

MINUTES
RHODE ISLAND HIGHER EDUCATION ASSISTANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
OCTOBER 11, 2005

The 259th meeting of the Rhode Island Higher Education Assistance Authority was held on Tuesday, October 11, 2005 in the McKenna Conference Room of the Authority, 560 Jefferson Boulevard, Warwick, Rhode Island. The meeting began at 9:10 a.m.

The following members were in attendance:

- Dr. Anthony J. Santoro, Vice Chairman
- Ms. Kerrie Bennett, Designee of General Treasurer
- Mr. John Howell
- Mr. Solomon A. Solomon

Members Absent:

- Dr. Robert J. McKenna, Chairman
- Dr. William Croasdale, Treasurer, Acting Secretary
- Ms. Miriam Coleman
- Ms. Laura DiSano
- Mr. William Hall

Also Attending:

- Mr. William H. Hurry, Jr., Executive Director, RIHEAA
- Ms. Gail Mance-Rios, Deputy Director, RIHEAA
- Mr. Michael Joyce
- Mr. Steven Mollica
- Mr. Greg Silva
- Ms. Sue Zube
- Mr. David Souto, NELNET
- Mr. Charles P. Kelley, NELNET
- Mr. Noel Simpson, RISLA

Chairman McKenna called in to the meeting at 9:10 a.m.

Due to the lack of a quorum the meeting was conducted on an informational basis.

1) Approval of Minutes of the September 13, 2005 Board Meeting was deferred.

2) Chairman's Report: It was agreed to schedule the next meeting on Tuesday, October 25, 2005 at 9:00 a.m. in the McKenna Conference Room of the Authority.

a. Chairman McKenna noted that NEBHE is holding its 50th Anniversary in Mystic, Connecticut. It will be an all day conference on October 28. All the Board Members will receive an invitation, if they haven't already. One highlight will be the start of three new regional awards, one of which is named after Dr. Eleanor McMahon. Chairman McKenna asked that as many Board members as possible try to attend.

b. Mr. Palumbo could not attend the Board Meeting, therefore, the update on separation of powers was deferred.

3) Executive Director's Report:

a. Mr. Hurry reported to the Board that Marc Lacroix's mother-in-law passed away over the weekend. He noted the arrangements and that a remembrance on behalf of the Board will be sent.

b. With regard to the budget, Mr. Hurry noted that there have been several conversations with the State budget office. The level of conversation has been focused on how much money minimally they can appropriate to the Authority without losing the LEAP/SLEAP funding.

Mr. Hurry stated that the first hurdle is to have the budget office put level funding on the table for the basic appropriation in the normal budget process.

4.a. The Audit committee report is deferred to the next meeting. Mr. Hurry did note, however, that RIHEAA does have an unqualified audit with no substantive recommendations in the management letter. The Audit committee met with the auditors and has accepted the audit. The official management drafts have been sent to the

Auditor General and the Department of Accounts and Controls. The final audit will be available at the October 25 meeting.

Chairman McKenna disconnected his call into the meeting at 9:23 a.m.

5) Investment Committee Report: Mr. Hurry reported that in the schedule of cash and investments at August 31, 2005 there is a drop in the Agency Operating Fund and an increase in the Federal Student Loan Reserve Fund. This reflects the movement of the money to cover the settlement with the US Department of Education.

6) Grant Scholar Update: A copy of RIHEAA's 2006-2007 Financial Aid Handbook is included in the materials for review.

Mr. Howell asked for an update on the early outreach system.

Mr. Hurry reported that progress is being made in pulling together groups of people to keep the process moving. There is a representative on the Governor's staff who has been collaborating on this program.

Ms. Mance-Rios stated that the meeting will be held on November 8, 2005 in the morning. Invitations will be sent later this week and, depending on the number of respondents, a location will be identified. Mr. Hurry mentioned to the Board that November 8 is the date when the Board would normally have its November meeting. In that regard, he encouraged Board members to attend this early outreach system meeting in lieu of the regular board meeting. All Board members will receive an invitation. Two speakers from the mentor group will be at the meeting. One person is North Carolina's trainer for guidance counselors and the other person has a focus on the college side of it.

Regarding the cohort default rate, Mr. Hurry reported that the national rate decreased slightly, while RIHEAA remained level with the prior year.

The Authority's Affirmative Action Plan has been accepted and approved by the state. Mr. Hurry noted that a copy is available for review.

Ms. Mance-Rios updated the Board on the CollegeBoundfund Poster Contest. She represented Mr. Hurry in his absence. It was a very successful event.

It is noted for the record that Kerrie Bennett arrived at the meeting at 9:30 a.m. She commented that Mr. Hurry was very well represented by Ms. Mance-Rios at the Cbf Poster Contest event and that she did an excellent job.

There being no further business to come before the Board of Directors the meeting adjourned.

Adjournment was at 9:35 a.m.

Mr. John Howell
Secretary