

# Changing lives during changing times

A photograph of a middle-aged man with glasses and a friendly smile, wearing a green button-down shirt. He is standing in front of a large banner that features a scenic Vermont landscape with mountains and trees. The banner has white text that reads: "Our mission is to ensure that all Vermonters have the necessary financial and information resources to pursue their education goals beyond high school."

Our mission is to ensure that all Vermonters have the necessary financial and information resources to pursue their education goals beyond high school.

VSAC'S MISSION IS TO ENSURE THAT ALL VERMONTERS  
HAVE THE NECESSARY FINANCIAL AND INFORMATION RESOURCES  
TO PURSUE THEIR EDUCATION GOALS BEYOND HIGH SCHOOL.



## A message from VSAC's board chair and president

VSAC spent the past few years adapting to changes in our business model by cutting operating expenses and reducing staff positions through a combination of attrition and a voluntary separation offer. Although these measures were painful in some respects, we were determined to meet the challenge and, in the process, become a more efficient organization prepared to embrace new opportunities.

### **Following are a few examples of the ways in which we moved forward in FY12:**

- We were fortunate to receive renewed federal funding for our outreach programs for low-income and first-generation college-bound students. These mission-critical services help participating students achieve college continuation rates that exceed the average for all students.
- Through newly engineered programs, we continued to provide gift aid in the form of grants and scholarships to Vermonters who need this assistance to afford college. We were also successful in raising capital to fund competitively priced private loans for students seeking to supplement their federal borrowing.
- Although VSAC no longer makes new federal education loans, we continued to service our existing portfolio of federal and private loans and we proceeded with plans to become a servicer of federal loans starting in November 2012. Preparations have required complex changes to our security, technology, and staff training — new demands that our employees have tackled with enthusiasm and professionalism.

### **In addition to focusing on core priorities, VSAC in FY12 continued to support a variety of state and federal initiatives. Among them:**

- VSAC offered loan relief to borrowers adversely affected by Tropical Storm Irene, which devastated many areas of Vermont in the fall of 2011. We also provided temporary office space to 150 state employees who were among the many hundreds displaced from the flooded state office complex in Waterbury.
- We joined Vermont's congressional delegation in calling attention to issues affecting college access and affordability, in particular a planned increase in the interest rate on federally subsidized Stafford loans for students. VSAC supported a successful effort by U.S. House member Peter Welch of Vermont to prevent the increase from taking effect in July 2012.

### **As we look to the future, we take time in this FY12 annual report to salute two groups of people who are at the heart of VSAC's work:**

- First, we thank our employees who, despite the change and uncertainty of the last few years, remained committed to VSAC and its social mission. In an environment we characterized as “all hands on deck,” many employees had to work exceptionally hard and some had to acquire brand new skills. Our staff went above and beyond what was expected, and for that we are very grateful.
- Second, we honor our customers, whose life experiences and need for our services motivate and inspire us every day. In an era of cutbacks, we haven't been able to offer the same range and level of services as before, and at times this has been frustrating for both VSAC and our customers. However, we are committed to rebuilding the organization for a new era and doing everything we can to remain steadfast advocates for Vermont students and families.



Dorothy R. Mitchell  
VSAC Board Chair



Donald R. Vickers  
VSAC President & CEO

VSAC is a public, nonprofit corporation created by the Vermont Legislature in 1965 to help Vermonters plan and pay for education or training beyond high school.

VSAC administers Vermont's 529 college savings plan; outreach services to encourage low-income students to aspire to college; college and career planning services for all Vermonters; need-based state grants for full-time, part-time, and non-degree study; dozens of public and private scholarship programs; and private student loans.

We couldn't do it without our amazing staff, whose spirit and skills make VSAC who we are — a dedicated team working together to help change lives during changing times.



JOLENE

Jolene Garanzha  
Senior Specialist, Compliance  
VSAC employee since January 1995

STAFF PHOTOS BY JOHN LAZENBY

Jolene held several positions in VSAC's loan area before moving to the Compliance Department in 2005. When she is not exercising her left brain working with numbers and regulations, she is nurturing her right brain as an artist. She is regularly called upon for her talent, including when VSAC colleagues needed a banner for the annual dragon boat competition on Lake Champlain to benefit cancer research (see photo). She also donates her artwork to two charities in Illinois that auction the work to raise funds.

