

MINUTES

HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY

January 23, 2013

The Higher Education Student Assistance Authority (HESAA) Board held a meeting on January 23, 2013 at 10:00 a.m. at the HESAA offices in Hamilton.

PRESENT: Mr. James Allen; Fr. Michael Braden; Ms. Gabrielle Charette, Esq.; Mr. Gregg Edwards, Secretary Of Higher Education Designee; Mr. Anthony Falcone; Mr. Richard Garcia; Dr. Harvey Kesselman; Dr. Jon Larson; Ms. Jean McDonald Rash; Mr. Christopher McDonough, Treasurer's Designee; Ms. Elaine Pappas-Varas; Ms. Michele Petrucelli (teleconference); Mr. David Reeth; Ms. Maria Torres (teleconference) and Ms. Christy Van Horn, Members.

ABSENT: Mr. George Garcia, Esq. and Mr. Julio Marenco.

Also participating were Melissa Dutton, DAG; Brett Tanzman, Esq., Governor's Authorities Unit; and Bill Smith of Student Aid Services.

CALL TO ORDER

Richard Garcia called the meeting to order at 10:04 am. Richard Garcia stated that the meeting had been noticed in compliance with the requirements of the Open Public Meetings Act.

Mr. Garcia led those present in the Pledge of Allegiance.

Mr. Garcia welcomed the Board members and advised that because some members are participating via teleconference, Roseann Sorrentino will conduct a roll call for the resolutions.

Mr. Garcia welcomed Melissa Dutton, DAG and Brett Tanzman Esq., Governor's Authorities Unit.

Mr. Garcia advised that no members of the public have registered to speak.

Mr. Garcia asked Roseann Sorrentino to call the roll.

CONSIDERATION OF THE MINUTES OF THE OCTOBER 25, 2012 MEETING:

A motion to approve the minutes of the October 25, 2012 meeting was made by Dr. Harvey Kesselman and seconded by Mr. James Allen. The minutes were approved unanimously with one abstention, Ms. Jean McDonald Rash who did not participate in the October 25, 2012 meeting.

CONSIDERATION OF THE MINUTES OF THE DECEMBER 17, 2012 MEETING:

A motion to approve the minutes of the December 17, 2012 meeting was made by Dr. Harvey Kesselman and seconded by Mr. James Allen. The minutes were approved unanimously with one abstention Ms. Michele Petrucelli who did not participate in the December 17, 2012 meeting.

RESOLUTION 01:13 APPOINTING A FINANCIAL ADVISOR FOR AUTHORITY BOND ISSUES

Robert Clark presented Resolution 01:13 to the Board.

For the appointment of a Financial Advisor for the Authority's Bond Issues for calendar years 2013 and 2014, an RFP was developed & circulated and two responses were received.

An evaluation team consisting of the Chief Financial Officer, the Controller and the Director of Legal & Governmental Affairs reviewed the proposals from these two firms, First Southwest and Acacia Financial.

Both firms were judged to be suitable for the Authority's needs. Based on this fact, the committee made a selection based on the relative prices proposed for the services defined in the RFP.

The maximum proposed fee by First Southwest for financial advisory services is \$100,000. In addition, First Southwest has also proposed reasonable and clearly stated fees for other related services as requested in the RFP.

The other competing firm, Acacia Financial Group, proposed a fee structure that was significantly higher, including a financial advisory fee of \$150,000. Fees for related services were less clearly defined and invited negotiation, which is not permitted prior to making a vendor selection under HESAA's RFP rules.

Since First Southwest's financial advisory fee as stated in the RFP is clearly lower, it is the opinion of the RFP Evaluation Committee that First Southwest is the more cost effective service provider of the two respondents.

Mr. Clark recommended that the Board approve the attached resolution 01:13, approving the appointment of First Southwest as the Authority's Financial Advisor for the years 2013 and 2014.

Christy Van Horn requested a clarification regarding First Southwest's proposed fee outlined in the third paragraph of page 2.

Gene Hutchins explained that when bonds are sold the cash proceeds need to be invested prior to time loan amounts are disbursed to the schools. The Authority reserves the option to enter into a guaranteed investment contract (GIC) in which the financial advisor firm solicits bids and

negotiate the contracts. He further explained that due to the abysmal market conditions, HESAA has not placed GICs since 2008 and instead has invested in the State's cash management fund and some higher yield Wells Fargo investment accounts.

David Reeth questioned whether HESAA has previously engaged a financial advisor to which Mr. Hutchins explained that HESAA has been ahead of the curve in having an objective third party overseeing the transactions since the inception of the program in 1991. He further explained that pursuant to the Dodd-Frank act financial advisors are now required in order to provide objective third party advice on the structuring of transactions.

Harvey Kesselman asked whether staff knew why there were only two responses to the RFP. Mr. Hutchins explained that the Dodd-Frank Act requires the financial investment firms to have the expertise on staff to be able to advise us in a fiduciary capacity. These firms are subject to oversight and review. As the student loan marketplace has shrunk there are fewer firms that have the expertise.

James Allen made a motion to revise Resolution 01:13 to include the address of First Southwest. Harvey Kesselman seconded the motion.

