

## MINUTES

### HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY

October 25, 2023

The Higher Education Student Assistance Authority (HESAA) Board held a remote teleconference meeting on October 25, 2023 at 10:00 am via Zoom. Thirty-two people logged into the meeting.

**PRESENT:** HESAA Board Members: Dr. Brian Bridges, Secretary of Higher Education; Ms. Jean McDonald Rash; Ms. Shernelle Pringle; Mr. David Socolow; Ms. Ivona Szaro; Mr. Robert Tighue, Treasurer's Designee; Dr. Nelson Turcios; Ms. Christy Van Horn, Chair; and Mr. Byron Ward.

**ABSENT:** Ms. Beatrice Daggett; Ms. Alya Nassrallah; and Mr. Scott Salmon

#### CALL TO ORDER

Christy Van Horn called the meeting to order at 10:01 am. David Socolow stated that the meeting had been noticed in compliance with the requirements of the Open Public Meetings Act.

Ms. Van Horn welcomed the Board members and advised that since this meeting is being held remotely, Leslie Flanagan-Bryant would conduct a roll call for the resolutions.

Ms. Van Horn welcomed Laura Wilton, Associate Counsel from the Governor's Authorities Unit; and Erin Herlihy, Deputy Attorney General from the New Jersey Division of Law.

Ms. Van Horn asked Leslie Flanagan-Bryant to call the roll.

#### CONSIDERATION OF THE MINUTES OF THE JULY 26, 2023 MEETING

A motion to approve the minutes of the July 26, 2023 meeting was made by Ms. Jean Rash and seconded by Ms. Ivona Szaro. The minutes were approved unanimously with two abstentions, Dr. Brian Bridges and Mr. Robert Tighue who were not present at this meeting.

#### REPORT OF THE AUDIT COMMITTEE AND RESOLUTION 17:23 ACCEPTING AND ADOPTING THE FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORTS FOR FISCAL YEAR 2023

Christy Van Horn reported that on October 20, 2023 the members of the Board Audit Committee met with HESAA's Independent Auditors to review and discuss the audited financial statements. Andrew Lee from CliftonLarsonAllen (CLA) presented their findings to the Board.

Mr. Lee advised that CLA was engaged to conduct three separate audits of: the NJCLASS/ FFELP Loan Programs; Other HESAA Programs and Funds; and the World Trade Center Scholarship Fund. CLA met with the Audit Committee on October 20, 2023 to discuss the audit and report that they are issuing unmodified opinions for all three audits, which is the highest opinion an auditor

can issue. Andy Lee praised Chief Financial Officer Jerry Traino and Controller Art Quaranta, along with their team, for their exemplary work.

Mr. Lee also advised that CLA audited HESAA's internal controls and found no material weaknesses. The audits were completed in accordance with generally accepted audit procedures.

Chair Van Horn commented that she is happy HESAA financial statements received unmodified opinion and observed that the strength of HESAA's staff leads to the finding of no material weaknesses. Chair Van Horn commended CLA, Art Quaranta, and the HESAA staff for their work.

A motion to approve Resolution 17:23 was made by Dr. Brian Bridges and seconded by Ms. Jean Rash.

The motion passed unanimously.

## **REPORT OF THE BUDGET COMMITTEE AND RESOLUTION 18:23 ADOPTING A BOARD BUDGET POLICY STATEMENT FOR FISCAL YEAR 2025**

Christy Van Horn reported that on October 10, 2023 the members of the Board Budget Committee reviewed and discussed with HESAA staff the proposed Fiscal Year 2025 Board Budget Policy Statement. Jean Hathaway, Director of Grants and Scholarships presented the Committee's agreed-upon statement to the Board.

On October 10, 2023 the Board's Budget Committee met with HESAA staff to review background information and to draft a FY 2025 budget policy statement for consideration by the full Board.

The role of the HESAA Board in the budget process is to advocate policies that advance higher education access, choice, affordability, and academic achievement for New Jersey residents:

### **Tuition Aid Grant Program**

The Board supports, as its funding priority, ensuring protection of the State's historic commitment to all eligible full-time students under the need-based TAG Program. The board recommends the following:

The Board recommends FY25 funding sufficient to cover an increase to award values for students with the greatest financial need (New Jersey Eligibility Index scores in Cell 1) by 6% and for all other students by 8%. This policy would address the current AY 2023-2024 TAG table's gap between the value of awards in Cell 1 compared to all other eligibility categories, due to the FY24 6% increase in the dollar value of Cell 1 awards over the prior year while the award values in Cells 2-10 remain flat at AY 2022-23 levels.

Additionally, in FY25, the Board recommends increasing the Income Protection Allowance (IPA) in the NJEI calculation for Independent Students by \$700, which would assist approximately 2,500 independent students with increased TAG awards. In recent years, HESAA has increased the income protection allowance used to calculate independent students' financial need. However, the IPA for New Jersey State aid has not yet matched the IPA level used in federal financial need

calculations. Anticipated changes to the IPA calculation for the federal student aid index will exacerbate this gap, further reinforcing the relative lack of support from TAG for our state's working adult independent students.

### **Summer TAG**

In the summer of 2023, the first term with Summer TAG, over 11,000 students benefited from the Summer TAG program for a total cost of \$24.3M. The Board recommends continued sufficient funding for FY25 for the Summer TAG program. This would boost financial aid to students enrolled during summer terms, thus encouraging students to take an accelerated path to completing their higher education.

In addition, the Board urges policymakers to make Summer TAG a permanent part of New Jersey's financial aid policy landscape. Students eligible for federal Pell grants during summer terms have enjoyed significant improvements to their academic and career outcomes, and Summer TAG is likely to generate similar positive results.

### **Part-Time Tuition Aid Grant**

The Board also recommends FY25 funding for the Part-Time Tuition Aid Grant Program for County College students that is sufficient to continue providing part-time TAG awards to all eligible county college students, pro-rated at one-half or three-quarters of the dollar value of full-time TAG awards.

### **Garden State Guarantee**

The Garden State Guarantee (GSG) is a last-dollar program that guarantees a net price for students who are in their third or fourth year of study toward a bachelor's degree at a Senior Public college or university. In FY23, GSG was an institutional aid based program and over 12,300 students benefited from this program.

