

MINUTES
RHODE ISLAND HIGHER EDUCATION ASSISTANCE AUTHORITY
BOARD OF DIRECTORS' MEETING
MARCH 23, 2007

The 274th meeting of the Rhode Island Higher Education Assistance Authority was held on Friday, March 23, 2007 in the McKenna Conference Room of the Authority, 560 Jefferson Boulevard, Warwick, Rhode Island. Chairman McKenna called the meeting to order at 9:03 a.m.

The following members were in attendance:

Dr. Robert J. McKenna, Chairman
Dr. Anthony J. Santoro, Vice-Chair
Dr. William Croasdale, Treasurer
Mr. John Howell, Secretary
Mr. Xay Khamsyvoravong, designee of the General
Treasurer
Mr. Solomon A. Solomon

Members Absent:

Ms. Miriam Curtis Coleman
Ms. Patricia A. Doyle
Mr. William B. Hall

Also Attending:

Mr. William H. Hurry, Jr., Executive Director, RIHEAA
Ms. Gail Mance-Rios, Deputy Director, RIHEAA
Mr. Marc Lacroix, Chief Financial Officer, RIHEAA
Mr. Joseph Palumbo, Esq., Legal Counsel, RIHEAA
Ms. Nancy Ann Dooley
Ms. Mary Ann Welch
Mr. Michael Joyce
Ms. Marisol Garcia
Mr. Greg Silva
Ms. Sue Zube
Ms. Elizabeth Strout, Office of the General Treasurer
Ms. Paula Dominguez, House Educ. Policy Advisor
Ms. Meredith Holderbaum, Senate Fiscal Office
Mr. Noel Simpson, Executive Director, RISLA

1) Approval of the Board of Directors Meetings Held on November 28, 2006, January 19, and February 16, 2007.

On motion duly made by Dr. Croasdale and seconded by Mr. Solomon it was

VOTED: That the minutes of the November 28, 2006, January 19, and February 16, 2007 RIHEAA Board of Directors meetings be approved and placed on file.

Voting in favor: Chairman McKenna, Dr. Santoro, Dr. Croasdale, Mr. Howell, Mr. Khamsyvoravong, and Mr. Solomon. Voting against: none.

2) Chairman's Report: Chairman McKenna explained that several Board members have very pressing matters to tend to and, therefore, in the interest of time he will defer his report. He suggested that any items that need Board action/approval should be taken up earlier in the meeting.

3) Executive Directors Report: Mr. Hurry also deferred his report at this time and asked the Board's permission to move to agenda item 4.a. It was agreed.

4.a) A document is included in the materials which reflects the conversations that the finance committee had over several months. This document was put together, in part, to give the budget office a sense of the Board's position with respect to Agency Operating Fund Reserves. Also included in the materials, numbered 9.a, is a proposed policy for the committee's adoption today. There is some question regarding the wording of the second item in the second paragraph. Dr. Croasdale clarified this issue and suggested an amendment be made to the draft resolution to replace, "to support new business development" with "to support new programmatic initiatives and/or restructuring or reengineering of systems and services necessary to respond to legislative and/or regulatory requirements and/or to remain competitive in the marketplace". It was agreed. After further discussion it was also agreed to accept action item 9.a. as amended.

Mr. Hurry suggested that, with the Board's permission, the meeting enter into executive session at this time.

On motion duly made by Dr. Santoro and seconded by Dr. Croasdale, it was

VOTED: That pursuant to Rhode Island General Laws 42-46-5 §(a)(7) the meeting enter into Executive Session for the purpose of discussing the investment of public funds which premature disclosure may be detrimental to the public.

Voting in favor: Chairman McKenna, Dr. Santoro, Dr. Croasdale, Mr. Khamsyvoravong, Mr. Howell and Mr. Solomon. Voting against: none.

The meeting entered into Executive Session at 9:10 a.m.

Executive Session ended at 9:25 a.m.

On motion duly made by Mr. Howell and seconded by Mr. Solomon, it was

VOTED: To reconvene to Open Session.

Voting in favor: Chairman McKenna, Dr. Santoro, Dr. Croasdale, Mr. Khamsyvoravong, Mr. Howell and Mr. Solomon. Voting against: none.

The meeting reconvened to Open Session at 9:27 a.m.

On motion duly made by Mr. Solomon and seconded by Mr. Howell, it was

VOTED: To maintain the confidentiality of all discussions in the closed session.

Voting in favor: Chairman McKenna, Dr. Santoro, Dr. Croasdale, Mr. Khamsyvoravong, Mr. Howell and Mr. Solomon. Voting against: none.

There were no action items taken in the closed session.

On motion duly made by Dr. Croasdale and seconded by Mr. Howell, it was

VOTED: To amend action item 9.a to incorporate the language of the proposed draft and to eliminate the language "to support new business development."

Voting in favor: Chairman McKenna, Dr. Santoro, Dr. Croasdale, Mr. Khamsyvoravong, Mr. Howell and Mr. Solomon. Voting against: none.

On motion duly made by Mr. Howell and seconded by Mr. Solomon, it was

VOTED: To adopt the policy as amended.

Voting in favor: Chairman McKenna, Dr. Santoro, Dr. Croasdale, Mr. Khamsyvoravong, Mr. Howell and Mr. Solomon. Voting against: none.

9.b) Mr. Lacroix explained that the purpose of this resolution is to drop Steve Mollica as a signer on agency checking accounts due to his retiring and to add Gail Mance-Rios and Maureen Guertin as additional signers as all checks require two signatures.

On motion duly made by Dr. Croasdale and seconded by Mr. Solomon, it was

VOTED: To adopt the corporate resolution to update the names of agency personnel authorized to sign checks on RIHEAA's accounts at Sovereign Bank.

Voting in favor: Chairman McKenna, Dr. Santoro, Dr. Croasdale, Mr. Khamsyvoravong, Mr. Howell and Mr. Solomon. Voting against: none.

Mr. Howell asked if this required bonding of the individuals authorized to sign.

Mr. Lacroix noted that the officers are covered by the agency's insurance policies, both the business insurance and the officers' and directors' errors and omissions policy. He stated that he will research the policies for specific inclusion of banking transactions.

9.c) Action Item: Approval of 2007/2008 State Awarding Formula.

Mr. Hurry stated that at this time there is no proposal for an awarding formula; therefore, there will be no action taken on this issue today. He explained that either at a Special Meeting prior to the regularly scheduled meeting or at the April 20 meeting the Board will need to make a

decision as to whether it will put out tentative awards based on assumptions or other communications will be made to students regarding the delay in the awards.

3.c) With respect to the Guarantor System and Related Services, Mr. Hurry reported that the RFP is out, and we have received letters of intent from bidders. The target date for proposals is April 20.

Mr. Hurry reported that RIHEAA was selected by the LUMINA Foundation, the AD Council and the American Council on Education to be the agency in Rhode Island to head up a national college awareness campaign.

b) Regarding the web-based portal, representatives from XAP were here on Wednesday for the first implementation meeting. This is now moving along toward an initial "soft launch" this summer.

There being no further business to come before the Board, on motion duly made by Dr. Croasdale and seconded by Mr. Howell, it was

VOTED: To adjourn the meeting.

Voting in favor: Chairman McKenna, Dr. Santoro, Dr. Croasdale, Mr. Khamsyvoravong, Mr. Howell and Mr. Solomon. Voting against: none.

The meeting adjourned at 9:45 a.m.

Mr. John Howell
Secretary