

Task Force on Student Aid Report

I. Overview and Objectives

Task Force Objectives

During the 2016-2017 fiscal year, the Board of Trustees of Rutgers, The State University of New Jersey, frequently discussed the financial challenges students face amid the increasing cost of college education. Comments provided by the Trustees indicated that this was an area that merited further research. As a result, the Chair of the Board of Trustees formed the Task Force on Student Aid and communicated the launching of this initiative to the Trustees during the June 2017 meeting.

The objective of the Task Force on Student Aid was to study the current financial challenges faced by the University's undergraduate students,¹ educate the Board of Trustees on these challenges, and develop a series of recommendations that would allow the University and the Trustees to help address students' needs. Today Rutgers provides undergraduate students with a wide array of scholarships and financial assistance programs, including need-based aid through a combination of federal, state and university programs. At the state level, according to the Office of External Affairs, New Jersey, along with Pennsylvania, was the fourth most generous state in total need-based aid provided by states for FY15. However, while the amount of total aid provided to students continues to increase, the average amount provided to each student has increased at a slower pace than the total cost of attending Rutgers University, resulting in an increasing gap between what students receive in aid and the cost of attendance. Although Rutgers is committed to providing students with the highest quality education while keeping tuition and fee increases to a minimum²—as evidenced in this year's increase of only 1.85%—there are a number of factors impacting the rate of growth in aid. These factors include the growth in student population, the distribution of incoming students from lower end versus higher end income levels, budgetary constraints, and a slow-down or decrease in state and federal aid.

When taking into account the cost of tuition, room and board, books, and fees, there is an increasing population of students for which the current financial aid programs fail to cover the cost of those needs, making it difficult for them to complete their studies at the University. There is another segment of students which, while able to complete their studies, do so with a level of debt that presents challenges for them in the early years of their professional lives. The Task Force did not attempt to look at or recommend free college education at Rutgers. Rather, the Task Force sought to assess and develop recommendations that may result in a more balanced distribution between how much the University

¹ This report focuses on the challenges faced by undergraduate students, the types of need-based aid available, and the unmet gap in need-based funding. Because graduate students at professional schools are not eligible for most federal and state need-based aid, the types of funding available and the challenges this population faces are very different, and are not addressed in this report.

² In FY15 and FY16, Rutgers increased tuition 2.2% and 2.4% respectively, while in FY17 and FY18 tuition increases were below 2.0%, at 1.7% and 1.85%, respectively.

provides versus how much students invest in their own education. The Task Force on Student Aid shall educate the Board of Trustees on these issues and provide recommendations on strategies to assist where need is the greatest.

Approach

The Task Force on Student Aid met a total of 19 times between May 2017 and March 2018, including summer months. We met with members of the Administration of Rutgers in the areas of Enrollment Management, Financial Aid, Student Affairs, External Affairs, the Rutgers University Foundation (“Foundation”), as well as the President and each of the Chancellors for Rutgers University–New Brunswick, Rutgers Biomedical and Health Sciences (“RBHS”), Rutgers University–Newark and Rutgers University–Camden. We gathered internal and external data, formulated questions and conclusions, and discussed these with members of the Administration in arriving at our final report. The Task Force on Student Aid also provided regular reports on its progress to the Board of Trustees at the Board’s regular meetings.

This report is divided into seven sections:

- I. Overview and Objectives - provides a summary of the objectives of the Task Force and an executive summary of its findings and recommendations.
- II. Financial Aid - lays out the various forms of financial aid provided to undergraduate students and the Task Force’s recommendations.
- III. Financial Literacy and Education - provides a summary of the information provided to undergraduate students during orientation about financial aid, loans and other options for paying for college and the Task Force’s recommendations.
- IV. Food Insecurity - discusses food insecurity as a national issue, the measures the University has taken to help address this issue, and the Task Force’s recommendations.
- V. Rutgers University Foundation - provides information on the results from previous campaigns, the amount of funding allocated to student support, and the Task Force’s recommendations.
- VI. Public Policy Advocacy - provides an overview of New Jersey’s Tuition Aid Grant (“TAG”) funding and the Task Force’s recommendations.
- VII. Path Forward - provides suggested next steps for the evaluation and potential implementation of the Task Force’s recommendations.

Duties and Responsibilities

The Task Force focused on the following key areas in performing its research and assessment:

1. Study and assess the types of funding, scholarships, and grants available to students at Rutgers University, as well as the trend in funding gaps for the University’s neediest undergraduate students.
2. Study the impact that grant and Federal Work-Study Programs have on student retention and on graduation rates.
3. Study the combined effect that all of the grant and work-study programs have on the accumulation of student debt.

4. Identify alternative funding sources that could help address any shortcomings identified in aid, grants, scholarships, or other sources of student assistance.
5. Make recommendations for Board of Trustees action that will foster improvements to need-based funding from state and federal sources as well as from private/philanthropic sources.
6. Make recommendations for an advocacy program to state and federal legislators and others, as well as to private sources, including individual donors, to address any shortcomings in existing programs or levels of philanthropy.

Scope

While the Task Force recognizes that all of our students—undergraduate, graduate, and professional—face financial challenges, given the complexities and differences in the challenges, and the timeframe of the report, we focused our research on the undergraduate population. The Task Force recognizes that graduate students, in particular, do not have access to the same federally funded financial options that our undergraduate students receive. Furthermore, within the graduate schools, each discipline faces different challenges. For example, at Rutgers Biomedical and Health Sciences, graduate students in the biomedical sciences have the benefit of grants, which allow them to fund their education. However, graduate students in non-biomedical fields do not have the same opportunities to receive grant aid, and in many cases resort to loans to fund their education which could amount to significant levels of debt by the time they graduate. Professional students, in contrast, have access to almost no assistance other than family assistance, personal jobs, and loans. This financial burden could impact their level of food security, their ability to complete their degree, and their success upon graduation. Further, in terms of university administrative structure, what limited scholarship aid is available is generally given by and varies markedly by school. The Task Force recommends that additional research be done on the various challenges that graduate and professional students face with the goal of obtaining a better understanding and developing a set of recommendations that could help address these challenges.

Task Force Membership

The Task Force was comprised of seven members of the Board of Trustees, as follows:

Jose Piazza (Chair) Roberta Kanarick Mary Papamarkou James Rhodes

Bill Best (*ex officio*) Tolulope Oyetunde Dudley Rivers

In addition, the following members of the Office of the Secretary attended the Task Force meetings and provided a great deal of support and advice:

Kimberlee Pastva Kelly Sacchetti Patrick Melillo

The Task Force is very appreciative of all the assistance provided by the Office of the Secretary throughout this process.

Acknowledgments

The Task Force is extremely appreciative for all of the information provided and the engagement and commitment demonstrated by the Administration to its work. Specifically we would like to thank the following individuals who provided us with the information, input and insights which formed the basis for this report and our conclusions:

- Courtney McAnuff, Vice Chancellor for Enrollment Management, Rutgers University–New Brunswick
- Jean McDonald-Rash, Interim Associate Vice President for Academic Affairs
- Elena Ragusa, Director of Strategic Initiatives, Enrollment Management
- Susan Hamilton, Assistant Vice Chancellor for Academic and Student Affairs/RBHS Registrar
- John Gunkel, Vice Chancellor for Academic Programs and Services, Rutgers University–Newark
- Corlisse Thomas, Vice Chancellor for Student Affairs, Rutgers University–Newark
- Mary Beth Daisey, Associate Chancellor for Student Affairs, Rutgers University–Camden
- Felicia McGinty, Vice Chancellor for Student Affairs, Rutgers University–New Brunswick
- Nevin Kessler, President of Rutgers University Foundation and Executive Vice President for Development and Alumni Relations
- Julie Shadle, Vice President for Strategic Advancement Solutions
- Susan Catania, Assistant Secretary, Board of Overseers and Executive Assistant, Vice President Strategic Advancement Solutions
- Peter McDonough, Senior Vice President for External Affairs
- David Weinstein, Vice President for State Government Affairs
- George LeBlanc, Vice President for Government and Fiscal Affairs
- Francine Newsome Pfeiffer, Vice President for Federal Relations

Summary Observations

Students at Rutgers University face many of the same financial challenges experienced by many college students in the United States. Over the years, the University has continued to work with federal and state agencies, the Foundation and its internal budget to provide financial aid solutions to those students with the greatest need. Given the size of the University's student base and the different demographics of the campuses across the state, the challenges, and measures, that the University has taken to address these, tend to vary from campus to campus. Furthermore, it is estimated that approximately \$405 million additional funds would be needed each year to meet 100% of the undergraduate unmet need. While the intent of this Task Force is not to recommend a free education at Rutgers, we include this figure to inform the reader of the size of the challenge at Rutgers.

According to the Office of Financial Aid, for FY17, approximately 30,400 or 70% of Rutgers undergraduate students applied for need-based financial aid and approximately 88% (or 26,673) of those who applied were determined to have a financial need and received some type of aid. The majority of these students (21,841 or 82%) were awarded need-based and/or self-help aid. However, for those who receive assistance, there is still a gap between what they receive and what is required to cover the cost of attendance. In FY16, 3.3% of students had their need fully met via a combination of

need- and merit-based aid. The unmet gap for the average student ranged from \$4,467 at the low end of the Estimated Family Contribution (“EFC”) federal scoring system to \$13,373 at the higher end. This is the amount left to be covered after need-based grants and loans and institutional merit awards are applied.³ Furthermore, between FY12 and FY16, the difference between the cost of attending Rutgers and the amount covered by grant aid, before loans and merit awards, increased an average of 4.7% per year, from \$11,874 to \$14,271. The Task Force recognizes that, given national trends, food insecurity is also a concern among students at Rutgers, with about 5.5% of students reporting having used an off-campus pantry in the past year.

The University already has a number of programs focused on addressing these challenges:

- Merit-based Aid: The University awards \$38 million annually in merit-based aid, including scholarships such as the Presidential Scholarship for Rutgers University–New Brunswick, which awarded approximately \$26,000 to 348 students in FY18. There are approximately 30 merit-based scholarships offered by the University, spread across Rutgers University–New Brunswick, Rutgers Biomedical and Health Sciences, Rutgers University–Newark and Rutgers University–Camden. These merit-based scholarships are in addition to merit scholarships, awards and grants offered by individuals, schools, or programs, and are different from endowed scholarships managed by the Rutgers University Foundation.
- The Rutgers Assistance Grant (“RAG”): This fund provides funding to the most financially disadvantaged students. It can be used for tuition, fees, room, board, books, supplies, and other costs related to attending Rutgers. During FY17 there were 11,101 students who received assistance from RAG.
- Financial Aid Programs: The Chancellors have introduced local programs to help the neediest students who are not able to fully fund their college education through federal and state aid. These programs are the Rutgers University–Newark Talent and Opportunity Pathways Program (“RU-N to the Top”) and Bridging the Gap at Rutgers University–Camden, as well as Student Affairs Scholarships (i.e. Retention Scholarships and Will Power Fund) at Rutgers University–New Brunswick.
- Food Resources: Food pantries have now been introduced at Rutgers University–New Brunswick, Rutgers University–Newark, and Rutgers University–Camden to provide students with easier access to food and toiletries within Rutgers without having to go off-campus to obtain necessities.
- Emergency Funding: Individual schools and Student Affairs Offices have small emergency funds that are used to help students with immediate needs for books, fees, and other incidentals that arise while a student is enrolled, often due to unexpected circumstances.
- In December 2017, President Barchi announced raising the minimum wage for students to \$11.00 per hour, to alleviate the need for students to work multiple jobs and allow them to focus on their studies.

³ The unfunded gap calculation includes costs covered by non-need-based loans. In addition to private loans, students and families will utilize other measures that are not easily trackable - home equity loans and second mortgages; borrowing from retirement savings; inheritance money; and borrowing from relatives.

- Access to Student Services: Beginning in Fall 2015, Rutgers embarked upon the Student Experience Improvement Initiative, which includes physical One-Stop Student Service Centers as well as a virtual platform that will include publicly available informational websites and a personalized, self-service student portal, tailored to access through a mobile phone. The goal of this initiative is to improve access to student services, reduce frustration, and minimize the number of touchpoints students must engage with regarding enrollment and student accounting.

All of these programs already provide a great deal of financial help to students at Rutgers and we commend the President, the Chancellors, and the Administration on their efforts and commitment to address this aspect of students' lives. The Task Force also understands that, as the needs of students continue to increase, funding for these programs is a challenge given the University's other operational needs. Furthermore, fundraising for need-based grants and scholarships has not been a primary area of focus of the Rutgers University Foundation. Our main goal with this report is to lay out a path, building on the efforts already underway, to help address the financial challenges faced by students at Rutgers.

Summary Recommendations

The Task Force recommends the following measures for consideration by the stakeholders identified below. These recommendations are further detailed in the report.

The University

- Enhance the current financial orientation survey into a financial literacy/education program using best practices from peer institutions.
- Continue to build out a coordinated system focused on student success rates across administrative units that could lead to decreased time to graduation.
- Continue raising awareness about food insecurity on campus and of the various services available to students.
- Explore options for the consistent funding of food pantries.
- Continue working with the legislature on TAG funding. While advocating for additional funds is recommended and necessary, the Task Force also recommends an expansion of this effort to include advocacy for Full-Year TAG Funding and TAG funding eligibility for DREAMers.
- Modify current University policy so that students who qualify for the Federal Work Study Program can opt-in for their second, third and fourth year, as well as their first year.
- Rutgers University–New Brunswick -- reinstitute the 100% overmatch of the Federal Work-Study Program, consistent with Rutgers University–Newark and Rutgers University–Camden, whether this is accomplished at once, or with gradual increases over time.⁴ This is critical to support students at levels consistent with what the University has been able to offer students in recent years.

⁴ As noted below in Section II, this would cost an estimated \$1.6 million.

- Consider expansion of the Rutgers University Loan Program (RULP) to help offset the sunset of the Perkins Loan Program; assess viability of redirecting re-payments of outstanding Perkins Loans to fund the RULP.
- Coordinate across schools and departments to provide additional on-campus work opportunities beyond Federal Work-Study and ensure students are made aware of opportunities and where to look for them. Coordinate with Rutgers Biomedical and Health Sciences to connect students seeking on-campus employment with available positions.
- Provide for additional emergency funds from local and central budgets to a level commensurate with the needs of the various campuses. Assess and understand the current need and use of funds to highlight common needs across campuses that could be addressed from a central fund; these central funds could possibly be distributed through the new One Stop Student Service Centers that will be located on each campus.

The Rutgers University Foundation

- Establish a strategic plan and financial goal for the Foundation to increase fundraising support for need-based aid.
- Under the direction of the President and Chancellors, the Foundation should designate need-based aid as one of its top fundraising priorities.
- Examine current endowments to determine whether the criteria for underutilized funds allow distribution based upon need.

The Board of Trustees

- Establish an annual Trustee Challenge in support of need-based aid.
- Increase/formalize Trustee state and federal advocacy.
- Serve as champions for student aid engagement at the state level and assist the University's continued work on TAG funding.
- Board of Trustees leadership should continue educating the Trustees on issues related to student demographics, impact on financial need, new developments around student aid, student financial challenges, and trends in sources of funding.
- Trustee leadership should ensure that regular updates are provided to the Board of Trustees on the progress of the recommendations from this report.