The Board recommends sufficient FY25 funding for GSG to maintain the current program parameters in place for Academic Year 2032-24, providing:

- GSG awards guaranteeing eligible students a \$0 annual net price of tuition and required fees for students who have a family AGI between \$0 and \$65,000 in their third and fourth year of study at a New Jersey Senior Public college or university.
- GSG awards guaranteeing eligible students an annual net price of tuition and required fees of no more than \$7,500 for students who have a family AGI between \$65,001 and \$80,000 in their third and fourth year of study at a New Jersey Senior Public college or university.
- GSG awards guaranteeing eligible students an annual net price of tuition and required fees of no more than \$10,000 for students who have a family AGI between \$80,001 and \$100,000 in their third and fourth year of study at a New Jersey Senior Public college or university.

### **Community College Opportunity Grant**

The Board also supports the Community College Opportunity Grant (CCOG) Program in FY25 for students meeting the current 23-24 eligibility criteria. The Board recommends continued support and funding of CCOG which provides:

- Full CCOG awards to all students attending New Jersey’s 18 community colleges who meet current eligibility criteria and have a family AGI between \$0 and \$65,000;
- 50% CCOG awards to all students attending New Jersey’s 18 community colleges who meet current eligibility criteria and have a family AGI between \$65,001 and \$80,000; and
- 33 1/3% CCOG awards to all students attending New Jersey’s 18 community colleges who meet current eligibility criteria and have a family AGI between \$80,001 and \$100,000.

### **Student-Teachers Stipend Program**

The FY24 Appropriations Act included \$10 million for the Student-Teachers Stipend Program. This program is for students who are participating in the clinical practice (“student-teaching”) segment of an approved Educator Preparation Program at a New Jersey institution of higher education. The program just began in the fall of 2023; and is projected that in FY24 3,300 students will receive a \$3,000 one-time award. The Board recommends continuing this program to address New Jersey’s educator vacancy crisis by supporting college students aspiring to become teachers.

### **Tuition Assistance for Thomas Edison State University Students**

Tuition Assistance for Thomas Edison State University Students is a program that supports part time students at Thomas Edison University. The majority of students at Thomas Edison are non-traditional students who attend part time, and therefore are not eligible for the TAG program that is restricted to full-time students at bachelor’s degree-granting institutions. In FY23, 267 students benefited from TESU. The board supports level funding of this program.

### **Additional Programs**

The Community College Opportunity Grant Vo-tech pilot began in FY23, and \$40,886 was awarded to 22 students. This pilot program provides a last-dollar award for the costs of certain approved programs at Vocational schools that enter into a partnership with one of the 18 New Jersey County Colleges. Before providing additional funding for FY25, the Board recommends reviewing FY24 results to evaluate the efficacy of the current program design and parameters.

In addition, the Board supports continued support for the NJSTARS and the NJSTARS II programs, and the Governor’s Urban Scholarship (GUS) program with the FY23 expansion of the list of municipalities where residents may be eligible for these awards. The Board recommends sufficient funding in FY25 for GUS to support all students who reside in the 33 identified high-need communities, with \$1,000 renewable annual scholarship awards for New Jersey high school graduates who rank in the top 5% of their class with a GPA of 3.0 or higher and demonstrate financial need, regardless of whether they attend a public or non-public high school. In addition, the Board recommends continuing the GUS persistency award of \$500 for students in their final term of the scholarship upon completion of their associate or baccalaureate degree.

Recognizing that the World Trade Center Scholarship (WTC) program is committed to funding the majority of the students through 2026, when it is expected that few if any students will remain eligible under the terms of the scholarship program, the Board recommends continuation of level funding to support WTC Scholarship recipients. The Board also notes the existence of other revenue sources for the WTC Scholarship Program, including public and private donations.

The Board notes that, although the following programs are not funded through HESAA's State line-item appropriations, they are key elements of the Authority's overall mission:

- Law Enforcement Officers Memorial Scholarship program
- Survivor Tuition Benefits program
- New Jersey Governor's Industry Vocations Scholarship for Women and Minorities (NJ GIVS)
- New Jersey Better Education Savings Trust (NJBEST) college savings program
- NJBEST Scholarship program and the
- NJBEST Matching Grant program.

A motion to approve Resolution 18:23 was made by Dr. Brian Bridges and seconded by Mr. Byron Ward.

Christy Van Horn pointed out that the Behavioral Healthcare Provider Loan Redemption Program was oversubscribed when first offered. She advised that since this is a very important program at this time, the Budget Committee's policy statement includes a specific recommendation to increase funding to meet more of the demand for this program.

The motion passed unanimously.

## **RESOLUTION 19:23 APPOINTING A FINANCIAL ADVISOR FOR AUTHORITY BOND ISSUES**

Arthur Quaranta presented Resolution 19:23 to the Board.

Good morning and thank you all for your attention to Resolution 19:23 addressing the appointment of a Financial Advisor for the Authority for calendar years 2024 and 2025.

The Financial Advisor, which serves as the Independent Registered Municipal Advisor, represents the Authority's interests in the development of a bond issue. Its services include the review of proposed financing structures, the cash flow analysis and providing fiduciary advice during the calendar year. The Financial Advisor and Senior Manager work jointly to answer any issues raised by rating agencies, liquidity providers, bond counsel, or the bond trustee.

On August 28, 2023 the Higher Education Student Assistance Authority issued a Request for Proposals seeking proposals from firms interested in serving as the Financial Advisor to HESAA for the bonds issued through our annual negotiated sale.

Eleven financial advisory firms were sent the RFP. Further, the RFP was posted to HESAA's website as well as advertised in the State's NJ Advance Media and Gannett newspapers. HESAA received two proposals, one from Hilltop Securities and the other from SL Capital Strategies LLC.

The evaluation committee consisted of HESAA's Chief Financial Officer, Controller, and Director of Legal & Governmental Affairs. The RFP proposals from the two firms were reviewed and scored based on five criteria:

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, including but not limited to the level of detail of the response;
4. The ability to meet the needs of the Authority as detailed in this RFP; and
5. The fee proposed.

