

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

PRESENT

Pauline J. Garcia, Chair
Dr. Dan Salzwedel, Vice Chair
Eileen Givler, Secretary/Treasurer
Gavin Gillette, Board Member
Julie Filatoff, Representing Mr. Eichenberg
Charles J. Piechota, Board Counsel

CONFERENCE CALL

None

ABSENT

None

OFFICERS AND STAFF

Michael Nemelka, President & CEO
Brad Allpass, Vice President & CFO
Grace Tackman, Assistant VP of HR
Susie Rodriguez, Loan Servicing Operations
Kerry Gonzalez, Loan Servicing Operations
Carolyn Holder, Director of Compliance
Tracy Rowe, Director of Internal Audit
Justin Sjoblom, Manager of Collections
Oscar Garcia, Director of Marketing & Outre.
Melissa Dale, Director of Guarantor Operations
Mike Servatt, Director of Project Management

Chair Pauline J. Garcia called the meeting to order at 1:02PM.

I. Roll Call & Introduction of Visitors

The following board members answered “yes” to the reading of the roll call: Chair Pauline J. Garcia, Dr. Dan Salzwedel, Eileen Givler, Gavin Gillette, and Julie Filatoff. A quorum was confirmed.

Michael Nemelka introduced Chip Martin from DataCom Industries, Inc., and Reginald Storment.

II. Approval of Agenda

Michael Nemelka asked for an addition to the agenda. A brief discussion was held as to whether the agenda can be altered without prior public notice under the New Mexico Open Meetings Act. Board Counsel, Charles Piechota, commented that minor items or time-sensitive or urgent items can be added without prior public notice on an infrequent basis. Mr. Nemelka informed the board of a time-sensitive matter requiring board authority to register as a servicer in Connecticut. Chair Garcia said the item to the agenda as **VII.b. Resolution Authorizing Servicing License in Connecticut** for board action. Chair Garcia requested a motion to approve the agenda with the additional item. Dr. Dan Salzwedel move to approve and Eileen Givler seconded. The motion passed unanimously.

III. Approval of April 19, 2016 NMEAF Board Meeting Minutes

Michael Nemelka explained that a draft rather than final version of meeting minutes was included in the board packet. A copy of the correct version was given to board members in the meeting. After a brief period of review, Chair Garcia asked for a motion to approve and Dr. Dan Salzwedel so moved with a second by Gavin Gillette. The motion passed unanimously.

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IV. Approval of June 21, 2016 NMEAF Board Budget Meeting Minutes

Chair Garcia requested a change to the meeting minutes and then moved to approve with the change noted. Dr. Dan Salzwedel so moved and Gavin Gillette seconded. The motion passed unanimously.

V. Audit Committee Report

The board was provided a brief update of the July 12, 2016 Audit Committee meeting from Dr. Salzwedel and Tracy Rowe.

VI. President's Report

Michael Nemelka informed the board of a recent congressional outreach effort to request New Mexico's federal delegation to sign on to a letter to the U.S. Treasury regarding the use of tax-exempt financing for private education loans. He announced that for the first time since becoming President, Senator Martin Heinrich and Representative Michelle Grisham signed on such an action. No other federal representative participated, however.

Mr. Nemelka reiterated the widespread belief that re-authorization of HEA would not occur until after the election. He also provided an update on the private education loan program. He informed the members that temporary changes were made to the private loan program in order to accommodate new students from the Burrell College of Osteopathic Medicine at New Mexico State University. Over the last two months, private loan volume has increase over \$450,000. He further noted that the leadership team is considering creating a loan program customized to meet the needs of medical school students, and also that a refinance private loan program is under consideration.

VII. CFO's Report

Brad Allpass provided the members an update on the financial performance of NMEAF. He also presented to the board for approval a resolution asking authority to open a small line of credit with a local bank to hold the private student loans until such time as the loans could be permanently financed. He stated that the line of credit would not exceed \$750,000. After a brief discussion, Chair Garcia asked for a motion to approve. Dr. Salzwedel moved to approve and Eileen Givler seconded. The motion passed unanimously.

Mr. Allpass discussed briefly the recent action in Connecticut regarding licensing of student loan servicers. Although NMEAF holds only 45 borrowers in Connecticut, the potential of penalties up to \$100,000 per violation means obtaining the license is prudent. Reginald Storment provided additional comments about the process and risks. Chair Garcia asked for a motion to approve obtaining the Connecticut servicing license. Dr. Salzwedel moved to approve and Gavin Gillette seconded. The motion carried unanimously.

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VIII. **Business Unit Reports**

Mr. Nemelka informed the board that in the interest of reducing the length of board meetings, individual business units would not, in the future, provide individual verbal reports since reports are included in all meeting board packets.

IX. **Other Matters**

Mr. Nemelka reminded the board that the next Audit Committee meeting would be held on October 11, 2016 at 2:00PM in the board room, and further reminded members that the Annual Meeting would be held on October 18, 2016 at 1:00PM in the board room.

X. **Executive Session**

Chair Garcia requested a motion to move into executive session. Eileen Givler moved to approve and Dr. Salzwedel seconded. The motion carried unanimously. Executive session began at 2:10PM.

The meeting exited Executive Session at 2:34 PM with no action taken.

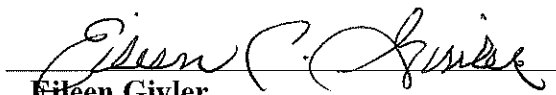
XI. **Adjournment**

With all business concluded Chair Garcia asked for a motion to adjourn. Dr. Salzwedel moved and Gavin Gillette seconded the motion. The motion carried unanimously and the meeting adjourned at 2:35PM.

Date: _____


Pauline Garcia
NMEAF Chair

Date: _____


Eileen Givler
NMEAF Secretary/Treasurer