

GENEDGE Board of Trustees Meeting Minutes

Norfolk Waterside Marriott - Norfolk, Virginia

Friday, June 5, 2026 11:00am-2:30pm

Members Present:

Dr. Robert Brandon, Mr. Matthew Clarke (virtual), Dr. Marcia Conston (virtual), Dr. John Gaskins (virtual), Mr. Gabe LaMois, Megan Lucas, Alex Marcus (virtual), Andre Marshall, Denny McDermott, Kaushik Vashee (virtual), Scott Watson

Representatives Present:

Hon. Connor Andrews (virtual) – Dept of Education Representative, Hon. Asif Bhavnagri (virtual) – Dept of Labor Representative, Ms. Flora Hezel (virtual) – AG Representative

Others Present:

Ms. Deborah Ahn (virtual), Mr. David Bartlow, Mr. Joshua Dawson, Mr. Francisco Gonzalez, Ms. Ashley Hudson, Mr. Teddy Martin, Mr. Dan Miemczewski, and Mr. Scott Schein.

CALL TO ORDER

Chairman Gabriel LaMois called the meeting to order. Ms. Ashley Hudson conducted the roll call. Quorum was not reached due to lack of in-person attendance. Presentations will continue as planned; no voting will take place. A supplemental virtual meeting will be held for all resolutions.

REVIEW OF PLANNED 2026-2027 MEETINGS

Ms. Hudson presented the next four planned Board meeting dates and locations:

September 11, 2026 - Boar's Head Resort
December 4, 2026 - Boar's Head Resort
March 12, 2027 - Location to be determined
June 11, 2027 - Location to be determined

FY26 OPERATING PLAN, FY27 OPERATING PLAN OVERVIEW, AND STRATEGIC CONCEPTS

GENEDGE Executive Director, Mr. Scott Schein, provided the following operations updates:

Mr. Schein reported that all April MEP cooperative agreement renewals had been completed. All July renewals, including GENEDGE's, had been approved by Acting NIST-MEP Director Nagesh Rao and were awaiting grants office sign-off. Arvind Raman had been confirmed as the new NIST Director, effective July 1. NIST was also preparing funding opportunities for the MEP Network related to rare earth metals supply chains and additive manufacturing.

The FY26 Operating Plan was 94% complete. Approximately 74% of actions were completed on the original schedule, and only three items were on hold or transitioned to FY27. Completed work included policy and procedure updates, the annual associate survey, strategic planning, improved VSMA execution, ongoing Navy/CACI contract delivery, and a

consistent schedule of Shipbuilding Cobot Alliance Center events. Five client-development network partners had signed agreements, with the Hampton Roads Alliance agreement outstanding.

GENEDGE leadership met in May to review FY26 performance and develop the FY27 Operating Plan and budget. The FY27 plan contains approximately 150 critical-path actions organized by function and line of business. Progress will be reviewed through weekly operating calls, bi-weekly leadership meetings, and quarterly associate meetings. Recovery plans and revised completion dates will be required for late actions.

Key FY27 administrative priorities include resolving Auditor of Public Accounts findings, transitioning the fiscal-agent relationship to New College Institute (soon to be renamed the Western Piedmont Higher Education Center) if authorized in the state budget, maintaining a clean backlog and minimal aged receivables, strengthening timekeeping and financial training, and making better use of third-party MEP funding. Advocacy priorities include more structured General Assembly requests, earlier congressional outreach, and increased use of events and facility visits to demonstrate GENEDGE's value.

Marketing priorities include a major website redesign, continued monthly newsletters and service communications, development of a case-study portfolio, updated event and service materials, and an analytics dashboard. The evolving client-services model will place greater emphasis on formal partner referrals, events, university student teams, and follow-on work, in addition to direct development by Regional Growth Managers.

People priorities include implementation of the updated performance management system, a virtual candidate assessment tool, advancement discussions within performance goals and reviews, quarterly in-person associate meetings, and an annual employee survey. Program priorities include disciplined execution of the Navy/CACI, HAMMER, VSMA, AM2, and Supply Chain Optimization programs; monthly program management reviews; expanded Salesforce tracking; and continued pursuit of CACI, ONR, NSF, EDA, SBA, and Go Virginia opportunities.

