

Virginia Birth-Related Neurological Injury Compensation Program

Budget/Finance Committee Meeting

November 18, 2025- Draft

Attendees

John Gordon, Committee Chair

Joel Dillion

David Ratz, Esq.

Also Present

Dawn McCoy, Executive Director (Virtual)

Stephen Weir, C.E.O., Trustward

Shelby Boughner, Senior Director of Business Services

Hanna Bareford, Human Resources Assistant

Ronda Holloway, Operations Manager

Charlotte Spence, Communications Specialist

Andrew Gilman, Sklar Technology Partners

Call to Order

Finance Committee Chair John Gordon called the meeting to order at 2:15 p.m.

Introduction of Participants

All committee members present introduce themselves.

Annual Assessment- Status

Stephen Weir, Trustward C.E.O, opened the assessment update by noting that the process is conducted in the fourth quarter, with the current year's assessment issued in October. He explained that the team is actively processing incoming checks and, due to being in the middle of the cycle, an exact revenue figure is not yet available. He added that the budgeting process requires reviewing previous years to estimate anticipated revenue for the upcoming year. Committee Chair, John Gordon inquired whether the Program knows the number of participating physicians and the expected amount of revenue as assessments are returned. Weir responded that the Program sends a packet containing a form, and physicians submit payment with the form. When Gordon asked whether comparative analysis between last year and the current year exists, Weir stated that this type of analysis has been lacking.

Weir explained that assessments are received from insurance companies, physicians, and hospitals. He recommended considering a second mailing and improving monitoring of response rates to better understand participation and enhance future processes. He noted that the staff member who managed this process for the past 20 years retired, making this year primarily a learning and transition period rather than one focused on optimization. Committee Member, David Ratz added that he was not aware of whether detailed metrics had been collected in previous years. Weir observed that organizational attention has traditionally centered on claimant expenditures, and he emphasized the need to strengthen focus on revenue processes as they relate to protections for participating physicians.

Budget Planning

Weir explained that historically the Program has not maintained a formal budget process but described a proposed two-phase approach: establishing the budget in Q1 and evaluating it for necessary adjustments in Q3 after reviewing responses and financial data. Committee Member, Joel Dillion asked Weir about the optimal timing within the year to finalize budget issues for the following year. Weir responded that a draft budget would be presented at the September meeting, with final approval anticipated in November. Based on his experience, making changes later in the year is less effective.

Weir discussed the current accounting system, which relies on QuickBooks desktop with a chart of accounts, and shared plans to upgrade to web-based accounting software by 2026. He emphasized the need for future investments in modernizing financial and operational systems. Gordon inquired about the current use of QuickBooks, and Weir

confirmed it is desktop-based but expressed a desire to move to a cloud platform. Dillion suggested that, although the Program is not a nonprofit, adopting a functional expense statement would be beneficial for clarity. Weir explained that the budget would primarily be divided into three categories: assessments, claimant payments, and administrative expenses. It was noted that the term “cash flow” might be more appropriate than “budget” when referring to claimant expenses.

Dillion outlined that the majority of budget energy would focus on administrative expenses, including fundraising, program costs, and overhead. Gordon proposed changing the term “overhead” to “support” to better reflect these functions. A draft chart of accounts was reviewed, showing salary expenses without differentiation between contractors, internal employees, and associated state or FICA taxes. Gordon requested a breakdown of benefit rates for the next meeting and more detailed categorization of temporary services. Weir affirmed that the Program is in the process of refining this framework.

Weir noted that investment amounts were included within the administrative expense category, which visually inflates this section but reflects ongoing efforts to modernize systems. He emphasized that a key upcoming discussion will focus on required investments to implement modern systems capable of providing timely and accurate data. He proposed evaluating whether to acquire comprehensive large-scale systems or smaller integrated solutions to manage assessment, accounting, and related functions. Executive Director, Dawn McCoy confirmed that the team is actively exploring technology investment strategies and that this committee will play a role in approving those plans.

Ratz remarked that publicly communicating such investment efforts could cause concern among families. Dillion asked Weir to rate the anticipated budget accuracy on a scale from 1 to 10, to which Weir replied approximately a 6, citing factors such as realistic expense forecasting and the unpredictability of staffing models involving contractors versus employees. Weir explained that the shift from a salaried AR position to a higher-cost contractor has increased expenses and projected the 2025 budget to be meaningfully larger—around \$3 million—but does not expect further increases in 2026.

Dillion inquired whether the board could receive monthly budget reports and projections starting in Q1 of next year. Weir confirmed this is the goal and suggested that both high-level summaries and detailed expense reports could be emailed to board members as needed. Gordon asked if there is a mechanism to track special or unexpected expenses. Weir said no formal method exists currently, but these items are typically managed as timing issues. Gordon requested that reports include context and highlighted interest in seeing the Program’s top vendors. Weir agreed to include a vendor report with explanatory details.

Lastly, accounts payable were reviewed as split between claimant expenses and administrative costs. Gordon asked whether Rising provides expenditure reports, and Weir confirmed they are requesting those reports since Rising manages funds on the Program's behalf.

Meeting Frequency

Weir proposed holding budget meetings every other month, contingent on approval from the Office of the Attorney General (OAG). Dillion noted that if the meetings involve only committee members, they could be conducted off the record via Zoom or phone calls. Gordon suggested aligning these meetings with the existing board meeting schedule on a quarterly basis. McCoy inquired whether these budget meetings would be coordinated with investment meetings, to which Weir responded that the Program currently does not follow a quarterly cadence. He proposed holding meetings every other month, alternating with investment meetings, to adequately prepare budget decisions for presentation to the Board.

Ratz raised questions regarding the limitations imposed by the Program's virtual meeting policies for subcommittees. Weir confirmed that he plans to present the budget in February and emphasized the importance of maintaining momentum without delays caused by public meeting requirements, as noted by Dillion. Ratz recommended scheduling discussions one month prior to board meetings to ensure all members are prepared. A reminder was issued to avoid creating a quorum via email communications.

It was agreed that meetings would take place in February, April, and June, providing opportunities to review and approve the budget, with the first quarter budget finalized in March. Weir took responsibility for managing the meeting calendar moving forward.

Adjournment

Committee Chair Gordon moved to adjourn the meeting at 2:43 p.m., and it was seconded by Committee Member Gordon. The Motion was voted upon and passed unanimously.