



CONNECTICUT STUDENT LOAN FOUNDATION

MINUTES OF THE BOARD OF DIRECTORS

March 22, 2016

A meeting of the Connecticut Student Loan Foundation's Board of Directors was held on Tuesday, March 22, 2016 at 12:00 p.m., at the office of the Connecticut Health and Educational Facilities Authority, 10 Columbus Boulevard, Hartford, Connecticut 06106.

Members Present:

Martin Budd (via telephone*)
Steven Kitowicz (designee of the Honorable Benjamin Barnes)
Dr. Peter Lisi
Julie Savino
Erika Steiner (designee of the President of Board of Regents for Higher Education)
Jeanette Weldon, Executive Director

Members Absent:

Barbara Rubin, Chair of the Board
Sarah Sanders (designee of the Honorable Denise Nappier), Vice Chair of the Board
Paul Mutone

Other Attendees:

Paula Herman, General Counsel, CHEFA
Darlene Dimitrijevs, Principal, Education Solution Partners, LLC
Randy Behm, Principal, Education Solution Partners, LLC
Joshua Hurlock, Portfolio and Marketing Associate, CHESLA
JoAnne Mackewicz, Controller, CHEFA
Carlee Levin, Sr. Accountant, CHEFA
Tim Webb, Vice President, Hilltop Securities (via telephone*)
Judith Blank, Esquire, Day Pitney, LLP

* Participated in the meeting via conference telephone that permitted all parties to hear each other.

I. Call to Order:

In the absence of the Chair and the Vice-Chair, Ms. Savino called the meeting to order at 1:01 p.m.

II. Approval of the January 26, 2016 Minutes:

A motion was made by Mr. Budd and seconded by Ms. Steiner that the Board of Directors of the Connecticut Student Loan Foundation approves the minutes of the January 26, 2016 meeting, as amended.

The motion was passed unanimously, with an abstention by Mr. Kitowicz who was absent from the January 26, 2016 meeting.

III. Executive Director's Report

Ms. Weldon noted that CSLF had been requested to voluntarily participate in the Open Connecticut expense reporting project of the State Comptroller. CSLF intends to participate and has already begun the process of gathering the necessary information.

IV. Financial Report – December 31, 2015

Ms. Dimitrijevs reviewed the financial status of CSLF as of December 31, 2015. She presented the Balance Sheet on a consolidated basis, a comparison of the Funds Management ratios to the policy guidelines, the Net Change in Position, the Balance Sheet by fund and information on the current bonds outstanding.

She noted that the Trust Parity Ratio as of December 31, 2015 stood at 110.92% and the Senior Parity Ratio was 151.16%. As of December 31, 2015, assets within the Trust exceed the Funds Management Policy by \$20.1 million. Ms. Dimitrijevs further indicated that if the motion to be presented later in the meeting to fund certain CHESLA programs was approved, along with the existing motion to fund the CHESLA Refinance Loan program, the parity level would be reduced to 107.50%. Still above the level required by the Funds Management Policy (104.00%) or the Indenture (102.50%). In response to a question from Mr. Budd, she indicated that Assets Exceeding the Funds Management Policy would be approximately \$10 million after funding the requested CHESLA programs.

Ms. Dimitrijevs indicated that the Net Change in Position for CSLF was a positive \$1.6 million for the six month period. This was essentially on budget (negative variance of \$150,453).

She then reviewed the bond activity for the quarter ended December 31, 2015. She indicated that \$15.5 million of bonds had been redeemed in the quarter. In addition, \$8.0 million of bonds would be redeemed in the next quarter, plus an additional \$3.0 million was already scheduled for redemption in April.

V. Executive Session

Dr. Lisi made a motion, which was seconded by Ms. Steiner, to enter Executive Session for the purposes of a discussion involving trade secrets.

The motion was passed unanimously.

Ms. Weldon requested that staff of CHEFA and CHESLA, and the representatives of Hilltop Securities and Education Solution Partners, remain during the Executive Session.

The Board entered Executive Session at 1:09 p.m.

The Board exited Executive Session at 1:32 p.m.

Ms. Savino stated that no actions or votes were taken during the Executive Session.

VI. Contributions to CHESLA

Mr. Budd made the following motion, which was seconded by Mr. Kitowicz:

The Board of Directors of the Connecticut Student Loan Foundation authorizes contributions of up to \$4 million by December 31, 2016 to the Connecticut Higher Education Supplemental Loan Authority (CHESLA) in support of the following programs to improve educational opportunities:

- CHESLA Scholarship Program (up to \$2 million)
- Equity Contribution to the CHESLA 1990 Trust (up to \$2 million)

The Executive Director shall determine the exact time and amount of each contribution. The Executive Director is authorized to withdraw funds from the trust estate as necessary to complete such contributions, provided all obligations and procedures of the Indenture and Board policies are adhered to when taking such action.

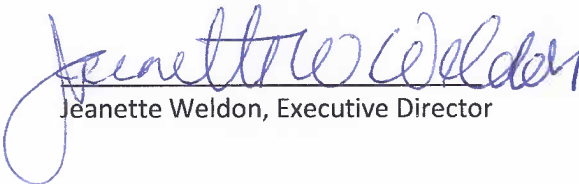
The motion was passed unanimously.

VII. Adjournment

Mr. Kitowicz made a motion, which was seconded by Dr. Lisi, to adjourn the meeting.

The motion passed unanimously and the meeting was adjourned at 1:35 p.m.

Respectfully Submitted by:


Jeanette Weldon, Executive Director