

Minutes
Finance and Audit Committee Meeting
Board of Directors of the Virginia Economic Development Partnership Authority
March 8, 2017
901 East Cary Street
One James Center, 9th Floor – Board Room
Richmond, Virginia

Call to Order

The meeting was called to order at 3:15 p.m. by Chairman Sam Schreiber, who noted that a quorum was present.

Committee Members Present: Ric Brown, Valerie Brown, Dan Clemente, Bill Euille, Mark Heath, Mike Ligon, Sam Schreiber

Committee Members Absent: Elizabeth Crowther, Todd Haymore

VEDP Staff Present: Carolyn Elliott, Stephanie Florie, Jennifer Garrett, Dan Gundersen, Rob McClintock, Sandi McNinch, Stephen Moret, Jack Nelson, Alex Thorup

Guests Present: Ned Masee, Vince Mastracco, Dan Pleasant, Terry Ramsey

Public Comment Period

Chairman Schreiber solicited public comments. There were no public comments given.

Approval of Minutes

Chairman Schreiber asked for approval of the minutes from the December 7, 2016, meeting. A motion was made by Mike Ligon, seconded by Bill Euille and the minutes were unanimously approved.

Internal Auditor Update

Jack Nelson, VEDP Controller, Fiscal & Support Services, gave an update on the internal audit function. As was discussed in the December 7, 2016, Committee meeting, it was recommended that a CPA-led risk assessment be completed. The CPA firm, Dixon Hughes Goodman, was consulted. The risk assessment will determine the scope of work for the internal audit function. Discussion centered on the hiring of an outside person vs. an internal person for the internal auditor position. Chairman Schreiber asked Mr. Nelson for his recommendation to which he replied that the risk assessment should be completed first, then make a decision in regard to outside vs. internal candidates. Mr. Euille wanted to know how long it would take to complete the risk assessment, to which Mr. Nelson replied it could be done by the end of the fiscal year (June 30, 2017). In regard to the Incentives Unit, Chairman Schreiber asked about the timing of set-up for this unit. Mr. Gundersen replied that this should be done by late April to mid-May

and that this unit needs someone dedicated as their sole job. Mr. Gundersen further commented that the PRACC process has been successful and the win/loss ratio has been stellar. To date, PRACC has reviewed 128 companies.

Lindenburg Update

Sandi McNinch, VEDP General Counsel, gave an update on Lindenburg deal. In the December Board meeting, the Board approved the hiring of Robin Wood, an attorney based in Lynchburg, to represent VEDP in this matter. This was objected to by DAI because Mr. Wood once represented Lindenburg. In late January, the Judge sided with DAI. With Mr. Clemente's consent, VEDP is now represented by Ed Dawson.

Upon a motion made by Dan Clemente and seconded by Mark Heath, the Committee ratified the hiring of Ed Dawson. A hearing on the merits is scheduled for late March. Dan Clemente and Sam Schreiber plan to attend the hearing.

Mr. Clemente noted that when letters are prepared for JLARC, the letters should be signed by the Chairman of the Board.

Next Meeting and Adjournment

The next scheduled Committee meeting is June 7, 2017. There being no further business, Chairman Schreiber adjourned the meeting at 3:45 p.m.

Respectfully submitted,

Stephen Moret
Secretary