

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

MINUTES OF THE MEETING OF THE AUDIT COMMITTEE
HELD ON DECEMBER 13, 2023

Pursuant to the call of the Committee Chair and notice duly given, the meeting of the Audit Committee of the Board of Commissioners of the Virginia Housing Development Authority (“Virginia Housing”) was held on December 13, 2023, at the offices of Virginia Housing, 601 South Belvidere Street, Richmond, Virginia.

COMMITTEE MEMBERS PRESENT:

Sarah B. Stedfast, Chair
Nathalia Artus
Donald E. Scoggins
Davon Gray

COMMITTEE MEMBERS ABSENT:

Dominique Hicks-Whitaker

OTHERS PRESENT

Susan Dewey, Chief Executive Officer
Tammy Neale, Chief of Programs
Fred W. Bryant, Chief Counsel
Hil Richardson, Chief Financial Officer
Janet Wigglesworth, Chief Operations Officer
David Henderson, Managing Director of Finance and Administration
Steven Mintz, Deputy Chief Counsel
Cindy Hii, Internal Audit Director
Tara Jenkins, Director of Executive Services
David Kohan, Director of Information Security
Yilla Smith, Director of Housing Opportunity Programs and Initiatives
Monique Johnson, Managing Director of Community Outreach
Justin Short, Senior Enterprise Risk Analyst
Cliffon Dickens, Senior Information Analyst
Jeff Quann, Senior Counsel Manager

The meeting of the Audit Committee was called to order by Chair Stedfast at approximately 8:30 a.m. on December 13, 2023. The members of the Committee listed above as being present at the meeting were present at that time and remained present throughout the meeting.

On a motion duly made and seconded, the minutes of the meeting of the Audit Committee held on October 25, 2023, were approved by the affirmative vote of each of the Commissioners noted above as present at the meeting.

Ms. Hii presented the Internal Audit update on the following recent activities of the Internal Audit Department: First, Ms. Hii described the audit of the Elite System (the application used in the Housing Choice Voucher program), including audit findings and remedial actions, both taken and planned. Ms. Hii explained how Internal Audit is working with the Information Security Office staff to evaluate the effectiveness of remediation efforts. Second, Ms. Hii described briefly the audits that are underway of major systems used in Homeownership Servicing, Rental Housing, and the Rental tenant compliance portal. Finally, Ms. Hii reported progress is taking place in the implementation of the new audit management system, with a target launch date in February. Ms. Hii believes the system will need almost no customization and that some of its standard reports will be useful for this committee.

Ms. Hii then introduced the three lines of defense for risk management, governance, and internal controls, which is a recommended structure of the Institute of Internal Auditors. For the second line of defense, Mr. Quann presented the Homeownership compliance and quality control work his team does, Mr. Short presented the work of the Enterprise Risk Department, Mr. Dickens presented the work of the Information Security Office, and Ms. Hii described the work of the Quality Assurance and Process Excellence teams.

Ms. Hii closed by thanking Ms. Dewey for creating an organizational culture that embraces collaborative risk management and controls improvements.

There being no further business, the Chair adjourned the meeting at approximately 9:18 a.m. on December 13, 2023.