

VSAC Board of Directors Meeting

October 16, 2017

1:00 p.m.

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

Members Present: Dodie Mitchell (chair), Martha Heath, Dave Larsen, Pam Chisholm, Dennis O'Brien, Beth Pearce, David Coates, Chuck Soule, Ann Cummings, Michael Smith

Members Absent: Matt Trieber

Staff Members Present: Scott Giles, Tom Little, Marilyn Cargill, Mike Stuart, Patrick Leduc, and Kristi Rocheleau, Laurie Oliver, Kirsten Boehm, Sabina Haskell

Chair Dodie Mitchell called the meeting to order at 1:02 p.m., introduced new Board member Chuck Soule, and welcomed VSAC Director of Career & Education Outreach, Kirsten Boehm. 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 Martha Heath and seconded by David Coates, the Directors voted unanimously to approve the meeting minutes of June 14, 2017, as presented.

Chair's Report

Dodie said that she and Scott Giles were continuing to debrief from the June meeting and retreat and requested that the Board take time at the end of the meeting to share their input to help shape future meetings.

President's Report

Scott Giles briefed the Board and responded to questions about federal discussions regarding appropriations and budget topics potentially affecting GEAR UP programming, ongoing work with the Vermont delegation, and federal tax reform efforts.

Committee Reports

Audit Committee

Chair David Coates summarized the October 16, 2017 meeting, directing Board Members' attention to the materials previously distributed.

VSAC's financial statements and Uniform Guidance Report both received an unmodified opinion with no material weaknesses by external auditors, BerryDunn, who made their formal presentation of the statements and Report at the Committee meeting. David highlighted VSAC's change in methodology to the estimate of the loan loss allowance, particularly related to the private loans, and noted that the Committee voted unanimously to recommend that the Board of Directors accept the FY17 Audit Report and Uniform Guidance Report, as presented. There being no questions of Board Members, the following motion was made:

Upon a motion made by Martha Heath and seconded by Michael Smith, the Board voted unanimously to accept the external audit findings for the FY 2017 Financial Statements and the Uniform Guidance Report, as presented.

David Coates reported that the external auditors emphasized the excellent work done by the entire finance team in preparing the financial statements and preparing for and supporting the audit. Berry Dunn relayed that this preparation reduces the time and cost of the audit process and is among the best they see. David asked that Scott Giles relay the Board's appreciation to Bruce Hicken and the finance staff for their excellent work.

David Coates noted that the Form 990 was formally reviewed as part of the Committee's October 16 meeting, and that the Committee voted unanimously to approve the Form, as presented, for filing.

Per the Committee's request, Scott Giles and Patrick Leduc briefed the Board of Directors on the Cyber Security penetration testing activities conducted as part of the Internal Audit Plan. Scott noted that cyber security is an ongoing risk and will continue to be closely monitored by VSAC.

Governance Committee

Dave Larsen announced the appointment of Chuck Soule and the reappointment of David Coates for 6 year terms, and then briefed the Board on the meeting minutes of September 25, 2017. The Board discussed Board Leadership preparation and committee size and requested that VSAC Management initiate a conversation on these topics at a future meeting.

As a follow up to his Board of Directors memo notifying all members that the Governance Committee will be recommending the slate of Board officer candidates, Dave Larsen introduced the process taken for the current election. Pam Chisholm then led the discussion and vote on the election and appointment of officers.

Upon a motion made by Michael Smith and seconded by Beth Pearce, the Board voted unanimously to elect the following slate of Board officers and corporate officers.

***Dorothy Mitchell – Chair
Martha Heath – Vice Chair
David Larsen – Secretary
Scott A. Giles – President/CEO
Thomas A. Little – Assistant Secretary
Michael R. Stuart – Assistant Secretary
Marilyn Cargill – Assistant Secretary
Patrick Leduc – Assistant Secretary***

Tom Little then requested the signatures of the elected officers and corporate officers on an Incumbency Certificate that he circulated, and informed the Board that the December Board of Directors meeting will include elections for the Vermont Student Development Fund, Inc. officers.

Programs & Services Committee

Martha Heath summarized the September 25, 2017, meeting record, noting the continued focus on policy review. Board Members reviewed and discussed each policy background statement. The Committee recommended approval of the policy statements.

Upon a motion made by Martha Heath, and seconded by Beth Pearce, the Board of Directors voted unanimously to approve the Graduate Program, Full-time Student, and Citizenship/DACA/Dreamers grant policies, as presented.

Human Resources Committee

Chair Dennis O'Brien recapped the meeting of September 25, 2017, highlighting the current fiscal year 2018 Work Plan, review of Employee Morale and Retention and Knowledge Transfer risks, staffing demographics, and healthcare care review planning.

Finance Committee

Chair Michael Smith noted much of the September 25, 2017, Finance Committee meeting mirrored FY17 items reported out on during the Audit Committee Report, and the review of financial statements for FY18, noting nothing new or unexpected has occurred this early in the year.

As requested by Michael Smith, Mike Stuart briefed the Board on current private loan volume to date and future funding considerations.

FAFSA Completion Initiatives

Marilyn Cargill and Sabina Haskell presented the FAFSA Completion Initiative underway for the second year, outlining the goals, the campaigns to increase awareness, the incentives to encourage completion, and the partnership development. The Board then discussed parent involvement opportunities and metrics to measure success.

Other Business

Dodie Mitchell and Scott Giles led a conversation to collect input on retreat timing and future Board training topics. Dodie and Scott will incorporate feedback into future agenda and retreat planning.

Adjournment

There being no other business, the meeting adjourned at 3:50 p.m.

Respectfully submitted,

David Larsen, Secretary