Minutes

VSAC Board of Directors Meeting

June 22, 2026
9:00 a.m. – 12:30 p.m.

VSAC Boardroom
10 East Allen Street
Winooski, Vermont 05404

Audio Recording of this meeting: https://youtu.be/2CxBilHK9ZI

Members Present: Dodie Mitchell (Chair), Martha Heath, Dave Larsen, John McSoley, Tim Chamberlin, Michael Smith, Clarence Davis, Ann Cummings, David Scherr as Designee for Mike Pieciak

Members Absent: Ryan Dulude

Staff Members' Present: Scott Giles, Patrick Leduc, Tom Little, Brad Fallon, Jeffrey Kellar

Chair, Dodie Mitchell called the Board of Directors meeting to order at 9:00 a.m.

Chair's Report
Dodie Mitchell reviewed the agenda and set goals for the meeting.

Scott Giles informed the Board that Mary-Katherine Stone has resigned from the Board.

Public Comment
There were no comments during the public comment period.

Martha Heath entered the meeting at 9:08, and Clarence Davis entered the meeting at 9:12.

With a quorum established, the Board proceeded with the agenda.

Approval of April 13, 2026, Minutes

> ***Upon a motion made by Michael Smith and seconded by Martha Heath, the Directors voted to approve the meeting minutes of April 13, 2026, as presented.***

Committee Reports

Finance Committee
Chair of the Finance Committee, Mike Smith, reported on the May 18, 2026, meeting. They reviewed the income statement and balance sheet. The committee also reviewed the Vermont Development Fund assets which were up slightly over a year ago. The VT529 plan continues to grow, and Mike highlighted the three institutions that received the largest disbursements were UVM, VTSU and Northeastern

University. Loan volume for FY26 has grown over FY25, and he discussed the changes to the methodology used this year when FY27 loan rates were set.

Mike then moved to the FY27 budget proposal. He began by reminding the Board that although the corporate budget was included in the previously distributed materials, it is the responsibility of the Board of Directors to approve the operating budget. He continued to review the budget with the Board and they had a discussion on the proposed budget.

Mike then reviewed the previously distributed board resolution:

> Be It Resolved
> The Board of Directors approves a Fiscal 2027 operating budget for the Corporation as presented at the Board's June 22, 2026, meeting and as recommended by the Finance Committee by vote taken at its May 18, 2026, meeting. Operating revenues and resources are budgeted at $26,131,185 with operating expenses of $25,124,186. The Board recognizes the budget is subject to adjustments resulting from increases or decreases in revenue or expenditures. The President/CEO of the Corporation is authorized to make adjustments to the operating budget, and report them to the Chair of the Finance Committee, under the following circumstances:
> 1. to expend additional revenue which may become available for student assistance programs;
> 2. to accept and expend additional funds received for corporate programs/services;
> 3. to reduce or increase individual expenditures when necessitated by changes in programs and services;
> 4. to draw up to 7% of the State grant appropriation as operating revenue if needed; and
>
> The President/CEO shall report at the next regularly scheduled Finance Committee and Board meetings any actions which have been taken under this authority.

Upon a motion made by Mike Smith and seconded by Clarence Davis, the Board of Directors voted unanimously to approve the adoption of the FY27 Budget Resolution, as presented, and as recommended by the Finance Committee by vote taken at their May 18, 2026, meeting.

Programs & Services Committee
Martha Heath reviewed the Programs & Services Committee meeting of May 18, 2026. Martha started her recap with the Advancement Grant Schools Audit Policy. She reviewed the policy, and the amendments that included: actions that could be taken by the Executive Committee, updating audit responsibilities, and the annual review of schools with significant growth.

Upon a motion made by Martha Heath and seconded by Dave Larsen, the Board of Directors voted unanimously to approve the Advancement Grant Schools Audit policy, as presented and as recommended by the Programs and Services Committee.

Martha reported that the committee also received updates on EOC and Talent Search grants from Kirstin, noting the challenges with our EOC program due to both the court injunction and administration policies of the Department of Education.

Also, the grant program awarding is functioning as predicted and meeting projections. Nurse faculty and mental health nurse practitioner tuition benefit programs will be funded this year from carryover.

Martha provided an update on the Rural Health Transformation Grant program and explained that it will offer 75% loan forgiveness over five years. Patrick Leduc said that the forgiveness has increased to

100% since the Committee met in May. The Board discussed the updates Martha provided.

Governance Committee
Dave Larsen reviewed the May 18, 2026, Governance Committee meeting. The first topic the Committee discussed was the CEO Evaluation process and the thoughts behind this year's changes. The Committee also reviewed several sections of the board manual. They concluded that Tom Little will work to consolidate and format the manual over the summer. The goal is to have the Governance Committee review the manual in September and the Board of Directors to approve it in October.

Audit Committee
John McSoley summarized the Audit Committee meeting of May 18, 2026. The Audit Committee received an update from the CLA auditors regarding the upcoming fiscal year audit. John reported that the recent internal audits (outsourced) on grants and scholarships were completed with no findings.

The meeting recessed for a break from 9:57 - 10:17.

President's Report
Scott Giles began his report by updating the Board on the status of loans and projects. Loan volume for FY26 has grown back to pre-pandemic levels with $49M in student and parent loans and $1M in refinanced loans. Scott also noted that non-loan aid that VSAC administers has also grown over the same amount of time. As for projects, the new loan servicing system project recently made some changes to project management and is now expected to be implemented in November. A search has started for a new system that will move from two different platforms to one more efficient system for grants and scholarships. He brought to the attention of the Board that the loan origination system being used today may not be dynamic enough if it will not accommodate loan rate adjustments with the market changes. He ended the project with an update on the EOC and Talent search applications.

Scott spoke about the Department of Education continuing to move work to other Departments.

He ended his report by providing an update on the Rural Health Transformation grant.

VSAC just received the signed MOU back, so awarding also has just started. He noted that

VSAC is working to minimize any impact to students as the programs transition. The board

asked questions throughout the president's report that Scott responded to.

CEO Evaluation & VSAC Contractual Matters
Dodie Mitchell transitioned the Board to the CEO annual performance evaluation and discussion of VSAC contractual matters and recommended that the Board entertain a motion for an executive session.

> ***Upon a motion made by Dodie Mitchell and seconded by Martha Heath, the Board voted unanimously to enter executive session at 10:50 a.m. in order to (a) consider contractual matters, premature public knowledge of which would clearly place VSAC at a substantial disadvantage; (b) discuss confidential personnel performance and contractual matters, and (c) receive confidential advice from legal counsel.***
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> ***1 V.S.A. sec. 313 (a).***

The following were requested to remain in the meeting, as they have information needed for the executive session: Scott Giles

Scott Giles exited the session at 11:35 p.m. Ann Cummings entered the meeting at 11:55 a.m.

Having completed its discussions, the Board exited the executive session and adjourned the meeting at 12:33 p.m.

Respectfully submitted,

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David Larsen, Secretary