

Board of Trustees Virtual Meeting

**Piedmont Virginia Community College
800 Wing, Classroom #835**

**Friday, June 11, 2021
11:00 AM – 2:30 PM**

**Virtual Meeting via ZOOM
<https://vccs.zoom.us/j/9560511334>;
Password: GEN2020A**

Members Present

Mr. Matthew Clarke (V)
Dr. John A. Downey (IP)
Mr. Marc Foglia (V)
Ms. Tamea Franco (IP)
Mr. Rick Gagliano (IP)
Ms. Marilyn Hanover (IP)
Dr. Brian Hemphill (V)
Mr. Jeffrey Jaycox (IP)
Dr. Shannon Kennedy (V)
Mr. Jim McEwan (V)
Mr. Wesley Reid (V)

Members Absent

Dr. Makola Abdullah
Mr. Peter Bale
The Honorable Peter Bale
Dr. Tiffany McKillip Franks (represented)
Mr. Doug Frost
Mr. John Mead
Mr. Abdelkarim Moharram
Dr. Bob Stolle
Mr. Wayne Stilwell

Representative Present

Dr. Eileen Van Aken (V)

Representative Absent

Others Present: Mr. Tony Cerilli, Mr. Josh Dawson, Mr. Bill Donohue, Ms. Flora Hezel (Attorney General, V), Mr. Jose Colucci-Rios (V), Mr. Scott Schein (IP), Ms. Valerie Simpson (IP), Mr. John Vigouroux (Rep. for Dr. Franks, V), and Mr. Dean Young (IP).

~Call to Order~

Mr. Jaycox welcomed everyone and thanked them for attending. Next Mr. Jaycox ask Ms. Simpson to call the roll to establish a quorum. A quorum was established so Mr. Jaycox called the meeting to order at 11:00 a.m.

~Approval of Minutes~

Mr. Jaycox asked the board members to review the minutes from the March 19, 2021, meeting. Mr. Jaycox next asked for any additions, corrections, changes, or discussion to the minutes. With there being no changes, Dr. Kennedy made a motion to accept the minutes. The minutes were properly seconded by Dr. Downey and approved.

~Retooling VA Manufacturing Update~

Mr. Gagliano began by stating that the first year of the two-year, \$4.4 Million program to implement a mid-to-long term approach to re-tooling Virginia Manufacturers for Strategic Industries was complete and served twenty companies. Next Mr. Gagliano indicated that Phased One of the program focused on PPE and year two will focus on engaging other critical industry supply chain retooling targets as determined by the Advisory Committee. The goal is to serve fifty companies, while creating or retaining 500 jobs with new or retained revenue of over \$100 Million over a five-year period. And will target 30 companies to reach the overall 50 companies.

Mr. Gagliano informed the Board that Year Two will focus on Critical Manufacturing capability / capacity that constrains domestic growth in Critical Infrastructure Sectors with opportunity to both impact these critical sectors and reach across the Commonwealth.

Mr. Young concluded by presenting to the board members the developed criteria and ratings rubric and sector analysis for Phase 2.

~Expanding Engagement and Market Penetration~

Mr. Donohue began by reviewing Expanding Engagement and Market Penetration. He stated that capacity, capability, and foundation to accelerate growth created assurance of ongoing operations through Succession Plan execution.

Mr. Donohue concluded by discussing the Strategic Pivot with the board stating that GENEDGE leadership recommends that the Board of Trustees activate the strategic planning committee to develop a new plan in the

second / third fiscal quarter. This would be coincident with a new administration being elected and can assist in setting legislative priorities for the GA and the Hill.

~Organizational Updates~

Mr. Donohue continued by informing the board members that all board members eligible for reappointment agreed to stay on the board. He next informed them that Dr. Jackie Gill Powell (DCC) stepped down. The interim appointment is Dr. Muriel Mickles, she will fill in interim until a replacement has been appointed. Two replacements for open manufacturing positions are being considered by the Governor now. Marilyn Hanover and Tamea Franco, both with eight years of service will step down effective a replacement being appointed. One replacement candidate has been identified.

~FY21 Financial, Proposed Budget~

Mr. Dawson began by reviewing the Operations Metrics YTD FY21 (ten months). He stated that Gross bookings were \$4,580,749. Gross billings totaled \$3,218,183. Net billings were \$973,791. Backlog was \$3,683,656 and net cash position was \$1,073,857.

