

“Access without support is not opportunity.”

- Dr. Vincent Tinto, Distinguished University Professor at Syracuse University

Chairman Keating and Distinguished Commission Members,

Thank you for the opportunity to address you today on behalf of the Rutgers AAUP-AFT – a union of seven thousand faculty, librarians and professional staff, including Educational Opportunity Fund counselors on each of the Rutgers campuses. My name is Patrice Mareschal and I am an Associate Professor of Public Policy at Rutgers Camden. I am here today as the Chair of my union’s legislative committee.

As a professor of public policy we typically move through several stages in policy analysis. These include: defining the problem, determining criteria for evaluation, generating alternatives, and recommending a course of action to policy makers. The first step in this process, defining the problem, has already taken place through the creation of the College Affordability Study Commission. Over the course of the past year, multiple speakers have come to offer policy alternatives to this committee, thus fulfilling the third step. My focus today is on recommending policy alternatives that address the commonly used evaluation criteria of administrative ease, costs and benefits, effectiveness, equity, and political acceptability.

There are two primary factors in calculating the costs of a college education – the annual cost of tuition (and fees) and the overall time to complete a degree. Both factors are increasing, along with student debt.

In our estimation, the question of affordability needs to be linked with access, support, and ultimately success. In term of access, we need to keep our doors open to all to ensure racial, ethnic, gender, and socio-economic diversity. We need to make sure that a college education remains a viable opportunity for low-income and first-generation students. At the same time, we need to address the needs of middle-class families so they are not saddled with huge student loan debt. This includes protecting students, their parents, and increasingly their grandparents. The student debt crisis is now multi-generational and spans the socio-economic spectrum.

How can we address college costs while maintaining access and ensuring success? Many of the cost factors are longer term fixes that will require greater commitments from the state in terms of funding and greater oversight to ensure that state funds and

student tuition are dedicated to the instruction, innovation, and economic development they were intended to fund.

Transparency. As an interim step, colleges and universities could be required to provide more detailed cost breakdowns on websites and term bills. This greater transparency would help students and families in the selection of a university, and would also give enrolled students and alumni opportunities to question and challenge those costs. This policy option is relatively low-cost, easy to implement, and since transparency is a core public service value should be politically acceptable to both elected officials and residents of New Jersey.

Access and Success. More than ever we need to look at these goals together and provide the missing component to the formula - support. One existing model that combines access, support, and success is the Educational Opportunity Fund (EOF). Tens of thousands of students have benefited since its inception back in 1968. Yet it is still a relatively unknown program in New Jersey. It should really be the foundation of how we approach funding higher education and measuring our results. EOF students receive the bulk of their financial aid through federal Pell grants and state TAG grants. In addition they get a small EOF grant to cover expenses beyond tuition and fees. For some it helps with books and for others it covers transportation costs to and from school.

You have heard directly from EOF students, counselors, and administrators at your public hearings. No one doubts the value or the need for these programs that serve all of our higher education sectors – 2-year, 4-year, research and private institutions.

Why is EOF so important and what makes it successful? Each EOF student is assigned a counselor when they start at a New Jersey college or university. That counselor is dedicated to them for the duration – through thick and thin. The only other students on campus that receive this type of resource are student-athletes – if they are in a revenue sport such as football or basketball.

This dedicated counseling allows EOF students to match or exceed the success of the general cohort for their class years. Having the counselor available to them allows them to avoid unnecessary classes and other delays on the way to degree completion. If more students had a dedicated counselor – would their success rates go up? Could their time to degree decrease by a semester or even a year? By shortening the time to degree we positively impact one of the drivers of cost and student debt.

What would it cost to increase counseling services and thereby accelerate student success by shortening the time to complete the degree? To dedicate counselors to 10,000 more students than are currently covered, it would cost about \$7.5 million in state funding to the EOF budget. It would probably also require expanding the current income thresholds for EOF eligibility. If the colleges and universities matched that

amount, they could serve 20,000 students. If those 20,000 students shaved a semester off their time to degree the savings would be over \$100 million. That translates to less overall student debt and more dollars into the economy.

This a tangible first step toward broadening access and increasing success while lowering debt and improving the state economy. If this modest investment by the state was expanded over time – we just might solve some of our problems. Since it involves expanding an existing program, it meets the criteria of ease of administration and effectiveness. The costs are relatively modest and the potential benefits large. The EOF program already contributes to racial, ethnic, and socio-economic diversity. So, expanding its coverage meets the equity criterion. Finally, during the 4 ½ decades the EOF program has been in existence it has benefitted from bi-partisan support. Thus, it meets the political acceptability criterion.

EOF Expansion Math

Assuming the average EOF counselor has a case load of 100 students, then you would need 100 new counselors to serve an additional 10,000 students state-wide.

If the average starting salary for a newly hired counselor is estimated at \$55,000 and the fringe benefit rate is 35%, then the average cost would be approximately \$75,000. Therefore, 100 new counselors would cost no more than \$7.5 million for the year.

If these counselors served current or already admitted incoming students that are TAG recipients, then the real savings generated by shaving off time to completion of the degree would more than pay for this expansion of EOF.

The Office of the Secretary of Higher Education and our college-level EOF administrators would be able to calculate the adjustments needed to family income level to serve 10,000 more students from the existing 68,000 TAG recipients.

Since this is an expansion of an existing program, we don't expect the need for increased administrative costs.