

Minutes
Finance and Audit Committee Meeting
Board of Directors of the Virginia Economic Development Partnership
June 11, 2025
1:30 p.m.

901 East Cary Street
James Center One, Board Room – 9th Floor
Richmond, VA 23219

Welcome and Call to Order

The meeting was called to order at 1:32 p.m. by Chair Rick Harrell. A quorum was present.

In-person committee members: Secretary Stephen Cummings, Rick Harrell, Pace Lochte,
Secretary Juan Pablo Segura, Will Sessoms, Steven Stone

Absent committee members: April Kees

Other committee members present: John Hewa, Todd House, Connie Loughhead, Anne
Oman, Nick Rush

Public Comment Period

Chair Harrell solicited public comments. There were none.

Approval of Minutes for March 5, 2025, Meeting

Chair Harrell asked for approval of the minutes from the March 5, 2025, Committee meeting. Upon motion by Mr. Sessoms, seconded by Mr. Stone, the minutes were unanimously approved.

VEDP FY24 Financial Audit Report

Linda Wade, Auditor of Public Accounts for the Commonwealth, reviewed VEDP's FY24 Financial Audit Report. She indicated that VEDP had a clean audit. A report on internal controls had three findings, none of which were material weaknesses.

Chair Harrell asked for acceptance of the FY24 Financial Audit Report. Upon motion by Mr. Sessoms, seconded by Mr. Stone, the Financial Audit Report was unanimously accepted.

VEDP FY25 Financial Results

Bob Grenell, VEDP Comptroller, presented the financial results for the nine-month period ending March 31, 2025. All divisions are at or below budget for the first nine months of the fiscal year. Overall, VEDP has spent 63% of its budget. Expenditures are expected to rise in the fourth quarter, as is typical. Details of Mr. Grenell's report are available in the meeting materials.

Chair Harrell asked for acceptance of the VEDP FY25 Financial Results through March 31, 2025. Upon motion by Mr. Sessoms, seconded by Mr. Stone, the financial results were unanimously accepted.

Proposed FY26 Operating Budget

Mr. Grenell presented the proposed VEDP Operating Budget for FY26, a copy of which is available in the meeting materials.

Upon motion by Mr. Sessoms, seconded by Mr. Stone, the FY26 Operating Budget was unanimously accepted.

Audit Update

Jamie Amos and Diana Munoz Scaggs with Forvis Mazars, the company serving as VEDP's internal auditor, presented the results of the Marketing and Communications (M&C) and Virginia Office of Education Economics (VOEE) audits completed in May 2025. M&C received a satisfactory rating, with one best practice recommendation. VOEE received an improvement required rating, with one finding and one best practice recommendation. A copy of each audit report is available in the meeting materials.

Upon motion by Mr. Sessoms, seconded by Mr. Stone, the audit reports were accepted.

Proposed FY26 Audit Plan

Upon request of the Committee during the March meeting, Forvis Mazars presented a revised proposed audit plan for FY26, based upon the results of the annual internal risk assessment. The revised plan included a proposal for a governance audit, a lead generation audit, and the annual risk assessment. The Committee discussed whether lead generation was a risk assessment issue, and whether it was appropriate to include in the audit plan.

Upon motion by Mr. Sessoms, seconded by Secretary Segura, the Committee voted to recommend the governance audit and annual risk assessment to the Executive Committee for approval, and to continue discussion as to whether to pursue the lead generation audit in FY26.

Closed Session

Mr. Stone, seconded by Secretary Segura, moved to convene a closed meeting for the purpose of receiving an IT Security Update. The closed meeting is authorized pursuant to Subdivision A 19 of §2.2-3711 of the Code of Virginia, which allows for the discussion of cybersecurity vulnerabilities where discussion in an open meeting would jeopardize the safety of an

information technology system.

The motion was unanimously approved.

Certification of Closed Meeting

After the Committee reconvened in open meeting, Counsel certified the closed meeting via a roll call vote:

Do you certify, that to the best of your knowledge, (i) only public business matters lawfully exempted from the open meeting requirements of FOIA were discussed in the closed meeting, and (ii) only such matters as were identified in the motion to go into the closed meeting were heard, discussed, or considered during the closed meeting?

Upon the vote:	Sec. Cummings	Aye
	Mr. Harrell	Aye
	Ms. Lochte	Aye
	Sec. Segura	Aye
	Mr. Sessoms	Aye
	Mr. Stone	Aye

Extension Requests

Katherine Goodwin, Senior Vice President of Business Investment and Incentives, presented one request for an extension to the Committee. Veronesi, a manufacturer and processor of Italian cured meats located in Rockingham County, was awarded a \$3,816,800 Commonwealth Development Opportunity Fund grant in 2021, with an original performance date of June 30, 2025. As of the end of 2024, it had only met 23% of its job creation metrics and 48% of its capital investment target, largely due to significant project delays related to securing visas for the leadership team and delayed material deliveries. The company is requesting a 15-month performance date extension to September 30, 2026, to allow it to move closer to its performance metrics.

Upon motion by Mr. Hewa, seconded by Secretary Segura, the extension request was approved.

Clawback Updates

Katherine Goodwin, Senior VP of Business Investment and Incentives, reported on clawback activity. A full copy of the report, summarized below, is available in the meeting materials:

- No COF clawbacks are past due as of May 9, 2025

- Two COF clawbacks have been requested but are not yet past due as of May 9, 2025
- Two COF closeouts are in process
- One past due COF clawback (Polycap) referred to the Office of the Attorney General for collection as of May 9, 2025

Chair Harrell asked for a motion to accept the clawback report. Upon motion by Mr. Sessoms, seconded by Mr. Stone, the motion passed unanimously.

Other Topics, Next Meeting, and Adjournment

The next meeting has not yet been set. The meeting was adjourned at 2:50 p.m.