

VSAC Board of Directors Meeting

October 21, 2019

12:30 p.m.

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

Members Present: Dodie Mitchell (Chair), Martha Heath, Dave Larsen, Pam Chisholm, Dennis O'Brien, Chuck Soule, Ann Cummings, Matt Trieber, John McSoley

Members Absent: Beth Pearce, Michael Smith

Staff Members Present: Scott Giles, Tom Little, Mike Stuart, Patrick Leduc, Marilyn Cargill, Jodie Ducharme

Chair Dodie Mitchell called the Board of Directors meeting to order at 12:32 p.m., and a quorum was established.

Approval of Minutes

Upon a motion made by Martha Heath and seconded by Pam Chisholm, the Directors voted unanimously to approve the meeting minutes of June 17, 2019, as presented.

Chair's Report

Dodie Mitchell delivered her Chair's report and welcomed new Board member, John McSoley.

President's Report

Scott Giles provided a state and federal update and responded to questions from the Board.

Scott reviewed the new VSAC Research Minute, noting that it will be used to provide updates on VSAC research about Vermont students and their educational plans and outcomes.

Scott also extended an invitation to Board members to join VSAC's annual meeting on November 11th.

Committee Reports

Audit Committee

Mike Stuart summarized the September 23, 2019 meeting, covering the audit report presented by external auditors BerryDunn, a review of the Legal & Regulatory risk updates, the Internal Audit & Risk Management Status Report, and the 2018-2019 Form 990 review. Mike explained the role of internal finance and audit staff and their interactions with the outside auditors.

Upon a motion made by Matt Trieber and seconded by Ann Cummings, the Board voted unanimously to accept the FY19 External Audit report and Uniform Guidance Report, as presented.

Scott Giles emphasized the excellent work done by the finance team in completing the audit work earlier than usual, allowing us to issue financial statements within the timeframe required to maintain compliance with certain state student loan servicing laws.

Governance Committee

Chair Dave Larsen summarized the September 30, 2019 meeting, covering Board leadership risk review and the proposed Board Orientation Process. Dave also noted the appointment of John McSoley to the Board and his own reappointment for another 6 years. Members engaged in a discussion of the Orientation Process document.

Upon a motion made by Martha Heath and seconded by Pam Chisholm, the Board of Directors voted unanimously to approve the Board Orientation Process, as presented.

Tom Little noted that Board Officer Elections will be deferred until a future Board meeting.

Programs & Services Committee

Chair Martha Heath summarized the September 30, 2019 meeting, covering policy review, work plan review, operations updates, and federal and state updates. Board members asked questions on the policies.

Upon a motion made by Martha Heath and seconded by Dave Larsen, the Board of Directors voted unanimously to approve the Gift Aid Tolerance, Dual Enrollment Stipend, and VAST/Early College policies, as presented.

Finance Committee

Mike Stuart reviewed the September 23, 2019 meeting which focused on the FY19 and FY20 financial statements, private loan volume, and the upcoming new loan rehabilitation program for defaulted private loans. Mike provided background information on the proposal to amend two bond indentures in order to add the existing loan rehabilitation program to the loans held under those indentures. He noted that this program does not change bond costs or the number of outstanding bonds. A question was asked about how a loan becomes rehabilitated.

Upon a motion made by Ann Cummings and seconded by Martha Heath, the Board of Directors voted unanimously to approve the Loan Rehabilitation Indenture Changes Resolution as circulated and attached to these Minutes, as presented.

Human Resources Committee

Chair Dennis O'Brien recapped the meeting of September 30, 2019, highlighting the current fiscal year 2020 Work Plan, an update on risk reviews, a staffing and demographics update, and a healthcare update.

Patrick Leduc announced that Randi Brevik will be retiring as Human Resources Director after three years of service, and Julie Hulburd has been hired as her replacement.

Upon a motion made by Dennis O'Brien and seconded by Martha Heath, the Board of Directors voted unanimously to approve the following Resolution:

Resolved, that the VSAC Board of Directors expresses its gratitude to Randi Brevik on her retirement as VSAC's Director of Human Resources, for her dedicated, respectful and compassionate leadership during a critical period, and wishes her all the best during her retirement.

State Licensing Update

Tom Little provided an update on state licensing, announcing that we've completed the first annual cycle with the state of California. Tom noted that we have applied for licensing in Rhode Island and New York with a few other states on the horizon. Mike Stuart noted the significant costs associated with the state licensing process.

Strategic Planning Update

Scott Giles gave a strategic planning update and provided Board members with the Strategy Development Model handout as a visual to reference as we start the planning process. Scott noted that a list of assumptions is being developed and will be shared with the Board. The Board members discussed the strategic planning process that lies ahead.

Meeting Review

The Board held a meeting review session with Scott and then among themselves.

Other Business & Adjournment

There being no other business, the meeting adjourned at 3:02 p.m.

Respectfully submitted,

David Larsen, Secretary