The motion was passed unanimously.

A motion to approve Resolution 01:13 as amended was made by James Allen and seconded by Jean McDonald Rash.

The motion was passed unanimously.

RESOLUTION 02:13 APPROVING THE 2013 DANA CHRISTMAS SCHOLARSHIP AWARD RECIPIENTS

Pilar Sanchez reported Resolution 02:13 to the Board.

The Dana Christmas Scholarship was established to honor the heroic efforts of Dana Christmas who put her own life in jeopardy to help her fellow students escape a devastating dormitory fire.

In August of 2012, Acting Senior Director of Financial Aid Services Sherry Fox and Executive Director Gabrielle Charette met with the President of the Public Service Electric and Gas Foundation and PSEG's Manager of Corporate Contributions to discuss the possibility of the Foundation supporting the Dana Christmas Scholarship program.

Following the August meeting, PSEG Foundation graciously agreed to fund the program once again. Specifically, PSEG committed \$40,000 to fund up to five scholarship recipients.

With funding secured, HESAA notified over 4,000 fire houses, police stations, ambulance squads, newspaper editors and grammar and secondary school principals of the availability of the scholarship and the criteria.

Selection Process

HESAA received 36 nominations by the October 15, 2012 deadline. A selection Committee of five HESAA employees from across the Authority reviewed the nominations and selected seven semi finalists to present to the Executive Committee of the Board for final consideration.

The Executive Committee of the Board met via teleconference on December, 2012 and decided to advance the following five students to the full Board for consideration.

Tyler Bond who at the age of 14 helped rescue two men at risk of drowning in a river.

Sara Carpenteri who at the age of 13 took control of a car she was the passenger in when the driver blacked out and drove the car to safety.

Patrick John Daley who at the age of 15 rescued his friend from a burning room.

Nicholas Fortunato who at the age of 16 assisted his father after a table saw accident and his assistance led to the father's fingers being able to be reattached.

Ryan Venezia who at the age of 16 helped evacuate three people from a home that had been severely damaged during hurricane Irene and was at risk of collapse.

Ms. Sanchez recommended that the Board approve Resolution 02:13 approving the 2013 Dana Christmas Scholarship Award Recipients, Tyler Bond, Sara Carpenteri, Patrick John Daley, Nicholas Fortunato and Ryan Venezia and bestowing each recipient with an \$8000 scholarship award.

A motion to approve Resolution 02:13 was made by Fr. Michael Braden and seconded by Dr. Jon Larson.

Dr. Kesselman commended Gabrielle Charette and Sherry Fox for meeting with PSE&G and being able to secure the donation to support this program. He also commended PSE&G for their commitment to this program.

Richard Garcia suggested that a letter of thank you to be sent to PSE&G on behalf of the Board.

Fr. Braden asked if the recipients would be publicly recognized to which Ms. Charette responded that PSE&G has indicated that they plan a presentation ceremony.

The motion was passed unanimously.

RESOLUTION 03:13 APPROVING THE EXTENSION OF THE CONTRACT WITH THE NAUTILUS PUBLISHING COMPANY FOR PUBLICATION OF *GOING TO COLLEGE IN NEWJERSEY* AND *LIFE 101* FOR ONE YEAR

Andre Maglione presented Resolution 03:13 to the Board.

HESAA is seeking approval for a 1 year extension of our publications "Going to College in NJ" and "Life 101", with vendor Nautilus Publications. The two publications are designed for

college bound high school students, their families and school counselors. Copies of both are available for your review.

The 73 page “Going to College in NJ” magazine promotes in-state college attendance benefits, and spotlights each of our degree granting institutions in a single publication circulated statewide. The very valuable articles in the magazine cover:

- Why go to college in NJ
- Life after HS
- Choosing the right college
- The college application process
- And paying for college

Mr. Maglione pointed out another very valuable resource in the magazine, a chart that displays college programs and majors alongside the colleges and universities that offer the major or program. This index assists students, families and school counselors in the college identification process.

Our bi-annual publication Life 101 spotlights two NJ born celebrities on the front page. The articles talk about high school, college and successes they have experienced. Life 101 guides students to college readiness, with some additional topics such as; “What to do when you turn 18”, financial literacy topics, best paying jobs, what salaries to expect from a college education and financial aid opportunities that help them pave the way for college financing.

HESAA has started to roll out the digital version of the publication to ipad, iphone, itouch, kindle, nook and android devices. This digital release has reduced the cost of publication from \$124,736 to \$92,545 dollars with future savings as digital acceptance grows over the next few years.

A motion to approve Resolution 03:13 was made by Mr. Anthony Falcone and seconded by Ms. Christy Van Horn.

Mr. David Reeth lauded the publication but questioned the resolution of a few of the photos. Mr. Maglione explained that while the institutions provide and approve of the photos HESAA continuously works with the vendor to improve the quality of the publications.

Ms. Elaine Papas Varas asked whether HESAA advertises the electronic version of the publications and emails them to high school students. Mr. Maglione explained that HESAA conducts guidance counselor workshops all throughout the State where the publications are demonstrated on an ipad. He also advised that an email is sent with the link to the publications.

