

## MINUTES OF MEETING

The 327<sup>th</sup> meeting of the Rhode Island Student Loan Authority was held on Friday, August 21, 2015 in the Hall of Fame Room, New England Institute of Technology, 1 New England Tech Way, East Greenwich, Rhode Island.

### Members in attendance:

Mr. Robert J. Delaney  
Ms. Christine Barnes Jenkins  
Mr. Robert R. Theroux  
Mr. Seth Magaziner, General Treasurer, State of RI  
Mr. Daniel Egan  
Ms. Sandra Mack, Esq.

### Others in attendance:

Mr. Charles Kelley  
Mr. Noel Simpson  
Mr. Joseph Palumbo  
Ms. Jennifer Dutch  
Mr. Kevan McAleer  
Ms. Debbie Machowski  
Ms. Beatrice Lanzi

The meeting was called to order at 8:40 a.m. by Mr. Delaney.

Upon a motion made by Ms. Jenkins and seconded by Mr. Theroux, it was unanimously

VOTED to approve the minutes from the June 19, 2015 Board of Director's Meeting.

### Chairman's Report

Mr. Delaney highlighted the financial literacy and refinancing articles in the board packets.

### Executive Director's Report

Mr. Kelley reported on a Bloomberg article citing the concern of some rating agencies that many Federal student loan borrowers opt for payment plans that allow eligible borrowers to extend their repayment term out beyond the normal ten years, or other set terms. The result could be that the principal payments on the loans come in much slower than originally anticipated and consequently, the bonds issued by some organizations to finance these loans did not allow for the flexibility of extended repayment plans and may thus not have sufficient funds available to pay off the bonds when they become due. Fortunately, RISLA's bond issues were structured with a greater degree of cash flow flexibility and are not at risk of a downgrade. In fact Standard and Poor's issued a recent press release noting the affirmation of AA+ ratings for RISLA's bonds that finance Federally guaranteed student loans.

#### Web site update

Mr. Kelley provided an overview of RISLA's rewrite of RIScholarship.org, bRidge.jobs and the RISLA Refinancing website and announced that RISLA will be using electronic signature on its refinancing website.

#### College Planning Center 2014/15 Activity Report

Mr. Kelley reviewed the College Planning Center Activity Report for the fiscal year ended June 30, 2015. The board members discussed opportunities for urban outreach in areas where activity has decreased from prior years.

#### Semi Annual Review of CFPB Information

Mr. Kelley and Mr. Simpson reported on CFPB compliance. Mr. Kelley stated that RISLA had gone out to bid and hired Ballard Sparh to ensure that RISLA is in compliance. He noted that RISLA has received 20 complaints that are generally from borrowers who are having trouble making payments. Mr. Simpson said the 20 complaints have been resolved and are closed. The board asked to be updated quarterly with a national comparison.

#### Loan Volume Update

Mr. Kelley discussed the RISLA's loan volume and stated the volume is up 10-15% as compared to the prior year, which was up 10% compared to the previous year. He said this is not just due to students borrowing more, it's because more people are coming to RISLA because it's loans are less expensive.

#### Discussion of Office Lease and Potential Need for Additional Space

##### Action Item: Office Lease

Mr. Delaney suggested having a discussion with the Commissioner and Council on Post Secondary Education, who currently resides in the offices on the first floor at Jefferson Boulevard where RISLA's offices are located, to lease existing, empty offices on the second floor or relocate to new facilities. After further discussion by the board, it was determined to form a committee to renew the current lease with additional space and to take a look at new space.

Upon a motion made by Ms. Jenkins and seconded by Mr. Magaziner, it was unanimously

VOTED to adjourn at 9:40 a.m.

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Mr. Robert Theroux  
Secretary