Colloquium Speech, Fall 2010 Semester

Dr. Jon Larson, Ocean County College

Introduction

Good morning and welcome to the 9th annual Fall Colloquium at Ocean County College. It is my pleasure to welcome everyone to this occasion that signals the start of the 2010-2011 academic year, always a time of great anticipation.

Colloquium is particularly gratifying this year as we sit in this new magnificent facility, a testimony not only to the college's commitment to the performing arts, but also a testimony to its commitment to the students and the members of our community who will gather here well on into the future in what can now be said to be, without doubt, one of the premier theaters in the state.

Allow me to take a moment to mention people who were instrumental in the design and construction of the functional beauty that surrounds us. Of course, we need to thank our own Dr. Richard Parrish for his tireless diligence in coordinating the entire renovation process, seamlessly and successfully, as well as Ken Olsen for his expert assistance. We are also indebted to Architects USA, especially Shyam Peranger, for the integrative vision of the physical design, and to Gingerelli Brothers who were the general contractors. For audio design and media acquisition, we are deeply indebted to Lee Kobus, Executive Director of Media and Community Programs here at the college, and for their operational wisdom that also contributed to design issues, we extend special thanks to Bobbi Krantz and Judy Finnegan. Congratulations to you all.

So I welcome everyone to our new Arts and Community Center Theatre and wish you many grand experiences here in the future. I also wish to welcome some special guests who have joined us here this morning:

> Dr. Larry Nespoli, President of the New Jersey Council of County Colleges, and
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> Mr. Lou Goetting, Cabinet Secretary, Office of the Governor of the State of New Jersey, both of whom will be addressing us later this morning.

When I was a child, my parents told me that it was poor manners to talk about money, to talk about it in any context. Discussing finances—one's salary, investments, net worth, or the price one paid for a house, a car, or a hat—was considered to be in the poorest taste possible, and to be avoided at all costs. So, it is with deepest apologies to my wonderful parents, Ernest and Ruth Larson, that I announce to you this morning that this is exactly what I want to talk to you about: money.

Karen Gross, President of Southern Vermont College and visiting professor at New York Law School, has said: "Much has been written about the challenges colleges and universities face in this trying economic climate. One set of issues that has not been sufficiently addressed, however, is how to communicate more effectively about money (or, more realistically, the lack thereof) to faculty and staff." (Gross, K. "Pausing, Pondering and Partnering: Communicating in Financially Challenging Times," Change, November/December 2009, p. 6.) Dr. Gross goes on to say that semantics plays a huge role in these difficult communications; that selecting an appropriately positive vocabulary is one key to successful communications about money (or the lack of it). I don't necessarily disagree, but if the positive vocabulary tends to mask the reality that confronts us, and if positive words blind us to appropriate solutions, then they begin to seem not only ill-chosen, but a bit dangerous as well.

It has been commonplace during the past year for our national leaders to identify the current economic status of the country as a period of "recovery." Just as Dr. Gross implies in her advocacy for a positive vocabulary, so our political leaders seem to have opted for "recovery" as a good and positive word. Like every other American, I fervently hope that this is the appropriate term, but I am also aware that a deep recession described as a period of recovery can be dangerously misleading.

It is not my purpose here this morning to use a negative vocabulary for its own sake, or to select words to frighten or to create scare tactics; but it is my purpose to talk in unvarnished words about real facts in real time and how these affect our very real college—its students, its faculty and staff, and its leadership. To paraphrase Harry Truman: I don't give 'em hell. I just tell the truth—and it sounds like hell!

Possibly you have read in the papers the reports from the U. S. Commerce Department and are aware that the recession is far deeper than was originally thought and the recovery rate slower than predicted. Both the gross domestic product and consumer spending were down in the second quarter of 2010, and Federal Reserve Chairman, Ben Bernanke, emphasized that consumer spending is necessary to effect economic recovery through growth of the gross domestic product.

At the end of July, William Dudley, President and CEO of the New York Federal Reserve Bank, said that New Jersey has yet to see any strong signs of recovery. Dudley went on to say that according to the bank's economic indicators, "While neighboring New York has rebounded strongly since last year, New Jersey appears to have hit bottom and plateaued. . . [T]he Garden State, which entered the recession six months before the rest of the nation, in June 2007, could also be one of the last to emerge" (Amanda Brow, *Star Ledger*, 7/23/10). Here are some other disturbing facts about New Jersey's economic challenges:

- The state's manufacturing sector has seen a significant decline;
- Manufacturing employment has fallen by 23 percent;
- Jobless claims rose more in New Jersey than in any other state;
- Revenues in Atlantic City are down;
- There has been heavy consolidation rather than expansion in the pharmaceutical industry;

- The New Jersey Treasurer, Andrew Sidamon-Eristoff, indicated that schools and municipalities should expect no aid increases this year and perhaps net decreases;
- Governor Christie will not be able to pay the $3.1 billion owed to the state pension fund this year;
- County property tax increases, the primary source of local government revenues, have been capped at 2 percent.

