

Minutes

VSAC Board of Directors Meeting

April 13, 2026
1:00 p.m. - 3:30 p.m.

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

Audio Recording of this meeting: <https://youtu.be/UUkneRJucfM>

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

Members Absent: Mary-Katherine Stone

Staff Members Present: Scott Giles, Tom Little, Meghan Metzler, Patrick Leduc, Brad Fallon

Chair Dodie Mitchell called the Board of Directors meeting to order at 1:00 p.m. With a quorum established, the Board proceeded with the agenda.

Approval of Minutes

Upon a motion made by Martha Heath and seconded by Ryan Dulude, the Directors voted unanimously to approve the meeting minutes of February 16, 2026, as presented.

Public Comment

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

Chair's Report

Dodie Mitchell set the stage for today's end of meeting conversation on the Student Loan Landscape. She said the conversation is an opportunity for the Board to ask questions, make observations, share expertise and help educate each other. This conversation is one of the first conversations to begin strategic planning.

President's Report

Scott Giles started with federal updates. The Department of Education is continuing to transfer responsibilities to other departments within the federal government. For example, TRIO and EOC have moved to the Department of Labor, and defaulted student loans were transferred to the Department of Treasury. Currently VSAC is preparing for the grant competitions for TRIO and EOC. Scott ended his federal updates by informing the Board that Senator Peter Welch is co-sponsoring a bipartisan bill, the State-Based Education Loan Awareness Act. The bill would allow colleges to more easily inform students and families on non-profit loan programs.

Scott continued onto state updates. The House passed their budget bill which included a 3% increase to VSAC's base appropriations, which allows for an expansion of the Aspirations program, and a continuation for another year of the Freedom and Unity Scholarship. Now, the Senate is working on their budget. The Legislature is also having conversations

regarding the Higher Education Endowment Trust Fund. The conversations have included potentially using a one-time withdrawal from the corpus and or expanding the current recipients from three (UVM, VTSU and VSAC) to include CCV. Lastly, VSAC has entered into an agreement with Vermont's Department of Health to help administer grant funds for workforce development from the federal Rural Health Transformation Fund.

The Board engaged Scott Giles and Patrick Leduc in a discussion on the updates.

Committee Reports

Programs & Services Committee

Ryan Dulude reviewed the Committee's meeting on March 23, 2026, because he facilitated for the Chair. Ryan began by reviewing each of the five policies discussed and said that the only material difference was to the Awarding Vermont Grants policy because the Committee recommends increasing the parent/student contribution cutoff to \$33,847.

Upon a motion made by Michael Smith and seconded by Martha Heath, the Board of Directors voted unanimously to approve the Policies: Participation Agreement, Gift Tolerance, Income Cutoff and Awarding, Awarding Vermont Grants, and Parent/Student Contribution Cutoff, as presented and as recommended by the Programs and Services Committee.

Ryan continued, noting that Scott Giles in his Presidents Report already covered many of the Federal and State updates discussed in the Committee meeting. However, the Committee also received updates on: loan originations and changes for next year's loan products, Award Advisor's overall downloads and usage is increasing, there was a successful internal grant and scholarship audit, and reminders of VSAC Day at the State House and VSAC Scholarship Day.

Martha Heath continued with the Committee's update because they met earlier today. This meeting was focused on the resolution of grant funding for '26-'27. Martha reviewed Patrick Leduc's previously distributed memo and the proposed resolution.

Upon a motion made by Martha Heath and seconded by Ryan Dulude, the Board of Directors voted unanimously to approve the Resolutions on Grant Funding for '26-'27, as circulated and attached to these minutes.

Finance Committee

Michael Smith, Chair of the Finance Committee, reviewed the Committee's meeting on March 23, 2026. He let the Board know that they reviewed the month-to-date reports, and everything is as expected. He reminded the Board that due to the FFEL sale earlier in the year it is expected there will be about a \$3.5M surplus. And, VSAC will not be issuing bonds this year but using unrestricted cash to finance loan originations. He proceeded to the Reimbursement Resolution and explained that the resolution is required by federal tax law to authorize VSAC to use tax exempt financing in the future to reimburse VSAC for using its corporate funds to make student loans this year. This preserves strategic flexibility going forward if there were ever cash issues.

Upon a motion made by Michael Smith and seconded by John McSoley, the Board of Directors voted unanimously to approve the Reimbursement Resolution, as circulated and attached to these minutes.

Michael Smith continued his update. Meghan Metzler then described her recent exercise of stress testing VSAC's finances. Her presentation began with the 2008/2009 Great Recession and evolved through time to the present, discussing the situations VSAC was under and how VSAC handled each situation. She then turned the attention of the Committee to what future financial stresses could happen, and how VSAC could mitigate risks.

Governance Committee

Dave Larsen reviewed the March 23, 2026, Governance Committee meeting, providing updates on the Committee's modernization of the Board Manual. Dave added that Tom Little will be doing a review of the manual in entirety to make sure there is consistency throughout. The meeting concluded with updates on the NMLS system from Tom Little, who

explained that the NMLS standard questions asked are being updated. Patrick Leduc provided an update on NMLS' recent phishing issues.

