

VSAC Board of Directors Meeting

December 7, 2015

1:00 p.m.

Board Room, VSAC
10 East Allen Street
Winooski, Vermont 05404

Members Present:

Dodie Mitchell (chair)	Dave Larsen
Pam Chisholm	Sarah Buxton
Ann Cummings	Martha Heath
Katharine Hutchinson	Michael Smith
Dennis O'Brien	Steve Wisloski,
David Coates	Designee for State Treasurer Beth Pearce

Members Absent: NA

Staff Members Present:

Scott Giles	Marilyn Cargill
Tom Little	Patrick Leduc
Mike Stuart	Kristi Rocheleau

Chair Dodie Mitchell called the meeting to order at 9:05 a.m. and welcomed Board members. A quorum of Directors was present, and the meeting, having been duly convened, was ready to proceed with business.

Approval of Minutes

Upon a motion made by David Coates and seconded by Michael Smith, the Directors voted unanimously to approve the meeting minutes of October 5, 2015, as presented.

Chair's Report

Dodie Mitchell framed the meeting focus and provided housekeeping updates. The Directors will delay the conversation of the mission review until June, given the full work plans each Committee has developed.

President's Report

Scott Giles summarized the previously distributed President's Report and responded to Board Member questions. The report included an update on the Direct Loan servicing, private loan updates, VHEIP, Gubernatorial outreach, performance-based funding, and a community update.

In addition, Scott outlined the plan for training Committee members on the board portal tool prior to the January meetings, with the goal of a full launch by the February meeting.

Committee Reports

Finance Committee

Chair Michael Smith reported on the November 23, 2015, Finance Committee meeting, referring Directors to the meeting record. Highlights included the recent amendments to the Telephone Communications Protections Act (TCPA) that now allows VSAC to contact federal loan borrowers via cell phone to counsel them on repayment plans that meet their needs; the Vermont Scholarship Fund discussion and agreement to investigate the feasibility of moving to an index-fund strategy and away from active fund management, given the relatively small fund size and the lower investment management fees; and the good standing of the FY16 financial information, primarily as a result of healthcare and salaries running below projections.

Governance Committee

Chair Dave Larsen advised that the Governance Committee continues to focus current work based on the recommendations from the June 2015 board self-evaluation. The Committee's November 23 meeting focused on developing Board recruitment and leadership strategies that strike a balance between structure and flexibility. The Committee also addressed purpose and scope for the board manual, and the role the Committee plays for risk assessment. The Committee will continue to review these topics at the January meeting.

Human Resources Committee

Chair Dennis O'Brien recapped the meeting record of November 23, during which the Committee reviewed staffing demographics and annual meeting results, and discussed healthcare benefits and risks assigned to the Committee. Dennis also noted that the Committee entered executive session in order to hear about confidential personnel matters, an activity that the Human Resources Committee requests from time to time in order to keep a pulse on personnel matters.

Programs & Services Committee

Martha Heath shared the flipped agenda approach of the November 23 Programs & Services Committee meeting to allow more time to address the work plan items. Martha then disclosed the Committee's agreement to accept management's recommendation to adjust mid-year funding levels for FY16 because applications are down, despite the work to partner with Vermont colleges and encourage students to apply. The Board then discussed the resolution put forward:

Resolved, that the Board of Directors increase full-time incentive grant levels by \$300 for both fall and spring awards for all full-time recipients, effective mid-December 2015.

And it is further

Resolved, that part-time grant award spending will increase slightly, by roughly \$100,000, since the part-time level is tied to the full-time level.

Upon a motion made by Dave Larsen and seconded by Katharine Hutchinson, the VSAC Board of Directors voted unanimously to approve the resolution, as recommended by the Programs & Services Committee.

At its November meeting, the Committee also reviewed four policies. The Committee voted to discontinue three of the policies, and approve the amended Appeals Process policy.

Upon a motion made by Martha Heath and seconded by Dennis O'Brien, the VSAC Board of Directors voted unanimously to approve the amended Appeals Policy, and to discontinue the Request for Consideration, Social Security Pass Program, and Supplemental Information Form.

Martha then invited Tom to share more background on the Universal Child Savings Account program, and Scott on the Federal Student Aid's announcement to begin using prior-prior tax information on the FAFSA. The Executive Management team addressed questions relating to the effect of these two programs on future operations.

Vermont Student Development Fund, INC. (VSDF)

Tom Little announced that the VSDF Board of Directors needs to act on the officer elections, and therefore requested that the VSAC Board of Directors recess and enter the meeting as Vermont Development Student Fund, Inc. (VDSF). Dodie Mitchell recommended a recess.

Upon a motion made by Martha Heath and seconded by Dave Larsen, the Board voted unanimously to recess from the VSAC Board of Directors meeting and convene as Vermont Student Development Fund, Inc. at 2:28 p.m. in order to consider the election of officers.

Dodie Mitchell convened the Vermont Student Development Fund, Inc. (VSDF) Board meeting and Tom Little led a discussion on the election of officers.

Upon a motion made by Michael Smith and seconded by Ann Cummings, the Board voted unanimously to elect Vermont Student Development Fund, Inc. Corporate Officers and Board Officers as follows:

VSDF Board Officers

Dorothy Mitchell, Chair
Martha Heath, Vice Chair
David Larsen, Secretary

VSDF corporate officers:

Scott A. Giles, President/CEO
Thomas A. Little, Assistant Secretary
Michael R. Stuart, Assistant Secretary

Marilyn Cargill, Assistant Secretary
Patrick Leduc, Assistant Secretary

Tom shared that the February meeting would include a review of some VSDF scholarship compliance provisions. There being no other business:

Upon a motion made by Michael Smith and seconded by Martha Heath, the Board voted unanimously to adjourn from the Vermont Student Development Fund, Inc. Board meeting and reconvene as Vermont Student Assistance Corp. Board of Directors meeting at 2:39 p.m.

Other Business:

Tom Little reminded Directors to complete the annual conflict of interest disclosures e-mailed the prior week.

Meeting Review

The Board of Directors and Scott Giles met to review the meeting. Patrick Leduc, Mike Stuart, Marilyn Cargill, Tom Little, and Kristi Rocheleau exited the meeting.

Other Business & Adjournment

There being no other business, the meeting adjourned at 3:03 p.m.

Respectfully submitted,

David Larsen, Secretary