

Vietnam Education Foundation
Minutes of the
Meeting of the Board of Directors

April 7, 2010
2111 Wilson Boulevard
Sixth Floor Conference Room
Arlington, VA 22201

List of Attendances in Person:

- **VEF Board members:**
 - **Dr. Steve Maxner (Chair)**
 - **Ms. Elizabeth Dugan**
 - **Mr. David Duong**
 - **Mr. Chris Fussner (via teleconference)**
 - **Mr. Andre Lewis (Education); Mr. Steven Pappas (Education)**
 - **Mr. David Plack (State)**
 - **Ms. Sara Senich (Treasury)**

- **VEF U.S. staff:**
 - **Dr. Lynne McNamara, Executive Director**
 - **Ms. Sandarshi Gunawardena, Program Officer**
 - **Ms. Suzanne Michaels, Administrative Assistant**
 - **Ms. Lana Walbert, Director of Finance, Accounting, and Administration and Designated Agency Ethics Officer (DAEO)**

- **VEF Hanoi, Vietnam, staff:**
 - **Dr. Phuong Nguyen, VEF Country Director (via teleconference)**

- **VEF guests:**
 - **Dr. Ray Gamble (National Academies)**
 - **Ms. Lesly Wilson, GSA Legal Counsel**

Call to Order -- Dr. Maxner

Dr. Maxner called the meeting to order and, after introductions, welcomed new Board member David Duong. He added that another new Board member, Marjorie Margolies, was not able to attend because of illness. Dr. Maxner invited approval of the minutes of the January 6, 2010, meeting. Prior to the motion there was discussion regarding details in the minutes concerning specific Fellows who had either violated or ignored certain requirements of the program. The discussion focused on the importance of protecting individual Fellow's rights to privacy and the fact that, even when no names are mentioned, aspects of the discussion might allow identification of those Fellows. Specifically, the Board agreed that references to the Fellow's cohort year and, in one case, marital status might allow a compromise of privacy and the Board agreed to delete those

references in the January minutes. It was also agreed that the deletions would not affect the completeness of the information in the minutes.

There was a recommendation that staff develop a policy with regard to the preparation of minutes such that privacy rights are protected. Dr. McNamara explained that, after the verbatim transcript is prepared, the contractor creates the minutes and submits them to the Executive Director. The Executive Director invites review by VEF staff in attendance at the meeting and then prepares the final draft of the minutes, which is sent to the Board chair for a final review. Then, the minutes are presented for approval to the Board, who considers any further corrections or material that needs to be redacted for purposes of privacy before publishing. If approved, the minutes will be published on the VEF web site.

On motion duly made and seconded, the minutes of the January 6, 2010, meeting were unanimously approved, with the provision that references to the Fellow's cohort and to the martial status of one Fellow be deleted.

Executive Director's Top Line Report – Dr. McNamara

Dr. McNamara reported that the previous year had included an exceptional effort by staff to respond to the GAO audit, culminating in a response to the GAO's report of the audit that included a plan to address issues related to internal controls and risk management. Dr. McNamara added that, in her estimation, prior Executive Directors and board chairs were not aware of the need to address the problems cited by the GAO auditors.

Dr. McNamara stated that there had been intense efforts by staff to prepare the agenda for the April Board meeting, an important meeting because of the need for Board review and approval of the 2010 cohorts of Fellows, Visiting Scholars and U.S. Faculty Scholars. U.S. universities typically require a confirmation by April 15th by the Fellows regarding acceptance of the admission to enter studies in the fall.

Noting other accomplishments, Dr. McNamara reported that the Vietnam OpenCourseWare (OCW) program had been successfully transferred to the control of the Ministry of Education and Technology under an MOU.

VEF had completed a 360 performance review of all personnel in Vietnam and would soon complete the same review in the Washington office. She noted that a communications consultant would be recruited to provide training to the staff in the Washington office.