Jolene is inspired by VSAC's mission, by its role as a nonprofit, and by many of her co-workers — "people at all levels of the organization who are mission-minded and enjoy this work." She finds her work "mentally stimulating and creative," and enjoys being able to build new ways of organizing information.

"I am all about higher education and being a part of making it accessible to everyone. I see access to higher education as a key to improving our culture."

KYLE



Kyle Hartsfield  
Operations Coordinator for Account Services, Financial Aid Services Team  
VSAC employee since May 2005

Kyle worked as a loan analyst before assuming his current position at VSAC. He had been an English major in college, and jokes that it wasn't part of his plan to take a job that was so focused and dependent on technology. But he's glad he did, and believes the critical thinking and analytical skills he picked up in college helped him make the transition.

"I work on different projects, including the recent federal loan project – getting us ready, implementing the new servicing system, operational procedures. It's been really exciting. It's kind of overwhelming, because there are so many parts involved. We're a big team, and everybody's got their specialties.

"I really like the teamwork at VSAC," says Kyle. "More than anywhere else I've worked, people work together positively towards a goal, instead of competing against each other for personal achievement. To me, it's exciting. I really like that I'm constantly learning every day."



Sara Page  
Project Engineer, PC Construction

**Hometown:** Marlboro, VT  
**Current home:** Alexandria, VA  
**Graduated:** Vermont Technical College, Class of 2004  
**Major:** Construction Management

"In high school I didn't care for education, I didn't care for anything but the social aspect of going to school and getting out of the house. The idea of college was not in my mind. It wasn't feasible monetary-wise, support-wise, and grade-wise.

"To even get that ball rolling is a difficult process because you're nervous, you're scared, you think that if you have no support at home or you have no financial support, that there's no way that you could even touch that ball to get it moving. The first step would be just getting that one little ounce of courage and self-esteem and confidence to start it. And once you see the potential where you can go, it's an overwhelming feeling ... overwhelming ... just, being proud.

"There's no way I could have gotten to where I am without even taking the first step of going and signing up for college and getting through those hoops."

## Saving for College

VSAC has sponsored the **Vermont Higher Education Investment Plan, the state's 529 college savings plan**, since the program's creation in 1999. With asset and program management by TIAA-CREF, VHEIP offers six investment choices and state and federal tax benefits.

**As of June 30, 2012, VHEIP had assets of nearly \$171 million in 13,761 accounts.** The cumulative net growth of accounts in FY12 exceeded the national average. In the fall of 2011, the Morningstar investment rating service complimented the plan's strong performance, saying VHEIP "makes sense for Vermont residents" and "gets the job done."

## Outreach Services

In FY12, all four of VSAC's federal outreach grants were renewed following a competitive application process. This funding, augmented by VSAC's own resources, provides counseling and other assistance to students who are the first in their families to attend college and/or are from low-income households:

- **Talent Search**, dating to 1969, is VSAC's longest-running outreach grant and was renewed for five years at \$443,887 annually. **It served 1,100 middle school and high school students in FY12.**
- **GEAR UP**, VSAC's biggest outreach grant, also serves middle school and high school students. In addition, it supports activities and programs offered by schools and organizations that partner with VSAC to serve students. It was renewed for seven years at \$4.6 million annually. **In FY12, VSAC used this grant to assist 2,765 students directly and more than 5,000 students through partnership activities** with the Vermont State Colleges system, Vermont Department of Education, University of Vermont, Linking Learning to Life, Inc., Vermont Principals Association, the DREAM program, and the Vermont Center for Afterschool Excellence.

CUSTOMER PHOTOS BY MICHAEL SIPE

- **The College Access Challenge Grant (CACG)**, serving students statewide at schools and teen centers, was renewed for one year at \$1.5 million. **It served 7,729 students** in FY12 through the broad-based *Start Where You Are (SWYA)* college access program.
- **Educational Opportunity Center**, a program assisting adult learners, was renewed for five years at \$471,944 annually. **It served 2,012 adults in FY12.**

All Vermont students benefit in some fashion from services VSAC provides with the help of its federal grants and supplemental resources. Overall, VSAC in FY12 provided workshops or individual assistance to **10,873 middle school students** and **28,815 high school students**, as well as **3,996 career and education planning sessions for adults** in individual or group settings.

