



FY17 Annual Report

A Message from **VSAC's Board Chair and President**

It has been a year of collaboration, achievement and leadership at VSAC as we begin to see meaningful progress on a number of fronts that will help Vermonters of all ages access the education and training they need for better career and life opportunities.

Collaboration paid off in our first-ever FAFSA Completion Initiative. The FAFSA, or Free Application for Federal Student Aid, unlocks grants and institutional aid, making education more affordable for Vermonters. VSAC and its state partners—the Agency of Education, Vermont State Colleges and University of Vermont—finished with a 5 percent increase in the yearlong campaign. There was no shortage of **achievements** either, and we invite you to read about them in the following pages.

VSAC's **leadership** was on display at work and in the community. Here are a few who were called upon to serve here in Vermont and nationally:

- Tom Little was selected by Governor Scott to co-chair the Marijuana Commission.
- Jaye O'Connell was selected by the Secretary of the U.S. Department of Education to represent guaranty agencies during negotiated rule-making.
- Liam Danaher received the Golden Apple Award from Winooski High School.
- Lindsay Carpenter won the 2017 New TRIO Professional Award.
- Marti Kingsley won the Jack Anderson Distinguished Service Award.
- Many more of us serve on school boards, planning commissions, nonprofit boards and other civic organizations.

Collaboration, achievement and leadership are the key to creating economic and civic vitality of Vermont through education attainment. Our new statewide initiative, **70x2025vt** is up and running strong—with the bold goal to see that 70 percent of Vermonters will hold a degree or credential of value by 2025.

The urgency to act is palpable. Employers are struggling to find qualified, skilled Vermonters to fill positions with increasing technical skills. VSAC helps Vermonters to choose the right education and training—and we help them pay for it.

We know that those with education after high school are more likely to be financially secure, have healthy and stable families, and be engaged in their communities. We know Vermont employers are facing a skills shortage, one that will get worse, not better without action.

70x2025 is a big goal, but we believe one we can reach by working together and using Vermont's power of cooperation, coordination, and collective wisdom and action. We invite you to join us.

Dorothy Mitchell
VSAC Board Chair

Scott Giles
VSAC President & CEO



VSAC works for Vermont students and families. We will continue to be the voice for Vermonters' rights to choose what they want to study, where they want to study it. And we'll help them figure out how to pay for it.

OUTREACH & COUNSELING

Outreach staff counseled more than 6,263 low-income and/or first-generation, college-bound Vermont students of all ages through three federal grants: Talent Search, GEAR UP and Educational Opportunity Center.

- Recruited by the Nellie Mae Foundation to lead a statewide career and college readiness alliance.
- Awarded funding by the McClure Foundation to lead effort to expand use of dual enrollment and early college by low-income students.
- Worked with students in 91 middle schools and high schools.



Meet Cody McAllister,
a graduate of Richford Junior/Senior High School and student at Vermont Technical College

83%

2016 Talent Search participants who graduated high school and continued their education in the fall

> 1,500

adults used the EOC program; 7 out of 10 enrolled in postsecondary education for the first time.

74%

2016 GEAR UP priority participants who graduated high school and continued their education in the fall

> 4,000

middle school and high school students were served by GEAR UP partnerships.

College Pathways

3 events

on college campuses statewide

nearly 1,000

students & parents attended

Paying for College

76 events

presentations at high schools statewide

1,226

participants were assisted in completing financial aid forms.

> 1,600

students & parents attended

344

education professionals received training from VSAC.

529 COLLEGE SAVINGS PLAN

The Vermont Higher Education Investment Plan as of June 30, 2017:

18,799

accounts

\$334 million

invested

FINANCIAL AID

VSAC has awarded more than \$626 million in grants & scholarships for Vermont students, and also administers Vermont's 529 college savings plan.

Grants

Vermont students of all ages received 12,378 need-based grants worth nearly \$20.2 million:

8,036 full-time awards for \$16.2 million	2,922 part-time awards for \$1.5 million	1,420 non-degree awards for \$2.5 million
---	--	---

The nondegree program has **nearly doubled** the number of awards over the last decade.