Concerning upcoming events, Board members could anticipate the usual Pre-Departure Orientation (PDO) in June, the annual Interview Mission in Vietnam in August, and the second alumni conference that would follow the

Interview Mission. The Open CourseWare Consortium (OCWC) Global Meeting would take place May 5-7 in Hanoi.

Finally, Dr. McNamara mentioned that the American Association of State Colleges and Universities (AASCU) had submitted a formal request for collaboration with regard to facilitating introductions between the AASCU and various Vietnamese institutions. The Vietnam International Education Development program (VIED) also requested support, similar to that in the past, regarding the August interview mission and the PDO. The last item for consideration would be the possible participation of one or more representatives of the Vietnam Fellows and Scholars Association (VEFFA) to attend and perhaps participate in future Board meetings.

Approval of 2010 Program Participants – Ms. Gunawardena

Ms. Gunawardena explained that candidates for VEF fellowships come from two processes, Process A which is the product of the established August interviews by the National Academies, and Process B which is the route by which Vietnamese students who have already been admitted to a U.S. university may join the program. This year there were originally 89 Process A applicants, three of whom were not qualified because they were not pursuing degrees in science, technology, engineering, or mathematics (STEM) fields. The National Academies pre-qualified the 86 remaining and selected 82 for final interviews. Thirteen withdrew for personal reasons and one failed to appear for the interview. Therefore, 68 were interviewed and the top 40 were nominated. Of those 40, three withdrew leaving space for three Process B candidates. In the end, the final list included 37 Process A and 3 Process B candidates.

There was a brief discussion about the institutions chosen by the candidates, which are reviewed by the National Academies to insure that the student had selected wisely. The student's first choice may be changed after appropriate counseling. Ms. Gunawardena noted that about ten percent of the applicants would pursue a master's degree, the remainder a Ph.D. Geographically about half of the Fellows are from the north of Vietnam and the other half from the central region (about 20%) and the south region (about 30%). About 30% are female, and there was a brief discussion about VEF's proactive efforts to recruit females.

Asked about the process of rating the applicants, Dr. Gamble explained that, after considering the prequalification review and the interview itself, candidates are assigned to three groups: top candidates who are assured a place in the cohort, a second group that is deemed qualified (but not a top candidate) and who are invited to fill empty slots in the total group of 40 through Process B, and a third group that is deemed not sufficiently qualified and who do not receive nominations. Dr. McNamara noted that the total number of applicants declined this year, which is most probably affected by the recent requirement that each

applicant complete the GRE exam with a minimum combined score of 1000. Mr. Lewis commented that the requirement to take a test that may cost as much as \$170 might bias the talent pool to the more wealthy students and be a disadvantage to potential candidates who may be economically challenged, an issue that Dr. McNamara agreed should be considered in the future. VEF subsidy of the GRE is a budget question.

Dr. Duong asked about recruitment in the south, and Dr. Phuong explained that there is a very aggressive program to publicize the VEF Fellowship program in the south, including university visits, e-mail campaigns to make nearby universities aware of those visits, contact with the international departments of universities, and printed materials that are sent to universities for posting on campus bulletin boards. Dr. Phuong stated that her office was contemplating a survey of current VEF Fellows to determine how they became aware of the Fellowship program.

Dr. McNamara commented that the major funding for outreach is focused in the south and central regions. She added that the smaller number of applicants from those regions may also be affected by the fact that the south is a wealthier region and many students arrange their own U.S. university affiliations. Dr. Maxner noted that there was already a very effective financial support program in existence, the Mekong 1000 program, that is targeted at students in that area. The area is also more agrarian than the north, and the ratio of English-speaking Vietnamese is lower than in the north. Inability to speak English is an obstacle to obtaining funding for U.S. educational opportunities. Dr. Maxner commented that the TOEFL qualifications are set by the U.S. universities. There was a brief discussion about VEF support for English language training in Vietnam, but, aside from being outside the mandate of the legislation, the VEF program life is too short to mount long-term programs.