#### **VSAC's new GUIDE program**

(Giving Undergraduates Important Direction in their Education) helps first-year students adjust to college life in the hope that they will stay in school and complete their programs. By focusing on retention, GUIDE builds on the college aspiration and continuation work VSAC does prior to students' enrollment. Funded through the GEAR UP grant, GUIDE uses social media and campus events to enable VSAC staff to stay in touch with students and keep them on track to reach their goals.



**Lee Curtiss**  
**GEAR UP Program Associate,  
 Career & Education Outreach**  
 VSAC employee since July 2000

A steadfast part of the Outreach team, Lee enjoys the respect of her peers and managers for her caring and nurturing personality, her thoroughness and tenacity on the job, and her willingness to go above and beyond expectations. She notes that customers and the public expect a lot from VSAC, and, along with colleagues in her department, is striving to meet the challenge in the face of declining resources and fewer staff.

Lee values the opportunities VSAC has given her to “grow, learn, and be challenged for personal, professional, and program improvement.” She is inspired by VSAC’s “awesome mission,” colleagues she describes as “friendly, helpful, sincere, and highly motivated,” VSAC’s “great physical environment,” and the varied and meaningful work she gets to do.



#### **Steve Bassett (aka Stevie Beats)** **DJ & Music Blogger, Planet 96.7**

**Hometown:** Rutland, VT  
**Current home:** Colchester, VT  
**Graduated:** University of Vermont, Class of 2010  
**Major:** Psychology

“I never really thought about going to college because no one in my family had ever been, so it never really got brought up. Coming from a lower middle-class family, there wasn’t a lot of money readily available to me. And when I found out how much it was to attend college, it was a little overwhelming.

“The more I thought about college, the more I wanted to go because I wanted to get more out of my life. When I met a counselor, they told me that I had a lot of potential and that I was cut out for college, so that gave me confidence and made me say, ‘I can do this.’ It was reassuring to know that someone was there by my side that would help guide me through the process. I wouldn’t be in the position I am in today promoting artists and being a radio DJ without going to college.

**“Going to college shaped who I am today, it shaped the way I think about the world and how I interact with people.”**



LINDA

Linda Jaycox Thatcher  
Coordinator, Private Loan Origination &  
School Services, Financial Aid Services Team  
VSAC employee since August 1992

Linda is a familiar face at VSAC, having worked in several areas of the corporation over many years. She loves the people she works with and the “purpose of our work,” so it’s no surprise that she is often seen with a big smile on her face. In her current role, she deals with colleges that enroll students with VSAC loans. Some schools, particularly if they are out-of-state, call up expecting an adversarial experience, only to discover an amenable Linda on the other end of the line working to ensure a positive interaction.

“I love being an ambassador for VSAC and Vermont,” says Linda. “VSAC is unique, and when I talk with school representatives from other states, I am proud to hear their feedback that we’re doing a great thing for Vermonters – ‘taking care of our own,’ so-to-speak.”



Frank Baptiste  
Entrepreneur & Owner of Frankly Fitness

**Hometown:** Colchester, VT  
**Current home:** Queens, NY  
**Graduated:** Boston College, Class of 2006  
**Major:** Finance

“I always knew I was smart enough to go to college. So, in high school, I was ready to go to college. But as far as the thought of college and classes and professors, and the cost of education, it was all a bit overwhelming. The biggest obstacle was paying for it.

“So seeing my sister be accepted, go through the financial aid process, and find a way to make it work was really the first step, because it opened the door to unlimited possibilities and allowed me to focus on the school that was right for me, rather than ‘how can we pay for it.’ School totally changed my life and my perspective. And so right now, I am living the dream. I am doing what I love, with the people I want to work with, where I want, and, for the most part, when I want.

“My life went from being this big, and my world went from being this big, to being absolutely huge.”

