

Board of Trustees Meeting

Hotel 24 South
Staunton, VA

Friday, September 15, 2023
11:00 AM – 2:30 PM

Members Present

Mr. Rick Gagliano
Mr. Jeffrey Jaycox
Mr. Gabriel LaMois
Mr. Alexander Marcus (virtual)
Mr. Abdelkarim Moharram (virtual)
Ms. Lisa Papini
Mr. Wesley Reid
Ms. Karen Sorber
Dr. Wayne Stilwell
Dr. Kristen Westover

Members Absent

Dr. Makola Abdullah
Mr. Matthew Clarke
Mr. Marc Foglia
Hon. Aimee Guidera (rep)
Dr. Shannon Kennedy
Hon. G. Bryan Slater
Dr. Bob Stolle (rep)
Dr. Eileen Van Aken
Mr. Kaushik Vashee
Dr. Jerry Wallace

Representative Present

Hon. Madison Biedermann (rep for Hon. Guidera, virtual)
Mr. Conaway Haskins (rep for Dr. Stolle, virtual)
Ms. Flora Hezel (AG; virtual)
Mr. Andrew Nobleman (NIST; virtual)

Representative Absent

Others Present: Mr. Tony Cerilli, Mr. Josh Dawson, Ms. Cindy DeOms, Mr. Bill Donohue, Mr. Teddy Martin, Mr. Scott Schein, Ms. Valerie Simpson, and Mr. Dean Young.

~Call to Order~

Mr. Jaycox welcomed everyone and thanked them for attending. Next Mr. Jaycox asked Ms. Simpson to call the roll to establish a quorum. Ms. Simpson verified that there was a quorum, and Mr. Jaycox called the meeting to order at 11:05 A.M.

Approval of Minutes~

Mr. Jaycox asked the board members to review the minutes from the June 2023 meeting. Mr. Jaycox next asked for any additions, corrections, changes, or discussion to the minutes. Mr. Jaycox then called for a motion to accept the minutes. Dr. Westover made a motion to accept the minutes. Mr. Reid properly seconded the motion, and the minutes were approved.

~FY23/24 Meeting Dates~

Ms. Simpson informed the board of the FY23/24 meeting dates:

- December 1
- March 15
- June 21
- September 20

Ms. Simpson concluded by stating that the venues are “to be determined.”

~Financial Updates~

Mr. Dawson began by reviewing Operating Metrics FY23. He stated that Gross bookings were \$5,312,342. Gross billings totaled \$5,744,670. Net billings were \$1,775,692. The backlog was \$1,874,864 and net cash position was \$631,086.

Mr. Dawson next reviewed the billings by program YTD FY23, bookings by program YTD FY 23 and the Proposal Pipeline YTD FY23. He stated that the number of proposals was 164, the number of contracts booked was 154, and the number of new manufacturers booked was 19.

Mr. Dawson concluded by reviewing the results of Operations cash basis for FY 2023 YTD.

~Operational Update~

Mr. Schein began by reviewing Medical Manufacturer MedAccred Accreditation Pathway (MedMMAP) Phase II stating that it was awarded to GENEDGE through a \$600,00 NIST RCAP grant in August 2020 to strengthen the global competitiveness of the U.S. medical device manufacturers and train Subject Matter Experts (SME) across the Manufacturing Extension Partnership (MEP) network.

Next, Mr. Schein informed the board members that MedMMAP Phase III was awarded to GENEDGE through a \$1 million NIST RCAP grant in August 2023 to expand the scope of MedMMAP Phase II and deliver more

substantial supply chain impact to the medical device industry. He stated that an additional \$600K was expected through industry and MEP partnerships for a total grant value of \$1.6 million.

Mr. Schein next reviewed the VEDP Supply Chain Optimization Program (SCOP) with the board members. He informed them that five projects have been completed with four being with new clients, and an additional five – seven are expected to be completed by the end of 2023. In August 2023, VEDP renewed GENEDGE’s MOU, valued at \$20,000 to partner for the next cohort in 2023 – 2024.

~Organizational Update~

Mr. Donohue began by giving a GENEDGE Organization Update to the board members. He stated that Mr. David Bartlow, and Mr. Jeff Shook have been promoted to Engagement Managers. He also informed the board that Dr. Cheryl Carrico, who was previously a contracted Program Manager for the Retooling program, has now been hired as a GENEDGE employee in the position of Engagement Manager. Next, he informed the board of the new Regional Growth Manager for region 3, Ms. Cheryl Valentine, and new CONNEX Marketplace Manager, Ms. Elisabeth Mazza.

Mr. Donohue next presented the FY 2024 Board of Trustees changes to the board stating that Secretary Guidera has appointed Assistant Secretary Madison Biedermann as the Education Secretariat Representative, replacing Ms. Sara Spota. He next stated that current board members, Mr. Matthew Clarke, and Dr. Shannon Kennedy, have agreed to be reinstated as board members and their applications are in progress. Mr. Donohue also informed the board of the nominations that are in progress, and they are: New Private University President, Dr. Tracy Fitzsimmons, Shenandoah University, New Manufacturing Representative, Ms. Cathy Roberts, VP, Quality, Capewell Aerial Systems. The New Manufacturing Representative is currently in development.

Mr. Donohue concluded by reviewing GENEDGE Federal Funding with the board. He stated that the Senate mark is \$170 million, and the House mark is \$200 million. He let the board members know that if the Federal government shuts down in October, there would be little to no affect on GENEDGE execution budget short term due to the NIST draw down remaining open and Defense work that is expected to be prioritized as national security interest.