Discussion – Student Loan Landscape

Dodie Mitchell asked Scott Giles to begin the discussion on the student loan landscape. Scott Giles started by reviewing his previously distributed memo on the federal loan changes and how this will impact families, how colleges and universities are responding, and the challenges that institutions like VSAC are facing when helping to find low-cost solutions for families. The Board then engaged in a discussion regarding Scott's memo and requested to continue the discussion at a future meeting.

Adjournment

There being no other business, the meeting adjourned at 3:36 p.m.

Respectfully submitted,

David Larsen, Secretary

GRANT FUNDING for '26-'27 RESOLUTION

OF THE

Be it resolved, the Programs and Services Committee having reviewed and recommended Board approval of management's plan for FY27 grant levels (which plan is attached as Exhibit A to this Resolution), and the Board being aware that there are unknowns at this time which could result in different choices for grant levels, cut-off dates, and individual budget needs, the Board finds that management has presented an effective plan for the administration of the state grant dollars. And be it

Further resolved,

That management, after receiving the advice and counsel of the Programs and Services Committee on any material adjustments to this plan, is authorized to adjust the plan and report back to the Committee, who will update the full Board, on the outcomes of the adjusted plan, including but not limited to the number of applications processed, funds used and the allocation of those funds against the various grant programs.

**RESOLUTION OF THE BOARD OF DIRECTORS OF
VERMONT STUDENT ASSISTANCE CORPORATION**

**DECLARING ITS OFFICIAL INTENT TO REIMBURSE THE
CORPORATION WITH PROCEEDS OF FUTURE TAXABLE
OR TAX-EXEMPT BORROWINGS**

BE IT RESOLVED BY the Board of Directors (the “Board”) of the Vermont Student Assistance Corporation (the “Corporation”) this 13th day of April, 2026 as follows:

WHEREAS, the Corporation is a non-profit public corporation organized as an instrumentality of the State of Vermont; and

WHEREAS, from time to time, the Corporation makes student loans (which may include loans made to a parent for the benefit of the parent’s child who is a student) with its own funds prior to the availability of proceeds from its revenue bonds, and may desire to be reimbursed for such expenditure from the proceeds of such revenue bonds; and

WHEREAS, Section 1.150-2 of the United States Treasury Regulations (the “Regulations”) provides that proceeds of tax-exempt bonds may be used to reimburse the issuer of such bonds for expenditures incurred prior to the issuance of the bonds for qualifying expenditures, which include the funding of student loans, subject to certain limitations, provided that the issuer adopts an “official intent” to reimburse itself (in which case reimbursement may be made for expenditures made after the date of the declaration of such official intent and during the sixty days immediately preceding such official intent); and

WHEREAS, the Board has been apprised that up to \$75,000,000 in principal amount of such student loans may need to be made prior to the issuance by the Corporation of revenue bonds in calendar years 2026 through 2028 (the “Bonds”); and

WHEREAS, the Corporation currently intends and reasonably expects to issue Bonds and to use up to \$75,000,000 of the proceeds of such Bonds to reimburse the Corporation for expenditures it makes from its own funds to make student loans incurred subsequent to sixty days prior to the date hereof, and the Board hereby desires to declare its official intent, pursuant to Section 1.150-2 of the Regulations, to reimburse the Corporation for such expenditures incurred with respect to such student loans from the proceeds of such Bonds; and

WHEREAS, similar circumstances could arise in the future, where the Corporation determines to make student loans with the intention of being reimbursed for such expenditure of moneys from future issuances of revenue bonds; and

WHEREAS, since the official intent may be in any reasonable form, including action by an appropriate representative of the issuer (*e.g.*, a person authorized or designated to declare official intent on behalf of the issuer), the Board has determined to appoint a representative of the Corporation to declare the Corporation’s official intent in the future with respect to the reimbursement of expenditures for future student loans and related issuance costs, all in accordance with Section 1.150-2 of the Regulations;

NOW THEREFORE, BE IT RESOLVED THAT:

1. The Corporation presently intends and reasonably expects to make up to \$75,000,000 in principal amount of student loans with moneys currently contained in its operating, general or other funds, which funds have not been, and are not reasonably expected to be, allocated to such student loans on a long-term basis.

2. The Corporation presently intends and reasonably expects to issue Bonds in calendar years 2026 through 2028 and to allocate an amount not to exceed \$75,000,000 of the proceeds of such Bonds to reimburse the

Corporation for its expenditures in connection with making such student loans.

3. The Board hereby determines to and does now appoint and authorize Meghan Metzler or her successor as Vice President and CFO, and Scott A. Giles or his successor as President and CEO, each acting individually as the representative of the Corporation, to declare the Corporation's official intent with respect to the reimbursement of expenditures in the future for student loans and related issuance costs to be reimbursed from future taxable or tax-exempt borrowings, all in accordance with Section 1.150-2 of the Regulations.

4. All prior acts and doings of the officers, agents and employees of the Corporation which are in conformity with the purposes and intent of this Resolution, and in furtherance of the purposes of this Resolution, shall be and the same hereby are in all respects ratified, approved and confirmed.

5. This Resolution shall take effect immediately upon adoption.

The foregoing resolution of the Board of Directors of Vermont Student Assistance Corporation was adopted the 13th day of April, 2026.

VERMONT STUDENT ASSISTANCE CORPORATION