

WARNING-UNAPPROVED MINUTES

These minutes have not been reviewed or accepted by the RISLA Board of Directors. This draft is being supplied in order to be in compliance with the State Open Meetings Law. Board approved minutes will be submitted when available.

The 284th meeting of the Rhode Island Student Loan Authority was held on **Thursday, March 31, 2011** in the 2nd floor Conference Room, 560 Jefferson Boulevard, Warwick, Rhode Island.

Members in attendance:

Dr. Santoro
Dr. Croasdale
Mr. Howell
Mr. Josh Brumberger, Treasurer Raimondo's designee

Members absent:

Dr. McKenna
Ms. Doyle

Others in attendance:

Mr. Charles Kelley, Executive Director, RISLA
Mr. Noel Simpson, CFO, RISLA
Mr. Joseph Palumbo, General Counsel
Ms. Jennifer Dutch, RISLA
Mr. Chad Pastorius, RISLA
Ms. Gail Mance-Rios, Deputy Director, RIHEEA

The meeting was called to order by Dr. Santoro at 6:15 p.m.

Dr. Santoro welcomed Mr. Josh Brumberger, the State General Treasurer's designee.

Upon a motion made by Mr. Howell and seconded by Dr. Croasdale it was unanimously

VOTED: to accept and approve the minutes of the January 28, 2011 Board meeting.

Chairman's Report

Dr. Santoro did not have a report.

Executive Director's Report

Mr. Kelley discussed the conversion of the private loans from Granite State to RISLA for servicing.

Mr. Kelley highlighted in a handout the preferred lender lists that RISLA is on. A discussion took place about the lack of a preferred lender list at URI and the ramifications.

Mr. Kelley briefly discussed the several audits occurring at RISLA.

College Planning Center Update

Mr. Kelley briefly discussed the College Planning Center monthly activity. In response to a question from Dr. Croasdale. Mr. Kelley pointed out that the spike in activity in August was due to the College Fair held at McCoy Stadium. Dr. Santoro described the various locations of the College Planning Center for Mr. Brumberger. Mr. Brumberger asked if there was one-on-one counseling and what the wait times were for visitors. Mr. Kelley briefly described the new online appointment system being utilized by the College Planning Center.

Financial Report Update

Mr. Kelley stated that Mr. McAleer mailed out the latest financial statements to the Board members.

Action Item #7 – Federal Loan Servicing

Upon a motion by Mr. Howell and seconded by Dr. Croasdale it was unanimously

VOTED: to go into executive session pursuant to RIGL §42-46-5(a)(7) to discuss a matter involving the investment of public funds.

The open session was reconvened at 7:05 p.m.

Dr. Santoro announced that there was one voted taken in closed session which was to enter into a life of loan servicing contract with Nelnet with respect to RISLA's FFELP loan portfolio, subject to final approval by the Chairman and Executive Director..

Upon a motion by Dr. Croasdale and seconded by Mr. Howell it was unanimously

VOTED: to seal the minutes of the executive session.

Action Item #8 – Amendment to Bond Authorizing Resolution

Mr. Palumbo reviewed the changes/clarifications to the authorizing resolution which were that the costs of issuance would not be paid by the Authority but paid from the assets of the trust

estate being retired and those costs would not exceed \$1,128,000, amounts necessary to meet the parity ratio of 1.06%, and an amount for capitalized interest not to exceed \$750,000.

Upon a motion by Dr. Croasdale and seconded by Mr. Brumberger it was unanimously

VOTED: to accept the changes to the Authorizing Resolution.

Mr. Kelley mentioned one caveat to the transaction's being consummated, namely if the spread is too high the transaction will be cancelled. Mr. Brumberger asked what the likelihood of that happening would be. Mr. Kelley indicated about a 20-30% chance. Dr. Santoro inquired as to what the Authority would have to pay should the transaction be cancelled. Mr. Kelley indicated that the Authority would have to pay bond counsel fees and rating agency fees. Mr. Brumberger asked when the transaction is expected to close. Mr. Kelley stated the closing is targeted for April 18th or 19th of 2011.

Upon a motion by Dr. Croasdale and seconded by Mr. Howell it was unanimously

VOTED: to adjourn.

Adjournment occurred at 7:15 p.m.

John Howell
Secretary