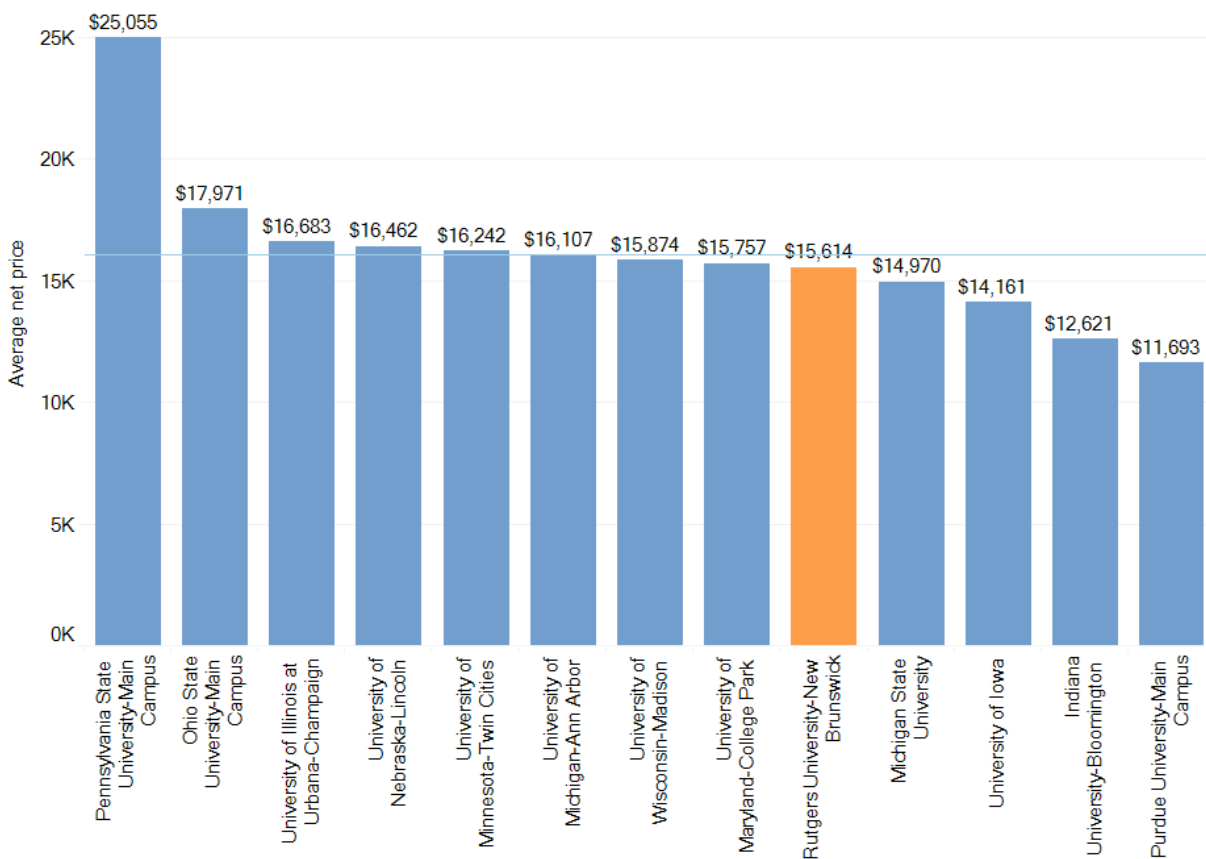
II. FINANCIAL AID

Unfunded Cost of Attendance

The University does an admirable job keeping tuition increases as low as possible and ranks lower than most peers when examining the average net price, or the amount a full-time beginning undergraduate student is charged after subtracting the average amount of federal, state/local government, or institutional grant or scholarship aid from the total cost of attendance. In fact, Rutgers University–New Brunswick, with an average net price of \$15,614 for FY16, ranks 5th lowest when analyzing other public universities in the BIG Ten Academic Alliance. (*Figure 1*, provided by the Office of Institutional Research and Academic Planning.)

BIG10 Average Net Price - 2015/16

Takeaway: Rutgers' average net price is slightly below average for Big Ten Publics



Note: Light blue line is the average net price across all BIG10 institutions

Figure 1

Rutgers University–Newark and Rutgers University–Camden also compare favorably to peer institutions with regard to average net price, as Rutgers–Newark’s average net price of \$10,771 ranks it below peers

such as the University of North Carolina at Charlotte and the University of Illinois at Chicago (*Figure 2*, provided by the Office of Institutional Research and Academic Planning) and Rutgers–Camden’s average net price of \$12,894 ranks it below many of its peers such as University of Wisconsin–Milwaukee and Portland State University (*Figure 3*, provided by the Office of Institutional Research and Academic Planning).

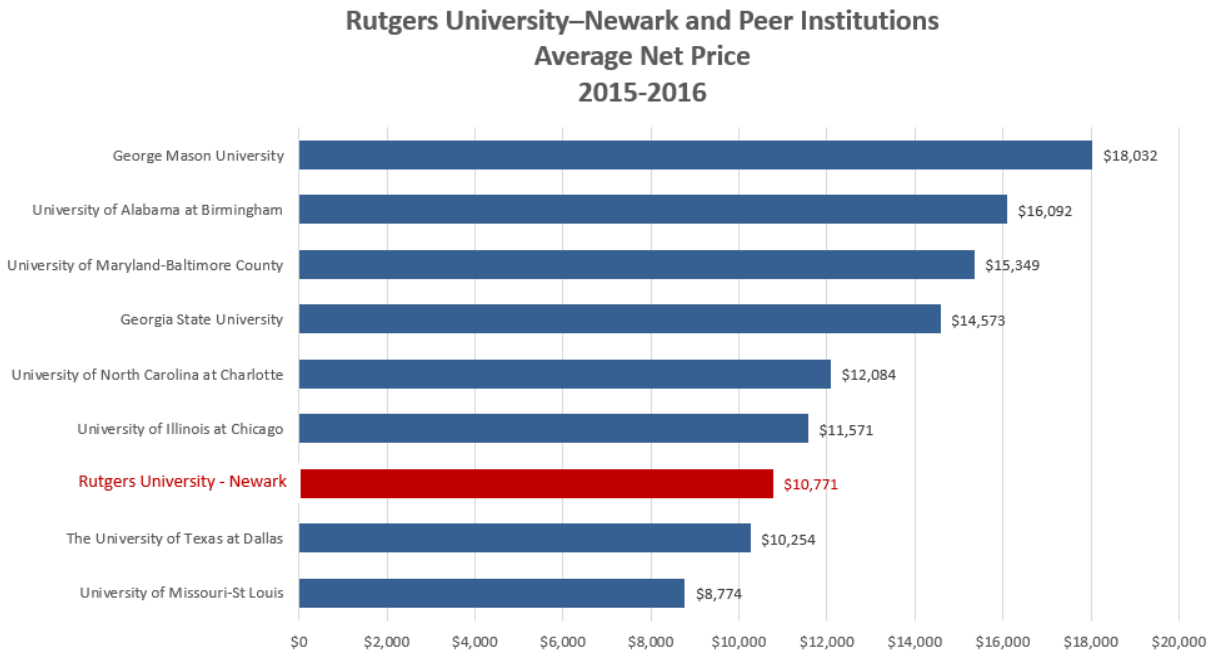


Figure 2

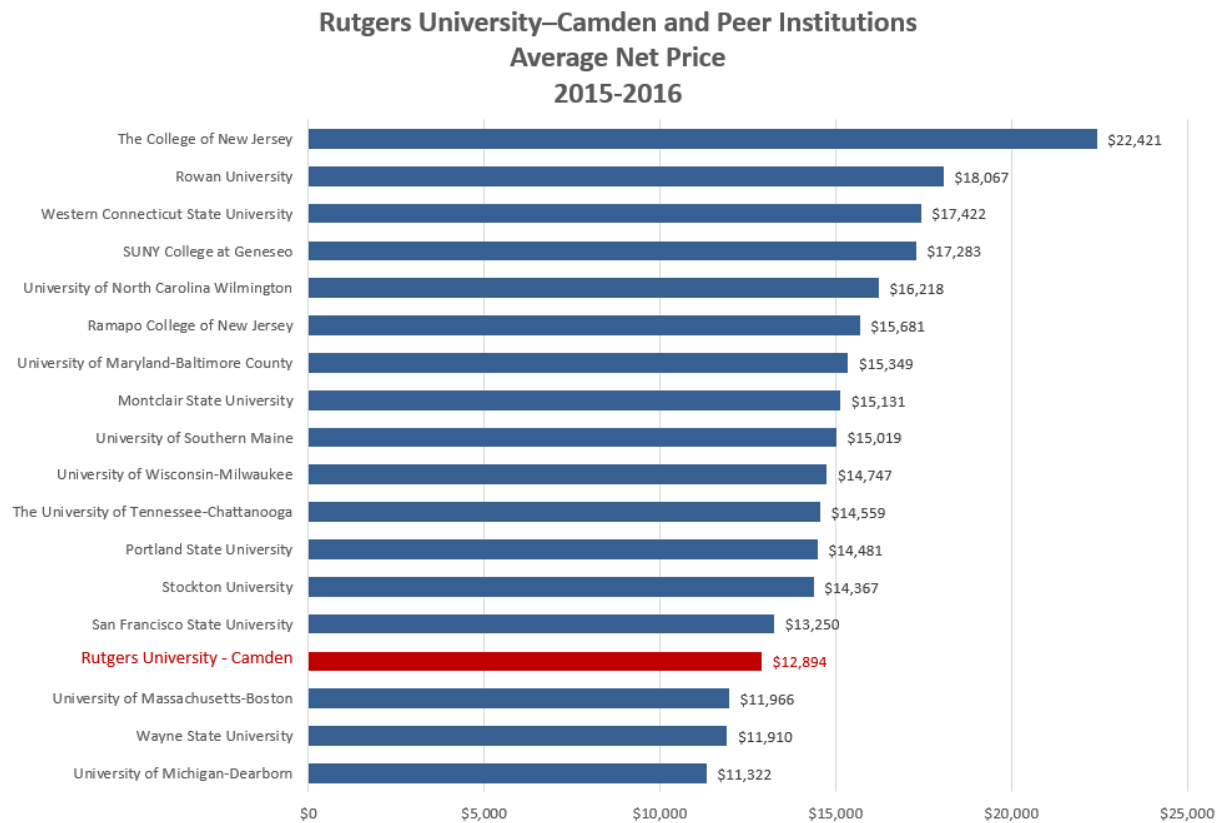


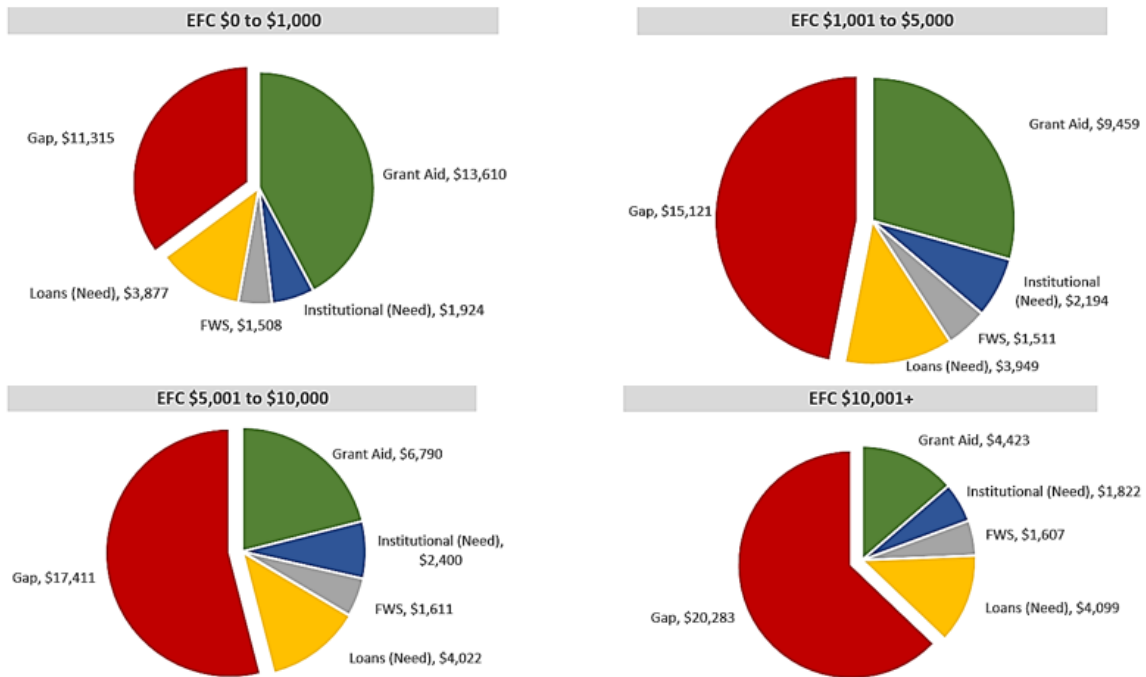
Figure 3

Despite the University's efforts, and its comparatively low net costs, the amount of available financial aid during the past five years has not kept up with increases in the cost of attendance during that same period of time. As a result, the unfunded "cost of attendance" (tuition and fees, room and board, books and supplies, personal supplies, transportation, and miscellaneous costs) has increased, and more students have gaps of unmet need in their financial aid packages.

According to the Office of Enrollment Management, the undergraduate total unmet need, or unfunded gap, for FY17 was \$405,100,608, averaging approximately \$11,159 unmet need per student.⁵ As shown in *Figure 4*, below, the difference between the cost of attendance and the amount covered by need-based aid depends on each student's EFC, as defined by federal guidelines.

⁵ The total amount of undergraduate unmet need is derived from the aggregate total cost of financial aid recipients minus the total aggregate aid awarded.

