

VSAC Board of Directors Meeting

February 8, 2016

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	Beth Pearce
Dennis O'Brien	David Coates

Members Absent: Mike Smith

Staff Members Present:

Scott Giles	Patrick Leduc
Tom Little	Kristi Rocheleau
Bruce Hicken	

Chair Dodie Mitchell called the meeting to order at 1:04 p.m. and a roll call verified a quorum of Directors was present.

Approval of Minutes

Upon a motion made by David Coates and seconded by Martha Heath, the Directors voted unanimously to approve the meeting minutes of December 7, 2015, as presented.

Chair's Report

Dodie Mitchell delivered her Chair report and reminded Board Members of two upcoming events that board members are encouraged to attend: The Lumina Policy Academy scheduled for February 26 in Montpelier, and VSAC Day at the Vermont Statehouse scheduled for February 24.

President's Report

Scott Giles provided a synopsis of the President's Report previously distributed. Scott then expanded on the Lumina policy convening scheduled for February 26, sharing that VSAC has been asked to serve as the state entity to collect and monitor data. The proposal will be added as an agenda topic for upcoming committee meetings.

The Board then reviewed the topic of grant portability. Scott updated members about the current discussions, responded to questions, and reported that he would be testifying about the topic over the course of the next two weeks. Scott also shared the digital county map of videos submitted by grant recipients to capture the various reasons why people value the Vermont grant program and the portability option. Board Members communicated their appreciation for the map and video, and encouraged Scott to share the map with statehouse leaders.

Members then transitioned to the topic of Universal Child Savings Accounts. Concerning the Governor's proposal for funding CSA's, Scott conveyed three views currently being debated. Tom shared that the Universal Child Savings Account Advisory Committee continues to work through the details of the program while they wait to hear more about the funding strategy. Updates will be provided at upcoming committee and board meeting

Committee Reports

Audit

David Coates summarized the meeting of January 25, 2016, noting that the Internal Audit and Risk Management department remains highly effective. The Committee reviewed the work plan and recognized that the plan needs to remain flexible due to the extensive audit requirements of the federal loan servicing program. The Committee also noted the modification to the Internal Audit Charter to formally charge the Internal Audit and Risk Management with coordinating the risk management process. Scott advised the Board that the management team is in process of developing a risk review dashboard that will be shared with the audit committee, and then the full board. Beth Pearce shared that VEDA is also reviewing a dashboard, if Scott would like to review as an example. The Board then discussed pending projects noted on the audit plan.

Finance Committee

David Coates reported on the January 25 Finance Committee meeting, noting that the six-month review yielded good financial standing. The Committee also reviewed and recommended a passive management investment option for the Vermont Scholarship Fund. This recommendation will be incorporated into a revised investment policy and reviewed by the committee at a future meeting.

Human Resources Committee

Chair Dennis O'Brien recapped the meeting of January 11, 2016, which covered an ongoing review of the healthcare plan, a legislative update, the risk review of workplace safety, and a wellness program update. The next meeting will include further review of healthcare costs and the CEO evaluation process.

Programs & Services Committee

Chair Martha Heath directed members to the minutes of January 11, 2016. The Committee reviewed three policies as a part of the ongoing policy review. Martha provided background on the language changes designed to improve efficiencies to the Gift Aid Tolerance policy, and noted that the Committee does not recommend changes to the Residency Appeal and Application policies.

Upon a motion made by Sarah Buxton and seconded by Beth Pearce, the VSAC Board of Directors voted unanimously to approve the Gift Aid Tolerance policy as modified, and the Residency Appeal and Application Requirements policies, as is.

The Committee will continue to review the basic incentive grant proposal, dual enrollment participation, risk review, and policy review at the March meeting.

Vermont Student Development Fund, INC. (VSDF)

Dodie Mitchell recommended a recess from the VSAC Board of Directors in order to act on business for the VSDF.

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 2:19 p.m.

VSDF Minutes of the December 7, 2015, meeting are embedded within the December 7 VSAC Board of Directors meeting record, and therefore were approved in the above-mentioned Minutes motion.

Tom Little then provided background on the Vermont Scholarship Fund Board of Directors' obligation, under the terms of federal law HR-4, also known as the Pension Protection Act, to ensure that scholarship selection committee composition and procedures comply with the law as briefly outlined in the previously circulated materials. The proposed resolution authorizes staff to act on the Board's behalf in ensuring that scholarship selection committees are HR-4 compliant, and sets out the role of the donor or donor designees in the selection process. The resolution also requires all donor-advised selection committee members to sign a form addressing conflicts of interest, confidentiality, and adherence to HR-4 compliance procedures and policies.

Tom then outlined a second resolution, where the Board of Directors of the Vermont Scholarship Fund is required by law to ensure that scholarship selections are made using objective and non-discriminatory selection process.

Upon a motion made by Martha Heath, and seconded by David Coates, the Board of Directors voted unanimously to approve both resolutions, copies of which are attached to these Minutes.

There being no other business Vermont Student Development Fund, Inc. Board meeting adjourned, and the VSAC Board of Directors meeting reconvened at 2:29 p.m.

Other Business:

Upon a motion made by Martha Heath and seconded by David Coates, the Board voted unanimously to enter executive session at 2:30 p.m. in order to consider contractual matters for which premature public knowledge would clearly place VSAC at a

substantial disadvantage; and to obtain confidential and privileged advice from General Counsel. The following were requested to remain in the room, as they have information needed for the executive session: Scott Giles, Tom Little, and Patrick Leduc. 1 V.S.A. sec. 313 (a).

The Board exited the executive session at 3:27 p.m.

Meeting Review

The Board of Directors and Scott Giles met to review the meeting. Patrick Leduc, Tom Little, Bruce Hicken, and Kristi Rocheleau exited the meeting.

Other Business & Adjournment

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

Respectfully submitted,

David Larsen, Secretary