



## CONNECTICUT STUDENT LOAN FOUNDATION

### MINUTES OF THE BOARD OF DIRECTORS

September 19, 2019

A meeting of the Connecticut Student Loan Foundation's Board of Directors was held on Thursday, September 19, 2019 at 12:00 p.m., at the Office of the Connecticut Health and Educational Facilities Authority, 10 Columbus Boulevard, Hartford, Connecticut 06106.

**Members Present:**

Julie Savino, Vice-Chair of the Board  
Sheree Mailhot (designee of the State Treasurer)  
Jeanette Weldon, Executive Director  
Steven Kitowicz (designee of the Secretary of the Office of Policy and Management)  
Martin L. Budd  
Andrew Foster

**Members Absent:**

Dr. Peter Lisi, Chair of the Board  
Benjamin Barnes (designee of the President of Connecticut State Colleges and Universities)

**Other Attendees:**

Ian Meade, Senior Financial Reporting Manager, Goal Structured Solutions, Inc. \*  
Andrea Lenox, Structured Finance Director, Goal Structured Solutions, Inc. \*  
Jacob Lin, Senior Financial Reporting Manager, Goal Structured Solutions, Inc. \*  
Tim Webb, Vice President, Hilltop Securities \*  
Denise Aguilera, General Counsel, CHEFA  
JoAnne Mackewicz, Controller, CHEFA  
Kevin Barry, Accountant, CHEFA  
Joshua Hurlock, Assistant Director, CHESLA  
Shannon Reynolds, Portfolio Assistant, CHESLA  
Natalia Rozio, Student Intern, CHESLA  
Carlee Levin, Senior Accountant, CHEFA  
Kevin Barry, Accountant, CHEFA  
Debra Galli, Manager of Administrative Services, CHEFA  
Mabel Thompson, Administrative Support, CHEFA  
Cynthia Peoples, Managing Director, CHEFA  
Judith Blank, Esq., Day Pitney LLP  
Joseph Santoro, Director, Merrill Lynch, Pierce, Fenner & Smith, Inc., Bank of America,

\* Participated in the meeting via conference telephone that permitted all parties to hear each other

I. **Call to Order**

Ms. Savino called the meeting to order at 1:04 p.m.

II. **Administrative Actions**

**Approval of Minutes:**

A motion was made by Ms. Savino and seconded by Mr. Kitowicz that the Board of Directors of the Connecticut Student Loan Foundation approves the minutes of the June 20, 2019 meeting.

The motion was passed, with an abstention by Ms. Savino and Mr. Foster.

**Election of Vice Chairperson:**

Ms. Savino requested a motion to re-elect Ms. Julie Savino as Vice Chairperson of the Board of Directors of the Connecticut Student Loan Foundation. Mr. Budd moved to re-elect Ms. Savino as Vice Chairperson and Kitowicz seconded the motion.

The motion was passed unanimously, with an abstention by Ms. Savino.

III. **Auditor's Report**

**Audited Financials**

Ms. Weldon indicated the audit report was covered in the CHESLA Board Meeting earlier in the day.

**IRS Form 990**

A motion was made by Mr. Budd and seconded by Ms. Savino that the Board of Directors of the Connecticut Student Loan Foundation approves the filing of the Form 990 with the IRS.

The motion was passed unanimously.

**Report of Management's Assertion**

Ms. Weldon stated this item was an informational update and that no action was needed by the Board.

IV. **Bond Redemption Report**

Ms. Lenox noted the quarterly trustee report for the quarter ending June 30, 2019 could be found beginning on page 11 of the board package. During the quarter, \$3.825 million of subordinate bonds from the 2004 B tranche were redeemed, fully retiring that particular tranche, while another \$2.75 million of senior bonds from the 2006 A-2 tranche were also redeemed. Bond redemptions for the quarter totaled \$6.575 million, resulting in a total bond outstanding balance of \$171.625 million. Excluding funds reserved for the CHESLA scholarship fund, the current strategy is to utilize excess cash to prepay the bonds, alternating payments between the senior 2006 A-2 and senior 2006 A-1 tranches.

In looking at the loan portfolio characteristics, the Weighted Average Coupon (WAC) increased only slightly from 6.29% to 6.30%. Almost all loan program types experienced an increase in rate with the most significant shifts of a 9 bps increase and a 25 bps increase occurring in the SLS (Supplemental Loans for Students) and private student loan programs, respectively. However,

both of these loan programs are smaller portfolios and therefore had only a modest impact on the overall portfolio coupon. Similar to the prior quarter, the Weighted Average Remaining Term (WARM) of the portfolio increased slightly from approximately 145 months to 147 months as consolidation loans, which have longer maturities, represent a majority of the portfolio at approximately \$117 million or 64% of the total portfolio.

**V. Executive Directors Report**

Ms. Weldon noted that there was nothing specific to discuss during the current meeting.

Mr. Budd inquired about the \$500,000 planned for scholarships in the fiscal year and whether this was still the proper amount. Mr. Webb and Ms. Weldon indicated that this amount remains appropriate based on the most recent cash flow analysis. Mr. Webb noted that the cash flows should be run annually and will take place early 2020.

**VI. Adjournment**

Ms. Savino made a motion, which was seconded by Mr. Budd, to adjourn the meeting.

The motion passed unanimously, and the meeting was adjourned at 1:14 p.m.

Respectfully Submitted by:

  
Jeanette Weldon, Executive Director