multi-year contracts. The effect of the current regulations as a practical matter would exclude reduction in force as a means to reduce the institution's budget. The 180 day notice would carry the institution beyond the fiscal year before a savings could be realized. In addition, the number of employees that would have to be reduced increases geometrically as time goes by to accomplish the same salary savings. The colleges could, therefore, be put in a position of being required to reduce its expenditures but be unable to do so because of the RIF procedures and time requirements. Therefore, the Department of Higher Education and the Chancellor were requested by the Council of State Colleges to pursue a reduction in the notification period in the event of a financial catastrophe requiring such measures. The Higher Education staff subsequently suggested regulations that would reduce the notification period from 180 days to 45 days to bring higher education into conformity with existing Civil Service guidelines. The union has taken a strong and forceful position in opposition to these regulations.

While I understand, appreciate, and am in sympathy with their objections, some relief from the current notice period is indicated and necessary. I would restate that these measures would be considered only in the context of an institution being forced to declare a financial emergency and fiscal exigency. I can think of no greater nightmare for a college president than being forced to execute policy that would be so catastrophic in its impact. It is my sincere hope that, with appropriate funding from the legislature and sufficient enrollment and fee income at the College, we will never be faced with such a contingency.

III. The Nursing Program

Despite the best efforts of the College and Trustee Novitt, we were unable to secure a positive response on our request to Johnson & Johnson to fund our nursing program. I would hasten to add that all is not lost in this project. We are continuing to seek support for this effort on three fronts. First, several legislators have indicated their intention to seek state funding for this program during the current session of the General Assembly. While the State's fiscal condition remains tenuous, this is the appropriate and rightful source of funding for this effort. Second, we have prepared a proposal for a June submission to the Kellogg Foundation. I am cautiously optimistic that Kellogg's history in the health professions, experiential education, and this College may result in funding for the proposal. In a related item not specifically tied to this request, I will be spending Thursday, March 31, at the Foundation's headquarters in Battle Creek, Michigan. It is my hope that my visit will contribute to the continuing and generally positive regard held by the Foundation for this College. Third, I have had some discussions with two vice presidents

of the Hospital Corporation of America concerning the possibility of some support by this company for our nursing initiative.

IV. Ceremonies

The Presidential Inauguration has been scheduled for Saturday, July 9, in the Auditorium of the State Museum here in Trenton. The tentative schedule of events calls for the inauguration ceremony to be held from 3:00 - 5:00 p.m., followed by a reception from 5:00 - 7:00 p.m., and concluded by a private dinner to which you are all, of course, invited. The dinner will be contingent upon recruiting donors to underwrite its cost. While I am convinced of the value of holding such a ceremony, I am sensitive that the cost of the event to the College be minimized.

A program to honor Arnold Fletcher upon the occasion of his retirement is being planned for June. Specifics as to time, place, and the nature of the event will be shared with you when available.

You will notice in your packet of materials a resolution that is presented to you in recognition of the recent departure and contribution to the College by Dennis Smith. The presentation of this resolution will be suggested at a later date.

V. The Acquisition of a Management Information System

The acquisition of hardware and software for the College's Management Information System continues to be a high priority for the staff. Much work has gone into preparing the programmatic statements of need necessary to acquire hardware and supportive management systems. This work will be assisted by the Kellogg grant, Project LEARN.

Drew Hopkins has been appointed Director of Management Information Systems, assisted by David Oakley, to provide staff leadership for this work. I have requested technical assistance from the Bureau of Data Processing Management, the Department of Higher Education, and the N.J. Educational Computer Network in identifying and developing hardware and software specifications and the cost associated with each. Mr. Hopkins has assumed leadership for coordinating this activity. The cooperation from the three assisting agencies has been excellent. Once this work is completed, we will begin an acquisition process to obtain the necessary systems. The availability of existing hardware in the State and supplementary external funding will both be important to this exercise.

VI. Vice Presidential Search Updates

The closing date for both Vice Presidential positions has now passed (Vice President for Academic Affairs - March 4; Vice President for Administration & Finance - March 16).

Vice President for Academic Affairs -- There are 74 candidates. The Committee has made the first cut with 17 candidates in that group. Five to seven will be selected for personal interviews in April, and I expect to extend an offer by May 1.