Cost of Attendance Covered by Need Based Aid



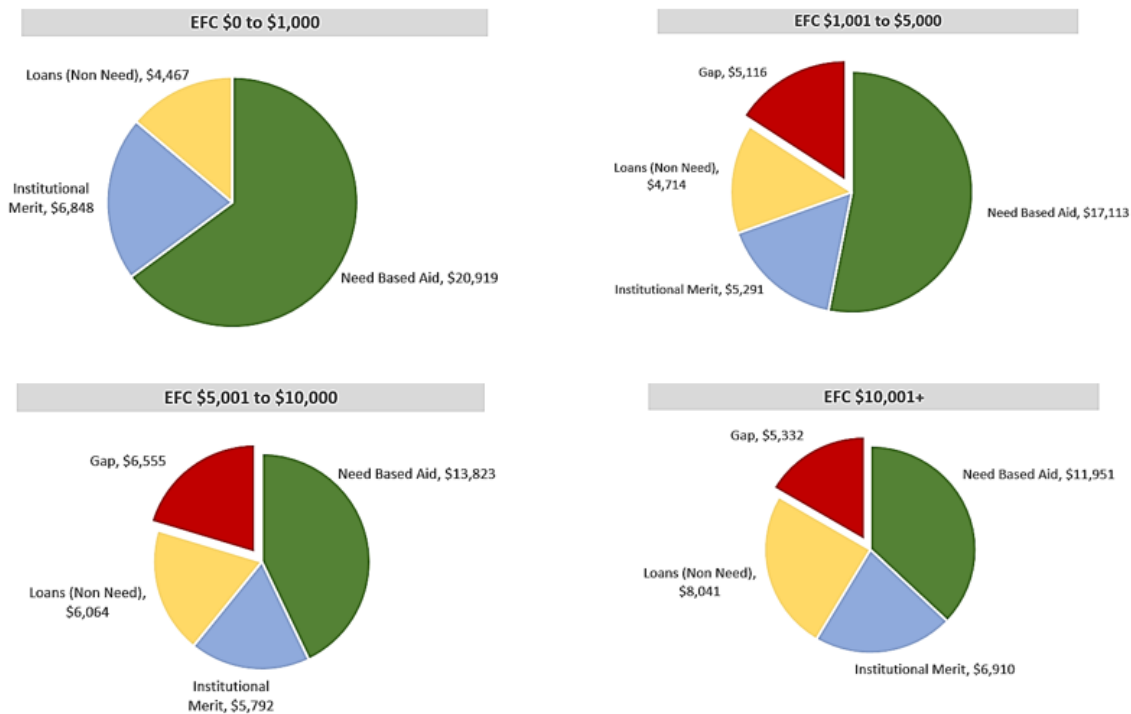
Office of Financial Aid

Figure 4 (FY17)

Most students are able to close this gap through a combination of institutional merit awards and non-need-based loans. The Office of Financial Aid reports that in FY17, 3.3% of students had their need fully met via a combination of need- and merit-based aid. The unmet gap for the average student ranged from \$4,467 at the low end of the EFC federal scoring system to \$13,373 at the higher end.⁶ This is the amount left to be covered by non-need-based loans or family contribution after need-based grants and loans and institutional merit awards are applied. Families tend to close the remaining gap by securing funds outside of the financial aid process, such as refinancing their homes.

⁶ See Figure 5. For students with an EFC of \$0 to \$1,000, the total unmet need is \$4,467 and is covered with non-need-based loans. A student with an EFC greater than \$10,000 will have \$13,373 of unmet need, with approximately \$8,041 covered with non-need-based loans and \$5,332 remaining.

Cost of Attendance Covered by All Types of Aid



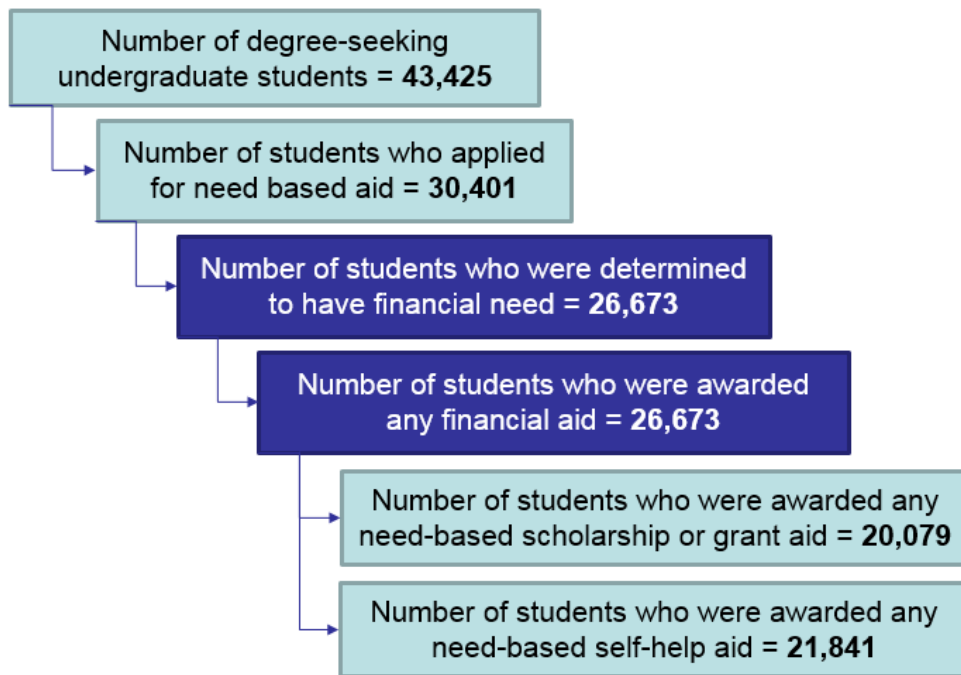
Office of Financial Aid

Figure 5 (FY17)

At Rutgers, as seen in *Figure 6*, below, approximately 88% (26,673) of undergraduate students who applied for need-based aid were awarded some form of financial assistance in FY17. Furthermore, roughly 82% (21,841) of those were awarded some form of need-based self-help aid.⁷

⁷ Need-based self-help aid is defined as financial aid that requires action on the part of the student, such as Federal Work Study (to obtain and work a part-time job) and loans (to repay the loan).

Enrolled Students Awarded Aid in FY17



Office of Financial Aid

Figure 6

A student who applies for need-based aid must submit a Federal Application for Student Aid (“FAFSA”), from which the federal government calculates the student’s EFC. The EFC score subtracted from the cost of attendance determines the amount of need-based aid the student is eligible for. The usual family income for generating aid is \$65,000 or below for a family of four; however, determinations regarding the amount of aid also take into account things such as assets, cash savings, number of dependents, and number of children enrolled in college. Approximately 14,660 full-time undergraduate students had minimal or no estimated family contribution during FY16.

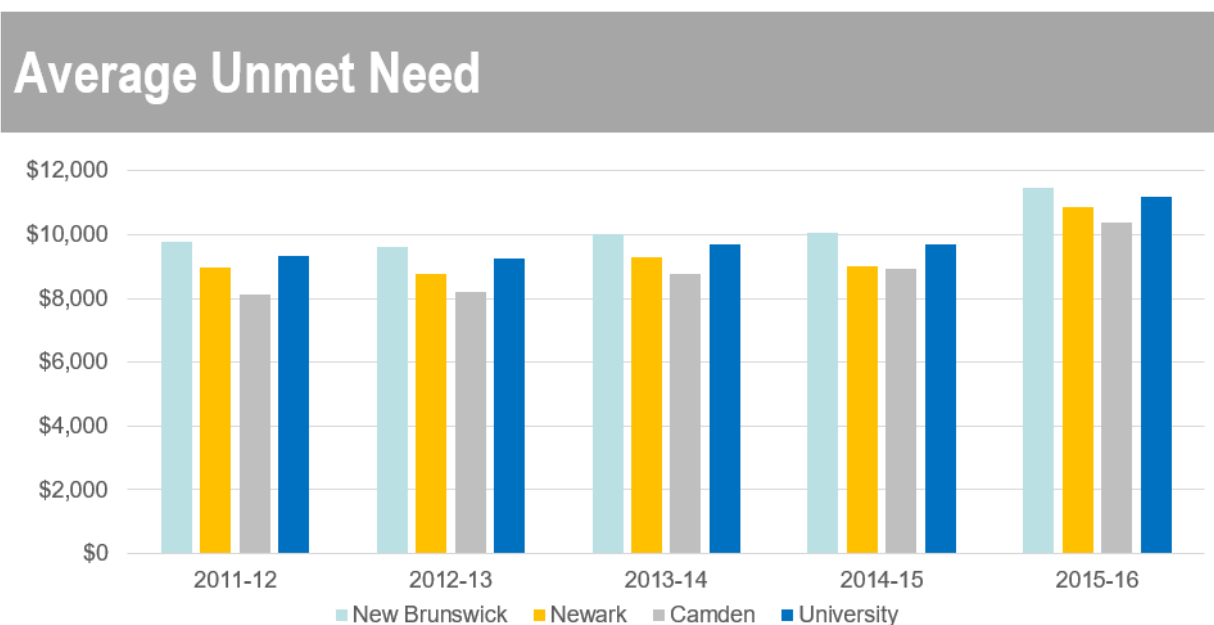
The process for seeking financial aid can be confusing for students and parents. Rutgers admits undergraduates to 18 different schools on all three University locations, and each school has different tuition rates and tuition discounting (the process by which Rutgers offsets its published tuition price with governmental and institutional grant aid); consequently, incoming students may receive a variety of aid offers.

The neediest undergraduate students generally receive adequate aid (refer to *Figure 5*).⁸ However, the unfunded cost of an education for students at the next level of need contributes to their level of food

⁸ Total cost is set using tuition, fees, housing and dining costs, as well as transportation costs and miscellaneous expenses. If the cost of supplies, e.g., art supplies, a musical instrument, a personal computer, etc., exceeds a student’s initial allocation, documentation can be submitted for an adjustment.

insecurity and inability to meet housing and term bill payments while potentially hindering academic success and diminishing access to the full Rutgers experience.

According to the Office of Financial Aid, the total undergraduate unmet need for FY17 was \$405,100,608. The following chart (*Figure 7*, below) illustrates the average unmet need per student for Rutgers–New Brunswick, Rutgers–Newark, Rutgers–Camden, and the entire University by year, from FY12 through FY16. The largest unmet need is at Rutgers–New Brunswick, and the largest increase in unmet need occurred for FY16⁹.



Office of Financial Aid

Figure 7

The level of debt with which students graduate will also depend on the number of years attending Rutgers and whether or not they commute to school. For the 2015 graduating class at Rutgers University–New Brunswick, 59% of seniors graduated with an average debt of approximately \$25,334. In FY16, average loan indebtedness was \$25,434 for a resident student who graduated in six years and \$21,956 for a resident student graduating in four years.¹⁰ Commuting students who graduated from Rutgers–New Brunswick in six years had an average debt of \$27,091, and a commuter who graduated in four years had \$23,791 in debt.¹¹

⁹ FY16 saw a larger increase in unmet need due to an increase in the estimate of indirect costs; more specifically, the estimated cost of gasoline for commuting and off-campus students was raised from \$25.00 a week to \$50.00 a week to account for a national increase in gasoline prices.

¹⁰ Statistics provided by the Office of Financial Aid.

¹¹ Statistics provided by the Office of Financial Aid.

Available Financial Assistance

The University currently provides need-based aid to undergraduate students through a combination of federal, state, and university programs. While the number of students receiving need-based aid has increased, the average amount provided to each student has increased at a slower pace than the percentage of increase in the total cost of an education at Rutgers. Therefore, the gap between what students receive in aid and the cost of attending the University continues to widen, resulting in an increasing number of students for whom existing aid programs fail to cover the cost of basic needs, making it difficult for them to complete their studies at Rutgers.

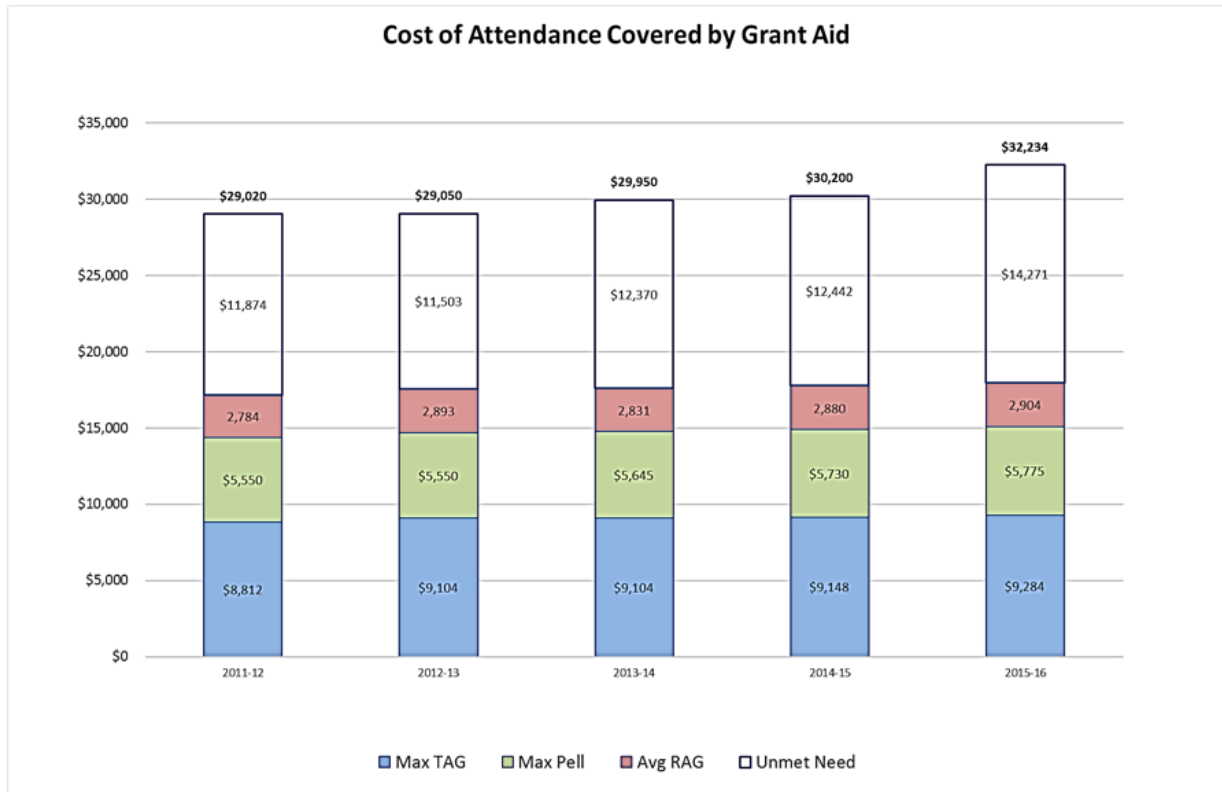
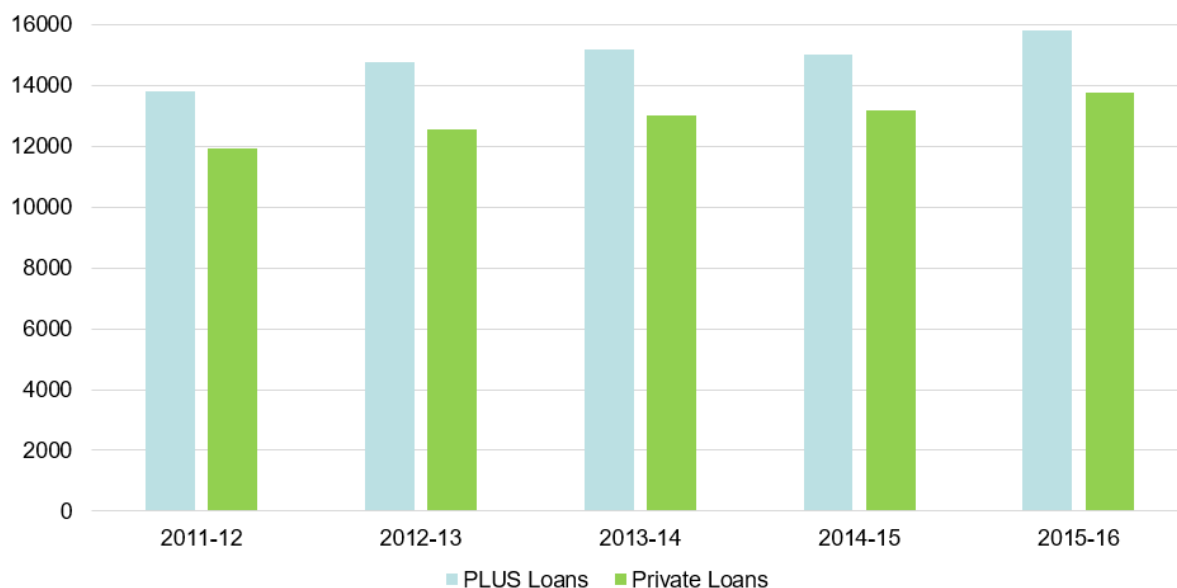


Figure 8

According to *Figure 8* from the Office of Financial Aid, between FY12 and FY16, the difference between the cost of attending Rutgers and the amount covered by grant aid, before loans and merit awards, increased an average of 4.7% per year, from \$11,874 to \$14,271. While maximum Tuition Aid Grant and Pell Grant funding remained static over the five-year period, the cost to attend Rutgers increased, widening the gap of unmet need. Some parents and students who do not qualify for financial aid via the federal methodology apply for non-need-based aid, such as scholarships awarded on the basis of academic achievement or merit, as well as unsubsidized Federal Direct Loans, PLUS loans, and private loans. The chart in *Figure 9*, below, shows the steady increase in undergraduate borrowing over a five-year period, attributable to the widening gap in need-based funding and rising tuition costs.