The list is much longer, but the picture is clear, even from these details. Restraints are everywhere and the impacts on our college are both direct and indirect; and so I'd like to share with you this morning what we know, what we are thinking about, and what we are doing.

With regard to our students, always our first concern, it is my unpleasant duty to report that enrollment has declined 1.7 percent from last year. There are both demographic and economic reasons for this change, but regardless of the reasons, this enrollment status impacts not only our revenue stream, but it also impacts our mission, and both of these factors concern us greatly. We know that for every one percent of enrollment reduction, we lose about $235,000 in revenue and so even a few percentage points can have a huge impact on the proposed budget. But, to me, falling below enrollment expectations also signifies that there are fewer people in Ocean County who are able to realize their educational goals and dreams. Some have dropped from full-time to part-time status while others have not returned to college at all. This is particularly disheartening given the 45 percent enrollment increase OCC has seen over the past decade. Even with this upward trend, we did have a slight enrollment correction in 2005, so the line never goes straight up, no matter what the world gives us.

It is too soon to quote actual numbers, but our financial aid offerings seem to be moving up dramatically at this point, so that fact assures us that we are able to extend available help and support to more students than ever, even though the doors of educational opportunity have apparently closed, temporarily we hope, for some potential students.

We have strengthened our recruitment outreach with our new ***Get Smart, Save Money*** campaign that some of you may have seen or heard in the various lively forms it has taken in the regional media and around the county. We have also attempted to communicate by telephone with many target groups, such as students who have been with us for four years or more but who have neither transferred nor re-enrolled here, as well as to reach out to our STARS students to reassure them that the program is alive and well. We are also extremely proud to have been selected to receive the very prestigious Student Support Services/TRIO grant worth about $1.5 million to the college over the next five years as, with this grant, we further our outreach to economically and academically challenged students.

But we are well aware of the fact that for some people, at this time, no matter what we do, college is a luxury that they simply cannot afford, at least as a full-time student. Nonetheless, we continue to increase our percentage of the number of students who graduate within two or three years and continue to record a robust retention rate of 73 percent from the second to the third semester.

And we are not alone in our enrollment uncertainties for this year. As of August 23, the most recent information we have for the sector, the entire community college aggregate enrollments across the state were, for the most part, flat.

One bit of good news for students is that we have either already completed or are going to be able to complete much of the ambitious schedule of facilities renovations and new construction that was begun five years ago. We are still hopeful that we will be able to begin Phase One of the new additions to the College Center, possibly within the next few years. Dr. Parrish has been in college-wide conversations with various stakeholders to ensure, as ever, that the additions to the Center represent the thoughts and needs of the entire campus community. So this long overdue expansion, no matter when we are finally able to realize it, should provide for our students a more attractive and resourceful gathering place where they will be able to eat, shop, socialize, relax, study—and even take a little nap, if need be!

Unfortunately, because of the economic realities pervasive in New Jersey, we are, for the moment, uncertain about the start of construction of the ambitious Kean at Ocean Gateway classroom building. Kean University is in the process of evaluating a variety of funding alternatives that will have the lowest ongoing negative impact on their operating expenses—as we are. We are hopeful that construction will begin soon.

Perhaps one of the saddest facts about college students in general in this stagnant economic climate came to me about a month ago as I read a barely-noticed NPR study, as follows:

> For many college students and their families, rising tuition costs and a tough economy are representing new challenges as college bills come in. This has led to a growing population of financially stressed students who are facing hunger and sometimes even homelessness. (Gloria Hillard, "College Students Hide Hunger, Homelessness," NPR, www.npr.org)

The study goes on to cite instance after instance of student poverty and desperation, heart-rending portraits of student sacrifice. This really hit home for me, thinking that we may have students who are actually forfeiting food and shelter in order to attend school here. I am asking everyone in the college community to be sensitive to this issue and to make appropriate contacts should these needs be uncovered. I know many of you are active in community service organizations that reach out to the various distresses of our citizens, outreach that might hopefully be made available to any of our students who need it.

We are also aware that the economic situation impacts our faculty and staff in myriad ways. We understand that there are personal and family issues, job lay-offs and financial pressures that all of us know about and that some of us are affected by directly. Clearly, we are sensitive to all of our employees' and their family members' needs and offer to you all the resources we have at our disposal. We must, however, consider all of our options, one of which is a series of strategic considerations for managing our expenses, controlling costs, and living within our means. This unfortunately includes consideration of a reduction in force, should this prove necessary. You have my assurance that this painful process, if necessary, will be as fair and transparent as we can make it and we can only hope against hope that we will not have to pursue this path.

