

1991 STATE-OF-THE-COLLEGE

September 27, 1991

When I stood before you last year, we had just begun a fiscal year that saw our appropriations reduced in excess of 14%. Through a combination of staff reductions through attrition, and increased student fees, we felt well-positioned to weather this massive cut in funding. However, two months later in November, we were informed that approximately \$400,000 in state obligated funds to support the negotiated salary increases would not be forthcoming. This had the effect of cutting our appropriations by an additional 12%. To accommodate this sudden fiscal shock, we selectively froze the operating budget as well as personnel lines. We attempted to get through the year solvent. In the spring, this effort was assisted by a \$150,000 transfer we were able to secure from the Office of Management and Budget. As a result of all of these efforts, we were able to end the year with a balanced budget.

This time last year, I stood before you and shared my expectation that we would have occupied the Hanover Street facility by the end of calendar year 1990. I shared this with you because the information was consistent with the continuing commitments made to us by the General Services Administration. The occupancy date kept getting moved back, and we discovered in January of 1991 that while the state was telling us Hanover was proceeding, they were telling the management of the building that the project had been

cancelled. This outrageous and disingenuous behavior on the part of the General Services Administration was unacceptable and inexcusable. We intervened aggressively at several layers of state government, not limited to but including the Governor himself. Through several sputtering false starts after that, I am pleased to report that I really do expect us to be in Hanover by the spring.

In January of 1991 when the Governor made his budget recommendations for fiscal '92 to the legislature, therein contained was a further 8% reduction in support for the fiscal year that began this past July 1. I am pleased to report that with the support of the legislature and the concurrence of the Governor, the 8% cut was avoided and the \$400,000 hole in last year's budget was restored. We have already been notified by OMB that we will only receive one-third of our salary program dollars for the current fiscal year. However, if we are conservative in our expenditures, the student fee increase approved by the Trustees in the spring should provide sufficient revenues to keep us whole for the '92-'93 year.

At this time last year I expressed my commitment to you and the College community that I had as a major objective the protection of you the people, who as a community, comprise this college. We were severely shaken last winter, we recovered last spring, and I am delighted to report as to the state of the College: we are whole!

While we were navigating through very troubled waters, there were several notable achievements that continued to strengthen this college. Among the most significant of these was the granting of initial accreditation of our BSN program by the National League of Nursing. This achievement should not be taken lightly, for the nursing education community is both demanding and conservative. To receive its endorsement of both our curriculum and, more importantly, our methodologies is a great achievement. This event culminates years of work under the leadership of Dr. Dolores Brown Hall, but with the active support of our nursing faculty, our staff, Dean McKeefery, and Dr. Ice. We are also appreciative of the private funds that were raised to provide the venture capital to begin this exciting program.

Private support was significant in another area as well. In August, the College received the largest gift in its history in the awarding of state-of-the-art data processing equipment valued in excess of one-half million dollars from the Digital Equipment Corporation. Drew Hopkins and the MIS staff did the design specifications and systems architecture for this project, but it was John Fischer, a member of our Foundation Board and an executive with DEC, who provided the pivotal advocacy in securing this gift. This equipment, when fully deployed, will allow us to take a generational leap in the advancement of our distance learning opportunities.

The College's self-study commission has conducted a thorough and effective self-examination of this institution in preparation for our accreditation review by the Middle States Association. The self-study steering committee and work groups have gone about their work in a thoughtful, objective, and professional manner, and I am confident that we will be proud of the final self-study report as well as the response from Middle States this spring. I know of no other college or university in the nation that has conducted such a broadly inclusive review in its self-study process. The collegewide participation in the self-study exceeded 80%.

Last year saw the continuation and the beginning of some significant public service initiatives. Through the College's loan of Vice President Scheiring to the Governor's Office, we have provided the leadership for the Governor's Management Review Commission. This Commission has gone about its work in a conscientious and nonpartisan way. Their findings and recommendations have been important, resulting in millions of dollars in savings and in increased efficiencies of state government. I have been especially proud of Vice President Scheiring's role in this matter. He has conducted himself well and in a manner which reflects credit on the College. All in all, this has been a good investment in the public welfare for us to make.

I am greatly excited about our creation, in cooperation with the Mayor's Office, of the Trenton Office of Policy Studies. I think this Center has the potential of serving as a national model wherein an institution of higher learning participates in a practical way in the development of thoughtful public policy for our state's capitol. Although present plans call for supporting this operation completely through private funds, I am committed to taking practical steps in assuring the effectiveness of this office by providing support from the College's resources, if that should become necessary.

So, as you see, we had a tumultuous year last year. We alternated from events that were greatly satisfying to things that were greatly aggravating, but, in the end, given the current environment, we did quite well. I wish I could tell you that the coming year will be more tranquil; however, from where I sit, I'm afraid the opposite is true. I would like to take a moment to outline for you some of the challenges that face us for the coming year.

First, I expect the state's on-going fiscal crisis to get worse, not better. The lingering economic recession has continued to depress state revenues. The current budget is balanced only because of several one-time maneuvers such as highway sales and accelerated collections of existing fees of various types that will not be available next year. This environment will be further complicated by the opening of contract negotiations with all of the public employee unions. Attempting to negotiate contract renewals in a period of severe fiscal crisis will be extraordinarily difficult.

The truth of the matter is that not only is no new money available, but I think it unlikely that the state will be able to afford existing contract provisions through the period of the next negotiations. To be quite candid, the state and the public employee unions do not have much of a tradition of the collaboration required to deal with the harsh economic realities of the current environment.

