CITY OF FAIRFAX ECONOMIC DEVELOPMENT AUTHORITY
MEETING AGENDA
Tuesday June 3, 2025, 7:00pm
In Person

10300 Eaton Pl, Small Conference Room B, Fairfax, VA 22030

1.	Call to Order	Chair Cho
2.	Motion to Consider Remote Participation **[VOTE]**	Commissioners
3.	Adoption of June Meeting Agenda **[VOTE]**	Commissioners
4.	Adoption of May Meeting Minutes **[VOTE]**	Commissioners
5.	Nominating Committee and Election of Officers for FY26 Officers **[VOTE]**	Commissioners
6.	Mason Enterprise Center-Fairfax (15 mins w/ Q&A)	Center Director Hill
7.	Finance and Operations Update (15 mins w/ Q&A)	Assistant Director Easley
	a. Authorize the Executive Director to enter into a multi-year agreement with Cherry Bekaert, LLC for FY auditing services **[VOTE]**	
	b. Update on process with MEC Fairfax Organizational Consultant	
8.	FY26 EDA Proposed Budget Presentation	Director Bruno/ Asst. Dir. Easley
9.	New Business	All
10.	Public Comment (5 mins)	Public
11.	Adjourn	Chair Cho

*****Next Meeting: July 2, 2025*****
6 pm, 3565 Chain Bridge Rd, Fairfax, Virginia 22030
Subject to Change. Please Check gofairfaxcity.com for more information.

Fairfax City Economic Development Staff Report

Date: June 3, 2025

TO: Economic Development Authority Commissioners

THROUGH: Chris Bruno, President/ CEO

FROM: Matthew Easley, Assistant Director of Operations and Finance

SUBJECT: Auditing Fee Proposal for FY25-27 and FY25 Engagement Letter for Approval

ISSUE(S):

The FCED Finance and Operations team is responsible for overseeing administration, procurement, budgeting, spending, hiring, and maintaining a hospitable and equitable work environment. This report seeks approval to authorize the Executive Director to enter into a multi-year agreement with Cherry Bekaert, LLC for annual financial auditing services.

SUMMARY:

Finance staff has worked with Treasurer McGruder, CEO/ Director Bruno, with advice from EDA Legal and the city CFO, to develop a multi-year agreement and strategy for future FY auditing processes. As reported in a previous meeting, this agreement would cover government-level auditing services for FYs 25, 26, and 27 at rates of $30,000, $32,000, and $34,000, respectively. These numbers were negotiated down from the initial audit expenditure of $45,818.75.

Engaging in this agreement would solidify a pricing structure as well as a continued partnership with Cherry Bekaert, LLC.

FISCAL IMPACT: $30,000 in FY25, $32,000 in FY26, and $34,000 in FY27.

RECOMMENDATION: Authorize the Executive Director to enter into a multi-year agreement with Cherry Bekaert, LLC for auditing services to ensure continuity, quality, and efficiency in financial practices.

ALTERNATIVE
COURSE OF ACTION: Do not authorize the Executive Director to enter into a multi-year agreement with Cherry Bekaert, LLC and consider either one year term agreements or other firms to conduct this service.

RESPONSIBLE STAFF/
POC: Assistant Director Easley

COORDINATION: Treasurer McGruder, Executive Director Bruno, City CFO, Account Support Specialist Mara

ATTACHMENTS: Draft engagement letter from Cherry Bekaert, LLC as approved by EDA counsel.

Cherry Bekaert
Your Guide Forward

April 30, 2025

Matthew Easley, Assistant Director for Finance and Operations
City of Fairfax Economic Development Authority
10300 Eaton Place, Suite 235
Fairfax, Virginia 22030

Dear Mr. Easley:

Cherry Bekaert proudly presents this quote for audit services to Fairfax City Economic Development Authority (the "Authority"). You will continue to receive support from our firm as we invest the time to understand your business and deliver value added professional services. We view our client relationship as a committed partnership, and we will continue to provide the Authority with proactive advice that helps you take advantage of every opportunity to succeed. We are always available to provide creative, innovative solutions.

We understand and appreciate your desire for professional service providers who are not only highly qualified, but who are also cost-conscious and cost-effective about the work they perform. Accordingly, we have structured our fee based on our strong desire to develop a mutually rewarding, long-term relationship with the Authority:

Services	Fee
Audit – FY25	$30,000
Audit – FY26	$32,000
Audit – FY27	$34,000

Actual out-of-pocket expenses, if incurred, will be invoiced at cost and generally include mileage and parking.

Additional Fee Details

- Our fee estimate is based on no material changes in the Authority's operational, regulatory, or reporting environment. If at any time such material changes do occur (for e.g. Single Audit is required), we would like the opportunity to discuss the impact, if any, on the scope of our audit and any corresponding cost considerations.
- The fee estimate above is based on accounting and auditing standards issued as of the date of this letter and does not include the adoption of any significant accounting pronouncements. Management is responsible for the adoption of new accounting standards including preparation of any documentation we might require supporting conclusions reached and amounts recorded. Any assistance we provide to you related to the Authority's application of new accounting standards will be limited and in accordance with applicable independence rules. In the event you require more extensive assistance, we will bill our time at the standard billing rates noted in the table below and, if deemed necessary, issue a separate engagement letter providing a detailed list of services and additional fees.
- The fee estimate represents our good faith estimate based upon our experience and current understanding of the Authority and scope of work. If we have misunderstood the scope requirements or the Authority's structure in any way, we are happy to reassess fees and present an updated fee proposal.

Cherry Bekaert
Your Guide Forward

Standard Billing Rates

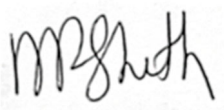
Skill Level	Bill Rate
Partner	$ 580
Director	$ 520
Senior Manager	$ 510
Manager	$ 400
Senior Accountant	$ 295
Staff Accountant	$ 225
Intern	$ 100
Paraprofessional	$ 185
Audit Service Center	$ 110
Administrative	$ 150

Let us be ***Your Guide Forward*** by delivering:

- Outstanding service qualifications, amplified by our commitment to prioritize your business and provide practical and timely support
- A high level of partner and director involvement, attentiveness to your needs, continuity of service professionals, and expert consultation on a year-round basis
- A streamlined and cost-effective service approach
- Proactive guidance on issues you may not know to even ask about or don't have the time to focus on

We commit to provide timely, quality service delivered by a team of conscientious professionals dedicated to serving your needs. Please do not hesitate to contact me if you have further questions.

With best regards,



Malav Sheth

Partner, Cherry Bekaert LLP

Malav.Sheth@cbh.com

Please note: "Cherry Bekaert" is the brand name under which Cherry Bekaert LLP and Cherry Bekaert Advisory LLC provide professional services.

Cherry Bekaert LLP and Cherry Bekaert Advisory LLC practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations and professional standards. Cherry Bekaert LLP is a licensed independent CPA firm that provides attest services to its clients, and Cherry Bekaert Advisory LLC and its subsidiary entities provide tax and business advisory services to their clients. Cherry Bekaert Advisory LLC and its subsidiary entities are not licensed CPA firms.

The entities falling under the Cherry Bekaert brand are independently owned and are not liable for the services provided by any other entity providing services under the Cherry Bekaert brand. Our use of the terms "our Firm" and "we" and "us" and terms of similar import, denote the alternative practice structure of Cherry Bekaert LLP and Cherry Bekaert Advisory LLC.

Cherry Bekaert LLP
Your Guide Forward

May 29, 2025

VIA EMAIL:
matthew.easley@fairfaxcityecondev.org

Matthew Easley
Fairfax City Economic Development Authority
10300 Eaton Place, Suite 235
Fairfax, Virginia 22030

Dear Mr. Easley:

This engagement letter between Fairfax City Economic Development Authority (hereafter referred to as the "Authority" or "you" or "your" or "management") and Cherry Bekaert LLP (the "Firm" or "Cherry Bekaert" or "we" or "us" or "our") sets forth the nature and scope of the services we will provide, the Authority's required involvement and assistance in support of our services, the related fee arrangements, and other Terms and Conditions, which are attached hereto and incorporated by reference, designed to facilitate the performance of our professional services and to achieve the mutually agreed-upon objectives of the Authority.

