



CONNECTICUT STUDENT LOAN FOUNDATION

MINUTES OF THE BOARD OF DIRECTORS

March 3, 2020

A meeting of the Connecticut Student Loan Foundation's Board of Directors was held on Tuesday, March 3, 2020 at 12:00 p.m., at the Office of the Connecticut Health and Educational Facilities Authority, 10 Columbus Boulevard, Hartford, Connecticut 06106.

Members Present:

Dr. Peter Lisi, Chair of the Board
Martin L. Budd
Andrew Foster
Steven Kitowicz (designee of the Secretary of the Office of Policy and Management)
Sheree Mailhot (designee of the State Treasurer) *
Julie Savino, Vice-Chair of the Board

Members Absent:

Benjamin Barnes (designee of the President of Connecticut State Colleges and Universities)

Other Attendees:

Jeanette Weldon, Executive Director, CHEFA/CHESLA
Denise Aguilera, General Counsel, CHEFA
Joshua Hurlock, Assistant Director, CHESLA
Carlee Levin, Sr. Accountant, CHEFA/CHESLA
Eileen MacDonald, CHEFA
JoAnne Mackewicz, Controller, CHEFA
Shannon Reynolds, Portfolio Assistant, CHESLA
Natalia Rozio, Portfolio Administrative Assistant, CHESLA
Kara Stuart, CHESLA
Judith Blank, Esq., Day Pitney LLP
Namita Shah, Day Pitney LLP
Joseph Santoro, Director-Education Finance Team Leader, BofA Securities, Inc. *
Thomas H. Webb, Vice President, Hilltop Securities N.A *
Ben McGuire, Hilltop Securities N.A *
Andrea Lenox, Structured Finance Director, Goal Structured Solutions, Inc. *
Jacob Lin, Senior Financial Reporting Manager, Goal Structured Solutions, Inc. *

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

I. Call to Order

Dr. Lisi called the meeting to order at 12:55 p.m.

II. Administrative Actions:

Approval of Minutes:

A motion was made by Mr. Budd and seconded by Mr. Foster that the Board of Directors of the Connecticut Student Loan Foundation approves the minutes of the November 7, 2019 meeting. However, it was pointed out that one of the attendees first names was misspelled (listed as "Natalie" but should be "Natalia").

The motion was passed, which included the name correction.

III. Executive Director's Report

Ms. Weldon communicated that Board member statements of financial interest are due May 1, 2020.

Ms. Weldon shared recent discussions regarding servicing of the private loan portfolio. The current servicer has indicated that new state regulations will place an unreasonable expense burden on this small portfolio and has recommended transferring the portfolio to a different servicer. Ms. Weldon shared that discussions are underway with another servicer about a potential transfer.

IV. Financial Report

A. December 31, 2019

Ms. Mackewicz reviewed the Connecticut Student Loan Foundation financial statements as of December 31, 2019, covering both the income statement and balance sheet.

B. Bond Redemption Report

Ms. Lenox noted the quarterly trustee report for the quarter ended December 31, 2019 could be found beginning on page 16 of the board package. During the quarter, \$4.25 million of senior bonds from the 2006 A-1 tranche and \$5.1 million of senior bonds from the 2006 A-2 tranche had been redeemed. Bond redemptions for the quarter totaled \$9.35 million, compared to \$6.1 million in redemptions from last quarter. Excluding funds reserved for CHESLA scholarship fund, this quarter's activity aligns with the agreed upon strategy to utilize excess cash to repay the bonds, alternating payments between the senior 2006 A-1 and senior 2006 A-2 tranches.

For the quarter-end loan portfolio, the Weighted Average Coupon (WAC) slightly increased from 6.36% to 6.38%. Similar to prior quarters, the Weighted Average Remaining Maturity (WARM) of the portfolio increased slightly from approximately 150 to 154 months, noting that consolidation loans, which have longer maturities, continue to represent 65% of the total portfolio.

V. Contribution for CHESLA Administered Scholarship Program

Ms. Wheldon introduced the recommendation for a \$500,000 contribution to be made in June to the CHESLA administered scholarship program in 2020. Mr. Budd proposed the motion, which was seconded by Mr. Kitowicz.

The motion was passed unanimously.

VI. Servicing of Private Loans

Mr. Lin indicated that Ms. Wheldon had largely covered this item in her earlier remarks on the recent discussions regarding the servicing of the private loan portfolio. The item was included to introduce the matter to the Board, and no action was required by the Board at this time. There was a brief discussion between Ms. Wheldon and Mr. Lin on timing and they indicated that if it is determined that this change will require Board approval that this would likely occur at the next scheduled Board meeting, or potentially before then, as operational timelines dictate.

VII. 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 1:10 p.m.

Respectfully Submitted by:

Jeanette Weldon, Executive Director