RESOLUTION REGARDING HIGHER EDUCATION RESTRUCTURING

WHEREAS, a merger of the University of Medicine and Dentistry of New Jersey with Rutgers, The State University of New Jersey (Rutgers), has the potential to expand educational opportunities at Rutgers and dramatically expand Rutgers presence in northern, central and southern New Jersey, and,

WHEREAS, acquiring a medical school at Rutgers could improve Rutgers standing among the nation’s top research universities and dramatically elevate its position among research universities to the top 25 research universities in the United States, and,

WHEREAS, the University of Medicine and Dentistry of New Jersey Advisory Committee, the Vagelos Commission and the Governor’s Task Force on Higher Education all recommended that the University of Medicine and Dentistry of New Jersey be combined with Rutgers in one configuration or another in order to better serve the residents of New Jersey and to build upon the state’s reputation as the home for the world’s leading pharmaceutical and biomedical industries, and,

WHEREAS, since the issuance of the final report of the University of Medicine and Dentistry of New Jersey Advisory Committee, Rutgers has been examining ways to incorporate parts of the University of Medicine and Dentistry of New Jersey into Rutgers without surrendering the autonomy and independence of Rutgers, and,

WHEREAS, Rutgers has been conducting due diligence and making plans to integrate some portions of the University of Medicine and Dentistry of New Jersey into Rutgers, and,

WHEREAS, the initial proposals for merging the schools would have required that Rutgers surrender, in whole, its campus in Camden, New Jersey including its undergraduate, graduate and professional programs;

WHEREAS, on June 6, 2012, the Board of Governors and the Board of Trustees affirmed Principles Regarding Higher Education Restructuring, which have guided the joint Board of Governors-Board of Trustees subcommittee and other Rutgers representatives in negotiations with legislative leaders and the Governor of the State of New Jersey; and

WHEREAS, these negotiations have resulted in proposals that will maintain Rutgers presence in Camden, New Jersey, without surrendering or infringing upon the autonomy of Rutgers, and,

WHEREAS, during these negotiations Rutgers has indicated the financial and other important operational protections that any legislation must contain in order to garner support from the Board of Governors, including, for example, provisions regarding adequate hold harmless protections for undisclosed financial liabilities, Rutgers’ bond rating, and pre-transfer and post-transfer liabilities, including arrangements for handling medical malpractice claims; and
WHEREAS, the effective date of the proposed merger is July 1, 2013 which will provide the governing boards of Rutgers sufficient time to conduct thorough and comprehensive due diligence before the Rutgers Board of Governors and the Rutgers Board of Trustees will be called upon to approve or disapprove any merger as required by the Rutgers Act of 1956; and

WHEREAS, this Resolution does not bind either of the Rutgers governing boards to consent to any merger; and

WHEREAS, consent for any merger will require that the enabling legislation or amendments thereto provide adequate financial safeguards, preserve the autonomy and independence of Rutgers and make for a stronger, more efficient and more vibrant university,

NOW, THEREFORE BE IT RESOLVED, that the Board of Governors of Rutgers, The State University, subject to achieving adequate protections as described above, does hereby support in general the merger of the University of Medicine and Dentistry of New Jersey with Rutgers, The State University, as Rutgers is currently established; and

BE IT FURTHER RESOLVED, that the Board of Governors hereby directs that all appropriate steps be taken to conduct full and thorough due diligence, to identify any outstanding financial, organizational or academic issues and to suggest the most appropriate manner in which to address those issues, and

BE IT FURTHER RESOLVED, that a duly authenticated copy of this resolution be immediately delivered to the members of the New Jersey General Assembly and the New Jersey State Senate.

Board of Governors
Rutgers, The State University
of New Jersey
June 28, 2012