Based on their review of the proposals, the evaluation committee recommends re-appointing HESAA's current financial advisor, Hilltop Securities. Both Hilltop Securities and SL Capital Strategies LLC have the relevant experience with post-secondary education loans such as the Authority's NJCLASS program as well as strong analytical capabilities. The firms differ in that Hilltop Securities is also a broker-dealer while SL Capital Strategies is not one. Because it is a broker-dealer, Hilltop's underwriting desk is able to provide additional valuable insight on market conditions when HESAA's bonds are going to market. Additionally, SL Capital Strategies is not a registered swap advisor, which means that SL Capital Strategies would need to engage a subcontractor if it is in HESAA's best interest to engage in derivative deals.

Hilltop Securities continues to demonstrate a depth of expertise and relevant experience to meet all of HESAA's needs. The firm provides all services required by HESAA, including any possible derivative deals. Additionally, as it is also a broker-dealer, Hilltop Securities is subject to additional oversight by bodies such as the SEC and the MSRB.

The maximum proposed fee by Hilltop Securities for financial advisory services is \$137,500 per transaction, plus expenses. Hilltop Securities did not increase their fee from their prior engagement. In response to requested quotes for related services that were included in the RFP, Hilltop Securities has proposed a fee of \$10,000 per Series of bonds for cash flows, regardless of the number of scenarios run for each series (if new rep-lines are required the fee will be adjusted by mutual agreement); a maximum fee of \$46,000 for guaranteed investment contract bid management; and a fee of one basis point with a maximum fee of \$125,000 for financial instrument related services.

It is recommended that the Board approve Resolution 19:23 approving the appointment of Hilltop Securities as the Authority's Financial Advisor for the years 2024 and 2025.

A motion to approve Resolution 19:23 was made by Ms. Jean Rash and seconded by Mr. Byron Ward.

The motion passed unanimously.

## **RESOLUTION 20:23 APPROVING THE FIRST EXTENSION OF THE CONTRACT WITH WELLS FARGO, DEPOSITORY BANKING SERVICES**

David Moffett presented Resolution 20:23 to the Board.

The Higher Education Student Assistance Authority (HESAA) engages a bank to receive the payments made on NJCLASS loans. These payments include electronic payments from various sources, checks processed through a lockbox, and check payments received directly by the Authority.

As the result of a Request for Proposals, at its October 21, 2020 meeting, the HESAA Board appointed Wells Fargo NA as the provider of depository banking services for the Authority for a period of three years, with two possible one-year extensions at the option of HESAA.

Wells Fargo NA has a track record of quality service, including assistance in implementation of technical improvements and excellent customer service regarding banking issues. Accordingly, staff recommends approving the first one-year extension of the contract with Wells Fargo NA.

It is recommended that the Board approve Resolution 20:23 approving the First One-Year Extension to the Contract with Wells Fargo NA to provide Depository Banking Services.

A motion to approve Resolution 20:23 was made by Mr. Byron Ward and seconded by Dr. Brian Bridges.

The motion passed unanimously.

### **EXECUTIVE DIRECTOR'S REPORT**

Thank you Chairwoman Van Horn and members of the Board for today's productive meeting. It is now my pleasure to share some updates on HESAA's recent efforts to improve access, affordability, and success for postsecondary students in the Garden State.

#### **HESAA Outreach and Communications**

Our outreach and communications team works tirelessly to raise awareness among the students and families of New Jersey about how the State's services and programs can help them affordably finance a postsecondary degree. In Academic Year 2022-2023 HESAA reached more than 57,000 constituents, including nearly 37,000 college-bound students and almost 14,000 parents or guardians, through 678 presentations in every county of the State, including financial aid workshops, financial literacy education, and college admissions planning sessions. In addition, our presentations to employers and community-based organizations reached another 500 individuals with targeted information about College Promise and other supports for adult learners with some college credits but no degree, as well as HESAA's loan redemption programs and the NJBEST 529 College Savings plan.

This year's outreach is now well underway. In presentations at next month's annual New Jersey Education Association Convention, as well as at several upcoming events with community groups

and businesses, and at HESAA's series of training workshops for more than 1,200 high school counselors throughout this fall, HESAA will convey valuable information about:

- The revamped FAFSA form that all students will use to apply for federal, State, and other financial aid resources next year – including many first-time applicants who are members of today's high school senior class of 2024;
- The affordable net price guarantees of New Jersey's College Promise;
- Expanded Tuition Aid Grants to help eligible students pay for summer courses; and
- How school districts can partner with HESAA, both to improve students' financial literacy and to provide information about available State resources to assist students navigating the financial aid process.

### **Grants and Scholarships**

Thanks to investments approved by Governor Murphy and the Legislature, HESAA is now implementing significant enhancements to postsecondary student aid in the 2023-2024 academic year. These initiatives have boosted the value of TAG awards, expanded eligibility for New Jersey's College Promise, and added other vital student supports.

Through a pilot providing eligible students Tuition Aid Grant awards during 2023 summer terms ("Summer TAG"), we provided additional financial aid awards totaling more than \$24 million to more than 11,000 students who took college courses last summer – helping students graduate faster with less student loan debt. The State's Summer TAG awards, in combination with federal need-based aid, promote student success. A 2023 study on the federal Year-Round Pell grant program found that students receiving summer grants take less time to graduate, avoid summer learning loss, and earn higher wages for years afterwards. This important expansion of State aid will continue to benefit many students who receive TAG during fall 2023 or spring 2024, as the current year's budget continues this additional aid into the summer of 2024.

We are also implementing the current year's expansion of New Jersey's two College Promise programs, the Community College Opportunity Grant and the Garden State Guarantee, which now both cover students from families with annual adjusted gross incomes up to \$100,000 – an increase from the \$80,000 income cap in the 2022-2023 academic year. Nearly 35,000 students are expected to benefit from College Promise programs this year, many of whom were not previously eligible for any financial aid.

In addition, to encourage undergraduate students to pursue careers as educators, HESAA recently launched a \$10 million pilot program that offers \$3,000 stipends during student-teaching experiences in a classroom. In this inaugural fall semester, the new Student-Teacher Stipend program is supporting more than 600 students engaged in student-teaching clinical practice. We anticipate that a larger number of students will benefit from this program during the upcoming spring semester, when most of the year's student-teaching is scheduled.

HESAA also re-launched the pilot initiative providing tuition assistance for eligible adult postsecondary students who take certain county vocational-technical courses. Through

institutional partnerships, students completing these non-credit career programs are eligible for clearly defined college credits that are “stackable” for future learning opportunities.

