

Minutes
Board of Directors of the Virginia Economic Development Partnership Authority
August 16, 2017
VEDP Office – 901 East Cary Street, 9th Floor
Richmond, Virginia

Call to Order/Approval of Minutes

The meeting was called to order at 9:05 a.m. by Chairman Vincent Mastracco, who noted that a quorum was present.

Members present: Secretary Ric Brown, Carrie Chenery, Betsey Daley, Greg Fairchild, Secretary Todd Haymore, William Hayter, Chris Lumsden, Ned Masee, Vincent Mastracco, Dan Pleasant, John Reinhart, Xavier Richardson, Carlos Tapias, Dubby Wynne, Robert Vaughn

Members absent: Dan Clemente, Heather Engel

VEDP staff present: Tre Akins, Nicole David, Jason El Koubi, Stephanie Florie, Jennifer Garrett, Paul Grossman, Rob McClintock, Sandi McNinch, John Mehfoud, Lori Melancon, Stephen Moret, Jack Nelson, Tim Stuller, Landon Webber

Guests present: Joe Hines, Chris Kalafatis, June Jennings, Charles Kennington, Josh Laws, Michael Martz, Skip Maupai, Terry Ramsey, Ben Sady

Public Comment Period

Chairman Mastracco solicited public comments. There were none.

Approval of Minutes

Chairman Mastracco asked for approval of the minutes from the July 12, 2017 meeting. A motion was made by Mr. Vaughn and seconded by Mr. Masee, and the minutes were unanimously approved as presented.

Chairman's Report

Chairman Mastracco shared his and the VEDP staff's desire to distribute Board meeting related materials in advance of future meetings, so that meetings can be more of a discussion of agenda items, rather than a report.

Chairman Mastracco presented the proposed VEDP Board Meeting schedule for 2018. Mr. Reinhart commented that he feels we should have the meeting dates spaced out a little differently. Ms. Chenery reminded the Board that they had previously discussed hosting at least one meeting outside of Richmond, so we should consider this idea when locations for future meetings are being decided.

Chairman Mastracco suggested the addition of an ad hoc Strategic Planning committee. Secretary Brown moved to create an ad hoc Strategic Planning committee. The motion was seconded by Mr. Lumsden, and the motion passed.

President's Report

Mr. Moret reviewed the FY18 Performance Metrics to date and highlighted that the future plan is to provide Trade statistics on a quarterly basis.

Mr. Moret presented the FY18 operational plan progress dashboard. He shared that he is not particularly concerned about any of the initiatives that are showing yellow status, which means they are behind or facing challenges, for example the initiative related to Trade. Mr. Moret explained that he has not seen the appointments for the Committee on International Trade, but that their engagement will be critical to completing this initiative.

Mr. Lumsden asked when the members of the Committee on International Trade would be appointed. Mr. Vaughn said that General Assembly's Joint Rules Committee is meeting next week to finalize its appointments. Mr. Vaughn asked who would be the Chair of the committee. Mr. Moret responded that the committee members will select their own Chair, as called for in the Code of Virginia.

Mr. Reinhart asked if there are priority rankings on the dashboard. Mr. Moret shared that the initiatives that he views as the top priorities are completing the VEDP strategic plan, completing implementation of the JLARC recommendations, and completing the Economic Development Strategy and Action Plan.

Mr. Moret reviewed some of the important partnerships VEDP has been building this year with key organizations across the Commonwealth.

Closed Session: Strategic Plan Discussion

A motion was made by Chairman Mastracco and seconded by Mr. Reinhart to move into a closed meeting. Mr. Moret requested that VEDP staff, legislative guests, and Dixon Hughes Goodman guests be allowed to stay for the closed session.

I MOVE THAT THE BOARD OF DIRECTORS OF THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY CONVENE A CLOSED MEETING PURSUANT TO VIRGINIA CODE §2.2-3711(A)(50) TO ENGAGE IN A DISCUSSION OR CONSIDERATION THOSE PORTIONS OF VEDP'S STRATEGIC PLAN, MARKETING PLAN OR OPERATIONAL PLAN, THAT MAY RELATE TO TARGET COMPANIES, SPECIFIC ALLOCATION OF RESOURCES AND STAFF FOR MARKETING ACTIVITIES, AND SPECIFIC MARKETING ACTIVITIES THAT WOULD REVEAL TO THE COMMONWEALTH'S COMPETITORS FOR ECONOMIC DEVELOPMENT PROJECTS THE STRATEGIES INTENDED TO BE DEPLOYED BY THE COMMONWEALTH, THEREBY ADVERSELY AFFECTING THE FINANCIAL INTEREST OF THE COMMONWEALTH AND PURSUANT TO VIRGINIA CODE §2.2-3711(A)(1) TO ENGAGE IN A DISCUSSION REGARDING THE ASSIGNMENT, APPOINTMENT, OR PERFORMANCE OF VEDP'S EMPLOYEES, INCLUDING CONSIDERATION OF A RISK ASSESSMENT PERTAINING TO THE DUTIES AND RESPONSIBILITIES OF VEDP STAFF.

