



## Continuing Disclosure Certificate

Mr. Chris McKim, Assistant Vice President  
US Bank  
CN-OH-W6CT  
425 Walnut Street  
Cincinnati, OH 45202

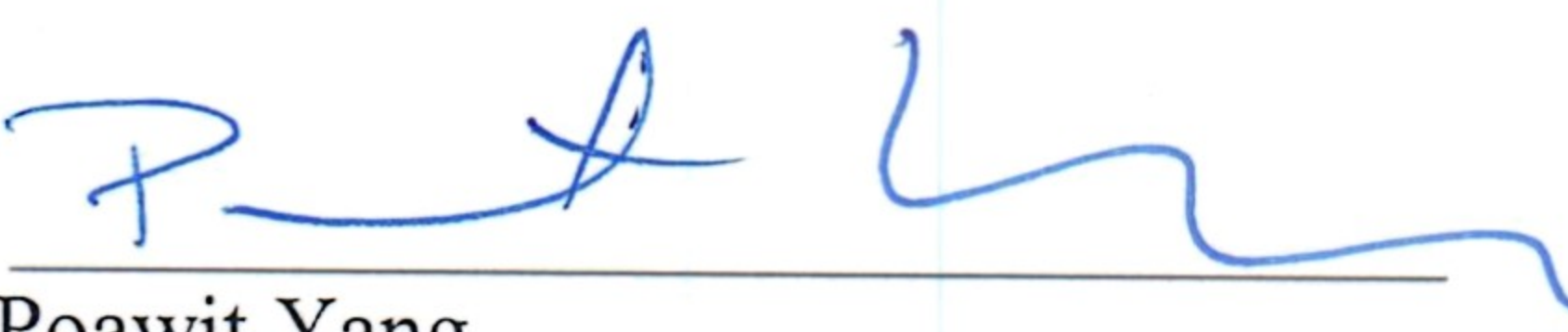
The undersigned, the Chief Financial Officer of the Minnesota Office of Higher Education (the Issuer) hereby certifies to U.S. Bank National Association, a national banking association (The Dissemination Agent) with reference to the Continuing Disclosure Agreement dated as of November 1, 2018, and the Continuing Disclosure Agreement dated as of March 1, 2020, in connection with the issuance of Minnesota Office of Higher Education General Indenture dated November 1, 2018, as amended and supplemented (the "Bonds"), that:

- (a) A complete audit report and opinion of an Accountant and the financial statements of the Issuer for fiscal year ending June 30, 2022, containing balance sheets and a statement of operations, changes in fund balance and cash flows as of the end of such fiscal year of the Issuer, prepared in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board as modified in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota Law, is accurate and complete in all material respects to the best of my knowledge.
- (b) The following unaudited information is accurate and complete in all material respects to the best of my knowledge:
  - (1) Information regarding the principal amount of outstanding bonds of the Issuer as of the end of the most recent Fiscal Year, the operating budget of the Issuer for the current fiscal year and the Loan Capital Fund for the most recent fiscal year of the type contained under the caption "Minnesota Office of Higher Education - Financial Information" in the Official Statement.
  - (2) Information for the most recent fiscal year regarding loan loss, recovery experience and borrower delinquencies with respect to SELF V loans of the type contained under the caption "The Supplemental Student Loan Program—SELF II through SELF IV and SELF V Loans"
  - (3) Information regarding the Student Loans of the type contained under the caption "THE STUDENT LOANS" in the Official Statement.



IN WITNESS WHEREOF, the Issuer has executed and delivered this Continuing Disclosure Certificate as of the 28th day of October, 2022.

MINNESOTA OFFICE OF  
HIGHER EDUCATION

By:   
Poawit Yang  
Chief Financial Officer



**Minnesota Office of Higher Education - Financial Information**  
**Fiscal Year Ending June 30, 2021**

*Prior Financing Activities.* MHECB, MHESO and the Issuer have issued \$2.51 billion in aggregate principal amount of revenue bonds under its various loan programs since 1973, over one third relating to the previous lending activities under the federal guaranteed student loan program (the “GSL Program”). MHECB discontinued originating loans under the GSL Program in 1988, and as of June 30, 2016, there were no outstanding GSL Program loans in its Loan Capital Fund.

Approximately \$1.91 billion of the revenue bonds previously issued by MHECB, MHESO, and the Issuer are related to the supplemental student loan programs. Of this amount, four series of bonds aggregating \$436.42 million in principal amount remained outstanding as of June 30, 2022.

