

# **MINUTES**

## **RHODE ISLAND HIGHER EDUCATION ASSISTANCE AUTHORITY BOARD OF DIRECTORS' MEETING**

**July 22, 2011**

**The 303rd meeting of the Rhode Island Higher Education Assistance Authority was held Friday, July 22, 2011, in the McKenna Conference Room, 560 Jefferson Blvd., Warwick, RI. Chairman Santoro called the meeting to order at 10:40 a.m.**

### **Board Members in Attendance:**

**Dr. Anthony J. Santoro, Chairman**

**Dr. William Croasdale, Vice Chair/Treasurer**

**Mr. John Howell, Secretary**

**Mr. Joshua Brumberger, designee for the General Treasurer Gina Raimondo**

**Mr. Solomon A. Solomon**

**Ms. Faith Lasalle, Esq.**

**Mr. Steven Archer**

### **Board Members Absent:**

**The Honorable Robert J. McKenna**

**Ms. Patricia Doyle**

**Also Attending:**

**Mr. Charles P. Kelley, Interim Coordinating Officer**

**Ms. Gail Mance-Rios, Deputy Director**

**Mr. Joseph Palumbo, Esq., Legal Counsel**

**Mr. Marc Lacroix, Chief Financial Officer**

**Mr. Peter Kerwin, Chief Program Development**

**Mr. Michael Joyce, Director Scholarship & Grants**

**Ms. Dana Peterson-Fatuda, Assistant Administrative Officer**

**Mr. Charles Miller, Chief Information Officer**

**Ms. Kathleen Sisson, Director, WaytogoRI**

**Ms. Linda Makhoul, Director, Human Resources**

**Mr. Noel Simpson, RISLA**

**Ms. Laurie Brayton, Legislative Fiscal Analyst**

**Mr. Justin Benevides, Legislative Budget Analyst**

**1. Approval of the Minutes of the Board of Directors' meeting held on May 13, 2011 and June 17, 2011 were unanimously approved.**

**2. Chairman's Report: Chairman Santoro welcomed new board members: Faith Lasalle, Esq. and Steven Archer.**

**Dr. Santoro stated that he is the former President of Roger Williams**

**University of Law and is presently on the faculty. He has chaired the Board for two years.**

**Mr. Howell stated that he is the publisher of the Warwick Beacon and has served on the board for a number of years.**

**Mr. Solomon stated that he has served on the Board of Governors for ten years. Mr. Solomon stated that he helped start the Saint Jude's Children Hospital with Danny Thomas.**

**Dr. Croasdale stated that he is a Professor Emeritus at the University of Rhode Island, Labor Relations at University of Connecticut, vice chairman of the board of trustees at New England Technology, and professor of mathematics and labor relations at UCONN.**

**Mr. Brumberger explained that he is one of General Treasurer's Raimondo Deputy's and the designee to the Board.**

**Mr. Palumbo stated that he is General Counsel to this board and has been since 1977. Dr. Croasdale stated that he appointed Attorney Palumbo.**

**Mr. Kelley stated that he is the Director of the Rhode Island Student Loan Authority and the Interim Coordinating Officer of the Rhode Island Higher Education Assistant Authority, and has been here for**

**twenty years.**

**Ms. Lasalle stated that she has a private practice of law in downtown Providence. She has served on the Athletic Decathlon board with Mr. Howell. She served on the CCRI Board of Trustees years ago. She served on the Bishop Hendricken School Board. She stated that she certainly understands the struggles that parents go through trying to finance their children's high school as well as their college education. She presently serves on the Catholic School Board which gives her exposure to elementary schools.**

**Mr. Archer explained that he has a relative benign history of boards. By trade he is a register nurse anesthetist.**

**He served as the Harbor master for ten years, and served on the Harbor Commission.**

**Dr. Santoro stated that Friday Board meetings are no longer going to work due to the upcoming school schedules. Dr. Santoro asked the group for their availability. The group agreed that Thursday mornings is best for their schedules.**

**3. Interim Coordinator's Report: No report**

**4. Financial Report – No report**

**5. Investment Report – No report**

## **6. Grant/Scholarship Update – No updates**

**7. VFA Proposal – Ms. Mance-Rios reported that the Voluntary Flexible Agreement (VFA) is a RFP put out by the Federal Government to Guarantee agencies and asks them to look at four different areas of responsibility, which are; Payment of Claims and Collections, Default Aversion and Prevention, Outreach and Community Services, and the review of lenders. We were asked to look at these services for strengths and weakness, and to see if these services could be combined for cost efficiencies and effectiveness. The due date on the proposal is August 1, 2011. If the Federal Government accepts the proposal, then they will negotiate pricing, and services. Ms. Mance-Rios stated that we are working in a consortium with other guarantor agencies that share the same computer platform. Ms. Mance-Rios stated that this is one way the RFP can be fulfilled, along with being a stand alone agency, or not completed one at all.**

**Ms. Mance-Rios asked the Board to allow us to work on the RFP, develop the proposal, and submit the one that fits best for RIHEAA.**

**Dr. Santoro asked if the board is tasked with reviewing the proposals, but Mr. Kelley stated we are asking to submit a couple of non-binding proposals to the Department of Education, one of which is the restructuring of RIHEAA as a VFA, and to work with the six other guarantors to divide functions that will not cause a conflict of interest. Mr. Kelley stated that efficiencies will be met if joining with**

**other guarantors.**

**Ms. Mance-Rios stated that USFA is currently not participating.**

**A motion to authorize the submittal of two non-binding proposal of the VFA to the Department of Education, was made by Mr. John Howell, and seconded by Mr. Solomon A. Solomon.**

**Voted in favor: Josh Brumberger, designee for General Treasurer Gina Raimondo, Dr. William Croasdale, Dr. Anthony Santoro, Mr. Steven Archer, Ms. Faith Lasalle, Mr. Solomon A. Solomon and Mr. John Howell.**

**Voted against: None**

**Dr. Santoro made a motion to go into Executive Session pursuant to Investment of Public Funds – RIGL 42-46-5 § (a) (7). Seconded by Mr. John Howell.**

**Voted in favor: Josh Brumberger, designee for General Treasurer Gina Raimondo, Dr. William Croasdale, Dr. Anthony Santoro, Mr. Steven Archer, Ms. Faith Lasalle, and Mr. John Howell.**

**Voted against: None**

**Public Session resumed at 12:05 p.m.**

**Dr. Santoro stated that no votes were taken in Executive Session, and made a motion to seal the minutes of the Executive Session, seconded by Dr. Croasdale.**

**Voted in favor: Josh Brumberger, designee for General Treasurer Gina Raimondo, Dr. William Croasdale, Dr. Anthony Santoro, Mr. Steven Archer, Ms. Faith Lasalle, and Mr. John Howell.**

**Voted against: None**

**There being no further business to come before the Board of Director's, the meeting adjourned.**

**Adjournment was at 12:15 p.m.**

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**Mr. John Howell**

**Secretary**