

# United States Senate

WASHINGTON, DC 20510

March 26, 2012

The Honorable Arne Duncan  
Secretary  
Department of Education  
400 Maryland Ave, SW  
Washington, DC 20202

Dear Secretary Duncan:

I write regarding plans by Governor Chris Christie to reorganize New Jersey's public universities and, in particular, the plans for Rowan University to absorb Rutgers University's Camden Campus ("Rutgers-Camden"). I respectfully request that you review this controversial merger plan, which may impact thousands of students receiving federal financial aid under the Department of Education's Title IV programs.

At the direction of Governor Christie, in late January 2012, a special advisory committee delivered a set of recommendations regarding the reorganization of New Jersey higher education institutions. Those recommendations included the takeover of Rutgers-Camden by Rowan University.

Suspensions have been raised that this decision has been crafted to benefit powerful political interests without regard for the impact on students, the academic institutions themselves, and the community. In fact, Wendell Pritchett, the chancellor of Rutgers-Camden, has voiced his strong opposition to the takeover of the school, as have many student and faculty groups.

One especially disturbing allegation is that this merger is being pushed forward to salvage Rowan University's partnership with Cooper Health System to create a medical school at Rowan. Concerns have been raised that this initiative may be at risk due to Cooper's poor creditworthiness, which an acquisition of Rutgers-Camden's assets could help alleviate. Of great concern is that a credit rating agency has suggested that increases in tuition revenue would be needed to service this debt. Obviously, I am greatly concerned about the financial impact of this on students.

In addition, current Rutgers-Camden students enrolled at the school with a certain understanding of the resources, degrees, and faculty attention they would receive, as well as the costs they would bear, in attending. Moreover, the federal government has provided significant financial aid to Rutgers-Camden students based on those expectations. The Governor intends to merge Rutgers-Camden and Rowan by July 1<sup>st</sup> of this year, fundamentally altering the relationship between students currently enrolled in Rutgers-Camden and their university overnight.

The Governor has not provided any information about how the cost of attending school for Rutgers-Camden University students will be affected by this merger and its assumption of debt. Nor has any information been provided on how this might affect federal student financial aid expenditures in New Jersey.

According to the net price calculator tools provided by the U.S. Department of Education, taking into account federal, state, and institutional financial aid, the price of attending Rowan University is, on average, \$5,000-8,000 more per year than attending Rutgers-Camden. Higher "net price" for students may lead to increased rates of student borrowing through federal student loan programs and larger expenditures in student financial aid overall. Furthermore, students who cannot afford the higher price tag of Rowan may have to reconsider their education choices, thereby undermining the federal investment that has already been made in their education.

In the interest of New Jersey students and the integrity of our higher education system, I urge you to review this proposed merger.

Sincerely,

A handwritten signature in blue ink that reads "Frank R. Lautenberg". The signature is written in a cursive, flowing style.

cc: The Honorable Eric Holder, United States Attorney General  
The Honorable Paul Fishman, U.S. Attorney for the District of New Jersey