



State of New Jersey

OFFICE OF THE GOVERNOR
PO BOX 001
TRENTON, NJ 08625-0001

PHILIP D. MURPHY
Governor

August 5, 2022

VIA EMAIL AND U.S. MAIL

Kevin D. Walsh
Acting State Comptroller
Office of the State Comptroller
P.O. Box 024
Trenton, NJ 08625-0024

Dear Comptroller Walsh:

I write to you due to grave concerns with the financial standing of New Jersey City University ("NJCU" or the "University"), which was recently declared to be in a state of "financial emergency" by the University's Board of Trustees. According to news reports, the University went from an approximately \$108 million surplus in 2014, to an approximately \$67.4 million deficit - with \$156 million in debt - today. These figures, if true, are deeply troubling, and require an immediate, independent investigation to understand how the financial situation deteriorated so rapidly over an eight-year period.

My Administration understands the harsh realities that the COVID-19 pandemic brought upon the higher education industry, with colleges and universities everywhere combating a steep decline in enrollment and shortfalls in tuition revenue. However, the troubles at NJCU appear to pre-date the pandemic and stretch back nearly a decade. The Jersey Journal recently reported that the \$108 million surplus enjoyed by the University in 2014 vanished within a year due to \$114 million in pension liability and another \$34 million in bonds issued towards a greater expansion venture that reportedly cost \$400 million. Last year, concerns over the University's fiscal management led to NJCU's Faculty Senate passing a vote of no confidence in the then-President, who stepped down earlier this summer.

NJCU serves over 5,000 undergraduate students and thousands more attending graduate school, and is a significant part of New Jersey's higher education infrastructure. As a public university, it is accountable to our state government and the residents of the State. In light of the serious reports mentioned above, I believe the public interest would be served by a full investigation into NJCU's finances and operations. I am formally requesting that your office conduct such an investigation and take whatever actions you deem to be necessary.

Sincerely,

A handwritten signature in blue ink, appearing to read "Phil Murphy", is positioned above the printed name.

Philip D. Murphy
Governor