Minutes of Educational Opportunity Fund
Board of Directors Meeting
June 27, 2014

The New Jersey Educational Opportunity Fund Board of Directors meeting was convened on June 27, 2014 at the Hilton Garden Inn, Hamilton, NJ.

Welcome and Call to Order/Open Public Meetings Statement – Ms. Bennerson welcomed all of the Board members in attendance. She called the meeting to order at 10:15 a.m., noting for the record that the date, time and location were provided to the Secretary of State and all the major newspapers in the state. She reminded the members that if there is a need to recuse themselves on any agenda item to do so before discussion of the item began.

Board members present - The following Board members were in attendance: Anthony Falcone, Betsy Garlatti (participating as the designee for the Secretary of Higher Education), Ivette Santiago-Green, Saara Marte, Nacovin Norman, Lisa Pantel, Bader Qarmout, and Nannette Wright. Also in attendance was Hasani Carter, EOF Director at Seton Hall University and the members of the EOF Central Office staff (Audrey Bennerson, Janis Flanagan and Shakia Williams). Members absent: Susan Grierson and Franklin Moore.

Minutes of May 9, 2014 Meeting – Mr. Falcone offered a motion to approve the minutes of the May 9, 2014 meeting that was seconded by Mr. Norman and unanimously approved.

Resolution 7:14 Correcting FY 2015 Preliminary Allocations Article III - EOF Graduate Grants - Ms. Bennerson informed the Board that a clerical error was made last month in the EOF graduate grant allocations that were approved by the Board. The staff recommended an EOF graduate grant allocation for Richard Stockton State College that was intended instead for The College of New Jersey, since Stockton had not enrolled any EOF graduate students during the 2013-2014 academic year. Resolution 7:14 will correct this error.

Mr. Qarmout asked if Richard Stockton State College has received the Article III graduate grant funds. Ms. Bennerson stated that Article III funds for the 2014-2015 academic year have not been dispersed to the colleges yet. However, the administration of both Stockton and The College of New Jersey are aware of the error and that the EOF staff is in the process of making a correction. Additionally, the president of Stockton was assured that if his institution identifies
EOF graduate students for the 2014-2015 academic year, we will work with them to provide funding.

Mr. Falcone offered a motion for approval of Resolution 7:14. The resolution was seconded by Ms. Pantel and unanimously approved.

RESOLUTION 7:14
RESOLUTION CORRECTING FY 15 PRELIMINARY ALLOCATIONS
ARTICLE III – EOF GRADUATE GRANTS

WHEREAS: The EOF Board of Directors has the responsibility for evaluating and approving the allocations of each participating program; and

WHEREAS: The Board reaffirms its long-standing policy of protecting academic year grants to individual students as its first priority;

WHEREAS: Following the May 9, 2014 Board meeting, the staff became aware of an error in the Board materials under Resolution 6:14 – Approving Preliminary Allocations for FY 2015 as related to Article III Graduate Grant allocations: and

WHEREAS: The staff’s recommendation to the Board for graduate grant allocations called for level funding based on prior year enrollment as of March 27th, 2014; and

WHEREAS: The Board was asked to approve graduate grant allocations for the next academic year in the amount of $6,900 for The Richard Stockton College of New Jersey, which did not
have graduate students enrolled for the 2013-2014 academic year. However an allocation request for The College of New Jersey, which enrolled 3 graduate students during 2013-2014 academic year and is eligible for renewed funding in the amount of $6,900 for FY 2015 Article III, was not presented for the Board’s approval; now, therefore be it

RESOLVED: That the staff now presents graduate grant FY 2015 preliminary allocations corrections to the Board for its approval; and be it further

RESOLVED: That the Board is requested to approve revised FY 2015 graduate grant preliminary allocations for The Richard Stockton College of New Jersey and The College of New Jersey as follows:

<table>
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<tr>
<th>Allocation Revision:</th>
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<tbody>
<tr>
<td>The Richard Stockton College of NJ</td>
<td>$0</td>
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<tr>
<td>The College of New Jersey</td>
<td>$6,900</td>
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Resolution 8:14 Approval of a Schedule of Board Meetings for 2014-2015 Academic Year – Ms. Bennerson informed the Board that this resolution calls for the Board to adopt a calendar of Board meeting dates for the 2014-2015 academic year.

Ms. Santiago-Green offered a motion for approval of Resolution 8:14, which was seconded by Mr. Norman.

