

VSAC Audit Committee Minutes

January 27, 2020

2:00 p.m.

Board Room, VSAC Offices

10 East Allen Street

Winooski, VT

Attendance

Committee Members Present: John McSoley, Michael Smith, Beth Pearce

Committee Members Absent: N/A

Other Board Members Present: Dodie Mitchell

Staff: Scott Giles, Mike Stuart, Tom Little, Marilyn Cargill, Patrick Leduc, Laurie Oliver, Bruce Hicken, Greg Severance, Jodie Ducharme

The meeting was called to order at 1:21 p.m. and a quorum was declared present.

Approval of Minutes

Upon a motion made by Beth Pearce and seconded by John McSoley, the Committee voted to approve the minutes of the September 23, 2019 Committee meeting, as presented.

Internal Audit and Risk Management Report

Status Report

Laurie Oliver provided a snapshot of active audits highlighting the planned annual NIST self-assessment and two of the internal audit activities that are in progress – the Imaging System Replacement Project and the biennial lender review. Laurie also provided an update on the Guarantor Program Review noting that, while the final report is pending, she expects it to be closed with no findings. She also noted completion of the 403(b) Retirement plan review and discussed the results with the Committee.

Laurie reported that she completed the 40 hours of annual continuing professional education credits required to maintain her internal audit certification.

Annual Federal Trade Commission Red Flags Policy

Tom Little provided background on the Red Flags Identity Theft Prevention Program. The Red Flags regulation requires covered businesses and organizations to implement a written identity theft prevention program designed to detect the “red flags” of identity theft in their day-to-day operations, take steps to prevent the crime, and mitigate its damage. Tom reported that review of the program affirms that VSAC’s Red Flags Identity Theft Prevention Program is effective in identifying and

preventing identify theft. Committee members engaged in a conversation about the policy and Tom Little responded to questions.

Upon a motion made by Beth Pearce and seconded by John McSoley, the Committee voted unanimously to approve the Annual FTC Red Flags Policy as presented including both the report and the Policy documents.

Charter & Workplan Review

Laurie Oliver directed the Committee's attention to the Audit Committee Charter and Work Plan and the Internal Audit & Risk Management Charter. There were no proposed changes and no further action needed.

Audit Committee Self-Evaluation

Laurie Oliver provided an overview of the annual self-evaluation process and how it has been conducted in the past. The Committee engaged in a conversation about how they would like to handle the self-evaluation for FY20 and the timeframe in which it should occur. Members agreed that the self-evaluation will be conducted at the May Committee meeting.

Other Business & Adjournment

There being no other business, the Committee adjourned at 2:12 p.m.

Respectfully submitted,

Tom Little
Assistant Secretary