Summary of services

We will provide the following services to the Authority as of and for the year ended June 30, 2025:

Audit and attestation services

1. We will audit the financial statements of the Authority as of and for the year ended June 30, 2025 including the disclosures.
2. We will read the Required Supplementary Information ("RSI") accompanying the financial statements and consider whether a material inconsistency exists between the other information and the financial statements. In addition, we will remain alert for indications that a material inconsistency exists between the other information and knowledge obtained in the audit, or if such information contains a material misstatement of fact or is otherwise misleading. If based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.
3. We will apply limited procedures to the RSI (e.g., Authority's management's discussion and analysis (MD&A), which will consist of inquiries of Authority's management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the financial statements.

Nonattest accounting and other services

We will provide the following additional services:

1. Assist in the preparation of the financial statements and disclosures.

2. We will advise the Authority's management about the application of appropriate accounting principles, and may propose adjusting journal entries to the Authority's financial statements.

Your expectations

Our services plan, which includes our audit plan, is designed to provide a foundation for an effective, efficient, and quality-focused approach to accomplish the engagement objectives and meet or exceed the Authority's expectations. Our services plan will be reviewed with you periodically and will serve as a benchmark against which you will be able to measure our performance. Any additional services that you may request, and that we agree to provide, will be the subject of separate written arrangements.

The Authority recognizes that our professional standards require that we be independent from the Authority in our audit of the Authority's financial statements and our accompanying report in order to ensure that our objectivity and professional skepticism have not been compromised. As a result, we cannot enter into a fiduciary relationship with the Authority and the Authority should not expect that we will act only with due regard to the Authority's interest in the performance of this audit, and the Authority should not impose on us special confidence that we will conduct this audit with only the Authority's interest in mind. Because of our obligation to be independent of the Authority, no fiduciary relationship will be created by this engagement or audit of the Authority's financial statements.

The engagement will be led by Malav Sheth, who will be responsible for assuring the overall quality, value, and timeliness of the services provided to you.

Audit and attestation services

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States; and the Specifications for Audits of Authorities, Boards, and Commissions ("Specifications"), issued by the Commonwealth of Virginia's ("Commonwealth") Auditor of Public Accounts. The objective of our audit is to obtain reasonable assurance about whether the Authority's financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion(s) about whether the Authority's financial statements are presented fairly, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the Summary of Services section when considered in relation to the financial statements taken as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements in conformity with the basis of accounting noted above. The objective also includes reporting on:

- Internal control over financial reporting and compliance with the provisions of applicable laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards.*

- Compliance with Commonwealth of Virginia's laws, regulations, contracts and grants in accordance with the Specifications.

Auditor's responsibilities for the audit of the financial statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and will include tests of accounting records and the Specifications, and other procedures as deemed necessary to enable us to express such an opinion or opinions about whether the financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America ("GAAP"). We will also:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Obtain an understanding of the Authority and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion(s). The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

Nonattest accounting and other services

In connection with any of the audit, accounting, or other services noted below, we will provide a copy of all schedules or other support for you to maintain as part of your books and records supporting your financial statements. You agree to take responsibility for all documents provided by Cherry Bekaert and will retain copies based on your needs and document retention policies. By providing these documents to you, you confirm that Cherry Bekaert is not responsible for hosting your records or maintaining custody of your records or data and

that Cherry Bekaert is not providing business continuity or disaster recovery services. You confirm you are responsible for maintaining internal controls over your books and records including business continuity and disaster recovery alternatives. In addition, any documents provided to Cherry Bekaert by the Authority in connection with these services will be considered to be copies and will not be retained by Cherry Bekaert after completion of the accounting and other services. You are expected to retain anything you upload to a Cherry Bekaert portal and are responsible for downloading and retaining anything we upload in a timely manner. Portals are only meant as a method of transferring data, are not intended for the storage of client information, and may be deleted at any time. You are expected to maintain control over your accounting systems to include the licensing of applications and the hosting of said applications and data. We do not provide electronic security or back-up services for any of your data or records. Giving us access to your accounting system does not make us hosts of information contained within.

The accounting and other services described in this section are nonaudit services, which do not constitute audit services under *Government Auditing Standards*, and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming Authority's management responsibilities.

In conjunction with providing these accounting and other services, we may use third party software or templates created by Cherry Bekaert for use on third party software. Management expressly agrees that the Authority has obtained no rights to use such software or templates and that Cherry Bekaert's use of the Authority's data in those applications is not deemed to be hosting, maintaining custody, providing business continuity, or disaster recovery services.

Accounting services

We will advise Authority's management about the application of appropriate accounting principles, and may propose adjusting journal entries to the Authority's financial statements. The Authority's management is responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the Authority's financial statements. If, while reviewing the journal entries, the Authority's management determines that a journal entry is inappropriate, it will be the Authority's management's responsibility to contact us to correct it.

Financial statement preparation

We will assist in the preparation of the Authority's financial statements and disclosures, based on information provided by the Authority. However, the responsibility for the Authority's financial statements and disclosures remains with the Authority's management. This responsibility includes establishing and maintaining adequate records and effective internal controls over financial reporting, the selection and application of accounting principles, the safeguarding of assets, and adjusting the financial statements for any material misstatements as well as reviewing and approving for publication the draft financial statements prepared with our assistance.

Authority's management responsibilities related to accounting and other services

For all nonattest services we perform in connection with the engagement, you are responsible for designating a competent employee to oversee the services, make any management decisions, perform any management functions related to the services, evaluate the adequacy of the services, retain relevant copies supporting your books and records, and accept overall responsibility for the results of the services.

Prior to the release of the report, the Authority's management will need to sign a representation letter acknowledging its responsibility for the results of these services, and acknowledging receipt of all appropriate copies.

Authority's management responsibilities related to the audit

The Authority's management is responsible for designing, implementing, and maintaining internal controls, including evaluating and monitoring ongoing activities, relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that the Authority's management and financial information is reliable and properly reported. The Authority's management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

The Authority's management is responsible for making all financial records and related information available to us, including additional information that is requested for purposes of the audit (including information from outside of the general and subsidiary ledgers), and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which it is aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the Authority from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Authority involving (1) the Authority's management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Authority received in communications from employees, former employees, grantors, regulators, or other. In addition, you are responsible for

identifying and ensuring that the Authority complies with applicable laws, regulations contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP, (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP, (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes), and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

The Authority's management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. The Authority's management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the *Audit and attestation services* section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing Authority's management views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all the Authority's management responsibilities relating to the financial statements and disclosures and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and disclosures and that you have reviewed and approved the financial statements and disclosures prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Reporting

We will issue a written report upon completion of our audit of the Authority's financial statements. Our report will be addressed to Board of Commissioners of the Authority. Circumstances may arise in which our report may differ from its expected form and content based on the result of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report on internal control and compliance, and will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Authority is subject to an audit requirement that is not encompassed in the terms of the engagement, we will communicate to Authority's management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Indemnity

Cherry Bekaert will rely on the Authority to provide information and representations to us in the performance of our professional services and in consideration of the fees that we will charge. Because of the importance of management's representations to the effective performance of our services, the Authority will release, indemnify, and hold harmless the Firm and its personnel from any claims, liabilities, costs, and expenses relating to our services under this letter arising in circumstances where there has been a known misrepresentation by an officer or employee of the Authority, regardless of whether such officer or employee was acting in the Authority's interest. The provisions of this paragraph shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss asserted, whether in contract, statute, tort (including but not limited to negligence) or otherwise. This provision will survive termination of this Letter.

Limitation of damages

In recognition of the relative risks and benefits of this agreement to both the Authority and Cherry Bekaert, the Authority agrees, to the fullest extent permitted by law, to limit the damages owed by Cherry Bekaert to the Authority for any and all liability, claims, losses, and costs, of any nature whatsoever, so that the total aggregate damages payable by Cherry Bekaert to the Authority shall not exceed the total fees for services rendered under this agreement. Both parties to this agreement intend and agree that this limitation apply to any and all damages or causes of action against Cherry Bekaert, however alleged or arising, unless otherwise prohibited by law, or unless the claimed damages arise due to the gross negligence or willful misconduct of Cherry Bekaert.

Statute of limitations

The Authority agrees not to bring any claims against any partner or employee of the Firm in any form for any reason. The Authority and the Firm agree that any suit arising out of or related to the services contemplated by this engagement letter must be filed within one year after the cause of action arises. The cause of action arises upon the earlier of (i) delivery of the final work product for which the firm has been engaged, (ii) where applicable, filing of the final work product for which the firm has been engaged, or (iii) the date which the services contemplated under this engagement letter are terminated by either party.

