

## **MINUTES**

### **NEW JERSEY WORLD TRADE CENTER SCHOLARSHIP FUND BOARD**

**July 26, 2012**

The World Trade Center Scholarship Fund Board of Trustees (WTC Board) held a teleconference meeting on July 26, 2012 at 10:00 am at the HESAA offices in Hamilton.

PRESENT: Mr. Rick Cahill; Ms. Gisele Joachim; Ms. Gina LaPlaca; Ms. Nancy Style, Treasurer's Designee; Mr. Peter Traphagen (joined meeting at 10:15 am and signed off 10:35 am); and Ms. Kathleen Wisniewski.

#### **CALL TO ORDER**

Kenneth Jones, Director of Grants and Scholarships, called the meeting to order at 10:04 am and stated that the meeting had been noticed in compliance with the requirements of the Open Public Meetings Act.

Mr. Jones welcomed the Board members and DAG Melissa Dutton. No members of the public signed up to speak.

Roseann Sorrentino called the roll.

#### **CONSIDERATION OF MINUTES OF THE JULY 27, 2011 MEETING**

A motion to approve the minutes of the July 27, 2011 meeting was made by Ms. Kathleen Wisniewski and seconded by Mr. Rick Cahill. The minutes were approved unanimously.

#### **RESOLUTION 01:12 ESTABLISHMENT OF NEW JERSEY WORLD TRADE CENTER SCHOLARSHIP PROGRAM AMOUNT**

Mr. Ken Jones presented Resolution 01:12 to the Board.

In FY 2012 annual award levels were established and funded up to \$5000. Sixty-five students were funded; five of the 65 scholarship recipients have received the maximum number of eight payments. Therefore 60 students are projected to continue receiving scholarships in 2012-2013. Twelve students attended a New Jersey school, of which six attended a 4-year public institution and six attended a 4-year private institution.

The majority of students attended an out-of-state school, of which nine attended a 4-year public institution and 44 attended a 4-year private institution.

The total WTC scholarship expenditure for these 65 students for FY 2012 was \$297,500.

The available fund balance at the close of FY 2012 is \$1,081,639. During FY 2012 the fund received a state appropriation of \$202,000 and \$3801 from Tax Return Checkoff. In addition, during FY 2012 the fund received investment earnings of \$488.00 on the public donation account balance.

The available resources for FY 2013, including the FY 2013 state appropriation of \$202,000, are estimated to be \$1,283,639.

Based on the current fund balance, the number of award recipients in FY 2012, the projected number of new students and number of students who have received one or more payments and have remained eligible though they are not currently enrolled with HESAA, Mr. Jones presented four funding models for the Board to review.

Scenario #1 proposes level funding at \$5000 per year for FY 2013. Scenario #2 proposes retaining level funding for the 60 renewal students and reduced funding for new students. Scenario #3 proposes reducing the scholarship for all students to \$4000 per year for FY 2013 and Scenario #4 proposes reducing the scholarship for all students to \$3000 per year.

Nancy Style clarified that unlike a few years ago, there are no restrictions on the appropriation this year, it can be used to fund both new and renewal students.

The Board discussed the beginning balance of the fund and how long it could be projected to exist. Giselle Joachim asked about the projected number of students entering the program in the future. Ken Jones explained that, highest number of college age dependents, 350, will be eligible in 2018-2019. He further explained that the fund will diminish dramatically if the Board continues to fund the scholarship at the current \$5000 level. The fund will drop approximately \$170,000, assuming all 75 students apply and receive the full awards, which would reduce next year's starting balance to approximately \$912,928 instead of \$1,081,639.

Peter Traphagen questioned whether a need based component should be added to the scholarship. The current requirement is that anyone who lost a parent during 9/11 has a need and he suggested that the award could be reduced to \$2000 or \$3000 and if there is a critical need the student could request additional funding. Nancy Style questioned whether a statutory change would be needed to make this change. Marnie Grodman explained that statute permits the Board to determine what the need requirement is, but a regulatory amendment is required to change that needs requirement because the regulations currently state that anyone who lost someone is considered to have need. All of the members agreed that they would not want to change the award amount at this late date.

The Board next discussed how they had been able to fund an award of \$6500 previously. Ken Jones explained that there used to be a larger State appropriation. Nancy Style added that the intent was for this to be an endowment program where the interest on donations would eventually cause the State appropriation to be eliminated, which did not happen. Peter Traphagen questioned whether it would be easier to obtain additional funds through fundraising if there was a need based focus to the scholarship. Kathleen Wisniewski stated that students have to fill out an incredible amount of forms for the Families of Freedom Scholarship and that

New Jersey residents have been grateful over the years that they have a simple application form and that the scholarship is not need based.

