

CONNECTICUT HIGHER EDUCATION SUPPLEMENTAL LOAN AUTHORITY  
Minutes of CHESLA Board Meeting  
November 14, 2023

The State of Connecticut Higher Education Supplemental Loan Authority held a meeting via videoconference on Tuesday, November 14, 2023.<sup>1</sup>

The videoconference meeting was called to order at 11:30 a.m. by Mr. Peter W. Lisi, Chair of the CHESLA Board of Directors. Those present and absent were as follows:

PRESENT: Peter W. Lisi, Chair  
 Laura M. Baker (*Designee for Chief Workforce Officer Kelli-Marie Vallieres*)  
 Bettina Bronisz (*Designee for Connecticut State Treasurer Erick Russell*)  
 Martin L. Budd  
 Andrew Foster  
 Michael Izadi (*Designee for Connecticut OPM Secretary Jeff Beckham*)  
 Kerry A. Kelley (*Designee for CT State Colleges and Universities President Terrence Cheng*)  
 Julie B. Savino, Vice Chair  
 Jeanette W. Weldon (*Executive Director CHEFA and CHESLA*)

ALSO PRESENT: Denise Aguilera, General Counsel, CHEFA  
 Charles Bodie, Managing Director of Finance & Operations, CHEFA  
 Dan Giungi, Government Relations and Communications Specialist, CHEFA  
 Rebecca Hrdlicka, Administrative Services Assistant, CHEFA  
 Josh Hurlock, Assistant Director, CHESLA  
 Carlee Levin, Senior Accountant, CHEFA  
 JoAnne Mackewicz, Controller, CHEFA  
 Shannon Reynolds, Portfolio Specialist, CHESLA  
 Kara Stuart, Manager, Administrative Services, CHEFA  
 Yesenia Torres-Rivera, Program Coordinator, CHESLA

INVITED GUESTS: Katharine Balukas, Senior Manager, BerryDunn  
 Sarah Clark, Director of Education and Communications, Office of State Ethics  
 Alan Goodwin, Manager, BerryDunn  
 Peter Lewandowski, Executive Director, Office of State Ethics  
 Tim Webb, Senior Vice President, Hilltop Securities

---

<sup>1</sup> All attendees participated in the meeting via conference telephone that permitted all parties to hear each other.

**APPROVAL OF MINUTES**

Mr. Lisi requested a motion to approve the meeting minutes of the September 21, 2023 Board of Directors meeting. Mr. Budd moved to approve the minutes and Ms. Bronisz seconded the motion.

Upon a voice vote, the “Ayes,” “Nays” and “Abstentions” were as follows:

<b><u>AYES</u></b>	<b><u>NAYS</u></b>	<b><u>ABSTENTIONS</u></b>
Peter W. Lisi	None	None
Laura Baker		
Bettina Bronisz		
Martin L. Budd		
Andrew Foster		
Michael Izadi		
Kerry A. Kelley		
Julie B. Savino		
Jeanette W. Weldon		

**ETHICS TRAINING**

Mr. Peter Lewandowski, Executive Director at the Office of State Ethics, and Ms. Sarah R. Clark, Director of Education and Communications at the Office of State Ethics, provided ethics training in accordance with the requirements of the Authority’s Ethics Statement and Policies. The floor was opened to questions and a discussion ensued. Ms. Clark encouraged Board members to contact the Office of State Ethics if they had any additional questions.

Mr. Lisi thanked Mr. Lewandowski and Ms. Clark for their time. Mr. Lewandowski and Ms. Clark left the videoconference meeting at 12:02 p.m.

**BERRYDUNN INTERNAL AUDIT REPORTS**

Mr. Bodie introduced Ms. Katharine Balukas and Mr. Alan Goodwin of BerryDunn. Ms. Balukas and Mr. Goodwin gave a presentation on the first and second quarters of 2024 internal audit results, which included an overview on the following topics:

- Areas in Scope
  - Student Scholarship Program
  - Oversight of Outside Vendors – CHESLA and CSLF Loan Programs
- Summary of Risk Ratings for Recommendations
- Recommendations

During the presentation Mr. Budd inquired about the Service and Organizational Control (SOC) reporting and sub-servicers within the vendor due diligence policy, and a discussion ensued.

Mr. Budd inquired about the report date, which Ms. Balukas confirmed that the report is finalized and released after Board approval.