The Board members asked several questions regarding the proposed meeting schedule and Board meetings in general. Ms. Bennerson stated that the EOF Board meetings are normally held at 10 a.m. in the morning and normally last no longer than 90 minutes. The meetings take place at 20 West State Street in Trenton which is where the EOF program office is located. The schedule can be altered if needed and additional meetings added if necessary. All EOF Board meetings are open public meetings and EOF campus staff members normally attend. Arrangements are made for members to participate via conference call if necessary.

A call for the vote on Resolution 8:14 was made and the resolution passed unanimously.
Resolution 8:14

Adoption of 2014-2015 Academic Year 2014-2015 EOF Board Meeting Dates

WHEREAS: The Educational Opportunity Fund Board of Directors is charged with the responsibility of establishing policy and carrying out the mandates of the Educational Opportunity Fund program law; and

WHEREAS: The Board must periodically hold meetings to fulfill the requirements of the law, now, therefore be it

RESOLVED: That the EOF Board of Directors shall conduct its public meetings during the 2014-2015 academic year on the following dates:

October 16, 2014
February 12, 2015
April 16, 2015

Information Items

Statutory Responsibilities of EOF Board Members (including relationship with Higher Education Student Assistance Authority) – Mr. Falcone, Chair of the Higher Education Student
assistance Authority (HESAA), provided the EOF Board members with a brief synopsis of the work of the Authority and its Board. The mission of HESAA is to provide students and families with financial aid and informational resources for students to pursue their education beyond high school. These include grants, scholarships, loans, loan redemption programs, a college savings plan and comprehensive outreach programs. The HESAA Board consists of 18 members: 7 public members, a representative from each of the college and university sectors (i.e., Rutgers, NJIT/Rowan, the county colleges, the senior public colleges and universities and the independent colleges and universities), the Secretary of Higher Education (Ms. Bennerson is the secretary’s designee), the chairperson of the EOF Board (or designee), the Treasurer of the State of New Jersey, and two student representatives. The HESAA Board meets quarterly at their headquarters in Hamilton, New Jersey and members who are not able to participate in person can participate by conference call. Scheduled HESAA Board meeting dates in FY 2015 are July 24, 2014, October 23, 2014, January 27, 2015 and April 23, 2015. HESAA Board members are required to complete a financial disclosure form annually which, he explained, is not particularly invasive. The form asks for income and asset ranges. Members who may be sensitive to having personal information in the public domain need to understand that their responses will be available to the public under state law.

Mr. Falcone also provided highlights of several major issues that come before the HESAA Board. The Board administers the Tuition Aid Grant (TAG) program which is one of the most generous need-based aid programs in the nation. The maximum TAG award for the 2013-2014 academic year was $11,958 and the new TAG table that will establish the 2014-2015 academic year award amounts for the 56 New Jersey participating colleges and universities will be approved by the HESAA Board on July 24, 2014. Another major program administered by the HESAA Board is the New Jersey College Loans to Assist State Students (CLASS). - a loan program that many families depend on to help finance the cost of a college education. CLASS loans are financed through the annual sale of tax-exempt bonds and the HESAA Board approves the issuance to set up the bonds. Mr. Falcone provided the EOF Board members with a copy of the HESAA annual report to peruse at their leisure.

Mr. Qarmout asked what the distinction is between EOF and HESAA.

Ms. Bennerson replied that HESAA administers grants, scholarships, loans, and provides information on financing a college education to students, and families. The EOF program is an academic program that provides a small financial aid grant. The primary distinction is that the EOF program has an academic component and HESAA’s programs do not. HESAA primarily administers the New Jersey financial aid programs. Students applying for financial aid file a
Free Application for Federal Student Aid (FAFSA) and answer the New Jersey questions on the FAFSA. HESAA reviews the student's financial aid application to determine eligibility for TAG and notifies the student of their eligibility. Students who require additional financial assistance can apply for student loans.

Mr. Qarmout sought further clarification of the academic requirements for EOF eligibility.

The general admissions criterion for EOF is that the student does not meet the regular admissions criteria at the New Jersey institution where he/she has applied. A student who meets the EOF admissions criteria at Rutgers University would probably be considered a regular admissions applicant at a county college. Each college that participates in the EOF program has the flexibility to define its academic criteria for admission through the EOF program. An EOF student must meet both the EOF academic criteria as defined by the institution they wish to attend and the EOF financial eligibility criteria which is specifically regulated by the state. Mr. Falcone added that the students who receive an EOF grant also receive TAG awards. Ms. Flanagan also informed Board members that when students file a FAFSA and answer the New Jersey questions this begins the overall process of applying for financial aid to finance their college education. Students list the colleges and universities they want to receive the information on their FAFSA. Those institutions use this information to determine the students’ financial eligibility for EOF along with other sources of financial aid administered by the institution and various student loans. The federal government uses the information to determine a student’s eligibility for a federal Pell grant. The institutional admissions officers in conjunction with the EOF program directors look at additional information including where the EOF applicant attended high school, grades, and participation in extra-curricular activities, community service or volunteerism, and employment. Viewed together, this information is used to determine if the student meets the EOF academic criteria.