### **Student Loan Redemption Programs**

To address workforce shortages, HESAA offers valuable financial incentives for New Jersey residents to serve in key occupations, including in primary healthcare, behavioral healthcare, education, and several high-growth technical jobs.

Last January, hundreds of individuals applied for the Behavioral Healthcare Provider Loan Redemption Program, far exceeding the funding available during its inaugural year. Currently, applicants are applying for the second year of funding, and we have already tallied more than 1,500 applications. We will consider all applications received between October 1 and 31, with selection based on the scoring rubric posted on HESAA’s website.

To help recruit and retain teachers in New Jersey, the Fiscal Year 2024 budget expanded HESAA’s Teacher Loan Redemption program to cover all types of student loans, increasing the reach of this support for teachers serving in high-need fields in qualifying schools. We will start taking applications next week, and teachers may apply through the end of January 2024.

### **NJBEST College Savings Plan**

Last June, the Board approved HESAA’s selection of Meketa Investment Group to provide consulting services to enhance oversight of the New Jersey Better Educational Savings Trust (NJBEST) college savings plan. Since the Board last met, our work with Meketa has already yielded useful advice and actionable recommendations for HESAA and our partners at the Division of Investment within the New Jersey Department of the Treasury. Stay tuned for additional updates on NJBEST in the coming months.

### **NJCLASS Loan Volume to date for Academic Year 2023-2024**

HESAA’s grants, scholarships, loan redemption, and college savings programs all help students and families finance a postsecondary education while minimizing student loan debt. However, many students still have a gap in college costs, and NJCLASS loans offer an affordable borrowing option. In the current high interest rate environment HESAA continues its public service mission to save money for New Jersey students and family borrowers.

HESAA receives the vast majority of NJCLASS loan applications between June and September each year, as New Jersey families borrow for college expenses in the academic year that starts each fall. This year, borrowers are showing keen interest in NJCLASS; to date, HESAA has originated 6,522 Standard NJCLASS loans totaling more than \$152 million for academic year 2023-2024 – that is 17 percent more loans and 23 percent higher dollar volume than at the same point last year. Families have noted that the Annual Percentage Rates (APRs) of 5.69 and 5.89 percent for the 10-year and 15-year Standard NJCLASS loans, respectively, are better than the equivalent federal Parent PLUS loans, which charge APRs of approximately nine (9) percent.

While initial originations continue to grow and the vast majority of borrowers of existing NJCLASS loans keep current on their payments, HESAA also remains committed to helping those

who struggle to repay their loans through relief programs and collections policies that support borrowers facing challenges. In just a few days, we will begin deploying new technology that will benefit borrowers, as the first phase of HESAA's new Collections, Loan Accounting, and Servicing System (CLASS) platform goes live into production. After starting with a small subset of the total outstanding loan portfolio, over the coming months HESAA's team will migrate additional existing loans from the current legacy mainframe system into this new Oracle-based CLASS platform. During this phase-in period, the developer will continue adding functionality to enhance the initial production version of the platform so that it eventually will include the entire outstanding NJCLASS loan portfolio.

### **HESAA Staff Updates**

Finally, since the Board last met in July, HESAA promoted one team member and hired one new employee, both supporting the Customer Contact Center as Investigators, Student Loans.

We also wished a fond farewell to two employees. Sally Ruth served as an Investigator, Student Loans, for 17 years in the Customer Contact Center, where she played a key role in training staff on protocols and procedures. She helped develop the training material for the new CLASS system, and she was a consistent team player and an excellent communicator. Anne Rosetti served as a Senior Clerk Typist for 18 years in the Support Services Unit, where she processed customers' enrollment in ACH automatic payment arrangements and worked with national credit bureaus. Anne was an enthusiastic member of the team. We thank both Anne and Sally for their important contributions to HESAA and wish them the best in their retirement.

I must close on the sad note of the loss of one of HESAA's own. The HESAA family was shocked and distressed by the sudden passing of Chinedu "Chichi" Anene-Okeke on August 17. Chichi had only recently joined HESAA earlier in 2023, serving as the Assistant Manager to the Deputy Chief Information Officer of Technical Services, a role to which he brought tremendous insight regarding the future of HESAA's technology systems. Chichi's children and his entire family are in our thoughts, and we will always remember the wonderful spirit he brought to his brief time with the Authority.

### **Conclusion**

Once again, thank you to the members of this Board for your support of HESAA's work and the dedicated staff members who carry it out every day. Together, we are making postsecondary education more affordable through our service to New Jersey's students and families. Thank you.

### **NEW BUSINESS**

David Socolow reminded Board members that the ethics training and cannabis briefing are required to be completed by November 3, 2023 and can be found at [nj.gov/ethics/training](https://nj.gov/ethics/training). Board members should select the Special State Officer Training Module.

### **ADJOURNMENT**

Ms. Van Horn advised that the next regularly scheduled Board meeting is Wednesday, January 17, 2024 at 10:00 am.

A motion to adjourn was made by Dr. Brian Bridges and seconded by Mr. Byron Ward. The motion passed unanimously.

The meeting adjourned at 10:49.



**PHILIP D. MURPHY**  
Governor

**TAHESHA L. WAY**  
Lt. Governor

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**DAVID J. SOCOLOW**  
Executive Director

## MEMORANDUM

**TO:** Members, Higher Education Student Assistance Authority

**FROM:** HESAA Board Audit Committee

**SUBJECT:** Report of the Audit Committee and Resolution 17:23 Accepting and Adopting the Financial Statements and Independent Auditors' Reports for Fiscal Year 2023

**DATE:** October 25, 2023

### **Summary**

Attached for review, comment and approval is Resolution 17:23 Accepting and Adopting the Financial Statements and Independent Auditors' Reports for Fiscal Year 2023.

### **Background**

The Higher Education Student Assistance Authority (HESAA) Audit Committee is comprised of Christy Van Horn, Chair; Scott Salmon, Vice-Chair; Beatrice Daggett, Public Member; and Treasurer's Designee, Anthony Longo as the member of the Board having accounting or related financial experience.

The Committee met with representatives of CliftonLarsonAllen on October 20, 2023 to review and discuss the 2023 Financial Statements and CliftonLarsonAllen's unmodified reports.

### **Recommendations**

The Audit Committee recommends that the HESAA Board accept and adopt the Financial Statements and Independent Auditors' Reports for Fiscal Year 2023.