Fees

The estimated fees contemplate only the services described in the Summary of Services section of this letter. You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you concerning the scope of the additional services and the estimated fees which will be at our standard billing rates noted in the table below. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Standard Bill Rates

Skill Level	Bill Rate
Partner	$650
Director	$590
Senior Manager	$580
Manager	$450
Senior Accountant	$335
Staff Accountant	$255

The following summarizes the estimated fees for the services described above:

Description of services	Estimated fee
Audit services	
Audit of the financial statements	$30,000
Nonattest services	
Preparation of financial statements	Included above
Total	**$30,000**

The fees will be billed periodically. Invoices are due on presentation. A service charge will be added to past due accounts equal to 1.5% per month (18% annually) on the previous month's balance less payments received during the month, with a minimum charge of $2.00 per month. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our estimate is based on the General Ledger being closed, reconciled, and available to be audited, and *Provided by Client* audit schedules will be available for audit by August 1, 2025. If the issuance of the financial statements is delayed past October 1, 2025, due to a delay in providing auditable information, our hours incurred after that date will be tracked and billed incrementally at a blended rate of $175 per hour.

Additionally, the Firm and the Authority have agreed on audit fees for fiscal year 26 and 27 as noted in the attached "Fee Proposal Letter" dated April 30, 2025

If the foregoing is in accordance with your understanding, please sign a copy of this letter in the space provided and return it to us. No change, modification, addition, or amendment to this letter shall be valid unless in writing and signed by all parties. The parties agree that this letter may be electronically signed and that the electronic signatures will be deemed to have the same force and effect as handwritten signatures.

If you have any questions, please email Malav Sheth at malav.sheth@cbh.com.

Sincerely,

CHERRY BEKAERT LLP

Fairfax City Economic Development Authority

ACCEPTED BY: _____

TITLE: _____ DATE: _____

Cherry Bekaert LLP
Engagement Letter Terms and Conditions

The following terms and conditions are an integral part of the attached engagement letter and should be read in their entirety in conjunction with your review of the letter.

Limitations of the audit report

Should the Authority wish to include or incorporate by reference the financial statements and our report thereon into *any* other document at some future date, we will consider granting permission to include our report into another such document at the time of the request. However, we may be required by generally accepted auditing standards ("GAAS") to perform certain procedures before we can give our permission to include our report in another document such as an annual report, private placement, regulator filing, official statement, offering of debt securities, etc. You agree that the Authority will not include or incorporate by reference the financial statements and our report thereon, or our report into any other document without our prior written permission. In addition, to avoid unnecessary delay or misunderstandings, it is important to provide us with timely notice of your intention to issue any such document.

Limitations of the audit process

In conducting the audit, we will perform tests of the accounting records and such other procedures as we consider necessary in the circumstances to provide a reasonable basis for our opinion on the financial statements. We also will assess the accounting principles used and significant estimates made by the Authority's management, as well as evaluate the overall financial statement presentation.

Our audit will include procedures designed to obtain reasonable assurance of detecting misstatements due to errors or fraud that are material to the financial statements. Absolute assurance is not attainable because of the nature of audit evidence and the characteristics of fraud. For example, audits performed in accordance with GAAS are based on the concept of selective testing of the data being examined and are, therefore, subject to the limitation that material misstatements due to errors or fraud, if they exist, may not be detected. Also, an audit is not designed to detect matters that are immaterial to the financial statements. In addition, an audit conducted in accordance with GAAS does not include procedures specifically designed to detect illegal acts having an indirect effect (e.g., violations of fraud and abuse statutes that result in fines or penalties being imposed on the Authority) on the financial statements.

Similarly, in performing our audit we will be aware of the possibility that illegal acts may have occurred. However, it should be recognized that our audit provides no assurance that illegal acts generally will be detected, and only reasonable assurance that illegal acts having a direct and material effect on the determination of financial statement amounts will be detected. We will inform you with respect to errors and fraud, or illegal acts that come to our attention during the course of our audit unless clearly inconsequential. In the event that we have to consult with the Authority's counsel or counsel of our choosing regarding any illegal acts we identify, additional fees incurred may be billed to the Authority. You agree that the Authority will cooperate fully with any procedures we deem necessary to perform with respect to these matters.

We will issue a written report upon completion of our audit of the Authority's financial statements. If, for any reason, we are unable to complete the audit, or are unable to form, or

have not formed an opinion on the financial statements, we may decline to express an opinion or decline to issue a report as a result of the engagement. We will notify the appropriate party within your organization of our decision and discuss the reasons supporting our position.

Audit procedures – general

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve professional judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by the Authority's management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Authority or to acts by the Authority's management or employees acting on behalf of the Authority. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits, nor do they expect auditors to provide reasonable assurance of detecting waste and abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of the Authority's management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditor is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customer, creditors and financial institutions. We will request written representations from the Authority's attorneys as part of the engagement, and they may bill the Authority for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit procedures – internal controls

Our audit will include obtaining an understanding of the Authority and its environment, including internal controls relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is

sufficient and appropriate to provide a basis for our opinion(s). The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control, including cybersecurity, and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards.*

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to the Authority's management and those charged with governance internal control related matters that are required to be communicated under American Institute of Certified Public Accountants ("AICPA") professional standards, and *Government Auditing Standards.*

Audit procedures - compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Authority's compliance with provisions of applicable laws and regulations, contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Nonattest services (if applicable)

All nonattest services to be provided in the attached engagement letter (if applicable) shall be provided pursuant to the AICPA Code of Professional Conduct. The AICPA Code of Professional Conduct requires that we establish objectives of the engagement and the services to be performed, which are described under nonattest services in the attached letter.

You agree that the Authority's designated individual will assume all the Authority's management responsibilities for the nonattest services we provide; oversee the services by designating an individual, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them. In order to ensure we provide such services in compliance with all professional standards, the designated individual is responsible for:

- Making all financial records and related information available to us
- Ensuring that all material information is disclosed to us
- Granting unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence
- Identifying and ensuring that such nonattest complies with the laws and regulations

The accuracy and appropriateness of such nonattest services shall be limited by the accuracy and sufficiency of the information provided by the Authority's designated individual. In the course of providing such nonattest services, we may provide professional advice and guidance based on knowledge of accounting, tax and other compliance, and of the facts and

circumstances as provided by the Authority's designated individual. Such advice and guidance shall be limited as permitted under the AICPA Code of Professional Conduct.

Communications

At the conclusion of the audit engagement, we may provide the Authority's management and those charged with governance a letter stating any significant deficiencies or material weaknesses which may have been identified by us during the audit and our recommendations designed to help the Authority make improvements in its internal control structure and operations related to the identified matters discovered in the financial statement audit. As part of this engagement, we will ensure that certain additional matters are communicated to the appropriate members of the Authority. Such matters include (1) our responsibilities under GAAS, (2) the initial selection of and changes in significant accounting policies and their application, (3) our independence with respect to the Authority, (4) the process used by Authority's management in formulating particularly sensitive accounting estimates and the basis for our conclusion regarding the reasonableness of those estimates, (5) audit adjustments, if any, that could, in our judgment, either individually or in the aggregate be significant to the financial statements or our report, (6) any disagreements with the Authority's management concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements, (7) our views about matters that were the subject of the Authority's management's consultation with other accountants about auditing and accounting matters, (8) major issues that were discussed with the Authority's management in connection with the retention of our services, including, among other matters, any discussions regarding the application of accounting principles and auditing standards, and (9) serious difficulties that we encountered in dealing with the Authority's management related to the performance of the audit.

Other matters

Access to working papers

The working papers and related documentation for the engagement are the property of the Firm and constitute confidential information. We have a responsibility to retain the documentation for a period of time to satisfy legal or regulatory requirements for records retention. It is our policy to retain all workpapers and client information for seven years from the date of issuance of the report. It is our policy to retain emails and attachments to emails for a period of 12 months, except as required by any governmental regulation. Except as discussed below, any requests for access to our working papers will be discussed with you prior to making them available to requesting parties. Any parties seeking voluntary access to our working papers must agree to sign our standard access letter.