Scholarships

130
public & private
scholarships offered

3,046
awards made for
> \$5.7 million

Loans

\$43.8 million
in VT Advantage loans
issued by VSAC

\$865.7 million
in federal & private loans
serviced by VSAC

\$2.1 million
saved by VSAC borrowers
through borrower loan forgiveness
benefits that have totaled
nearly \$176 million
since 1995

Loan Coach
VSAC's program to provide free,
in-depth personalized
education debt counseling
as borrowers begin
repayment

- **Asked by Senator Sanders to help organize and host his college fairs.**
- **Designated to lead the Vermont Education Innovation and Research Grant Application.**
- **Received five new scholarships from Vermonters trusting VSAC with their legacy.**



Roger W. Stewart, of Lowell, Vermont, who created a scholarship for Orleans County students

VSAC BOARD OF DIRECTORS

Dorothy R. Mitchell
Chair

Martha P. Heath
Vice Chair

David Larsen
Secretary

Rep. Sarah E. Buxton

Pamela A. Chisholm

David Coates

Sen. Ann E. Cummings

Katharine B. Hutchinson

G. Dennis O'Brien

State Treasurer
Elizabeth "Beth" Pearce

Michael K. Smith

Rep. Matthew Trieber

2017 EXECUTIVE COMMITTEE

Scott A. Giles
President & CEO

Michael R. Stuart
Vice President, CFO, and Assistant Secretary

Thomas A. Little
Vice President, General Counsel, and Assistant Secretary

Marilyn J. Cargill
Vice President of Financial Aid Services, Marketing, and Research

Patrick J. Leduc
CIO and Vice President of Career and Education Outreach

Statements of Net Position

FY2017 **FY2016**
(in thousands)

ASSETS

Cash & investments	\$ 120,671	\$ 107,301
Education loans receivable (plus interest)	865,711	968,227
Other assets	16,315	19,455
Total assets	<u>\$ 1,002,697</u>	<u>\$ 1,094,983</u>

LIABILITIES

Bonds & notes payable (plus interest)	\$ 782,804	\$ 876,453
U.S. Treasury rebates payable	3,255	2,457
Other liabilities	8,874	11,332
Total liabilities	<u>794,933</u>	<u>890,242</u>

DEFERRED INFLOWS OF RESOURCES

Deferred gains on early refunding of bonds payable	28,670	34,896
Total liabilities & deferred inflows of resources	<u>\$ 823,603</u>	<u>925,138</u>

NET POSITION

Restricted	90,163	78,204
Unrestricted	74,367	76,440
Net investment in capital assets	14,564	15,201
Total net position	<u>179,094</u>	<u>169,845</u>
Total liabilities, deferred inflows of resources & net position	<u>\$ 1,002,697</u>	<u>\$ 1,094,983</u>

Statements of Revenues, Expenses & Changes in Net Position

OPERATING REVENUES

Interest earned from education loan financing	\$ 40,983	\$ 41,640
Other loan & guarantee program revenues	4,807	5,528
Investment interest	532	393
Vermont state appropriations	21,069	20,275
Federal grants	4,902	5,340
Scholarship & gift income	4,218	4,523
Federal loan servicing income	379	3,821
Other income	1,008	785
Total operating revenues	<u>77,898</u>	<u>82,305</u>

OPERATING EXPENSES

Grants & scholarships	25,885	25,999
Interest rebated to borrowers	2,124	2,617
Interest on debt, net of amortization	9,770	6,816
Other loan financing costs	6,454	13,842
Corporate operating expenses & depreciation	24,416	29,561
Total operating expenses	<u>68,649</u>	<u>78,835</u>
Change in net position	9,249	3,470
Net position, beginning of year	169,845	166,375
Net position, end of the year	<u>\$ 179,094</u>	<u>\$ 169,845</u>

A complete set of financial statements as audited by an independent public accounting firm is available on [VSAC's website](#) or by request.