

Celebrating
40
years



Serving New Jersey and its
higher education community

2006 Year in Review

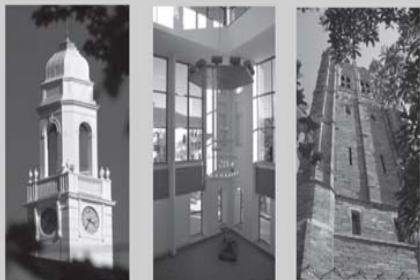
January 24, 2007



2006 Transactions

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- **\$1.01 billion in bonds**
- **18 transactions**



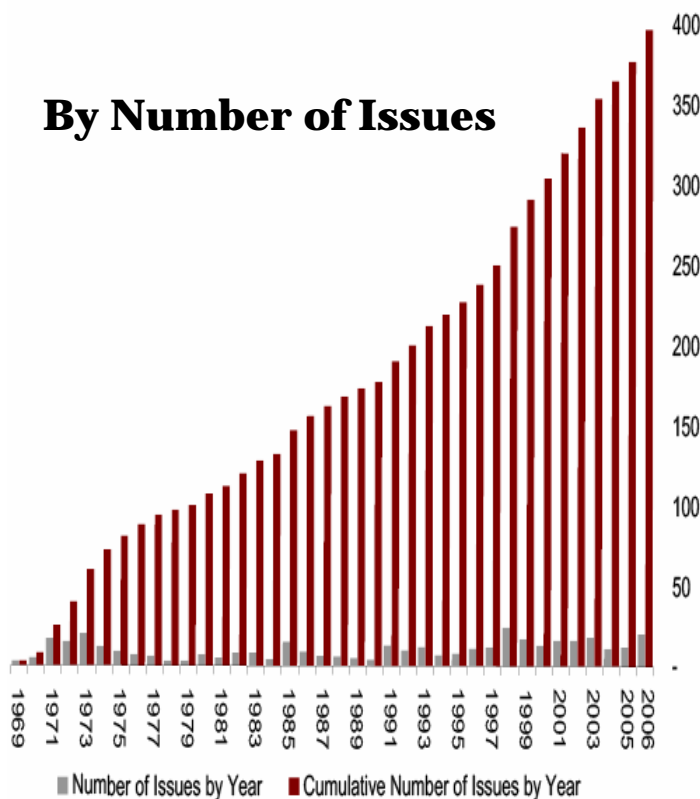
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2006 Transactions

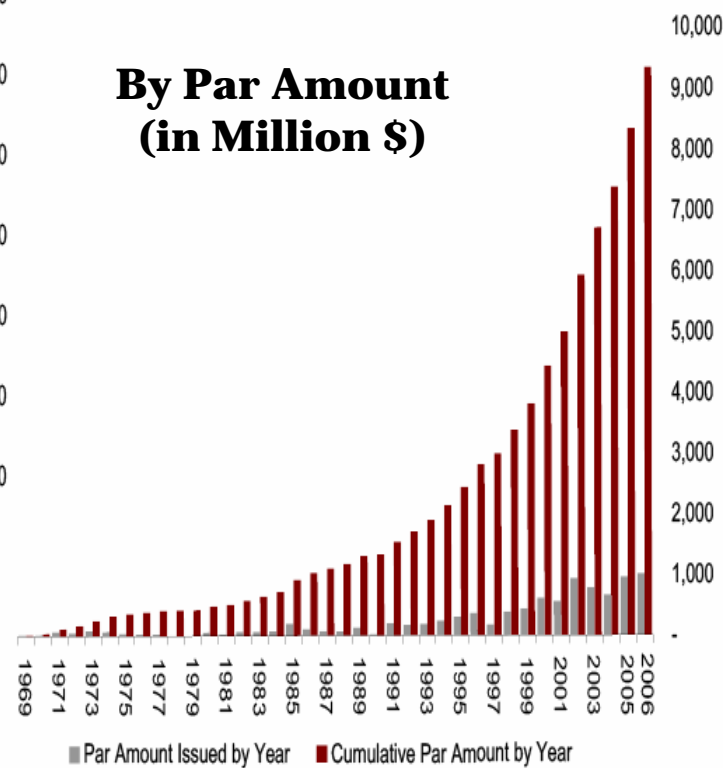
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By Number of Issues



**By Par Amount
(in Million \$)**



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Total NJ Enrollment: Total Degrees Conferred 2000-2005