Attachment

**RESOLUTION 17:23**

**ACCEPTING AND ADOPTING THE FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORTS FOR FISCAL YEAR 2023**

Moved by: Dr. Brian Bridges  
Seconded by: Ms. Jean Rash

**WHEREAS:** The Higher Education Student Assistance Authority (HESAA) prepared three separate financial statements for Fiscal Year 2023 ("2023 Financial Statements") which were audited by the independent auditor CliftonLarsonAllen LLP; and

**WHEREAS:** The members of the Board Audit Committee met with CliftonLarsonAllen LLP on July 26, 2023, prior to the commencement of the audit; and

**WHEREAS:** The members of the Board Audit Committee have received and reviewed the Financial Statements and the unmodified reports of CliftonLarsonAllen LLP dated for the year ending June 30, 2023; and

**WHEREAS:** The members of the Board Audit Committee met with representatives of CliftonLarsonAllen LLP on October 20, 2023 to discuss the 2023 Financial Statements and CliftonLarsonAllen's unmodified reports; and

**WHEREAS:** The members of the Board Audit Committee recommend that the HESAA Board accept and adopt the Financial Statements and Independent Auditors' Reports for Fiscal Year 2023.

**NOW THEREFORE, BE IT:**

**RESOLVED:** That the HESAA Board accepts and adopts the Fiscal Year 2023 Financial Statements and Independent Auditor's Reports as attached hereto; and be it further

**RESOLVED:** That the attached Fiscal Year 2023 Financial Statements and Independent Auditor's Reports shall be posted on HESAA's website at [www.HESAA.org](http://www.HESAA.org), and submitted to the State Treasurer and the Governor's Authorities Unit.

October 25, 2023



**PHILIP D. MURPHY**  
Governor

**TAHESHA L. WAY**  
Lt. Governor

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**DAVID J. SOCOLOW**  
Executive Director

## MEMORANDUM

**TO:** Members, Higher Education Student Assistance Authority

**THROUGH:** David J. Socolow  
Executive Director

**FROM:** Jean Hathaway   
Director, Grants and Scholarships

**SUBJECT:** Report of the Budget Committee and Resolution 18:23 Adopting a Board Budget Policy Statement for Fiscal Year 2025

**DATE:** October 25, 2023

### Summary

Attached for review, comment, and approval is Resolution 18:23 Adopting a Board Budget Policy Statement for Fiscal Year 2025. Jean Hathaway will summarize the Policy Statement drafted based on the Budget Committee's discussion.

### Background

The members of the Budget Committee of the Authority are Christy Van Horn, Scott Salmon, Beatrice Daggett, Jean McDonald Rash, and David Socolow.

The Committee met with HESAA staff on October 10, 2023 to develop the attached Board Budget Policy Statement for Fiscal Year 2025.

### Recommendations

The Budget Committee recommends adoption of Resolution 18:23 and the attached Budget Policy Statement.

Attachments

**RESOLUTION 18:23**  
**ADOPTING A BOARD BUDGET POLICY STATEMENT FOR**  
**STATE FISCAL YEAR 2025**

Moved by: Dr. Brian Bridges  
Seconded by: Mr. Byron Ward

**WHEREAS:** The Higher Education Student Assistance Authority (HESAA) Board is responsible for recommending budget policies in support of New Jersey's student financial aid programs; and

**WHEREAS:** On October 10, 2023 the Board's Budget Committee met with staff to review background information and to draft a FY 2025 budget policy statement for consideration by the full Board.

**NOW THEREFORE, LET IT BE:**

**RESOLVED:** That the HESAA Board strongly affirms the importance of preserving education access and affordability for all residents of the State of New Jersey and recognizing academic achievement; and be it further

**RESOLVED:** That the Board hereby adopts the budget policy statement for FY 2025 as advanced by the budget committee and described in the attachment to this resolution; and be it further

**RESOLVED:** That HESAA shall endeavor to maximize FY 2025 resources available for State-funded student assistance programs in keeping with the attached budget policy statement, subject to refinement of underlying projections.

October 25, 2023

## **FISCAL YEAR 2025 BUDGET POLICY STATEMENT OF THE HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY BOARD**

Pursuant to N.J.S.A. 18A:71A-9f., the Higher Education Student Assistance Authority (HESAA) is the lead State agency in determining policy on student assistance issues. Consequently, the HESAA Board is charged with developing budget recommendations for all postsecondary financial aid programs administered by the Authority. These recommendations are submitted to the Executive Director for review and submission to the Office of Management and Budget.

The Board, on behalf of the students and families served, would like to thank Governor Murphy and the Legislature for their sustained support of New Jersey's State grant and scholarship programs during these challenging fiscal times. During the 2023-2024 academic year, the State's financial aid programs are projected to provide more than 90,000 awards to State residents to pursue a postsecondary education, contributing to these students' individual success and strengthening New Jersey's economy and society.

The Fiscal Year 2025 (FY25) Budget Policy Statement reflects the Board's fundamental principles of promoting access to and affordability of postsecondary education for New Jersey residents through need-based student financial aid and merit-based scholarship programs, as well as offering student loan redemption incentives to skilled professionals who agree to serve in critically needed occupations. Over the course of the budget process, and subject to available funding, the Board urges HESAA's staff to advance the Board's funding recommendations and priorities expressed in this policy statement.

The Board is mindful of its role as an advocate for students, while also recognizing the fiscal challenges facing the State of New Jersey. While the Board continues to reaffirm its long-standing commitment to achieving full funding of the full-time TAG Program, and thus promoting affordability, access, and choice for all students, the Board agrees that the funding recommendations outlined below are the most reasonable in light of the State's fiscal constraints.

### **General Policy Recommendations**

The role of the HESAA Board in the budget process is to advocate policies that advance higher education access, choice, affordability, and academic achievement for New Jersey residents.