The motion was unanimously approved.

In closed session, the Board continued its discussion on the development of VEDP's strategic plan. They reviewed and discussed potential proposals that will be brought before the General Assembly. The Board was also provided with a risk assessment presentation by Dixon Hughes Goodman LLP.

Back in Open Meeting, Certification of Closed Meeting – Followed by a Roll Call vote:

WHEREAS, THE BOARD OF DIRECTORS OF THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY HAS CONVENED A CLOSED MEETING ON THIS DATE PURSUANT TO AN AFFIRMATIVE RECORDED VOTE AND IN ACCORDANCE WITH THE PROVISIONS OF THE VIRGINIA FREEDOM OF INFORMATION ACT; AND

WHEREAS, THE VIRGINIA FREEDOM OF INFORMATION ACT REQUIRES A CERTIFICATION BY THIS BOARD OF DIRECTORS THAT SUCH CLOSED MEETING WAS CONDUCTED IN CONFORMITY WITH THE ACT;

NOW, THEREFORE, BE IT RESOLVED, THAT THE BOARD OF DIRECTORS CERTIFIES THAT, TO THE BEST OF EACH MEMBER'S KNOWLEDGE, (I) ONLY PUBLIC BUSINESS MATTERS LAWFULLY EXEMPTED FROM OPEN MEETING REQUIREMENTS UNDER THE ACT WERE DISCUSSED IN THE CLOSED MEETING TO WHICH THIS CERTIFICATION RESOLUTION APPLIES, AND (II) ONLY SUCH PUBLIC BUSINESS MATTERS AS WERE IDENTIFIED IN THE MOTION BY WHICH THE CLOSED MEETING WAS CONVENED WERE HEARD, DISCUSSED, OR CONSIDERED IN THE CLOSED MEETING BY THE BOARD OF DIRECTORS.

Upon the vote:	Mr. Brown	Aye
	Ms. Chenery	Aye
	Ms. Daley	Aye
	Mr. Fairchild	Aye
	Mr. Haymore	Aye
	Mr. Hayter	Aye
	Mr. Lumsden	Aye
	Mr. Masee	Aye
	Mr. Mastracco	Aye
	Mr. Pleasant	Aye
	Mr. Reinhart	Aye
	Mr. Richardson	Aye
	Mr. Tapias	Aye
	Mr. Vaughn	Aye
	Mr. Wynne	Aye

Finance and Audit Committee Report

Mr. Lumsden shared that there were a number of guests present at Finance and Audit Committee meeting. During the meeting, they accepted the minutes from the March meeting, were given an overview of their duties, and received an update on the FY17 external audit, which is underway and going well.

Mr. Lumsden explained that the committee also reviewed the options for implementation of JLARC recommendation #34 and the reorganization legislation which call for the creation of an internal audit division. The options presented were to hire an internal auditor, hire an outside contractor, or a combination of both.

Mr. Lumsden, on behalf of the Finance and Audit Committee, recommended to the Board that they hire Dixon Hughes Goodman LLP, assuming the Board/VEDP staff can successfully negotiate a contract, to handle the internal audit function for VEDP. He stated that the committee was unanimous on this recommendation.

A motion to engage in negotiations with Dixon Hughes Goodman LLP to provide the internal audit function for VEDP was made by Mr. Reinhart. Mr. Wynne seconded the motion, and it was unanimously approved.

Update on VEDP Efforts re: JLARC Recommendations

Mr. Moret recommended, in the interest of time, holding off on the JLARC-Identified Clawbacks discussion until next month. He offered to share these with the Board in advance and encouraged the Board to review them prior to the September meeting.

Mr. Lumsden asked if VEDP disagrees with any of the JLARC recommendations. Mr. Moret pointed out that the ones in yellow on the handout are ones for which VEDP is not in total agreement. For several of these, we agree with the spirit of the recommendation, but not some of the details.

Mr. Lumsden asked what the responsibility of the VEDP Board is to let JLARC know that these recommendations are being addressed. Mr. Moret stated that VEDP needs to substantially address the JLARC recommendations and to provide a public report detailing VEDP's efforts to do so in order to close this chapter and move on. Mr. El Koubi shared that about half of the JLARC recommendations give some charge/responsibility to the Board.

Mr. Moret shared that he is scheduled to present to JLARC in November and he will be inviting Chairman Mastracco to join him for that presentation.

Mr. Wynne asked if there are things in "yellow" that we can clear up with JLARC before the presentation. Mr. Moret responded that we have met with them several times and we are working toward clearing up some of the minor areas of disagreement.

Mr. Reinhart asked if we have a meeting scheduled to meet with the Office of the Attorney General on some of the JLARC recommendations. Mr. Moret and Ms. McNinch shared that they are in the process of scheduling that meeting.

Adjournment and Next Meeting

The next Board meeting is scheduled for September 14, 2017 and will be held at VEDP in Richmond. More details will follow.

There being no further business, Chairman Mastracco adjourned the meeting at 11:59 a.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Stephen Moret". The signature is written in a cursive style with a long horizontal stroke at the end.

Stephen Moret
Secretary