The motion was passed unanimously.

FINANCIAL LITERACY INITIATIVE DEMONSTRATIONS

Gabrielle Charette reported that there would be two demonstrations for the Board. At HESAA, in addition to making sure routine business is taken care of, staff is constantly looking for ways

to make sure HESAA's products and services are more accessible to students while striving to support the colleges and universities in their recruitment and retention efforts.

Ms. Charette then introduced Bill Smith of Student Aid Services (SAS) and HESAA's Chief of Staff Greg Myer to demonstrate the results of a yearlong collaboration between SAS and HESAA.

Greg Myer provided the following background on the Net Price Calculator.

The Federal government required schools to provide a Net Price Calculator starting in October 2011. The intention of the Calculator is to have each institution provide a realistic estimate of the net price, which is defined as the cost of attendance minus all available aid. To do this, schools needed to include all known sources of aid, including scholarships and grants. In New Jersey, the Tuition Aid Grant is a substantial component of this equation.

HESAA has had an online TAG estimation tool available to students, parents and schools for over 10 years. With the rollout of Net Price Calculators (NPC), schools started asking HESAA to automatically link our TAG Estimator to their NPC.

HESAA's Grants and IS staff designed an open interface that supports the seamless integration of NPC's with our TAG calculator. With this interface, parents and students do not have to leave the school's website to get the TAG estimate, and they do not have to provide much of the same information twice, resulting in a much more efficient and pleasant user experience.

Not all schools have the programming resources to build their own NPCs. Most have satisfied this obligation by using vendors and contractors who specialize in this market niche. Student Aid Services was the first vendor willing to implement this new feature with HESAA.

Mr. Myer then introduces Bill Smith from SAS.

Bill Smith made a PowerPoint presentation on Student Aid Services' Net Price Calculator's Interface with HESAA's TAG Estimator and provided a demonstration of how the net price calculator works.

Board members' discussed the ease of use of the HESAA interface. HESAA staff clarified for the Board that this interface is available for all New Jersey institutions and net price calculator providers.

Gabrielle Charette then introduced HESAA employee Larry Sharp, Associate Director of NJCLASS Solutions, who presented the new website NJCLASS.org to the Board. Mr. Sharp demonstrated how the new website will provide borrowers with easily accessible information on their NJCLASS loans from application, to keeping debt levels low, to how to make a payment.

The Board discussed how helpful this new website will be.

EXECUTIVE DIRECTOR'S REPORT

Since this Board last met, New Jersey endured the worst hurricane in our State's history. Despite Sandy's wrath, I am proud to report that HESAA employees skillfully and swiftly dealt with the storm and its aftermath.

In the days leading up to the storm, we were in constant contact with employees advising them on the status of operations and potential closures. Richard Abreu, our web master, was in contact with Chief of Staff Greg Myer and me over the weekend, and Richard updated HESAA's website remotely to keep staff apprised of pending closures. As the storm made landfall, Governor Christie closed state offices for three days. On Wednesday, however while the state officially remained closed, Acting CIO Ruth Odom and eleven members of her Information Services staff came into the office to bring the system back up in anticipation of our reopening on Thursday. This allowed us to hit the ground running on Thursday; and run we did.

On Thursday, almost all employees reported to work despite many who were without power at home. I convened an emergency senior staff meeting that morning, and the team and I determined that we needed to take certain immediate actions to help students and families struggling in the wake of the storm.

First, we extended the filing deadline from November 15 to December 14 for any state grant or scholarship recipient who had received an Additional Information Request from HESAA or a letter requesting tax return transcripts or other documents.

Second we devised a policy to offer payment grace periods for borrowers currently in repayment on either a NJCLASS loan or federal student loan administered by HESAA, but who could not make a payment due to the loss of employment or property from the storm.

Finally, we suspended the reporting of all delinquencies to the credit bureaus. No one who made a late payment has to worry about their credit rating being adversely affected. In addition, borrowers who made timely payments do not have to worry about delays in postal delivery. By Friday, November 2, our website was updated with a message detailing the assistance I outlined.

Our ability to respond the way we did was part fortune. Thankfully our facilities were not damaged and power was restored to the complex by Wednesday. But it was also part commitment and the willingness of our staff to work shoulder-to-shoulder during difficult times. The team and I truly believe that what we do at HESAA is important, because we know what we do at HESAA changes lives.

Speaking of changing lives, we are approaching a significant milestone in state financial aid in three days, the 35th anniversary of TAG. On January 26, 1978, then Governor Brendan Byrne signed into law the Tuition Aid Grant program as we know it today. Originally TAG awards had only been for students attending an independent institution. In 1978, the program was opened to students attending community colleges and state colleges and universities as well as private institutions. These grants have not only made it possible for over two million New Jersey students to attend college; they have instilled the notion throughout our state that you need not be

born to affluent or educated parents in order to pursue higher education. Today, TAG is the most generous need-based undergraduate aid program in the United States.

As we embark on TAG's next thirty five years, I hope we celebrate its success, but I also hope we increase our understanding of its outcomes. While access and affordability are extremely important, degree completion is equally important.