We may be requested to make certain documentation available to regulators, governmental agencies (e.g., SEC, PCAOB, HUD, RD, DOL, etc.), or their representatives ("Regulators") pursuant to law or regulations. If requested, access to the documentation will be provided to the Regulators. The Regulators may intend to distribute to others, including other governmental agencies, our working papers and related documentation without our knowledge or express permission. You hereby acknowledge and authorize us to allow Regulators access to and copies of documentation as requested. In addition, our Firm, as well as all other major accounting firms, participates in a "peer review" program covering our audit and accounting practices as required by the AICPA. This program requires that once every three years we subject our quality assurance practices to an examination by another accounting firm. As part of the process, the other firm will review a sample of our work. It is

possible that the work we perform for the Authority may be selected by the other firm for their review. If it is, they are bound by professional standards to keep all information confidential. If you object to having the work we do for you reviewed by our peer reviewer, please notify us in writing.

Electronic transmittals

During the course of our engagement, we may need to electronically transmit confidential information to each other, within the Firm, and to other entities engaged by either party. Although email is an efficient way to communicate, it is not always a secure means of communication and thus, confidentiality may be compromised. As an alternative, we recommend using our Client Portal ("Portal") to transmit documents. Portal allows the Authority, us, and other involved entities to upload and download documents in a secure location. You agree to the use of email, Portal, and other electronic methods to transmit and receive information, including confidential information, between the Firm, the Authority, and other third party providers utilized by either party in connection with the engagement.

Use of third party providers and alternative practice structure

Cherry Bekaert LLP and Cherry Bekaert Advisory LLC (an associated, but not affiliated entity) are parties to an administrative services agreement ("ASA"). Cherry Bekaert LLP and Cherry Bekaert Advisory LLC are operating in an arrangement commonly described as an "alternative practice structure". Pursuant to the ASA, Cherry Bekaert LLP leases professional and administrative staff, both of which are employed by Cherry Bekaert Advisory LLC, to support Cherry Bekaert LLP's performance under this engagement letter. As a result, Cherry Bekaert LLP will share your confidential information with Cherry Bekaert Advisory LLC so that the leased employees are able to support Cherry Bekaert LLP's performance under this engagement letter. These leased employees are under the direct control and supervision of Cherry Bekaert LLP, which is solely responsible for the professional performance of the services under this engagement letter. The leased employees are subject to the standards governing the accounting profession, including the requirement to maintain the confidentiality of client information, and Cherry Bekaert LLP and Cherry Bekaert Advisory LLC have contractual agreements requiring confidential treatment of all client information.

To the extent Cherry Bekaert Advisory LLC will provide tax, advisory, and/or consulting services to you, Cherry Bekaert LLP will provide Cherry Bekaert Advisory LLC with access to your accounting, financial, and other records that Cherry Bekaert LLP maintains to enable Cherry Bekaert Advisory LLC to provide those services to you.

In addition to the structure noted above, in the normal course of business, we may on occasion use the services of an independent contractor or a temporary or loaned employee, all of whom may be considered a third party service provider. On these occasions, we remain responsible for the adequate oversight of all services performed by the third party service provider and for ensuring that all services are performed with professional competence and due professional care. We will adequately plan and supervise the services provided by the third party service provider; obtain sufficient relevant data to support the work product; and review compliance with technical standards applicable to the professional services rendered. We will enter into a contractual agreement with the third party service provider to maintain the confidentiality of information and be reasonably assured that the third party service provider has appropriate procedures in place to prevent the unauthorized release of confidential information to others.

Subpoenas

In the event we are requested or authorized by the Authority, or required by government regulation, subpoena, or other legal process to produce our working papers or our personnel as witnesses with respect to our engagement for the Authority, the Authority will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expense, as well as the fees and expenses of our counsel, incurred in responding to such a request at standard billing rates.

Dispute resolution provision

This Dispute Resolution Provision sets forth the dispute resolution process and procedures applicable to any dispute or claim arising out of or relating to this engagement letter or the services provided hereunder, or any other audit or attest services provided by or on behalf of the Firm or any of its subcontractors or agents to the Authority or at its request ("Disputes"), and shall apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise.

Mediation

All Disputes shall be first submitted to nonbinding confidential mediation by written notice to the parties, and shall be treated as compromise and settlement negotiations under the standards set forth in the Federal Rules of Evidence and all applicable state counterparts, together with any applicable statutes protecting the confidentiality of mediations or settlement discussions. If the parties cannot agree on a mediator, the International Institute for Conflict Prevention and Resolution ("CPR"), at the written request of a party, shall designate a mediator.

Arbitration procedures

If a Dispute has not been resolved within 90 days after the effective date of the written notice beginning the mediation process (or such longer period, if the parties so agree in writing), the mediation shall terminate and the Dispute shall be settled by binding arbitration to be held at a mutually agreeable location. The arbitration shall be conducted in accordance with the CPR Rules for Non-Administered Arbitration that are in effect at the time of the commencement of the arbitration, except to the extent modified by this Dispute Resolution Provision (the "Rules"). The arbitration shall be conducted before a panel of three arbitrators. Each of the Authority and the Firm shall designate one arbitrator in accordance with the "screened" appointment procedure provided in the Rules, and the two party-designated arbitrators shall jointly select the third in accordance with the Rules. No arbitrator may serve on the panel unless he or she has agreed in writing to enforce the terms of the engagement letter and to abide by the terms of the Rules. Except with respect to the interpretation and enforcement of these arbitration procedures (which shall be governed by the Federal Arbitration Act), the arbitrators shall apply the laws of the Commonwealth of Virginia (without giving effect to its choice of law principles) in connection with the Dispute. The arbitrators may render a summary disposition relative to all or some of the issues, provided that the responding party has had an adequate opportunity to respond to any such application for such disposition. Any discovery shall be conducted in accordance with the Rules. The result of the arbitration shall be binding on the parties, and judgment on the arbitration award may be entered in any court having jurisdiction.

Costs

Each party shall bear its own costs in both the mediation and the arbitration; however, the parties shall share the fees and expenses of both the mediators and the arbitrators equally.

Waiver of trial by jury

In the event the parties are unable to successfully arbitrate any dispute, controversy, or claim, the parties agree to WAIVE TRIAL BY JURY and agree that the court will hear any matter without a jury.

Independent contractor

Each party is an independent contractor with respect to the other and shall not be construed as having a trustee, joint venture, agency, or fiduciary relationship.

No third party beneficiaries

The parties do not intend to benefit any third party by entering into this agreement, and nothing contained in this agreement confers any right or benefit upon any person or entity who or which is not a signatory of this agreement.

Terms and conditions supporting fees

The estimated fees set forth in the attached engagement letter are based on anticipated full cooperation from the Authority's personnel, timely delivery of requested audit schedules and supporting information, timely communication of all significant accounting and financial reporting matters, the assumption that unexpected circumstances will not be encountered during the audit, as well as working space and clerical assistance as mutually agreed upon and as is normal and reasonable in the circumstances. We strive to ensure that we have the right professionals scheduled on each engagement. As a result, sudden Authority requested scheduling changes or scheduling changes necessitated by the agreed information not being ready on the agreed-upon dates can result in expensive downtime for our professionals. Any last minute schedule changes that result in downtime for our professionals could result in additional fees. Our estimated fees do not include assistance in bookkeeping or other accounting services not previously described. If, for any reason, the Authority is unable to provide such schedules, information, and assistance, the Firm and the Authority will mutually revise the fee to reflect additional services, if any, required of us to achieve these objectives.

The estimated fees contemplate that the Authority will provide adequate documentation of its systems and controls related to significant transaction cycles and audit areas**.**

In providing our services, we will consult with the Authority with respect to matters of accounting, financial reporting, or other significant business issues as permitted by professional standards. Accordingly, time necessary to affect a reasonable amount of such consultation is reflected in our fees. However, should a matter require research, consultation, or audit work beyond that amount, the Firm and the Authority will agree to an appropriate revision in our fee.

The estimated fees are based on auditing and accounting standards effective as of the date of this engagement letter and known to apply to the Authority at this time. Unless otherwise

indicated, estimated fees do not include any time related to the application of new auditing or accounting standards that impact the Authority for the first time. If new auditing or accounting standards are issued subsequent to the date of this letter and are effective for the period under audit, we will estimate the impact of any such standard on the nature, timing, and extent of our planned audit procedures and will communicate with the Authority concerning the scope of the additional procedures and the estimated fees.