In addition, we are in no position to consider pre-recession wage and benefit generosities. In good times, we share the fruits of our success. In bad times, when there is little to share, we revert to prudence, equitably dispersed. As Governor Christie has pointed out, during a period when there is a zero increase in the cost-price index, no loss of actual buying power exists with flat wages.

We also must examine productivity in all areas. It is imperative that we look at any and all ways to do more with less, the fundamental basis of productivity theory. Now, I realize that productivity has hardly been the watchword for higher education institutional management. Indeed, it is widely accepted today that the present revenue/expense/productivity structure of higher education is unsustainable. Accordingly, one change we have selected is to create a non-tenured, twelve-month faculty work-year option. There are several fundamental advantages to the twelve-month faculty position. The most obvious is that it parallels the work year of all other college employees, including academic deans, thus allowing for the synchronization of academic and non-academic support operations. There is no question that this is simply a more efficient way to run our academic programs.

In addition, since college attendance in America has become a year-long activity with very few schools closing down some form of academic operations for any time at all during the year (as in the past), it makes sense to have twelve-month full-time faculty members available who can be responsive to this 52-week student need. An increasing number of colleges and universities have been offering the option of a twelve-month faculty contract for many years. In fact, it gets more and more difficult to defend a 30-week work year to taxpayers who are paying the salaries of these higher education faculty members.

A core of twelve-month faculty also helps promote persistence and more timely degree completion for students, especially in discipline-specific courses where the college may not be able to find appropriately qualified adjuncts to teach certain advanced courses in the summer. These advantages are clearly in line with Education Secretary Arnie Duncan and President Barack Obama's goals of increasing community college degree completion for more students, more quickly. In fact, President Obama has indicated recently a desire to increase the number of American college graduates by 50 percent in the next ten years.

In a recent letter to the New Jersey Higher Education Task Force, I shared with Governor Tom Kean, Chair of the group, and the members of the Task Force what I believe to be the crucial part community colleges do and will play in college graduation rates, as follows:

County colleges enroll more than five times as many students in the first two years of undergraduate study as the state colleges and universities (241,090 v. 47,899 in FY 2009). This enrollment growth phenomenon has occurred over a period of about forty years and has been a major factor in the United States economy making a successful transition to a knowledge-based economy. For most students in New Jersey, the community college is the access point to higher education and will continue to be so for the foreseeable future. It makes sense to acknowledge this trend and support it by strengthening the role of community colleges as the access point for higher education in the State and formalizing this as the primary pathway to baccalaureate education.

The more active and productive that community colleges can be, the faster we will move toward generating a higher college graduation rate among all New Jersey students.

This twelve-month configuration also provides opportunities for higher salaries for faculty and is one major way to forestall cascading growth in adjunct faculty as the institution struggles to remain viable during a period of declining support from public funding sources.

Naturally, this will be an option limited to new faculty, since legal constraints will prevent moving any current faculty member into a twelve-month non-tenure track position. But it remains singularly important to remember that the current, unsustainable faculty employment model needs to be replaced with one that is justifiable economically, that addresses a host of present problems and discontinuities in the delivery of collegiate education. No other industry in the world assumes that a 30 week work year and a far less than 40 hour work week is a sustainable labor model in a globally competitive environment; nor should higher education. The rapidly emerging predominance of adjunct faculty for delivery of instruction should not be seen as either a thoughtful solution to cost containment nor seen as an unmitigated blessing academically. Other solutions are sorely needed.

Another recent action taken by the college's Board of Trustees with regard to faculty also has some fiscal implications in the long view, and that action was placing a cap on the number of tenured faculty the college can employ at any given time. First, we should not forget that New Jersey statutes hold college Boards of Trustees responsible for maintaining what the N. J. Administrative Code calls "the appropriate balance between tenured and non-tenured faculty." Additionally, while faculty will continue to be awarded tenure based strictly on merit, and no individual tenure decision will be an economic one, limiting the overall number allows the college to be more flexible in light of economics, enrollments, and the changing needs of students and academic programming, a flexibility that might eventually have an economic impact. Later this afternoon, Vice President Strada and I will be meeting with all non-tenured faculty members to talk about this issue in greater detail. But, I want to be very clear: The College is still desirous of having a strong core of tenured faculty and has no plans to eliminate tenure. We simply need a degree of flexibility for decision making purposes.

And, speaking of decision making, I must also mention the degree to which unstable economic times impacts on the college leadership. The administration in general and the President's Leadership Team and Board of Trustees in particular are faced with more decisions and more difficult decisions in times of economic stress. And, sadly—sadly for an educational institution—many of these decisions are about money.