On the federal front, HESAA is in the midst of preparing for a week long on site visit by the U.S. Department of Education next month. The DOE will be reviewing HESAA's management of the Guaranty Agency fund and the Federal Student Loan Reserve fund. In preparing for this review with CFO Hutchins and Controller Clark, I am confident that the USDE will affirm our management of these accounts. Once the review is completed and the report issued, of course, I will apprise you of the results.

Also, coming up next month is HESAA's premier annual event, College Goal Sunday. Thanks in part to a grant from the Lumina Foundation and our partnership with the New Jersey Association of Student Financial Aid Administrators; HESAA is able to sponsor this statewide event, which gives students and families the opportunity to complete the Free Application for Federal Student Aid with the one-on-one help of a trained financial aid professional. A flyer promoting this important event is with your materials.

As you know from my prior report, this past fall senior staff and I spent a considerable amount of time engaged in strategic planning. At your places is the final strategic plan that emerged from the process. The plan outlines HESAA's mission, vision and focus for the next two years. I would like to thank Gena Carapezza, Director of Audits and Quality Assurance, for helping to lead this effort and keep us focused. While the plan is complete, its implementation is ongoing. Senior Staff and I will be reconvening every six months to assess our progress in terms of implementation and what, if any, adjustments we need to make to ensure our goals are realized. Currently, we are well underway regarding an important annual strategic initiative: the 2013 NJCLASS bond offering. Today you approved the transaction's financial advisor. The Department of Law and Public Safety, in consultation with HESAA, issued an RFP for bond counsel. Eleven proposals have been received and are currently being reviewed and scored. Earlier this month, we held a kick-off meeting with our underwriter, and in another month we make the rounds to the ratings agencies. All of this important work will allow us to be in a position at the next Board meeting to present for your approval the resolution for the 2013 NJCLASS bonds.

Finally, I have heard from some Board members that in addition to the information you need to vote on resolutions, you would also like to have more global information about current trends in financial aid and college financing. Hence, we plan to devote a small portion of each meeting to a timely presentation. At the October Board meeting you will recall that we had a presentation from Franklin Templeton regarding NJBEST, our state's 529 college savings plan. Today, we had a financial literacy initiative presentation. I am pleased to announce that at the April Board meeting, Shelly Repp, President of the National Council on Higher Education Resources, will be here to discuss federal initiatives, including Pay as You Earn, Income-Based Repayment and the Earnings Contingent Education Loans (ExCEL) Act introduced by Congressman Thomas Petri [R-WI-6].

Chair Garcia commended Gabrielle Charette and the HESAA Staff for all of their hard work.

NEW BUSINESS

Christy Van Horn suggested to the Board to attend the College Goal Sunday.

ADJOURNMENT

Mr. Garcia announced that after adjourning this meeting the Board will enter a closed session, pursuant to the Open Public Meetings Act, to discuss pending litigation. This will be a closed session pursuant to N.J.S.A. 10:4-b(7), matters that fall under the attorney-client privilege. Details of the discussion that takes place in the closed session cannot be disclosed to the public until the conclusion of the litigation. A motion to adjourn and go to closed session was made by Mr. James Allen and seconded by Ms. Elaine Papas Varas.

The motion to adjourn passed unanimously.

Chairman Garcia announced the next regularly scheduled Board meeting is April 24, 2013 at 10:00 am.

The meeting adjourned at 11:40 am.



State of New Jersey

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CHRIS CHRISTIE
Governor


KIM GUADAGNO
Lt. Governor

GABRIELLE CHARETTE, ESQ.
Executive Director

MEMORANDUM

TO: Members, Higher Education Student Assistance Authority

THROUGH: Gabrielle Charette, Esq., Executive Director 

FROM:  Robert J. Clark, Controller

SUBJECT: Resolution 01:13 Appointment of a Financial Advisor for Authority Bond Issues

DATE: January 23, 2013

Introduction

This memorandum recommends your approval of the appointment of a Financial Advisor for calendar years 2013 and 2014. The Financial Advisor represents the Authority's interests in the development of a bond issue. Its services include the review of proposed financing structures and the cash flow analysis. The Financial Advisor also assists the Authority in the selection of bond insurers that may be required to complete the bond transaction. The Financial Advisor and Senior Manager work jointly to answer any issues raised by rating agencies, liquidity providers, bond counsel or the bond trustee.

Background

A. Selection Process

The Authority procedures call for a Request for Proposal (RFP) document to be developed and circulated to prospective financial advisory firms by Authority staff. A list of pre-qualified firms to which the RFP was circulated is maintained by the State Department of Treasury's Office of Public Finance and was provided to the Authority for its use. The RFP was sent to 16 financial advisor firms. The criteria for selection of Financial Advisor are contained in this document.

An evaluation team consisting of the Chief Financial Officer, the Controller and the Director of Legal & Governmental Affairs reviewed the proposals from the firms that submitted proposals.