Vice President for Administration & Finance -- There are 74 candidates. The Committee will be meeting March 24 to finalize the first cut. If possible, interviews will occur in April as with the Vice President for Academic Affairs Search.

VII. Changes in the Personnel Plan

You will recall that the College has been reviewing possible changes in the Personnel Plan in order to incorporate AFT agreement regulations. For the most part, the only major change was in reference to multi-year contracts for eligible bargain unit members. The revised plan will be discussed at the April 8 meeting.

VIII. Externalizing the College

The Office of Community Programs has implemented an intensive campaign to offer Edison services to City of Newark employees. A letter to all 5,000 Newark employees about Edison State College was included in a recent paycheck envelope. In addition to the paycheck distribution, the following organizations are being contacted: Police Superior Officers, Police Officers-Fraternal Order of Police, Fire Officers Association, Firefighters, Teamsters, and the Civil Service Association. Janice White, Coordinator of Learner Services, has been leading this project which demonstrates our involvement with governmental agencies. Group information and individual counseling sessions will be held at the Newark City Hall.

The Office of Community Programs will be receiving a \$6,000 contracted services grant from the Hudson County Community Action Program. Edison State College will provide counseling and financial aid assistance to employees of the Community Action Program in addition to residents of Hudson County that are served by the Community Action agency. The program was initiated by Angela Fontan, Academic Counselor, working in the Learner Services area of the Office of Community Programs. It is anticipated that this program will reach previously underserved Hispanic residents of Hudson County. The program will be operational by May 1, 1983.

Edison State College has been selected as one of the five colleges nationwide to participate in a Council for the Advancement of Experiential Learning (CAEL) and Department of Army program directed at encouraging military spouses to utilize learning gained through volunteer experiences. Edison is working with Ft. Monmouth and will be taking the lead role in assessing the college-level learning that has resulted from a wide variety of volunteer assignments completed by military spouses.

The annual fundraising campaign for 1983, Foundations for the Future, is well underway and consists of several integrated steps. All alumni are currently being surveyed by mail for updated information about address, employment, and education. When survey results are tabulated, a direct mail appeal will be distributed, followed two to three weeks later by the Alumni Phonathon. We expect to have the cost of the Phonathon underwritten. Repeat mailings of the direct mail appeal and pledge reminders will continue into July.

By updating our alumni data base and integrating the Phonathon with a direct mail appeal, we anticipate an increase in alumni contributions. As alumni fund-raising reaches its peak, the annual corporate/foundation campaign will begin. Contributions will be solicited through the printed "Corporate Case Statement" and through follow-up personal visits. The corporate/foundation campaign will run through December 1983.

The Office of Community Programs has recently completed Program on Noncollegiate Sponsored Instruction (PONSI) evaluations for Atlantic City Electric Company and the American Institute of Paralegal Studies in Mahwah, New Jersey. An evaluation is scheduled to be completed by April 29, 1983, for the Katherine Gibbs School, Inc., of Montclair, New Jersey. A significant evaluation under development is with the International Brotherhood of Electrical Workers, Local #164, Hackensack, New Jersey. There is real potential for serving all thirteen IBEW locals in New Jersey by evaluating the standard apprenticeship training program used by all locals.

The N.J. Association for Business and Industry has offered to mail to each of its members information on the College's services and programs at its own expense. This Association is comprised of over 12,000 businesses and corporations in the State. Additionally, they have offered to publish information and a feature story about the College in their magazine which has a circulation of approximately 17,000. These efforts will do much toward our objective of strengthening relationships between the College and corporate New Jersey.

As a final note, I am saddened to inform you that Dr. Calvin Lee, Chairman of the Commission to Study the Future of the State Colleges, passed away on Sunday, March 13, following a valiant struggle against cancer. In Dr. Lee's death, higher education in this State has lost a valuable asset. On a personal note, I have lost a valued colleague and trusted friend. Dr. Lee served as Chancellor of the University of Maryland, Baltimore County, while I was at Towson and Morgan State Universities. In addition, he was a member of the Board of Trustees of CAEL when I served as Executive Vice President. I expect the Chancellor to name a replacement for Dr. Lee in the near future.

GAP:bws