

MINUTES OF RIHEAA MAY 13, 2011 CLOSED SESSION

PRESENT:

A. Santoro
J. Howell
W. Croasdale
S. Solomon
J. Brumberger

ABSENT:

R. McKenna
P. Doyle

Chmn. Santoro explains the allegations involving Bill Hurry. He states that he and Palumbo have met with Hurry, who says he has a close relationship with female subordinate employee but did nothing wrong. Chmn. Santoro tells board that he decided to inform the officers and he and Croasdale met with Hurry once and he and Howell met. Palumbo present.

Chmn. Santoro says he informally and formally notified Hurry that the board would be discussing him at this meeting. Hurry submitted his resignation. Will not attend meeting. Chmn. Santoro reads resignation letter.

Board discusses whether to search for new executive director. Board decides not to do so given the status of the FFEL Program. Board discusses the idea of appointing C. Kelley as interim. He cannot be appointed as acting director because he is not a state employee. Board discusses his qualifications. Board decides to ask Kelley to serve as Interim Coordinating Officer of RIHEAA on an interim basis to try to get agencies to work together better. No compensation.

Board asks Kelley to join meeting. He is asked if he will serve in that role w/o compensation. He says yes. Kelley leaves meeting.

Motion by J. Howell, seconded by S. Solomon, to accept Hurry's resignation with regret, to not hire an Executive Director at this time, and to appoint C. Kelley as Interim Coordinating Officer of RIHEAA w/o compensation.

Board goes back into closed session

Joseph R. Palumbo, Jr.

MINUTES OF RIHEAA JUNE 17, 2011 CLOSED SESSION

PRESENT;

A. Santoro
J. Howell
W. Croasdale
S. Solomon
J. Brumberger

ABSENT:

R. McKenna
P. Doyle

Chmn. Santoro says he has called the board into closed session to discuss 2 matters (1) possible changes in the 529 program and (2) possible changes in RIHEAA's investment with XAP re: WaytoGo. He expresses concern about public disclosure of discussions especially since the 529 program has already been sharply criticized by Morningstar and fears that public disclosure about discussions of making changes in RIHEAA's investment in either of these programs will hurt the program in eyes of public. Board members agree.

Chmn. Santoro opens discussion regarding 529 program and whether certain changes should be made. First, should Treasurer replace RIHEAA as trustee of RIHEST in which the \$8 billion is invested. Uncertain future of RIHEAA. Treasurer can carry more weight on Cbf matters. Board discusses this.

Second, should the surplus from Cbf earned from fees (about \$2.8 million) continue to be invested by RIHEAA or should it be invested by Treasurer's office at higher yield. Board discusses this.

Third, discussion about the contract with XAP and whether RIHEAA can continue to support its commitment to invest of several hundred thousand dollars to support program. Board discusses this.

Board takes no votes. Return to open session.

Joseph R. Palumbo, Jr.

MINUTES OF RIHEAA JULY 22, 2011 CLOSED SESSION

PRESENT:

A. Santoro
J. Howell
W. Croasdale
J. Brumberger
F. LaSalle
S. Archer

ABSENT:

R. McKenna
P. Doyle
S. Solomon (left board meeting early)

Continuation of discussion of matters discussed at June 17 meeting. Board members explain the background and previous discussion to new board members, who ask questions. Further discussion about the 2 matters. Ms. LaSalle asks that these matters be carried over one month so she can absorb them. Board agrees.

Board takes no votes. Return to open session.

Joseph R. Palumbo, Jr.