Mr. Hurlock inquired about sub-servicer relationships to other sub-servicers and where due diligence would end. Ms. Balukas reported that the significance of the sub-servicer to the contracted work would be a key factor in determining the amount of due diligence needed, and Mr. Goodwin confirmed.

Ms. Balukas reported on the upcoming audit schedule:



- Quarter 3: December 2023 to February 2024
  - Alliance District Teacher Loan Subsidy Program
  - Bond Redemption
- Quarter 4: April to June 2024
  - Human Resources Policies and Procedures
  - Payroll
  - Information Technology

Ms. Balukas commented on the change in the audit schedule due to the upcoming office relocation and noted that the audit work on Information Technology (IT) will be moved from the third quarter to the fourth quarter. Mr. Bodie reported that the third quarter focuses on CHESLA and CSLF, while the fourth quarter encompasses all entities of the Authority.

Mr. Hurlock thanked Ms. Torres-Rivera for her efforts with managing CHESLA’s scholarship program.

Mr. Lisi thanked BerryDunn for their efforts and report. Ms. Balukas and Mr. Goodwin left the videoconference meeting at 12:24 p.m.

**AMENDED AND RESTATED MEMORANDUM OF AGREEMENT FOR ALLIANCE TEACHER REFI LOAN PROGRAM (AUTHORIZING RESOLUTION #2023-07)**

Ms. Aguilera reported that the Alliance District Teacher Loan Subsidy (ADTLS) Program statutes were revised in the recent legislative session to include paraeducators and school counselors effective January 1, 2024. Ms. Aguilera stated that the statute requires a memorandum of agreement between CHESLA and the State Department of Education regarding the eligibility and administrative guidelines for the program. Ms. Aguilera presented the revised memorandum of agreement to reflect the addition of paraeducators and school counselors as eligible applicants under the program.

Mr. Budd moved for approval of the amended and restated memorandum of agreement for the Alliance Teacher Refi Loan Program (Resolution #2023-07). Ms. Savino seconded the motion.

Upon a voice vote, the “Ayes,” “Nays” and “Abstentions” were as follows:

<b><u>AYES</u></b>	<b><u>NAYS</u></b>	<b><u>ABSTENTIONS</u></b>
Peter W. Lisi	None	None
Laura M. Baker		
Bettina Bronisz		
Martin Budd		
Andrew Foster		
Michael Izadi		
Kerry A. Kelley		
Julie B. Savino		
Jeanette W. Weldon		

**AMENDMENTS TO ALLIANCE TEACHER REFI LOAN PROGRAM MANUAL (AUTHORIZING RESOLUTION #2023-08)**

Ms. Aguilera reported that the Alliance Teacher Refi Loan Program manual also needs to be revised to reflect the addition of paraeducators and school counselors as eligible applicants under the program. Ms. Aguilera then presented the amendments to the manual.

Mr. Budd moved for approval of the amendments to the Alliance Teacher Refi Loan Program manual (Resolution #2023-08). Ms. Savino seconded the motion.

Mr. Budd inquired about the timing for the effective date of January 1, 2024. Ms. Aguilera reported that the proposed amendments will be published in the Connecticut Law Journal and that the notice of publication will be sent today. If any comments are received and deemed material by Ms. Weldon, notification would be given to the Board and that the proposed amendments would not become effective until the comments are discussed with the Board.

Ms. Aguilera confirmed that notification to the Board will be given if no comments are received.

Upon a voice vote, the “Ayes,” “Nays” and “Abstentions” were as follows:

<u><b>AYES</b></u>	<u><b>NAYS</b></u>	<u><b>ABSTENTIONS</b></u>
Peter W. Lisi	None	None
Laura M. Baker		
Bettina Bronisz		
Martin Budd		
Andrew Foster		
Michael Izadi		
Kerry A. Kelley		
Julie B. Savino		
Jeanette W. Weldon		

**EXECUTIVE SESSION: CO-BORROWER RELEASE AND NOTICE FROM UAS**

Mr. Lisi requested a motion to go into Executive Session at 12:30 p.m. to review co-borrower release and the notice from UAS. Ms. Bronisz moved to go into Executive Session and Mr. Foster seconded the motion.

Mr. Lisi invited Ms. Aguilera, Mr. Bodie, and Mr. Hurlock to attend the Executive Session.