## Career & College Planning

### Start Where You Are

VSAC’s *Start Where You Are* college access program, funded by CACG, offers resources for teens and for professionals who work with students on career planning. Key elements are an interactive Web site for teens ([startwhereyouarevt.org](http://startwhereyouarevt.org)), a roving “opportunisto” who gives motivational talks at schools and teen centers statewide, and a Web site for professionals ([startwhereyouarevtpro.org](http://startwhereyouarevtpro.org)).

In FY12, the upgraded SWYA teen site won two silver awards from the International Academy of the Visual Arts: a Davey Award in the teen category and a W3 award in the education category. VSAC also enhanced SWYA Pro, partnering with the Vermont Area Health Education Centers to add hundreds of new health education and career resources to the site. **In FY12, the two sites posted 8,782 and 1,477 visits, respectively.**

VSAC continued refining a SWYA Facebook app designed to help students define their goals for life after high school, track their progress, and get tips, reminders, and notifications of important dates.

### Presentations & Events

VSAC offers high school students and their families a continuum of events to assist with planning and paying for college:

- **College Pathways** is a free day of sessions for high school sophomores, juniors, and parents. To reach as many Vermonters as possible, and to give participants a taste of the campus experience, the event is hosted three times at colleges in different parts of the state. **In FY12, this event served 1,185 attendees.**

- Every fall, VSAC hosts **Paying for College presentations** so that families can learn about the types of financial aid available, how to apply, and ways that they can supplement aid to cover college expenses. In FY12, **VSAC hosted events at 69 high schools for 2,502 attendees.**
- In January every year, VSAC returns to high schools to assist families with completing financial aid forms. In FY12, **VSAC held 61 forms nights with 942 participants.**

VSAC also sponsors events and training for educators and financial aid professionals:

- **In FY12, more than 230 educators attended VSAC's annual career planning conference,** which focuses on career development trends, successful Vermont programs, and best practices in creating a career and college-going culture. Funded by our GEAR UP grant, the conference is held in collaboration with Vermont's Department of Education and Division of Vocational Rehabilitation.
- **Also funded by GEAR UP is the annual Parents, Educators, and Principals Conference,** which attracted 184 participants in FY12. This conference, co-sponsored by VSAC and several education and parenting groups, explores how to enhance student success through greater family and community engagement in schools.
- VSAC also offered its annual **financial aid training,** drawing 132 attendees. These sessions help school personnel and VSAC counselors understand changes and trends in financial aid policy so that they can better assist students and families with accessing available aid.



Miranda Roth  
**Customer Relations Supervisor,  
 Financial Aid Services Team**  
 VSAC employee since December 1998

Miranda has worked in the grant program, including as a financial aid advisor, and most recently in customer relations. "Paying for college is challenging," says Miranda. "I always want to help everyone, but with limited resources that's not always possible. I try to provide suggestions of resources a family may not have already thought of and/or encourage everyone to start planning and saving for college early."

Miranda currently works on training and documentation, including for VSAC's new federal loan servicing contract. "With new information, it's always exciting and challenging to determine the best way to present the information both in writing and in person so the learners are successful," she says. "I'm motivated knowing I have a role in this success."



**Liam Danaher**  
**Career Planning Counselor, VSAC**

**Hometown:** Brookfield, VT  
**Current home:** Burlington, VT  
**Graduated:** Saint Michael's College, Class of 2009  
**Major:** American Studies & Political Science

"In high school, I was unsure and it stayed that way for a long time and that is all right. I was not sure that I was college material and I was not sure that I was going to be able to afford it, even if I ended up getting in. The scariest part about college was figuring out how to pay for it.

"There are ways to pay for your education. You just have to take the first step and someone will meet you halfway. You need to take charge of your situation. If you are scared, that is okay. You are your greatest weapon and you need to use yourself and you need to maximize your potential, and that is what I did and that is what you can do, too. If you do not believe in yourself, how can you really expect anyone else to?"

**"My education has allowed me to look in the mirror and be proud of the person I see staring back at me."**

DIANNE

## Dianne Marks Griggs

**GEAR UP Manager, Career & Education Outreach**

VSAC employee since December 1994



Dianne has worked for VSAC's GEAR UP program or its predecessor, NEISP, since joining the organization. She works with students who are likely to be first in their families to attend college and whose households have modest incomes.