Ms. Bennerson reminded Board members that they will need to select someone to serve on the HESSA Board. While Mr. Falcone as Chair of the HESAA Board serves on the EOF Board, the individual that represents EOF does not have to be the chair of the EOF Board. EOF Board member representation on the HESAA Board has been filled in a number of ways in the past. The EOF Board chair has served, the EOF Board chair has appointed a Board member, and/or EOF Board members have volunteered to serve.

Ms. Bennerson next moved the meeting to a review of the materials in the Board binder under the tab labeled “Information Items”. The materials included the following items:
• **List of the current board members with their addresses and the expiration date for their term of service on the board.** Ms. Bennerson asked if the EOF board members’ contact information could be shared with the EOF campus program directors. Many of the campus programs produce newsletters that they would like to share with the EOF Board. The programs also often extend invitations to the Board members for EOF sponsored events. Board members provided the EOF Central Office staff with the contact information they felt comfortable sharing with the general public since the information will be posted on the OSHE/EOF website.

Ms. Santiago-Green mentioned that her tenure on the Board expires on June 30, 2014. Ms. Bennerson explained that Board members are appointed to staggered four-year terms and that any vacancies in Board membership are filled in the same manner as the original appointment for the unexpired term. Secretary Hendricks is working with the Governor’s Appointment Office to have the two Board members whose terms expire in a few days reappointed to new four-year terms.

• **List of the staff of the Office of the Secretary of Higher Education (OSHE)-** Ms. Bennerson reviewed the staff list with the Board members and indicated that the Office of the Secretary of Higher Education is undergoing a transition. Currently the staff is comprised of 17 individuals and has experienced two retirements and three resignations this past year. Secretary Hendricks is working with the Governor’s office to obtain authorization to fill vacant positions and reorganize the work of the office.

• **EOF Board member’s Statutory duties** : lists the purpose of the program and responsibilities of the Board which include the administration of all funds appropriated by the legislature (Article III and Article IV funds); developing, establishing and publicizing the criteria for the determination of eligibility for financial assistance from the Fund based on need and potential for success in college; establishing procedures for determining the amount of each EOF grant award according to the total financial need of each student (Article III academic year funds); reporting periodically (through the OSHE) in writing to the Governor and Legislature on the performance of its duties; adopting by-laws, and making, enforcing, altering, and repealing rules for its own operation and for carrying out the provisions of the statute; and receiving and disbursing such contributions to the Fund as may be forthcoming from private and public sources.

• **Educational Opportunity Fund Overview:** Ms. Bennerson walked Board members through a power point presentation that provided an overview of the program. The
presentation generated a great deal of discussion about the current status and future direction of the EOF program.

Currently, the program is desperately in need of additional staff. Technically, the EOF program, which is housed within OSHE, is being administered by 2.6 staff persons. In addition to Ms. Bennerson, the staff consists of Janis Flanagan - Assistant Director (100% time) and Ms. Shakia Williams – Clerk Typist (60% time) who is fulfilling the function as the EOF undergraduate payment coordinator. The program also has a full-time accountant Ms. Barbara An Sanders, who is employed and physically located with the HESAA Grants and Scholarship Office. Ms. Sanders is not a member of the OSHE staff, even though her primary responsibilities are to process EOF Article III student grant payments to institutions, process Article IV grant payments to institutions and review all EOF program academic year and summer program expenditure reports. In addition to the responsibilities as the Statewide Director of EOF, Ms. Bennerson continues to serves as a program liaison to all of the EOF programs in the county college and independent college sectors and has been performing both functions for the last 18 months. The EOF Program Technician retired March 31, 2014 and was the individual responsible for processing EOF undergraduate and graduate student grant payments, serving as the liaison to HESAA, and managing the collection of the EOF data and program outcomes information. Ms. Williams has assumed the undergraduate student grant payment portion of the EOF Program Technician’s responsibilities and the remaining functions of that position are being addressed by Ms. Flanagan and Ms. Bennerson as the need arises.

Ms. Bennerson, Ms. Flanagan and Ms. Sanders are all planning to retire from State service within the next two years. It is essential to bring Ms. Sanders back to OSHE/EOF so that the OSHE office administration has a complete understanding of her EOF focused responsibilities and so that all of the major functions of the EOF program can be re-established under one umbrella. It is also imperative that the Fund is able to bring new staff members on board to be fully trained before the current staff members retire.