Mr. Schein reviewed current grant development. GENEDGE had submitted a white paper concerning digital twin capabilities for smaller shipyards and was developing workforce, additive manufacturing, and digital twin concepts with regional and university partners. A Go Virginia Region 9 proposal was planned for July. GENEDGE was also preparing a proposal for the SBA Empower to Grow program, a \$5 million opportunity focused on HubZone and 8(a) manufacturers, with a June 15 deadline. Board members would be asked to provide letters of support.

The updated vision changes the prior wording from being recognized as the leading resource to a direct commitment to be the leading resource. The strategic framework continues to emphasize integrity, accountability, data-driven decisions, collaboration, and continuous improvement, supported by priorities in growth, people, client impact, stakeholder value, innovation, and operational excellence.

BOARD RECESS

The Board recessed for lunch.

FY26 BUDGET UPDATE, FY27 OPERATING BUDGET, AND YTD FINANCIALS

GENEDGE Chief Financial Officer, Mr. Josh Dawson, presented the financial updates:

For FY26 year-to-date performance through ten months, gross bookings were \$2,528,539 against a target of \$3,229,592, or 78% of target. Net billings were \$1,254,771 against a target of \$1,461,809, or 86% of target. Margins were 61%, compared with a 34% target. Estimated client impact was \$509 million, 125 NIST clients had been served, and the IMPACT score was 70. Contract backlog was \$3.95 million and net cash was \$1.01 million, both above target. The gross-bookings variance was primarily attributable to client services and the delayed MEP budget approval received in December. Corrective actions included the Telereach campaign through the end of June and the new partnership

model launched in April. An anticipated \$383,000 AM2 booking by fiscal year-end was expected to close the bookings gap.

Net billings were \$207,038, or 14%, below target. The DOE VSMA budget approval had recently been received, allowing drawdown activity to begin, and the Go Virginia Region 5 HAMMER program was moving toward its first client engagement. Lower client-services bookings continued to limit billing potential, while the partnership model and MEP-funded activities were expected to support recovery.

On a cash basis, FY26 year-to-date revenue totaled \$6,256,684 and expenditures totaled \$5,683,020, producing a \$573,664 increase in net position. With a beginning net position of \$435,534, the ending net position was \$1,009,198. Expense management continued to balance revenue shortfalls and timing delays.

The proposed FY27 budget includes \$9,448,293 in revenue and \$9,414,864 in expenditures, for a projected \$33,428 increase in net position and an ending net position of \$1,092,825. Revenue is projected to increase 27.4% over FY26, primarily from NIST and other federal and state grant activity, while fee revenue remains essentially flat. The revenue base is expected to be more diversified, with the three largest sources declining from 69% to 60% of total revenue. The FY27 budget assumes a stable, fully staffed organization, subject to filling the West Region Regional Growth Manager position. It expands training and individual development planning, Salesforce capabilities, marketing partnerships, and evaluation of artificial intelligence tools. Third-party spending is projected to increase from \$1.81 million to \$3.62 million to support the expanded program portfolio while preserving a focused core staff.

PERSONNEL AND ADVOCACY UPDATE; TRAVEL RESOLUTION

GENEDGE Chief People Officer, Mr. Teddy Martin, presented personnel and advocacy updates:

Francisco Gonzalez was selected internally as Deputy MEP Director effective April 27 for succession planning and transition purposes. Recruitment for the West Region Regional Growth Manager was underway, with a strong candidate pool and an expected hire within the coming month. Additional capacity may be needed depending on grant outcomes, and third-party applications were increasing to supplement staffing, including supply-chain needs.

Mr. Martin announced a Manufacturing Month event planned for October 9 in Martinsville in collaboration with New College Institute and the Martinsville-Henry County Chamber of Commerce. Federal and state delegations had been invited, favorable responses had been received, and Board members were invited to attend. State and federal advocacy remained important, including continued requests for grant-support letters.