The Authority agrees to pay all costs of collection (including reasonable attorneys' fees) that the Firm may incur in connection with the collection of unpaid invoices. In the event of nonpayment of any invoice rendered by us, we retain the right to (a) suspend the performance of our services, (b) change the payment conditions under this engagement letter, or (c) terminate our services. If we elect to suspend our services, such services will not be resumed until your account is paid. If we elect to terminate our services for nonpayment, the Authority will be obligated to compensate us for all time expended and reimburse us for all expenses through the date of termination.

This engagement letter sets forth the entire understanding between the Authority and the Firm regarding the services described herein and supersedes any previous proposals, correspondence, and understandings whether written or oral. Any subsequent changes to the terms of this letter, other than additional billings, will be rendered in writing and shall be executed by both parties. Should any portion of this engagement letter be ruled invalid, it is agreed that such invalidity will not affect any of the remaining portions.

Fairfax City Economic Development

Staff Report

Date: June 3, 2025

TO: Economic Development Authority Commissioners

THROUGH: Chris Bruno, President/ CEO

FROM: Matthew Easley, Assistant Director of Operations and Finance

SUBJECT: Update on process with MEC Organizational Consultant

ISSUE(S):

The FCED Finance and Operations team is responsible for overseeing administration, procurement, budgeting, spending, hiring, and maintaining a hospitable and equitable work environment. This report provides an update on the progress of the MEC-Fairfax Organizational Consultant process. FCED retained a consultant to provide an objective analysis of MEC Fairfax Operations and provide recommendations to engage in best practices and ensure adherence to the three-party MOA.

CREATION OF ADVISORY BOARD:

Operations staff have worked closely with Dandomar Consulting, LLC, MEC Fairfax Center Director Hill, GMU Leadership, Commissioners, and Economic Development Department Leadership to develop a strategy to improve the operations of the MEC Fairfax. Commissioners have authorized, following consultation with all the above groups, the establishment of an advisory board charter, as highlighted in the MEC Fairfax Memorandum of Agreement (MOA), to bring all three parties of the MOA together with the same goal of MEC Fairfax Success.

The proposed MEC-Fairfax Advisory Board will serve as a strategic oversight body, reporting directly to the City of Fairfax Economic Development Authority (EDA). Its purpose is to support the long-term success of the Mason Enterprise Center (MEC) by providing structured guidance, performance monitoring, and accountability across key stakeholders, including the EDA, the city, and George Mason University. Under the direction of the EDA, the Advisory Board will recommend and oversee the implementation of a 180-day action plan focused on tenant acquisition, operational efficiency, and financial sustainability. While the Board will not have operational or funding authority, it will play a critical advisory role by tracking performance against established metrics and making recommendations to the EDA to ensure alignment with the MEC's mission and MOA obligations.

FISCAL IMPACT: N/A

RECOMMENDATION: Authorize operations staff to continue solidifying The Advisory Board structure with collaborative support from the MEC Fairfax Center Director, with a goal to finalize phase I deliverables by the end of June.

ALTERNATIVE
COURSE OF ACTION: Do not authorize staff to continue with The Advisory Board formation.

RESPONSIBLE STAFF/
POC: Assistant Director Easley

COORDINATION: Executive Director Bruno, Danodomar Consulting, LLC, MEC Fairfax Center Director Hill, GMU Leadership, Commissioners

ATTACHMENTS: Advisory Board Charter Draft

This agreement establishes the MEC-Fairfax Advisory Board (the "Advisory Board" or the "Board"), pursuant to the Memorandum of Agreement ("MOA") between the City of Fairfax (the "City"), the City of Fairfax Economic Development Authority (the "EDA"), and George Mason University ("GMU"), (collectively, the "Parties"). This Advisory Board will support the MEC in achieving its vision of fostering economic growth and development within the City by providing strategic guidance, resources, and accountability across all stakeholders.

1. **Purpose and Objective**

    a. **Purpose**: The Advisory Board's primary purpose is to support the MEC in achieving its vision of fostering economic growth and development within the City by providing strategic guidance and accountability across all stakeholders. The Advisory Board will review and recommend strategies, actions, and solutions to enhance the MEC's operations, financial sustainability, and tenant, stakeholder and community engagement.
    b. **Objective**: The Advisory Board will report to and operate under the direction of the City of Fairfax Economic Development Authority (EDA). It will provide findings and strategic recommendations to the EDA, which will guide The Advisory Board's activities. Under the EDA's direction, the Advisory Board will oversee the implementation of strategic actions aimed at improving tenant acquisition, operational efficiency, and fostering stronger relationships between GMU, the City, and other stakeholders. The Advisory Board will not duplicate the EDA's direct operational duties but will support the execution of the MEC's mission through structured oversight and accountability.

2. **Scope of work**

    The Advisory Board will have the following direct and action-oriented responsibilities:

    a. Initial Assessment & Action Plan Development:
        i. At the outset and as needed, the Advisory Board, in collaboration with the Parties, will review MEC operations, performance metrics, and strategy.
        ii. Based on this ongoing review, The Advisory Board will direct the development of a 180-day action plan to address immediate operational and financial challenges, ensuring the MEC's alignment with its mission and objectives.
        iii. The Advisory Board will ensure all actions meet agreed-upon timelines. If timelines are not met, the Advisory Board will report its findings to the EDA with recommendations, which may include reconsideration of funding or exploration of alternative solutions.

    b. Oversight of Implementation of the Action Plan:
        i. The Advisory Board will oversee the implementation of the 180-day action plan, ensuring that all actions are executed according to established timelines.

ii. The Advisory Board will track progress on action items and ensure that timelines are met, with specific next steps for failure to meet the agreed-upon milestones.
iii. The Advisory Board will monitor the completion of assigned tasks by the EDA, City, GMU, and MEC as outlined in the 180-day action plan. If timelines are not met, the Advisory Board will report its findings and concerns to the EDA with recommendations. The EDA will retain authority to evaluate these findings and determine whether to reconsider the $150,000 in funding and/or pursue alternative solutions.

c. Performance Monitoring and Continuous Improvement:

i. The Advisory Board will regularly monitor MEC's performance using key performance indicators (KPIs), financial metrics, and tenant engagement data.
ii. Based on the progress of the action plan, the Advisory Board will recommend corrective actions if performance targets are not met. This may include revising the action plan or suggesting alternative approaches to achieve the desired outcomes.

d. Strategic Oversight:

i. While the Advisory Board will not be involved in day-to-day operational management of the MEC, it will provide strategic oversight to ensure all actions are aligned with MEC's long-term sustainability goals.
ii. The Advisory Board will serve as the central body for directing strategic actions, with the power to initiate changes and adjustments when necessary. It will ensure that the decision-making processes are clear, and any actions proposed by The Advisory Board have measurable outcomes tied to operational improvements.

e. Limitations:

i. The Advisory Board does not assume the parties' operational responsibilities or directly manage daily operations. Its primary role is to direct actions and ensure accountability.
ii. The Advisory Board will not make day-to-day operational decisions but will focus on ensuring that the parties' actions contribute to successfully implementing the MEC's goals.

f. Reporting Frequency to the EDA:

i. The Advisory Board will provide quarterly reports to the EDA on the progress of the 180-day action plan and any other relevant information.
    1. These reports will include updates on key milestones, deliverables, challenges, and any adjustments made to the plan.
ii. The EDA is authorized to request additional report outs or updates outside of the regular quarterly cadence if deemed necessary to ensure the timely and successful completion of the action plan.

3. Structure

a. **Composition**: The Advisory Board will consist of representatives from each of the following groups:

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i. **Fairfax City Economic Development Authority (EDA)**: 1-2 commissioners.
ii. **City of Fairfax**: 1-2 representatives, including the Economic Development Director or designee and a City Council member or designee.
iii. **George Mason University (GMU)**: 1-2 senior leadership representatives from GMU, preferably from the Office of Innovation & Economic Impact or related departments.
iv. **MEC Management**: While the MEC Director is not a voting member of the Advisory Board, they will be the key liaison between the Advisory Board and the MEC's operations, enable the Advisory Board's operations, and participate in forums as requested.
v. **MEC Tenants**: In an advisory capacity, 1-2 representatives from current or former tenants who have experience with the MEC program.
vi. **External Stakeholders**: In an advisory capacity, industry experts, service providers, or other economic development partners may be invited as needed.

b. **Chair**: The Chair will be a representative from the EDA, elected by the members. The Chair will be responsible for organizing meetings and facilitating discussions.
c. **Vice Chair**: The Vice-Chair will be a representative from GMU, elected by the members. The Vice Chair will be from GMU and will be responsible for managing the meetings and ensuring smooth coordination of Advisory Board activities.

