

START, STAY, SUCCEED

A retrospective on New Jersey's progress toward a student-centered vision for higher education, through strategic collaboration between the state and institutions



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BRIEF 3 OF 4

Coordinating a Diverse Higher Education Ecosystem to Meet Tomorrow's Needs

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INTRODUCTION

New Jersey boasts a wide array of institutions, from county colleges to research universities, each contributing to a vibrant ecosystem of learning and discovery. This ecosystem has long been a source of pride, offering students a variety of postsecondary pathways. However, New Jersey higher education has not been without challenges. Systemic issues related to funding, coordination, and accountability have hindered our collective progress.

Recognizing the need for transformative change, the Murphy Administration and the New Jersey Office of the Secretary of Higher Education (OSHE) released the 2019 State Plan for Higher Education, which continued to develop state efforts to reach the ambitious goal of 65 percent of working-age residents with a high-quality credential. With this shared state goal came the opportunity to capitalize on existing institutional diversity as well as lay the foundation for new systems and structures promoting more coordinated response beneficial to all. As we reflect on the progress made under this plan and prepare for the next state plan, we will use this document to discuss how New Jersey worked to foster collaboration on shared goals and issues and utilized data to inform decision-making, while creating a more aligned higher education ecosystem.

HISTORICAL FRAMEWORK AND THE CURRENT CONTEXT

OSHE, as it is known today, has undergone several iterations since its establishment in 1945 within the Department of Education. Each structural change yielded different authorities and outcomes, thus impacting the OSHE's role and support of state higher education institutions. As noted in the 2010 [Report of the Governor's Task Force on Higher Education](#), "There is an important and fine equilibrium between highly desirable autonomy in the hands of strong boards of trustees, and adequate State oversight and protection of taxpayer investment."

Over the last three decades, increased institutional fiscal autonomy and decreased state oversight increases the potential for inconsistency and inequities in resource allocation, and inefficiencies with duplication. As national and global issues emerged impacting each institution, a renewed push for collaboration, communication and accountability was set forth in order to manage shared challenges.

Through collective advocacy, New Jersey's higher education has secured more state investments under the Murphy Administration than over the past eighteen years and six previous administrations combined, even amid agency restructurings.

As the sector contends with challenges, such as a looming enrollment cliff, evolving state and federal partnerships, and rapidly advancing technologies, students, institutions, community and business leaders, and policymakers must continue working together. By addressing past inequities while sustaining stability and fostering innovation, New Jersey can meet the demands of the future. Through ongoing initiatives New Jersey postsecondary stakeholders are collaborating to scale high-impact practices and resources, sharing data to inform decision making and creating greater accountability for student outcomes.

A RENEWED MODEL FOR THE STATE & INSTITUTIONAL PARTNERSHIP

Statewide collaboration has become an essential mechanism for addressing long-standing structural challenges and supporting students in an increasingly complex higher education landscape. This systems-driven approach is reflected in New Jersey's efforts to build formalized structures for collaboration and coordination, allowing stakeholders to align in policy and practice through discussion and feedback.

In response to the COVID-19 pandemic, the State recognized the need for a rapid, cross sector approach to statewide planning and response through the creation of a Higher Education Restart Advisory Group (HERAG). The group ensured institutional responses remained in line with best practices meeting student and staff needs, as well as statewide recovery priorities. Through collaboration, HERAG

informed the [Restart Standards for New Jersey Colleges and Universities](#), as well as crafted best practice resources in key topic areas, such as mental health. Sharing resources and best practices has continued through specialized working groups and communities of practice.

The communities of practice brought together a diverse set of stakeholders, particularly from different functional areas on campus, including institutional leadership, government relations, student and academic affairs, student leaders, and institutional research, among others. As an example, the Chief Business Officers Communities of Practice has served as a valuable forum for engaging on issues such as capital planning and deferred maintenance, addressing enrollment declines, and exploring shared services opportunities and other operating cost reduction strategies. This community of practice has also provided a platform to inform the development of OSHE's Financial Assessment and Risk Monitoring (FARM) program and OSHE's Chief Financial Officer Training program. The FARM program was developed in partnership with the legislature through [P.L. 2021, c. 27](#) and [P.L. 2023, c. 115](#).

