

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

April 8, 2008

Call to Order	The meeting was called to order at 8:30 a.m. by Chair Fred Flanders.
Members Present	Fred Flanders, Royal Johnson, Stephen Barrett, Kerra Melvin, Mark Semmens, Lila Taylor, Bill Thomas
Members Absent	None
Officers Present	Sheila Stearns, President; Mick Robinson, Vice President; Judy Chapman, Secretary; Bruce Marks, Treasurer
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 Scott Todorovich, SAF EVP/Chief Information Officer Dennis Doherty, SAF EVP of Human Resources Simon Poole, SAF EVP/Chief Operating Officer Kelly Chapman, SAF EVP Foundation Activities Sharon Eslick, Administrative Affairs Manager (Recorder)
Guests	Jim Bell, SAF Board Chair Seamus O'Neill, Liscarnan Solutions

INFORMATIONAL ITEMS PRESENTED

BOARD EDUCATION ITEMS

- Educational Presentation on Economics of Student Loans

BOARD DISCUSSION OF ITEMS IMPACTING STRATEGY

- Industry and Business Conditions and Implications for MHESAC
 - Response of Lenders to College Cost Reduction Act and Reduced Yields
 - Financial Markets and Liquidity Crunch
 - DofE Proposed Rules
 - Sunshine Act
 - Reauthorization of the Higher Education Act
- April 2008 CFAC Meeting scheduled for April 15

MHESAC PERFORMANCE REPORTS

- FYTD Loan Acquisition Activity
- Revised FYTD 2008 Strategy Checkup
- Revised FYTD 2008 OMTI Scorecard
- FYTD Financial Statements and Narrative
- FYTD Management Reports
- Bond Interest Rate Performance

OTHER BUSINESS ITEMS

- AY 08-09 Montana Loan Strategy
- Proposed Borrower Benefits for Existing Loans and AY 08-09 Loans
- Pre-October 1 Non-Montana Loans Activity
- Acquiring Non-Montana Loans held by MSLF
- AY 2009-10 Montana Loan Activity

BOARD GOVERNANCE ITEMS

- Report on the Board of Regents Work Group on Student Loans

INFORMATION SHARING ON SAF ACTIVITIES

- SAF's Loan Servicing Transaction Activity Report
- SAF Loan Volume (Servicing and Loan Generation)
- Marketing and Communications Update

BOARD ACTIONS TAKEN

- Acceptance of Audit Committee Report
- Approval of Board Minutes of 1/17/08; 2/13/08; 2/20/08; 2/27/08; 3/5/08 and 3/19/08
- Approval to form a Task Force of MHESAC Members to address Board of Regents Work Group Recommendations
- Approval to continue with borrower benefits on existing loans for the next 12 months to be reconsidered by the Board on an annual basis
- Approval to send letter to Broker-Dealers about reduction of fee

FUTURE BOARD MEETING DATES

Date/Location	Time
April 23, 2008 – Board Conference Call	2:00 p.m.
May 7, 2008 – Board Conference Call	2:00 p.m.
May 21, 2008 – Board Conference Call	2:00 p.m.
June 11, 2008 – Board Conference Call	2:00 p.m.
June 19, 2008 – Annual Meeting - Helena	8:30 a.m.

Adjournment: The meeting was adjourned at 3:50 p.m.