The Issuer is authorized to have outstanding an aggregate \$850 million of revenue bonds, exclusive of refunded and defeased bonds, under current State law. Neither bonds issued by the Issuer, nor bonds previously issued by MHECB or MHESO, constitute debt of the State.

*Operating Budget.* As of September 30, 2022, the Agency’s 2021-2022 operating budget, exclusive of its supplemental student loan programs, is \$278,530,117, of which it is anticipated \$7,556,951 will come from federal appropriations, \$260,247,048 from State appropriations, and \$10,726,117 from miscellaneous special appropriations. None of these funds are available for use in the Supplemental Student Loan Program or any other student loan programs. None of these funds are available for the payment of the outstanding bonds referenced above.

*General Financial Information.* The Loan Capital Fund (“LCF”), which is maintained as an Enterprise Fund of the Agency, is the funding source for the Agency’s student loan activities, both present and future. Certain summary financial information for the LCF for the past three years is presented in the table below. The Agency anticipates using money in the LCF to pay certain Program Expenses and costs of issuance, and, under certain circumstances, money and loans in the Loan Capital Fund that qualify as Student Loans pursuant to the terms in the Indenture to replace or repurchase Defaulted Student Loans. The LCF is not pledged to pay bonds in any indenture.

**SUMMARY FINANCIAL DATA FOR THE LOAN CAPITAL FUND**

	Fiscal Year Ended June 30,		
	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total assets	\$984,764,402	\$1,039,527,969	\$1,035,413,692
Total cash and investments	256,819,834	234,703,806	250,106,895
Total loans outstanding, less allowance for loss	422,812,355	442,083,555	469,551,902
Allowance for loan losses	6,878,227	7,192,933	7,636,280
Total revenues	19,366,699	15,150,789	25,763,853
Total expenses	<u>11,905,551</u>	<u>10,137,151</u>	<u>15,739,078</u>
Excess of revenues over expenses	7,461,148	5,013,638	10,024,775
Total fund balance	\$543,445,018	\$535,983,870	\$530,970,232



## THE SUPPLEMENTAL STUDENT LOAN PROGRAM

### SELF Program Overview

Background. MHECB, MHESO, and subsequently the Issuer were authorized by the State Legislature in 1983 to establish and supervise loan programs other than the GSL Program. MHECB began originating supplemental loans in June of 1985 under the first phase of its Student Educational Loan Fund Program ("SELF I") and completed originations under SELF I in September of 1988. At that time MHECB began originating loans under the second phase of its Student Educational Loan Fund Program ("SELF II"). In May 2002, MHESO established the third phase of its SELF Program ("SELF III") and in July 2006 the Issuer established its fourth phase of the SELF Program ("SELF IV"). SELF I through SELF IV Loans are all variable rate loans. The Issuer began offering fixed rate and variable rate loans under the fifth phase of its SELF Program ("SELF V") in October 2010. Currently, all Student Loans originated by the Issuer are made pursuant to the SELF V and SELF VI. SELF VI began in April 2022. In January 2016 the Issuer also began offering refinancing of student loans under the SELF Refi program.

Together, MHECB, MHESO, and the Agency have originated approximately \$2.50 billion of loans under the SELF I, SELF II, SELF III, SELF IV, SELF V, SELF VI, and SELF Refi Programs through June 30, 2022. The following table shows the outstanding principal balance of SELF I, SELF II, SELF III, SELF IV, SELF V, SELF VI and SELF Refi loans at the dates indicated:

(\$ in Thousands)