Upon a voice vote, the “Ayes,” “Nays” and “Abstentions” were as follows:

<u><b>AYES</b></u>	<u><b>NAYS</b></u>	<u><b>ABSTENTIONS</b></u>
Peter W. Lisi	None	None
Laura M. Baker		
Bettina Bronisz		
Martin Budd		
Andrew Foster		
Michael Izadi		
Kerry A. Kelley		
Julie B. Savino		
Jeanette W. Weldon		

At 12:32 p.m., all Board members, Ms. Aguilera, Mr. Bodie, and Mr. Hurlock left the videoconference meeting to attend the Executive Session via a separate videoconference meeting room.



All Board members, Ms. Aguilera, Mr. Bodie, and Mr. Hurlock returned to the videoconference meeting at 12:43 p.m. No votes were taken during Executive Session.

**AMEND IN-SCHOOL PROGRAM MANUAL REGARDING CO-BORROWER RELEASE (AUTHORIZING RESOLUTION #2023-09)**

Mr. Lisi requested a motion to approve the amendments to the In-School Program manual regarding co-borrower release (Resolution #2023-09). Mr. Budd moved for approval and Mr. Foster seconded the motion.

Upon a voice vote, the “Ayes,” “Nays” and “Abstentions” were as follows:

<b><u>AYES</u></b>	<b><u>NAYS</u></b>	<b><u>ABSTENTIONS</u></b>
Peter W. Lisi	None	None
Laura M. Baker		
Bettina Bronisz		
Martin Budd		
Andrew Foster		
Michael Izadi		
Kerry A. Kelley		
Julie B. Savino		
Jeanette W. Weldon		

**QUARTERLY FINANCIALS (09/30/2023)**

Ms. Levin reported on the quarterly financials for the three months ending September 30, 2023. Ms. Levin reported that revenues over expenses were \$30,909 before non-operating income and expenses and were \$37,488 after non-operating income and expenses. Total year to date operating revenues were under budget by \$3,824 and total year to date operating expenses were under budget by \$16,806. Ms. Levin commented that the discretionary awards under the “Salaries” line item was due to the 3% one-time payment to all staff.

Mr. Budd inquired about the internet and phone expenses, and Ms. Levin stated that she will look into the details.

Ms. Levin then provided an overview on the bond funds, other funds (i.e., Scholarship Fund, Non-Bond Refi program, In-School Non-Trust, and ADTLS program), and student write-offs. A discussion ensued.

**EXECUTIVE DIRECTOR’S REPORT**

**Authority Updates**

Ms. Weldon reported on the office relocation to the Gold Building, with a fully executed lease effective February 1, 2024. Ms. Weldon stated that an additional month of rent will be paid to the existing building due to the lease expiring on December 31, 2023.

Mr. Budd inquired about the parking at the new location, and Ms. Weldon confirmed that a parking garage is associated with the Gold Building.

Ms. Weldon reported on the recent event hosted by CHESLA and CAPFAA for school counselors. Mr. Hurlock provided further details on the event, including attendee information, presentation overviews, and speaker and panelist representatives. Ms. Savino also reported on the positive feedback for the event and thanked Ms. Weldon and Mr. Hurlock for their efforts.

Ms. Weldon reported on the Op-Ed article published in the Connecticut Post regarding a research brief that was released by CHESLA's trade association, the Education Finance Council. Ms. Weldon stated that Mr. Giungi developed the Op-Ed article to highlight CHESLA programs and the support for student financial aid that CHESLA offers.

Mr. Giungi then presented an overview on the CHESLA legislative update, which provided details on the following updates:

- PA 23-60
  - Requires CHESLA to establish a Nursing and Mental Health Care Professionals Loan Subsidy Program
- PA 23-70
  - Expands the current CHESLA ADTLS Program to include paraeducators and school counselors
  - Requires CHESLA to establish a Police Officer Loan Subsidy Program
  - Expands the CHESLA loan subsidy program for certain health care professionals created by PA 23-60 to include EMS professionals
- OPM has advised that funding previously authorized to support the ADTLS program can be used to expand the program to include paraprofessionals and counselors
  - No additional funding has been provided for implementation
- 2024 Legislative Initiatives
  - A proposal to combine the individual programs into a single program that mirrors the current ADTLS program
  - Amendment of CHESLA's enabling statutes to allow for the origination of loans for Connecticut students pursuing a post-secondary education program if they are under eighteen years of age

Mr. Budd inquired about the outreach efforts with the Bridgeport school district due to low ADTLS loan volume from Bridgeport, and Ms. Weldon confirmed the continuation of outreach efforts with a focus to Bridgeport.

