

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

January 19, 2011

Call to Order	The meeting was called to order at 9:00 a.m. by Acting Chair Lila Taylor.
Members Present	Fred Flanders, Mike Green, George Olsen, Jim Penner, Lila Taylor, Bill Thomas
Members Absent	Teresa Borrenpohl
Officers Present	Bruce Marks, Treasurer
Others Present	Jim Stipcich, SAF President Jolene Selby, SAF VP/Chief Financial Officer Scott Todorovich, SAF VP/Chief Information Officer Simon Poole, SAF VP/Chief Operating Officer Kelly Chapman, SAF VP of Foundation Activities Pat Schlauch, Special Asst. to the President for Government and Community Relations Sharon Eslick, Administrative Affairs Manager (Recorder)
Guests	Seamus O'Neill, Liscarnan Solutions

Informational Items Presented

- FY10 MHESAC Strategy Checkup
- FY10 Performance Report
- FY 10 YTD Financial Statements and Narrative
- FY10 YTD Management Report
- Recent Net Interest Margin Performance
- Update on Consolidation Rebate Fee IRS Audit Issue
- Texas Instruments Vs. Investment Banks Lawsuit
- Update on Not-for-Profit Direct Loan Servicing Opportunity
- Report on MHESAC Auction Bond Purchase Program
- Report on Consolidation Loan Impact
- Report on 2011 Legislative Session
- Overview of current financial and bond market conditions
- SAF's Loan Servicing Transaction Activity Report

Board Action Taken

- Approval of Minutes of October 29, 2010
- The Board went on record as opposing the interpretation of the SEC Proposed Rule that would classify Board members as advisors.
- Board approved recommending Fred Flanders for an additional 3-year board term. This recommendation will be forwarded to the Board of Regents Chair for his consideration.
- Board selected Mike Green as the new Board Chair effective February 1, 2011.
- The newly elected Chair and the current Chair (in lieu of the Nominations Committee) will meet to discuss filling the Vice Chair Position on the Board.
- The Board instructed Management to bring detailed restructuring items back to the Board for consideration at their next meeting.

Future Board Meeting Dates

- February 17, 2011 Board Meeting - 9:00 a.m. - Helena
- March 16, 2011 Board Call – 2:00 p.m.
- April 27, 2011 Board Meeting - 8:30 a.m. – Helena
- May 18, 2011 Board Call – 2:00 p.m.
- June 22, 2011 Board Annual Meeting – 8:30 a.m. - Helena

Adjournment: The meeting was adjourned at 1:12 p.m.