

Minutes

VSAC Board of Directors Meeting

February 27, 2023
12:30 p.m. – 3:00 p.m.

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

Members Present: Dodie Mitchell (Chair), Martha Heath, Dave Larsen, Ann Cummings, John McSoley, Ryan Dulude, Clarence Davis, Michael Smith, Caleb Elder, Mike Pieciak

Members Absent: Tim Chamberlin

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

Others: N/A

Chair Dodie Mitchell called the Board of Directors meeting to order at 12:30 p.m. With a quorum established, the Board took up the first order of business.

Approval of Minutes

Upon a motion made by Dave Larsen and seconded by Martha Heath, the Directors voted to approve the meeting minutes of December 6, 2022, as presented.

Public Comment

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

Chair's Report

Dodie Mitchell delivered her Chair's report and asked Board members to think about topics they are interested in receiving further training and education on, noting that at the end of today's meeting she would gather this information to reference as she and Scott Giles start to plan Board education sessions.

President's Report

Scott Giles delivered his President's Report, providing updates on work that VSAC is doing in the state legislature, federal student loan forgiveness, and VSAC's Annual Meeting held at the end of January. Marilyn Cargill provided an update on VSAC's annual Scholarship Day, announcing that this year it will be held on April 12 and extending an invitation to all Board members who are interested in participating.

Committee Reports

Programs & Services Committee

Chair Martha Heath summarized the January 23, 2023, Programs & Services Committee meeting and Marilyn Cargill reviewed each of the following policies:

- **Citizenship** – Marilyn pointed out revisions to include that students with a citizenship status of ‘Asylum Seeker’ be eligible for the Advancement Grant, as long as they meet the Vermont residency requirement of living in the state for 1 year.
- **Vermont Microgrant** – Marilyn noted revisions to expand the policy to 1) include students participating in a non-degree program, 2) allow one award per year rather than one award per lifetime, and 3) allow an appeal for a second award in a year, under extenuating circumstances.
- **Defaulted Loans** – Marilyn noted that VSAC staff recommends the termination of this policy and no longer allowing a defaulted student loan to prevent a student from being eligible for any Vermont State Grant programs.

Upon a motion made by Martha Heath, and seconded by Ryan Dulude, the Board of Directors voted unanimously to approve the Citizenship and Vermont Microgrant policies, as presented, and to terminate the Defaulted Loans policy, as presented.

Martha noted that in addition to the policy review, the Committee discussed the Fresh Start program for defaulted federal education loans and reviewed and discussed operational, federal, and state updates. Mike Stuart provided the Board with an overview of the Fresh Start program, noting that borrowers who participate will be transferred to the Department of Education (ED), will become eligible for all of ED’s programs, and will have the defaulted loan tradelines removed from their credit reports.

Governance Committee

Chair Dave Larsen reviewed the January 23, 2023, Governance Committee meeting, covering the annual Board Leadership Risk Assessment review with Laurie Oliver as well as a discussion on the Board Self-Evaluation timeline and process. Dave also reviewed the Committee’s work on Board Manual revisions related to Board member recruitment and directing Board members to the previously distributed materials containing the proposed revisions for the Board’s consideration.

Upon a motion made by Dave Larsen, and seconded by Mike Pieciak, the Board of Directors voted unanimously to approve the revised Board Manual materials on Board Member Recruitment, as presented.

Audit Committee

Chair John McSoley recapped the January 23, 2023, Audit Committee meeting, reviewing the previously distributed FY22 NIST Self-Assessment report concerning cyber and data security controls and noting that VSAC’s NIST compliant security policies, procedures, and controls are in place, effective, and operating as intended. The Board engaged in a discussion of the report during which the Executive Committee responded to member questions.

Upon a motion made by Michael Smith, and seconded by Ryan Dulude, the Board of Directors voted unanimously to accept the 2021-2022 Guarantor Services and Loan Servicing Information Security Assessment Report, as presented.

John also provided a summary on the Internal Audit & Risk Management Status Report and outlined the Annual Federal Trade Commission Red Flags Policy Review and the Committee’s action to approve the policy, including the summary report and program documents.

Finance Committee

Chair Michael Smith reviewed the January 23, 2023, Finance Committee meeting, relaying that the meeting focused on the standing reports for FY23, private loan origination volume, and a 2023 student Minutes of the Board of Directors Meeting, February 27, 2023 APPROVED on 04/17/23

loan bond update. Michael also briefed the Board on a loan change for the upcoming year's new loan product to eliminate origination fees.

Executive Session

Upon a motion made by Michael Smith, and seconded by Dave Larsen, the Board of Directors voted unanimously to enter executive session at 1:46 p.m. in order to consider the evaluation and employment of public officers, i.e., one or more members of VSAC's senior management team, premature public knowledge of which would clearly place those persons and/or VSAC at a substantial disadvantage and to consider contracts or pending contracts subject to a nondisclosure agreement. 1 V.S.A. sec. 313 (a)(b). The following were requested to remain in the meeting, as they have information needed for the executive session: Scott Giles.

The Board exited the executive session at 2:39 p.m.

Other Business and Meeting Review

Chair Dodie Mitchell reviewed the meeting with the Board and VSAC staff and gathered feedback on the topics that members would like to receive additional training on to aid her and Scott Giles in the scheduling of Board education sessions.

Adjournment

There being no other business, the meeting adjourned at 3:06 p.m.

Respectfully submitted,

David Larsen, Secretary