The Office of Financial Aid on all campuses assists students and their families year-round in planning for and meeting expenses associated with attendance at Rutgers. Among the services provided are the establishment of aid eligibility; information concerning scholarships, grants, and loans; employment opportunities; tuition payment plans; financial aid counseling; a financial aid website;¹² and other helpful tools.

Average Annual PLUS & Private Borrowing



Office of Financial Aid

Figure 9

Federal Financial Aid

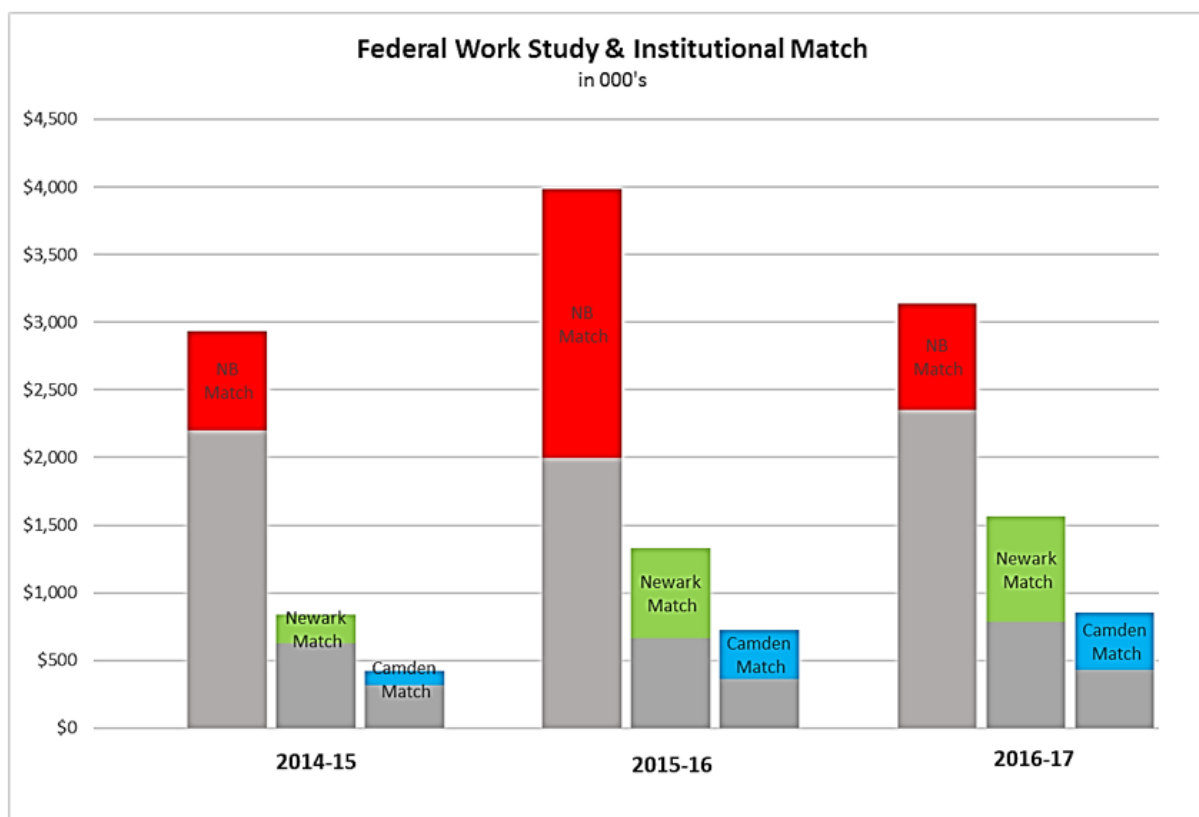
Federal Financial Aid consists of Pell Grants, the Federal Work-Study Program, and federal student loans, which provide a total of more than \$300 million annually to Rutgers' undergraduates.

Federal Pell Grant Program ("Pell Grants") is the main federal investment in undergraduate education at Rutgers. Pell Grants are funded by Congress through a combination of mandatory and discretionary funds administered by the United States Department of Education. The program is very popular with legislators and consequently very stable. The maximum award is set annually: the current maximum grant is \$5,920, with the minimum set at 10% of the maximum. At Rutgers, the average Pell Grant award is approximately \$3,700. Pell Grants are need-based and limited to undergraduate citizens and

¹² <https://financialaid.rutgers.edu>

permanent residents and require satisfactory academic progress in a degree-based program. Most qualifying students are from families with an income of \$50,000 or less. Currently, 30% of the student population at Rutgers receive Pell Grants, for a total of more than \$77 million.

The Federal Work-Study Program (“FWSP” or “Work Study”) allocates funds by formula to institutions to assist students in need by providing part-time employment that pays at least the minimum federal wage. Prior to January 1, 2018 the hourly rates at Rutgers–New Brunswick, Rutgers–Newark, and Rutgers–Camden were \$8.44, \$10.50, and \$13.00, depending upon the position. In December 2017, President Barchi announced raising the minimum wage for students to \$11.00 per hour. In addition to federal funds, institutions are required to match at least 25% of the Federal funds allocated to the program, thus increasing the number of students or hours in work-study jobs. In FY16, Rutgers University–New Brunswick, Rutgers University–Newark and Rutgers University–Camden matched the federal allocation 100%. In FY17, Rutgers–Newark and Rutgers–Camden both continued to match 100% but Rutgers–New Brunswick only matched the minimum 25% of the federal allocation resulting in \$3,225,759 available for wages. Increasing the New Brunswick match to 100% would have resulted in a total of \$4,838,638 available for wages in the Federal Work–Study Program in FY17.¹³ *Figure 10*, below, illustrates the difference a 100% match of the federal allocation can make.



Office of Financial Aid

Figure 10

¹³ Had Rutgers University–New Brunswick 100% matched the Federal allocation to the Work-Study program in FY17, the increased cost would have been \$1,612,879.00.

Eligible FWSP students can work on or off campus at eligible non-profit and government agencies (community service employment). During the 2016-2017 academic year, 3,661 Rutgers students had FWSP employment and earned an average of \$1,494 per student, for a total amount of \$5,467,793. The total number of students in FWSP community service employment was 889, and the average earnings per student was \$1,583. According to Rutgers policy, if a student does not participate during the first year of enrollment, he or she cannot enroll during subsequent years. There are significant benefits to students who participate in the Federal Work Study Program beyond monetary benefits, as FWSP positions often come with an understanding of semester cycles and may allow for flexible work schedules during exam periods. Moreover, on-campus employment has been shown to facilitate stronger affiliations with the University and lead to higher retention and graduation rates.¹⁴ Therefore, the University should try to ensure that each University location endeavors to match 100% of the federal allocation and permit students to opt in during their second to fourth year after opting out in their first year. The focus of increased FWSP dollars should be on-campus opportunities to positively impact retention and graduation.

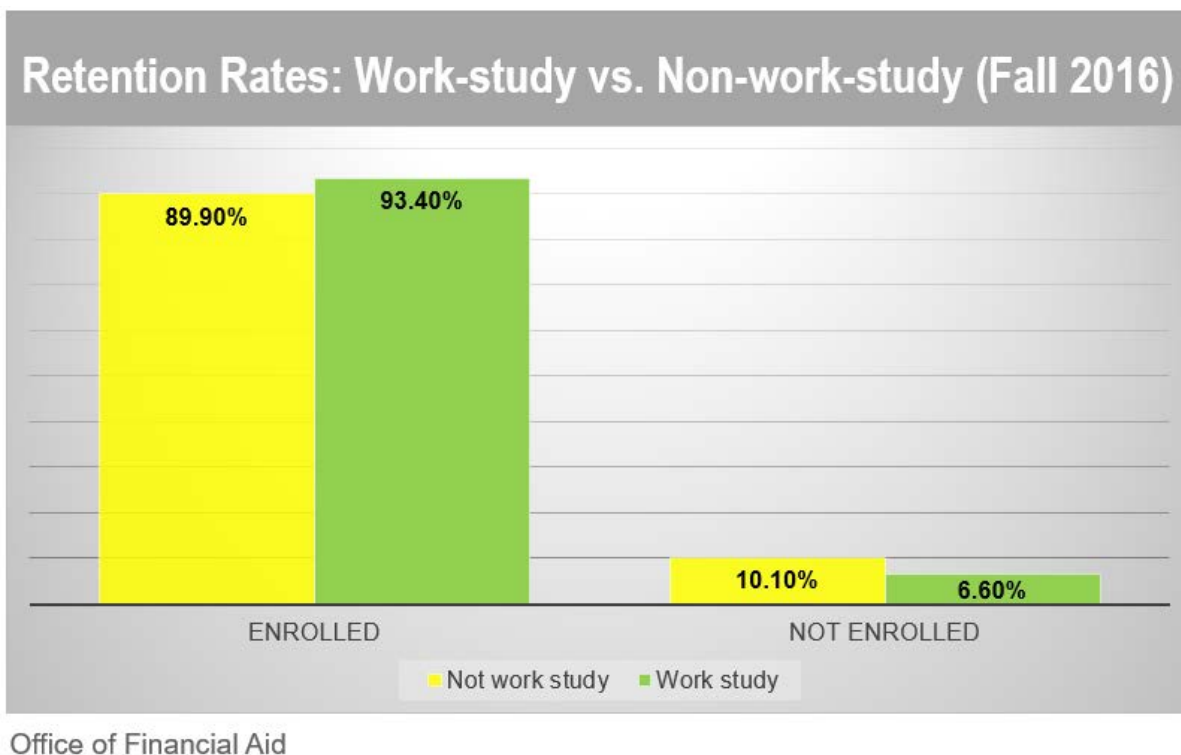


Figure 11

Note: "Not Enrolled" refers to students who did not attend Rutgers the following year.

¹⁴ See *Figure 11* and *Figure 12* for illustrations of graduation and retention rates for Federal Work Study recipients.

