

The 263<sup>rd</sup> meeting of the Rhode Island Student Loan Authority was held on **Tuesday, November 25, 2008** in the 1<sup>st</sup> floor Conference Room, 560 Jefferson Boulevard, Warwick, Rhode Island. Dr. Anthony Santoro called the meeting to order at 12:30 P.M.

**Board Members in attendance:**

Dr. Anthony Santoro  
Dr. Robert McKenna  
Mr. John Howell  
Mr. Xay Khamsyvovong, Treasurer's Office

**Board Members absent:**

Ms. Patti Doyle  
Dr. William Croasdale

**Others in attendance:**

Mr. Charles P. Kelley, Executive Director, RISLA  
Mr. Noel Simpson, Chief Financial Officer, RISLA  
Mr. Joseph Palumbo, General Counsel  
Mr. David Souto, RISLA  
Ms. Gail Walker, RISLA  
Ms. Lindie Thibodeau, RISLA  
Mr. Bill Bianchi, RISLA  
Mr. Chad Pastorius, RISLA  
Mr. Greg Silva, RIHEAA  
Ms. Gail Mance-Rios, Deputy Director, RIHEAA  
Mr. Joseph Santoro, Bank of America

Dr. Santoro opened the meeting at 12:30 P.M.

***Item #1: Chairman's Report***

Dr. Santoro congratulated Mr. Kelley, Mr. Simpson and Mr. Palumbo on their efforts to close the Dexia \$100 million bond deal. Dr. Santoro also thanked Bank of America (Joseph Santoro) and the entire RISLA executive team, including Karen Grande of Edwards & Angell, for all their efforts.

***Item #2: Executive Director's Report***

Mr. Kelley thanked the Board for their support around the financial issues over the past several months. Mr. Kelley noted that those who worked on the Dexia bond issue worked well together. Mr. Palumbo thanked the Chairman of the Board for all his time and effort on this deal.

***Item #3: Financial Market Update***

Mr. Kelly introduced Mr. Joseph Santoro from Bank of America. Mr. Kelley noted that auction rate securities will be another challenge in the future. Mr. Kelley indicated that RISLA has a request in to the PBMF Board requesting \$25 million in tax exempt bond cap in December for March carryover.

Mr. Kelley noted that on December 1, 2008 at 10:00 AM there will be a meeting with Johnson & Wales, to discuss direct lending. Dr. Santoro and Mr. Khamyvoravong asked for a list of all attendees. Mr. Khamyvoravong mentioned that the Treasurer might be able to attend the meeting. Mr. Khamyvoravong also thanked Bank of America for stepping up to make this deal happen.

***Item #4: Private Loan Servicing***

David Souto gave an overview of the private loan servicing at RISLA. Mr. Souto indicated that an RFP request has been sent and is now posted on the State's website. Mr. Souto also noted that four companies have responded to the RFP.

***Item #5: College Planning Center Monthly Activity Report***

Lindie Thibodeau gave an overview of the College Planning Center. Ms. Thibodeau indicated that a majority of people going to the College Planning Center are being referred by their high school counselor. Ms. Thibodeau noted that there have been 584 forms collected so far and they are able to gather more information this way. She also noted that the Warwick branch has been visited mostly by community members from Warwick, Cranston & Providence. Ms. Thibodeau indicated that there have only been 38 people seen at the Bristol site which has very limited hours of operation right now but should pick up during the financial aid season. Ms. Thibodeau also noted that the Central Falls school department does not have space available right now for a College Planning Center site. Ms. Thibodeau indicated that the College Planning Center will be conducting another financial aid night with Senator Reed in December.

***Item #6: Private Loan / Pre-claim Initiative***

Mr. Bianchi indicated that pre-claims efforts will begin in May with a lot of staff training. Mr. Bianchi noted that staff has done extremely well so far and the results show that RISLA is doing 18% better than the out of house collection agency it uses. Mr. Bianchi also noted that split schedules are being worked by staff. Mr. Palumbo stated that he has seen the group at work and that they are dedicated and it's a tribute to Mr. Bianchi that they are all very professional and work well together. Mr. Kelley stated that the Board will be kept informed about this department, as defaults are something to keep an eye on with the current economy. Mr. Simpson stated that the more we can show the bond low delinquencies helps RISLA.

***Item #7: Financial Literacy Activity Update***

Mr. Bianchi gave a brief update since the August meeting. Mr. Bianchi noted that he had a great session at South Kingstown High School. Mr. Bianchi also noted that he met with education opportunity educators from various parts of the state to make them aware of the financial literacy that RISLA does.

***Item #8: Red Flag Policy***

Mr. Simpson gave an overview of the Board packet handout including an article in the Providence Journal which gave a good overview of the Red Flag Policy. Mr. Simpson noted that in 2003 the Fair & Accurate Credit Transaction Act was enacted by Congress which states that the Federal Trade Commission must issue rules and regulations on identity theft. Mr. Simpson noted that this act requires RISLA to

formalize the process and report back to the Board of Directors, including how effective these rules and regulations are. Mr. Palumbo stated that RISLA is compliant and this is just information for the Board.

ON MOTION duly made by Dr. McKenna and seconded by Mr. Howell, it was unanimously

**VOTED** to adjourn.

Adjournment occurred at 1:22 P.M.

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John Howell

Secretary