"Often, our parents are so busy and/or overwhelmed that they have a hard time attending our meetings and events," she notes. "We are working hard to develop systems that enable parents to get the information they need. Sometimes their own educational experiences were not positive, so the idea of coming to a meeting to discuss education — middle school, high school, or post-secondary — is not something they're comfortable doing.

"The majority of our families are new to the career/college planning and application processes and are often challenged by the 'alphabet-soup' that's so often used in education at all levels. They are also challenged by the overall academic expectations for their students as well as by the financial aid process. Add to that the impact, at a personal level, of their children leaving home and pursuing a higher education and it can be

rather overwhelming. We work closely with students and parents on these issues, but it is challenging to help them break through the many barriers to higher education, including the cost. We have the hard discussions related to college financing and, together, we work through that whole process.

"I love working for an organization committed to assisting people with the fulfillment of their educational aspirations," says Dianne. "Overall, I believe VSAC strives to create a healthy and satisfying work environment, and that's important to me. I want to work for, and with, people who value the work I do and care about me as an individual, and I believe VSAC does that. Working in CEO is a perfect fit for me. I am committed to the philosophy of college access for all and providing specialized services to those lower income Vermonters who need the most support and advocacy in their educational endeavors.

"Also, helping Vermont's schools create a culture of career and college preparedness is key so that Vermont youth know they have the option of higher education, if they choose it."



## College Financing

### Vermont Grants

**VSAC provided Vermonters with 13,920 need-based state grants worth \$20.5 million:**

- 9,190 awards, totaling \$16.3 million, for students enrolled full time
- 3,109 awards, totaling \$1.5 million, for students enrolled part time
- 1,621 awards, totaling \$2.7 million, for students pursuing non-degree courses

**VSAC also administered \$583,246 in Next Generation scholarships,** which are designed to supplement grant aid for students with the greatest financial need every year for a maximum of four years of college attendance:

- \$158,027 to 161 students in the fourth year of the program
- \$191,675 to 199 students in the third year of the program
- \$128,398 to 134 students in the second year of the program
- \$105,146 to 109 students in the first year of the program

Toward the end of the fiscal year, the Legislature approved an appropriation of \$19.6 million to cover VSAC-administered student aid for the 2012-13 academic year. This included a base appropriation of \$18.4 million for grants, \$1.1 million in Next Generation aid (covering mostly non-degree grants and Next Generation scholarships), and education assistance for members of the Vermont National Guard.

### Public & Private Scholarships

VSAC administered or assisted with 163 scholarships funded by public or private sources, disbursing **2,797 awards worth more than \$5.6 million** for students attending school during the 2011-12 academic year. In its second year offering an online option, VSAC received 93 percent of applications electronically for the 2012-13 academic year.



**Rosanne Nelson**  
Manager, Information Technology  
& Project Management  
VSAC employee since June 1988

Prior to serving in VSAC's ITPM department, Rosanne served as a loan officer, a financial aid counselor, and a manager in the grant program. Now, she says, "I don't deal directly with customers, but I help VSAC staff who work with our customers and partners. As the system manager for our (grant and scholarship) system, I try to ensure that the system runs smoothly so that VSAC staff have what they need to help our customers. I also play a similar role for the private loan origination and other systems."

Says Rosanne: "I enjoy the people I work with and I have a strong support system here at VSAC (see photo on back cover of Rosanne with other team members). I like the flexibility and variety my job provides me. It is challenging and allows me to use all my skills. I believe in VSAC's mission and I'm happy to help out any way I can. I get inspired when I'm able to help people."



**Jonathan Potter**  
IT Specialist, St. Johnsbury Academy

**Hometown:** Wheelock, VT  
**Current home:** Wheelock, VT  
**Graduated:** Champlain College, Class of 2011  
**Major:** Computer Information Technology

"When I was first starting off in high school I had no idea that I wanted to go to college. It was not something that was ever on my mind. People had started to suggest that I was really good at working with people and with computers. I could do it for a living, and that is what I loved. It was just the case of 'how do I get there?'"

"The other major obstacle was 'how do I pay for college.' There are people all around you — family members, teachers, friends, guidance counselors — to help you fill out the paperwork, come up with the money, and aim you into something that you love to do and learn. When I got to college, learning about computers seemed really natural to me. It wasn't just something that I had to do. It was fun.