The communities of practice have resulted in several statewide convenings, such as the State's first '[Some College, No Degree](#)' (SCND) convening, which brought nearly 200 colleagues from 42 institutions across the State together to review trends, share best practices, and hear from students to inform the statewide SCND initiative. Through the use of a coordinated statewide approach to serve SCND students, the State has been able to successfully scale the initiative over four years, which has led to the re-enrollment of over 13,500 students at a participating New Jersey institution of higher education, an outcome yielding a return to the State of over 6.5 times the cost of the State's investment. OSHE has held multiple statewide convenings, including addressing shared topics like [basic needs, supporting student success](#), the [State Authorization Reciprocity Agreement](#), and a student-focused convening on addressing [mental health issues](#) on college campuses.

OSHE's fostering of regular communication channels with higher education stakeholders has helped to ensure our higher education stakeholders are working at their best by fostering peer learning, informing State strategy, reducing duplication, and allowing institutions to discuss shared challenges and collective solutions.

UTILIZING DATA TO INFORM DECISION-MAKING AND CREATE TRANSPARENCY

An effective and dependable higher education ecosystem requires transparency, both to support institutional planning and to ensure students and families have access to clear and trustworthy information. Over the past eight years, New Jersey has made meaningful strides toward embedding transparency into core institutional operational areas, such as funding decisions, institutional research, and fiscal monitoring.

The State began to implement the Outcomes-Based Allocation (OBA) on an annual basis in 2020 in order to shift towards a more transparent and equitable funding

solution for senior public institutions. Under [OBA](#), a portion of operational funding is distributed to institutions based on defined performance metrics that are aligned with student success, mission differentiation, and state workforce priorities. OBA provides senior public institutions with a more predictable and intentional funding rationale. To promote transparency and per national best practice, the State convenes an OBA Working Group to review and inform the development of the OBA funding model at least every three years. The [New Jersey Council of County Colleges \(NJCCC\)](#) also adopted a new funding formula for the county colleges in 2021 that emphasized access, equity, and success metrics.

Beginning in 2021, the State, and more specifically HESAA, took significant steps to make critical information readily accessible to students and families through the enactment of a financial aid ‘shopping sheet’ law ([P.L. 2021, c. 211](#)) that requires institutions of higher education to provide current and prospective students with clear information on the cost of each degree at that institution. Prior to this, New Jersey students often enrolled at institutions with little to no understanding of either the true cost or the amount of debt they might be taking on to further their educations, but today’s students are able to use and compare the various “shopping sheets” from each institution to make more informed decisions about potential institutions and programs.

The State’s longitudinal data system, the New Jersey Statewide Data System (NJSDS), enables interagency data sharing between OSHE and other agencies, including NJ Department of Education, NJ Department of Labor and Workforce Development, and NJ Higher Education Student Assistance Authority. NJSDS supports better policy outcomes by enabling policymakers and researchers access to timely, cross-sector information that informs research, evaluation, and decision-making. Through NJSDS reports that track [student pathways](#), [dual enrollment patterns](#), and [post-completion outcomes](#), as well as provide analyses of statewide trends, the State is better able to ensure that institutional and state planning is grounded in verified evidence.

CENTERING STUDENTS SUCCESS AS A SHARED, STATEWIDE PRIORITY

By focusing on students and building stronger systems and structures to promote student success, the State has continued to improve the overall quality of higher education in New Jersey. As a part of this effort, OSHE has implemented a number of initiatives that have been centered on the needs of New Jersey’s students. For New Jersey students to succeed, institutions of higher education within the State must be financially capable of achieving their institutional missions. When institutions face financial distress or closure, students and communities feel a significant impact. To safeguard against these risks and protect students’ investments, the State enacted

legislation authorizing OSHE to implement the Fiscal Accountability, Responsibility, and Monitoring (FARM) process, which provides early warning of financial difficulty across New Jersey’s institutions of higher education. Early identification of issues creates more opportunities for remediation, if possible, and in the case of institutions seeking to merge or close, provides them with more time to arrange for a suitable partnership or an orderly closure. OSHE’s proactive FARM structure enhances data-sharing, communication, and collaborative analyses with institutions.

The state has seen innovative mergers, such as [Bloomfield College with Montclair State University](#) and a partnership underway with [Kean University and New Jersey City University](#) demonstrating adaptability in sustaining institutions while preserving student access and opportunity. With growing concern around structural challenges in higher education, reflecting on the ecosystem as a whole the legislature has provided funding in the Fiscal Year 2026 budget for OSHE to study the opportunities to better address and serve the education system as a whole.