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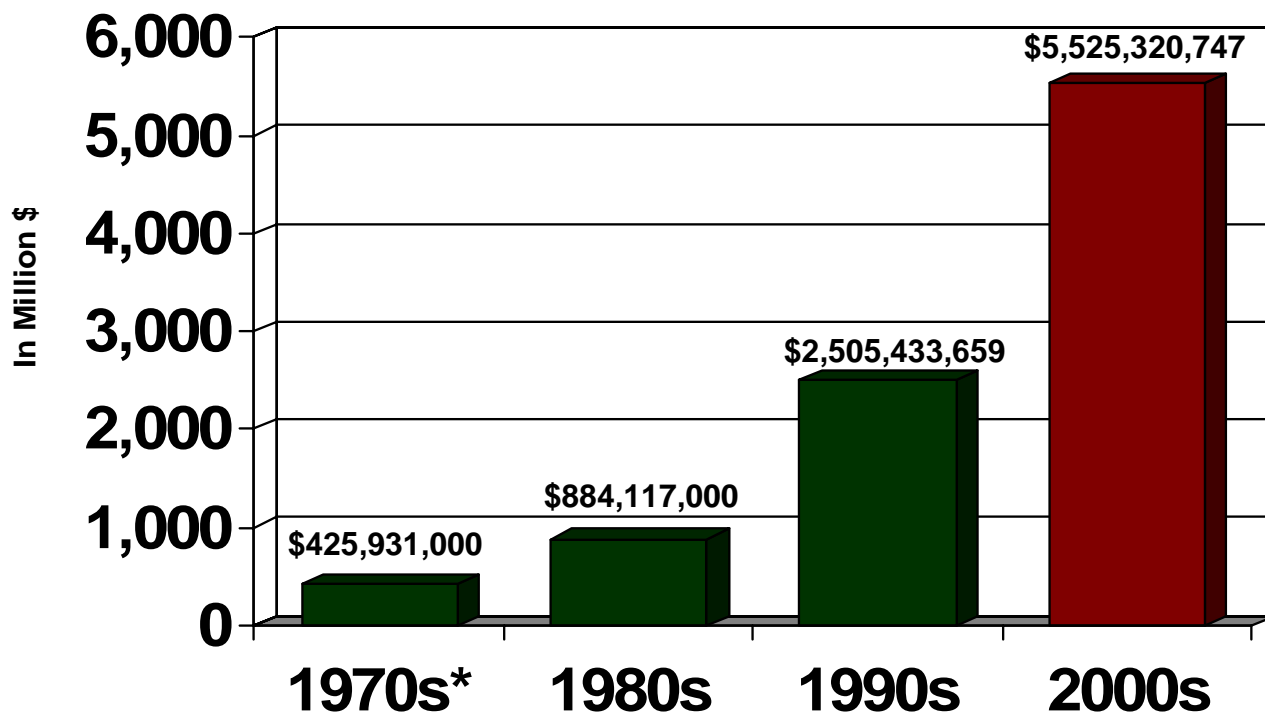
	Total Enrollments	Total Degrees/ Certificates
2000	335,930	52,579
2001	346,277	53,205
2002	361,757	55,866
2003	372,696	58,277
2004	379,447	61,428
2005	379,686	64,007
Cumulative Increase	43,756 (13.02%)	11,428 (21.73%)

Source: New Jersey Commission on Higher Education



NJEFA Bonds Issued by Decade vs. Last 7 Years

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* Includes par amount issued in 1969

Source: NJEFA

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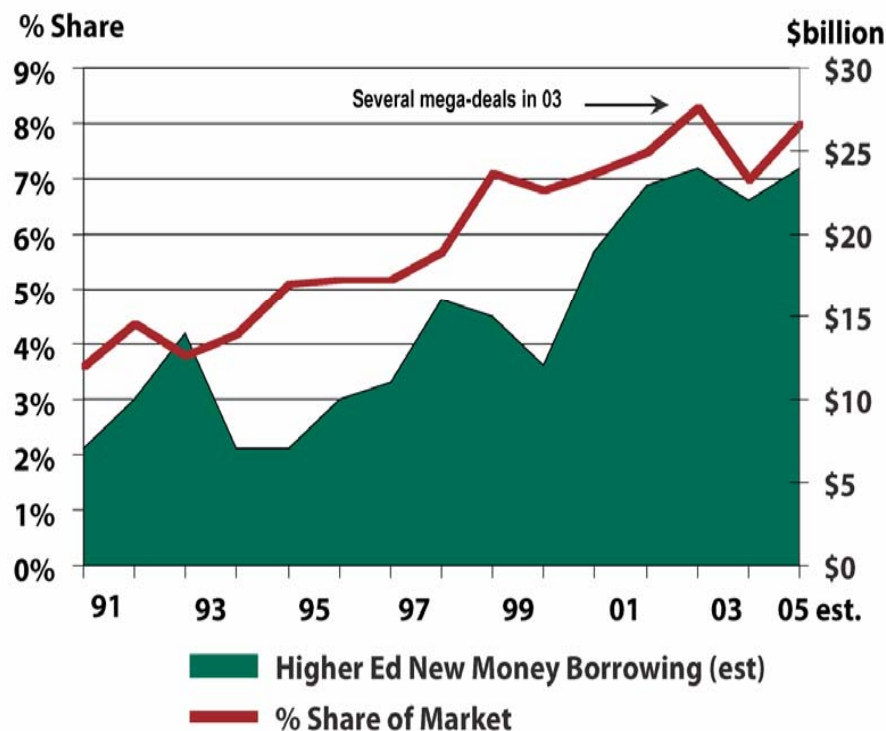
Higher Education: Heavy Borrowing Continues

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**\$ Volume of Bonds Issued &
Market Share 1991-2005**



- **Competition for students, aging facilities, research buildings drive borrowing**
- **Market share has doubled from 4% to 8%**
- **11 privates and 13 publics now have debt > \$1 billion**



2006 Transactions

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Public Institutions

- New Jersey City University
\$5,950,000
- Ramapo College of New Jersey
\$155,905,000 (two issues)
- Montclair State University
\$262,170,000 (two issues)
- The Richard Stockton College
of New Jersey \$50,365,000
- Rowan University
\$89,405,000 (two issues)