**"You can get the education you want. You can have the things you love to do as your future career."**

ROBERT



Robert Walsh

Analyst, Research Department

VSAC employee since November 1990

Robert started at VSAC as a customer relations representative, worked in technical and data analysis, and moved to quality assurance before finding his latest home in VSAC's small research unit. He finds his current job interesting, enjoys the challenge of providing the most up-to-date and accurate research possible, and appreciates VSAC's commitment to its customers and its employees.

"I enjoy formulating research ideas, questions, and, hopefully, answers in the higher education field," he says. This work informs people in the higher education community, including those who influence policy decisions, and better enables them to institute policies that help students pursue their postsecondary goals."



Jessica LaPatta

Graphic Designer, Arlotta Multichannel Marketing

Hometown: Bellows Falls, VT

Current home: Bellows Falls, VT

Graduated: Art Institute of Boston, Class of 2008

Major: Graphic Design

"When I was in early high school, I wasn't sure if I was going to be able to afford college, and my head was kind of in a different place. I just wasn't mature enough yet. I didn't know much about it, about the application process, about all the things involved, and what it was going to be like. And I just didn't know where to start.

"One of the biggest obstacles was money, figuring out how I was going to finance it. It was just so daunting and it was for other people, not me. And I felt like 'I have the ability but not the means to go.' Regardless of your background, resources are available if you're a motivated, driven person who wants to go. There are people out there, organizations out there, that are able to give you funds and to give you guidance regarding the whole process from start to finish.

"You may think that there's no way to do it now, but you don't know unless you really look into it."

In addition, VSAC enhanced online features to include the ability to upload required attachments, such as essays, recommendation letters, and transcripts, as well as supplemental information of a personal nature.

VSAC created six new scholarships that will be available to students enrolling in the 2013-14 school year:

- **Mark Blucher Planning Scholarship**, recognizing Blucher's 39 years of service to the Rutland Regional Planning Commission and commitment to education. This scholarship is designed for Rutland County students seeking education or training related to the field of land use planning.
- **G. Jason and Marcia Vance Conway Memorial Scholarship**, in memory of a former VSAC staff member and her husband for their contributions to higher education. This scholarship aims to help students facing significant barriers to continuing their education.
- **Katie Currier Memorial Scholarship**, in memory of a young woman devoted to justice, acceptance, and unity. This assistance is earmarked for graduates of Essex High School who are involved in athletics and committed to the qualities Currier held dear.
- **Cecile Leduc Memorial Scholarship**, with funding to go to children or grandchildren of members in good standing of the Catholic Daughters of America, Court of St. Mary's.
- **Norman Leduc Memorial Scholarship**, for students living in Franklin and Grand Isle counties and exhibiting academic achievement, financial need, community service, and leadership.
- **Karen Quill Scholarship**, in memory of a nurse who was a union activist. Applicants must be seeking a nursing degree at a Vermont institution and be active members, or the children of active members, of the Vermont Federation of Nurses and Health Professionals Union.

## Federal & Private Education Loans

VSAC continued to service federal student and parent loans made prior to 2010, when the government switched to a system of direct lending, and also financed and serviced private loans for students. **VSAC's portfolio of federal and private loans, representing 84,123 borrowers, stood at nearly \$1.7 billion at the close of FY12.**

Borrowers with federal loans financed by VSAC saved \$5.6 million in FY12 through discounts and rebates on their loans. **The cumulative value of VSAC's borrower benefits stands at \$160 million** since FY95.

**VSAC provided \$19.7 million in fixed-rate private student loans** in FY12 (2011-12 academic year) through a tiered fee and interest rate structure that depended on the co-signer's credit rating and student's choice of payment plan. As the fiscal year drew to a close, VSAC prepared to issue \$20.6 million in new bonds to fund private loans for the 2012-13 academic year.

In the wake of Tropical Storm Irene, **VSAC provided 73 borrowers with disaster forbearances.** Most of these borrowers had either federal loans or a mix of federal and private loans, while a few had private loans exclusively.

