

VSAC Audit Committee Minutes

May 23, 2022
1:00 p.m. – 2:30 p.m.

Via Zoom Video and Telephone Conference Platform

Members Present:	John McSoley (Chair), Beth Pearce, Michael Smith, Ryan Dulude
Members Absent:	N/A
Other Board Members Present:	Dodie Mitchell
VSAC Staff Present:	Scott Giles, Patrick Leduc, Tom Little, Marilyn Cargill, Laurie Oliver, Mike Stuart, Bruce Hicken, and Jodie Ducharme
External Auditors Present:	Mark LaPrade, CPA, CGMA, Principal and Danielle Bedard, CPA, Manager of BerryDunn

Chair John McSoley called the meeting to order at 1:04 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 proceeded with the agenda.

Approval of Minutes

Upon a motion made by Ryan Dulude and seconded by John McSoley, the Committee voted to approve the minutes of the January 24, 2022 Committee meeting, as presented.

Public Comment

There were no public comments given during the public comment period.

FY22 Audit Plan Presentation (BerryDunn)

BerryDunn auditors Mark LaPrade, CPA, CGMA and Danielle Bedard, CPA, presented the previously distributed *2022 Pre-Audit Communications Audit Committee* report. The communication covered the required auditor communications, planned significant audit areas, audit timing, and planning inquiries.

The Committee discussed the report and Mark LaPrade and Danielle Bedard responded to questions.

Mark LaPrade and Danielle Bedard exited the meeting at 1:16 p.m.

Internal Audit and Risk Management Status Report

Laurie Oliver provided a snapshot of active audits and gave an update on four external audit activities – the FFEL Lender Program Review by the Department of Education Financial Institution Oversight Service (FIOS), the FY22 Annual Financial Statement & Uniform Guidance Audit conducted by BerryDunn, the 2022 Guarantor Agency Security Assessment (GASA) Program Self-Assessment conducted by Federal Student Aid (FSA) and their contractor, and a review of the Adult Career Technical Education (CTE) Training Grant by the VT Department of Labor.

Laurie moved on to internal audit activities, noting that since the last Audit Committee meeting, internal audit resources have been allocated across multiple activities, including participation in strategic projects and risk management activities which include the initiation of the corporate insurance renewal and an RFQ process for External Audit Services. Laurie noted her involvement in the in-school refinance loan product explaining that she will be reviewing system and procedural controls over eligibility, funding, disbursement, and onboarding of the refinance loans to the servicing system.

Information Security Risk Update

Patrick Leduc reviewed the previously distributed materials on information security risk and highlighted additional controls, security trainings, and tools that have been implemented and are planned for FY23 to further reduce this risk.

The Committee engaged in a conversation about information security during which Patrick Leduc and Laurie Oliver responded to questions.

Executive Session

Upon a motion made by Beth Pearce and seconded by Michael Smith, the Committee voted unanimously to enter executive session at 1:46 p.m. to consider contractual matters, premature public knowledge of which would clearly place VSAC at a substantial disadvantage, and for the Committee to receive confidential advice from legal counsel. The following were requested to remain in the meeting, as they have information needed for the executive session: Scott Giles, Tom Little, Marilyn Cargill, Mike Stuart, Patrick Leduc, and Laurie Oliver. 1 V.S.A. sec. 313 (a).

The Committee exited the session at 2:30 p.m.

Other Business & Adjournment

There being no other business, the Committee adjourned at 2:30 p.m.

Respectfully submitted,

Tom Little
Assistant Secretary