State-Backed Program

- Capital Improvement Fund
\$155,460,000

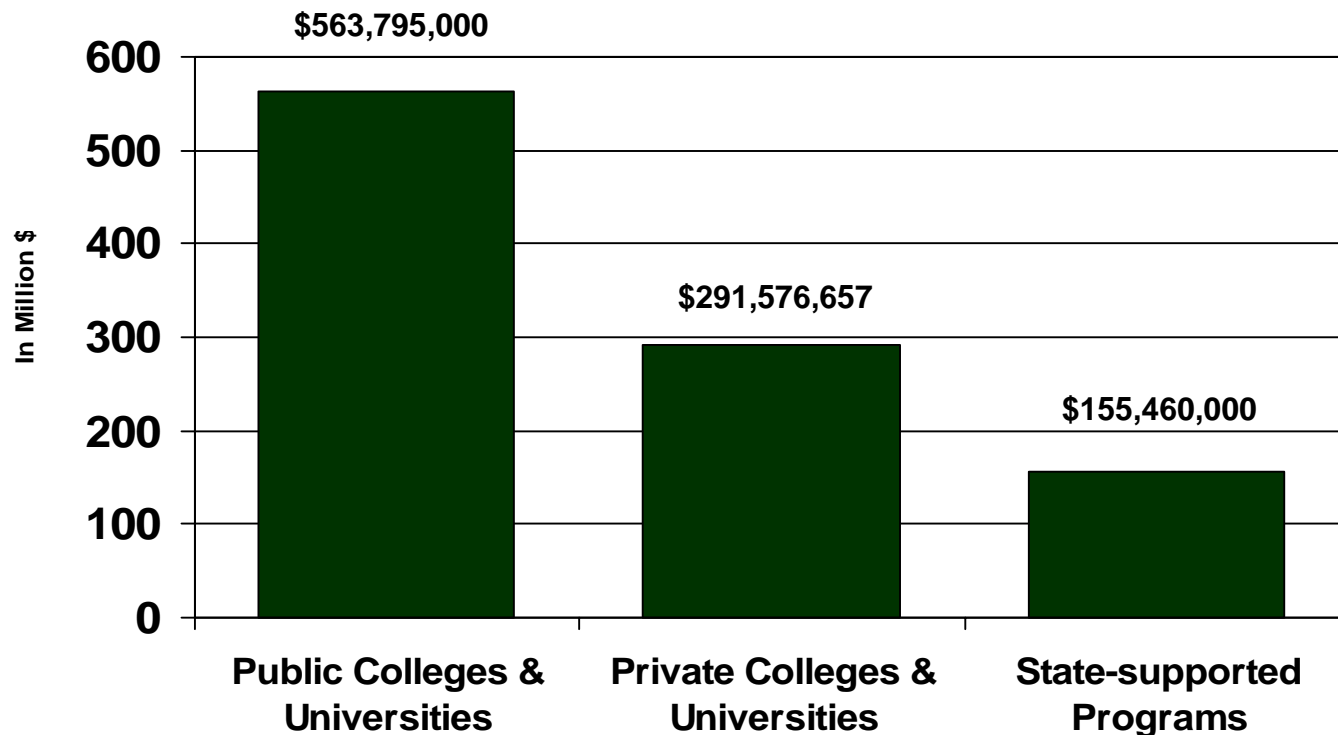
Private Institutions

- Seton Hall University
\$20,750,000
- Princeton University
\$167,575,000 (two issues)
- Fairleigh Dickinson University
\$16,652,544
- Felician College
\$11,445,000
- Institute for Advanced Study
\$29,600,000
- Caldwell College
\$21,400,000
- Centenary College
\$9,154,113
- College of Saint Elizabeth
\$15,000,000



Bonds Issued in 2006

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Ramapo College Anisfield School of Business

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Ramapo College Sustainability Education Center

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Ramapo College

Phase VIII Housing – The Overlook

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Ramapo College

Phase IX Housing – Laurel Hall

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Princeton University Hamilton Hall

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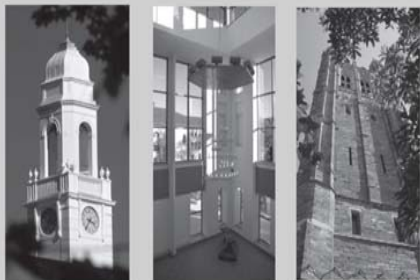