**VSAC again achieved a low cohort default rate of 3.8 percent** for federal fiscal year 2010, the most recent year for which data are available. In addition, claims and collections staff exceeded their annual goal by more than \$6 million, with overall collections on defaulted loans totaling more than \$29 million. Revenues generated through collection efforts contribute to VSAC's ability to provide mission-critical services.



**Diane Messier**

**Programs Accountant, Finance**

VSAC employee since March 1997

**DIANE**

Diane has held a variety of accounting positions at VSAC during the last 15 years, cheerfully adapting to constantly changing federal and state requirements, regulations, and programs. "As my husband often says, 'Not everyone loves their job,' but I truly do," she says.

"I am inspired by the VSAC mission, the people I work for, and the people I work with," says Diane. "I am surrounded by people with positive, can-do attitudes." Coincidentally, those are the very same words colleagues use to describe Diane. She is known as being unflappable and able to handle whatever comes her way.



**Ann Kirz**

**Senior Manager, Human Resources**

VSAC employee since March 2000

**ANN**

Ann has held several positions in VSAC's loan area and, most recently, in Human Resources, the department that oversees employee recruitment and support. She enjoys the analytical aspects of her work, and takes seriously the need to be attentive to regulations, documentation, and data.

In a more whimsical vein, she can also be found helping to design fun activities that encourage employee wellness, participation in charity events, and use of the full range of VSAC benefits. In her spare time, Ann has trained to do voiceover work, and even provided the voice on one of VSAC's online presentations and on several of its radio ads. Her enthusiasm for the technical side of her work spills over into the personal: "I enjoy being in a role to truly help people and to be able to focus on how to help employees feel valued and positive about working for VSAC."

# MARTY



Marty Hinchman

Senior Analyst, Financial Aid Services Team

VSAC employee since January 1993

Marty, shown with daughter Michaela and son Joshua, has worked in several positions at VSAC: accounting, purchasing, and, most recently, reviewing applications for VSAC-administered student grants. She also spent a season as VSAC's "loaned executive" to the United Way of Chittenden County, a role she says she was honored to play. "I enjoy changing things up a bit, and, as VSAC has grown and modified, so have I," says Marty. "When my previous position was eliminated, I was concerned that the resulting change might not work out as well as all the others. Thankfully, I was wrong. I find my job very rewarding."

Marty's story mirrors those of many first-generation students VSAC assists. "My father grew up in West Rutland, speaking English only during English class," she recalls. "In 8th grade, he left school to help support the family. Later, it was his goal to see all of his children graduate from college. College was never an option in our family — it was more of an assumption. My mother graduated from high school, but her parents did not believe in postsecondary education for girls. My parents saved money from the raspberries they sold to help pay for my college education. When I began college, VSAC was beginning to buy up the loans held by local banks. Our experience working with VSAC was wonderful. The federally subsidized loans and work-study made

it possible for me to attend college and graduate with only \$10,000 in debt. That is quite a miracle, especially in today's environment. As a first-generation college student, I did struggle with many phases of preparing for college. Thanks to VSAC, many first-generation students now receive guidance to fill the gaps at home in understanding what needs to happen in preparation for college. These are a few reasons why I work at VSAC."

Marty is a big fan of the non-degree grants VSAC administers, for adult learners and for recent high school grads alike, because they are especially helpful in an environment of rising costs and limited resources. She notes: "These grants provide the option to learn skills and improve employability without incurring the amount of debt required to attend college. Once working, recipients can decide what they like to do and get the further education needed at a more affordable cost."

Marty is very moved by customers with whom she interacts, including some whose lives were turned upside-down by Tropical Storm Irene last year. "I think it is one of the biggest struggles for Vermonters right now — choosing to send their kids to college or fix their homes," she says. On the plus side, "Who else gets to give away money at their job? Of course, I love it!"