Ken Jones asked if there was a motion to approve \$5000 as the award level for academic year 2012-2013.

Motion to approve the resolution was made by Ms. Kathleen Wisniewski and seconded by Mr. Rick Cahill. The motion was adopted unanimously by roll call.

**RESOLUTION 02:12 PROPOSED AMENDMENTS TO THE NEW JERSEY WORLD TRADE CENTER SCHOLARSHIP PROGRAM POLICIES AND PROCEDURES 9A:9-7.5 APPLICATION PROCEDURES**

Marnie Grodman presented to the Board.

Currently the World Trade Center Scholarship Fund regulations require HESAA to confirm a student's eligibility for the scholarship with the New Jersey Department of Law and Public Safety. However, in actuality HESAA has always received lists of eligible families from the Office of Recovery and Victims Assistance, or ORVA, not the Department of Law and Public Safety. As ORVA is no longer an active office, staff will use the existing lists and will continue to research eligibility pursuant to N.J.A.C. 9A:9-7.4 Eligibility Requirements.

Accordingly, staff recommends that this Board approve making an amendment to N.J.A.C. 9A:9-7.5 which requires that consultation with the Department of Law and Public Safety. The entire set of the regulations were in the Board materials. Upon this Board's approval of this resolution, staff will send the proposed amendment to the Governor's Policy Office for their approval and upon their approval it goes to the HESAA Board to vote on. If they approve it, it will be published in the New Jersey Register.

Motion to adopt the resolution was made by Ms. Kathleen Wisniewski and seconded by Mr. Rick Cahill.

There was a brief discussion regarding how HESAA would verify eligibility if this amendment was adopted. Marnie Grodman explained that N.J.A.C. 9A:9-7.4 provides the required documentation needed for verification.

The motion was adopted unanimously by roll call. Peter Traphagen signed off of the teleconference prior to this vote.

**RESOLUTION 03:12 ADOPTING AMENDMENTS TO THE BYLAWS OF THE NEW JERSEY WORLD TRADE CENTER SCHOLARSHIP FUND BOARD OF TRUSTEES**

Marnie Grodman presented to the Board.

As part of a recent reorganization at HESAA, the World Trade Center Scholarship is now being administered by the Grants & Scholarships Unit. Upon transferring the program, HESAA staff

reviewed the program materials, including the Bylaws, and determined that the Bylaws do not reflect how the Board currently functions.

For example, the Board has felt the need for only one regularly scheduled meeting annually, with special meetings being scheduled on an as needed basis. This requires an amendment to paragraph 4.1 of the bylaws. Additionally, HESAA staff has been performing the functions of the Board Secretary and Treasurer by preparing the meetings and providing information of the general financial condition of the fund. As such, it is recommended that sections 6.7 and 6.8 be deleted from the bylaws.

The full set of recommended amendments is included in the Board materials.

Gisele Joachim questioned the recommended changes in the paragraph on development and nominating committees.

Ms. Grodman explained that while the current Board had not formed an ad hoc fundraising committee they had not formed a Development Committee so it was recommended to remove the requirement so that the Board would not be violating its own bylaws. She further explained that the nominating committee would not be needed if the Secretary and Treasurer positions were eliminated because the co-chairs are appointed by the Governor's office not the board.

Ms. Wisniewski asked why these changes are needed since the Board had been functioning for eleven years without them. Ms. Grodman explained that when first creating bylaws a board does not know exactly what is needed, which is why the bylaws include a section allowing the Board to amend them as needed. Gabrielle Charette added that the changes bring the bylaws in line with the Board's practice.

Gisele Joachim made a motion to accept the changes as they have been made by Resolution 03:12, seconded by Ms. Kathleen Wisniewski.

The motion was adopted unanimously by roll call.

**RESOLUTION 04:12 ESTABLISHING ENROLLMENT CERTIFICATION DEADLINES FOR NEW JERSEY WORLD TRADE CENTER SCHOLARSHIP FUND AWARDS**

Ken Jones presented to the Board.