4. Roles and Responsibilities

Primary Role	Key Responsibilities
Advisory Board: Provide strategic direction and ensure the implementation of key actions to improve operations, financial sustainability, and tenant engagement.	- Direct the creation and implementation of a 180-day action plan to address operational and financial challenges. - Ensure all timelines for action plans are met, holding parties accountable for their respective roles. If performance targets or timelines are not met, the Advisory Board will provide recommendations to the EDA regarding potential corrective actions, which may include reconsideration of the $150,000 funding or exploration of alternative solutions. - Oversee performance metrics and monitor progress toward the established KPIs. - Evaluate the effectiveness of MEC operations, tenant acquisition, and retention strategies, recommending corrective actions as needed. - Maintain clear communication with all stakeholders, ensuring accountability across the EDA, City, GMU, and MEC.

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Primary Role	Key Responsibilities
Fairfax City Economic Development Authority (EDA): Serve as the financial and operational steward of the MEC, ensuring alignment with the City's economic development goals.	- Financial Oversight: Ensure that the $150,000 annual funding is appropriately allocated and monitored. Ensure GMU provides detailed financial documentation (e.g., marketing and staffing breakdowns). - Strategic Oversight: Review the action plan and progress updates provided by the Advisory Board, ensuring alignment with the broader economic development priorities of the City. - Performance Monitoring: Regularly assess MEC progress, particularly financial performance, tenant occupancy, and sustainability. Recommend corrective actions as needed. - Escalation: If MEC performance fails to meet the agreed-upon timelines or benchmarks, escalate issues and reassess funding commitments or propose alternative solutions so that ultimate program ownership is realized.
City of Fairfax: Advocate for the City's economic development interests and ensure the MEC aligns with the City's broader objectives.	- City Representation: Provide a City Council member or designee to represent the City's interests on the Advisory Board. Ensure that the City's priorities, resources, and needs are incorporated into MEC strategies. - Community Outreach: Leverage the City's resources and networks to promote the MEC as a vital asset to local businesses and the broader community. - Policy Alignment: Ensure that MEC's strategies and operational plans align with the City's comprehensive economic development goals and infrastructure planning.
George Mason University (GMU): Manage the operations of the MEC, leveraging university resources to foster innovation and business growth.	- Strategic Direction: Lead the development and execution of the MEC's operational strategy, including tenant recruitment, program development, and facility management. - Marketing and Tenant Recruitment: Develop and implement targeted marketing strategies to attract high-growth potential businesses. Regularly update the Advisory Board on marketing effectiveness and tenant acquisition. - Operations Management: Oversee day-to-day MEC operations, ensuring all services and facilities meet tenant needs and contribute to the center's success. - Staffing and Resources: As outlined in the MOA, allocate appropriate staffing and resources to the MEC.

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Primary Role	Key Responsibilities
	GMU is responsible for staffing and ensuring that personnel are adequately trained and managed. - Financial and Operational Reporting: Provide the Advisory Board with transparent, quarterly reports detailing financial performance, key performance metrics, and progress on action items.
MEC Director: Act as the liaison between the Advisory Board and the MEC operations, ensuring alignment between strategic direction and day-to-day operations.	- Liaison and Coordination: Serve as the key point of contact between the Advisory Board and the MEC. Facilitate communication and ensure that strategic directives from the Advisory Board are clearly implemented. - Implementation of Strategic Actions: Ensure that all recommendations and action items from the Advisory Board are executed in alignment with the overall strategic plan. - Progress Reporting: Provide regular updates to the Advisory Board on the status of action plans, including progress toward KPIs, and highlight any areas requiring attention. - Advisory Board Participation: Actively participate in Board forums and provide necessary information to aid decision-making, but not as a voting member.

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5. Timeline and Milestones

a. **Phase I (Establishment)**:
   i. **Timeline**: 2 months to define The Advisory Board's structure, finalize members, and draft the action plan.
   ii. **Key Milestones**:
      1. Finalize Advisory Board Members: Confirm the composition and roles of The Advisory Board members, ensuring representation from the City, EDA, GMU, and other key stakeholders.
      2. Develop the 180-Day Action Plan: The Advisory Board will direct the creation of the action plan, including an evaluation of MEC operations, performance metrics, and financial status.
      3. Define Accountability Mechanisms: Establish clear timelines for action items, with specific consequences for non-completion (e.g., reconsideration of the $150,000 funding).
      4. Set Initial KPIs: Establish Key Performance Indicators (KPIs) for measuring the success of the action plan and tracking the MEC's operational and financial health.

5. *Decision Point: At the end of Phase I, the Advisory Board will review the final action plan and make a decision on moving forward into Phase II. This decision will be based on the alignment of the plan with the MEC's goals and the readiness of all parties to proceed.*

b. **Phase II (Stabilization and Implementation Oversight)**:
   i. **Timeline**: 4-6 months to stabilize Board operations, implement recommendations, and refine strategies.
   ii. **Key Milestones**:
      1. Oversee Implementation of Action Plan: The Advisory Board will track progress and hold all parties accountable for completing their assigned tasks. At each milestone, if key performance indicators (KPIs) are not met, the Advisory Board may recommend corrective actions to the EDA, which could include revising the action plan or proposing alternative funding solutions.
      2. Evaluate Financial Sustainability: A review of MEC's financial sustainability will be conducted, including an evaluation of the revenue model, funding sources, and expenditure allocation.
      3. Monitor Tenant Engagement: Measure tenant acquisition, retention, and satisfaction to ensure that the MEC's services meet the needs of its tenants.
      4. Adjust Strategies as Necessary: Based on feedback and performance metrics, revise the action plan or implement additional strategies to address emerging challenges.
      5. Formal Progress Review: At the end of Phase II, the Advisory Board will review the performance against the KPIs and decide on the next steps for the MEC's sustainability.
      6. *Decision Point: At the end of Phase II, the Advisory Board will assess progress against KPIs and decide whether to proceed into Phase III. This decision will be based on implementing the action plan, financial sustainability, and tenant engagement.*

c. **Phase III (Steady-State Operations and Long-Term Sustainability)**:
   i. **Timeline**: Ongoing after the stabilization phase
   ii. **Key Milestones**:
      1. Regular Reviews of MEC's Performance: The Advisory Board will conduct quarterly reviews of MEC's performance against KPIs. At each phase, if performance targets are not met, The Advisory Board will consider corrective actions, such as revising strategies or triggering funding reassessments.
      2. Annual Strategic Planning Review: Every year, The Advisory Board will conduct an annual review to assess the effectiveness of the MEC and the Advisory Board's role, adjusting strategies as necessary to ensure long-term sustainability.
      3. Revisit Funding and Financial Model: As part of the annual review, the Advisory Board will assess the MEC's financial health

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and determine if adjustments are needed in the funding model or other financial structures.

4. Stakeholder Feedback and Adjustments: Collect feedback from tenants, stakeholders, and partners to refine operations, marketing strategies, and support services.
5. *Decision Point: Annually, the Advisory Board will review the MEC's long-term viability and strategic direction. Based on this review, they will make decisions on whether to continue the current strategies, adjust the action plan, or reassess funding mechanisms.*

iii. Phase IV (Ongoing Monitoring and Adaptation)

1. Continuous Performance Monitoring: The Advisory Board will continue to monitor the MEC's operations on an ongoing basis, using KPIs and regular feedback loops to track performance.
2. Review and Update Action Plans Annually: The Advisory Board will conduct annual updates of the action plan based on performance data, evolving goals, and any changes in the external environment (e.g., market shifts, new opportunities).
3. Maintain Communication with All Stakeholders: Regular communication with all parties, including GMU, the City, EDA, and MEC tenants, to ensure alignment with goals and priorities.
4. *Decision Point: Annually, the Advisory Board will review the MEC's long-term viability and strategic direction. Based on this review, they will make decisions on whether to continue the current strategies, adjust the action plan, or reassess funding mechanisms.*

6. Accountability and Reporting

a. **Phase I and Phase II**: Specify a different timeframe for oversight for the establishment and stabilization phases

b. **Regular Progress Tracking**:

i. The MEC Director will provide the Advisory Board quarterly reports on progress toward the established Key Performance Indicators (KPIs), action items, and financial performance.