<u>As of June</u> <u>30,</u>	<u>SELF I</u>	<u>SELF II</u>	<u>SELF III</u>	<u>SELF IV</u>	<u>SELF V</u>	<u>SELF VI</u>	<u>SELF Refi</u>	<u>Total</u>
2022	\$0	\$0	\$22	\$31,925	\$386,573	\$634	\$10,538	\$429,692
2021	\$0	\$0	\$43	\$47,282	\$388,719		\$13,232	\$449,276
2020	\$0	\$0	\$209	\$69,622	\$390,516		\$16,841	\$477,188
2019	\$0	\$0	\$1,316	\$99,872	\$378,091		\$21,097	\$500,376
2018	\$0	\$0	\$4,797	\$136,924	\$354,589		\$24,807	\$521,118
2017	\$0	\$3	\$12,268	\$180,785	\$325,548		\$26,724	\$545,328
2016	\$0	\$190	\$25,577	\$230,511	\$289,224		\$22,291	\$567,793
2015	\$0	\$1,023	\$46,470	\$283,410	\$247,566			\$578,469
2014	\$0	\$3,436	\$75,535	\$336,763	\$210,063			\$625,797
2013	\$0	\$8,756	\$111,093	\$386,486	\$163,001			\$669,336
2012	\$0	\$18,366	\$152,156	\$434,126	\$102,610			\$707,258
2011	\$0	\$34,138	\$195,824	\$475,124	\$21,568			\$726,754
2010	\$0	\$56,037	\$240,259	\$446,156				\$742,452
2009	\$0	\$83,012	\$283,864	\$353,916				\$720,792
2008	\$0	\$114,250	\$328,321	\$248,630				\$691,201
2007	\$0	\$151,527	\$375,487	\$120,613				\$647,627
2006	\$0	\$194,312	\$412,123					\$606,435
2005	\$0	\$240,387	\$322,308					\$562,695
2004	\$0	\$284,895	\$205,913					\$490,808
2003	\$2	\$330,223	\$99,346					\$429,571
2002	\$9	\$369,839	\$1,524					\$371,372
2001	\$32	\$314,508						\$314,540
2000	\$198	\$260,922						\$261,120
1999	\$849	\$209,876						\$210,725
1998	\$2,962	\$172,788						\$175,750
1997	\$4,093	\$168,812						\$172,905



The Agency (and previously MHECB and MHESO), finances the origination of SELF loans with the proceeds of revenue bond issues and amounts available in the Loan Capital Fund. Although the Agency receives State and Federal appropriations, the SELF program is designed to be self-sustaining, and such appropriations are neither available for use in the SELF Program nor available for the payment of principal and interest on any of the associated revenue bonds.

#### **Loss and Delinquency Experience for the Student Loan Portfolio**

The tables that follow set forth, with regard to SELF II, SELF III, SELF IV, SELF V, and SELF VI loans, loan loss and recovery experience, shown on an annual basis for the fiscal years ended June 30, 2015 through 2022, and borrower delinquencies, shown on a quarterly basis for quarters ending June 2021 through June 2022. There can be no assurance, however, that the loss or delinquency experience for the Program in the future will be similar to the historical experience set forth below.



## SELF I, SELF II, SELF III, SELF IV, SELF V, SELF VI and SELF Refi Programs

### Loss Experience for the Student Loan Portfolio

	12 Months Ended June 30, 2022	12 Months Ended June 30, 2021	12 Months Ended June 30, 2020	12 Months Ended June 30, 2019	12 Months Ended June 30, 2018	12 Months Ended June 30, 2017	12 Months Ended June 30, 2016	12 Months Ended June 30, 2015
Average Receivables Outstanding**	\$443,898,323	\$467,696,267	\$495,009,950	\$515,891,647	\$521,123,504	\$562,944,531	\$573,706,586	\$605,044,661
Gross Losses	\$4,864,679	\$2,103,938	\$3,687,138	\$4,115,647	\$4,834,897	\$4,277,024	\$5,684,844	\$5,627,055
Recoveries	<u>4,965,033</u>	<u>4,582,994</u>	<u>5,507,900</u>	<u>5,999,490</u>	<u>6,388,293</u>	<u>6,297,174</u>	<u>6,446,963</u>	<u>6,730,172</u>
Net Losses*	(100,353)	(2,479,056)	(1,820,762)	(1,883,843)	(1,553,396)	(2,020,150)	(762,119)	(1,103,117)
Net Losses as Percentage of Average Receivables Outstanding	0.00%*	0.00%*	0.00%*	0.00%*	0.00%*	0.00%*	0.00%*	0.00%*

\*Recoveries were greater than gross losses for the year.

\*\*Average Receivables Outstanding is the arithmetic average of receivables outstanding during the period indicated.