Ms. Gunawardena requested approval of the 40 Fellows in the 2010 cohort and, on motion duly made and seconded, there was unanimous approval.

Moving to the Visiting Scholars program, Ms. Gunawardena stated that VEF received eight completed applications, seven of which were approved for National Academies review. Four applicants were interviewed. Dr. Gamble explained that a prequalification process looks at the objective qualifications included in the applications, but also considers more subjective qualifications such as the applicant's ability to articulate the proposal and the level of commitment that appears to be associated with the project. Asked about the small number selected, Dr. McNamara explained that the program was developed when funding was more flexible and that, under the more recent budgetary constraints, the Board felt it was appropriate to focus on the Fellows program and to limit the number of Visiting Scholars.

On motion duly made and seconded, the Board unanimously approved the slate of three Visiting Scholars as the 2010 cohort.

Ms. Gunawardena described the third program, the U.S. Faculty Scholars, in which the professors teach courses either on-site in a Vietnamese institution, or by videoconference. This year there were 18 original applicants, three of whom were disqualified (not in STEM fields). Eleven were selected for interview after the prequalification process. Six were finally selected. The total funding for each Faculty Scholar is up to \$55,000, and five were initially selected. However, because some of the applicants submitted budgets below the maximum, sufficient funds were available to select a sixth Faculty Scholar. Ms. Gunawardena stated that one applicant selected had previously served on the August interview mission, and another applicant, who is already a Faculty Scholar teaching surgical techniques via videoconference, was selected in the 2010 cohort for a second concurrent educational program. Dr. Gamble explained that the criteria for selection include not only the objective academic qualifications, but consideration of the applicant's international educational experience, sustainability of the program proposed, and commitment.

On motion duly made and seconded, the Board unanimously approved the six Faculty Scholars as the 2010 cohort.

Financial Report – Ms. Walbert

Ms. Walbert reported that expenditures through the end of March 2010 were \$1,117,864, which represents 19% of the approved budget of \$5,651,920. She noted that, although that represented expenditures through about half of the fiscal year, the majority of payments are made in the late summer when grants are remitted to the universities and when major contract payments, for example, payments to the National Academies, are made. She explained that the new accounting system began only recently to record expenditures accurately in detail, so that expenditures for October through January are not broken down. There was the greater detail in the payments for February and March.

For the newer Board members, Ms. Dugan explained the changes in the accounting system were requested by the Board so that more reasoned decisions would be made concerning future budget allocations. Dr. McNamara amplified on the comment, noting that the previous accounting system, as specified by the earlier VEF Boards, allocated expenditures by program rather than by specific expense categories. Those expenditures did not meet the need to analyze in detail where monies were spent within the various programs. Finally, Mr. Plack explained that earlier budgets were overestimated in the sense that they were typically in the range of \$7 million and that, by under spending during the year, the final expenditures were more or less in line with the fixed annual allocation of \$5 million, plus a small amount that might be expended from the prior year's

carryover. He added that the new accounting system has virtually eliminated that situation.

Ms. Walbert described the carryover, which is estimated to be \$4,158,620 at the end of FY 2010. The surplus was calculated based on the prior year's surplus of \$4,774,374 plus the 2010 allocation of \$5,000,000 less the 2010 approved budget of \$5,615,754 (even though that amount might not be fully expended by the end of the fiscal year, which would adjust the year-end surplus slightly upward). In response to questions about treatment of year-end surplus funds, Ms. Walbert explained that VEF is not subject to the usual federal requirement that funds must be expended by year-end or returned to the Treasury. Surplus funds remain under the control of VEF. She also explained that the original surplus originated with apportionments that were made in 2001 and 2002 in accordance with the legislation even though VEF did not begin operations until 2003.

