



**GENEDGE ALLIANCE
Board of Trustees Meeting
Friday, June 17, 2016**

Charlottesville, VA

Members Present

Dr. James Atkinson
Dr. John Dever
Dr. John A. Downey
Mr. Michael Dudding
Mr. Marc Foglia
Ms. Tamea Franco
Mr. Doug Frost
Ms. Marilyn Hanover
Mr. Roy C. Irvine
Mr. David Lohr
Dr. Bruce Scism
Dr. Wayne P. Stilwell
Mr. Meiky Tollman
Ms. Anna Yarashus

Members Absent

Mr. Ed Albrigo
Mr. Jonathan Alger (Rep)
Dr. Kevin Creehan
Mr. Hans de Koning
Dr. Tiffany McKillip Franks (Rep)
Hon. Karen Jackson
Hon. Maurice Jones

Representative Present

Representative Absent

Dr. Jaime Camelio

Others Present: Mr. Michael Bollinger, Mr. Bill Donohue, Ms. Cindy Glisson, Mr. Charles Harris (representing Dr. Franks), Dr. Yvonne Harris (representing President Alger), Mr. Jeff Lucas (NIST MEP), Ms. Aimee McCarthy, Mr. Pete Miles, Ms. Valerie Simpson, Mr. Wayne Smith, Mr. Bob Stolle (representing Mr. Ed Albrigo) and Mr. Dean Young

~Call to Order~

Dr. Atkinson, called the meeting to order at 11:05 a.m.

~Welcome~

Dr. Atkinson welcomed everyone and thanked them for attending.

~Approval of Minutes~

Dr. Atkinson asked the board members to review the minutes from the March 18, 2016 meeting. Dr. Atkinson next asked for any additions, corrections, comments, or discussion to the minutes. A motion was made by Dr. Downey, seconded by Ms. Hanover and was approved.

~New Board Meeting Procedures~

Ms. Simpson informed the board of the new board meeting procedures stating that beginning October 1, 2016, all Full, Open or Public, Closed and Electronic Communication meeting will be posted to the GENEDGE website and on the Commonwealth Calendar. Ms. Simpson also stated that meeting minutes will also be posted on the GENEDGE website.

~Resources and Funding Status~

Mr. Donohue began by reviewing the GENEDGE Organizational chart with the board stating there are seven vacant positions that need to be filled. Three of the positions are with Old Dominion University Business Gateway.

Next Mr. Donohue informed the board of the funding and revenue from various contributors such as the Commonwealth of Virginia, Manufacturing Extension Partnership, GENEDGE, Langley Research Center and others.

~HR & Compensation Plan Upgrade~

Mr. Tollman began informing the board as Chairman of the HR & Compensation Board Committee, he wanted to do a good job and be helpful to GENEDGE. He stated that after approving a few employee increases he began to question large increase amounts wondering if this was a rate that GENEDGE could sustain and remain financially secure. Mr. Tollman stated that he found that the current merit system was designed for higher inflation and was designed with a lack of individual incentives.

Next Mr. Tollman informed the board of the plan to rebalance Merit and Incentive Pay. Currently the Merit plan consists of higher than average merit increases that go beyond the midpoint and lacked individual incentives to stretch beyond the plan. The revised plan will include merit increases reduced to reflect the current economy with added individual and group incentives to drive peak job performance.

Mr. Tollman stated that the base salary growth will be reduced. However, by adding individual incentive opportunity to the existing group incentive, those who strongly contribute through their Core Goals achievement are eligible to offset the reduction in base salary increases. The plan still

rewards in the same manner, but in line with current inflation levels and offers clarity on performance achievement descriptions.

Mr. Tollman shared with the board that at the GENEDGE Staff meeting, the staff recommended that annual reviews be aligned with the fiscal year instead of the according to employee hire date. The recommendation was incorporated into the new Performance Management System and the transition will take place this summer.

Mr. Tollman concluded by informing the board that the new Performance System includes “self-assessment”. Management will set three Core Goals annually and stretch for each goal per position. The employee is to set two individual goals annually. The employee is expected to complete a timely annual self-evaluation and engage with leadership and to initiate their annual review.

Dr. Atkinson stated that a motion was needed to approve the new H. R. and Compensation plan. The motion was made by Mr. Tollman, seconded by Ms. Franco and was approved.

~Financial Update~

Mr. Bollinger reviewed the FY16 year to date (11 months) operating metrics. Gross bookings (new contracts) totaled \$3,008,264. Gross billings totaled \$2,583,943 which were 15% below budget. Net billings were \$1,707,284 and were 12% over budget. Impact estimates provided by clients totaled \$322,000,000. Contract backlog was \$718,386 and the cash position was \$648,015 and 35% below target however accounts receivable at May 31, 2016 totaled \$1.1million.

Innovation business growth and supply chain services represent 87% of FY16 bookings. The proposal pipeline shows 169 proposals to clients resulted in 133 contacts booked and 36 new manufacturers contracted.

Mr. Bollinger continued by reviewing the cash basis financial results for eleven months July 2015 to May 2016. Revenue collected totaled \$3,833,625. Expenditures totaled \$4,356,309. The change in net position on a cash basis totaled \$(522,684). Mr. Bollinger stated the overall net position at the end of the year was dependent on the collection of accounts receivable in the last two weeks of the year.

~Security Update~

Mr. Bollinger informed the board that a motion to exclude board members from Access to classified Information was needed due to the Federal Security Clearance regulations. All board members with the exception of the board Chairman would be exempt.