The Board members also learned that over the last eight years the EOF state appropriations for both Article III student grants and Article IV program supports services were reduced and remained level over multiple years, while the cost of college attendance has continued to increase and the gap between state grant financial aid (TAG and EOF) and college costs continues to expand. The last Article III student grant appropriation increase of $3,500,000 was during FY 2006, the appropriation was reduced by $1,391,000 during FY 2011, increased by $500,000 in FY 2012, and currently totals $26,019,000. The last Article IV increase in funding
occurred in FY 2009 adding $592,000. However, Article IV was reduced in FY 2011 by $674,000, and is currently $12,803,000.

The overall impact of level EOF state appropriations is that EOF student enrollment has also declined from a high of 12,645 students in fall 2008 to 12,000 students in fall 2012. Despite stagnant state funding and reductions in overall program enrollment, the student retention and graduation outcomes of EOF students continue to keep pace with that of students who entered the institutions through regular admission.

A lively discussion ensued about the possibility of garnering increased State appropriations in the future when considering the overall health of the State of New Jersey’s finances. Board members agreed that there is a need to identify outside sources of funding to continue to support the program.

- **EOF Board By-Laws** – Ms. Bennerson encouraged the Board members to go through the by-laws at their leisure. She suggested that they might want to make revisions to the membership section [2.3 (b)] because in her experience with the last two governors, the Board members recommendations for new members that were sent to the Governor’s Appointments office were never acknowledged. The Board might also want to consider changing the term of office for the EOF Board chairperson from two years to one year.

- **2014 EOF Campus Summer Program Schedules** – The Board members were encouraged to visit an EOF summer program so that they could get a first-hand look at an EOF program and the student participants. Ms. Bennerson indicated that the Board members who were able to attend the EOF graduates recognition program at Georgian Court University in April would find visiting a pre-freshman summer program a nice contrast.

- Ms. Bennerson advised the Board that they can familiarize themselves on other items included in the binder including EOF Quick Facts, Administrative Code; Glossary of Terms and the article on Who EOF Serves.

**Selection of EOF Board Chairperson** – Ms. Santiago-Green asked what the responsibilities of the EOF Board Chairperson are. The Board learned that the EOF Board Chairperson serves as the chief executive officer of the Board, consults with the EOF statewide director on the agenda for the Board meetings, presides over EOF Board meetings, assists with the development of the program budget request presented to the Secretary of Higher Education, serves as the
spokesperson for the Board at Statewide EOF events which include the EOF Professional Associations’ conferences, and the recognition ceremony for EOF graduates.

Dr. Nanette Wright volunteered to serve as the EOF Board Chairperson for the 2014-2015 academic year.

**Resolution 9:14 to Suspend the EOF Board of Directors By-Laws Dated July 2004** - With Dr. Wright volunteering to serve as the EOF Board Chairperson, Ms. Bennerson suggested that the Board members adopt a resolution to suspend the current by-laws of the EOF Board which lay out a process for the selection of the chairperson. Additionally, the suspension of the by-laws will provide the Board with an opportunity to design their own rules for governance.

Ms. Santiago-Green offered a motion to suspend the current EOF by-laws which was seconded by Dr. Wright. Ms. Bennerson indicated that she would draft revisions to the Board’s by-laws, send it to all of the members for their review, suggested revisions, and comments. The document would undergo a full review at the next Board meeting and be presented to the Board members for adoption at a subsequent meeting.

The motion was approved by all of the Board members in attendance.

**Resolution 10:14 to Accept Dr. Wright’s Offer to Serve as EOF Board Chairperson for the 2014-2015 academic year** - Ms. Santiago-Green offered Resolution 10:14 which was seconded by Ms. Pantel and unanimously approved by the Board member in attendance.

**Discussion of major issues facing the program** - Ms. Pantel asked what the major issues facing the program were in the staff’s view. Ms. Bennerson replied that those issues were staffing and funding. Ms. Panel followed up by inquiring what the Board could do to resolve those two points. Ms. Bennerson stated that since the Board members were appointed by the Governor, they have every right to advocate on behalf of the program.

Ms. Marte stated that all of the Board members should be delivering the same message and suggested that the Board should focus on 2-3 items for the next 2 years and decide what they would like to accomplish.

Ms. Pantel suggest that the Board should have another less formal session before the scheduled October 16th meeting to determine what they wish to focus on. Ms. Bennerson agreed to poll the Board members for a meeting date in September.
Adjournment: Dr. Wright offered a motion to adjourn the meeting, which was seconded by Ms. Marte and unanimously approved. The meeting was adjourned at 4:20 pm.