Ms. Walbert turned to the proposed 2011 budget, which would be reviewed and approved at the July Board meeting. She pointed to the detailed comparison of the 2010 approved budget and the 2011 proposed budget in the handouts provided in the Board binder. Noting that the Board had consented to a second alumni conference, which would normally be held in November 2010 (FY 2011), she explained that for economic savings the conference had been rescheduled to occur in August (FY 2010). Since there is no provision to fund that conference in the FY 2010 budget, Ms. Walbert requested that the Board consider moving the funds authorized for the VOCW program, which has been handed off to MOET, to the August alumni conference. She noted that, after the VOCW handoff, MOET assumes full financial responsibility and VEF would not expend the VOCW funds currently in the 2010 budget. Ms. Dugan noted that the Finance Committee had discussed the issue and agreed to recommend the budget revision to the full Board.

On motion duly made and seconded, the Board unanimously approved the transfer of the available balance in the VOCW account to a newly created alumni conference account.

Finally, Ms. Walbert noted that, in addition to the significant reduction in the 2010 budget related to the transfer of control of VOCW to MOET, another significant reduction in costs was related to revising the requirements of the National Academies contract. Originally the Academies had managed the entire recruitment process, managed the Annual Fellows and Scholars Conference and paid stipends for Visiting Scholars. Currently all conferences are fully managed by VEF staff, and arrangements have been made with the various universities to pay the stipends of the Visiting Scholars. The Academies contract had also included a processing fee for all monies paid through the Academies account.

Ms. Walbert reiterated that the Board would vote on the FY 2011 budget at the July meeting, and Ms. Dugan announced that there would be a Finance Committee meeting in June, prior to the July Board meeting, to finalize the budget that would be presented to the Board for approval.

Finally, Ms. Walbert mentioned that she would be attending the annual GSA Expo in Atlanta, where she would attend sessions on new regulations and procedures, contracting, and other topics germane to the VEF accounting system.

Fundraising Discussion

In response to comments by Mr. Lewis concerning fundraising, Dr. Maxner explained that Mr. Fussner (who was no longer connected to the teleconference) had agreed to lead any VEF fundraising program approved by the Board. As background, Dr. Maxner recalled that earlier Boards had considered and approved a fundraising effort that would solicit contributions from private sources. VEF legal counsel had reviewed the proposal and determined that VEF's status as an independent federal agency allowed fundraising with certain constraints. However, the specific programs approved by the previous Boards, which included the possible employment of a professional development person, were not implemented.

Dr. Maxner explained that this Board had considered fundraising and approved a scaled back program that Mr. Fussner agreed to implement, a program that would target specific corporate entities doing business in Vietnam that might be amenable to supporting programs such as the U.S. Faculty Scholars. Before Mr. Fussner could become actively involved with that effort, legislation was introduced to move VEF into the State Department, and the effort was put into abeyance. Even though the original legislation failed to pass, a second bill was introduced, so the fundraising program remains in limbo.

There was a brief discussion about the history of the legislation, that the original bill was introduced in the House by Congressman Delahunt, passed in the House and reached the Senate floor where Senator Cornyn's opposition resulted in its failure to pass. The second bill was sponsored by Senators Kerry and Lugar, who were sponsors of the original VEF legislation. That bill has not made it out of the Senate Foreign Relations Committee.

Asked about the Board's take on the legislation, Dr. Maxner explained that both bills would introduce significant changes in the mission of VEF, including the creation of an American research college that would expand scholastic support beyond the STEM fields and would admit undergraduates. The funding allocation would not increase, which would require dilution of current VEF programs that support graduate level Fellows. Dr. Maxner added that, as part of the Department of State, the Board would not exist, although there was some provision for an advisory committee that would include current Board

members. He noted that throughout the process no congressional staff invited comment from VEF staff or Board members. Nonetheless, Dr. Maxner stated that there have been meetings with Hill staff to discuss the Board's concerns about the legislation.

Returning to the discussion of fundraising, Mr. Plack noted that the previous Boards had entertained fundraising in better economic times, but had not been able to attract significant outside funding. He added that Mr. Fussner's approach was more conservative in seeking support from specific businesses that had focused interests in areas of concern to participants in the VEF programs, especially the U.S. Faculty Scholars and the Visiting Scholars.

