

**NEW MEXICO EDUCATIONAL ASSISTANCE FOUNDATION (NMEAF)
BOARD OF DIRECTORS MEETING
NMSL BOARD ROOM
APRIL 19, 2016
ALBUQUERQUE, NEW MEXICO**

PRESENT

Pauline Garcia, Chair
Dr. Dan Salzwedel, Vice Chair
Eileen Givler, Secretary
Gavin Gillette, Board Member
Charles Piechota, Board Counsel
Julie Filatof, Designee for the Treasurer's office.

OFFICERS AND STAFF

Michael Nemelka, President & CEO
Brad Allpass, CFO/VP of Finance
Grace Tackman, Assist VP of HR & Admin Svcs
Lucas Covington, Assist. VP of IT
Dave Roybal, Director of Facilities Mgmt.
Melissa Dale, Director of NMSLGC
Lois Fort, Manager of Operations
Oscar Garcia, Director of Marketing and Outreach
Justin Sjoblom, Manager of Collection Services
Deena Pierce, Assistant Controller
Debbie Williams, Supervisor of Document Mgmt.
Mike Servatt, Project Manager
Tracy Rowe, Manager of Internal Audit
Carolyn Holder, Director of Compliance

Chair Pauline Garcia called the meeting to order at 1:00 PM

- I. **Introduction of Visitors**
Michael Nemelka introduced Julie Filatof from the NM Office of the State Treasurer. She will be the designee for the State Treasurer's office.
- II. **Roll Call**
The Following board members answered 'yes' to roll call: Chair Pauline Garcia, Dr. Dan Salzwedel, Eileen Givler, Gavin Gillette, and Julie Filatoff on behalf of the State Treasurer.
- III. **Approval of Agenda**
Chair Garcia entertained a motion to approve the agenda. Eileen Givler move to approve and Dr. Salzwedel seconded. The motion was approved unanimously.
- IV. **Approval of January 26, 2016 Joint Meeting Minutes**
Chair Garcia asked for a motion to approve the meeting minutes. Dr. Salzwedel moved to approve and Gavin Gillette seconded. The motion was unanimously approved.
- V. **CFO's Report**
Brad Allpass, Vice President and CFO presented the financial report for NMEAF since the last board meeting.
- VI. **Discussion of the President's Annual Review Process**
Grace Tackman provided a general description of Michael Nemelka's 360 Review. Chair Garcia asked Michael Nemelka to provide the board a self-evaluation for the fiscal year ending June 30, 2016. He agreed to provide the self-evaluation by June 15, 2016. After a brief discussion respecting how the results of the 360 review could be evaluated, Mr. Nemelka suggested that he include the results in his self-evaluation.

Chair Garcia noted that Michael Nemelka's contract will expire on June 30, 2016 and there may not be sufficient time to review the self-evaluation and make decisions on Mr. Nemelka's performance before the June 21, 2016 board budget meeting. It was suggested that his contract be extended by one month to July 31, 2016 giving the board time in the July board meeting to review and consider the president's performance. Chair Garcia suggested the contract extension discussion be taken up again in the June 21, 2016 board budget meeting.

VII. Update on 2015-2019 Strategic Plan

Mr. Nemelka reviewed each of the strategic objectives in the plan. He noted that the volume of new litigation cases has dropped and asked Reginald Storment to review the matter with the board. Mr. Storment reported that the volume of new cases has fallen by 50% in the first 4 months of calendar 2016.

Michael Nemelka then reported that delinquency in the FFELP portfolio has improved substantially and asked Lois Fort to provide a brief presentation on how reductions in the volume of litigation filings and reductions in delinquency are being achieved.

Mr. Nemelka then noted the month-over-month increases in the collection rates by the Collection Services Group. He reminded the board that part of the rationale behind reducing the late-stage delinquency is so that these severely delinquency accounts can be submitted to NMSLGC as default claims.

He further noted a continued slow increase in new private education loan volume and informed the board the new medical school at NMSU, the Burrell College of Osteopathic Medicine, will present an opportunity to increase the volume of new loan originations. He also reminded the board we are waiting to hear the results of our proposal to become a federal contractor collecting defaulted DL loans.

VIII. Presentation of "Blue Sky" Strategic Planning Program

Mr. Nemelka introduced this portion of the meeting by informing the board that strategic planning should become something NMEAF does on a regular and ongoing basis. He introduced the concept of constant strategic planning using an idea suggested by Mike Servatt. Mike Servatt then gave the board a presentation on the "Blue Sky" strategic planning program.

IX. Other Matters

Michael Nemelka reminded the board of the FY2017 Budget meeting on Tuesday June 21, 2016 at 1:00PM in the NMSL board room. He noted that the next meeting of the Audit Committee will be held on Tuesday July 12, 2016 at 2:00PM, and the next board meeting will be held on Tuesday, July 19, 2016 at 1:00PM, both in the NMSL board room.

X. Executive Session

Chair Garcia requested a motion to move into executive session. Dr. Salzwedel moved to approve and Gavin Gillette seconded. It passed unanimously. Executive session started at 3:20pm.

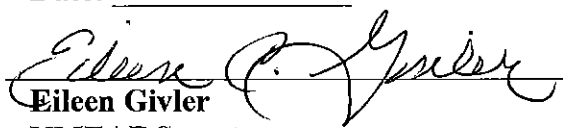
XI. Adjournment

Chair Garcia returned to regular session and noted no decisions were made. Chair Garcia then moved to adjourn. Dr. Salzwedel move to approve and Eileen seconded. The motion was approved unanimously. The meeting adjourned at 3:52PM.

Date: _____


Pauline Garcia
NMEAF Chair

Date: _____


Eileen Givler
NMEAF Secretary