

**NEW MEXICO EDUCATIONAL ASSISTANCE FOUNDATION (NMEAF)
BOARD OF DIRECTORS MEETING
NMSL BOARD ROOM
OCTOBER 28, 2019
ALBUQUERQUE, NEW MEXICO**

PRESENT

Alex Heubeck, Board Member
Charles J. Piechota, Board Counsel

CONFERENCE CALL

Dr. Dan Salzwedel, Chair
Gavin Gillette, Vice Chair
Julie Filatoff, Board Member Designee
Eileen Givler, Secretary/Treasurer

OFFICERS AND STAFF

Michael Nemelka, President & CEO
Brad Allpass, Vice President & CFO
Grace Tackman, Assistant VP of HR
Lois Fort, Director of Operations
Estevan Martinez, Asst. VP of IT
Reginald Storment, General Counsel

ABSENT

Pauline Garcia

Chair Dr. Salzwedel called the meeting to order at 3:01 pm.

I. Roll Call

Roll call was taken by Grace Tackman. The following were in attendance via conference call:
Dr. Dan Salzwedel, Gavin Gillette, Eileen Givler and Julie Filatoff.

II. Approval of the Agenda

Gavin Gillette moved to Approve the Agenda and Eileen Givler seconded the motion.
Approved 4-0

III. Introduction of Visitors

Michael Nemelka introduced Aaron Hamilton from MossAdams. His role is for questions, he will not be presenting today. Justin Maynard from JAG also joined via conference call.

IV. Approval of July 16, 2019 Board Meeting Minutes

Julie Filatoff pointed out that in the board packet, July's meeting minutes is missing the date on the top. The meeting minutes header was accidentally removed when creating the board packet. With no other errors Julie Filatoff moved to approve the meeting minutes as amended. Gavin seconded the motion. Approved 4-0.

V. Election of New Board Member

Eileen Givler has retired from the bank and will be leaving the NMEAF Board. Alex Heubeck from Bank of the West has agreed to take Eileen's place on the Board if so elected. The Board Members met Alex at the prior board meeting. Dr. Salzwedel entertained a motion to accept Alex Heubeck as a member the NMEAF Board. Eileen moved to approve and Gavin seconded the motion. Approved 4-0. Dr. Salzwedel welcomed Alex to the Board.

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VI. Election of New Secretary/Treasurer of NMEAF Board

Dr. Salzwedel advised the Board that we will proceed with a temporary Board Secretary/Treasurer. Michael explained with Eileen Givler leaving the Board this position is vacant. Michael had a conversation with Julie Filatoff and she agreed to step in for an undetermined amount time as a nominee for this position. Dr. Salzwedel asked for a motion to accept Julie Filatoff as temporary Secretary/Treasurer for an undetermined time. Gavin made a motion and Alex Heubeck seconded the motion. The motion passed 4-0

VII. Approval Appointments of Other NMEAF Board Officers & Audit Committee Members

Dr. Salzwedel asked a, b, and c of item VII approved as presented. Julie Filatoff moved to approve and Gavin seconded the motion. All approved 4-0

VIII. Approval of Appointments of NMEAF Officers

Michael advised the Board that Lucas Covington was an officer of NMEAF. Estevan Martinez took Lucas' position when he left. The approval of the appointments of NMEAF Officers will make Estevan an Officer of NMEAF. Dr. Salzwedel asked the board for a motion to approve all officers, Michael Nemelka, Brad Allpass, Grace Tackman and Estevan Martinez as NMEAF Officers. Julie Filatoff moved to approve and Gavin Gillette seconded the motion. The motion was passed 4-0.

IX. Audit committee Report

On October 15th, MossAdams presented the audit for NMEAF. As usual no material findings. There was one observation that was minor and new procedures were put in place to correct the issue. Gavin moved to accept the MossAdams audit that was present on October 15, 2019. Julie Filatoff seconded the motion. Dr. Salzwedel stated that the finding that Gavin alluded to was not significant. With no further discussion, motion passed 4-0.