Mr. Lewis invited consideration of creating an annual fundraising event, such as a dinner, to which U.S., Vietnamese, and other corporations with interests in Vietnam would be invited. He felt that kind of a fundraising program would require a professional fund raiser. In addition to the annual dinner, that fundraiser might be able to develop a significant direct mail solicitation to the Vietnamese-American community for smaller donations.

Dr. McNamara commented that, prior to the last Annual Conference, both VEF staff and Rensselaer Polytechnic Institute (RPI) staff had developed a limited solicitation program to encourage support of the meeting itself. Because it was a limited effort, the response was nominal, resulting in one paid advertisement. Asked about how such funds should be handled, Ms. Wilson suggested that they be segregated from the Treasury account used to support VEF activities. If co-mingled in that account, there would be more restriction on use than would be the case if a fundraising account was established separately. Mr. Plack suggested that fundraising guidelines be created to ensure that federal regulations and requirements are met in the fundraising process.

Programs Report – Dr. McNamara

Fellowship Program

Dr. McNamara invited Ms. Gunawardena to describe the current Fellows Program. There are 236 Fellows resident in the United States, 211 of whom are pursuing degree-granting programs, and the remaining 25 are involved with post-degree completion Academic Training. Four, who are working on degrees, are also involved with part-time academic training while engaged in full-time studies.

Ms. Gunawardena reported on a special situation that developed earlier in the year. A university terminated a Fellow's enrollment and recommended that the student return to Vietnam for evaluation and to be with family. VEF was informed and staff traveled to the university to assist the individual travel back to Vietnam. VEF staff made travel arrangements, obtained appropriate immigration

travel documents, and helped the student pack personal belongings for the return. The university informed the student that reapplication would be required to return to the academic program at a future time. The VEF staff person obtained a power of attorney to accomplish the task of packing and shipping personal belongings to Vietnam and taking care of other matters related to this emergency medical evacuation. The Fellow requested a formal ruling on the status of the student's VEF Fellowship, which staff stated would be provided after the Board's review.

There was a brief discussion about the VEF application process, and Dr. McNamara noted that a physical exam is required, but that no psychological evaluation is done. Ms. Wilson confirmed that diagnosis of an incapacitating illness would be grounds for termination as per the current terms of the VEF Fellowship, but that only a medical report from a licensed physician would be acceptable.

Dr. McNamara requested, in light of the apparent gravity of the circumstances, that the Board formally approve termination of the fellowship. On motion duly made and seconded, the Board unanimously approved termination of the fellowship.

Ms. Wilson suggested the formulation of a policy that would accommodate a power of attorney early on. Ms. Gunawardena agreed, stating that it would be appropriate to consider developing a crisis plan that would cover not only this kind of situation, but other situations that could affect Fellows in the United States, Visiting Scholars, and U.S. Faculty Scholars (e.g., personal crises, natural disasters, political upheavals, etc.). Dr. Maxner agreed that such a policy should be created for future review by the Board.

Ms. Gunawardena introduced another subject, an increase in requests from Fellows to extend participation in the VEF fellowship beyond six years. Ph.D. Fellows receive support for five years and, by rule of a previous Board, may request two six-month extensions, for a total of six years. A number of extensions beyond six years, accompanied by letters of justification from faculty advisors, have been requested in the recent past. Ms. Gunawardena noted that the requests must be based on legitimate academic needs, such as additional time to complete the dissertation. She added that after the extensions the student may still remain in the United States for academic training. It was noted that the only cost to VEF is the funding provided for attendance at the Annual Fellows and Scholars Conference. Even so, Ms. Gunawardena warned against possible exploitation since the students are relative cheap labor as research or teaching assistants.

Dr. Maxner noted that the sunset requirement for VEF dictates that there be a limit to the time current Fellows may be involved in the program. Mr. Plack suggested that, if a Fellow extends beyond six years, it might be appropriate to offset that extension by reducing the Academic Training allowed by an equal amount of time. Since no policy currently exists for a seventh year extension, a

new policy could be established. Dr. Maxner agreed that such an offset was reasonable, but felt each case should be reviewed on its own merit.