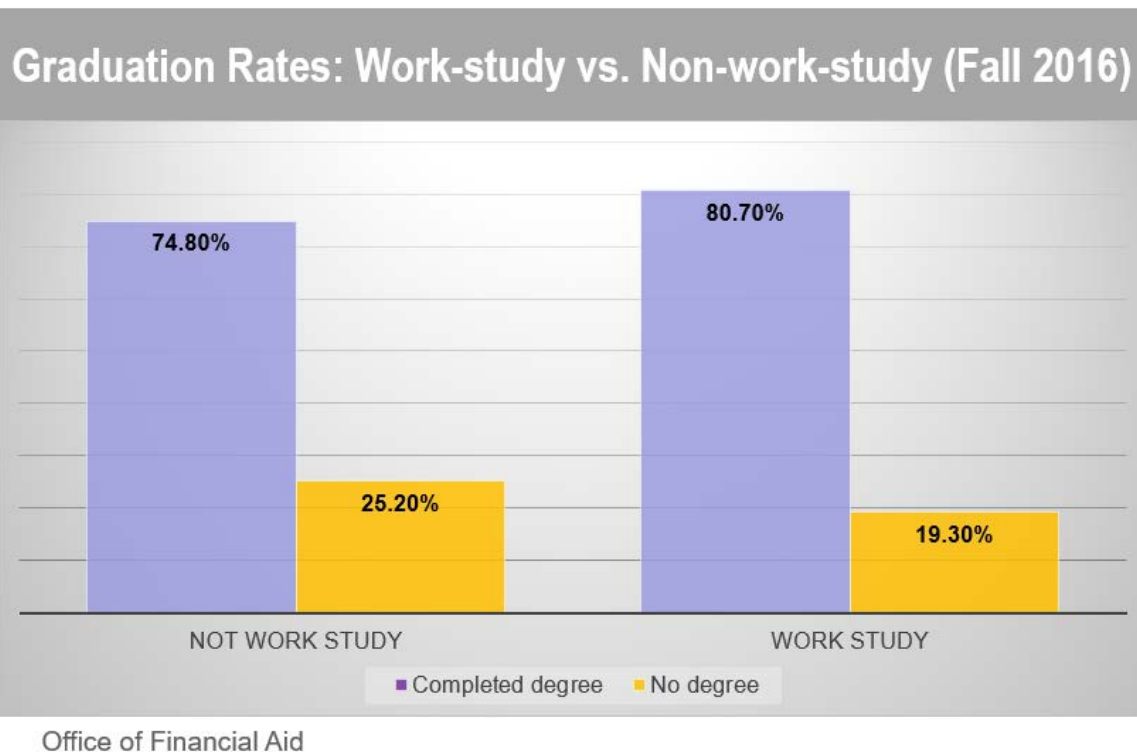


Figure 12

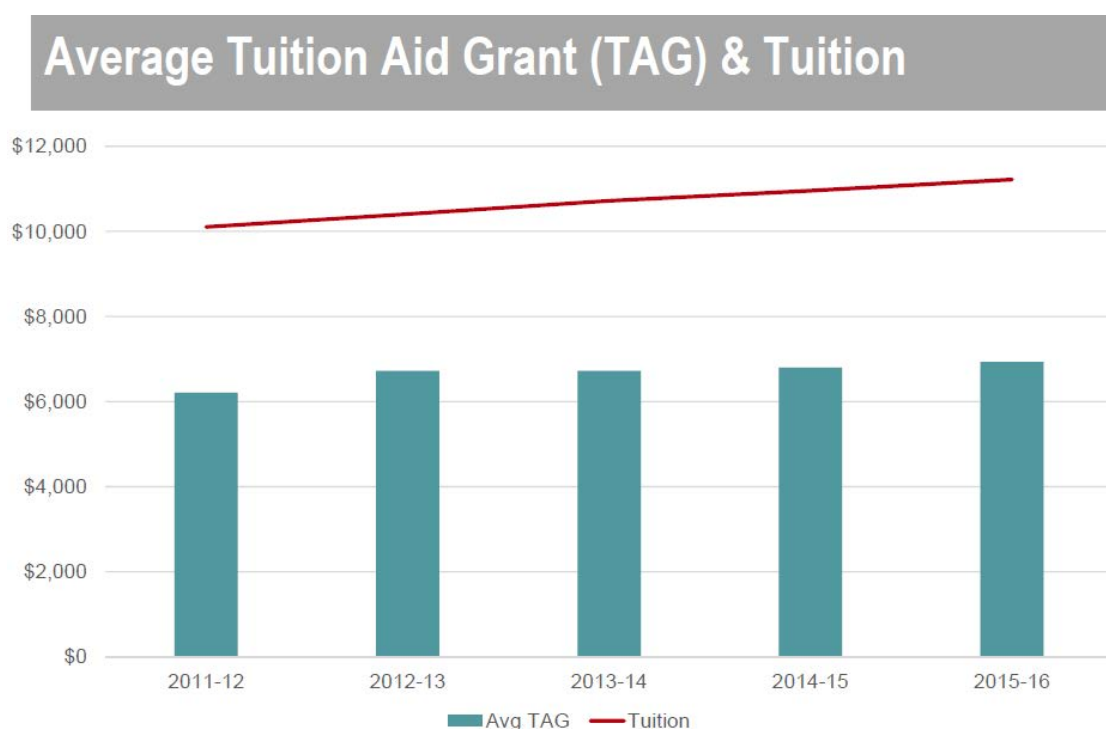
Other sources of federal aid include Federal Direct Subsidized and Unsubsidized Stafford Loans, Parent PLUS Loans, and Perkins Loans. The interest on subsidized loans are paid by the federal government while the student is enrolled in school at least half-time. Unsubsidized loans are non-need-based; if a student chooses not to pay the interest on these loans while in school, the interest will accrue and be added to the principal. Parents of dependent students are eligible for PLUS Loans and are subject to a credit check. The maximum amount that may be borrowed is determined after subtracting other aid from the cost of attendance.

The sunset of the Federal Perkins Loan Program (Fall 2017 was the last award) will leave a funding gap of \$8-9 million dollars and could further affect a student's ability to pay for college. As explained below, Rutgers may be able to grow the Rutgers University Loan Program ("RULP") to accommodate that gap over the ten or more years that outstanding Perkins loans are collected. The University is currently exploring that possibility.

The latest proposed legislation regarding the Higher Education/Promoting Real Opportunity, Success and Prosperity Through Education Reform ("PROSPER") Act would eliminate subsidized federal loans for undergraduate students and negatively impact more than 22,000 of the University's students who receive those loans. The Rutgers Office of Federal Relations is keeping a close eye on this legislation, which currently remains a committee-passed House resolution.

State Aid

New Jersey Tuition Aid Grant (“TAG”) The State of New Jersey also provides need-based assistance. Eligibility for a TAG is determined by the New Jersey Higher Education Student Assistance Authority, and because it has the support of the Legislature, its funding has increased every year since 2000. This program is based on income, assets, and certain expenses, such as the number of dependents in a family and the number of children attending college. TAG provides funding towards a bachelor’s or associate’s degree for a maximum of nine consecutive semesters and will not be granted to applicants who are in default on a state or federal loan. Family incomes are usually \$60,000 or less, and the EFC is \$9,500 or less. The number of Rutgers students who received funds from TAG during FY17 was 14,074, and awards ranged from \$400 to \$9,284. *Figure 13*, below, shows the average TAG award and the cost of tuition between FY12 and FY16. In total, Rutgers receives about 24% of the total State TAG funding, given the size of its student population who qualify for this grant.



Office of Financial Aid

Figure 13

The New Jersey Educational Opportunity Fund (“EOF”) provides need-based funds to community colleges and public and private four-year colleges. It provided aid to 3,206 Rutgers students from economically and educationally disadvantaged environments for a total of \$4,006,000 in FY17, in the amount of \$200 to \$2,500 per student. EOF grants provide financial assistance and support services, such as remedial instruction and books, and some monies go to the University for instruction. These grants are renewable based on continued eligibility.

The NJ Stars II Program offers NJ Stars recipients up to \$2,500 per year at any New Jersey public or private four-year college or university. Eligible students had to have been a NJ Stars recipient during

their semester of graduation from community college and had to have graduated with a GPA of 3.25 or higher, plus be enrolled full-time in a baccalaureate degree program.

Aid Provided by Rutgers

Rutgers Assistance Grant (“RAG”) Rutgers also provides its own need-based assistance. RAG was implemented by the University to help the most financially disadvantaged students by supplementing federal and state offerings. It can be used for tuition, fees, room, board, books, supplies, travel, health insurance, and other expenses related to attending college. It can also be used to assist all segments of the population in hardship situations—for example, the death of a parent, loss of employment, health emergencies, or loss of a home.

Eligibility is determined by using the EFC that is used to determine eligibility for Pell Grants. Family incomes are usually \$60,000 or less, and the EFC is \$10,000 or less. Eighteen percent of all enrollees at Rutgers receive assistance from RAG, and during FY17 there were 11,101 students who received that assistance. The amount of each award varies by need, and awards usually range from \$500 to \$5,000 per academic year. RAG has its challenges: according to the Office of Enrollment Management, the biggest challenge is that there are not sufficient RAG funds to cover all Pell Grant and TAG recipients and also reserve some funds for hardship appeals.¹⁵

Rutgers Future Scholars is an aid program that brings together the University, donors, corporations, and communities to provide mentorship and full tuition scholarships to low-income students from New Brunswick, Piscataway, Newark, Camden, and Rahway. Academically promising students from those five communities poised to become first-generation college students begin a pre-college program the summer before they enter 8th grade consisting of honors classes, cultural events, career skills, sports, mentoring, and more. The requirements of the program are in addition to the students’ regular coursework and offers mentorship and a pathway to success. As of January 2017, Rutgers Future Scholars has supported 1,800 scholars with a \$2,500 annual investment per scholar. The five-year program boasts an average scholar Grade Point Average (“GPA”) of 3.37, as well as a 95% high school retention rate and a 97% graduation rate.¹⁶ Students who successfully complete the five-year program will receive full tuition funding (through scholarships and federal grants) to Rutgers University.

University Location-based Aid

The Chancellors of Rutgers University–New Brunswick, Rutgers University–Newark, and Rutgers University–Camden have need-based funds, including small emergency fund pools for emergent situations, as well as campus-specific programs, scholarships, and awards that provide need-based aid. In addition, need-based and non-need-based scholarships and awards have been established by corporations, alumni associations, individuals, and many Rutgers schools and institutes. In addition, each campus offers robust student services to students in crisis: Rutgers–New Brunswick’s Offices of the Dean of Students, Rutgers–Newark’s Campus Awareness Response and Education (“CARE”) Team, and

¹⁵ In FY17, Rutgers had 17,744 Pell Grant recipients; 14,074 TAG recipients; and 11,101 RAG recipients. There are approximately 5,000 students who meet the federal and/or state definition of “high need” who were not assisted with RAG funds.

¹⁶ <http://futurescholars.rutgers.edu/app/content/fastFacts.jsp>

Rutgers–Camden’s RU Raptor CARES Program are each an interdisciplinary approach aimed to provide emotional, financial, academic and psychological assistance to students in need in an effort to address the root cause of a student’s personal issues.

Rutgers University–Newark Talent & Opportunity Pathways Program (“RUN to the TOP”) became effective in the Fall of 2016. All admitted Newark residents and transfer students with an associate’s degree from a New Jersey county college whose household adjusted gross income is \$60,000 or less are offered scholarships covering 100% of undergraduate tuition and fees (after federal, state, and external scholarships have been awarded). Students who are also admitted to the “Honors Living-Learning Community” will receive the full cost of tuition and room and board. Since the inaugural year, the RUN to the TOP program has assisted with increasing the number of Newark residents enrolled as first-year students at Rutgers University-Newark by 56% and assisted in increasing the new transfer population by 24.5%. The overall growth in the first-generation student enrollment with the launch of RUN to the TOP has increased by 31.25%. In the 17-18 academic year, the RUN to the TOP program serves 20.5% of the Rutgers University–Newark undergraduate population.

Bridging the Gap was established at Rutgers University–Camden in the Fall of 2015. This program allows for the reduction of tuition expenses of up to 100%. It is automatically open to eligible students who never attended college; are first-year and full-time students in a degree-granting program at Rutgers–Camden; residents of New Jersey; and United States citizens or legal permanent residents of the United States. Based on family adjusted gross income, the program closes the gap between federal and state sources of financial support and covers all or a portion of the balance of tuition plus the general campus fee.¹⁷ The grant may be renewed annually if the student has successfully completed 30 credit hours. Since its inaugural year, the Bridging the Gap Program has grown new first-year, first-generation student enrollment by 65% and currently services over 10% of the Rutgers University–Camden undergraduate population.

Narrowing the Gap, funded by a \$40,000 pledge donation, supports students whose families have an adjusted gross income below \$60,000 and still have need after Bridging the Gap assistance is applied. The gift is first available to students from the City of Trenton, New Jersey, and is then offered to students from the City of Camden, New Jersey. Awards may be renewed for up to three years for students with continued unmet need and, importantly, additional gifts, from any source, may be added to the fund.

Retention Scholarships at Rutgers University–New Brunswick provide aid for tuition, housing, and education-related expenses to continuing undergraduate students who have met the criteria for academic progression and have unmet need after all financial aid has been awarded. These scholarships can be used to cover education-related expenses, including textbooks, housing, tuition and summer classes. For example, the “Will Power Fund” is a retention scholarship fund that supports current students who otherwise would be unable to complete their education because of unmet financial need.

¹⁷ If a family’s income is \$60,000 or less, the student will receive a grant covering 100% of tuition plus the general campus fee. The grant will cover 75% of tuition if a family’s income is between \$60,001 and \$80,000 and 50% of tuition for families with an income between \$80,001 and \$100,000.

The Rutgers University Loan Program currently serves 80 students, at a total of \$500,000. It is a need-based loan program utilized to address hardships. Eligibility is determined by the Office of Financial Aid. This program could be expanded to accommodate the approximate \$9 million funding gap left by the sunset of the Federal Perkins Loan Program if the collected outstanding loans are deposited into the RULP. (The Federal Perkins Loan Program will be totally closed as of June 30, 2018.) Until 2006, Rutgers contributed a required Institutional Capital Contribution (“ICC”) that equaled a percentage of the total amount of Perkins Loans offered each year. With the discontinuation of the program, the cumulative ICC amount belongs to Rutgers, and the federal government will return funds to the University as the remaining outstanding loans are repaid. These returns are estimated to be approximately \$900,000 per year for 10 years and could be invested in RULP. The University should consider investing an additional \$2 million a year for four years in a revolving fund to support additional student loans and ensure that over time the RULP will be self-sustaining and available to assist students. This investment is critical to offset the loss of the Federal Perkins Loan Program and give the University flexibility to assist students with hardships not captured by the federal need-based aid analysis formula.

Emergency Funding: Rutgers University–New Brunswick, Rutgers University–Newark and Rutgers University–Camden also maintain small pools of emergency funds for students that experience unexpected financial hardships. Administered by the Office of Student Affairs, the Dean of Students or an individual school, these funds can be used to help a student with tuition, fees, books, and emergency expenses, such as housing and food. In some cases, these funds are used as one-time support that enable students close to graduation to overcome small financial obstacles that may be keeping them from graduating.¹⁸ Each distribution of emergency funds is on a case-by-case basis, and the University works with each student to address the root cause of the issue to ensure the student’s success.¹⁹ It is clear however, that the current funding of the emergency pools is not enough, given the number of students and the potential for crisis.

Additional University Assistance: In addition to striving to keep tuition low, and numerous need-based and non-need-based financial assistance, the University assists in countless other ways to ensure student success. In addition to providing financial literacy programs and on-campus food pantries, which will be discussed in later sections, the University offers assistance with on- and off-campus employment not associated with FWSP. The Office of Student Employment within the Office of Financial Aid serves as a resource to students seeking part-time and seasonal positions as well as to employers interested in hiring students. The Job Location and Development Program, funded by the federal government, serves as a database of non-need-based part-time and seasonal positions students can apply for, both on- and off-campus. Moreover, the Office of Student Employment engages in extensive marketing to connect students to employers, including job fairs and social media campaigns. For example, “#RU Working Wednesday” is a social media campaign that promotes some of the departments and organizations at the University for which students work, providing insight into

¹⁸ Specifically, Rutgers University–Camden provides small grants ranging from \$250 to \$1000 to high-need students, often with “insurmountable barriers,” to assist them through the final semesters of their Rutgers education.

¹⁹ For example, students enrolled at Rutgers University–Camden can take advantage of the Student Success Coach Office for one-on-one assistance from success coaches to ensure that they have the necessary information and tools to succeed, as well as assistance with problems caused by issues other than finances.

employment positions accessible on-campus to students at Rutgers University–New Brunswick, Rutgers University–Newark, and Rutgers University–Camden.

To further enhance its offerings to students looking for part-time employment while enrolled, the University should pool its resources within various units to offer students more employment opportunities on-campus. Specifically, Enrollment Management, Financial Aid and Student Employment should coordinate with Career Services to locate and advertise part-time positions that may even lead to full-time positions after graduation²⁰. As discussed above, students employed on-campus have been shown to have higher retention and graduation rates. On-campus employment offers student proximity in location as well as schedule flexibility to accommodate classes and exams, and provides the opportunity for practical use of learned skills in supportive and challenging environments. Moreover, on-campus employment strengthens the student's bond to the University, gives them a stake in its success and provides valuable life experience. Dr. Brian Strom, Chancellor for Rutgers Biomedical and Health Sciences and Executive Vice President for Health Affairs, noted that there are untapped opportunities for undergraduate employment at RBHS. This, in turn, could expose students to career paths they hadn't before considered. The University should make every effort to match students' interests and background to opportunities that may be available at RBHS.

Recommendations

Need-based aid: It is recommended that the University identify alternative funding sources for addressing unmet need:

- Designate more institutional money for student aid through the fundraising efforts of the Foundation. This includes establishing need-based aid as a priority for the Foundation, as described later in this report (Section V).
- Provide additional emergency funds from local and central budgets to a level commensurate with the needs of the various campuses for scholarships, retention grants, and student emergency situations, and assess and understand the current need and use of funds to highlight common needs across campuses that could be addressed from a central fund, as outlined in Section IV of this report.