### Delinquencies for the SELF II, SELF III, SELF IV, and SELF VI Loans

(Dollars in Thousands)

	June 30, 2021		September 30, 2021		December 31, 2021		March 31, 2022		June 30, 2022	
Days Delinquent	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Current	\$45,690	96.5	\$53,671	96.6	\$49,385	96.9	\$45,152	97.3	\$41,118	96.9
15-29	643	1.4	845	1.5	646	1.2	596	1.3	516	1.2
30-44	509	1.1	454	0.8	490	1.0	337	0.7	380	0.9
45-59	149	0.3	225	0.4	105	0.2	129	0.3	186	0.4
60-89	197	0.4	246	0.4	204	0.4	129	0.3	187	0.4
90-119	83	0.2	81	0.2	80	0.2	56	0.1	45	0.1
120 and Over	<u>56</u>	<u>0.1</u>	<u>21</u>	<u>0.1</u>	<u>61</u>	<u>0.1</u>	<u>18</u>	<u>0.0</u>	<u>21</u>	<u>0.1</u>
Total	\$47,327	100%	\$55,543	100%	\$50,971	100%	\$46,417	100%	\$42,453	100%

### Delinquencies for the SELF V Loans

(Dollars in Thousands)

	June 30, 2021		September 30, 2021		December 31, 2021		March 31, 2022		June 30, 2022	
Days Delinquent	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Current	\$367,978	94.7	\$377,199	95.3	\$365,001	94.1	\$379,608	95.4	\$365,197	94.5
15-29	8,031	2.1	7,383	1.9	9,098	2.3	7,402	1.9	8,248	2.1
30-44	4,283	1.1	4,369	1.1	5,914	1.5	4,421	1.1	5,378	1.4
45-59	2,937	0.7	2,141	0.5	3,214	0.8	2,342	0.6	3,126	0.8
60-89	3,381	0.9	2,541	0.6	3,037	0.8	2,569	0.6	2,788	0.7
90-119	1,547	0.4	1,583	0.4	1,357	0.3	1,154	0.3	1,390	0.4
120 and Over	<u>584</u>	<u>0.1</u>	<u>665</u>	<u>0.2</u>	<u>640</u>	<u>0.2</u>	<u>434</u>	<u>0.1</u>	<u>503</u>	<u>0.1</u>
Total	\$388,741	100%	\$395,881	100%	\$388,261	100%	\$397,930	100%	\$386,630	100%



## THE STUDENT LOANS

The Student Loans pledged to the Trust Estate of the Series 2018 and Series 2020 Bonds are fixed-rate loans originated pursuant to SELF V. The following tables describe certain characteristics of The Student Loans pledged to the Trust Estate of the Series 2018 and Series 2020 Bonds as of June 30, 2022.

### Composition of the Student Loans As of June 30, 2022

Aggregate Outstanding Principal Balance	\$108,655,176.80
Total Number of Borrowers	9,021
Average Outstanding Principal Balance per Borrower	\$12,045
Total Number of Loans	13,876
Average Outstanding Principal Balance per Loan	\$7,830
Weighted Average Borrower Interest Rate <sup>(2)</sup>	5.79%
Weighted Average Remaining Term (months)	171.7
Weighted Average Interim Months <sup>(1)</sup>	13.6

<sup>(1)</sup> Average expected period during which the Student Loans will remain in School, Grace or Extended Grace status.

<sup>(2)</sup> All Interest rates are at 0% through 9/30/2020 to provide relief to borrowers affected by COVID-19

### Distribution of the Student Loans by Borrower Repayment Status As of June 30, 2022

Borrower Repayment Status	Number of Loans	Outstanding Balance in Thousands	Percent of Loans by Outstanding Balance
School <sup>(1)</sup>	3,213	\$33,723	31.0%
Grace or Extended Grace <sup>(1)</sup>	2,610	24,684	22.7%
Forbearance <sup>(2)</sup>	13	74	0.1%
Repayment <sup>(3)</sup>	<u>8,040</u>	<u>50,173</u>	<u>46.2%</u>
Total	13,876	\$108,655	100.0%

<sup>(1)</sup> Interest-only payments are required during School status, Grace status and Extended Grace status.

<sup>(2)</sup> No payments are required during Forbearance status.

<sup>(3)</sup> Principal and interest payments are required during Repayment status.



