

# VSAC: frequently asked questions

## When was VSAC founded?

VSAC was established by the Vermont Legislature in 1965 as a public, nonprofit corporation.

## What is VSAC's purpose?

VSAC was created to provide Vermonters with the information and financing they need to pursue education or training beyond high school. VSAC provides the Vermont Higher Education Investment Plan; career, education, and financial aid information and counseling; need-based grants; public and private scholarships; and student and parent loans.

## Financial aid administered by VSAC

|  |                 |
|--|-----------------|
| Projected state grants for FY09        | \$19,153,758    |
| Projected federal grants for FY09      | \$146,873       |
| Projected scholarships for FY09        | \$6,400,000     |
| Outstanding loan guarantees as of FY08 | \$1,973,070,855 |
| Projected loan guarantees for FY09     | \$304,700,000   |
| Outstanding loans as of FY08           | \$2,084,472,170 |
| Projected loan originations for FY09   | \$452,600,000   |
| Borrower benefits as of FY08           | \$126,415,789   |
| Projected benefits for FY09            | \$13,223,000    |

## Is VSAC a state agency?

VSAC is often referred to as a “quasi” state agency. While VSAC is technically not a state agency, it was established by the state, administers the state grant program, and works closely with several state agencies to serve Vermonters. VSAC is managed by an 11-member board of directors that includes two state legislators and the state treasurer. Five of the remaining members are chosen by the governor; the other three are chosen by the board itself.

## What programs and services does VSAC offer?

- **Vermont Higher Education Investment Plan:** This is a qualified tuition program under Section 529 of the Internal Revenue Code. It provides families with state and federal tax incentives to save for college or other postsecondary training. It accepts small contributions, offers several investment options, and permits choice of institution.
- **Information on careers, colleges, and financial aid:** VSAC provides information and counseling in individual and group settings to middle school students, high school students, and adults. It also advises school counselors and other professionals on the financial aid process. In addition to the Start Where You Are college-access campaign, VSAC offers Web tools such as LearningExpress Advantage and VT Guidance Central for anyone wishing to explore career and college options.

### Vermont Student Assistance Corporation

10 East Allen Street,  
PO Box 2000  
Winooski, VT 05404  
Toll-free 800-642-3177  
In the Burlington area 655-9602

Online at [www.vsac.org](http://www.vsac.org)  
E-mail us at [info@vsac.org](mailto:info@vsac.org)

- **VSAC Resource Center:** This center in Winooski provides assistance to walk-in customers, enables students and families to complete financial aid forms online, and houses VSAC's library, which contains more than 7,600 college and career planning resources available for loan. Those not able to come to the center may borrow VSAC's resources through interlibrary loan at local libraries throughout the state.
- **Grants and scholarships:** VSAC administers state grants to eligible students for full-time, part-time, and non-degree study. VSAC also publicizes scholarships available to Vermonters and either assists with or handles the administration of 164 private, state, and federally funded scholarships.
- **Education loans:** VSAC guarantees, originates, and services Stafford (student) and PLUS (parent) loans through the Federal Family Education Loan Program (FFELP). VSAC also provides the private VSAC Advantage loan for students. VSAC works closely with borrowers and schools to keep loan defaults to a minimum. The default rate for VSAC borrowers was 2.2 percent for federal fiscal year 2006, the most recent year for which figures are available. This compares to a national average of 5.2 percent.

### How much assistance does VSAC provide?

In FY08, VSAC provided more than \$481 million in financial assistance through a combination of more than 76,000 grant awards, loans, and scholarships. Thirty-four percent of all grant recipients are adult students.

### How many people work at VSAC?

VSAC has grown from a very small organization employing a handful of people to a relatively large corporation employing a staff of 366 regular employees. (No staff salaries or administrative costs are paid with state funds.)