As many of you know, I have again been asked to play a leadership role in attempting to negotiate a satisfactory agreement with the AFT. There is a saying that in war the first casualty is the truth. Unfortunately, that analogy is not altogether inappropriate in our negotiating history. Therefore, I want you to know up front what my posture has been and will be as I attempt to influence all of the parties on both sides of the table in the coming negotiations.

My principle commitment has been and will be to you the people who make up and serve the students of this college. I believe us to be a competent and committed lot and I would, therefore, like us to be generously rewarded for the good work we do. However, my position is unequivocally that we should negotiate and agree only to those salaries and benefits that we can afford to fund, for to do otherwise means sacrificing the jobs of our people to pay for the increases awarded to those who are left.

A college by definition is a group of professionals who come together for a common purpose. What I expect of us during the coming year is to rally around those things that we hold in common as a professional community and to defend our college and our people from those external forces that would pit us against each other and divide us into camps based on some external and artificial taxonomy of employee groupings.

We have all weathered these storms in the past; we will be severely tested in the coming year. I am confident that if we continue to honor, trust, and respect each other as colleagues with a common purpose, then the external storm will be kept external. I am confident that the damage sure to be wrought by this on-coming storm will be kept away from our doors.

In March we will be hosting our visiting team from the Commission on Higher Education of the Middle States Association of Colleges and Schools. As I mentioned earlier, I believe us to be well prepared for this review, and I wish to repeat my expressions of appreciation to all of you who have played such an important role in this exercise. Tom Streckewald is currently preparing a draft of the final report for review by the Self-Study Steering Committee. This document, when completed, will be reviewed by the Steering Committee for its accuracy and fidelity to its recommendations, and will be submitted for my final review and presentation to the Board of Trustees in December.

I cannot overstate the importance of this exercise to the welfare of our entire college community and our students. All of the self-study steering committee recommendations have been thoroughly reviewed and accepted in one form or another.

Slowly but surely we are developing adequate facilities to support the College's programs. The moves to Camden and Newark have been completed, and we are having a formal ribbon-cutting in Newark on October 9. And finally, I expect us to be in Hanover prior to the Middle States visit this March. Relocating offices between this building, 108, 28, and Hanover will be a logistical nightmare. Though it will be planned meticulously, we can count on some temporary but major disruption in this complicated reconfiguration. It will require the involvement of all of us along with a little extra work and a lot of extra patience. I am confident that when completed, we will have facilities that will serve this college well.

However, the purpose of buildings is not to provide places for people to be, but to create environments for professionals to work and to confer, to create and to grow. It is, therefore, time for us to join other professional communities and to create for our staff, faculty, and students, a smoke-free environment. Accordingly, the Hanover Street facility will be smoke-free upon its occupancy, and all facilities of the College will be smoke-free effective January 1, 1992. As a former smoker, I understand the difficulty this

represents for our smoking colleagues. I have asked Carron Albert, Director of Human Resources, to look into ways that we might provide assistance to our colleagues who wish to take this opportunity to give up smoking, and we will try to be of assistance to those of you so inclined.

Colleges, even in times of fiscal stress, don't stand still. They are dynamic organizations that must either move forward or stagnate. So it is important that we continue to recreate our own future. To that end, Dr. Ice has appointed a distinguished group of business scholars and practitioners to plan for the development of our masters degree program in management. This is an event of great significance on several fronts. First, it is our first foray into the realm of graduate education. Secondly, it extends our commitment to experiential education by synthesizing competencies identified by both the academic and practitioner communities. And, finally, it builds on our tradition of using technologies to create new learning environments. We expect to submit the Program Approval Documents for this program in April of 1992. Assuming approval by the Board of Higher Education, our next task will be in raising the resources necessary to initiate this new program.

I was requested by one of the self-study task force to speak to the topic of Thomas Edison State College's role as a national leader in higher education for adult learners. I have chosen instead to speak to the serious condition of the state's fiscal and political environment because of the immediacy and weight of those issues. However, it is important for you to acknowledge and recognize the fact that you indeed serve as beacons of national leadership in this arena.

If you look for documentation of this fact, I suggest you immediately look to two sources. First, talk to your colleagues who served on the search advisory committee for the Vice President for Public Affairs position, and ask them about the commentary provided by many of the over 300 applicants from all across the country who sought to come to this important institution, not because they were looking for jobs in a bad economy, but because they wanted to be associated with one of the most noted and respected institutions of higher learning in America today. And, if you wish to look further, I commend you to read my Annual Report to the Board of Trustees which documents the litany of your achievement during this past year. Our reputation is firmly rooted in what we do with ourselves and not what we say about ourselves.

And finally, let me entreat you to be obsessed with the notions of quality and service, for it is in that preoccupation with institutional effectiveness that our strength is rooted. The notion that adult learners are more our clients than our students is the reference point for our commitment to service.

There are many high stakes and high consequence events swirling around us. We are in an environment where progress is defined as the avoidance of retrenchment, and the victory is declared in not losing. The times in which we find ourselves are extraordinarily exciting, sometimes aggravating, but never boring.

It is clear to me that we will all be greatly tested during this period and in the years ahead. While the outcome is uncertain and there are clearly more things beyond our control that will greatly affect our future, this College has a strong Board, competent and committed leadership, a professional and dedicated staff, a clearly understood and articulated mission, and a great repository of good will in the state and in this community.

If I might use nautical metaphors, the waters are stormy but we have a sturdy vessel with a broad beam and a steady helm. I remain confident that we will do well. I am not sure how to define well at this point, but I am satisfied about how the College has been positioned to weather the continuing storm.

Thank you for your continuing commitment to what we are trying to build here, and have a good year. Thank you.