



MINUTES OF THE BOARD OF DIRECTORS

May 22, 2012

A special meeting of the Connecticut Student Loan Foundation's Board of Directors was held on Tuesday, May 22, 2012 at 10:00 a.m., at the office of the Connecticut Board of Regents for Higher Education, 39 Woodland Street, Hartford, Connecticut 06105.

Members Present in Person:

Michael P. Meotti (designee of Dr. Robert Kennedy, Interim President of the Connecticut Board of Regents for Higher Education) Chairman of the Board, Lewis J. Robinson, Esquire (Chairman of the Connecticut Board of Regents for Higher Education) Secretary and Christine Shaw (designee of Denise Nappier, State Treasurer).

Other Attendees:

Liz Donahue – Representative of the Connecticut Governor's Office
Nancy A. D. Hancock, Esquire – Pullman & Comley, LLC
Darlene H. Dimitrijevs – Education Solution Partners, LLC
Randall M. Behm – Education Solution Partners, LLC
Debra Chromy – American Student Assistance
Bob Cole – American Student Assistance
Caroline Menendez – American Student Assistance

I. Call to Order:

Mr. Meotti called the meeting to order at 10:11 a.m. Mr. Meotti noted that the special meeting had been called for a single agenda item regarding a presentation by American Student Assistance of their SALT program. The purpose was to evaluate the program for possible support by CSLF for Connecticut Schools, Students and/or Residents as part of CSLF's Public Purpose.

II. American Student Assistance Presentation:

Mr. Meotti provided background on CSLF and its recent history. He noted that much of the past 3 years had been devoted to stabilizing the finances of the organization. CSLF has now achieved a stable position. It is currently in a runoff position on its loan portfolio and the associated bonds. CSLF now needs to refocus on its Public Purpose as stated in the legislation that created it. The program being presented by American Student Assistance (ASA) may be one such program that CSLF should support.

Ms. Chromy proceeded to lead a presentation of the SALT program being offered by ASA. The presentation focused on how the SALT program could assist students in managing their education debt. The program provides an online web-based product that is supported by a call center and mailing (e-mail and hardcopy) programs. The intent is to provide more than information to the student and their

families. The goal is to provide answers, suggestions and options to the students that allow them to determine the best way to manage their education finances.

In response to a question from Mr. Robinson, Ms. Chromy noted that the SALT program has been successful in reducing loan default rates by as much as 50%. However, she cautioned that the exact impact was highly dependent on the school and borrower demographics. Mr. Cole noted that default rates for schools in Connecticut currently ranged from 3% to 20%.

Mr. Meotti reminded the Board that we need to look beyond CSLF borrowers and beyond Connecticut schools in considering this program. This should be an opportunity to provide the SALT product to young adults who are residents of Connecticut. If that can be achieved then the program will have been successfully incorporated into CSLF's public mission.

The representatives of ASA next provided a live demonstration of the SALT website and its functionality. Following the demonstration, they also discussed a proposal for CSLF to sponsor the full school cost for all public higher education institutions in Connecticut and possibly a portion of the school cost for all Private Schools. ASA asked if they could also include all residents of Connecticut and what the associated costs would be for such a program.

Mr. Meotti noted that the proposal from ASA would be a topic for the CSLF Board meeting scheduled for June 27th.

III. Other Topics:

Mr. Meotti asked if any Board members had any other topics to come before the Board. No Board members indicated they had any other topics to be considered.

IV. Executive Session:

Mr. Meotti asked if any Board members had a need for an Executive Session. No Board members indicated a need for an Executive Session.

V. Adjournment

Mr. Meotti then asked whether there was any other business properly brought before the Board, and there was none. Mr. Meotti requested a motion for adjournment.

Mr. Robinson moved that the meeting be adjourned, Ms. Shaw seconded the motion and it was unanimously passed at 11:52 a.m.

Respectfully Submitted for the
Board of Directors by:

Lewis J. Robinson, Secretary