- The Board supports, as its funding priority, ensuring protection of the State's historic commitment to all eligible full-time students under the need-based TAG Program.
- The Board supports the continuation of HESAA's College Promise programs, the Community College Opportunity Grant (CCOG) and the Garden State Guarantee (GSG), in Academic Year 2024-2025 at FY25 funding levels sufficient to maintain the 2023-2024 eligibility criteria for last-dollar CCOG and GSG awards that cover the full cost of tuition and approved educational fees for students with family adjusted gross incomes (AGIs) between \$0 and \$65,000, as well as guaranteeing reduced net prices of tuition and approved educational fees for students with AGIs between \$65,001 and \$100,000.
- The Board supports continued funding of the Part-Time TAG Program for County College Students. Future award values, funding, and expenditures for the Part-Time TAG Program for County College Students, are considered separately from those for full-time TAG, because full-time TAG and part-time TAG are required by statute to be separate line items in the State budget.
- The Board supports continuing the Summer TAG program in the summer of 2025, providing additional need-based financial aid awards to students who receive TAG during the regular academic year and

then enroll at least half time in summer coursework that can accelerate their degree completion.

- The Board supports continued support for the Governor’s Urban Scholarship program for eligible students residing in the current list of covered municipalities.

To provide higher education access and affordability for New Jersey families, it is important to maintain the predictability and stability of State grant programs for financially needy students and their families. With this goal in mind, we present the following specific funding policy recommendations:

### **FY25 Funding Policy Recommendations**

#### TAG for Full-Time Students

The Board recommends FY25 funding sufficient to cover an increase to award values for students with the greatest financial need (New Jersey Eligibility Index scores in Cell 1) by 6% and for all other students by 8%. This policy would address the current AY 2023-2024 TAG table’s gap between the value of awards in Cell 1 compared to all other eligibility categories, due to the FY24 6% increase in the dollar value of Cell 1 awards over the prior year while the award values in Cells 2-10 remain flat at AY 2022-23 levels.

Additionally, in FY25, the Board recommends increasing the IPA for Independent Students by \$700, which would assist approximately 2,500 independent students with increased TAG awards. In recent years, HESAA has increased the income protection allowance (IPA) used to calculate independent students’ financial need. However, the IPA for New Jersey State aid has not yet matched the IPA level used in federal financial need calculations. Anticipated changes to the federal student aid index will exacerbate this gap, further reinforcing the relative lack of support from TAG for our state’s working adult independent students.

#### Community College Opportunity Grant (CCOG) Program

The Board recommends sufficient FY25 funding for CCOG to maintain the current program parameters in place for Academic Year 2032-24, providing:

- Full CCOG awards to all students attending New Jersey’s 18 community colleges who meet current eligibility criteria and have a family AGI between \$0 and \$65,000;
- 50% CCOG awards to all students attending New Jersey’s 18 community colleges who meet current eligibility criteria and have a family AGI between \$65,001 and \$80,000; and
- 33 1/3% CCOG awards to all students attending New Jersey’s 18 community colleges who meet current eligibility criteria and have a family AGI between \$80,001 and \$100,000.

#### Garden State Guarantee Program (GSG)

The Board recommends sufficient FY25 funding for GSG to maintain the current program parameters in place for Academic Year 2032-24, providing:

- GSG awards guaranteeing eligible students a \$0 annual net price of tuition and required fees for students who have a family AGI between \$0 and \$65,000 in their third and fourth year of study at a New Jersey Senior Public college or university.
- GSG awards guaranteeing eligible students an annual net price of tuition and required fees of no more than \$7,500 for students who have a family AGI between \$65,001 and \$80,000 in their third and fourth year of study at a New Jersey Senior Public college or university.
- GSG awards guaranteeing eligible students an annual net price of tuition and required fees of no more than \$10,000 for students who have a family AGI between \$80,001 and \$100,000 in their third and fourth year of study at a New Jersey Senior Public college or university.

#### Part-Time Tuition Aid Grant Program for County College Students

The Board recommends FY25 funding for the Part-Time Tuition Aid Grant Program for County College

Students line item that is sufficient to continue providing part-time, TAG awards to all eligible county college students who apply by the application deadlines, pro-rated at one-half or three-quarters of the dollar value of full-time TAG awards.

#### Summer TAG Program

More than 11,000 students benefited from Summer TAG during the summer of 2023, with total expenditures of \$24.3 million. The Board recommends providing dedicated FY25 funding for this program in amounts sufficient to provide Summer TAG awards for students attending at least half-time during the summer of 2025.

In addition, the Board urges policymakers to make Summer TAG a permanent part of New Jersey's financial aid policy landscape. Students eligible for federal Pell grants during summer terms have enjoyed significant improvements to their academic and career outcomes, and Summer TAG is likely to generate similar positive results. In a February 2023 study, Columbia University researchers found that federal Pell grant assistance for low- and moderate-income students' tuition for summer courses is associated with:

- An acceleration in the time it takes students to complete their program and earn their degree
- A greater likelihood that students graduate, compared with students who did not receive this support
- Higher earnings many years after college, compared with students who did not receive this support
- Maintaining students' academic momentum by avoiding summer learning loss
- Particularly significant benefits for Black students and working adult students over age 25

#### Part-Time Tuition Aid Grants for EOF Students

The Board recommends FY25 funding for the Part-Time TAG for EOF Students Program at a level sufficient to maintain the current program's eligibility parameters.

#### NJ Student Tuition Assistance Reward Scholarship/NJ Student Tuition Assistance Reward Scholarship II Programs (NJ STARS/NJ STARS II)

The Board recommends FY25 funding for the NJ STARS and NJ STARS II Programs in amounts sufficient to support all students who meet the eligibility requirements of the programs.

#### Governor's Urban Scholarship (GUS) Program

When it was created in 2012, the Governor's Urban Scholarship Program provided aid to New Jersey high school students who resided in 14 high-need communities. Starting in FY23, the list of communities in which GUS recipients may reside was expanded to 33 municipalities. The first students affected by this change started attending college in Academic Year 2023-2024. The Board recommends sufficient funding in FY25 to support all students who reside in the 33 identified high-need communities, with \$1,000 renewable annual scholarship awards for New Jersey high school graduates who rank in the top 5% of their class with a GPA of 3.0 or higher and demonstrate financial need, regardless of whether they attend a public or non-public high school. In addition, the Board recommends continuing the GUS persistency award of \$500 for students in their final term of the scholarship upon completion of their associate or baccalaureate degree.

#### Tuition Assistance for Thomas Edison State University Students

The Board recommends level FY25 funding to continue supporting part-time students eligible for the Tuition Assistance Program for Thomas Edison State University students (the Grant Opportunity for TESU Students, or "GO-TESU"). In FY23, 267 students received benefits through this program. The majority of TESU students enroll part time, and therefore are not eligible for TAG awards that are restricted to full-time students at bachelor's degree-granting institutions.

