

Minutes

VSAC Finance Committee Meeting

March 25, 2024
12:30 p.m. -2:00 p.m.

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

Committee Members Present: Michael Smith (Chair), John McSoley, Clarence Davis, Mike Pieciak

Committee Members Absent: Caleb Elder

Other Board Members Present: Dodie Mitchell

VSAC Staff Present: Scott Giles, Mike Stuart, Patrick Leduc, Bruce Hicken, Brad Fallon

Chair Michael Smith called the meeting to order at 12:30 p.m. With a quorum established, the Committee took up the first order of business.

Approval of January 22, 2024, Minutes

Upon a motion made by John McSoley and seconded by Mike Pieciak, the Committee Members voted to approve the minutes of the Finance Committee meeting of January 22, 2024, as presented.

Public Comment

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

Standing Reports

The Committee reviewed the previously distributed FY24 Income Statement and Balance Sheet, Variance Analysis, Operating Budget, and VSF Endowment Report. Mike Stuart noted that the; VSF Endowment, VHEIP and AY Private loan volume have all seen gains.

Bruce Hicken walked the Committee through the Variance Analysis, highlighting that the Guarantee Operations Line appears below expected but after the report was generated we received the Fresh Start Fee. Bruce also noted in the last few months there has been an increase in loans being refinanced to Direct Lending.

2024 Loan Financing Update

Mike Stuart provided an update on how VSAC is planning to finance loans for the next academic year. He also raised the topic that VSAC will review the planned use of cash reserves. The current policy provides for at least 3 months operating expenses as a reserve, and VSAC continues to exceed that cash level. In a future Finance Committee meeting, they will review in more detail investment options.

Executive Session

Upon motion made by Mike Pieciak and seconded by John McSoley, the Committee Members voted to enter executive session in order to (a) consider contractual matters, premature public knowledge of which would clearly place VSAC at a substantial disadvantage; and (b) to receive confidential advice from legal counsel.

Scott Giles, Mike Stuart, Patrick Leduc and Tom Little were requested to remain in the room, as they have information needed for the executive session.

Citation: 1 V.S.A. sec. 313(a).

FFEL Exit Update

Scott Giles reviewed the complexity of the projects and meeting the singular deadline, and how successful all teams were.

Other Business

Scott Giles discussed the impact of the FAFSA changes and the effect it is having on students, families and schools. He also informed the committee that a new Chief Financial Officer has been hired.

There being no other business, the meeting adjourned at 2:20 p.m.

Respectfully submitted,

Michael Stuart, Assistant Secretary