Vermont Housing Finance Agency

DRAFT -- Posted October 13, 2025

VHFA Audit Risk Committee Meeting
VHFA
164 St. Paul Street
Burlington
October 9, 2025 – 2:00 p.m.

VHFA Committee Members Present:
Michael Pieciak (Chair) and Kaj Samsom (attended electronically) and Marie Milord-Ajanma (attended in person)

Other VHFA Board Members Present:
None

Staff Present:
Maura Collins, Chris Flannery, Deborah Flannery, Sheila Dodd, Alejandro Flores-Howland, Lisa Clark, Jameson Williams, Catherine Lange, Todd Rawlings, Leslie Black-Plumeau, Olivia LaVecchia and David Chien

Guests Present:
Ahamadou Alainchar Bocar, Jimmy Morris, Andre Bos, and Fernanda Sandoval (Cohn Reznick)

COMMITTEE MEETING
Mr. Pieciak, Chair, called the Audit Risk Committee Meeting to order at 2:05 p.m.

Staff confirmed that a Notice of this meeting was provided to the requesting parties and was posted on the Agency website and with State Department of Libraries, and that the Agenda for this meeting was provided to the requesting parties and posted on the Agency website, all within the statutory time requirements.

Staff confirmed that Minutes of prior meetings had been posted on the Agency website not less than 5 days after the meeting as required.

Mr. Pieciak confirmed that the Commissioners attending by electronic means could hear the conduct of the meeting and be heard throughout the meeting by the other attendees. Mr. Pieciak noted that Commissioners would have to vote by roll-call since there were Commissioners participating by electronic means.

AUDIT RISK MINUTES
Ms. Milord-Ajanma moved that the Audit Risk Committee approve the June 11, 2025, Minutes. Mr. Samsom seconded the motion, which was approved unanimously by roll call vote.

PUBLIC COMMENT
Mr. Pieciak asked if there was any public comment, and there was none.

FINANCIAL STATEMENT AUDIT AND UNIFORM GUIDANCE AUDIT FOR FY2025
Mr. Flannery introduced Cohn Reznick representatives Ahamadou Alainchar Bocar, Jimmy Morris, Andre Bos, and Fernanda Sandoval who presented the FY 2025 Financial Statement Audit report and Uniform Guidance Audit. Mr. Bocar said that the final audit financial statement had been issued on September 30. He stated that they expressed an unmodified opinion and that they sent a communication letter to the audit committee and the Board. He noted that they had not finalized the federal compliance portion of the audit yet as a result of incomplete IRS guidance, which now may be further delayed due to the government shutdown. Mr. Flannery added that this delay in the single audit wasn't a problem for meeting reporting deadlines.

At 2:14 p.m., Mr. Samsom moved that the Committee go into executive session with the auditors to discuss an employee performance issue. Ms. Milord-Ajanma seconded the motion which was unanimously approved by roll call vote.

At 2:20 p.m., Mr. Samsom moved they end executive session. Ms. Milord-Ajanma seconded the motion which was unanimously approved by roll call vote. After the executive session, Mr. Pieciak noted that there was no action taken.

RISK MANAGEMENT REVIEW

Mr. Flannery presented an overview of the report, explaining that it considers business model risks, capital/financial/market risks, credit risks, and operational risks, all through the lens of different departments within the Agency. He further explained that they're catalogued in the risk matrix, currently with about 50 specific risks and designated as either high or low priority. There are currently 14 high-priority risks with the prior year having nine. The nine are still on there, as well as five new ones associated with business partners, legacy programs, and cyber risks. He noted that this year we've added a new category of risks, namely risks related to federal policies. Upgraded risks stem from business partner concerns, new project types, new types of loans, new approach for how funding is allotted and staffing risks. He noted that there are more loans on the watch list this year, although the total dollar amount is smaller.

Mr. Chien presented on the Agency's cyber risks, explaining that the three types are ransomware, phishing, and malicious data breach. As noted, globally nearly half of the population experiences cyber attacks on a daily basis. One of our business partners, Randolph Area Community Development Corporation, suffered a malicious data breach recently on a project where VHFA has an active construction loan. He emphasized that continued staff training is needed to mitigate all of these risks.

Mr. Samsom then moved that the Committee recommend the audit report and uniform guidance audit to the full Board for review and acceptance. Ms. Milord-Ajanma seconded the motion which was unanimously approved by roll call vote.

ADJOURNMENT

Mr. Pieciak confirmed with Staff that Minutes of the meeting had been kept and would be posted to the Agency's website within five days.

Upon motion by Ms. Milord-Ajanma, seconded by Mr. Samsom and unanimously approved by roll call vote, the meeting was adjourned at 3:13 p.m.