### Student-Teachers Stipend Program

The new Student-Teachers Stipend program supports students participating in the clinical practice (“student-teaching”) segment of an approved Educator Preparation Program at a New Jersey institution of higher education. Students receive a one-time \$3,000 award that helps cover the costs associated with student-teaching, beyond tuition and fees. Approximately 3,000 students are projected to receive an award in FY24. The Board recommends continuing this program to address New Jersey’s educator vacancy crisis by supporting college students aspiring to become teachers.

### County Vocational-Technical School Adult Postsecondary Grant Pilot Program

The CCOG Vo-tech pilot began in FY23, and awarded \$40,886 to 22 students. This program covers tuition for certain approved programs at Vocational schools that enter into a partnership with New Jersey County Colleges. Before providing additional funding for FY25, the Board recommends reviewing FY24 results to evaluate the efficacy of the current program design and parameters.

### World Trade Center (WTC) Scholarship Program

Recognizing that the WTC program is committed to funding the majority of the students through 2026, when it is expected that few if any students will remain eligible under the terms of the scholarship program, the Board recommends continuation of level funding to support WTC Scholarship recipients. The Board also notes the existence of other revenue sources for the WTC Scholarship Program, including public and private donations.

### Loan Redemption Programs

HESAA administers five (5) loan redemption programs that are currently funded by State appropriations:

- the Primary Care Practitioner Loan Redemption Program;
- the Nursing Faculty Loan Redemption Program;
- the NJCLASS Loan Redemption Program for New Jersey Teachers;
- the New Jersey STEM Loan Redemption Program; and
- the Behavioral Healthcare Provider Loan Redemption Program.

The Board recommends funding each of these programs in an amount sufficient to meet demand. Most notably, funding levels should address the large number of applications from eligible behavioral healthcare providers that vastly exceeded available resources in both FY23 and FY24.

### HESAA Revenue and Fee-Supported Programs Not Funded by State Line-Item Appropriations

The Board notes that, although the following services and activities are not funded through HESAA’s State line-item appropriations, they are key elements of the Authority’s overall mission:

- Law Enforcement Officers Memorial Scholarship program
- Survivor Tuition Benefits program
- New Jersey Governor’s Industry Vocations Scholarship for Women and Minorities (NJ GIVS)
- New Jersey Better Education Savings Trust (NJBEST) college savings program
- NJBEST Scholarship program
- NJBEST Matching Grant program
- New Jersey College Loans to Assist State Students (NJCLASS) loan programs
- John R. Justice Federal Student Loan Redemption Program



**PHILIP D. MURPHY**  
Governor

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Lt. Governor

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**DAVID J. SOCOLOW**  
Executive Director

## MEMORANDUM

**TO:** Members, Higher Education Student Assistance Authority

**THROUGH:** David J. Socolow  
Executive Director 

**FROM:** Arthur Quaranta   
Controller

**SUBJECT:** Resolution 19:23 Appointing a Financial Advisor for Authority Bond Issues

**DATE:** October 25, 2023

### Background

On August 28, 2023 the Higher Education Student Assistance Authority (HESAA) issued a Request for Proposals (RFP) seeking proposals from firms interested to serve as Financial Advisor to HESAA for bonds issued through negotiated sale. The Financial Advisor serves as the Independent Registered Municipal Advisor and has primary responsibilities including representing the Authority's interests in the development of bond issues and providing fiduciary advice throughout the year. Its services also include the review of proposed financing structures and the cash flow analysis. The Financial Advisor and Senior Manager work jointly to answer any issues raised by rating agencies, liquidity providers, bond counsel, or the bond trustee. The Financial Advisor selected through this RFP will serve for calendar years 2024 and 2025.

HESAA issued the RFP by sending it to eleven (11) financial advisory firms, posting it on HESAA's website, and advertising it in the State's NJ Advance Media and Gannett newspapers.

HESAA received two proposals from Hilltop Securities and SL Capital Strategies LLC.

### Selection Process

An evaluation committee made up of HESAA's Chief Financial Officer, Controller, and Director of Legal & Governmental Affairs reviewed and scored the proposals based on the following selection criteria:

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, including but not limited to the level of detail of the response;
4. The ability to meet the needs of the Authority as detailed in this RFP; and
5. The fee proposed.

Based on their review of the proposals, the evaluation committee recommends re-appointing HESAA's current financial advisor, Hilltop Securities.

Both Hilltop Securities and SL Capital Strategies LLC demonstrated relevant experience with postsecondary education loans comparable to the Authority's NJCLASS program and strong analytical capabilities. The firms differ in that Hilltop Securities is also a broker-dealer while SL Capital Strategies is not. Because it is a broker-dealer, Hilltop's underwriting desk is able to provide additional valuable insight on market conditions when HESAA's bonds are going to market. Additionally, SL Capital Strategies is not a registered swap advisor, which means that SL Capital Strategies would need to engage a subcontractor if it is in HESAA's best interest to engage in derivative deals.

Hilltop Securities continues to demonstrate a depth of expertise and relevant experience to meet all of HESAA's needs. The firm provides all services required by HESAA, including any possible derivative deals. Additionally, as it is also a broker-dealer, Hilltop Securities is subject to additional oversight by bodies such as the SEC and MSRB.

The maximum proposed fee by Hilltop Securities for financial advisory services is \$137,500 per transaction, plus expenses. Hilltop Securities did not increase their fee from their prior engagement. In response to requested quotes for related services that were included in the RFP, Hilltop Securities has proposed a fee of \$10,000 per Series of bonds for cash flows, regardless of the number of scenarios run for each series (if new replines are required the fee will be adjusted by mutual agreement); a maximum fee of \$46,000, for guaranteed investment contract bid management; and a fee of one basis point, with a maximum fee of \$125,000, for financial instrument related services.

### **Recommendation**

It is recommended that the Board approve the attached Resolution 19:23 approving the appointment of Hilltop Securities as the Authority's Financial Advisor for the years 2024 and 2025.