In a watershed speech at Macomb Community College in Warren, Michigan, about a year ago, President Obama gave a major policy speech on higher education in America. He spoke about the need to "place our bet for the future on education," using a monetary metaphor to frame his remarks, and then outlined ten major initiatives, what he called "the most significant down payment yet on reaching the goal of having the highest college graduation of any nation in the world." The initiatives he cited as the building blocks of The American Graduation Initiative were as follows:

- Offer competitive grants challenging community colleges to pursue innovative, results-oriented strategies in exchange for federal funding;
- Fund programs that connect students looking for jobs with businesses that are looking to hire;
- Challenge schools to find new and better ways to help students catch up on the basic [skills];
- Create programs that match curricula in the classroom with the needs of the boardroom;

- Create a research center to measure what works [in the classroom] and what doesn't;
- Fund innovative strategies that promote not just enrollment but completion of the program;
- Fund programs that track student progress inside and outside the classroom;
- Back $10 billion in loans to renovate and rebuild college classrooms and buildings;
- Support the creation of a new online, open-source clearinghouse of courses to offer more classes without building more classrooms;
- Increase Pell Grants and Tax credits.

(www.whitehouse.gov)

I think it should be noted that eight of these initiatives require direct government funding, and the other two would necessitate the allocation of institutional resources to effect their implementation. So, money is very much the subject when education is discussed. In fact, in his August 9, 2010, speech in Austin, Texas, President Obama said directly that "education is an economic issue." (NY Times, "Obama Calls for US to Again Lead Graduation Rates, www.nytimes.com, 8/9/10)

The leadership of this college cannot, I sincerely regret, print its own money and has limited sources of revenue which have become, are becoming, and will become increasingly more limited. Within this context, many of our decisions have to be about cutting expenditures where we can, since we are committed to passing on as little of this burden to our students in the form of tuition increases as is possible. As of fall 2010, Ocean County College is charging the third lowest tuition of the nineteen community colleges in New Jersey, a true testament to our commitment to students and their needs. We have also tried to find ways to be more productive and to function more efficiently, some of which I have described to you already. We have postponed some of our major capital projects as I have also mentioned. Another remedy that we will employ is various hiring freezes, decisions not to fill existing vacancies. These will not necessarily be positions that we don't need but, rather, positions that we will just have to learn to do without for the present. We continue to explore recruitment and retention strategies and the expansion of certain academic programs to various underserved populations in our county.

Our thinking caps are on 24/7 and the one thing I can guarantee to you today is that we will never surrender the quality of our institutional mission nor will we ask more of our students than they can give.

We have dedicated the remainder of this morning's program to an in depth look at the problems that challenge us and have set aside time for you to ask the questions that concern you. After the employee-of-the-year award and then a short break, we will resume the conversation with remarks by Dr. Nespoli and a panel presentation featuring Sara Winchester, Ocean County College Vice President of Finance; Dave Wolfe, New Jersey Assemblyman, member of the Assembly Budget Committee, and Senior Assistant to the President of

Ocean County College; and our guest, Lou Goetting, Cabinet Secretary, Office of the Governor of the State of New Jersey. We are anxious to respond to your questions. So I thank you for your patience and continue to ask for your help and support as we face these things together. Together, we can and will prevail.

Employee of the Year Award

And now it gives me great pleasure to give the annual award to our employee of the year. The decision of the award committee was based on this candidate's strong job performance and professional commitment to distance education—a major institutional goal. So, without further ado, let me ask the winner to come forward: **Mr. Chuck Jannarone**.

Chuck joined the Ocean County College family in 1988. He received his BA in Computer Information in 2006 and an MA in Education and Technology Management in 2008, both from Thomas Edison College. Chuck has maintained his professional edge by attending the annual Web CT user conferences and the Northeast Regional Web CT conferences, and by his affiliations with the Community College Computer Consortium of New Jersey (CCCC), the New Jersey Virtual Community College Consortium, and NJ Edge.

He has been a presenter on distance learning topics on many occasions including at the 2008 Spring Colloquium at OCC and at the Community College Consortium. He has taught many faculty best practice/learning management seminars and has made numerous other contributions to the college through his service on college committees, his work on the Planning and Budgeting Council, his contributions to the college learning outcomes assessment activities, his participation in the Self Study for the Middle States Commission of Higher Education, and his membership on the Computer Studies advisory Board.

Were all this not enough, Chuck prepares and reviews annual Perkins Grant applications, received a grant in software licenses for the Social Science Computer Lab, had OCC named as a Microsoft Authorized Academic Training Program Institution, and has worked with faculty to obtain several grants for our various college learning labs.

I could go on—but you all get the point. Chuck exemplifies the selfless, dedicated, and hard working professional that Ocean County College has always prized, and so it is with great pleasure that I offer him my personal congratulations as OCC Employee of the year.

In just a few minutes, our panel discussion will begin. This important discussion is relevant to all faculty and staff, so I would appreciate everyone remaining in or returning to the Theatre for this presentation.