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NJCU Statement and Highlighted Inaccuracies in No-Confidence Resolution / September 28, 2021

JERSEY CITY, N.J. | On September 27, the [New Jersey City University](http://www.NJCU.edu) (NJCU) University Senate, in a starkly divided vote of 30-23 with nine votes not cast, passed a resolution. As indicated in a statement from **Joseph F. Scott**, Chair of the NJCU Board of Trustees, the resolution itself was riddled with inaccuracies, despite countless attempts to clarify these issues. Mr. Scott issued the following statement on behalf of the university and its Board of Trustees:

“The NJCU Board of Trustees is aware the university senate passed a resolution this afternoon. The resolution itself was riddled with inaccuracies despite countless attempts to clarify these issues. The Board and I remain confident and supportive of the President and her administration, and the work we are doing in support of the institution’s mission.”

As such, we have highlighted these inaccuracies to shed light on those fallacies:

- The University’s Net Financial Position and its challenges are taken out of context. The University’s Total Net Asset Position was \$108.7 Million in 2012 when Dr. Henderson joined the University. It is currently \$83.8 Million as of June 30, 2021. This represents a \$24.9 Million decrease, excluding the impact of the Governmental Accounting Standards Board’s Statement No. 68 (“GASB68”).
 - In 2015, the Governmental Accounting Standards Board put into effect Statement No. 68, *Accounting and Financial Reporting for Pensions*. Statement No. 68 revised and established new financial reporting requirements for most state and local governments that provide their employees with pension benefits. Statement No. 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to measure the annual costs more comprehensively and comparably for pension benefits.
 - Excluding GASB68 adjustments, NJCU’s Total Net Assets decreased by \$24.9 Million from 2014 to 2021.
- Our Chief Financial Officer has repeatedly noted that NJCU has had an unqualified audit opinion from our external auditing firm KPMG for fiscal years 2015 through 2020. The FY21 audit is not yet final.
- Through strategic refinancing and financial planning, NJCU has increased its liquidity by \$41.7 million from approximately \$12.2 million as of June 30, 2020, to approximately \$54 million as of June 30, 2021.
 - NJCU has generated a surplus of \$6.2 million as of June 30, 2021, as compared with a deficit of \$19.5 million as of June 30, 2020 – a deficit consequence prompted by unprecedented enrollment challenges and revenue and aid shortages from the State of New Jersey, cuts, and delays exacerbated by economic distress inflicted by a global pandemic.
- rpk Group has **not** been retained by NJCU for \$330,000. rpk Group’s public bid proposal was contracted for \$210,000.

- rpk Group is not just primarily studying the academic part of the University; rather it's conducting a detailed administrative services review in addition to an academic portfolio and efficiency analysis. **This routine review** was made at the request of the Board of Trustees.
- References to rpk Group's work at other institutions is misplaced and irrelevant to their engagement at NJCU. Its charge at NJCU is to provide a framework for the University to maximize its reach and impact. rpk Group's scope of work is intended to help NJCU develop a more data-informed culture of decision-making.
- rpk Group is not tasked with evaluating and resolving the University's financial position. The Administration has never suggested or endorsed any opinion that its financial challenges can or will only be resolved by slashing academic departments, faculty positions, and student services.
- President Henderson, the Administration, and the Board of Trustees are completely attuned to our student population, the surrounding community, and the University's Mission Statement, and proud of its responsibility as a minority-serving and Hispanic-serving institution. Some of our recent student services include but are certainly not limited to the following:
 - During the pandemic, the University prioritized the use of federal COVID aid awarded to the University to assist students with food and housing insecurities.
 - The University did not close the residence halls or the food pantry at any point during the pandemic and is one of the only state universities to remain open 365 days a year to provide a safe space for students.
 - The University prioritized student success for marginalized students through the creation of a Black/Latinx Student Success initiative.
 - The University has funded 24-hour mental health support systems for students where they can reach out to trained peers and professionals at any time when in need.
 - The University partners with state and national programs like SNAP and Swipe Out Hunger to address systemic food insecurity issues.
 - The University created a community center to assist students with connecting with county and state-wide social services to support students in their life-needs as well as hiring an assistant dean of social services to work directly with our at-need students.
 - The University has not only expanded in-person tutoring services but also expanded online services where students can receive assistance in any class, at any time with a live tutor to assist with academic needs.
 - The University recognized the need for bridge programs to assist students with academic support services and created the Student Outreach and Retention Office as well as the ASCEND program.
- The University has championed its [mission](#) to the acclaim of the Governor's Office, [Office of the Secretary of Higher Education](#) (OSHE), and the [New Jersey Economic Development Authority](#) (NJEDA) on initiatives like our recent ribbon-cutting of the NJCU @ Fort Monmouth campus, [our memorandum of understanding \(MOU\) signing with NJEDA](#) on our Sports Wagering and Financial Technology Workforce Development and Innovation Center at the School of Business, [and the launch of the Guarini Institute](#) on International Education and Economic Mobility.
- Our commitment to provide affordable and equitable access to higher education to a diverse population of students has not just won praise, it's been emulated and sponsored. [Whether it's being ranked ahead of some our peers by Forbes, U.S. News & World Report and other publications](#), or being recognized as a leader in not just our state but in the country [for our ability to promote economic mobility](#), NJCU's [mission](#) is not just surviving these tumultuous times, it's finding room to thrive.
- [The State of New Jersey touted](#) our Debt-Free Promise Program and modeled the [newly-enacted Garden State Guarantee](#) (GSG) after it, which will make two (2) years of college tuition-free for students with household incomes under \$65,000. NJCU's program which consists of significant tuition discounting/waivers, will benefit from the GSG's budgeted \$50 million allocation. In short, NJCU's multi-year investment in college affordability will now be rewarded. The State of New Jersey even further committed to our institutional [mission](#) by allocated an additional \$3 million to our base allocation to support our efforts at Fort Monmouth.

- We have used our influence to help support increases to the State’s Tuition Aid Grant (TAG) program and have joined a growing chorus to insist on increases to federal PELL grants. The goal of ensuring that access to higher education is not circumscribed by where someone and their families start is embedded into our [mission](#).
- The [University Place project](#) is fulfilling NJCU’s vision of west-campus expansion that was first put into motion in the 1990s. Our efforts to develop and invest in our community honors our [University Mission Statement](#) in recognizing that to provide a diverse population with an excellent education we must also commit to the community that shapes their lives. We are a public-anchor institution. Our Mission Statement calls for us to work to improve “the educational, intellectual, cultural, socioeconomic, and physical environment of the surrounding urban region and beyond.” University Place brings new market rate and affordable housing options, businesses, restaurants, arts and cultural events, and access to a fresh food market to the West Side of Jersey City, where these options have historically been limited or non-existent.
- The Administration **has not** violated the principles of shared governance. The University governance is established and clearly outlined by New Jersey law. A greater understanding of the important roles of the Board of Trustees, the university president, and faculty is vital and rests on a notion of distributed governance and the shared responsibility intrinsic to each group. Shared responsibility **does not imply** equal decision-making.

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