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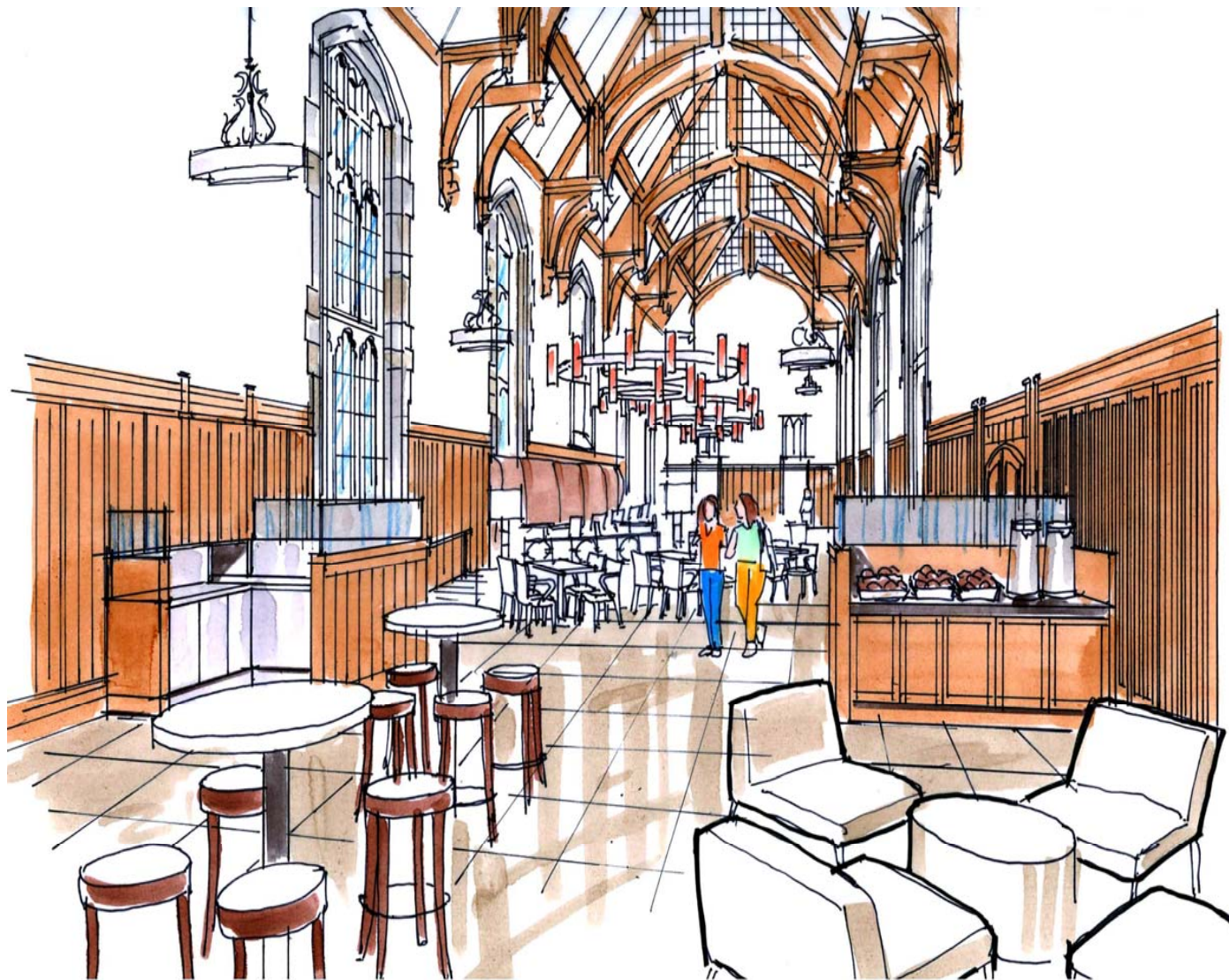


Princeton University Madison Hall

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Princeton University School of Architecture

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Existing Building



Rendering of Proposed Renovations



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Princeton University Dickinson Hall

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Montclair State University Student Recreation Center

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Montclair State University Panzer Gym and Chapin Hall

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Panzer Gymnasium



Chapin Hall

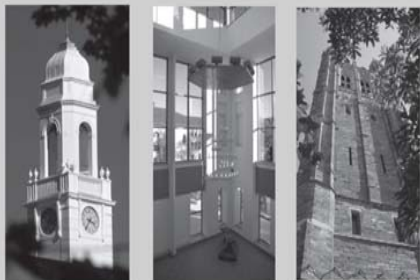


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Caldwell College New Residence Hall

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The Richard Stockton College of NJ Student Housing V Phase I

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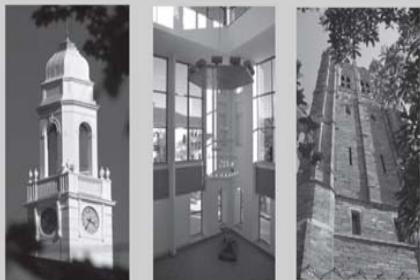
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Rowan University New Residence Hall

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Rowan University Education Hall

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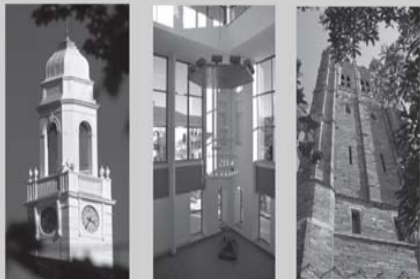


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College of Saint Elizabeth Annunciation Center

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America Rules

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America rules

The world's top universities*

1	Harvard University	America	11	Yale University	America
2	Stanford University	America	12	Cornell University	America
3	University of Cambridge	Britain	13	University of California (<i>San Diego</i>)	America
4	University of California (<i>Berkeley</i>)	America	14	Tokyo University	Japan
5	Massachusetts Institute of Technology	America	15	University of Pennsylvania	America
6	California Institute of Technology	America	16	University of California (<i>Los Angeles</i>)	America
7	Princeton University	America	17	University of California (<i>San Francisco</i>)	America
8	University of Oxford	Britain	18	University of Wisconsin (<i>Madison</i>)	America
9	Columbia University	America	19	University of Michigan (<i>Ann Arbor</i>)	America
10	University of Chicago	America	20	University of Washington (<i>Seattle</i>)	America

