

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

**November 4, 2009**

<b>Call to Order</b>	The meeting was called to order at 9:30 a.m. by Chair Fred Flanders.
<b>Members Present</b>	Rob Barnosky, Fred Flanders, Mike Green, Royal Johnson, Lila Taylor, Bill Thomas
<b>Members Absent</b>	Mark Semmens
<b>Officers Present</b>	Mick Robinson, Vice President; Bruce Marks, Treasurer
<b>Others Present</b>	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 Pat Schlauch, SAF Special Assistant to the President for Government and Community Relations Sharon Eslick, Administrative Affairs Manager (Recorder)
<b>Guests</b>	Pam Joehler, Legislative Auditor's Office Seamus O'Neill, Liscarnan Solutions

**Informational Items Presented**

- Audit Committee Report including updates on FYE 6/30/09 MHESAC Financial Audit, Servicing and Compliance Audits and Operational Review of Loan Servicing
- MHESAC FY10 Performance Reports
  - Loan Acquisition Activity
  - MHESAC Strategy Checkup
  - MHESAC Performance Report
  - Financial Statements
  - Management Reports
  - Recent Net Interest Margin Performance
- Update on Industry Items
  - Update on Federal Issues
  - Update on Consolidation Rebate Fee – IRS Issue and Whistleblower suits involving other organizations
  - Discussion of Auction Bondholders Coalition
- Operational Items Update
  - Report on MHESAC Auction Bond Purchase Program
  - Report on Consolidation Loan Impact
  - Report on Available Funds for AY 09-10 Loans
  - Report on States of SJ-9 – Student Loan Study Bill
- Update on MHESAC Strategic Issues
  - Update on Loan Purchase Opportunities

- Presentation on Financing Restructuring Environment
- Update on Board Member Term Expiration
- Information on SAF's Activities
  - SAF's Loan Servicing Transaction Activity Report
  - Marketing and Communications Update
  - Loan Generation FY 10 YTD Volume Reports
  - Report on MSLF Line of Credit

#### **Board Action Taken**

- Approval of Board Meeting minutes of 6/24/09; and Conference Call minutes of 7/15/09; 8/26/09 and 9/16/09
- Approval to submit MHESAC Form 990 as presented.
- Acceptance of FYE 09 MHESAC Audits and Reviews
- Approval to Extend Contract with Anderson ZurMuehlen for Audit Services for an additional year.
- Approval of Authorized Signatories Certificate
- Approval of Fifth Amended Articles of Incorporation
- The Board directed the Nominations Committee to meet and develop a slate of nominations for consideration at the December Board call.

#### **Future Board Meeting Dates**

- December 2, 2009 – MHESAC Board Call – 2:00 p.m.
- December 16, 2009 – MHESAC Board Call – 2:00 p.m.
- January 20, 2009 – MHESAC Board Meeting – 8:30 a.m. - Helena

**Adjournment:** The meeting was adjourned at 2:30 p.m.