Dr. Maxner summarized the Board's consensus that VEF Fellows would be allowed, under current policy, to obtain two six-month extensions, for a total of six years fellowship support. Any additional extension of time beyond six years would require that the Fellow relinquish an equal amount of time for Academic Training. Dr. McNamara agreed to develop that policy for Board review and, because of the pending requests for extensions, would transmit the policy to the Board as soon as possible.

Ms. Gunawardena introduced the next agenda item for consideration, the VEFFA response to the revised policy concerning Academic Training. In essence, the VEFFA letter articulated disagreement with the policy and a belief that the new policy would have a negative effect on the VEF program. The letter requested a suspension of the policy until the Board could reconsider it. Mr. Plack noted that the response was well thought out, but that in reality the policy would not affect current Fellows. It would apply only to those entering the fellowship with the 2010 cohort. There was Board consensus that the policy would remain in effect and that a letter explaining the Board's action would be prepared and sent to VEFFA.

Ms. Gunawardena reviewed the program timeline, noting that the Pre-Departure Orientation (PDO) for new Fellows and Visiting Scholars would occur June 11-15 and would include the traditional team building and the subsequent series of sessions about immigration regulations and adjusting to academic life, and life in general in the United States. Of the 29 Visiting Scholars selected to date, seven are currently in the United States; the three new Scholars will attend the PDO and then travel to the United States; and the rest are back in Vietnam. The new U.S Faculty Scholars will attend an orientation at the VEF U.S. headquarters office in June and an orientation in Hanoi when they arrive in Vietnam. Dr. McNamara invited Board members in the area to attend the U.S. orientation for Faculty Scholars. Dr. Maxner announced that Ms. Dugan indicated an interest to attend the PDO in Vietnam and, according to bylaws, that visit would require Board approval. On motion duly made and seconded, the Board unanimously approved funding for Ms. Dugan's attendance at the June PDO.

Concerning the Alumni Conference and any other alumni activities that may occur, Ms. Gunawardena requested that the Board consider a definition of the term "alumni." She suggested that VEF alumni include Fellows, Visiting Scholars, and U.S. Faculty Scholars, who have completed the requirements of their VEF grants. Individuals who, for any reason, dropped out of the program or otherwise failed to earn a degree or complete the original program as described in their grant letter would not be considered alumni. The Board, by consensus, approved the definition. Dr. Maxner added that being an "alumni" would not

necessarily entitle that individual to funding to attend, for example, the Alumni Conference. Eligibility for funding would be determined with regard to each event.

Ms. Gunawardena commented that, prior to the Alumni Conference, a survey would be sent to alumni to update information, to facilitate communication, and to enhance networking opportunities. She added that, considering the valuable resource that is being developed in the VEF alumni population, a goal of the Alumni Conference should be to develop a think-tank type of capability among the alumni – not an actual organization or entity, but a virtual group that could provide expertise in the STEM fields. Dr. Maxner agreed that it was a good idea, but added that, considering the political environment in Vietnam, the group should not be associated with the words “think-tank.”

Ms. Michaels provided a brief report on the January 3-5, 2010, Annual Conference in Albany, New York. A survey was sent to 213 participants and 42% responded. The survey showed that participants rated as exceptional the *All the Ways Home* sessions, the leadership workshops, recreational activities, networking, and the Gala Dinner. Areas were identified as needing improvement: geographic location (the consensus was that the weather was too cold), more time for networking, and more authentic Vietnamese food. Ms. Michaels commented that next year the weather definitely should be more pleasant in Arkansas, and with a much larger Vietnamese community, there should be an enhanced opportunity to provide authentic Vietnamese food. Ms. Michaels stated that, in general, the Annual Conference was well-received by those who attended.