*Ranked by a mixture of indicators of academic and research performance, including Nobel prizes and articles in respected publications

Source: Jiao Tong University, Shanghai

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The National Center for Public Policy and Higher Education

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MEASURING UP **2006**

THE NATIONAL REPORT CARD
ON HIGHER EDUCATION





Six Areas of Evaluation

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- Preparation
- Participation
- Completion
- Benefits
- Affordability
- Learning*

* Most states, including NJ, received an (I) incomplete in Learning because data is not available for state comparison

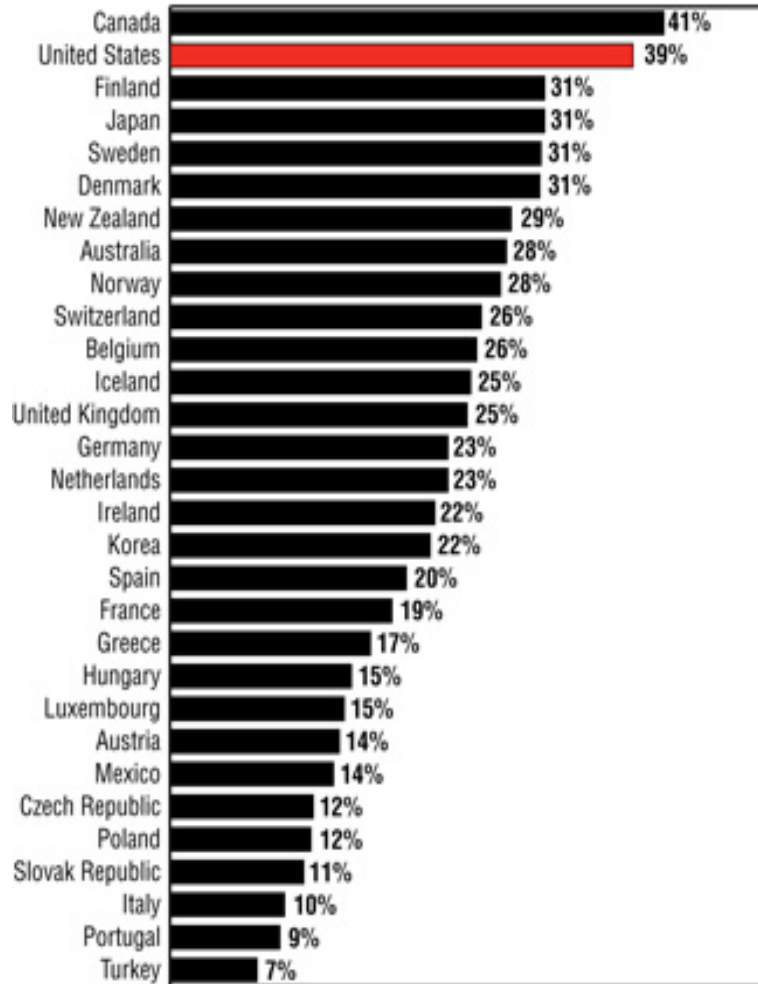


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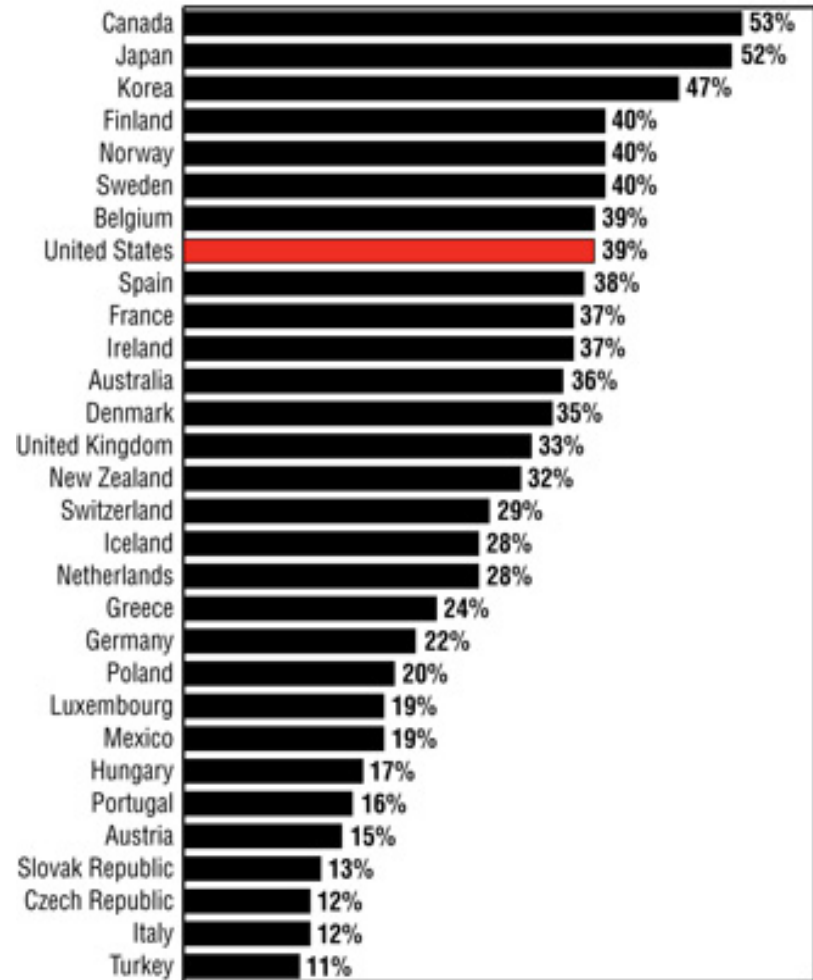
Measuring Up 2006