~ FY 24 Operations Plan Highlights~

Mr. Donohue began by reviewing Core Services with the board members. He informed them that fee-based services increased to core Markets of twenty plus employee businesses and expanded internal capacity in operations to improve response time and margins. Piloting the use of retainer services to lower transaction costs for customers, reduce complexity of sales, and enable local management to authorize work easier. The large commitment to the Emerging business segment is being driven by MEP funds.

Mr. Donohue concluded by informing the board members that the business plan is executable this year and has been built assuming no un-booked programs for the budget, acting as reserves. However, the management team’s recent risk analysis identified key risk areas that need immediate attention for FY24:

- Improve IMPACT metrics: total and new clients served, retained sales, and consistently exceeding seven out of ten clients responding to the survey
- Hiring key roles to enable growth and achieve revenue targets

- Talent retention and succession is an ongoing risk for MEP centers across the network, including GENEDGE
- Developing and implementing a cohesive marketing plan to drive growth
- Addressing the needs of small businesses with from five to twenty employees
- Prospect and customer in-person engagement to improve number, mix and quality of engagements.

~Retooling VA Manufacturing Update~

Mr. Gagliano began by giving a Phase 2 company breakdown. He stated that Phase 2 supported 34 companies out of a possible 41 companies. Each company averaged two projects and if the projects were in the same area for a company, the project was counted as a single project. However, some companies had as many as five projects.

Mr. Gagliano concluded by reviewing the number of projects during all three Phases of the project by region.

~Business Transformation Status~

Mr. Young began by reviewing the Marketing & Content Delivery Strategy with the board then he discussed Increasing Digital Services for Emerging Businesses. He stated that the members of the GENEDGE Alliance have access to first releases of Manufacturing NOW in Virginia Podcast episodes, first state level CONNEX Virginia Marketplace and paid National CONNEX subscription access*, discounted Online / On-Demand training, Emerging Business Program with one-on-one coaching services*, relevant Manufacturing and Industry Content and Resources, dedicated GENEDGE Alliance Newsletter, ability to comment on resource content, NIST-MEP blog Really Simple Syndication (RSS) Feed, ask an Expert for answers to common questions, and access to GENEDGE partners and in-house expertise*. *Denotes fee or subscription-based services.

Next, Mr. Young informed the board of the GENEDGE Alliance Emerging Business Program an informed them Mr. Andrae Kirkland, a third-party provider, has been hired as the Emerging Business Program Manager. Next, Mr. Young stated that for qualified manufacturers with less than 20 employees, the program will provide direct service methodology using a consulting / coaching model.

Mr. Young concluded his segment with Evolving the Face of GENEDGE and GENEDGE Alliance to Market stating that the goal is to better clarify messaging to our two distinct target segments. We currently have an online presence that has both GENEDGE core service and GENEDGE Alliance mixed. However, we are focusing on separating Marketing activity for GENEDGE core services (pipeline) from Digital Service Delivery (clients served) through GENEDGE Alliance membership. An update to our website is scheduled for October 15.

~Operations Update~

Mr. Cerilli began by sharing with the board members Ford-class Aircraft Carriers Advanced Weapons Elevators (AWE). He stated that the weapons elevators transport massive munitions from the depths of the ship up to the hangar bay and to the flight deck, where fighter jets can be armed before missions. The AWE is the first use of electromagnetic propulsion to move the platform between floors, requiring no hydraulics or cables. Mr. Cerilli informed the board members that Mr. Steve Holcomb, GENEDGE Project Manager, worked on this initiative.

Next, Mr. Cerilli introduced the Leadership Training Pilot to the board members stating that a six-course series with content from Development Dimensions International (DDI), was facilitated by Bert Eades, Business Services Director. The pilot series will be in Danville this fall and is in partnership with the Danville Chamber and Danville Community College.

Mr. Cerilli concluded by sharing the workforce Initiatives with the board members stating that they are Internships and Skills for Success.

~Performance Management System~

Mr. Martin began by giving an update to the Travel Policies / Resolution Update that will now include Organizational Growth Meeting Reduced Fleet Availability, Impact of Availability / Rental on IRS Reimbursement Rate, and Virginia Community College (VCCS) Shared Services Corp (SSC) Processing. He also added that an overnight option for associates meetings and refundable airline tickets due to flight delays / cancellations.

This update required a motion to accept. Mr. Reid made a motion to accept the change to the Travel Policies / Resolution. Ms. Sorber seconded the motion, and the motion was accepted.

~Motion to Go Into Closed Meeting~

Mr. Jaycox made to go to closed session to discuss personnel matters. The motion was so moved pursuant to Section 2.2-3711 A1 of the Code of Virginia to go into a closed meeting for the sole purpose of discussing personnel matters. The motion was properly seconded and approved. Ms. Simpson called the roll, and all of the board members were in favor of going into a closed meeting.

~ Closed Meeting~

~Re-open Public Meeting~

Upon coming out of the closed session the members of the board individually affirmed that the only business discussed was personnel matters. The following motion was made upon coming out of closed session by Mr. Jeff Jaycox, Chair, that GENEDGE recruit internally for a Chief Operating Officer. Ms. Simpson called the roll, and all of the board members were in favor of ending the closed meeting and reopening the public meeting.

~Other Items, Public Comment and Adjournment~

Mr. Jaycox called for other items and public comment. There being none, Mr. Jaycox and Mr. Donohue thanked everyone for attending. Mr. Jaycox made a motion to adjourn the meeting. The motion was properly seconded, and the meeting was adjourned.