As part of the application process, the school the student attends is required to provide the Higher Education Student Assistance Authority (HESAA) with a certification of enrollment verifying that the student is enrolled. Awards cannot be processed and payments cannot be sent to the institutions until HESAA receives this certification. It is the student's responsibility to ensure that HESAA has received his or her enrollment certification. Previously, HESAA informed students that they should submit their enrollment certifications timely. However, HESAA has not received the certifications in a timely fashion, with some being received after the term has ended. Accordingly, HESAA is recommending that the Board of Trustees establish

deadlines for receipt of student enrollment certifications. The recommended deadlines are November 15<sup>th</sup> for the fall term and March 15<sup>th</sup> for the spring term. These dates mirror the deadlines for other grant and scholarship programs administered by HESAA.

To ensure students are aware of the enrollment certification deadlines, HESAA will print the deadlines on the scholarship application and will send reminder letters each semester to the students prior to the deadline dates.

The Board discussed whether deadlines were necessary. Kathy Wisniewski expressed concern about the students having the responsibility to ensure the schools provide the certification. Giselle Joachim stated that the schools should be able to provide HESAA with the necessary information.

Based on the Board's concerns, Kenneth Jones tabled Resolution 04:12 while HESAA staff explores other approaches.

## **NEW BUSINESS**

Kathleen Wisniewski suggested forming an ad hoc fundraising committee with more than the two members previously on the committee. Marnie Grodman explained that if the committee had more than three members then there would be a quorum requiring an open public meeting.

Ms. Wisniewski then recommended forming two separate committees, one for fundraising and one for legislative lobbying. Nancy Style responded that as the Treasurer's designee she would not be able to sit on either committee. She explained that as part of the annual budget process the HESAA Board submits budget recommendations to the Governor's office and that this Board could ask the HESAA Board to request an increase. Rick Cahill agreed that seeking a larger appropriation is the way to go and that the Board could follow up with similar messages to the State Legislators to approve this increase.

Kathleen Wisniewski agreed and requested that Ken Jones provide factual information the Board can use to individually reach out to their Legislators and friends and family. Kathleen Wisniewski will provide Mr. Jones with the specifics of the information they would like.

Ms. Wisniewski asked about the status of the fundraising letter the Board would like to send to private industry and individuals. Marnie Grodman responded that the draft had been sent to the fundraising committee and had not yet been approved. In response to an inquiry from Ms. Wisniewski, Ms. Grodman stated that HESAA staff could send the letter out on the Board's behalf once they provide the finished letter and the list of recipients. Rick Cahill volunteered to help create the list.

## **ADJOURNMENT**

A motion to adjourn was made by Ms. Kathleen Wisniewski and seconded by Mr. Rick Cahill.

The meeting was adjourned at 11:02 am.

**RESOLUTION 01:12**

**ESTABLISHMENT OF NEW JERSEY WORLD TRADE CENTER SCHOLARSHIP  
PROGRAM AMOUNT**

Moved by: Ms. Kathleen Wisniewski  
Seconded by: Mr. Rick Cahill

**WHEREAS:** The New Jersey World Trade Center Scholarship Fund was established by N.J.S.A. 18A:71B-23.1 et seq. as a non-lapsing fund to provide assistance to the surviving dependent children and spouses of victims of the September 11, 2001 terrorist attacks on the World Trade Center; and

**WHEREAS:** Pursuant to N.J.S.A. 18A:71B-23.5 the World Trade Center Scholarship Board of Trustees ("Board") is charged with establishing procedures for determining the amount of each scholarship award, based on the financial need of the applicants and the resources available to the applicant to meet his or her higher education costs; and

**WHEREAS:** The Board has reviewed the available resources as well as the number of projected World Trade Center Scholarship recipients; and

**WHEREAS:** The Board has determined that based on the available resources, and the projected number of World Trade Center Scholarship recipients, the amount of the annual World Trade Center Scholarship award shall not exceed \$5000. for the 2012-2013 Academic Year.

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

**RESOLVED:** That the Board approves and authorizes setting the annual World Trade Center Scholarship award at an amount not to exceed \$5000. for the 2012-2013 Academic Year.