### **Portfolio Update**

Mr. Hurlock reported that the CHESLA In-School Loan Program has disbursed \$9.6 million through the first quarter of FY 2024, which represents the highest first quarter disbursement volume for the CHESLA In-School Loan Program since FY 2020.

Mr. Hurlock then provided the market segment data for In-School loan disbursements and an update on the 2023 Series B comparison to cash flow assumptions. Mr. Hurlock stated that committed loan applications total \$8.6 million and leaves the disbursement data ahead of the cash flow assumptions by \$33,000 through October 2023.

Mr. Hurlock reported that the Refi CT Program has disbursed approximately \$438,000 through the first quarter of FY 2024. Mr. Hurlock also reported that the total disbursements for the Refi CT program since 2016 are approximately \$20.7 million.

Finally, Mr. Hurlock stated that UAS (i.e., loan servicer) and CampusDoor (i.e., loan originator) met all performance metrics for the quarter.



**Marketing Update**

Ms. Reynolds gave a presentation on CHESLA Marketing and Outreach, which provided a detailed overview on the following topics:

- CHESLA Website Overview
- CT Dollars & Sense Website Overview
- Marketing and Outreach efforts that include:
  - Attending the Money Conference for Women in October 2023
  - Hosting Financial Aid Nights at Rockville & Rocky Hill High Schools
  - Attending over 12 High School College Fairs and handed out over 600 folders with CHESLA information
  - Continuing outreach and promotion of all CHESLA programs

Mr. Lisi inquired about CHESLA’s involvement with the Money Conference for Women, which Ms. Reynolds confirmed that CHESLA attended the conference with a marketing table.

**Scholarship Update**

Ms. Torres-Rivera stated that the certificate program is currently open to the public and will close when the \$35,000 of funds are fully utilized. Ms. Torres-Rivera reported that 19 scholarships have been disbursed and 9 scholarships are awaiting disbursement. Ms. Torres-Rivera stated that, when the 9 remaining scholarships are disbursed, the funds will quickly run out.

Ms. Kelley inquired about a breakdown of certificate program awardees, and Ms. Torres reported that the majority of awardees attend the Connecticut State Community College (i.e., Three Rivers Community College). Ms. Torres-Rivera also reported that students from Goodwin University, Sacred Heart University, and Manchester Community College have also received certificates. Ms. Kelley requested a full breakdown of the certificate program be presented to the Board at the next meeting, which includes data per Institution, value of awarded, and value of awards outstanding. Ms. Torres-Rivera also confirmed that funds will be fully utilized once the remaining 9 scholarships are disbursed, and 20 applications are submitted that will need to be rejected.

**2024 MEETING SCHEDULE**

Mr. Lisi requested a motion to accept the CY 2024 Meeting Schedule. Mr. Budd moved for approval and Mr. Foster seconded the motion.

Ms. Bronisz inquired about the Board Strategic Planning session scheduled for January 25, 2024. Ms. Weldon reported that the next three-year cycle for strategic planning is coming up, and the Strategic Planning session will be a joint venture between the CHEFA and CHESLA Boards to review topics such as Board engagement data and industry trends. Ms. Weldon confirmed that the session is expected to occupy half of the day.

Upon a voice vote, the “Ayes,” “Nays” and “Abstentions” were as follows:

**AYES**

- Peter W. Lisi
- Laura M. Baker
- Bettina Bronisz
- Martin Budd
- Andrew Foster
- Michael Izadi
- Kerry A. Kelley
- Julie B. Savino

**NAYS**

None

**ABSTENTIONS**

None

Jeanette W. Weldon

**ADJOURNMENT**


There being no further business, Mr. Lisi requested a motion to adjourn the meeting. Ms. Savino moved to adjourn the meeting, and Ms. Bronisz seconded the motion.

Upon a voice vote, the "Ayes," "Nays" and "Abstentions" were as follows:

<b><u>AYES</u></b>	<b><u>NAYS</u></b>	<b><u>ABSTENTIONS</u></b>
Peter W. Lisi	None	None
Laura M. Baker		
Bettina Bronisz		
Martin Budd		
Andrew Foster		
Michael Izadi		
Kerry A. Kelley		
Julie B. Savino		
Jeanette W. Weldon		

The videoconference meeting adjourned at 1:20 p.m.

Respectfully submitted,



Jeanette W. Weldon  
Executive Director