Working opportunities: The University should increase the availability of part-time and seasonal employment opportunities for students through collaboration, outreach, and leveraged resources:

- Increase the Federal Work-Study Program match at Rutgers University–New Brunswick to 100%, and maintain the same level of funding already in place at Rutgers University–Newark and Rutgers University–Camden.
- Rutgers should revise its work-study requirements so that students can begin participation in years 2, 3, and 4, as well as in year 1.

²⁰ Rutgers University-Camden has indicated that they have already launched an initiative that ties on-campus (work study and non-work-study) employment to the use of the career center, providing workshops, online tutorials, résumé reviews to all students who apply for on-campus employment and requires them to apply through the career center and interview for the position.

- Further enhance/expand employment programs for students beyond the Federal Work-Study Program and the federally funded Job Location and Development Program by providing additional on-campus work opportunities that may be available throughout the University. The program should attempt to provide meaningful work that helps to prepare students for future employment. Financial Aid, Student Employment, and Career Services should collaborate on a robust job location and information system that is accessible to all students. In addition, these units should explore and promote employment opportunities offered at RBHS.
- Continue to leverage and look for ways to enhance the strong presence of the University's President, Chancellors, administration, deans and professors in New Jersey and its contacts with local businesses to identify additional off-campus employment opportunities. Career Services can be helpful in this area.

Student Loans: With the sunset of the Federal Perkins Loan Program in 2018, the University should explore additional options available through existing flow of funds that will allow for the partial replacement of these loans. Specifically:

- A study should be conducted on the possibility of utilizing the repayment of prior Institutional Capital Contributions made by Rutgers into the Federal Perkins Loan Program to fund new loans to students at favorable rates. It is estimated that Rutgers could collect an average of \$900,000 per year for the next 10 years from the repayment of its ICC. These funds could then be "loaned forward" to new students, allowing the University to provide loans to 400 students.
- The University should additionally consider further building upon the RULP over time, by contributing up to \$2 million a year over a 4-year period. This would enable the RUPL to provide need-based loans to an additional 1,000 students.
- As RULP loans are repaid, the repaid funds should be reinvested into the program, thus making the fund self-sustainable.

State and Federal Aid: It is also recommended that the Office of External Affairs continue to encourage and assist students to communicate with state and federal legislators about the many financial challenges faced by students and the rapidly growing demand for student financial aid. These efforts should include leveraging the network of student clubs and associations throughout the University to develop a strong advocacy program at Rutgers.

Benchmarking: We recommend that the governing boards and University administration conduct additional research on best practices among peer institutions in the area of need-based aid and enhance technology utilization to further assist students in their financial needs, as well as their financial education.

Awareness: Trustees should be educated on an ongoing basis regarding federal funding, TAG, RAG, and strategies for advocating for increased funding for those programs, as well as those administered by the Foundation or individual University locations. They should also be kept informed about opportunities for personal donations and scholarships for need-based aid, benefits of the establishment of endowed scholarships by alumni associations and other groups with which they are involved, corporate matching programs and donations, and the need to serve as philanthropic role models for the University.

III. Financial Literacy and Education

As the burden continues to be shifted to students to finance their own post-secondary education, it is critical that students understand the ramifications of the financial decisions they make. In addition to analyzing the amount of financial aid students receive, the Task Force sought to examine the scope of student debt and the tools the University provides to students to anticipate and manage that debt. First and foremost, it is important to note that student debt is not a Rutgers- nor New Jersey-specific problem, but a national problem with 44.2 million borrowers in the United States accounting for \$1.31 trillion in student loan debt.²¹ In fact, it is estimated that the average 2016 graduate has \$37,172 in student loan debt with a default rate of 11.2%.²² In New Jersey, 62% of the Class of 2016 graduated with student loan debt averaging \$28,233 per student, ranking close to the median when compared to other states around the country.²³ Often, students can exacerbate this problem by making decisions that cause them to take longer to graduate or lose their financial aid funding. With this in mind, it is incumbent upon the University to ensure students possess adequate financial literacy in order to understand the financial decisions that will have such a profound impact on their lives and their ability to support themselves once they graduate.

Another issue related to financial literacy occurs when students withdraw or drop classes without the information necessary to make sound decisions that affect their financial aid status. More specifically, Satisfactory Academic Progress (“SAP”) is a requirement for all students receiving federal, state, or university assistance while enrolled at Rutgers. Financial aid recipients must meet both a qualitative and a quantitative standard to maintain eligibility for aid. The qualitative standard is determined by the student's cumulative grade point average (“GPA”) at a specific grade level while the quantitative standard is based on a student's completion rate, or the successful completion of a minimum number of credits of the total credits attempted. A student's entire academic record²⁴ is included in the determination of satisfactory academic progress and whether or not a student will receive aid; incomplete and withdrawal grades do not earn credits to meet the academic standard or influence the GPA in the term the course was attempted, but they do count as attempted credits. In addition, the student must complete the program within the maximum time frame.

The number of times a student withdraws from a course (or multiple courses) matters because students cannot receive financial aid for more than 150% of the number of credits required to complete their

²¹ Forbes: Student Loan Debt in 2017: A \$1.3 Trillion Crisis, Jack Friedman (February 21, 2017).

²² Id.

²³ The average student debt per borrower across the nation ranges from a low of \$18,810 in Utah to a high of \$35,185 in Pennsylvania. New Jersey Student Loan Debt by School by State Report, 2017 Statistics, lendedu.com.

²⁴ A student's entire academic record includes advanced placement credits earned in high school and transfer credits from another college or university.

degree program, thus the number of credits attempted must not exceed this maximum.²⁵ Many students may not be aware of the SAP requirements or the effect withdrawing from a class will have on their eligibility for financial aid. In fact, many professors may not be aware, and often suggest a struggling student withdraw from the class and try again next semester.

Current Approach

The Task Force reviewed the level of financial education provided to Rutgers students at the start of their college careers including the types of information currently available; the level of complexity of the material provided; the vehicles through which it was delivered; the frequency; and the use of information in improving the student's understanding and learning about the financial matters linked to paying for college. After a thorough review, it is evident that financial education varies widely between each University location. Rutgers University–Newark students have not previously participated in a financial education module; however, Rutgers–Newark will provide its first module in Summer 2018 as a precursor to orientation. At Rutgers University–Camden, students complete several online modules as part of their orientation. These modules, including one on financial literacy, provide information and pose questions that students answer to show they are retaining information. As these modules are required for incoming students, almost 100% of new students participate.²⁶ At eight weeks into the semester, a follow-up module and quizzes are distributed. Although the follow-up module is not required, and there is a 35% participation rate among students, it acts as reinforcement and helps solidify knowledge. At Rutgers University–New Brunswick, students participate in a financial education module that was first introduced to all incoming first-year and transfer undergrads for FY17. For incoming undergraduate students admitted in 2017, 98% have completed Part 1 of the module and 48% have completed Parts 1 and 2. The University does maintain consistency with its financial literacy education through the Office of Financial Aid, which provides a significant amount of financial and debt information via website links and orientation modules. In addition, the Office of Financial Aid also requires all students who receive aid to do online entrance counseling. However, information obtained from the Office of Financial Aid is generalized in nature and may not result in the level of understanding necessary for students to make the appropriate decisions on debt/loans.

Benefits from a More Comprehensive Approach

Providing ongoing opportunities for financial education to students that go beyond first year orientation helps develop fiscal responsibility during a critical period such as college and is an important strategy for the long-term financial success of Rutgers students. Financial education may assist struggling students to identify ways to overcome financial hardships and keep students enrolled at the University. The University should provide and promote the use of interactive calculation tools that present an

²⁵ If a student exceeds the maximum time frame, the student may appeal to the regional director of financial aid for a one-time extension of aid eligibility only if the student is within 24 credits of completing his or her degree program (as confirmed by an academic advisor) and meets the minimum 2.0 GPA.

²⁶ Typically, less than 40 students fail to complete the financial literacy modules. Those students who do not complete the modules as required are prevented from registering for the next semester's classes until they complete the modules.

individualized analysis of students' specific revenue, expense and loan situations, which may help students better understand how much debt is appropriate for their education, encourage sound financial decisions and make it easier for students to forecast their financial future. The University is currently in the process of a comprehensive assessment of enrollment management and student accounts functions with the goal to drive improved, consistent levels of student service across the University. As the University continues the assessment process, further research into best practices of peer institutions²⁷ regarding financial literacy education should be considered and incorporated into the Student Experience Improvement Initiative, including the best-of-breed financial literacy education tools and financial modules. Additionally, the University should consider investing in coordinated strategies to reduce time to graduation, including implementation of counseling services targeted at specific junctures where students might be at risk of losing financial aid due to decisions that significantly impact their Satisfactory Academic Progress.

Recommendations

- Require that all students at all University locations participate in a Financial Education module at orientation.
- Explore financial literacy education modules at peer institutions, and implement best practices at Rutgers.
- Expand the current student orientation on financial education at all locations and provide information at regular intervals regarding financial knowledge, financial options, establishing priorities, the availability of aid at different intervals, and the impact of high debt going forward.
- Enhance the existing financial education module to include interactive “what if” capabilities that would allow students to assess the financial impact of different levels of debt at the start of their professional careers.
- Analyze financial education module data to identify areas where students may need further assistance or education.
- Provide free non-credit financial workshops to students at all University locations.
- Continue to build out a coordinated system focused on student success rates across administrative units that could lead to decreased time to graduation. For example, analyze data from the University Satisfactory Academic Progress system to highlight students that might be at risk of extending time to graduation and increasing their debt, and provide counseling to ensure students stay on track and keep their funding.

²⁷ Recognizing that Rutgers University–New Brunswick, Rutgers University–Newark, and Rutgers University–Camden have different peer institutions, this Task Force believes the cooperative model of the Big Ten Academic Alliance will foster sharing of best practices in student financial literacy education to the benefit of all of Rutgers University.

IV. Food Insecurity

Universities around the country are becoming more aware of food insecurity among students and the impact it can have on academic achievement. The United States Department of Agriculture (“USDA”) defines food insecurity in two categories: 1) low food security; and 2) very low food security. Low food security is defined as a reduction in quality, variety, or desirability of diet, including little or no indication of reduced food intake. Very low food security is defined as reports of multiple indications of disrupted eating patterns and reduced food intake. To further define these terms, *Figure 14*, below, details the indicators of food insecurity.

Percentage of households reporting indicators of adult food insecurity, by food security status, 2016



Source: USDA, Economic Research Service, using data from the December 2016 Current Population Survey Food Security Supplement.

Figure 14

Food Insecurity Among Students

Food Insecurity among students is a national problem:

- One study shows that 56% of community college students in Maryland experienced food insecurity.²⁸
- Comparatively, in a midsize rural university in Oregon, 59% of students experienced food insecurity at some point the previous year.²⁹
- 48% of surveyed students in Ohio experienced food insecurity as a student.³⁰
- 27% of Wisconsin students surveyed reported being food insecure.³¹

A recent study by the Wisconsin HOPE Lab, which included over 33,000 students from 70 community colleges in 24 states, found 56% of students were food insecure and 33% were very low food insecure.³² There is very limited data on food insecurity among students and more research needs to be done but this is evidence that institutions of higher education are gaining awareness about food insecurity among their student population.

The influence of food insecurity on academic performance is evident: food insecurity negatively impacts academic performance. Although very few studies focus on this topic regarding college students specifically, research shows that it is difficult for students to focus in the classroom when hungry and worried about their next meal. A 2014 study of the link between food insecurity and student grade point averages at community colleges indicates that food insecure students are more likely than food secure students to report a low GPA (2.0-2.49) versus a higher GPA (3.5-4.0).³³ As a 2015 study of students at a mid-sized rural university in Oregon noted, “food insecurity, as a potential consequence of the increasing cost of higher education, and its likely impact on student health, learning, and social outcomes should not be considered an accepted aspect of the impoverished student experience, but a major student health priority.”³⁴

²⁸ Maya E. Maroto, Anastasia Snelling, and Henry Linck, "Food Insecurity Among Community College Students: Prevalence and Association With Grade Point Average," *Community College Journal of Research and Practice* 39, no. 6 (2015).

²⁹ Megan M. Patton-López et al., "Prevalence and Correlates of Food Insecurity Among Students Attending a Midsize Rural University in Oregon," *Journal of Nutrition Education and Behavior* 46, no. 3 (2014).

³⁰ Sarah E. Twill, Jacqueline Bergdahl, and Rebecca Fensler, "Partnering to Build a Pantry: A University Campus Responds to Student Food Insecurity," *Journal of Poverty* 20, no. 3 (2016).

³¹ Katharine Broton and Sara Goldrick-Rab, "The Dark Side of College (Un)Affordability: Food and Housing Insecurity in Higher Education," *Change: The Magazine of Higher Learning* 48, no. 1 (2016).

³² Sara Goldrick-Rab, Jed Richardson, and Anthony Hernandez, "Hungry and homeless in college: Results from a national study of basic needs insecurity in higher education," *Wisconsin HOPE lab*, March 2017.

³³ Maya E. Maroto, Anastasia Snelling, and Henry Linck, "Food Insecurity Among Community College Students: Prevalence and Association With Grade Point Average," *Community College Journal of Research and Practice* 39, no. 6 (2015).

³⁴ Megan M. Patton-López et al., "Prevalence and Correlates of Food Insecurity Among Students Attending a Midsize Rural University in Oregon," *Journal of Nutrition Education and Behavior* 46, no. 3 (2014).

Limited resources for need-based student aid and the remaining funding gap has put a financial strain on students leading to food insecurity and housing concerns. Students at risk of food insecurity include:

1. Older students;
2. Black/African American and Hispanic students compared to whites are 1.77 times and 1.84 times more likely to be food insecure, respectively;
3. Students who receive a Pell Grant;
4. Students who work off campus (outside of the Federal Work Study Program);
5. Students who are not citizens; and
6. Students whose family does not help with their expenses.³⁵

Many food insecure students have learned to adapt to their circumstances and find ways to save money or seek out food. Rutgers is aware of the food insecurity some students may face, and efforts are underway to provide a solution. To combat food insecurity, Rutgers has created food pantries at all three University locations and, although underfunded, each food pantry receives discretionary funding from multiple streams to aid students who need emergency assistance.

Food Pantries

Rutgers has opened food pantries at Rutgers University–New Brunswick, Rutgers University–Newark and Rutgers University–Camden.³⁶ Each pantry operates on a different schedule as they assess the demand for their services. Although usage statistics are hard to find and vary by University location due to the different financial and resident/commuter demographics, according to the Vice Chancellor of Student Affairs for Rutgers University–New Brunswick, it is estimated that in the last year about 5.5% of students used an off-campus pantry;³⁷ thus the hope is that on-campus pantries will serve those students and more.

Rutgers University–New Brunswick: Since opening in Fall 2016, over 300 students have used the food pantry — some on a one-time basis, others more consistently — and even some students with families. Awareness of the food pantry has increased, as just between January 1, 2018 and February 15, 2018, it is estimated that the pantry distributed close to 3,700 pounds of food to 159 people during 108 visits. The food pantry is funded in part by support from the Office of the Secretary through donations made by the Board of Governors and Board of Trustees to the Fehrenbach Fund (established with the purpose of funding an on-campus student food pantry) as well as a portion of the budget of the Office of Off-Campus Living and Partnerships. Various other departments within Student Affairs such as the University Health and Wellness Fund, fraternities and sororities, and student-run groups such as the Rutgers University Student Assembly and the Women’s Golf team, have held fundraisers to support the pantry. The pantry currently operates Monday through Friday, 9 a.m.- 4 p.m.

