

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

January 20, 2010

Call to Order	The meeting was called to order at 9:00 a.m. by Chair Fred Flanders.
Members Present	Rob Barnosky, Fred Flanders, Mike Green Royal Johnson, Mark Semmens, Lila Taylor, Bill Thomas
Members Absent	None
Officers Present	Sheila Stearns, President; Mick Robinson, Vice President; Bruce Marks, Treasurer
Others Present	Jim Stipcich, SAF President Jolene Selby, SAF VP/Chief Financial Officer Don Oliver, SAF VP of Sales and Marketing Lowell Wollitz, SAF VP of Borrower Services Scott Todorovich, SAF VP/Chief Information Officer Dennis Doherty, SAF VP of Human Resources Simon Poole, SAF VP/Chief Operating Officer Kelly Chapman, SAF VP of Foundation Activities Pat Schlauch, SAF Special Assistant to the President for Government and Community Relations Sharon Eslick, Administrative Affairs Manager (Recorder)
Guests	Jim Penner

Informational Items Presented

- Nominations Committee Report
- FY 10 YTD Loan Acquisition Activity
- FY 10 YTD MHESAC Strategy Checkup
- FY 10 YTD MHESAC Performance Report
- FY 10 YTD Financial Statement and Narrative
- FY 10 YTD Management Reports
- Recent Net Interest Margin Performance
- Report on Federal Budget/Direct Loan Items
- Update on CP/LIBOR Issue
- Update on Industry Legal and Tax Actions
 - Consolidation Rebate Fee IRS Issue
 - Whistleblower Suit – 9.5% Floor Issue
 - Whistleblower Suit – Consolidation Loan Inducements
 - Taxable Bond Option
- Report on MHESAC Auction Bond Purchase Program
- Report on Consolidation Loan Impact
- Report on Available Funds for 09-10 Loans
- Report on Montana Legislative Items – SJ 9
- Financing Restructuring Environment
- AY 10-11 Loan Plans

- SAF's Loan Servicing Transaction Activity Report
- Marketing and Communications Update
- Loan Generation FY 10 YTD Volume Reports
- Report on MSLF Line of Credit
- Creation of Wholly Owned Subsidiary (Tru Student, Inc.)

Board Action Taken

- Approval of Board Meeting minutes of 11/4/09 and Board Conference Call minutes of 12/2/09 and 12/16/09
- Recommend nomination of Jim Penner to fill the position vacated by Mark Semmens.
- Board directed staff to continue to negotiation the rate on the VRDO.
- Board directed staff to continue to support ongoing efforts to educate Montana borrowers about their consolidation options.
- Board thanks Mark Semmens and Royal Johnson for their years of service to the MHESAC Board and the students of Montana.

Future Board Meeting Dates

- February 17, 2010 MHESAC Board Call – 2:00 p.m.
- March 5, 2010 MHESAC Board Call – 2:00 p.m. (if needed)
- March 24, 2010 MHESAC Board Meeting – Helena 9:00 a.m.
- April 14, 2010 MHESAC Board Call – 2:00 p.m.
- May 19, 2010 MHESAC Board Call – 2:00 p.m.
- June 23, 2010 - MHESAC Annual Meeting – Helena 9:00 a.m.

Adjournment: The meeting was adjourned at 1:43 p.m.