Attachments

## **RESOLUTION 19:23**

### **APPOINTING A FINANCIAL ADVISOR FOR AUTHORITY BOND ISSUES**

Moved by: Ms. Jean Rash  
Seconded by: Mr. Byron Ward

**WHEREAS:** The Higher Education Student Assistance Authority (HESAA) appoints a Financial Advisor to serve as the Independent Registered Municipal Advisor for all of its bond transactions; and

**WHEREAS:** On August 28, 2023 HESAA issued a Request for Proposals (RFP) seeking proposals from firms interested to serve as Financial Advisor to HESAA for bonds issued through negotiated sale for 2024 and 2025; and

**WHEREAS:** HESAA sent the RFP to eleven (11) financial advisory firms, posted it on HESAA's website, and advertised it in the State's NJ Advance Media and Gannett newspapers; and

**WHEREAS:** HESAA received two proposals in response to the RFP; and

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

**WHEREAS:** Hilltop Securities received the highest score as a result of such evaluation.

#### **NOW, THEREFORE, LET IT BE:**

**RESOLVED:** That the Board approves the appointment of Hilltop Securities, as Financial Advisor for 2024 and 2024 at a cost of \$137,500 per transaction, plus expenses; a fee of \$10,000 per Series of bonds for cash flows, regardless of the number of scenarios run for each series (if new replines are required the fee will be adjusted by mutual agreement); a maximum fee of \$46,000, for guaranteed investment contract bid management; and a fee of one basis point, with a maximum fee of \$125,000, for financial instrument related services.

October 25, 2023

EVALUATION SCORE SHEET	HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY (Financial Advisor Proposal Evaluation)				
BIDDER Hilltop Securities	DATE _____				
SUMMARY OF EVALUATION TEAM'S COMMENTS: This firm has a New Jersey presence. It is a broker-dealer with its own desk that works with the underwriter's desk when going to market.					
<b>Scoring 9-10 = Excellent 7-8 = Very Good 5-6 = Good 3-4 = Fair 1-2 = Poor 0 = No Response</b>					
CRITERIA	Score 1	Score 2	Score 3	WEIGHT	TOTAL
The experience of the firm in advising on tax-exempt student loan revenue bond offerings	10	10	10	20	600
The relevant experience of the staff assigned to the Authority	10	10	9	20	580
The quality of the response to the RFP, including but not limited to, the level of detail of the response	10	10	9	20	580
The ability to meet the needs of the Authority as detailed in the RFP	10	10	10	20	600
The fee proposed	8	8	6	20	440
Total	48	48	44	100	2800

<b>EVALUATION SCORE SHEET</b>		<b>HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY (Financial Advisor Proposal Evaluation)</b>				
BIDDER SL Capital Strategies, LLC		DATE _____				
SUMMARY OF EVALUATION TEAM'S COMMENTS: This firm does not have a New Jersey presence. As this firm is not a registered swap advisor it will need to engage a subcontractor if it is in HESAA's best interest to use swaps in any of the bond deals over the next three years.						
<b>Scoring 9-10 = Excellent 7-8 = Very Good 5-6 = Good 3-4 = Fair 1-2 = Poor 0 = No Response</b>						
<b>CRITERIA</b>		<b>Score 1</b>	<b>Score 2</b>	<b>Score 3</b>	<b>WEIGHT</b>	<b>TOTAL</b>
The experience of the firm in advising on tax-exempt student loan revenue bond offerings		10	10	9	20	580
The relevant experience of the staff assigned to the Authority		9	9	9	20	540
The quality of the response to the RFP, including but not limited to, the level of detail of the response		9	10	9	20	560
The ability to meet the needs of the Authority as detailed in the RFP		8	8	8	20	480
The fee proposed		6	9	8	20	460
Total		42	46	43	100	2620

Score Summary		
Firm	Score	Rank
Hilltop	2800	1
SLSC	2620	2



**PHILIP D. MURPHY**  
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**DAVID J. SOCOLOW**  
Executive Director

## MEMORANDUM

**TO:** Members, Higher Education Student Assistance Authority

**THROUGH:** David J. Socolow   
Executive Director

**FROM:** David Moffett   
Assistant Controller

**SUBJECT:** Resolution 20:23 Approving the First One-Year Extension of the Contract with Wells Fargo NA to Provide Depository Banking Services

**DATE:** October 26, 2023

### Background

The Higher Education Student Assistance Authority (HESAA) engages a bank to receive the payments made on NJCLASS loans. Payments are made through the selected bank via electronic payments from multiple sources, checks processed through lockbox, and check payments received directly by the Authority.

As the result of a Request for Proposals, at its October 21, 2020 meeting, the HESAA Board appointed Wells Fargo NA as the provider of depository banking services for the Authority for a period of three years, with two possible one-year extensions at the option of HESAA.

Wells Fargo NA has established a track record of quality service, including assistance in implementation of technical improvements, as well as excellent customer service, by providing prompt and helpful responses at no additional cost whenever staff needs to communicate regarding lockbox banking issues. Accordingly, staff recommends approving the first one-year extension of the contract with Wells Fargo NA.

**Recommendation**

It is recommended that the Board approve Resolution 20:23 Approving the First One-Year Extension to the Contract with Wells Fargo NA to Provide Depository Banking Services.

Attachment

## **RESOLUTION 20:23**

### **APPROVING THE FIRST ONE-YEAR EXTENSION TO THE CONTRACT WITH WELLS FARGO NA TO PROVIDE DEPOSITORY BANKING SERVICES**

Moved By: Mr. Byron Ward  
Seconded By: Dr. Brian Bridges

**WHEREAS:** As the result of a Request for Proposals, at its October 21, 2020 meeting, the Higher Education Student Assistance Authority (HESAA) Board appointed Wells Fargo NA as the provider of depository banking services for HESAA for a period of three years, with two possible one-year extensions at the option of HESAA.; and

**WHEREAS:** Wells Fargo NA has established a track record of quality service, including assistance in implementation of technical improvements, as well as excellent customer service, by providing prompt and helpful responses at no additional cost whenever staff needs to communicate regarding lockbox banking issues; and

**WHEREAS:** The Authority desires to exercise its first option to extend the contract with Wells Fargo NA for one year.

**NOW, THEREFORE, LET IT BE:**

**RESOLVED:** That the Higher Education Student Assistance Authority hereby approves the first one-year extension of its contract with Wells Fargo NA as the provider of lockbox banking services for HESAA.

October 25, 2023