³⁵ Rutgers Hunger Report, as presented by the Office of Student Affairs, Rutgers University–New Brunswick.

³⁶ It should be noted that students at Rutgers Biomedical and Health Sciences, which is a part of Rutgers University–New Brunswick, are predominately graduate students who rely on loans to cover the cost of attendance. Thus, the need for a separate food pantry for RBHS has not presented itself.

³⁷ Rutgers Hunger Report.

Rutgers University–Newark: PantryRUN opened in January 2017 and since its opening the pantry has seen an increasing number of visits with 253 pantry visits (1934 pounds) in Spring 2017, 140 pantry visits (1163 pounds) in Summer 2017, and 260 visits (1425 pounds) so far in Fall 2017 (as of 11/8/17). The pantry is currently funded by a \$6,000 donation start up fund from the Student Government Association and additional donations from a variety of sources. Food donations come from both internal sources and programs (Rutgers Business School, Rutgers Law School, Student Life, Department of Psychology, the Office of Academic Affairs, Greek Life, and Student Move Out Week) and external organizations (for example, Whole foods and New Jersey Symphony Orchestra). The pantry is open to Rutgers students, staff, and faculty and operates on a limited schedule based upon need. In the Fall, the pantry opened Tuesdays 3 p.m. - 6 p.m. and Wednesdays 10 a.m. - 12 p.m.

Rutgers University–Camden: The Raptor Pantry opened to students this past fall in the Health Services Building. It is open to students five days a week, including some evenings. The pantry is currently funded through the Chancellor's Initiative and other donations and once it is established for four months Rutgers–Camden will have access to food from a regional Philadelphia food bank. As this food pantry just opened in September 2017, statistics on its effectiveness are not available. Additionally, the Rutgers Cooperative Extension, operated through the School of Environmental and Biological Sciences, has a number of food banks throughout the State, including one in the City of Camden, but currently has income restrictions and requirements that are difficult for students to document.

Emergency Assistance

Each year the Deans of Students of Rutgers–New Brunswick, Rutgers–Newark and Rutgers–Camden set aside or raise a nominal amount of emergency funds to assist students who experience financial hardship and emergency situations. It is the understanding of the Task Force that there isn't a specific amount that is set aside each year from the annual budget process for this purpose and that the need is much greater than what the Deans are able to raise or make available. There are three ways the University provides emergency assistance:

- Emergency funding is intended to help students cover costs such as fees, books, supplies or any other type of unanticipated costs that they are not able to cover because of changes in their personal or family financial situation.
- Emergency housing is utilized when students are displaced due to a sudden or catastrophic event, such as a natural disaster.
- Grocery gift cards are intended to supplement the pantries for food items that are not carried, such as perishables.

Moreover, in the past, an unpaid term bill ranging from \$200 to the full tuition amount would have led to a student's deregistration, resulting in the loss of housing and access to their meal plan because the student is no longer enrolled. However, the University has increased its efforts to work with students on options through the Office of Financial Aid, Deans of Students, Student Affairs, counseling, academic

advising and outside resources where applicable. Currently, it is the University's policy that no student at any university location will lose their housing due to need.

Recommendations

- Continue raising awareness about food insecurity on campus and of the various services available to students. This awareness should also focus on removing the stigma that may exist with utilizing pantries and asking for help. Furthermore, the University should continue to devise ways to identify and reach these students early and track food insecurity across University locations.
- Extend pantry hours and include weekends to increase access.
- Explore options for the consistent funding of pantries. A steady stream of income or food would allow for better and consistent planning of services offered across all three pantries.
- In addition to the current financial and supply support,³⁸ student organizations could help increase awareness of the issue of food insecurity at Rutgers, help market the benefits of pantries, and reduce the potential stigma associated with these.
- Explore options for providing flexibility or assistance for Rutgers students to meet requirements of the food pantries within the Rutgers Cooperative Extension and Rutgers Against Hunger network.
- It is recommended that during the annual budgeting cycle the University provides for additional emergency funds from local and central budgets to a level commensurate with the needs of the various campuses. The University should assess and understand the current need and use of funds to highlight common needs across University locations that could be addressed from a central fund. The Task Force recommends increasing discretionary funds through the annual budget cycle to close the estimated need: \$25,000-\$30,000 each for Rutgers–Newark and Rutgers–Camden, and \$50,000 for Rutgers–New Brunswick to be used for, but not limited to, tuition, fees, books, food and emergency expenses incidental to the cost of attendance. Additionally, funding should be provided annually to the new One Stop Shop Student Centers on each campus to distribute to students as needed, further eliminating the need for students to be referred elsewhere for help.
- Increase the creation and funding of microscholarships in which funding does not exceed a one time award of \$500-\$2,000 to help with one time financial issues that may emerge.

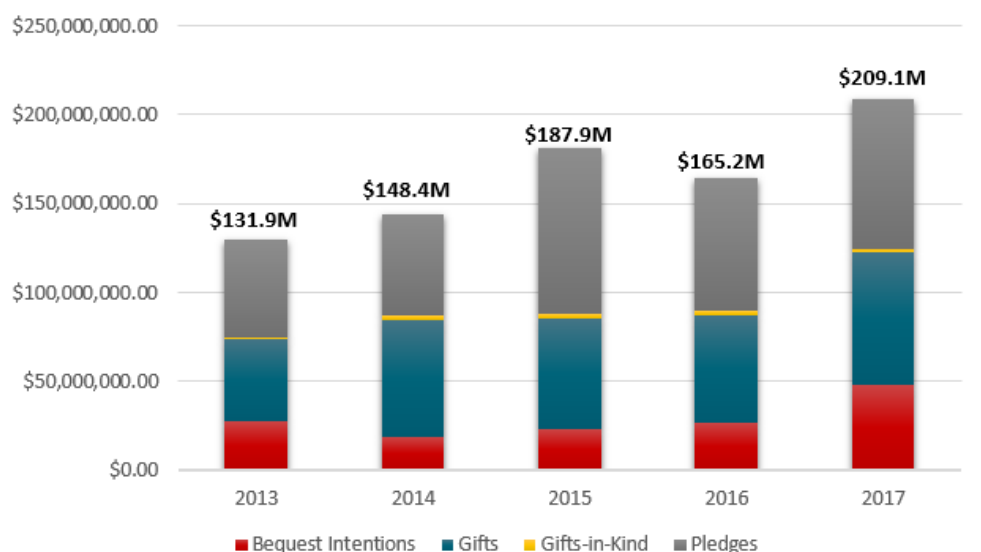
³⁸ The Task Force commends the current support provided by the Offices of Student Affairs, the Fehrenbach Fund, and student organizations and encourage continued collaboration between student government associations, schools and other student groups in support of pantries.

V. Rutgers University Foundation

Sources of Funding

While the Rutgers University Foundation has had significant gains in fundraising, the participation rate among alumni over the past five years has been uneven with the bulk of funds being contributed by corporations, foundations and friends. As shown below in *Figure 15*, the contributions from alumni have fluctuated from a high of 42.5% in 2014 to 22.3% in 2017. This mostly impacts the amounts available for student support as alumni have traditionally provided most of the funds raised by the Foundation in this category.

5-year Fundraising History by Gift Type



	2013	2014	2015	2016	2017
Bequest Intentions	21.5%	13.2%	12.9%	16.1%	23.0%
Gifts	35.5%	45.4%	34.1%	37.0%	35.4%
Gifts-in-Kind	1.0%	1.7%	1.6%	1.3%	1.1%
Pledges	42.1%	39.8%	51.5%	45.7%	40.4%

Rutgers University Foundation

Figure 15

Impact of Fundraising on Student Support

The recently completed *Our Rutgers, Our Future* campaign saw an increase in scholarships/fellowships and student support funds by adding 449 new endowed scholarships/fellowships and 118 new student support funds in the last two years. Currently, nearly one-third (\$322 million) of the University's endowment is restricted to student support based on donor directions and income from donor funds (endowed and operating support) which provided 24% of the \$243.8 million student aid funds the University awarded in FY16.

As students continue to experience increases in unmet need, the Task Force recognizes the importance of focusing more on fundraising for need-based aid. The Foundation's focus has been on merit-based scholarship, often as a result of priorities that align with individual schools that need to compete in national rankings. Also, while fundraising has increased 59% from 2013 to 2017 at Rutgers, during that same period student support decreased 940 basis points as a percent of the total contribution from 31.6% to 22.2% (illustrated in *Figure 16* below).

5-Year Fundraising History by Designation

Purpose	2013	2014	2015	2016	2017
Facilities and Equipment	6.5%	9.9%	16.6%	17.1%	31.3%
Faculty Development	19.5%	18.1%	16.1%	9.8%	15.3%
Program Support	39.8%	45.5%	45.2%	41.3%	27.6%
Student Support	31.0%	22.9%	20.5%	24.9%	22.2%
To be designated	3.0%	3.5%	1.5%	6.8%	3.5%
Unrestricted	0.2%	0.1%	0.1%	0.1%	0.1%
Grand Total	\$131,900,000	\$148,400,000	\$187,900,000	\$165,200,000	\$209,100,000

Figure 16

Provided by Rutgers University Foundation

Observations

Behavior is driven by incentives and goals. Historically the prioritization of need-based aid funding has been lower than other fundraising initiatives and fundraising efforts have reflected that lack of priority. The Task Force believes that with an increased priority level and focus, in addition to critical senior leadership support, there are multiple opportunities to increase the amounts raised for need-based aid.

Recommendations

- Increase awareness and education of donors, alumni and students of the existence of the RAG program and giving opportunities for need-based aid.
- Modify the Foundation website to make RAG one of the standard options donors can select.
- Develop a more targeted approach to encourage Trustee, alumni and student participation in Rutgers Giving Day with a focus on need-based aid.
- Advocate for need-based aid as a Top 3 priority for the upcoming Rutgers University Foundation Fundraising campaign. The Board of Trustees shall seek the support of the President and Chancellors in this initiative.
- Foundation should develop a data-driven and aggressive goal for philanthropic support of need-based financial aid following a review of historic giving and the philanthropic interests of potential major gift donors. That goal should represent a significant increase over historic results.
- Educate and engage the Trustees to identify corporate or foundation partners that may view this as a socially responsible opportunity.
- Launch a Crowdfunding Campaign leveraging the Board of Trustees to spearhead an outreach strategy.
- The Board of Trustees should consider creating a “Trustee Challenge Fund” - this could be an annual challenge for Trustees (including Trustees Emeriti) to provide for an agreed upon amount that could be utilized for discretionary emergency funds or need-based scholarships. We would recommend that the Trustees launch a second Task Force that would determine the proper funding levels and implementation approach.
- Explore individual opportunities and Alumni Association participation to endow a RAG scholarship fund.
- Explore whether the criteria for existing endowed dollars that are underutilized allow for distribution of funds based upon need.

VI. Public Policy Advocacy

Background

As described above, while there are many need-based assistance programs available to the neediest of students, gaps exist for many students with financial need at Rutgers. The University's Office of External Affairs advocates at the federal and state government levels concerning the importance of these programs to our students, and the need to maintain, strengthen and adequately fund need-based assistance programs.

On the federal level, the Office of External Affairs maintains a presence in Washington, D.C., led by the Vice President of Federal Relations, focusing on the Federal Pell Grant Program. According to the Office of Federal Relations, there is strong, bipartisan support for Pell Grants, even in uncertain fiscal times. The goal of the University's advocacy concerning the Federal Pell Grant Program is for maximum award funding, as their experience shows that when Pell Grants rise, all levels of awards increase in conjunction.

Federal Relations also noted that in total, federal investments in undergraduate student aid, including loans, is over \$300 million to Rutgers students. This fiscal year, the Federal Pell Grant Program alone distributed \$77 million dollars to approximately 17,000 Rutgers students. Because qualification is based on student eligibility, all school (public, private, not-for-profit and for-profit) compete for the same federal funds, regardless of student performance. Both *Figure 17* and *Figure 18* contain the most recently published financial aid information and illustrate the Pell Grant distribution among all senior public institutions in New Jersey.³⁹

STATE OF NEW JERSEY OFFICE OF THE SECRETARY OF HIGHER EDUCATION										
FINANCIAL AID DOLLARS (IN THOUSANDS) GIVEN TO UNDERGRADUATE RECIPIENTS OF FEDERAL AND INSTITUTIONAL PROGRAMS, AY 2014-2015										
NJ PUBLIC INSTITUTIONS	FEDERAL PROGRAMS								INSTITUTIONAL FUNDS	
	PELL GRANTS	COLLEGE WRK STDY	PERKINS LOANS	SEOG	STAFFORD SUBSIDZD	LOANS UNSUBSDZ	PLUS LOANS	SMART, ACG, Other	GRANTS/ SCHOLRSH	LOANS
COLLEGE OF NEW JERSEY	\$5,274	\$188	\$651	\$202	\$11,156	\$12,113	\$4,108	\$83	\$12,373	\$0
KEAN UNIVERSITY	\$23,906	\$545	\$196	\$418	\$27,653	\$29,923	\$7,342	\$255	\$1,893	\$0
MONTCLAIR STATE UNIVERSITY	\$28,412	\$607	\$733	\$672	\$35,844	\$33,284	\$15,011	\$0	\$4,532	\$0
NEW JERSEY CITY UNIVERSITY	\$16,504	\$625	\$150	\$319	\$13,315	\$11,465	\$947	\$0	\$2,286	\$0
N.J. INSTITUTE OF TECHNOLOGY	\$12,631	\$355	\$510	\$286	\$13,985	\$11,566	\$3,399	\$0	\$22,527	\$0
R STOCKTON COLLEGE OF N.J.	\$12,114	\$329	\$356	\$289	\$18,543	\$18,053	\$7,956	\$0	\$10,980	\$0
RAMAPO COLLEGE OF N.J.	\$6,920	\$205	\$138	\$213	\$11,602	\$13,266	\$6,549	\$0	\$2,620	\$0
ROWAN UNIVERSITY	\$15,952	\$669	\$0	\$493	\$25,387	\$26,948	\$17,551	\$137	\$18,575	\$0
RUTGERS, THE STATE UNIVERSITY	\$77,714	\$6,137	\$5,764	\$2,305	\$102,962	\$87,778	\$44,910	\$0	\$103,016	\$587
T EDISON STATE COLLEGE	\$5,453	\$0	\$0	\$0	\$7,875	\$13,744	\$11	\$0	\$0	\$0
W PATERSON UNIV OF N.J.	\$17,530	\$322	\$221	\$349	\$22,917	\$23,015	\$7,142	\$73	\$9,028	\$0
ALL SENIOR PUBLIC INSTITUTIONS	\$222,410	\$9,982	\$8,719	\$5,546	\$291,239	\$281,156	\$114,927	\$548	\$187,830	\$587

Figure 17

³⁹ <http://www.state.nj.us/highereducation/statistics/index.shtml#FIN>.

