

## MINUTES OF MEETING

*These minutes have not been reviewed or approved by the RISLA Board of Directors. These minutes are being posted in order to be in compliance with the State Open Meetings Law. Board approved minutes will be submitted when available.*

The 302nd meeting of the Rhode Island Student Loan Authority was held on Friday, March 22, 2013 in the McKenna Conference Room, 1<sup>st</sup> Floor, 560 Jefferson Boulevard, Warwick, Rhode Island.

Members in attendance:

Dr. Anthony Santoro

Dr. William Croasdale

Mr. John Howell

Mr. Chris Feisthamel, Designee of the General Treasurer

Others in attendance:

Mr. Charles P. Kelley

Mr. Noel Simpson

Ms. Jennifer Dutch

Mr. Kevan McAleer

Ms. Faith LaSalle

Ms. Laurie Brayton

Ms. Stacy Crooks

The meeting was called to order by Dr. Santoro at 10:25 a.m.

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

VOTED to approve the minutes from the Board of Directors meeting held on February 22, 2013.

### **Action Item #9 – Authorizing Deputy Director to Execute Documents Related to Series 2013-A Bond Issue**

Mr. Simpson told the board that the staff was just being cautious in

case Mr. Kelley is not available on March 28<sup>th</sup> for the bond closing. He also told the board that this had been discussed with bond counsel and RISLA's general counsel, who both felt it was in the best interest of RISLA.

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

VOTED to authorize the Deputy Director to Execute Documents Related to Series 2013-A Bond Issue.

Dr. Croasdale referred to an article in the Wall Street Journal that all internships must be approved by the US Department of Labor and inquires if the internships that RISLA has posted on its website have been so approved. Mr. Kelley explained that for unpaid internships, employers must abide by Dept. of Education regulations. While that is not RISLA's responsibility, our internship web site has links to articles and regulations for employers so they are aware of the issues. RISLA staff encourages all employers to pay interns for a variety of reasons. If they do not, staff suggests that employers familiarize themselves with the regulations. Dr. Santoro suggests that the solution is to double check with RISLA's general counsel.

Dr. Croasdale suggests a few changes to the proposal for Loan Forgiveness for Internships.

The board then discussed whether interns can get paid and receive credit and how the schools check that internships are valid.

Mr. Feisthamel asked what is the estimated amount of students who would be eligible for the internship program is. Mr. Kelley stated that they have estimated \$200,000-300,000 would be used in the next twelve months, but that \$500,000 has been set aside for the program. Dr. Santoro asked if the program is just for undergraduates. Mr. Kelley responded that the program is for both undergraduates and graduates.

### **Review of Recent Bond Issue**

Mr. Kelley informs the board that the rates on the most recent bond issue are 5.39% compared to the last bond issue, which was 6.39%. He also stated that there is \$1.7 million for loan forgiveness. In addition to the funding for loans for the 13/14 academic year, RISLA also refunded some older bonds which was very beneficial, including the elimination of Ambac Insurance on the refunded bonds.

### **VCAP Update**

Mr. Simpson told the board that there is nothing new to report. There are currently 17 states that are in the same position as RI. There are 7-8 states currently challenging the IRS's position and two states have recently settled with the IRS. Pennsylvania had settled with the IRS for \$12 million and is a much bigger entity than RISLA.

### **College Planning Center Update**

Ms. Crooks told the board that the CPC shows no signs of slowing down. She said they are busy planning the next College Fair with the Pawtucket Red Sox. Dr. Santoro suggested moving the Bristol CPC to make it more visible. Mr. Feisthamel suggested using space in the Heritage Museum for an additional spot for the CPC.

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

VOTED to adjourn at 10:55 a.m.

John Howell  
Secretary