**Distribution of the Student Loans by Remaining Term to Scheduled Maturity**  
**As of June 30, 2022**

<b>Remaining Months Until Scheduled Maturity</b>	<b>Number of Loans</b>	<b>Outstanding Balance</b>	<b>Percent of Loans by Outstanding Balance</b>
0 to 24	407	\$306,602.56	0.3%
25 to 36	218	\$375,883.61	0.3%
37 to 48	265	\$546,314.80	0.5%
49 to 60	409	\$1,122,137.47	1.0%
61 to 72	584	\$1,889,061.04	1.7%
73 to 84	879	\$3,797,577.13	3.5%
85 to 96	989	\$4,696,459.64	4.3%
97 to 108	1,015	\$6,245,556.59	5.7%
109 to 120	1,680	\$12,878,576.91	11.9%
121 to 132	202	\$1,201,952.50	1.1%
133 to 144	448	\$2,924,751.57	2.7%
145 to 156	650	\$4,677,253.62	4.3%
157 to 168	830	\$7,018,931.71	6.5%
169 to 180	1,984	\$20,153,187.99	18.5%
181 to 192	74	\$655,534.14	0.6%
193 to 220	801	\$8,384,104.00	7.7%
<u>221 to 260</u>	<u>2,441</u>	<u>\$31,781,291.52</u>	<u>29.2%</u>
<b>Total</b>	<b>13,876</b>	<b>108,655,177</b>	<b>100.0%</b>

**Distribution of the Student Loans by Borrower Interest Rate**  
**As of June 30, 2022**

<b>Borrower Interest Rate</b>	<b>Number of Loans</b>	<b>Outstanding Balance</b>	<b>Percent of Loans by Outstanding Balance</b>
4.85%	1,502	\$20,188,393	18.6%
5.75%	3,696	\$32,489,192	29.9%
6.00%	6,315	\$48,482,009	44.6%
6.50%	233	\$1,110,094	1.0%
6.90%	147	\$432,518	0.4%
<u>7.25%</u>	<u>1,983</u>	<u>\$5,952,970</u>	<u>5.5%</u>
<b>Total</b>	<b>13,876</b>	<b>\$108,655,177</b>	<b>100.0%</b>



**Distribution of the Student Loans by Payment Delinquency Status**  
**As of June 30, 2022**

<b>Payment Delinquency</b>	<b>Number of Loans</b>	<b>Outstanding Balance</b>	<b>Percent of Loans by Outstanding Balance</b>
0 to 30 days	13,405	\$105,043,908	96.7%
31 to 60 days	297	2,418,428	2.2%
61 or more days	<u>174</u>	<u>1,192,841</u>	<u>1.1%</u>
<b>Total</b>	<b>13,876</b>	<b>108,655,177</b>	<b>100.0%</b>

**Distribution of the Student Loans by School Type**  
**As of June 30, 2022**

<b>School Type</b>	<b>Number of Loans</b>	<b>Outstanding Balance</b>	<b>Percent of Loans by Outstanding Balance</b>
Four-Year or Graduate <sup>(1)</sup>	12,347	\$100,673,680	92.7%
Two-Year <sup>(2)</sup>	1,218	\$6,804,513	6.3%
<u>Proprietary<sup>(3)</sup></u>	<u>311</u>	<u>\$1,176,983</u>	<u>1.1%</u>
<b>Total</b>	<b>13,876</b>	<b>\$108,655,177</b>	<b>100.0%</b>

<sup>(1)</sup> Includes 4-year public, private nonprofit and for-profit schools offering 4-year and/or graduate degrees.

<sup>(2)</sup> Includes 2-year public, private nonprofit and for-profit schools offering diplomas, certificates or 2-year degrees.

<sup>(3)</sup> Includes for-profit vocational schools that do not offer 2-year, 4-year or graduate degrees.

**Distribution of the Student Loans by Loan Principal Balance**  
**As of June 30, 2022**

<b>Loan Principal Balance</b>	<b>Number of Loans</b>	<b>Outstanding Balance</b>	<b>Percent of Loans by Outstanding Balance</b>
Less than \$500	279	\$72,555	0.1%
\$500 to \$999	407	\$315,620	0.3%
\$1,000 to \$1,999	1,040	\$1,624,061	1.5%
\$2,000 to \$2,999	1,203	\$3,037,559	2.8%
\$3,000 to \$3,999	1,189	\$4,181,049	3.8%
\$4,000 to \$5,999	2,290	\$11,481,404	10.6%
\$6,000 to \$7,999	1,815	\$12,712,159	11.7%
\$8,000 to \$9,999	1,578	\$14,532,409	13.4%
\$10,000 to \$14,999	2,316	\$28,798,988	26.5%
\$15,000 to \$19,999	1,653	\$29,764,350	27.4%
<u>\$20,000 to \$24,999</u>	<u>106</u>	<u>\$2,135,022</u>	<u>2.0%</u>
<b>Total</b>	<b>13,876</b>	<b>\$108,655,177</b>	<b>100.0%</b>



