

EDUCATIONAL ENHANCEMENT FUNDING CORPORATION

MINUTES OF THE SPECIAL MEETING

JANUARY 27, 2012

Pursuant to due notice, the Educational Enhancement Funding Corporation met on Friday, January 27, 2012. The special meeting began at 10:00 a.m., CST via telephone. Mr. Tom Graham, Chairman, instructed the Executive Secretary to call the roll.

Present: Mr. Tom Graham
Mr. Dennis Haan
Mr. Doug Hajek
Mr. Ken Karels
Mr. Joe Lien
Mr. D. J. Mertens
Mr. James Roby
Mr. James Spies

Absent: Mr. Dennis Neugebauer

Other staff and representatives of the Corporation present were:

Mr. Donald Templeton, Executive Secretary
Mr. Todd Meierhenry, Meierhenry Sargent, LLP
Mr. Dustin Christopherson, South Dakota Health and Educational
Facilities Authority
Mr. Mick Jost, South Dakota Health and Educational
Facilities Authority
Mr. Bruce Bonjour, Perkins Coie

A quorum was declared by the Chairman and the meeting was called to order.

Mr. Don Templeton advised the Corporation members that the notice of the meeting had been posted at the entrance of the office of the Educational Enhancement Funding Corporation on January 24, 2012. A copy of that notice is attached hereto and is an integral part of the minutes (*see Attachment #1*).

The Chairman asked for consideration of the minutes for the November 18, 2011 meeting. Mr. Roby moved to approve the minutes as presented, seconded by Mr. Hajek. All members present voted aye. Motion carried.

TRUSTEE SERVICES

Mr. Templeton reviewed the request by Moody's Rating Services to have cash and investments of the Educational Enhancement Funding Corporation relating to bond payments and reserve funds Educational Enhancement Funding Corporation held by a bank rated by Moody's. Mr. Templeton reviewed the timetable and the Tri-Party Agreement between US Bank, The First National Bank in Sioux Falls "TFNB in SF" and the Educational Enhancement Funding Corporation. Mr. Templeton then reviewed the TFNB in SF Agency Account Agreement which shows the annual fee of \$2,000 for trustee services for the Operating Account and the Special Reserve Account along with the program review of turbo redemption and account review. The FNB in SF will also review reports of the program like the Funds Redemption Schedule, the bond amortization schedule and other reports. Other certificates were reviewed that allows US Bank to be the successor trustee.

FINANCIAL STATEMENTS

Mr. Templeton discussed the December 31, 2011 financial statements, turbo redemption and outstanding balance of the bonds.

FY 2011 ANNUAL REPORT

Mr. Templeton discussed the fiscal year 2011 Annual Report, the Auditor's Report and the Internal Control Report and stated that Legislative Audit found no noncompliance issues and did not have any audit recommendations.

Adjournment

The Chairman stated that there being no further business at this meeting, the meeting would be adjourned at 10:19 a.m. CST.

Educational Enhancement Funding Corporation

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Date: January 24, 2012

To: Members of the Educational Enhancement Funding Corporation

From: Don A. Templeton, Executive Secretary

Re: Notice of Special Meeting

You are hereby notified that the Chairman has set Friday, January 27, 2012 as the date for the Special Meeting of the Educational Enhancement Funding Corporation to be held via telephone at 10:00 a.m. (CST).

You may participate in the meeting by dialing 1-877-336-1828 and enter your Participant Access Code, which is 4677196 followed by the # key.

The following members have indicated they will be available for the meeting:

Tom Graham	DJ Mertens
Dennis Haan	Dennis Neugebauer (uncertain)
Doug Hajek	James Roby
Ken Karels	James Spies
Joe Lien	

An agenda is enclosed and information on the agenda items will be sent via Federal Express.

Cc: Todd Meierhenry
Bruce Bonjour