

# Minutes

## VSAC Finance Committee Meeting

Friday, September 12, 2014

2:00 p.m.

Board Room, VSAC Offices

10 East Allen Street

Winooski, Vermont

### Attendance:

Committee Members Present: Michael Smith (Chair), Beth Pearce, Virginia Cole-Levesque, and David Coates

Other Board Members Present: Dodie Mitchell

Committee Members Absent: None

Staff: Scott Giles, Mike Stuart, Tom Little, Marilyn Cargill, Patrick Leduc, Bruce Hicken, and Kristi Rocheleau

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The meeting was called to order at 2:08 p.m. A quorum was declared present, and the Committee proceeded to take up the first item of business.

### 1. Approval of Minutes

*Upon a motion made by Beth Pearce and seconded by Virginia Cole-Levesque, the Committee voted unanimously to approve the minutes of the Committee meetings of May 19, 2014, as presented.*

### 2. President's Report & Federal Loan Servicing

*Upon a motion made by Virginia Cole-Levesque and seconded by Beth Pearce, the Committee voted unanimously to enter executive session at 2:11 p.m. in order to consider pending or threatened litigation; and sensitive, ongoing contract negotiations. Premature knowledge of any of these matters would clearly place VSAC at a substantial disadvantage. The executive session is also needed in order to obtain confidential advice from legal counsel. The VSAC Executive Committee members are requested to remain in the room, as they have information needed for the executive session.*

The Committee exited executive session at 3:10 p.m.

### 3. FY14 Financial Information

Mike Stuart reported on the FY14 Financial Statements, Variance Analysis, Operating Budget, Cash and Investment Summary, and Annual Financial Audit Update summary reports for Fiscal Year 2014, noting nothing new or unexpected. The location of a new

accounting item on the Balance Sheet was discussed as the actual location is different between FY13 and FY14. There was additional discussion of the FY14 operating budget noting that spending came in \$2.25 million below budget.

**4. FY15 Financial Information**

Mike Stuart reviewed the financial statements through July 31, 2014, and updated the committee on unbudgeted legal fees, additional building lease revenues, and federal loan servicing revenue assumptions.

**5. Non-Federal Loan Update**

The Strategic Plan assumed 3% annual growth in the Vermont Advantage loan volume. This year VSAC is seeing 8% growth in loan volume and a 2-3% increase in the number of applications.

Mike Stuart updated the Committee on VSAC's pursuit for permission to offer parent loans financed using tax-exempt private activity bonds. The VSAC Executive Committee will keep the Committee apprised of developments.

**6. Other Business**

Tom Little informed the Committee that a Request for Proposal process is under way for the Vermont Higher Education Investment Program (VHEIP). The Committee will be asked to review the proposals this winter.

There being no other business, the meeting adjourned at 3:40 p.m.

Respectfully submitted,

Michael Stuart, Assistant Secretary