Mr. Dawson next reviewed the Booking and Billings by Program YTD FY2021 (10 months). He continued by reviewing the Proposal Pipeline FTD FY21 (ten months), stating that the number of proposals were 192, the number of contacts were 178 and the number of new manufacturers booked were 38.

Mr. Dawson concluded by reviewing the Results of Operations - Cash Basis FY2021 YTD (ten months) and the proposed budget – cash basis FY2022.

~Operations Execution Review~

Mr. Schein presented the FY22 Budget Notes stating that the FY2022 budget projects a positive change in the net position of \$141,869. The following are important accompanying notes for the budget:

1. **Revenue Projections:** The FY2022 budget projects that GENEDGE will have significant revenue opportunities available through diverse funding streams that have been secured. Investor funding in development or applied for that is not secured is not included in this budget. In addition to GENEDGE's core MEP funding, GENEDGE will continue the execution of its second phase of the NIST MedAccred program as well as its MEP Cyber program. GENEDGE will also finalize its work under the CARES Act funding and continue its performance under the GOVA Retooling program, providing a tremendous funding opportunity for FY2022. Finally, GENEDGE will also have funding from the OEA to support Phase One Cybersecurity for 85 companies.

2. New Hire: GENEDGE successfully carried out most of its hiring plan in FY21. GENEDGE anticipates hiring for the last practice management position in early FY2022, reflected in the budget.
3. Incentive Payout: There is no projected incentive payout for FY2021 to be paid out in the 2022 fiscal year.
4. Indirect Cost Rate: GENEDGE uses a Department of Commerce approved IDC rate to provide for grant cost recovery and the establish 3rd party mark up. The rate is established in the first fiscal quarter, and is used to re-budget investor streams, capture, and recover costs during FY2022. Currently 22.68%, we budget using the current rate. We expect the rate will increase several points this year, providing upside to our current projection.

Next, Mr. Young presented the Business Model to the board members. He stated that the focus was is on customer relationship management via Salesforce, Box Secure Cloud Storage and Workflow, Marketing and Social Media plan, and small business outreach.

Mr. Schein next reviewed the MedMMAP (Medical Manufacturer MedAccred Accreditation Pathway) with the board members. He stated that a \$600,000 grant to develop subject matter expertise across national network on critical manufacturing processes (e.g., plastic injection molding) and to support manufacturer preparation for MedAccred certification. Subject matter experts with seven partner MEP Centers have completed virtual training and scheduling is underway to complete pre-audit assessments to earn critical process certification and complete the program.

Next, Mr. Cerilli reviewed the Cyber Security NOFO CAP with the board members. He stated that it is a \$1,000,000 grant to enhance the MEP National Network Cybersecurity Program. The goal is to develop standard methods and enhance east coast MEPs ability to deliver cybersecurity services to the Defense Industrial Base (DIB) while partnered with DOD-office of Small Business (OSB) project Spectrum.

Mr. Cerilli, Mr. Schein, and Mr. Young concluded by reviewing the remaining programs and services highlights which include Food Industry Support, DOD, OEA, and IBAS Programs, Commonwealth Investments, Practice Management and Third-Party Partners, and the Learning Management System.

Mr. Jaycox then called for a motion to approve the GENEDGE Operations Plan. Ms. Franco made the motion to approve, it was properly seconded by Ms. Hanover and approved.

~HR and Compensation Plan Update~

Mr. Donohue began by presenting the draft HR and Compensation plan for Board approval. He stated that only eight changes were made to the previous plan. The main addition to the plan were concerning employee benefits regarding various savings plans which are referenced on the DHRM site, and the revised use of gender-neutral wording.

Next, Mr. Donohue reviewed the draft GENEDGE Employee Handbook. He stated that the draft is complete and ready for legal review.

Mr. Jaycox then asked for a motion to approve the GENEDGE HR and Compensation Plan. Dr. Downey made the motion to approve, it was properly seconded by Ms. Franco and approved.

~Public Comment and Adjournment~

Mr. Jaycox called for public comment. There being no public comment Mr. Jaycox and Mr. Donohue thanked everyone for attending. Mr. Jaycox called for a motion to adjourn. A motion was made, properly seconded, and the meeting was adjourned.