X. Annual Approval of Board Policies & Procedures

Michael informed the Board that the policies have been unchanged from last year. We recommend the adoption of these unchanged policies. It is required that every year the Board readopt these policies. Dr. Salzwedel asked for a motion to approve a. through e. item X of the agenda. Gavin Gillette moved and Julie Filatoff seconded. Approved 4-0.

XI. Approval of Resolution to Terminate NMSLGC's Participation in NMEAF'S Retirement Program

Effective November 1, 2019, NMSLGC will no longer participate in NMEAF's retirement plan. This is a resolution that is required by the plan administrator of the new NMSLGC plan. This information was provided to the board in advance. With no question or comments, Dr. Salzwedel asked for a motion to approve the resolution to terminate NMSLGC'S participation

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of NMEAF's retirement plan. Julie Filatoff moved to approve and Gavin Gillette seconded. Motion passed 4-0

XII. President's Report

In a previous email to the Board, the leadership team outlined the situation with CRI that led to advancing funds to cover payroll and critical expenses. Michael requested from the Board a formal approval to negotiate and enter into an operating line of credit with Collection Resources Incorporated. This is a work in progress and will require additional work.

Michael yielded the floor to Brad Allpass to speak about the financial analysis that has been created.

With no comments or questions, Dr. Salzwedel asked for a motion to approve the line of credit for CRI. Julie Filatoff moved to approve and Gavin Gillette seconded the motion. The motion passed 4-0.

XIII. CFO's Report

Brad advised the Board that the Service Agreement with NMSLGC has been a standard agreement between the two organizations for years. The Foundation manages and provides certain services to the Guarantee Agency. The only change for this document is the amount for the year 2019-2020. This agreement was approved by the NMSLGC Board and now we are asking for approval from the NMEAF Board. Julie had a suggestion, the date on the third page of the agreement be changed from October 22, 2019 to October 29, 2019. With no further comments or questions, Dr. Salzwedel entertained a motion to approve the 2019-2020 Service Agreement. Gavin Gillette moved to approve and Alex Heubeck seconded the motion. The service agreement was approved 4-0.

Brad presented the September 30, 2019 financial report to the Board.

XIV. Organization & Department Reports

Michael commended Lois' team for the great job they have been doing over the past couple of years.

Michael reminded the board of the April 2019 Board retreat. The fantastic ideas during the retreat have been turned into plans and we have made some tremendous strides. He turned the floor to Grace where she spoke about some of the events the Outreach program has successfully completed.

Michael asked Estevan provide an update on the Department of Education assessment/audit. During the lengthy process, we submitted over 700 evidence items for over 93 controls and 23 control families. Through a large team effort we were able to get the highest rating. In

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order to receive this rating you have to satisfy 85% of the controls in the control family and we surpassed that percentage.

XV. Other Matters

Dr. Salzwedel asked that the next board meeting be postponed a week which would be February 4, 2020. None of the Board Members objected to the change.

Julie asked if that would mean the Audit Committee meeting would be changed to the January 21, 2020. All participating Board Members approved of the changes.

Note: Due to unforeseen circumstances, meeting dates stayed the same as noted on the October 28, 2019 agenda.

XVI. Executive Session

No executive session

XVII. Adjournment

Dr. Salzwedel entertained a motion to adjourn. Gavin Gillette moved to approve and Julie Filatoff seconded the motion.

Meeting adjourned at 4:08 PM

Date: _____



Dr. Dan Salzwedel
NMEAF Chair

Date: _____

Julie Filatoff
NMEAF Secretary/Treasurer

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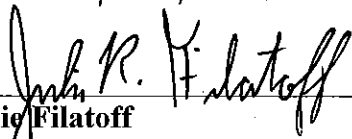
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Dr. Dan Salzwedel
NMEAF Chair



Julie Filatoff
NMEAF Secretary/Treasurer