

CONNECTICUT HIGHER EDUCATION SUPPLEMENTAL LOAN AUTHORITY

Minutes of Special CHESLA Vendor/Consultant Committee Meeting

November 10, 2021

The State of Connecticut Higher Education Supplemental Loan Authority (CHESLA) Vendor/Consultant Committee held a special telephonic meeting at 10:30 a.m. on Wednesday, November, 10, 2021.¹

The special meeting was called to order at 10:30 a.m. by Mr. Darrell Hill, Chair, of the CHESLA Vendor/Consultant Committee. Those present and absent were as follows:

Present: Peter W. Lisi, Chair
Laura Baker, (*Designee for Chief Workforce Officer Kelli-Marie Vallieres*)
Benjamin B. Barnes (*Designee for CT State Colleges and Universities President*)²
Darrell V. Hill (*Designee for Connecticut State Treasurer Shawn T. Wooden*)
Julie B. Savino, Vice Chair
Kelli-Marie Vallieres
Jeanette W. Weldon (*Executive Director CHEFA and CHESLA*)

Also Present: Denise Aguilera, General Counsel, CHEFA
Jessica Bishop, Administrative Services Assistant, CHEFA
Josh Hurlock, Assistant Director, CHESLA
Cynthia D. Peoples-H., Managing Director, Operations & Finance, CHEFA
Shannon Reynolds, Portfolio Assistant, CHESLA
Kara Stuart, Manager, Administrative Services, CHEFA
Yesenia Torres-Rivera, Program Coordinator, CHESLA

APPROVAL OF MINUTES

Mr. Lisi requested a motion to approve the meeting minutes of the March 3, 2020 Board of Directors meeting. Mr. Lisi moved to approve the minutes and Ms. Savino seconded the motion.

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

AYES

Peter W. Lisi
Benjamin B. Barnes
Julie B. Savino

NAYS

None

ABSTENTIONS

Darrell V. Hill³
Kelli-Marie Vallieres⁴

¹ All attendees participated in the meeting via conference telephone that permitted all parties to hear each other

² Mr. Barnes joined the teleconference meeting at 10:33 a.m.

³ Mr. Hill abstained from voting as he did not attend the March 3, 2020 Meeting.

⁴ Ms. Vallieres abstained from voting as she did not attend the March 3, 2020 Meeting.

DRAFT

Jeanette W. Weldon

Ms. Vallieres left the teleconference meeting at 10:37 a.m.

APPROVAL OF UNDERWRITER APPOINTMENT

Mr. Hurlock stated that the Request for Proposal (RFP) was issued on October 4, 2021 and was posted to the Department of Administrative Services portal, the CHESLA website, and was emailed to two companies. Mr. Hurlock reported that the following four firms responded to the RFP for underwriter: BofA Securities, Blaylock Van, LLC, RBC Capital Markets, and Rockfleet Financial Services, Inc.

Mr. Hurlock stated that staff evaluated each of the RFP responses primarily based on the following criteria: relevant financing experience and student loan expertise, Connecticut experience and support of Connecticut disadvantaged communities, refunding experience, and proposed compensation.

Mr. Hurlock reported that staff recommends appointing BofA Securities and RBC Capital Markets as senior underwriters. Their student loan experience and quality track record with the Authority are their most valuable characteristics. Mr. Hurlock stated that staff also recommends appointing Blaylock Van, LLC and Rockfleet Financial Services, Inc. as co-managers. Mr. Hurlock noted that specific roles will be decided at management's discretion before each bond deal.

Mr. Hurlock stated that CHESLA has extensive experience with BofA Securities and RBC Capital Markets, prior experience with Rockfleet Financial Services, Inc. as a selling group member, and CHEFA has past experience with Blaylock Van, LLC.

Mr. Lisi inquired about the term of the contract. Mr. Hurlock stated that staff is proposing that the term of the contract is 3 years.

Mr. Barnes inquired about how agreements with the firms would be made. Mr. Hurlock stated that the assignments will be made per transaction and the agreements will be set at that time.