ii. In addition to quarterly reports, the MEC Director will provide the monthly written updates given to EDA Commissioners during EDA Meetings and any other reporting being provided to outside parties.

iii. The Advisory Board will review all reports, assess whether performance targets are being met, and evaluate whether the action plan needs adjustments.

c. **Annual Report and Review**:

i. At the end of each fiscal year, the Advisory Board will prepare and present an annual report to all stakeholders, summarizing the Advisory Board's activities and the MEC's progress.

ii. This report will include:

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1. A summary of the Advisory Board's decisions and actions taken over the year.
2. Progress toward the MEC's mission and objectives.
3. Financial health and sustainability of the MEC.
4. Tenant satisfaction and engagement levels.
5. Recommendations for any strategic adjustments or resource allocations for the following year.

iii. The annual report will be the primary communication between the Advisory Board and all stakeholders (EDA, City, GMU, and MEC).

d. Clear Accountability Mechanisms:

i. Responsibility for Action Items: The Advisory Board will hold each party accountable for fulfilling their specific roles and responsibilities as outlined in the action plan. If a party fails to meet deadlines or performance targets, the Advisory Board will direct corrective actions.

ii. Funding Reconsideration: As part of the accountability framework, the Advisory Board will provide recommendations to the EDA regarding the $150,000 funding if the action plan is not being implemented effectively or if agreed-upon milestones are not met. The Advisory Board may propose alternative funding solutions or modifications to the action plan, based on the progress review.

e. Actionable Recommendations for Improvement:

i. If performance gaps are identified during quarterly reviews or in the annual report, the Advisory Board will direct specific corrective actions to address those gaps. These actions could include:

1. Revising the action plan or updating KPIs based on performance data.
2. Reallocating resources or adjusting funding strategies.
3. Requesting additional reports or clarifications from the parties involved to ensure better performance.

ii. The Advisory Board will provide clear deadlines for the completion of corrective actions, ensuring that any proposed adjustments are executed in a timely manner.

f. **Transparent Communication:**

i. All reports, updates, and action items will be made publicly available to all stakeholders, ensuring transparency in the MEC's operations and progress.

ii. Advisory Board meetings will be open to stakeholders, including tenants, as necessary to foster greater communication and collaboration.

g. **Review of Charter and Roles**:

i. On an annual basis, the Advisory Board will conduct a review of the charter and the roles and responsibilities of each party to ensure they remain aligned with the evolving needs of the MEC.

ii. Changes to the Charter: Any revisions to the charter or changes in the roles and responsibilities of The Advisory Board or stakeholders will require consensus approval from all parties involved. The Advisory

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Board will initiate these discussions in advance of the annual report presentation.

7. Decision-Making and Conflict Resolution

a. **Decision-Making Process**:

i. Consensus-Based Approach: The Advisory Board will strive to reach decisions through consensus whenever possible, encouraging complete discussion and agreement on key issues. If consensus cannot be reached, The Advisory Board will proceed to the voting process.

ii. Limitations on Authority:

1. All decisions, actions, and recommendations made by the Advisory Board are advisory in nature and do not independently alter or amend the terms of the Memorandum of Agreement (MOA) among the City, EDA, and GMU.
2. The Advisory Board's role is to review, assess, and endorse proposals for consideration by the EDA and other parties. Any modification to the MOA or changes to the legal or financial obligations of the parties must be formally approved through the appropriate governance and authorization processes as stipulated in the MOA and applicable governing policies.

iii. Majority Vote:

1. Non-Significant Decisions: For most decisions, including routine actions, administrative matters, or adjustments that do not significantly alter the direction of the MEC-Fairfax, The Advisory Board will use a simple majority vote to move forward. A simple majority means that more than 50% of the voting members present must agree for the decision to pass.
2. Examples of non-significant decisions may include:
    a. Approving minor changes to meeting schedules.
    b. Approval of non-substantial amendments to the action plan.
    c. Routine updates to ongoing operations or strategies.

iv. Two-Thirds Majority Vote:

1. Significant Decisions: For matters that may significantly impact the direction of the MEC, including changes that affect long-term sustainability or financial considerations, the Advisory Board will require a two-thirds majority vote to formalize a recommendation to the EDA.
2. Significant decisions typically include:
    a. Recommendations to the EDA to reconsider or adjust the $150,000 in annual funding based on performance or compliance.

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b. Proposed major modifications to the MEC's strategic goals or action plan.
c. Recommended amendments to the Advisory Board's Charter, including changes to structure or stakeholder roles.
d. Suggestions for new or revised governance models that could impact the roles and responsibilities of the City, EDA, or GMU.
e. Recommendations regarding potential restructuring or programmatic changes to the MEC.

3. For these decisions, two-thirds of the voting members must approve in order for the decision to be enacted. This higher threshold ensures that major changes have broad support from The Advisory Board.

v. Decision-Making Clarity:
1. Decision documentation: All decisions, including voting outcomes, will be documented and communicated to all parties (EDA, City, GMU, and MEC) with clear justification for the action taken and how it aligns with the MEC's goals and objectives.
2. Communication of significant decisions: Significant decisions requiring a two-thirds vote will be communicated more formally, with detailed explanations to ensure transparency and understanding of the rationale.

b. **Conflict Resolution Mechanisms**:
i. Escalation Process: In the event of unresolved conflicts between the parties, the Advisory Board will implement an escalation process to address disagreements or a lack of cooperation.
1. First Step: The Advisory Board Chair will facilitate a discussion between the conflicting parties, aiming to resolve issues through direct negotiation and mediation.
2. Second Step: If the issue remains unresolved, The Advisory Board will request input from a neutral third party, such as an external mediator or a consultant with experience in public-private partnerships, to help facilitate a resolution.

ii. Neutral Mediator: In extreme cases where internal resolutions are not possible, The Advisory Board will engage an external mediator who can work with all stakeholders to reach a compromise or resolution. The external mediator will assist in reconciling differing interests while ensuring that the Advisory Board's directives are carried out effectively.

iii. Time Frame for Resolution: A time frame (e.g., 30-60 days) will be established for resolving conflicts before moving to the next step in the process. This ensures that delays do not impact progress on the action plan or critical decisions.

c. **Conflict Documentation:**

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i. Clear Records: All conflicts and their resolutions will be documented thoroughly. This documentation will include the nature of the disagreement, the steps taken to resolve it, and any agreed-upon outcomes. These records will be accessible to the relevant parties and used for future reference to prevent similar issues.
ii. Regular Updates: The Advisory Board Chair will regularly update stakeholders (EDA, City, GMU, and MEC) on the status of conflict resolution efforts, ensuring that all parties are aware of ongoing discussions and outcomes.

d. **Final Decision-Making:**
   i. Role of The Advisory Board Chair: If disagreements persist despite mediation efforts, the Chair of the Advisory Board may provide a final recommendation on unresolved operational matters to the EDA, provided such recommendations align with the MEC's goals and collective stakeholder interests.
   ii. Chair's Neutrality: The Chair must remain neutral and ensure that any final decision is in the best interest of the MEC and all parties involved. The Chair must document the rationale behind any final decisions and present them at the next Advisory Board meeting.

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Appendix

Phase I Deliverables Plan (to be created with the Center Director**):**

1.

Timeline and Milestones (to review with the Center Director):

Organizational Timeline

	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
I: Establish			**Phase I**	**Phase I**	**Phase II**					
II: Operate				**Phase I**	**Phase II**	**Phase II**				

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Fairfax City Economic Development Staff Report

Date: June 3, 2025

TO: Economic Development Authority Commissioners

FROM: Chris Bruno, President/ CEO

SUBJECT: Proposed FY2026 EDA Budget

ISSUE(S):

Consideration of the Proposed FY2026 Annual Budget for the Fairfax City Economic Development Authority

FY26 BUDGET PROPOSAL:

Each year, the Mayor and City Council allocate funding to the individual programmatic departments to advance the adopted City Council goals. This year $00,000,000 was allocated to the Economic Development Department, a unit of City Government, which is a significant decrease from FY25. Within that allocation is included a proposal by the Director of Economic Development to fund the Fairfax City Economic Development Authority on an annual basis. For Fiscal Year 2026, the Director of Economic Development has proposed allocating $1,232,000 to the Economic Development Authority.

The Executive Director / CEO of the Economic Development Authority is responsible for developing a priority and programmatic budget with funds allocated by the Director of Economic Development. These programs and funds are overseen by the Commissioners of the Economic Development Authority, who are ultimately responsible for coordinating EDA priorities and initiatives, as well as supporting staff in the programmatic development of the Economic Development Authority in ways that advance economic development in Fairfax City.