New Jersey residents also deserve institutions of higher education that offer high quality academic degree programs, which meet workforce needs of the State, are designed to not duplicate existing programs and do not burden taxpayers with significant costs. Groundbreaking legislation empowering the State to promote the establishment of such academic programs was enacted in 2021. As a result, OSHE was authorized to set review standards for new degree programs in the areas of 1) academic quality, 2) labor market demand, 3) duplication with current programs, and 4) expense of the program to the State. OSHE worked in collaboration with NJPC, its partner in the review process, and many other stakeholders to craft regulations to implement the new standards, which were established in March 2022. Since then, OSHE has continued to collaborate with NJPC to successfully put the review standards into practice.

Students in New Jersey can rest assured that all new degree programs at our institutions of higher education have been designed to further both their academic success and their future successes in their lives and careers.

OPPORTUNITIES AHEAD

With rapid changes to the field, the State must continue to evaluate and improve upon the current higher education landscape. Building on the groundwork established during the Murphy Administration, several opportunities stand out for the Garden State:

Develop Statewide Frameworks and Shared Efficiencies:

Going forward a strong higher-education sector in New Jersey will require a modernization of operations, the adoption of new financial models, and an embrace of new partnerships. The State should continue to evaluate national best practices, such as seamless transfer and dual enrollment pathways, guaranteed admissions, and other regional & state approaches that expand access and success for students. For example, while the State has made improvements in transfer since the implementation of the [Lampitt Law](#), challenges still remain. Recent [data shows](#) the completion rate for a cohort of students starting at a community college in 2015-2016 and finish at a senior public institution is only 21 percent. By strengthening collaboration between affinity groups, legislative leaders, policymakers, institutional leaders, and practitioners the State will be better able to promote more coordinated responses to and awareness of statewide challenges in higher education. New Jersey should also continue to evaluate national best practices for reducing redundancies, improving efficiency, achieving cost-savings to both institutions and students, and continue to work towards a more student-centered and resilient higher education system.

Enhance Data and Accountability Systems: Improved access to data provides insights that can strengthen accountability, guide program design, and help institutions and families make more informed choices. Advances in analytics now allow institutions to identify risks earlier, tailor interventions, and design more equitable programs, all of which help to close achievement gaps and strengthen academic and financial supports. Sustained and intentional investments in data systems and data sharing partnerships will promote the stability of institutions, and provide clear pathways, that create greater opportunities for students.

Align with Emerging Workforce and Higher Education Trends: The State's workforce continues to evolve with growth in technology, health care, and green jobs. In 2025, New Jersey launched the [NJ AI Hub](#), uniting researchers, industry, and State agencies to advance AI research, commercialization, and workforce development. To keep pace, higher education must be an active partner with workforce, as well as be able to adapt curricula, credentials, delivery models, and experiential learning opportunities. This includes expanding options for high-quality, stackable credentials that can help students progress toward a degree, while also providing students an opportunity to enter or advance within a career field.

Provide Routine Capital Investment: The State continues to have a high need for significant capital investment and deferred maintenance across all higher education sectors. While the State has invested in capital improvement

through [Higher Education Capital Facilities Grants](#), [Career and Technical Education \(CTE\)](#) expansion projects, and most recently, a solicitation focused on higher education deferred maintenance, a more strategic and coordinated source of funding is needed to safeguard these investments in the long term.

New Jersey has a unique opportunity to continue to reaffirm the value of higher education by strengthening systems and structures within higher education. Intentional statewide strategy and continued investment will better ensure that students have both access to, and the ability to succeed in obtaining, a high-quality credential that prepares them for the State's workforce.

CLOSING THOUGHTS

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A high-quality credential continues to yield a high return to individuals, their families and communities, and the State. In order to safeguard this investment, as well as demonstrate the value of a degree, we must continue to work together in building strong higher education systems and structures to weather the challenges of today and address the needs of the future. New Jersey has one of the most diverse higher education ecosystems, providing ample opportunity for residents to find an institution and program that best suits their needs. If our higher education ecosystem lacks alignment and collaboration around shared priorities and goals, we risk losing momentum and opportunities for collective impact and innovation.

Our collaboration has proven effective during uncertain times as we worked to address an unprecedented global pandemic, budgetary pressures, and labor market changes. New Jersey is not immune to the forthcoming challenges facing higher education, including growing fiscal pressures, the looming enrollment cliff, and the growing questions whether college is still worth it. This will require the sector to work together to continue advocating for investment in higher education. We've already shown what state and institutional partnership can accomplish. To build on this groundwork, OSHE must remain a strong partner to prepare the next higher education master plan.