

## **Minutes**

### **VSAC Audit Committee Meeting**

**January 26, 2026  
2:00 p.m. – 3:30 p.m.**

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

**Committee Members Present:** John McSoley (Chair), Michael Smith, Ryan Dulude, Mike Pieciak

**Committee Members Absent:** N/A

**Other Board Members Present:** Dodie Mitchell

**VSAC Staff Present:** Scott Giles, Tom Little, Patrick Leduc, Meghan Metzler, Brad Fallon, Jeffery Kellar, Jaye O'Connell, Greg Severance

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Chair John McSoley called the meeting to order at 1:33 p.m. With a quorum established, the Committee took up the first order of business.

#### **Approval of September 22, 2025, Minutes**

*Upon a motion made by Michael Smith and seconded by Ryan Dulude, the Committee voted to approve the minutes of September 22, 2025, as presented.*

#### **Public Comment**

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

#### **Annual Federal Trade Commission Red Flags Policy Review and Approval**

Greg Severance, Senior Compliance Officer, directed the Committee to the previously distributed Federal Trade Commission Annual Summary Report and program documents. Greg reviewed the 2025 Summary Report. The summary covers VSAC's red flag events identified in 2025. The Committee members engaged in a conversation about the summary with Greg Severance and Jaye O'Connell.

*Upon a motion made by John McSoley and seconded by Ryan Dulude, the Committee voted unanimously to recommend the full Board accept the Annual FTC Red Flags Policy as presented including both the summary report and the program documents.*

#### **FY25 NIST Self-Assessment Presentation**

Jaye O'Connell, Director of Compliance & Information Security Officer, reviewed the previously distributed 2024-2025 VSAC Information Security Assessment report. Jaye pointed out that VSAC no longer needs to be NIST compliant (give we are no longer a FFEL servicer or guarantor) but uses it as VSAC's model. Jaye explained that they made some enhancements to the process which have allowed the expansion of the information security assessment, while maintaining state licensing obligations. She also identified that the controls in place are effective and operate as intended. Also, the California Audit came back with no findings as it relates to areas that are addressed by the NIST Framework. The Committee members discussed the annual report and Jaye O'Connell and Patrick Leduc responded to questions.

***Upon a motion made by Michael Smith and seconded by Ryan Dulude, the Committee voted unanimously to recommend the full Board accept the 2024-2025 VSAC Information Security Assessment Report, as presented.***

Jaye O'Connell and Greg Severance left the meeting.

### **Risk Management**

Patrick Leduc spoke on information security risks.

- VSAC has been working on decommissioning both data and systems, as an example VSAC removed 1.5 million records that no longer need to be maintained.
- VSAC continues to look at other controls including but not limited to supply chains.
- Email security training for staff remains in place, and the vendor VSAC partners with recently reinterpreted VSAC's email risk from medium to low based on staff training and scores.
- VSAC has identified brute force attack attempts with no resulting breaches. The IT Department is working on counter measures to significantly reduce risk from these types of attacks.

### **Internal Audit**

Meghan Metzler reminded the Committee that they have engaged The Bonadio Group to perform two internal audits – for scholarships and grants. They are in process of their work. As reflected in the committee materials, VSAC has been subject to four state examinations. Three remain open. California has since issued their report and there were no significant findings.

Meghan discussed the recent suspension of a vendor from receiving advancement grant funds for two years, and an investigation corroborated student complaints.

The final Single Audit Report was provided to the Committee prior to the meeting, and Meghan noted there were no findings or exceptions. Meghan answered questions from the Committee.

***Upon a motion made by John McSoley and seconded by Mike Pieciak, the Committee voted unanimously to recommend the full Board accept the Single Audit Report from CLA, as presented.***

### **Internal Audit & Audit Committee Charter Review**

Meghan Metzler reviewed that with the loss of a full-time internal auditor, the charters for both this Committee and Internal Audit needed to be updated. She also mentioned that responsibility for risk

management will now be done by the Executive Committee. The Committee discussed the Charters with Meghan.

***Upon a motion made by Michael Smith and seconded by John McSoley, the Committee voted unanimously to recommend the full Board accept the Audit Committee Charter and the Internal Audit Charter, as presented.***

**Other Business & Adjournment**

There being no other business, the Committee adjourned at 2:41 p.m.

Respectfully submitted,

Meghan Metzler  
Assistant Secretary