

March 5-6, 2008

ITEM 138-110-R0308

**Acceptance of Report and Recommendation of Student Loan Taskforce**

**THAT:**

The Board of Regents of Higher Education hereby accepts the report and recommendations of the Student Loan Advisory Taskforce which was appointed by Chairman Morrison-Hamilton on October 16, 2007 to evaluate issues related to the entities participating in the Montana student loan program, primarily the Montana Higher Education Student Assistance Corporation (MHESAC) and authorizes the Commissioner of Higher Education to begin implementation of the recommendations.

**EXPLANATION:**

The Student Loan Taskforce has submitted a report and recommendations for review by the board. The report addresses issues related to the bonding activity of MHESAC, the operations of MHESAC, and MHESAC's relationship to the Board of Regents and State of Montana. The issues addressed include accountability, governance, conflict of interest, communications, transparency, volume cap, and federal program requirements.

The commissioner will begin implementation of the recommendations, including those which require communications with the MHESAC board of directors. The report is expected to result in the continued involvement of the Board of Regents in financial aid issues, including issues involving the work of MHESAC and SAF, and including issues and recommendations raised by this report.

The members of the Taskforce are Regent Stephen Barrett, Chair, Regent Todd Buchanan, Commissioner of Higher Education Sheila M. Stearns, Student Assistance Foundation President Jim Stipcich, and Montana Office of Budget and Program Planning Director David Ewer.

**ATTACHMENT:**

Taskforce Report and Recommendations