

MEETING SUMMARY

MONTANA HIGHER EDUCATION STUDENT ASSISTANCE CORPORATION (MHESAC) BOARD OF DIRECTORS MEETING

December 14, 2007

The Board of Directors of the Montana Higher Education Student Assistance Corporation convened via conference call.

CALL TO ORDER: The meeting was called to order at 8:00 a.m. by Chair Fred Flanders.

ROLL CALL: Upon roll call, Stephen Barrett, Fred Flanders, Royal Johnson, Kerra Melvin, Mark Semmens, Lila Taylor and Bill Thomas were present.

Officers Present:

Sheila Stearns, President
Mick Robinson, Vice President
Judy Chapman, Secretary

Others Present:

Jim Stipcich, SAF President
Jolene Selby, SAF EVP/Chief Financial Officer
Don Oliver, SAF EVP of Sales and Marketing
Lowell Wollitz, SAF EVP of Borrower Services
Simon Poole, SAF EVP/Chief Operating Officer
Scott Todorovich, EVP/Chief Information Officer
Sharon Eslick, Administrative Affairs Manager (Recorder)

Guests:

Suzan Scott, Budget Director's Office
Mike Reeslund, Dorsey & Whitney
Joe Santoro, Banc of America
Jeff Floerchinger, SAF Loan Portfolio Finance Analyst
Dave Reicher, Foley & Lardner
Adam Rudner, Citigroup
Amy Bartoletti, Citigroup
Seamus O'Neill, Liscarnan Solutions
Grant Carwile, RBC Dain

BOARD ACTION ITEMS

- a. Presentation and Discussion of Proposed 2007 Tax-Exempt Financing

Bond Resolution - Member Barrett moved and Member Thomas seconded to approve the bond resolution as presented. Motion carried.

Program Resolution - Member Thomas moved and Member Johnson seconded to approve the program resolution as presented. Motion carried.

- b. **Waiver Requests for Maximum Loan Rates on Existing Tax-Exempt Auctions –** Action was taken earlier in the week to request a waiver for the maximum loan rates on existing tax-exempt auction. The Board was asked to ratify the action.

Motion: Member Johnson moved and Member Thomas seconded to ratify the action to increase the maximum loan rate previously taken. Motion carried.

- c. **Refunding of all or part of existing auction bonds in early 2008 -** Given the condition of the auction market, Jim Stipcich indicated he would like to pursue refunding existing auction bonds. Staff will start working on this issue as soon as the current financing closes. This was presented as information only at this time.

ITEMS FROM BOARD MEMBERS - None

SCHEDULE NEXT BOARD MEETING

- a. Propose January 2008 MHESAC Board Conference Call – The Board agreed to try to schedule a call on January 17, 2008.
- b. Postpone Joint Work Session with SAF until February. The Board agreed to allow the respective Board chairs to come up with a suitable date in late February.

ADJOURNMENT - Being no further business, the meeting was adjourned at 8:35 a.m.