B. Report on the Selection of a Financial Advisor

The selection criteria for Financial Advisor are the following:

1. The experience of the firm in advising on tax-exempt student loan revenue bond offerings;
2. The relevant experience of the staff assigned to the Authority;
3. The quality of the response to the RFP;
4. The ability to meet the needs of the Authority; and
5. The fee proposed.

Two proposals were submitted by financial advisory firms. Both of these firms were evaluated based on their level of experience and suitability relative to the Authority's evaluation criteria. Both firms were judged to meet the criteria as defined above. Based on this fact, the committee made a selection based on the relative prices proposed for the services defined in the RFP.

The maximum proposed fee by First Southwest for financial advisory services is \$100,000. This fee also includes review of cash flow models prepared by the senior manager at no additional fee. In addition, First Southwest has also proposed a fee of 1 basis point, based on the future swap cash flows for swap termination services, capped at a maximum of \$125,000 if all remaining swaps were terminated in a single year. First Southwest proposes a fee of 2 basis points on the invested balances, with a maximum of \$34,000, for their support in the bidding, evaluation and award of the Guaranteed Investment Contracts in which bond proceeds are invested until disbursed as student loans, and in which loan repayments are temporarily reinvested. However, in the current market environment, it is unlikely that a Guaranteed Investment Agreement will be sought as an investment vehicle for new bond proceeds. All fees proposed in this proposal are unchanged from the firm's previous proposal submitted for the years 2011 and 2012.

The other competing firm, Acacia Financial Group, proposed a fee structure that was significantly higher and less clearly defined. Its proposal read "*Acacia would propose a flat fee of \$150,000, including expenses. For services related to the issuance of bonds, Acacia typically proposes a fee of \$1.10 per bond with a minimum fee of \$50,000. Acacia would be willing to negotiate a fixed fee based on the scope of services related to the Authority's financing programs.*"

Similarly, Acacia's fees for swap termination services were not limited to a maximum amount for all existing swaps but were based on a range of basis points depending on the size and duration of the swap. Its fees proposed for bidding of guaranteed investment contracts are also unclear, due to the complex manner in which they are stated.

Under Authority procedures, selection of a vendor based on price must be made by the proposed price contained in the RFP. Negotiation of price prior to the award is not allowed. Since First Southwest's financial advisory fee as stated in the RFP is clearly lower, it is the opinion of the RFP Evaluation Committee that First Southwest is the more cost effective service provider of the two respondents.

Recommendation

It is recommended that the Board approve the attached resolution 01:13, approving the appointment of First Southwest as the Authority's Financial Advisor for the years 2013 and 2014.

Attachments

RESOLUTION 01:13

APPOINTING A FINANCIAL ADVISOR FOR AUTHORITY BOND ISSUES

Moved by: Mr. James Allen
Seconded by: Ms. Jean McDonald Rash

WHEREAS: There is a need for the Higher Education Student Assistance Authority (the "Authority") to appoint a Financial Advisor for calendar years 2013 and 2014; and

WHEREAS: The Authority has established procedures for the methods of procurement of advisory services related to the issuance of bonds; and

WHEREAS: These procedures have been appropriately applied through the circulation of RFPs to 16 financial advisory from a list maintained by the Office of Public Finance in the Department of Treasury; and

WHEREAS: An Evaluation Committee comprised of the Authority's Chief Financial Officer, Controller and Acting Director of Legal Affairs reviewed all of the proposals.

NOW, THEREFORE, LET IT BE:

RESOLVED: That the Board approves the appointment of First Southwest, 250 West 57th Street, Suite 1420, New York, New York 10107, as Financial Advisor for 2013 and 2014 at a cost of \$100,000 per bond issue; a fee of (1) one basis point calculated on the present value of the notional amount of all swaps actually terminated, not to exceed \$125,000; and a fee of 2 basis points of the amount invested for guaranteed investment contract bid management services, with a maximum fee of \$34,000, to be paid by the guaranteed investment contract provider.

January 23, 2013
(Revised)



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Lt. Governor

GABRIELLE CHARETTE, ESQ.
Executive Director

MEMORANDUM

TO: Members, Higher Education Student Assistance Authority

THROUGH: Gabrielle Charette, Esquire 
Executive Director

FROM: Pilar Sanchez *PS.*
Assistant Director Grants and Scholarships

SUBJECT: Resolution 02:13 Approving the 2013 Dana Christmas Scholarship Award Recipients

DATE: January 23, 2013

Background

The Dana Christmas Scholarship for Heroism was established to honor the heroic efforts of Dana Christmas who put her own life in jeopardy to help her fellow students escape a devastating dormitory fire. The scholarship honors young people who display the heroism, selflessness and bravery exhibited by Dana Christmas and provides a one-time award of up to \$10,000. To be eligible for a scholarship, recipients must be a New Jersey resident (both at the time of the act of heroism and upon application). They must be age 21 or younger at the time of the heroic act and a U.S. citizen or eligible non-citizen and registered with Selective Service (if required).

In August of 2012, Acting Senior Director of Financial Aid Services Sherry Fox and Executive Director Gabrielle Charette met with the President of the Public Service Electric and Gas Foundation and PSEG's Manager of Corporate Contributions to discuss the continuation of the Foundation's support for the Dana Christmas Scholarship program. PSEG previously funded the program in 2011 and 2012.