STATE OF NEW JERSEY
OFFICE OF THE SECRETARY OF HIGHER EDUCATION

NUMBER OF UNDERGRADUATE RECIPIENTS OF FEDERAL AND INSTITUTIONAL FINANCIAL AID DOLLARS, AY 2014-2015

NJ PUBLIC INSTITUTIONS	FEDERAL PROGRAMS								INSTITUTIONAL FUNDS	
	PELL GRANTS	COLLEGE WRK STDY	PERKINS LOANS	SEOG	STAFFORD SUBSIDZD	LOANS UNSUBSDZ	PLUS LOANS	SMART, ACG, Other	GRANTS/ SCHOLRSH	LOANS
COLLEGE OF NEW JERSEY	1,189	74	224	146	2,572	3,205	265	22	1,958	0
KEAN UNIVERSITY	5,947	246	214	469	7,315	7,636	768	89	616	0
MONTCLAIR STATE UNIVERSITY	6,645	484	598	828	8,700	9,117	1,260	0	1,389	0
NEW JERSEY CITY UNIVERSITY	3,971	294	70	598	3,385	2,607	126	0	437	0
N.J. INSTITUTE OF TECHNOLOGY	3,061	259	941	844	3,255	2,940	249	0	2,460	0
R STOCKTON COLLEGE OF N.J.	2,954	214	164	324	4,467	4,852	656	0	1,943	0
RAMAPO COLLEGE OF N.J.	1,684	115	109	223	2,726	3,249	563	0	557	0
ROWAN UNIVERSITY	3,902	433	0	1,504	5,970	6,717	1,285	36	2,964	0
RUTGERS, THE STATE UNIVERSITY	18,261	3,222	4,052	1,691	24,226	25,031	2,974	0	19,510	122
T EDISON STATE COLLEGE	2,479	0	0	0	2,462	2,658	2	0	0	0
W PATERSON UNIV OF N.J.	4,321	164	122	440	5,533	5,550	613	23	2,553	0
ALL SENIOR PUBLIC INSTITUTIONS	54,414	5,505	6,494	7,067	70,611	73,562	8,761	170	34,387	122

Figure 18

On the state level, the Task Force focused its review and analysis on the Tuition Aid Grant program, which is one of the most generous need-based financial aid programs in the nation as one third of all full-time undergraduate New Jersey residents attending school in New Jersey receive support through TAG. Funding provided by the State in the current fiscal year is \$420 million, of which \$98.4 million went to approximately 14,000 Rutgers students — up from approximately \$96 million in FY15 (*Figure 19 below*) — exceeding the amount received from the Federal Pell Grant Program.⁴⁰

STATE OF NEW JERSEY
OFFICE OF THE SECRETARY OF HIGHER EDUCATION

FINANCIAL AID DOLLARS (IN THOUSANDS) GIVEN TO UNDERGRADUATE RECIPIENTS OF STATE PROGRAMS, AY 2014-2015

NJ PUBLIC INSTITUTIONS	STATE PROGRAMS							TOTAL ALL PROGRAMS (in thousands)
	TAG	EOF	OSRP/ Other NJ	Distinguished Scholars	Urban Scholars	NJSTARS	NJCLASS	
COLLEGE OF NEW JERSEY	\$6,270	\$516	\$0	\$0	\$0	\$107	\$5,985	\$59,026
KEAN UNIVERSITY	\$13,965	\$706	\$0	\$0	\$14	\$126	\$1,839	\$108,781
MONTCLAIR STATE UNIVERSITY	\$23,587	\$778	\$0	\$0	\$0	\$162	\$5,413	\$149,035
NEW JERSEY CITY UNIVERSITY	\$11,523	\$534	\$82	\$0	\$15	\$30	\$316	\$58,111
N.J. INSTITUTE OF TECHNOLOGY	\$17,679	\$507	\$165	\$0	\$20	\$65	\$2,173	\$85,868
R STOCKTON COLLEGE OF N.J.	\$9,970	\$426	\$0	\$0	\$0	\$265	\$4,228	\$83,509
RAMAPO COLLEGE OF N.J.	\$5,372	\$448	\$0	\$0	\$0	\$61	\$2,468	\$49,862
ROWAN UNIVERSITY	\$14,677	\$722	\$0	\$0	\$0	\$307	\$6,191	\$127,611
RUTGERS, THE STATE UNIVERSITY	\$95,850	\$4,006	\$243	\$0	\$201	\$10,463	\$16,197	\$558,133
T EDISON STATE COLLEGE	\$237	\$0	\$0	\$0	\$0	\$4	\$0	\$27,324
W PATERSON UNIV OF N.J.	\$12,239	\$525	\$0	\$0	\$14	\$57	\$1,519	\$94,951
ALL SENIOR PUBLIC INSTITUTIONS	\$211,369	\$9,168	\$490	\$0	\$264	\$11,647	\$46,329	\$1,402,210

Figure 19

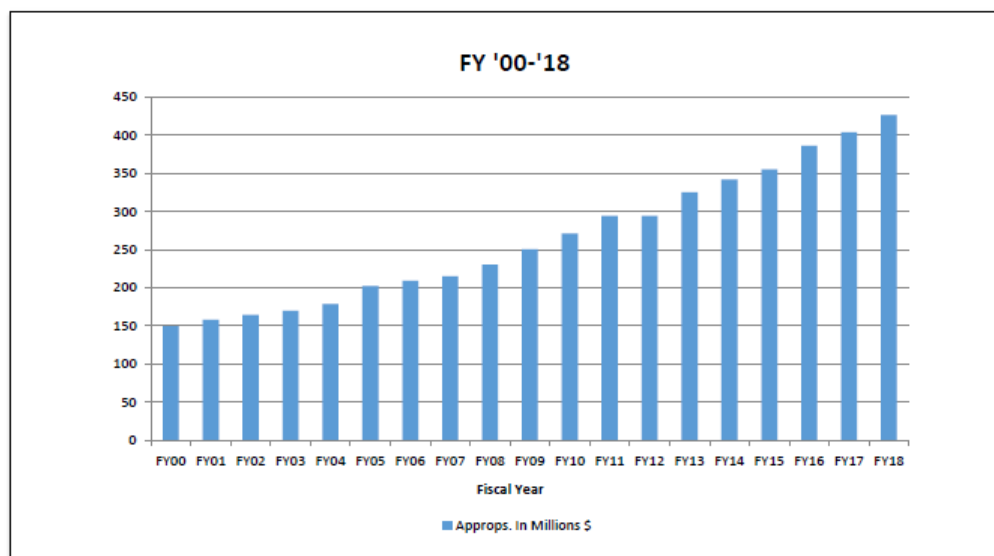
Given that a purpose of the Task Force is to examine the slow growth in, and/or the decreasing levels of, state and federal need-based aid, it is important to examine the political environment affecting these programs. Specifically, it was necessary for the Task Force to gain an understanding of the history of funding and distribution levels for these programs, the institutions and students that benefit from them,

⁴⁰ <http://www.state.nj.us/highereducation/statistics/index.shtml#FIN>.

and the political environment that exists when competing interests may not share common goals where program eligibility and requirements are concerned.

For the purpose of this report, the Task Force concentrated its review on New Jersey's Tuition Aid Grant ("TAG") Program. We received information from the Office of External Affairs, shown in the chart below (*Figure 20*), which exhibits a steady growth rate in TAG funding levels over the years demonstrating the State's continued support to need-based student aid.

Total TAG Funding



Office of External Affairs

Figure 20

The steady growth rate in TAG funding levels presents an interesting challenge for the University. The State of New Jersey has demonstrated year-over-year commitment to the TAG program, consistently increasing funding levels for the program since the year 2000 (program funding remained flat from 2011 to 2012). New Jersey was the fourth most generous state, with Pennsylvania, in total need-based aid provided by states for 2014-2015. However, it is generally agreed the program would need an additional \$60 million to reach a fully-funded level of \$480 million. A \$60 million increase in TAG funding would result in Rutgers students with the lowest need realizing an increase in aid of \$126 per academic year and students with the highest need realizing an increase of \$552 per academic year. While these amounts may not seem high in relation to the total cost of attending Rutgers, as we have explained in previous sections of the report and based on our conversations with the representatives from Student Affairs, these amounts could have a significant impact for our neediest students.

The Task Force recognizes that fully funding TAG could be a challenge given other priorities in New Jersey. There are additional steps that can be taken in New Jersey to provide substantial financial resources and relief to students with unmet need:

Full-Year TAG Funding - Extending TAG eligibility to summer classes could lower costs for TAG eligible students while improving four-year graduation rates at all New Jersey institutions of higher education. Currently, TAG funding is only applicable to the fall and spring semesters, but if it were extended to summers sessions, students may become better equipped to graduate on time, or even early, thereby reducing student debt and increasing graduation rates.

The implementation of full-year TAG funding could be cost-neutral as the current TAG program provides for a ninth semester (allowing students to enroll and receive TAG funding for one additional semester beyond the typical four-year graduation). A student's "ninth semester" TAG funding could just be used in the summer instead and there would be no additional cost to the TAG program.

TAG Funding Eligibility for DREAMers⁴¹ - An expansion of the TAG funding program to DREAMers would have an immediate, positive impact on a vulnerable population that is eligible for in-state tuition rates in New Jersey, but not eligible for need-based funding. DREAMers are students who were brought into the United States as very young children (under the age of 16), grew up locally, yet do not have a legal immigration status and are considered to be "undocumented immigrants." Pursuant to Deferred Action for Childhood Arrivals ("DACA"), DREAMers accepted into the program gain a temporary and renewable right to live in the United States, and among other things, become eligible to enroll in institutions of higher education.⁴² In New Jersey, DREAMers are eligible for in-state tuition rates at New Jersey colleges and universities. However, DREAMers are not currently eligible for need-based funding, leaving it up to individual schools to provide their financial aid.

Extending the TAG program to DREAMers would significantly affect that population's ability to attend college and would reduce the burden on school-based financial aid programs currently utilized to assist DREAMers. The cost to extend the program is not yet known, and requires more study, yet such quantification of cost to the State is difficult as the Secretary of Higher Education does not track the number of DREAMers receiving in-state tuition. According to the Office of Enrollment Management, it is believed there are approximately 420 DREAMers across all Rutgers University locations that have applied for in-state tuition. Rutgers estimates there are 420 DREAMers enrolled at Rutgers who would qualify for the maximum TAG award of \$11,000 resulting in an additional need to Rutgers of \$4.6 million to support these students. Utilizing a generalized assumption that the percentage of statewide DREAMers at Rutgers is representative of the number across higher education in New Jersey, and given

⁴¹ DREAMers is an acronym that applies to children that would have benefitted from the Development, Relief and Education for Alien Minors (Dream) Act, which would have offered those who came to the United States illegally as children the chance to become permanent legal residents. This bill was replaced by the Deferred Action for Childhood Arrivals ("DACA"), but individuals to which DACA applies are still referred to as DREAMers.

⁴² Deferred Action for Childhood Arrivals is a federal government program created in 2012 under President Barack Obama to allow people brought to the United States illegally as children the temporary right to live, study and work in America. Those applying are vetted for any criminal history or threat to national security and must be students or have completed school or military service. If they pass vetting, action to deport them is deferred for two years, with a chance to renew, and they become eligible for basics like a driving license, college enrollment or a work permit.

that today Rutgers receives about 24% of total TAG, we could extrapolate the estimate for Rutgers to estimate a total need of \$19.2 million across New Jersey.⁴³

The Task Force is pleased to note that expansion of TAG Program eligibility is actively under consideration in the New Jersey State Senate, and that President Barchi testified in favor of the proposal during a February 8 Senate Higher Education Committee hearing in Trenton. The legislation⁴⁴ allows certain students, including undocumented immigrants who meet certain criteria, to qualify for State student financial aid programs. The Task Force recommends that the University's governing boards fully support the President's efforts in support of this legislation.

The Task Force also notes there are two key areas that warrant further research and which could drastically improve the efficacy of the TAG program:

TAG Funding Formula - The level of TAG funding a student is currently eligible for is tied to an institution's tuition. By definition, students who attend schools with higher tuition rates receive a greater level of TAG funds. In order to assure a more balanced and effective distribution of funds, we suggest further research into the various ways other states allocate aid, such as capping the eligible tuition level.

Accountability - Unlike the EOF program, there are no requirements or measured outcomes, for the institution or the student, tied to the receipt of TAG funds. If a student leaves school without graduating, these funds are simply gone. Measured outcomes, such as requiring an institution to increase year-over-year graduation rates (four years, five years and/or six years) may improve outcomes and accountability.

Recommendations

Advocacy for additional TAG funding is an annual endeavor in Trenton, and it is something that should continue, but the University has an opportunity to advocate for improvements to the program that help the University address the unmet need problem that is the subject of this report. Increasing and improving TAG would benefit all universities and students in New Jersey, and Rutgers has an opportunity to lead that effort. Any proposed change must be incremental, since the TAG program as it is presently constituted evolved over decades and requires a significant amount of funding. In addition, any efforts to make changes to the program must ensure that students across New Jersey are not negatively impacted.

- Continue to advocate for full TAG Funding.

⁴³ In considering this estimate, we need to understand there is no way to predict the number of DREAMers who would decide to, or would be able to, attend college should this program be put into place.

⁴⁴ New Jersey Senate Bill S-699, 2018. http://www.njleg.state.nj.us/2018/Bills/S1000/699_I1.PDF

- Advocate for full-year TAG funding so that students can apply “ninth semester” TAG funding to summer classes.
- Continue to advocate for the extension of TAG funding to DREAMers.
- Explore and advocate for modifications to the TAG funding formula.

While advocating for additional funds is recommended and necessary, the Task Force also recommends an expansion of this effort to include advocacy for Full-Year TAG funding and TAG funding eligibility for DREAMers. If adopted, these two program enhancements would provide substantial financial resources and relief for students with unmet need, as identified in this report. Given the potential positive impact, it is recommended that Rutgers advocate for these new TAG programs in conjunction with all identified stakeholders, requesting additional funding to support their enactment where necessary, although it is likely Full-Year TAG funding could pay for itself.

The Task Force believes these program changes would enjoy significant support in the legislature and from the new Administration in Trenton, which could lead to an increase in TAG funding from the State, filling a much-needed unmet need for TAG eligible students in New Jersey. They would also likely enjoy support from our peer institutions.

Should policymakers request or recommend institutions of higher education share in the additional costs generated by these programs, modifications to the current funding formula, such as creating graduation rate benchmarks (that hold students harmless, and could be improved by Full-Year TAG), or capping eligible tuition to a predetermined benchmark, could be offered.

VII. Path Forward

The section below provides a summary of how the Task Force suggests its recommendations be implemented:

- We recommend that the University President and Chancellors assign a joint working group to assess the Task Force recommendations and develop the proper implementation plan and timelines.
- We recommend that the Board of Trustees assigns an implementation task force that would address our recommendations for continuing education, an outreach campaign in support of the Foundation, a Trustee Challenge Fund and advocacy for need-based aid.