

## Statement of Stockton University President Harvey Kesselman for N.J. Senate Committee Hearing

### ***For Immediate Release***

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**Galloway, NJ** - Stockton University President Harvey Kesselman today testified before the N.J. Senate Budget and Appropriations Committee at its hearing in Trenton. His comments were excerpted from the submitted testimony found below.

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## STATEMENT OF STOCKTON UNIVERSITY PRESIDENT

DR. HARVEY KESSELMAN

### SENATE BUDGET AND APPROPRIATIONS COMMITTEE HEARING

MARCH 7, 2016

Good afternoon, Chairman Sarlo and members of the Senate Budget & Appropriations Committee. My name is Dr. Harvey Kesselman. On January 1, 2016, it was my sincere honor and privilege to be named the fifth President of Stockton University. As background, I was a member of the "Mayflower Class" - the very first class of students to attend what was then Stockton State College housed in the former Mayflower Hotel in Atlantic City in 1971. I was most recently the Acting and then Interim President and, before that, served as the Provost and Executive Vice President of Stockton University. These followed many years in both academic and administrative leadership positions at Stockton.

Permit me to first apologize for my inability to appear before this Committee when requested on November 9, 2015. That date coincided with the originally scheduled closing date for the sale of the former Showboat Hotel & Casino. I want to personally thank Chairman Sarlo for his patience, and for rescheduling my return today. I also want to take the opportunity to thank the Committee for both asking tough questions about this difficult chapter in Stockton's history and for listening as I describe the path we are taking to right any issues and reinforce Stockton as "New Jersey's Distinctive University."

It is my pleasure to answer any remaining questions about the University's successful disposition of the Showboat. I am accompanied today by Larry Lustberg, Esq. of the Gibbons law firm who conducted a comprehensive and thorough internal investigation of the circumstances surrounding the December 12, 2014 acquisition of the Showboat that took place under my predecessor. This investigation was responsive to your recommendation when I first appeared before you in late April 2015, and was extremely helpful in compiling material facts that were unfamiliar to me and others at that time.

In addition to testimony concerning the Showboat acquisition and sale, I hope this Committee will allow me to highlight the University today, and how we are meeting our public mission, and my strategic priority of "students first."

Of note, my first directives as President were to substantially increase transparency and promote collaboration through shared governance in a manner that cultivates the best thinking of Stockton's Board of Trustees, faculty, staff and students. In this regard, I now have the University's new General Counsel sitting in on all Board closed session meetings and attending key Board subcommittee meetings. Real estate related due diligence and negotiations involve full Board of Trustee participation.

New task forces and other committees with institution-wide representation have been established to ensure inclusiveness and robust deliberation. The University has added three (3) new Trustees to its Board, and has held additional Board meetings and retreats. The President's Cabinet has been expanded with the creation of the position of Chief Planning Officer and the addition of Chief Information Officer.

Today, Stockton exemplifies tremendous promise in southern New Jersey. Our Fall 2015 full-time equivalent enrollment (FTE) of 8,274 is 18% greater than in Fall 2010. Based on the most recent available sector data, Stockton's percentage growth in FTE is nearly three times the average for the other senior public colleges and universities. It is also important to note that, of our entire student population, 99% are from New Jersey. The graduation rate for Stockton's Fall 2009 first-time, full-time freshman class is 53% in four years and 73% in six years. These figures are substantially higher than both state and national averages.

Our 17: 1 student to faculty ratio is among the most favorable in the sector. We continue to diversify our faculty, of which 55% are women, 23% are ethnic minorities, and 5% are international scholars. Ninety-four (94%) percent of our undergraduates are enrolled full time, and, according to a recent Stockton survey, 86% of our recent graduates are either in graduate school or employed within six months of graduation. As important, Stockton graduates more than 20% of all science and math majors throughout the senior public college and university sector.

Among national honors, Stockton is now ranked #6 nationally by the Military Times in its "Best for Vets" colleges. US News and the Princeton Review list Stockton as among the best in their region of the country, and the Carnegie Foundation classifies Stockton as a community-engaged university. Just last month Stockton was notified that I received the 2016 Presidents and Chancellors Giving Back Award from *INSIGHT Into Diversity* magazine for our record of service and commitment to diversity on our campus and in the community, as well as a strong record of social responsibility and civic engagement.

Stockton is doing its part to ensure higher education remains affordable. We have limited tuition and fee increases to an average of 1.3% per year over the last 3 years. Moreover, this past June, we cut over \$2 million in operating costs. Stockton also provides \$12 million annually in institutional aid toward student scholarships. This figure represents two-thirds of our Direct Appropriation from the State. In further support of our student and faculty scholarship, annual giving is up 63% over last year, and already is more than double the previous year.

Consistent with Stockton's public mission of providing academic opportunities for New Jersey students, Stockton is using a portion of the proceeds from the Showboat sale to establish a campus in Atlantic City, including a 56,000 square-foot academic building and a residence hall for 522 students. A task force with representatives from the Board, Cabinet,

faculty, and staff has been tirelessly working toward this key initiative. The Office of the State Comptroller has already been advised of Stockton's Atlantic City project.

There is solid need and logic for growing in Atlantic City. It is no secret that New Jersey today exports more students to out-of-state higher education institutions than any other state in the nation. The result is that many of our fine students do not return home and a "brain drain" occurs. Specific to Stockton, we are unable to enroll all of the qualified students who apply because we have simply run out of room. Being situated in the Pinelands National Reserve is a two-edged sword. On the positive side, we have a beautiful campus in a pristine setting. On the down side, in order to protect the Pinelands, we are limited in growth and need to find more physical space elsewhere.

We already have a presence in Atlantic City so growing there is a natural evolution. At the same time, having faculty, students and staff in this area will be a catalyst for a renaissance in Atlantic City and allow us to meet the educational needs of many more students.

We are also proud partners in the Stockton Aviation Research and Technology Park (SARTP) that will be located adjacent to Atlantic City International Airport and the William J. Hughes Federal Aviation Administration (FAA) Technical Center. Federal research projects have already been awarded to the SARTP. This Park will provide educational and internship opportunities for our students and will eventually be the home for employers of highly educated and skilled workers with incomes in the \$80,000 to \$100,000 range. This type of facility will be a boon to our students and graduates, as well as the region's economic development.

Stockton's growing public charge requires equitable State support. The proposed FY17 State budget reflects a direct appropriation of \$18.391 million, or \$2,384 per full-time student. This falls far below the average of \$3,900 per full-time student at peer New Jersey senior public institutions. Moreover, the proposed FY17 direct appropriation does not take into consideration Stockton's Atlantic City campus and the anticipated net increase of 1,140 new full-time students at Stockton in the next few years.

Without Legislative action, the direct appropriation to Stockton could decline to \$2,100 per full-time student, as a result of the expected growth in Atlantic City. However, with Legislative support, like Rowan University in Camden, and Rutgers University in New Brunswick, Camden, and Newark, Stockton University will provide much-needed economic activity to Atlantic City while educating New Jersey's future leaders.

Thank you for the opportunity to be here today. I hope I can count on the support of this Committee as Stockton University continues to serve New Jersey students while playing a critical role in the region 's future.

Respectfully,

Harvey Kesselman

President

Stockton University

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