

Minutes

VSAC Audit Committee Meeting

May 20, 2024

12:30 p.m. – 2:00 p.m.

Boardroom, VSAC Offices
10 East Allen Street
Winooski, Vermont 05404

Members Present: John McSoley (Chair), Mike Pieciak, Ryan Dulude, Mike Smith

Members Absent: N/A

Other Board Members Present: Dodie Mitchell

VSAC Staff Present: Scott Giles, Patrick Leduc, Tom Little, Laurie Oliver, Mike Stuart, Meghan Metzler, Brad Fallon

External Auditors Present: Jim Piotrowski, CPA, CGFM, Engagement Principal and Erin Byerly, CPA, Engagement Manager of CliftonLarsonAllen (CLA)

Chair John McSoley called the meeting to order at 1:00 p.m. With a quorum established, the Committee proceeded with the agenda.

Approval of Minutes

Upon a motion made by Mike Pieciak and seconded by Mike Smith, the Committee voted to approve the minutes of the January 22, 2024, Committee meeting, as presented.

Public Comment

There were no public comments given during the public comment period.

Introduction of New CFO

Scott introduced Meghan Metzler as the new CFO for VSAC who started on May 1st. Meghan provided a brief overview of her background and experience.

CLA Introduction and FY243 Audit Plan Presentation (CliftonLarsonAllen)

John McSoley welcomed the external auditors, Jim Piotrowski, CPA, CGFM and Erin Byerly, CPA, of CliftonLarsonAllen (CLA). Jim Piotrowski and Erin Byerly presented the previously distributed materials covering an introduction to CLA and the engagement team, the terms of engagement, audit scope, information technology, FFEL program transition, single audit update and the audit timeline.

The Committee discussed the materials and Jim Piotrowski and Erin Byerly responded to questions.

Jim Piotrowski and Erin Byerly exited the meeting at 1:03 p.m.

Information Security Risk

Patrick Leduc described the threats that are continuing to increase the risks to the security of information and data. He shared the types and volume of security risk we are experiencing, and the methods VSAC is actively engaged to prevent attacks, including staff training.

Internal Audit and Risk Management Status Report

Laurie Oliver reported that state examinations have been completed and final reports for VA, MN, and NY have been received. Findings from NY and MN reports were discussed. Laurie responded to questions from the Committee. Laurie introduced the NY requirement for new NY specific Board compliance training as a result of the NY exam. As the expectations for training are not defined in regulation, management will be evaluating the training expectations from each state and developing an approach to be delivered to the Board by February 2025. Laurie also shared that there have been changes to the *Global Internal Audit Standards* specific to governing the Internal Audit Function. These changes could impact the charters of VSAC's Internal Audit Department and the Board's Audit Committee. Laurie concluded by saying she will review the changes and report back to this committee.

Audit Committee Self-Evaluation

John McSoley noted this will be deferred until the September Committee meeting.

Internal Audit & Risk Management Annual Evaluation

John McSoley said that the evaluation information has been sent to Committee members who will complete the work in the next week.

Other Business & Adjournment

There being no other business, the Committee adjourned at 1:44 p.m.

Respectfully submitted,

Tom Little
Assistant Secretary