The Proposed FY 2026 Budget includes allocations to all of our previously established cost centers. Due to significant budget challenges within the city government, there have been some programmatic reductions or eliminations that are displayed in the attachments. Staff have worked diligently to strategize around balancing fiscal responsibility with successful program delivery while maintaining levels of programming and impact where possible. Examples of programs cut or reduced include: The Culinary Careers Collaborative, the Women's Entrepreneur Empowerment Luncheon and related Women's Empowerment Grant, Ribbon Cuttings, LOVEwork Sign, Mural Initiatives, Tourism Branding and Marketing Strategy, and International Partnerships. Travel and professional development have been reduced, as well as the Executive Director's account.

There are some increases or new initiatives displayed to include an increase for the local shopping initiative to match last FY's contracting, a new tourism website and an increase to the CFCC Grant to use for a women's business initiative.

Additionally, staff has provided two attachments. Attachment 1 is the proposed FY26 budget, including both economic opportunity funding and economic development initiatives, totaling $309,000. Attachment 2 is the proposed FY26 budget, excluding economic opportunity funding and economic development initiatives. Instead, these funds are allocated to strategic initiatives that support business investment programming (FIIG, LIFFT, or similar). These two scenarios present different approaches to how staff can execute initiatives.

The proposed budget maintains the EDA's investment in the Mason Enterprise Center as well as funding for all temporary positions (internships and associates).

FISCAL IMPACT: Adoption of the FY26 Budget would set in motion allocations (including programs, initiatives, and investments) in the amount of $1,232,000.

RECOMMENDATION: Adopt the Executive Director's Proposed FY26 Budget and authorize staff to begin working on FY26 programming.

ALTERNATIVE
COURSE OF ACTION: 1) Table the Proposed FY26 Budget for action on a future date (this may impact programs not already funded by the FY25 adopted budget); 2) Recommend changes to the Executive Director in an amended budget for consideration.

RESPONSIBLE STAFF/
POC: Executive Director Bruno / Assistant Director Easley

COORDINATION: Treasurer McGruder and Account Support Specialist Mara

ATTACHMENTS: 1) Proposed FY26 Budget with economic development opportunity and initiatives funding for $309,000 2) Proposed FY26 Budget without economic development opportunity and initiatives funding and instead funding strategic initiatives to support business investment programming (LIFFT, FIIG or similar) in the amount of $309,000

FY26 Draft EDA Budget with Economic Opportunity and Initiatives Funding

	Budget Class	Total FY25Budget	SUB	Breakdown	FY25 Allocation	FY26 Proposed Adjustment	FY26 Proposed Budget	FY26 Total Proposed Budget
1	Programs	128,000.00						**107,500.00**
			A	Restaurant Weeks	40,000.00	$0	$40,000	
			B	Fairfax City Flex Card	20,000.00	$0	$20,000	
			C	Small Business Saturday	1,000.00	$0	$1,000	
			D	Ribbon Cuttings	3,000.00	($1,000)	$2,000	
			E	Women's Entrepreneur Empowerment Luncheon	3,500.00	($3,500)	$0	
			F	Fall Festival Booth	500.00	$0	$500	
			G	Local Shopping Initiative	15,000.00	$21,000	$36,000	`
			H	Culinary Careers Collaborative	35,000.00	($35,000)	$0	
			I	Marketing - Programs	0.00	$7,000	$7,000	
			J	Miscellaneous	10,000.00	($9,000)	$1,000	
2	MEC	150,000.00						**150,000.00**
			A	MEC	150,000.00		$150,000	
3	Economic Opportunity Fund	220,000.00						**220,000.00**
			A	Economic Opportunity Fund	220,000.00		$220,000	
4	Economic Development Initiatives	89,000.00						**89,000.00**
			A	Economic Development Initiatives Funding	89,000.00		$89,000	
5	Tourism Program Funding	106,500.00						**113,000.00**
			A	LOVEwork Sign	20,000.00	($20,000)	$0	
			B	Mural Initiatives	30,000.00	($20,000)	$10,000	
			C	Branding/ Marketing Strategy	50,000.00	($23,000)	$27,000	Strategic Planning Priority
			D	Tourism Website	0.00	$61,000	$61,000	Strategic Planning Priority
			E	Governor's Tourism Summit	1,500.00	($1,500)	$0	
			F	Marketing - Tourism	0.00	$10,000	$10,000	
			G	Miscellaneous	5,000.00	$0	$5,000	
6	Public Relations/ Marketing/ Initiatives	185,500.00						**130,500.00**
			A	Ad Support	75,000.00		$75,000	
			B	Subscription Services	15,500.00		$15,500	
			C	Website Support	10,000.00	($5,000)	$5,000	
			D	Marketing Collateral	10,000.00	($7,000)	$3,000	
			E	Programs Marketing	15,000.00	($15,000)	$0	Relocated to programs class
			F	Tourism Marketing	15,000.00	($15,000)	$0	Relocated to tourism
			G	Business Investment Marketing	15,000.00	($15,000)	$0	Relocated to BI
			H	MarComm Support	10,000.00	($2,000)	$8,000	
			I	GMU Engagement Initiatives	15,000.00		$15,000	
			J	NOVA EDA/ CES Marketing	0.00	$5,000	$5,000	
			K	Miscellaneous	5,000.00	($1,000)	$4,000	
7	Business Investment	100,000.00						**61,500.00**
			A	Accelerate Sponsorship & Attendance	1,000.00	$4,000	$5,000	
			B	Quantum Sponsorship	2,500.00		$2,500	
			C	International Partnerships	33,000.00	($13,000)	$20,000	
			D	Conferences & Events	20,000.00	$3,000	$23,000	
			E	Conferences	23,500.00	($23,500)	$0	Combined with Events
			F	ICSC	10,000.00	($10,000)	$0	
			G	Marketing -Business Investment		$10,000	$10,000	
			H	Miscellaneous	10,000.00	($9,000)	$1,000	
8	Administration	136,000.00						**280,500.00**
			A	Account Support Associate	30,000.00	($30,000)	$0	Defunded and repurposed in 8F
			B	FY Independent Audit and Accounting Support	5,000.00	$35,000	$40,000	
			C	Economic Development Associate	25,000.00	($25,000)	$0	Defunded and repurposed in 8F
			D	Transportation/Meals	10,000.00	($5,000)	$5,000	
			E	Operations/ Finance ProfDev & Travel	6,000.00	($3,000)	$3,000	
			F	Associates - Programs, Marketing, EDA and Accounting		$110,000	$110,000	Funding required for Associates given no conversation to part-time perm in FY26
			G	Interns (Comms, Programs, BI & Tourism)		$45,000	$45,000	Funding required for internships
			H	Placer.ai		$24,900	$24,900	Working on cost sharing arrangement with other city departments
			I	Miscellaneous	10,000.00	($7,400)	$2,600	
			J	Legal	0.00	$25,000	$25,000	
			K	Reimburse GF for FY25 PT Conversions	50,000.00	($25,000)	$25,000	Per agreement with city CFO. Will be zero in FY27
9	Strategic Initiatives	130,000.00						**68,000**
			A	Partnerships (George Mason School of Business)	50,000.00	($10,000)	$40,000	
			B	OTFBA OTSD		$0	$0	This is not part of FY Budgeting - we will receive this separately from the OTSD tax/ finance
			C	Women's Empowerment Grant	25,000.00	($25,000)	$0	
			D	Marketing Microgrant	25,000.00		$25,000	
			E	CFCC Neighborhood Economic Dev Grant	30,000.00	$3,000	$33,000	Additional funding for women's event
			F	Business Attraction Efforts (FIIG, LIFFT or similar)	0.00		$0	
			G	Economic Development Studies		($30,000)	($30,000)	
10	Executive Director Budget	53,000.00						**12,000.00**
			A	Misc. Funding	23,000.00	($19,000)	$4,000	
			B	Special Projects Manager	10,000.00	($2,000)	$8,000	
			C	Legal	20,000.00	($20,000)	$0	Relocated to Admin
	Total FY25 EDA	**1,298,000.00**		Total FY25 Allocated EDA	**1,298,000.00**	($61,500)	**$1,232,000**	**1,232,000.00**

FY26 Draft EDA Budget with Business Investment Incentives Programming

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