Adults holding a college degree

Ages 35-64

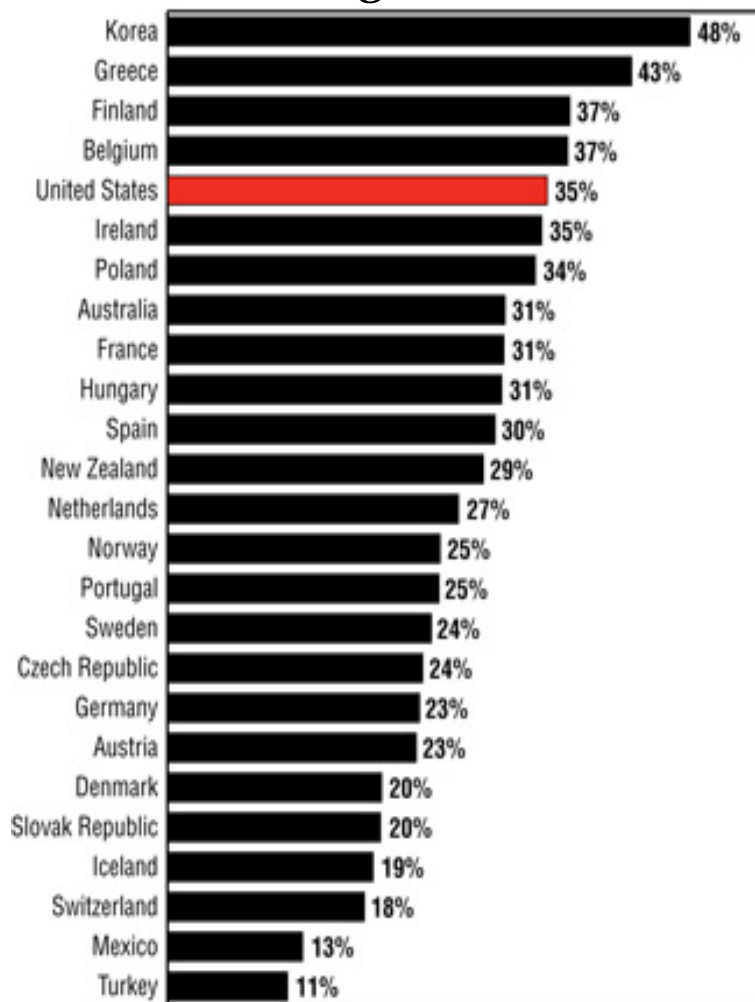


Ages 25-34

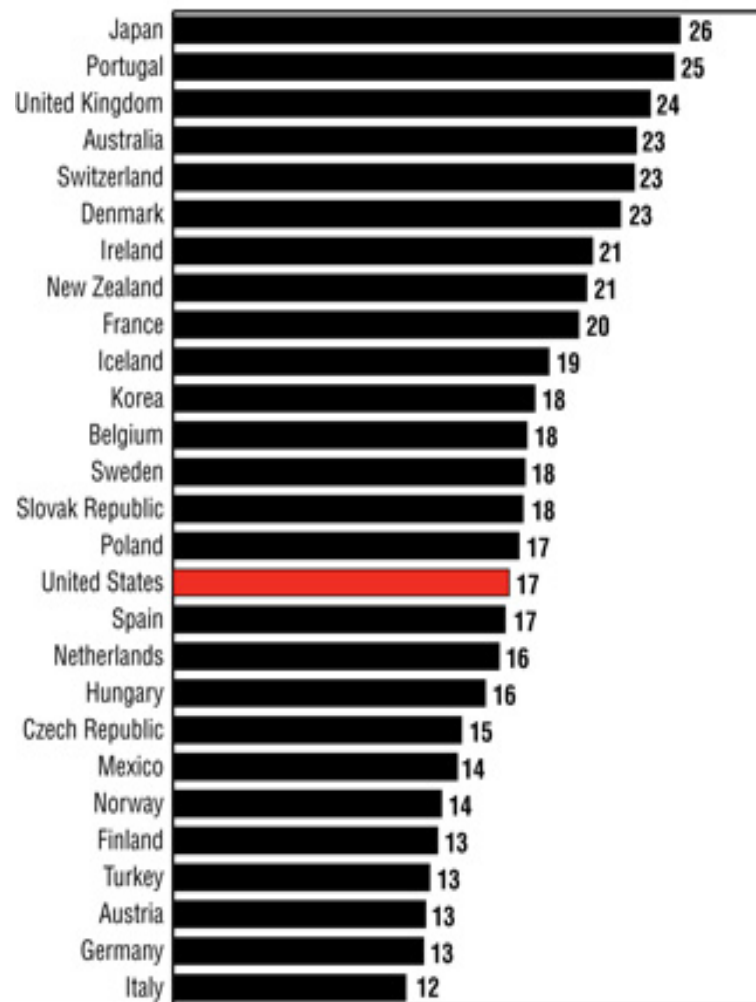


Measuring Up 2006

College Participation Ages 18-24



College Completion



Sources: "Measuring Up – 2006" – The National Center for Public Policy and Higher Education; Organisation of Economic Co-operation and Development (OECD). Data are for 2003.