	2012	2011*
<b>Statement of Net Position (in thousands)</b>		
<b>Assets</b>		
Cash and investments	\$ 333,862	\$ 234,881
Education loans receivable (plus interest)	1,655,388	1,891,875
Other assets	20,500	20,803
Total assets	<u>\$2,009,750</u>	<u>\$2,147,559</u>
<b>Liabilities</b>		
Bonds and notes payable (plus interest)	\$1,820,946	\$1,965,975
U.S. Treasury rebates payable	22,663	21,558
Other liabilities	11,194	13,668
Total liabilities	<u>1,854,803</u>	<u>2,001,201</u>
<b>Net Position</b>		
Restricted	113,884	106,055
Unrestricted	40,386	39,289
Net investment in capital assets	677	1,014
Total net position	<u>154,947</u>	<u>146,358</u>
Total liabilities and net position	<u>\$2,009,750</u>	<u>\$2,147,559</u>

**Statement of Revenues and Expenses (in thousands)**

**Revenues**

Interest earned from education loan financing	\$ 67,300	\$ 73,577
Other loan and guarantee program revenues	6,941	5,363
Investment interest	458	453
Vermont state appropriations	19,623	21,341
Federal grants	6,378	6,011
Scholarship and gift revenue	3,770	3,682
Other income	454	4,750
Total operating revenues	<u>104,924</u>	<u>115,177</u>

**Expenses**

Student aid	26,053	25,053
Interest rebated to borrowers	5,642	6,283
Interest on debt	11,963	15,939
Other loan financing costs	29,730	29,408
Corporate operating expenses and depreciation	27,828	33,405
Total expenses	<u>101,216</u>	<u>110,088</u>
Excess of operating revenues over operating expenses	3,708	5,089
Gains on early bond retirement	4,881	17,101
Excess of revenues over expenses	8,589	22,190
Total net position at the beginning of the year	<u>146,358</u>	<u>124,168</u>
Total net position at the end of the year	<u>\$ 154,947</u>	<u>\$ 146,358</u>

A complete set of financial statements as audited by an independent public accounting firm is available on VSAC's Web site or by request.

\*Restated due to implementation of accounting changes required by Governmental Accounting Standards Board. See Note 2 to 6/30/2012 audited financial statements for a complete explanation.

Rosanne Nelson, seated at left, with Information Technology & Project Management teammates (left to right) Darcy Rothman, Kelly Nolan, Laura Hatin (seated), Joanne de la Bruere, and Janice Rousselle.



### **VSAC Executive Committee**

Donald Vickers, *President & CEO*

Scott Giles, *Vice President, Operations, Social Marketing & Strategy*

Tom Little, *Vice President & General Counsel*

Mike Stuart, *Vice President & Chief Financial Officer*

### **VSAC Staff Directors**

Wanda Arce, *Research*

Donna Austin-Hawley, *Human Resources*

Marilyn Cargill, *Financial Aid Services Team*

Joe Gallagher, *Claims & Collections*

Bruce Hicken, *Finance/Controller*

Patrick Leduc, *Information Technology & Project Management*

Jaye O'Connell, *Compliance*

Laurie M. Oliver, *Internal Audit & Risk Management*

Irene Racz, *Public Affairs*

Linda Shiller, *Career & Education Outreach*

Deborah Unica, *Social Marketing & VHEIP*

### **VSAC Board of Directors**

Dorothy R. Mitchell, *Chair*

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Pamela A. Chisholm

David R. Coates

Virginia Cole-Levesque

Sen. Ann E. Cummings

Katharine B. Hutchinson

G. Dennis O'Brien

Elizabeth "Beth" Pearce, *State Treasurer*

Michael K. Smith



### **Vermont Student Assistance Corporation**

10 East Allen Street, PO Box 2000, Winooski, VT 05404

Toll-free **800-642-3177** In the Burlington area **655-9602**

Visit us online at **[www.vvac.org](http://www.vvac.org)** E-mail us at **[info@vsac.org](mailto:info@vsac.org)**

Find us on Facebook at **[www.facebook.com/VermontStudentAssistanceCorporation](http://www.facebook.com/VermontStudentAssistanceCorporation)**

VSAC does not discriminate in employment or the provision of services on the basis of race, color, religion, national origin, sex, sexual orientation, gender identity, ancestry, place of birth, age, veteran status, disability, or any other legally protected status. Please contact VSAC at 800-642-3177 or 655-9602 in the Burlington area (TDD for hearing impaired, 800-281-3341 or 654-3766) if auxiliary aids or services are needed for application or participation in VSAC services.