Dr. McNamara briefly commented on the transfer of the Vietnam OpenCourseWare (VOCW) to the Ministry of Education and Training (MOET), and on the VEF participation in the upcoming OpenCourseWare Consortium (OCWC) Global Meeting. At the request of the OCW Consortium, VEF agreed to co-sponsor the event and provided support in terms of staff time. She added that, as an integral part of the VOCW program, VEF has been a significant contributor to the establishment of Creative Commons in Vietnam. She expressed appreciation that OCWC had been receptive to the inclusion of Creative Commons within the Global Meeting program.

VEF Events – Dr. Maxner

Dr. Maxner noted that the response to the GAO audit had been included in the meeting materials. Ms. Senich requested that some discussion of the plan to implement VEF’s response to the audit be included in the next Board meeting agenda. Dr. McNamara agreed to include the discussion and to prepare some additional information.

Dr. Maxner reported that VEF participated in the third Education Conference in Hanoi, sponsored by the U.S. embassy. He noted that the

attendance was excellent and well-diversified, with representation from academia, the private sector, and officials from both governments.

Finally, Dr. McNamara reiterated the invitation for Board members to attend the August Interview mission, especially since the form and substance of the interview process has been an issue of interest to the Board for some time. She suggested that, after the mission, the Board could revisit the issue and discuss alternatives to the current process.

Operations Report -- Dr. McNamara

Dr. McNamara reported that VEF was seeking to employ a Program Associate, whose job description was provided in the materials for the Board. In addition, the job descriptions and titles for Ms. Gunawardena and Ms. Michaels will be adjusted to reflect responsibilities.

Concerning the impact of the pending legislation, Dr. McNamara reported that the U.S. Embassy in Hanoi had requested job descriptions of all Hanoi office personnel. The logic is that, if the legislation regarding VEF is passed, the Embassy would need to incorporate the positions into the Embassy and, thus, advertise the positions, even though the Embassy concedes that the most qualified individuals are those who already work at VEF. However, previous VEF employees might apply.

Dr. McNamara briefly commented on a personnel performance issue in the Hanoi office that is being addressed through focused professional development counseling. She expressed confidence that the individual would bring performance up to par.

In terms of external affairs, Dr. McNamara explained that the Association of American State Colleges and Universities (AASCU) had requested support from VEF in developing closer relationships with Vietnamese educational institutions. Dr. McNamara recommended making that connection, noting that it would not require any budget adjustments and that only staff time would be involved. It was noted that AASCU had submitted an MOU for consideration. Mr. Plack felt that such an exclusive agreement was inappropriate for a federal agency such as VEF. Dr. McNamara agreed and suggested that she contact AASCU and arrange for an informal letter request be submitted. Then, specific requests could be addressed on an issue by issue basis.

Dr. McNamara mentioned a second request that had been received from MOET's Vietnam International Education Development (VIED) program concerning participation in the August mission interview process and the PDO. Concerning the former, in the past the National Academies has been involved in the review of the applications of VIED candidates and arranging the interviews. Concerning the PDO, in the past an invitation has been extended for VIED

administrators and candidates to attend the informational sessions of the PDO, while VIED candidates have not been allowed to attend the team-building portion. Dr. McNamara and Dr. Phuong stated that the VEF support required was not a burden and that it was appropriate to the mission of VEF. However, since VIED has taken advantage of the VEF processes for the last four years, there was a suggestion that VIED should begin to develop some independence by setting up their own interview process and PDO event. There was agreement that the transition should not be abrupt and that VEF should facilitate VIED's development of the interview process and the PDO.

Concerning the interviews, Dr. Maxner observed that VIED has been allowed to fill empty slots in the VEF interview schedule based on the National Academies willingness to conduct the interviews. He noted that this imposes no additional cost on VEF. However, the National Academies must determine whether or not to provide such services to VIED and make such arrangements with VIED.