WHEREAS, current Department of Defense Regulations contain a provision making it mandatory that the Chairman of the Board, Senior Management Official and Facility Security Officer meet the requirements for eligibility for access to classified information established for a contractor facility security clearance; and

WHEREAS, said Department of Defense Regulations permit the exclusion of personnel from the requirements for access to classified information of certain members of the Board of Directors and other officers, provided that this action is recorded in the corporate minutes.

NOW THEREFORE BE IT DECLARED that the Chairman of the Board, Senior Management Official and Facility Security Officer at the present time do possess, or will be processed for, the required eligibility for access to classified information; and

BE IT RESOLVED that in the future, when any individual enters upon any duties as Chairman of the Board, Senior Management Official and Facility Security Officer, such individual shall immediately make application for the required eligibility for access to classified information; and

BE IT RESOLVED AND DIRECTED that the following members of the Board of Directors and other officers shall not require, shall not have, and can be effectively and formally excluded from access to all **CLASSIFIED** information disclosed to the corporation and shall not affect adversely corporate policies or practices in the performance of classified contracts for the Department of Defense or the Government contracting activities (User Agencies) of the National Industrial Security Program

NAME	TITLE
Edward Albrigo	Trustee
Jonathan R. Alger	Trustee
Makola M. Abdullah	Trustee
Kevin D. Creehan	Trustee
John T. Dever	Trustee
John A. Downey	Trustee
Marc Foglia	Trustee
Tamea L. Franco	Trustee
Tiffany McKillip Franks	Trustee
Douglas Frost	Trustee
Marilyn K. Hanover	Trustee
Roy C. Irvine	Trustee
Karen R. Jackson	Trustee
Maurice A. Jones	Trustee
Hans de Koning	Trustee
David R. Lohr	Trustee
Bruce R. Scism	Trustee
Wayne P. Stilwell	Trustee
Meiky Tollman	Trustee
Anna H. Yarashus	Trustee

Dr. Downey moved and Dr. Scism seconded the motion presented above. The motion was approved by unanimous vote.

~FY17 Budget~

Mr. Bollinger concluded by presenting to the board of the FY17 Revenue and Expenditures budgets in support of the FY17 operating plan.

~Operations Plan Review and Approval~

Ms. Glisson began by informing the board of the business lines and services stating that programs are developed using subsets of these services and that they are linked to customer's strategy.

Ms. Glisson next informed the board that the Virginia Business Growth Program for Small Advanced Manufacturers will be launched in February. She stated that the program will target small companies for accelerated business growth.

Ms. Glisson concluded by discussing Internal Process Support. She stated that the functional area are Marketing, Sales, Delivery, People and Processes. Ms. Glisson informed that board that there are quite a few key focus areas in each of the functional areas.

Dr. Atkinson stated that a motion was needed to approve the proposed Operating Plan for FY17. The motion was made by Mr. Lohr, seconded by Dr. Downey and was approved.

~Annual Report Status~

Ms. McCarthy began the update by introducing the Advisory Panel to the board and thank them for their time and input.

Next Ms. McCarthy informed the board of how an annual report will impact GENEDGE's business. She stated that an annual report is a crucial tool for communicating an organization's purpose, mission and results, and the health of the organization.

Ms. McCarthy next informed the board that GENEDGE has not historically produced an annual report while other Virginia Economic Development organizations have as do other MEP's. However, as GENEDGE continues to gather and maintain support from investors and stakeholders, it will be beneficial to keep the organizational results prominent on our website as well as a marketing communications tool.

Ms. McCarthy next stated that an annual report will be published for Fiscal Year 2017 by September 30, 2016, and ongoing for subsequent Fiscal Years. She stated that the content will show some history and vision for the future of GENEDGE. The document will include an

Executive Summary on the year and will have a high level financial section that will demonstrate the health of the organization. Information about the Operating Agreement with NIST and how it benefits the Commonwealth will also be included.

Ms. McCarthy review a draft document with the board, informing them that the format will be graphics verses heavy words and will resemble a picture book. She stated that the document will have testimonials with pictures of GENEDGE customers and will be a celebration of successes.

Ms. McCarthy concluded by reviewing the document timeline with the board. It was suggested that client testimonial videos be included in the document also and to show the board of trustees company location and logo and a map.

~DMEP / Calendar

Mr. Young informed the board that DMEP has been granted a third year to offer continued help to the companies who were enrolled in DMEP I. He stated that DMEP III will start with updating the CoreValue Assessment and that funding is available for up to 30 companies to update their previous assessment.

Mr. Young next stated that funding will be competitively awarded for service delivery, targeting twelve companies for three years. Mr. Young stated that funding will be granted based on business case and commercialization opportunity.

Mr. Young informed the board that an Advisory Panel has to be created and company leadership will present their business case to the panel either in person or via a Web based meeting. The advisory panel will use criteria to determine funding approvals.

Mr. Donohue asked for volunteers to join the DMEP Advisory Panel. The following board members volunteered: Doug Frost, Anna Yarashus, Marilyn Hanover, Marc Foglia, Dr. John Downey, Dr. Wayne Stilwell and Dr. Jim Atkinson.

Mr. Donohue concluded by reviewing the Fiscal Year 2017 Business Schedule with the board. The schedule included processes for each of the four quarters.

~Adjournment~

Dr. Atkinson asked if they was any new business. There being the Chairman adjourned the meeting.