

VSAC Finance Committee Meeting

September 20, 2021
2:00 p.m.

Zoom Videoconference Meeting

Attendance:

Committee Members Present: Beth Pearce (Chair), Michael Smith, John McSoley, Caleb Elder

Committee Members Absent: N/A

Other Board Members Present: Dodie Mitchell

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

Chair Beth Pearce called the meeting to order at 2:04 p.m. on the Zoom virtual meeting platform with all present able to hear one another throughout the meeting. With a quorum established, the Committee took up the first order of business.

Approval of Minutes

Upon a motion made by John McSoley and seconded by Caleb Elder, the Committee voted to approve the Committee meeting minutes of May 24, 2021, as presented.

FY21 Financial Statements

The Committee reviewed the FY21 year-end financials, previously distributed, covering the Income Statement and Balance Sheet, Variance Analysis, and VSF Endowment Report. On the revenue side, Mike Stuart pointed out the overall increase in Net Position and explained an increase to Guarantor Fees resulting from a late change made by the Department of Education allowing guarantors to draw revenue using a methodology that would result in equivalent revenue from if there had been no collections suspension on defaulted loans.

FY22 Financial Statements through August

The Committee transitioned to the FY22 Income Statement and Balance Sheet, Variance Analysis, Operating Budget, and VSF Endowment Report covering July 1, 2021 through August 31, 2021. On the revenue side, Mike Stuart highlighted an increase in Other Scholarships as a result of a new \$500,000 endowment. Bruce Hicken noted that State Appropriations currently reflect an increase by about 80% and explained this is due to timing and will resolve by mid-year.

Private Loan Volume Update

Mike Stuart directed the Committee's attention to the New Loan Volume Reports, previously distributed, noting that while we are slightly ahead of where we were last year at this time, we are not where we expected to be. Mike noted loan volume isn't quickly returning to pre-covid levels most likely due to the increase in programs and money made available to students during the pandemic. In response to member questions, Mike confirmed that we continue to see an increase in the number of customers who select the immediate repayment option,

resulting in the lowest interest rate.

Other Business

There being no other business, the meeting adjourned at 2:58 p.m.

Respectfully submitted,

Michael Stuart, Assistant Secretary