Dr. Gamble commented that it has been a voluntary function in the past on the part of the National Academies and the interviewers, but he agreed that it was time to consider a less dependent relationship on the voluntary aspect of the process. He noted that the Academies had offered a comprehensive proposal to MOET in 2005 that was similar to the VEF contract. It was fee-based, but would only cost about 3% of the total cost of the VIED program. The proposal was rejected.

Mr. Plack stated that VIED must negotiate directly with the Academies, but that a provision for performing some of the services in a "piggy-back" manner with VEF might be appropriate. That request should come from the Academies once their agreement with VIED is settled. He added that the "piggy-back" arrangement would have to be negotiated since, for example, the VIED selection process is less transparent than VEF's.

Dr. McNamara commented that in the past VEF has been willing to provide counsel and support to VIED, including providing the VEF Online Management System and copies of various forms, and has made introductions to various U.S. universities. She stated that she would create a letter explaining the need to negotiate with the Academies and outlining how VEF could support the interview process and the PDO process.

Mr. Plack made the point that the VEF program is "branded" as a U.S. government program and that to present the appearance of a "co-sponsored" event, such as a joint PDO, would dilute that branding.

Dr. Maxner, specifically referring to the letter from Dr. Vang, Director General of VIED, stated the Board's consensus: 1) VIED scholarship recipients would be allowed to attend the informational sessions of the VEF Pre-Departure

Orientation; 2) VIED must negotiate with the National Academies concerning participation of VIED scholarship candidates in the August 2010 interview mission; 3) VIED must negotiate with the National Academies with regard to the interview process in future years; and 4) VEF will continue, at no cost to VIED, to support VIED as it establishes its own online management system.

Dr. Maxner reiterated that, if those negotiations between the National Academies and VIED with regard to the interview process are successful, any additional costs to VEF that result from the agreement between VIED and the Academies must be reimbursed.

Old Business – Dr. Maxner

Dr. Maxner invited comments concerning the VEFFA request to allow a representative to attend Board meetings. He noted that there might be concern about having the representative attend the entire meeting. Ms. Wilson stated that a guest's attendance could be limited in time, but that the administration's policy on transparency and openness might suggest a more lenient approach. Mr. Plack added that the legislation specifies who is an official Board member, including non-voting Board members. Therefore, the invitation must be clear that the individual is a guest, and not a Board member, even though the individual is part of the VEF program. He added that the invitation should be for a single Board meeting and the VEFFA representative should clearly understand that it is not a standing invitation. It would also be inappropriate to give the impression that the VEFFA representative had any role in governance of VEF programs and the VEFFA representative should not receive the Board book or other working papers.

Dr. Maxner suggested that the action should be informal, the extension of an invitation to attend a Board meeting, and not an official policy pronouncement by the Board. Because of time constraints, resolution of the issue was deferred until the next Board meeting.

Dr. Maxner discussed the final item – Board term limits. He noted that two Board members would reach their terms limits during April 2010 – he and Ms. Dugan. The VEF legislation states that, unless the President appoints a replacement, those terms are voluntarily extended until that replacement is confirmed. Both he and Ms. Dugan agreed to remain on the Board until that time. However, the responsibility of the Chair of the Board and the Chair of the Finance Committee is a Board prerogative. Ms. Dugan indicated that she would be willing to continue in her role as Chair of the Finance Committee, and there was Board consensus that she should do so. Dr. Maxner indicated that he would be pleased to remain as Chair, but requested that the Board members consider it and make a decision at the next Board meeting.

Finally, Dr. Maxner stated that the Board bylaws must be amended to include, among other things, a requirement to report to the OMB concerning the annual budget. He also commented that he felt it was inappropriate for a Board member appointed by the President to send a representative to the meeting, and that the bylaws should be reviewed annually. He mentioned that he would send a draft of those revisions to the Board members for consideration at the next meeting.

Noting that the next Board meeting would be held at VEF Headquarters on Friday, July 16th, he invited a motion to adjourn.

(On motion duly made and seconded, the Board unanimously approved adjournment at 5:30 p.m.)