DRAFT

Mr. Hill requested a motion to approve the appointment of BofA Securities and RBC Capital Markets as senior underwriters and Blaylock Van, LLC and Rockfleet Financial Services, Inc. as co-managers. Mr. Lisi moved for approval and Mr. Barnes seconded the motion

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

<u>AYES</u>	<u>NAYS</u>	<u>ABSTENTIONS</u>
Peter W. Lisi Laura Baker Benjamin B. Barnes Darrell V. Hill Julie B. Savino Jeanette W. Weldon	None	None

APPROVAL OF FINANCIAL ADVISOR APPOINTMENT

Mr. Hurlock stated that the RFP was issued on October 4, 2021 and posted to the Department of Administrative Services portal, the CHESLA website, and was emailed to four firms. The following two firms responded to the RFP for financial advisor: Hilltop Securities and SL Capital Strategies

Mr. Hurlock stated that staff evaluated each of the RFP responses primarily based on the following criteria: relevant financing experience and student loan expertise, Connecticut experience and support of Connecticut disadvantaged communities, refunding experience, and proposed compensation.

Mr. Hurlock reported that staff recommends appointing Hilltop Securities as financial advisor for a period of 3 years. CHESLA has a current relationship with the firm and has been satisfied with the firm’s performance. Its experience and quality track record to the Authority are very valuable. Mr. Hurlock noted that staff suggests Hilltop increase the presence and involvement of back-up/support to ensure continuity of service to CHESLA. A brief discussion ensued.

Mr. Hill requested a motion to approve the appointment of Hilltop Securities as financial advisor. Ms. Savino moved for approval and Mr. Lisi seconded the motion

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

<u>AYES</u>	<u>NAYS</u>	<u>ABSTENTIONS</u>
Peter W. Lisi	None	None

Laura Baker
Benjamin B. Barnes
Darrell V. Hill
Julie B. Savino
Jeanette W. Weldon

APPROVAL OF CONSUMER FINANCE COUNSEL APPOINTMENT

Mr. Hurlock stated that the RFP was issued on October 4, 2021 and posted to the Department of Administrative Services portal, the CHESLA website, and was emailed to two firms. The following two firms responded to the RFP for consumer finance counsel: Ballard Spahr LLP and McGlinchey Stafford PLLC.

Mr. Hurlock stated that staff evaluated each of the RFP responses primarily based on the following criteria: relevant counsel experience and student loan expertise, Connecticut experience and support of Connecticut disadvantaged communities, and proposed compensation.

Mr. Hurlock reported that McGlinchey Stafford PLLC was CHESLA’s consumer finance counsel from 2015 to 2018 and Ballard Spahr is CHESLA’s current consumer finance counsel. Mr. Hurlock noted that staff is satisfied with the performance of Ballard Spahr and appreciates the detailed and monthly state licensing updates. Ballard Spahr is also offering a blended rate for CHESLA. Mr. Hurlock stated that staff recommends appointing Ballard Spahr as Consumer Finance Counsel for a period of 3 years.

Mr. Lisi inquired about the blended rate that Ballard Spahr is offering. Mr. Hurlock stated that typically the firm bills an hourly rate based on the title of the person working on the task, but instead the firm will bill CHESLA the same favorable flat rate regardless of the personnel assigned.

Mr. Hill requested a motion to approve the appointment of Ballard Spahr as consumer finance counsel. Mr. Lisi moved for approval and Mr. Barnes seconded the motion

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

<u>AYES</u>	<u>NAYS</u>	<u>ABSTENTIONS</u>
Peter W. Lisi Laura Baker	None	None

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Benjamin B. Barnes
Darrell V. Hill
Julie B. Savino
Jeanette W. Weldon

ADJOURNMENT

There being no further business, at 10:52 a.m., Mr. Lisi moved to adjourn the meeting and Mr. Barnes seconded the motion.

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

<u>AYES</u>	<u>NAYS</u>	<u>ABSTENTIONS</u>
Peter W. Lisi	None	None
Laura Baker		
Benjamin B. Barnes		
Darrell V. Hill		
Julie B. Savino		
Jeanette W. Weldon		

Respectfully submitted

Jeanette W. Weldon
Executive Director