Following the August meeting, PSEG Foundation graciously agreed to fund the program once again for 2013. Specifically, PSEG committed \$40,000 to fund up to five scholarship recipients.

With funding secured, HESAA notified over 4,000 fire houses, police stations, ambulance squads, newspaper editors and grammar and secondary school principals of the availability of the scholarship and the criteria.

Selection Process

HESAA received 36 nominations by the October 15, 2012 deadline. A selection Committee of five HESAA employees from across the Authority reviewed the nominations and selected seven semi-finalists to present to the Executive Committee of the Board for final consideration.

The Executive Committee of the Board met via teleconference on December 17, 2012 and selected the following five candidates to recommend to the Board for receipt of the 2013 Dana Christmas Scholarship for Heroism award:

Tyler Bond

Nominated by: Carol Ann Hersafeld (grandmother)

Date of Act of Heroism: August 2010 (Age 14)

During a family vacation in the Grand Canyon, the family decided to go swimming at a nearby waterfall. Tyler noticed two men clinging to the rocks in the river trying to keep from being pulled under, and one man behind the waterfall. He tried to swim to them but misjudged the power of the current of the waterfall. Tyler was given a rope, swam to a rock and tossed the rope to the two men. Tyler, with the assistances of two other people, pulled both men to safety at the same time. The third man was coached to safety by a guide.

Sara Carpenteri

Nominated by: Mary Carpenteri (mother)

Date of Act of Heroism: January 2009 (Age 13)

Sara, her brother and a friend were picked up after school by her mother. Sara noticed that something about her mother did not seem right. On the drive home, the car began to swerve. She called her mother's name. Her mother did not answer her because she had passed out. Springing into action, Sara grabbed the wheel and climbed into the driver's seat. She drove the car to the next street where her grandparents lived. A woman in another car was following her and called 911.

Patrick John Daley

Nominated by: Robert Brice (Chief of Police, Wall Township)

Date of Act of Heroism: April 2012 (Age 15)

During Patrick's visit at a friend's house, his friend was frying chicken on the stove and the contents caught fire. The friend ran to the bathroom and threw the pan in the tub. By doing this,

the grease splattered and caught the curtains on fire. While the friend was attempting to extinguish the fire with cups of water, the door closed and jammed. Patrick noticed the smoke coming from the bathroom and yelled for his friend to get out of the house. His friend called out Patrick's name and could not get out of the bathroom. He remembered that his friend's bathroom door would stick from the inside and Patrick opened the door. Besides the difficulty of the door jamming, the main reason his friend could not open the door was from the 2nd and 3rd degree burns on his hands.

Nicholas Fortunato

Nominated by: Denise M. Worts, MS (Teacher of Health Education)

Date of Act of Heroism: March 2011 (Age 16)

Nicholas' father was using a table saw and cut off several fingers. Nicholas wrapped his father's hand in towels, applied pressure and put the bloody fingers into a bucket of ice. To keep his father from going into shock, he moved his father from a kneeling position on the floor to a chair and held his hands above his father's head. The doctors were able to reattach the majority of the ligaments in his fingers, and he now has partial movement in four fingers on his left hand.

Ryan Venezia

Nominated by: Bernard Lombardo (Chief of Police, Borough of Ringwood)

Date of Act of Heroism: August 2011 (Age 16)

Hurricane Irene caused a tree (4 feet in diameter) to fall lengthwise on Ryan's neighbor's house. The tree crushed the ridge beam and roof area creating extreme damage to the house. Recognizing the potential for further collapse of the structure, Ryan and his father entered the house and began searching through the rubble to locate the victims. Ryan and his father were able to escort two of the victims from the premises before the local police arrived on the scene. Following the arrival of the police, Ryan and his father continued to assist in the removal of two other members of the household, including a 93 year old woman.

Recommendation

It is recommended that the Board approve Resolution 02:13 Approving the 2013 Dana Christmas Scholarship Award Recipients, Tyler Bond, Sara Carpenteri, Patrick John Daley, Nicholas Fortunato, and Ryan Venezia and bestowing each recipient with an \$8000 scholarship award.

Attachment

RESOLUTION 02:13

**RESOLUTION 04:13 APPROVING THE 2013 DANA CHRISTMAS SCHOLARSHIP
AWARD RECIPIENTS**

Moved: Fr. Michael Braden
Seconded: Dr. Jon Larson

WHEREAS: The Dana Christmas Scholarship for Heroism was established to honor the heroic efforts of Dana Christmas who put her own life in jeopardy to help her fellow students escape a devastating dormitory fire.; and

WHEREAS: The scholarship honors young people who display the heroism, selflessness and bravery exhibited by Dana Christmas and provides a one-time award of up to \$10,000; and

WHEREAS: The Public Service Electric and Gas Foundation graciously committed \$40,000 to fund up to five scholarship recipients for 2013; and

WHEREAS: HESAA received 36 nominations for the award, from which 7 semi-finalists were presented to the HESAA Executive Committee; and

WHEREAS: The Executive Committee determined that Tyler Bond, Sara Carpenteri, Patrick John Daley, Nicholas Fortunato, and Ryan Venezia displayed the heroism, selflessness and bravery embodied by this scholarship.

