

## **Minutes**

### **VSAC Finance Committee Meeting**

**March 27, 2017**

**Board Room, VSAC Offices  
10 East Allen Street  
Winooski, Vermont**

#### **Attendance:**

Committee Members Present:	Michael K. Smith (Chair), Beth Pearce and David Coates
Other Board Members Present:	Dodie Mitchell
Staff:	Scott Giles, Mike Stuart, Tom Little, Marilyn Cargill, Patrick Leduc, and Kristi Rocheleau

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Mike Smith called the meeting to order at 2:01 p.m. A quorum was declared present, and the Committee proceeded to take up the first item of business.

#### **Approval of Minutes**

*Upon a motion made by David Coates and seconded by Beth Pearce, the Committee voted unanimously to approve the minutes of the Committee meeting of January 23, 2017, as presented.*

#### **FY17 Financial Statements**

Mike Stuart outlined the financials of February 28, 2017, covering the Income Statement, Balance Sheet, and Operating Budget reports. Overall, there was nothing unexpected since the January report, and the budget continues to run slightly below projections. Mike Stuart communicated the variances contributing to the lower budget, and noted that no contingency funds are expected to be utilized. There are no recommended changes to the Operating budget.

#### **Vanguard Performance**

The Committee then transitioned to the Vermont Scholarship Development Fund performance reports available through Vanguard. Mike Stuart conveyed that enough time has past since the transition for meaningful performance reports; he is clarifying two items on the reports related to the benchmark funds displayed. Bruce Hicken and Mike Stuart will continue to monitor the funds and rebalance as required by the Investment Policy.

#### **Private Loan Volume Update**

The Management team reported that the FY17 private loan volume continues to perform better than projected. The volume is leveling off as expected given the borrowing cycle, allowing the Finance team to more accurately analyze year-over-year targets.

#### **Student loan bond update**

Mike Stuart communicated that the Student Loan Bond sale will occur in early May. Rating agency assumptions are expected to be received in about three weeks. A recommended bond structure and applicable documents will be presented at a Special Meeting of the Finance Committee is required. This meeting is expected to align with the April Board of Directors meeting. Mike Stuart also shared that conversations with local funding sources are underway.

Relatedly, Scott Giles shared an update of a project underway to benchmark with peer organizations like VSAC on loan underwriting, servicing, and collections.

**Other Business**

In response to Committee questions regarding federal updates, Scott Giles reported that it does not appear that Treasury changes or tax reform will occur in the current year. VSAC continues to work with Vermont delegates and industry leaders to steer the effort.

Scott updated the Committee on the status of the FAFSA IRS Data Retrieval and the Vermont State appropriation conversations, and also welcomed the latest Board Member Matt Trieber.

There being no other business, the Committee adjourned at 3:12 p.m.

Respectfully submitted,

Michael Stuart, Assistant Secretary