

## **VSAC Audit Committee Minutes**

**May 20, 2019**

**2:00 p.m.**

**Board Room, VSAC Offices**

**10 East Allen Street**

**Winooski, VT**

### **Attendance**

Committee Members Present: David Coates (Chair), Michael Smith

Committee Members Absent: Beth Pearce

Other Board Members Present: Dodie Mitchell

Staff: Scott Giles, Mike Stuart, Tom Little, Marilyn Cargill, Laurie Oliver, Bruce Hicken, and Jodie Ducharme

External Auditors Present: Mark LaPrade, CPA, CGMA, BerryDunn

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The meeting was called to order at 1:34 p.m. and a quorum was declared present.

### **Approval of Minutes**

*Upon a motion made by Michael Smith and seconded by David Coates, the Committee voted to approve the minutes of the January 28, 2019 Committee meeting, as presented.*

### **Internal Audit and Risk Management Report**

#### *Status Report*

Laurie Oliver provided a snapshot of active audits and provided an update on three external audit activities – the FY19 Financial Statement Audit & Uniform Guidance Audit, the Guarantor Program Review, and the FY19 Guarantee Agency Security Assessment (GASA) – NIST Self-Assessment. Laurie moved on to internal audit activities and noted that internal audit resources have been allocated to the completion of a targeted Non-Degree Grant program school review as well as participation on the private loan origination system and 2019-2020 private loan product changes.

#### *FY19 Internal Audit Plan Update*

Laurie provided an update on the FY19 Internal Audit Plan and noted that the Imaging and Private Loan Rehabilitation projects that she is scheduled to participate in are starting later than anticipated. The remainder of the planned audit activities are expected to be completed by the end of the fiscal year.

### **FY19 Audit Plan Presentation (BerryDunn)**

Mark LaPrade of BerryDunn reviewed the *Pre-Audit Communications to the Audit Committee* report previously distributed. The communication covered the required auditor communications, audit timing, significant audit areas planned, and planning questions.

At the close of the presentation, LaPrade exited the meeting.

**Legal Update**

Tom Little reported that there is no pending or threatened litigation. He noted the focus has been on complying with state licensing requests and preparing for an upcoming VSAC servicing audit in August.

**Audit Committee Self-Evaluation**

David Coates deferred the self-evaluation and stated that he would ensure the self-evaluation is done by the June Board meeting.

**Internal Audit & Risk Management Annual Evaluation**

The Committee discussed the performance of the Internal Audit and Risk Management function for annual performance purposes. David Coates communicated that he would share the results of the Committee's evaluation with the Director of Internal Audit and Risk Management at the conclusion of the meeting.

**Other Business & Adjournment**

There being no other business, the Committee adjourned at 2:32 p.m.

Respectfully submitted,

Tom Little  
Assistant Secretary