July 26, 2012

**RESOLUTION 02:12**

**PROPOSED AMENDMENTS TO THE NEW JERSEY WORLD TRADE CENTER SCHOLARSHIP PROGRAM POLICIES AND PROCEDURES 9A:9-7.5 APPLICATION PROCEDURES**

Moved By: Ms. Kathleen Wisniewski  
Seconded By: Mr. Rick Cahill

**WHEREAS:** Pursuant to N.J.S.A. 18A:71B-23.4d(1), the New Jersey World Trade Center Scholarship Board of Trustees is responsible for establishing criteria for the determination of eligibility for a scholarship from the New Jersey World Trade Center Scholarship Fund; and

**WHEREAS:** The Higher Education Student Assistance Authority (HESAA) is authorized pursuant to N.J.S.A. 18A:71B-23.7 to adopt rules and regulations necessary for the administration of the New Jersey World Trade Center Scholarship Program Act; and

**WHEREAS:** N.J.A.C. 9A:9-7.5 requires HESAA to obtain verification from the New Jersey Department of Law and Public Safety concerning the relationship of the dependent child or surviving spouse to the terrorist attack of September 11, 2001; and

**WHEREAS:** HESAA actually received this verification from the Office of Recovery and Victim Assistance (ORVA), which has since been disbanded; and

**WHEREAS:** ORVA previously provided HESAA with lists of victims and their dependent children and spouses which HESAA has retained to determine eligibility for the World Trade Center Scholarship; and

**WHEREAS:** It is necessary to amend N.J.A.C. 9A:9-7.5 to delete the superfluous reference to the Department of Law and Public Safety.

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

**RESOLVED:** That the World Trade Center Scholarship Board of Trustees approves the Proposed Amendments to the New Jersey World Trade Center Scholarship Program Policies and Procedures 9A:9-7.5 Application Procedures; and be it further

**RESOLVED:** That the proposed amendments will be provided to the Governor's Policy Office for review and presented to the Higher Education Student Assistance Authority Board at its October 25, 2012 meeting; and be it further

**RESOLVED:** That upon approval by the HESAA Board, the proposed amendments to N.J.A.C. 9A:10-7.5 will be published in the New Jersey Register.

July 26, 2012

**RESOLUTION 03:12**

**ADOPTING AMENDMENTS TO THE BYLAWS OF THE NEW JERSEY WORLD  
TRADE CENTER SCHOLARSHIP FUND BOARD OF TRUSTEES**

Moved By: Ms. Gisele Joachim  
Seconded By: Ms. Kathleen Wisniewski

**WHEREAS:** The Bylaws of the New Jersey World Trade Center Scholarship Fund Board of Trustees (“Bylaws”) were adopted at the inaugural meeting of the New Jersey World Trade Center Scholarship Fund Board of Trustees (Board) on July 11, 2002; and

**WHEREAS:** Upon recent review it has been determined that the Bylaws require updating to reflect statutory changes, as well as the current activities of the Board; and

**WHEREAS:** Pursuant to Article X, paragraph 10.1, the Bylaws may be amended by the affirmative vote of a majority of all the members then in office at a regular meeting of the Board.

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

**RESOLVED:** That the World Trade Center Scholarship Board of Trustees adopts the attached amendments to the Bylaws of the New Jersey World Trade Center Scholarship Fund Board of Trustees.

July 26, 2012

**RESOLUTION 04:12**

**ESTABLISHING ENROLLMENT CERTIFICATION DEADLINES FOR NEW JERSEY  
WORLD TRADE CENTER SCHOLARSHIP FUND AWARDS**

Moved By: Ms. Kathleen Wisniewski  
Seconded By: Mr. Rick Cahill

**WHEREAS:** Pursuant to N.J.S.A. 18A:71B-23.4d(1), the New Jersey World Trade Center Scholarship Board of Trustees is responsible for establishing criteria for the determination of eligibility for a scholarship from the New Jersey World Trade Center Scholarship Fund; and

**WHEREAS:** As part of the application process, the school the student attends is required to provide the Higher Education Student Assistance Authority (HESAA) with a certification of enrollment verifying that the student is enrolled for HESAA to process awards and provide payments to the institutions; and

**WHEREAS:** It is the student's responsibility to ensure that HESAA has received his or her enrollment certification; and

**WHEREAS:** HESAA has not been receiving the certifications of enrollment in a timely fashion with some certifications being received after a term has ended.

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

**RESOLVED:** That the World Trade Center Scholarship Board of Trustees establishes November 15<sup>th</sup> as the deadline for the receipt of fall term enrollments certification and March 15<sup>th</sup> as the deadline for receipt of spring term enrollment certifications; and be it further

**RESOLVED:** That the Higher Education Student Assistance Authority will print the deadlines on the scholarship application and will send reminder letters to the students each semester prior to the deadline dates.

July 26, 2012