NOW THEREFORE, LET IT BE:

RESOLVED: The Higher Education Student Assistance Authority hereby awards Tyler Bond, Sara Carpenteri, Patrick John Daley, Nicholas Fortunato, and Ryan Venezia each with a 2013 Dana Christmas Scholarship for Heroism Award Recipients in the amount of \$8,000.

January 23, 2013



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KIM GUADAGNO
Lt. Governor

GABRIELLE CHARETTE, ESQ.
Executive Director

MEMORANDUM

TO: Members, Higher Education Student Assistance Authority

THROUGH: Gabrielle Charette, Esquire 
Executive Director

FROM: André Maglione 
Acting Director, Client Services

SUBJECT: Resolution 03:13- Approving the Extension of the Contract with the Nautilus Publishing Company for Publication of *Going to College in New Jersey* and *Life 101* for One Year

DATE: January 23, 2013

Background

The Higher Education Student Assistance Authority (HESAA) annually distributes two publications to college-bound students, *Going to College in New Jersey* and *Life 101*. *Going to College in New Jersey* is a 76 page publication that promotes awareness of higher learning opportunities in the State of New Jersey as well as State and federal financial aid programs. *Life 101* is an 8 page publication that promotes awareness of higher education, student aid, career and life-skills for college-bound students in the 11th and 12th grades throughout New Jersey.

On September 16, 2008, HESAA issued a Request for Proposals (RFP) from qualified vendors to write, edit, design, print, produce, and distribute the two publications. The contract was awarded to The Nautilus Publishing Group ("Nautilus") on October 29, 2008. On March 27, 2009 a three year contract, with two optional one year renewals was executed. The initial three year term expired March 2012 and at its January 24, 2012 meeting the Board approved the initial one year extension through March 2013.

The total cost for both publications, including Spanish translations of each, was \$124,736.52 per year for the first three years. For 2012, Nautilus also provided e-book versions of both publications, compatible with all major e-book readers including:

Kindle, Nook, iPad, Motorola. Since fewer hardcopies were required, the publishing costs were lower. The 2012 cost for writing, editing, designing, printing, and producing *Going to College in New Jersey* and *Life 101*, as well as providing e-book versions, and Spanish translations and a one-time mailing to high schools to determine how many hardcopies they needed totaled \$92,545.59.

Nautilus published both *Going to College in New Jersey* and *Life 101* to HESAA's specifications and has met all expectations for the last four years. Accordingly, staff recommends extending the contract with Nautilus for the second of the one year optional terms. The total cost for 2013 will remain \$92,545.59.

Recommendation

It is recommended that the Board approve Resolution 03:13 Approving the Extension of the Contract with The Nautilus Publishing Company for Publication of *Going to College in New Jersey* and *Life 101* for one year, at a cost of \$92,545.59.

Attachment

Resolution 03:13

RESOLUTION 03:13

RESOLUTION APPROVING THE EXTENSION OF THE CONTRACT WITH THE NAUTILUS PUBLISHING COMPANY FOR PUBLICATION OF *GOING TO COLLEGE IN NEW JERSEY* AND *LIFE 101* FOR ONE YEAR

Moved: Mr. Anthony Falcone
Seconded: Ms. Christy Van Horn

WHEREAS: The Higher Education Student Assistance Authority (HESAA) entered into a three year initial contract with The Nautilus Publishing Company for publication of *Going to College in New Jersey* and *Life 101* on March 27, 2009, with two optional one year extensions; and

WHEREAS: The initial contract term expired on March 27, 2012; and

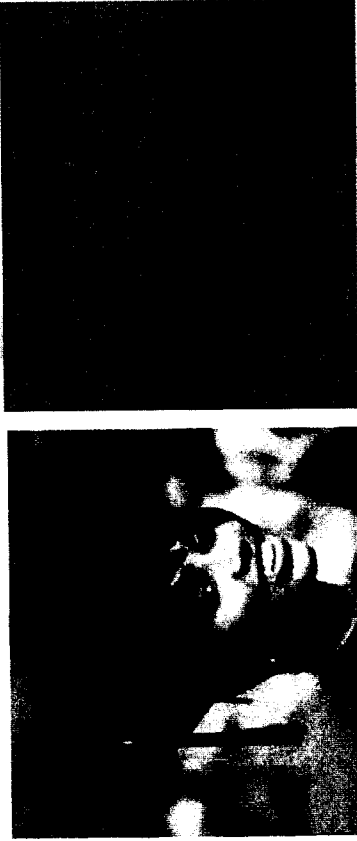
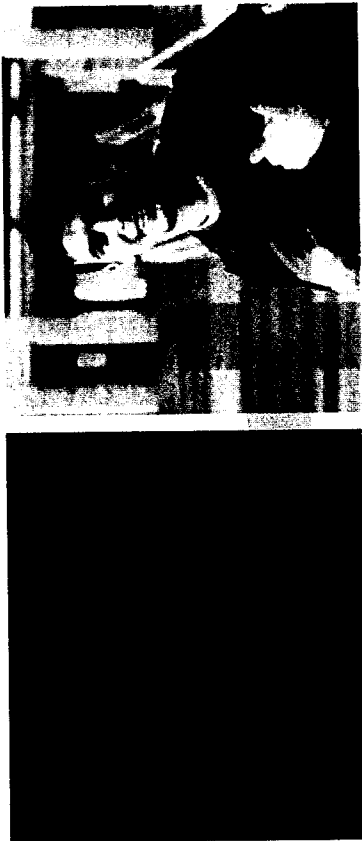
WHEREAS: At its January 24, 2012 meeting the Board approved the initial one year extension through March 2013; and