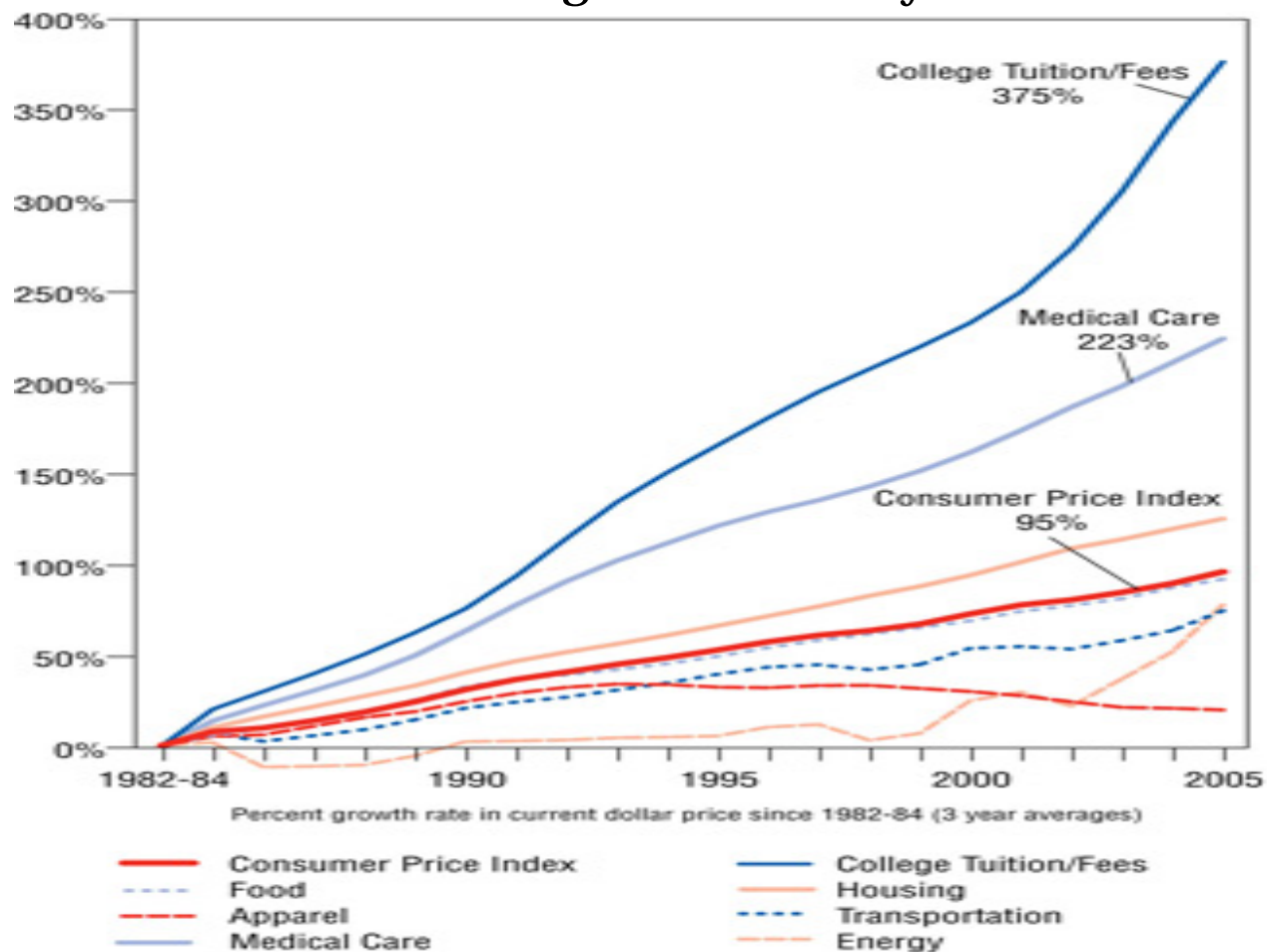
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College Affordability



Sources: "Measuring Up – 2006" – The National Center for Public Policy and Higher Education; Percent growth rates calculated based on Consumer Price Index for All Urban Consumers, available at the Bureau of Labor Statistics website, <http://stats.bls.gov/>. All industries above are components of the CPI.



