

**Vietnam Education Foundation**

**Minutes of the  
Meeting of the Board of Directors**

**January 3, 2012 (extraordinary meeting)**

**Louisiana State University  
Shreveport, Louisiana**

**List of Attendees:**

1. **VEF Board members**
  - **Mr. Chris Fussner (Chair)**
  - **Ms. Sandy Dang**
  - **Mr. David Duong**
  - **Ms. Marjorie Margolies**
  - **Dr. Steve Maxner**
  - **Mr. Steven Pappas (Education)**
  - **Dr. Isaac Silvera**
  - ***Via Teleconference:***
    - **Mr. David Duong**
    - **Mr. James Mokolowsky (Senator Richard Blumenthal's office)**
2. **Guests invited by VEF**
  - **Ms. Lesly Wilson (GSA Legal Counsel)**
3. **VEF staff**
  - **Dr. Lynne McNamara, Executive Director**
  - **Ms. Huyen Le, Deputy Director of Finance, Accounting, and Administration**
  - **Dr. Phuong Nguyen, VEF Country Director**
  - **Ms. Lana Walbert, Director of Finance, Accounting, and Administration**

**Call to Order – Mr. Fussner**

Mr. Fussner called the meeting to order, stating that the special meeting of the Board was pursuant to discussion in the Executive Committee following the regular Board meeting in November. The topic to be discussed was a proposal to increase the number of grants to be awarded to VEF Fellows, U.S. Faculty Scholars, and Visiting Scholars, based on the fact that there is a significant surplus that should be used for the additional grants.

Ms. Walbert announced that she had prepared a number of alternative budgets for consideration, each based on different numbers of suggested awards. She commented that some expanded program scenarios could deplete the available carryover funding at some point in the near future, which would affect overall

availability of operating funds. Ms. Walbert brought up that point to note that VEF cannot operate in the red. To aid in the discussion, Ms. Walbert presented two scenarios to the Board. One budget showed the outcome if an increased number of awards were to be granted only in 2012, with the number of grants returning to the usual level in 2013 (45 Fellowships, 5 U.S. Faculty Scholar Grants, and 3 Visiting Scholar grants). The second budget showed the effect of increasing the number of grants for 2012 and 2013. Mr. Fussner suggested that the Board should focus only on the increased awards in 2012, and the financial effect that would have, since 2013 would be the responsibility of the Board in existence one year hence.

Dr. Maxner noted that the proposal is only for 2012 and focuses on an expanded group of grants that would require the major part of the funding only during the first two years. He also suggested that, as a cushion, the programmed \$5 million funding for 2017 and 2018 would be received but no grants would be awarded because of the sunset requirement of the legislation. He felt that even with 60 Fellows, rather than the currently approved 45, the carryover would not be threatened. Ms. Walbert commented that, although the majority of the funding does occur in the first two years, there are a number of expenditures that occur in the following three years or so – professional development grants, support for the annual conference, transportation back to Vietnam, and so on. Ms. Dang noted that one relief factor would be a savings of \$350,000 every other year if the Board decided to have alternate year annual conferences. Dr. Maxner observed that VEF has been steadily increasing the carryover to its present level and, unless some effort is made to spend that surplus down, the carryover would become problematic as VEF approached its sunset deadline.

Dr. Maxner brought up another issue, namely, that VEF has been consistently and significantly under-spending such that 2011 expenditures were \$4.8 million, even though the approved budget was \$5.9 million. He felt that this under-spending indicated that the Board was not effectively projecting anticipated costs of operating the program, which should now be possible considering the improvements in the accounting structure that were engineered by Ms. Walbert, with the support of the Finance Committee under the leadership of former Board member, Liz Dugan. The new accounting structure should allow a much more accurate estimate of future financial requirements. Dr. Maxner suggested that the Board look closely at the actual figures for 2011, as a guide for bringing the estimated budget requirements for 2012 in line with the budget finally approved by the Board.

Concerning the increased costs of the proposal to expand the number of awards, Mr. Fussner commented that, although the costs would increase for the individual awards made, the fixed costs of running VEF should increase only slightly --- administrative expense, the interview/selection process, and so on.

Dr. McNamara explained the process by which the additional Fellows would be selected. Each year the interviewing professors consider up to a hundred candidates, and select only 45. However, the first cut, those considered qualified to be admitted to a graduate program and to successfully complete a degree, is larger than that number. From the group of candidates, those not finally selected for a VEF fellowship have an opportunity to apply again through Process B. Those individuals seek admission on their own to a U.S. graduate school and, if admitted, may be eligible to receive funding from VEF if that funding is available. Also each year a number of Fellows selected drop out for one reason or another, making room for the best of the Process B candidates. If the Board approved additional awards, perhaps as many as 15, the individuals in Process B would become eligible for those awards. Dr. McNamara added that, since some of those Process B applicants—those who had originally applied through Process A—would be coming from the group that was not considered to be the best candidates for a VEF award, it would be important to maintain quality standards that would insure that those selected could successfully complete the graduate program. Dr. Silvera commented that, considering the selection process, a statistical standard deviation would apply, which would mean that there would be a few candidates who were not selected for VEF awards who would be as fully qualified as those who were selected, but who were at the bottom of the cutoff for selection.