**Geographic Distribution of the Student Loans**  
**As of June 30, 2022**

<b>Geographic Location</b>	<b>Number of Loans</b>	<b>Outstanding Balance</b>	<b>Percent of Loans by Outstanding Balance*</b>
AK	7	\$36,803	0.0%
AL	1	\$1,944	0.0%
AR	1	\$1,272	0.0%
AZ	40	\$259,112	0.2%
CA	71	\$596,983	0.5%
CO	61	\$458,786	0.4%
CT	7	\$53,731	0.0%
DC	2	\$6,198	0.0%
DE	8	\$53,641	0.0%
FC	9	\$63,941	0.1%
FL	51	\$292,762	0.3%
GA	16	\$126,122	0.1%
HI	2	\$4,257	0.0%
IA	68	\$433,008	0.4%
ID	6	\$25,675	0.0%
IL	126	\$1,180,758	1.1%
IN	19	\$137,310	0.1%
KS	15	\$104,551	0.1%
KY	3	\$12,541	0.0%
LA	5	\$24,944	0.0%
MA	11	\$61,546	0.1%
MD	13	\$50,843	0.0%
ME	3	\$10,569	0.0%
MI	27	\$213,395	0.2%
MN	12,055	\$95,295,280	87.7%
MO	15	\$85,408	0.1%
MT	11	\$68,254	0.1%
NC	14	\$115,560	0.1%
ND	89	\$526,317	0.5%
NE	16	\$141,251	0.1%
NJ	6	\$85,614	0.1%
NM	2	\$26,052	0.0%
NV	10	\$42,105	0.0%
NY	12	\$121,062	0.1%
OH	7	\$40,769	0.0%
OK	3	\$13,165	0.0%
OR	23	\$196,569	0.2%
PA	11	\$80,524	0.1%
SC	8	\$63,025	0.1%
SD	92	\$708,867	0.7%
TN	19	\$117,987	0.1%
TX	60	\$422,984	0.4%
UT	8	\$86,170	0.1%
VA	8	\$43,003	0.0%
VT	4	\$11,740	0.0%
WA	20	\$93,814	0.1%
WI	803	\$6,016,498	5.5%
WV	3	\$20,352	0.0%
WY	5	\$22,116	0.0%
<b>Total</b>	<b>13,876</b>	<b>\$108,655,177</b>	<b>100.0%</b>



\* Less than 0.05%, but greater than 0.00%.

**Distribution of the Student Loans by Number of Months Since Origination<sup>(1)</sup>  
As of June 30, 2022**

<b>Number of Months Since Origination<sup>(1)</sup></b>	<b>Number of Loans</b>	<b>Outstanding Balance</b>	<b>Percent of Loans by Outstanding Balance</b>
13 to 24 months	1,419	\$19,735,977	18.2%
25 to 60 months	9,927	\$80,620,512	74.2%
61 to 72 months	199	\$1,014,916	0.9%
<u>More than 72 months</u>	<u>2,331</u>	<u>\$7,283,771</u>	<u>6.7%</u>
<b>Total</b>	<b>13,876</b>	<b>\$108,655,177</b>	<b>100.0%</b>

<sup>(1)</sup>Since SELF V Loans enter interest-only repayment immediately, the number of months since the loan origination date provides an estimate for the number of payments made.

**Distribution of the Student Loans by Cosigner FICO Score at Origination<sup>(1)</sup>  
As of June 30, 2022**

<b>Cosigner FICO Score at Origination<sup>(1)(2)</sup></b>	<b>Number of Loans</b>	<b>Outstanding Balance</b>	<b>Percent of Loans by Outstanding Balance</b>
No FICO	95	\$879,801.93	0.8%
Below 670	1,838	\$14,669,421.70	13.5%
670-699	1,899	\$14,837,691.71	13.7%
700-739	3,414	\$26,753,411.78	24.6%
<u>740-850</u>	<u>6,630</u>	<u>\$51,514,849.68</u>	<u>47.4%</u>
<b>Total</b>	<b>13,876</b>	<b>108,655,177</b>	<b>100.0%</b>

<sup>(1)</sup> Cosigner FICO Score is based upon the most recent SELF V Loan received.

<sup>(2)</sup> Using the midpoint of each FICO Score band, the dollar-weighted average FICO Score is 722.