New Jersey – 2006 Report Card

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Performance Areas	Grade
Preparation	A
Participation	A-
Completion	B
Benefits	A
Affordability	D

Source: "Measuring Up – 2006" – The National Center for Public Policy and Higher Education

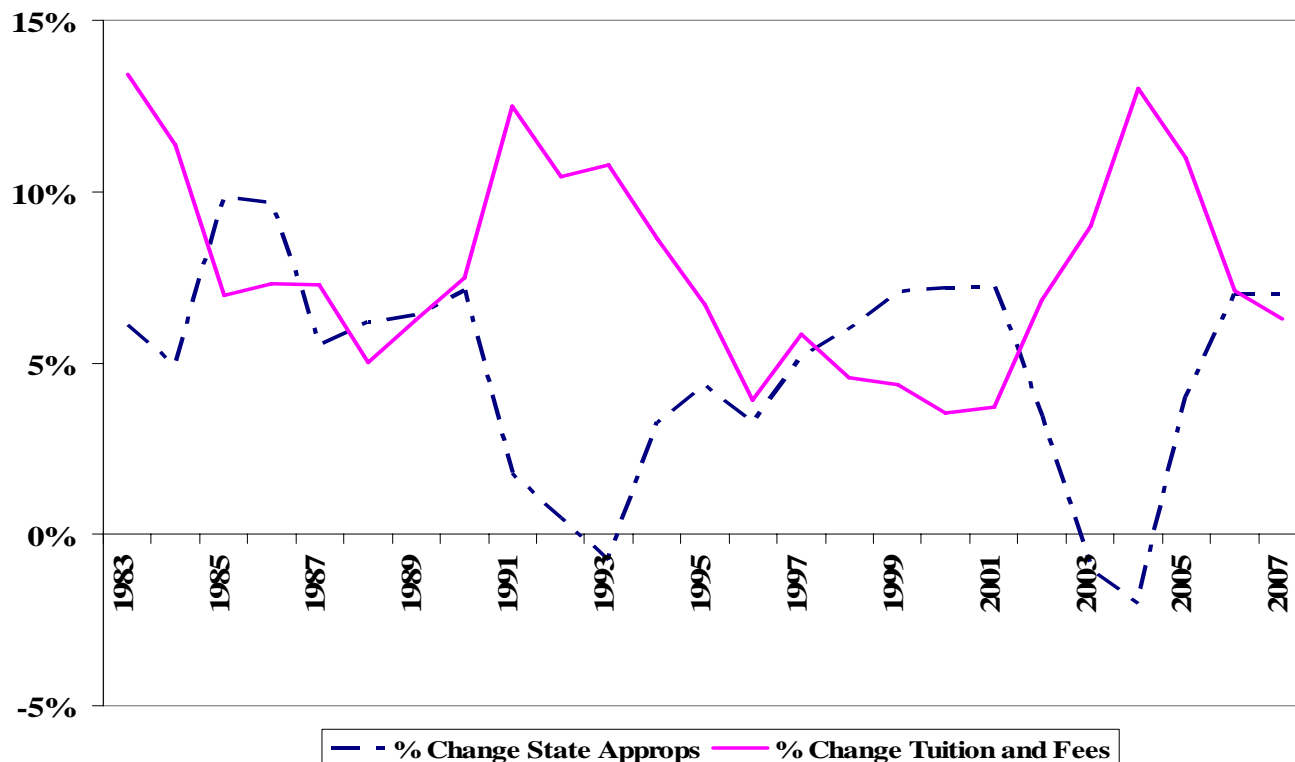


Tuition Increases Compared to Changes in State Appropriations

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* Moody's rated public institutions



NJ Private Institutions

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	2005		2004	
	NJ Privates	All Privates	NJ Privates	All Privates
Median FTE Enrollment (number may be estimated)	3,892	2,763	3,675	2,724
Primary Selectivity (%)	72	62	65	63
Expendable Resources to Direct Debt	1.43	1.5	1.32	1.46
Expendable Resources to Operations	.87	1.09	.67	.98
Annual Operating Margin (%)	5.6	2.9	1.3	2.7

Source: Moody's Investors Service



NJ Public Institutions

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2005

2004

	NJ Publics	All Publics	NJ Publics	All Publics
Median FTE Enrollment (number may be estimated)	6,765	13,825	6,558	13,965
Primary Selectivity (%)	50	75.1	50.8	74.7
Expendable Resources to Direct Debt	.3	1	.4	1
Expendable Resources to Operations	.41	.42	.41	.41
Annual Operating Margin (%)	6.5	2.2	6.5	2.0

Source: Moody's Investors Service



Gifts

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- Montclair State University - \$5 million
- New Jersey City University - \$2.5 million
- Ramapo College of New Jersey - \$4.5 million
- Rowan University - \$28 million in gifts in 2005 and \$6.5 million in 2006
- The College of New Jersey - \$5 million



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Moody's 2006 Special Comments

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Strengths:

- Stable rating outlook affirmed
- Strong student demand
- Improvement in investment and endowment performance
- Positive operating performance

Weaknesses:

- Constrained state appropriations
- Increased competition for students, faculty and research funding
- Tuition scrutiny
- Ongoing capital needs
- Growing debt



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“The nations, states, and communities that are most successful in developing human talent, particularly college-level knowledge and skills, will enjoy significant advantages. Conversely, those nations, states, and communities that fall behind educationally are likely also to fall behind in competing for good jobs and in achieving or maintaining high standards of living.”

“Measuring Up – 2006”

The National Center for Public Policy and Higher Education



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Thank You



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