WHEREAS: Nautilus published both *Going to College in New Jersey* and *Life 101* to HESAA's specifications and has met all expectations for the last four years.

NOW THEREFORE, LET IT BE:

RESOLVED: The Higher Education Student Assistance Authority hereby approves the extension of the contract with The Nautilus Publishing Company for publication of *Going to College in New Jersey* and *Life 101* for one year, at a cost of \$92,545.59.

January 23, 2013

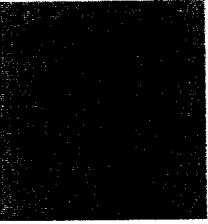
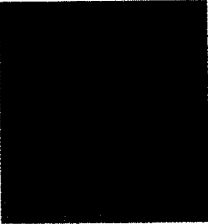


HESAA Calculated TAG Estimates in NJ College NPCs: HESAA - SAS Interface



Higher Education Student Assistance Authority

January 23, 2013



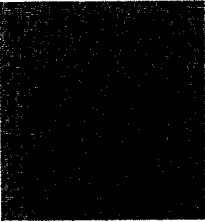

Agenda

- + Student Aid Services Overview
- + Project Background
- + HESAA – SAS TAG Interface Demonstration
- + Questions



Student Aid Services, Inc.

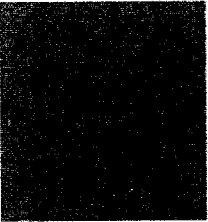
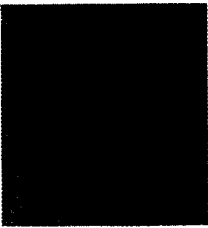
- + **Student Aid Services, Inc.** is a subsidiary of the Rezolve Group, Inc., a technology and services company focused on student financial aid
- + **Serving Families, Colleges, and State Agencies**
 - Leading NPC provider, serving over 700 campuses nationwide
 - Personalized transparency publications – College Cost & Planning Report, Personal Student Prospectus
- + Most experience in online financial aid calculators, **over 10 years**, long before NPC mandate



HESAA-SAS Project Background

The Challenge:

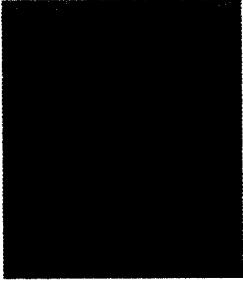
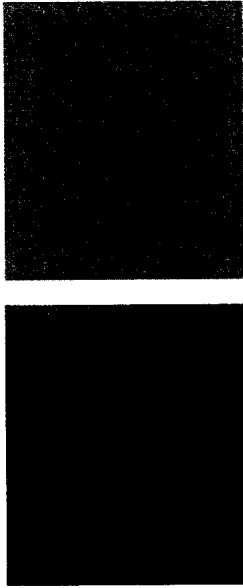
- ✦ New Jersey students and colleges benefit from accurate estimates of NJ Tuition Aid Grant in Net Price Calculators
 - Generous grants help NJ families pay for college
 - Retain NJ residents in NJ for college and career
 - Informing students about aid options in NJ supports their decision making
- ✦ Prior alternatives
 - Use estimates based on historic averages
 - Interrupt NPC, send user to HESAA site, duplicate data entry, calculate answer, return, input value, complete NPC
 - Ignore TAG



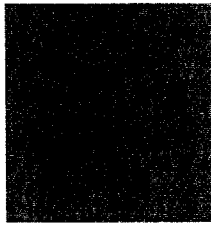
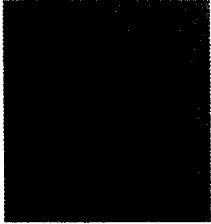
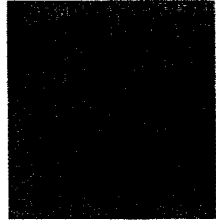
HESAA-SAS Project Background

The Solution:

- ✦ Web-based interface allows NPC to communicate inputs to HESAA in real time, receiving back HESAA-generated TAG estimate based on most up-to-date calculation methodology
- ✦ Customizable NPCs from Student Aid Services include questions needed to provide inputs to HESAA, flexible output to give accurate cost estimates, technological support to provide reliable interface
- ✦ Excellent user experience – only two additional questions needed
- ✦ Productive collaboration
- ✦ A leading edge solution – we know of no other state agencies supplying real-time grant estimates to NPCs



Net Price Calculator Demonstration



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services**



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