Ms. Margolies suggested that the Board consider increasing the number of U.S. Faculty Scholars and Visiting Scholars as well. Dr. McNamara explained that last year there were about forty U.S. Faculty Scholar applicants, which should provide sufficient opportunity to increase the number of awards in that area. Asked about the cost of U.S. Faculty Scholars, Dr. McNamara stated that the award is up to \$55,000, though some do not require that much.

Also on the selection process for Visiting Scholars, Dr. McNamara explained that the current procedure consists of a written application, a technical evaluation of the written application, and a telephone interview (mainly to ascertain English language capability). The 2013 cohort of Visiting Scholar candidates will be interviewed face-to-face in Vietnam in August 2012. The U.S. Faculty Scholar selection process will continue to have a technical review of a written application and a telephone interview between the applicant and U.S. scientists working with VEF on the selection process. Dr. McNamara added that there are usually a large number of applicants for this award, so the expansion of those selected should not be a challenge. However, the Vietnamese universities believe that only a few Visiting Scholars are selected and there are fewer applications. Therefore, there should be an effort to inform them of the increased opportunities. The online applications open in February, so there is a short timeframe to publicize the change in the numbers of awards for 2012.

Dr. Silvera suggested that there should be a discussion about the effectiveness of the three programs under consideration – the VEF Fellows, U.S. Faculty Scholars, and

Visiting Scholars. Dr. McNamara observed that the impact of the Fellowship program is long-term since the majority of Fellows are pursuing a PhD, which takes at least five years to complete, and Fellows may continue for up to 18 months of post-degree Academic Training in the United States. She also commented that the initial focus of VEF was on the development of PhDs. Nonetheless, the other two programs have a more immediate and a higher profile impact. She stated that there have been requests from the Vietnamese government to increase the numbers in all programs. Dr. Silvera agreed that the Visiting Scholars bring back new teaching and research ideas, and U.S. Faculty Scholars provide a significant contribution to the teaching programs at their Vietnamese host universities. In both programs, some of the grant recipients develop longer term collaborations with the educators and scientists in the host country. Dr. Phuong suggested that VEF might be able to research the impact of the three programs and provide a report, although she conceded that the programs are not easily comparable.

After discussion, the Board agreed that all three programs should be expanded and settled on the following increases: Fellows 60, U.S. Faculty Scholars 15, and Visiting Scholars 15. The discussion included reconsideration of the budget and Ms. Walbert suggested using the sum of \$80,000 for each Fellow for the entire time the Fellow is associated with VEF. Dr. McNamara noted that the additional cost would be about \$1.5 million dollars. With the current surplus of about \$3.5 million, the remaining surplus would be \$2 million. Dr. McNamara suggested that the numbers should be flexible such that the Board could approve a higher or lower number in each category, depending upon the outcome of the three selection processes.

Dr. Maxner made the motion that, for the 2012 cohort, the Board approve the selection of 60 Fellows, 15 Visiting Scholars, and 15 U.S. Faculty Scholars, while maintaining the high standards of the current selection process, and also providing some flexibility for the staff to make recommendations to the Board for final approval, to wit, there are more U.S. Faculty Scholars that are qualified versus Visiting Scholars, or vice versa, an adjustment to the numbers may be approved, as long as the number does not exceed a total of 30 U.S. Faculty Scholars and Visiting Scholars. Dr. Silvera seconded the motion.

(Whereupon, the motion was unanimously approved.)

Dr. McNamara proposed that the Board consider approving the currently selected Fellows (44 in all) rather than entertaining approval at the April meeting, which is the customary chronology. She felt it would provide strong support for those Fellows if any changes in the status of VEF occurred before the April meeting, e.g., if VEF were to be absorbed into the Department of State, which would then control the funding of Fellows. Ms. Wilson observed that such a motion would have no standing if funding was not available for whatever reason when the time came to make the Fellowship awards. Dr. McNamara conceded that fact, but suggested that such a motion might have an

effect on any decisions made under changed circumstances. The Board agreed that such a provisional motion would be in order.

(On motion duly made and seconded, the Board unanimously approved the 2012 cohort of 44 Fellows with the provision that each Fellow must be admitted to a U.S. university in order to receive the Fellowship award.)

Considering the changes made, Mr. Fussner stated that Ms. Walbert would recalculate the proposed 2012 budget and send it to each Board member in anticipation of a subsequent e-mail vote. In addition, Dr. Maxner requested a spreadsheet showing the approved 2011 budget and the actual expenditures in each category.

(Whereupon, the Board reached a consensus to adjourn the meeting.)