Mr. Martin reviewed the proposed travel resolution. The updates were primarily technical and would reaffirm the Board's support for operating flexibility related to statewide client and development needs, including business-travel preapproval, agenda requirements, and state or rental car availability. The proposed update also reflects the current Executive Director and allows consideration of the anticipated fiscal-agent change. The prior resolution was last revised and approved in September 2023.

FY27 PERFORMANCE MANAGEMENT SYSTEM AND EMPLOYEE SURVEY RESULTS

Mr. Martin continued, and reviewed updates to the Performance Management System following the Board's March approval. The revisions formally incorporate the previously approved project-based bonus initiative, simplify organizational bonus requirements, streamline the individual development and performance evaluation forms, and add organizational values as a sixth goal. The revised process also includes an electronic cross-functional 360-degree review requiring specific examples and removes outdated or unused provisions.

The voluntary anonymous employee survey achieved 90% participation, with an average completion time of 21 minutes. Employees rated 23 statements across job satisfaction and engagement, management and leadership, work environment and culture, growth and development, work-life balance, compensation and benefits, and communication and collaboration.

Results were highly positive. The strongest responses included motivation to do one's best work, a sense that work is meaningful and contributes to the mission, support for professional development, and managers' understanding of outside commitments and leave requests. Opportunities for improvement included clearer advancement paths and better communication regarding decisions that affect employees. Other themes included organizational brand awareness, planning and execution, Salesforce improvements, artificial intelligence tools and enterprise licenses, and fiscal-agent autonomy.

PROGRAMS UPDATE

GENEDGE Vice President of Programs, Mr. David Bartlow, presented the Programs update:

The Programs portfolio includes the Naval Program, the Cobotic Alliance Center, the Virginia Smart Manufacturing Accelerator, and business development. Structured monthly project reviews and standardized financial management have improved visibility into scope, schedule, budget, risks, actual costs, estimates to complete, and corrective actions. The Navy/CACI Option Year 4 contract was approximately 50% complete; VSMA was approximately 50% complete; the Region 5 HAMMER program was approximately 15% complete; and Shipbuilding Cobots Phases 1 and 2 were approximately 75% complete. Shipbuilding Cobots was projected to finish approximately \$60,000 over budget because of a venue change and scope growth.

The first VSMA workshop was held April 29th at New College Institute in Martinsville, with 52 attendees representing approximately 20 companies. Results from the attendee feedback surveys were very positive. The overall VSMA program represents a \$7.4 million joint state-federal investment focused on company engagement, manufacturing modernization, competitiveness, technology adoption, and workforce upskilling. The investment includes \$2.8 million in DOE funding and \$1 million in state funding for VSMA 1, along with \$2.6 million in DOE funding and \$1 million in state funding for VSMA 2.

The Programs Team completed or closed 85% of FY26 tasks. Carried-forward actions primarily relate to business development, proposal submissions, and Salesforce dashboard improvements. Current development efforts include the EDA Collaborative Regional Advanced Manufacturing and Future Workforce Training initiative, a Go Virginia Region 9 workforce model, an ONR digital twin opportunity, a Virginia Tech/NSF partnership, and evaluation of expanded advanced-manufacturing capacity in Hampton Roads. Dr. Andre Marshall discussed potential of interesting partnership opportunities with the NSF's digital twins in manufacturing centers connected with Arizona State University and University of Michigan, by way of with GENEDGE's relationship with Virginia Tech and its digital twin capabilities.

The team's next 90-day priorities are to execute the active Navy, VSMA, and HAMMER programs; pursue follow-on and new high-value opportunities; and strengthen program management controls and workforce development. Longer-term priorities include transitioning mature programs through key milestones, launching new initiatives, and expanding organizational capacity. Mr. Bartlow thanked Susan Schjonning and Dr. Andre Marshall for participating on the Cobotic Center Advisory Committee and thanked Board members who had supported grant opportunities and programs through letters of support.

MEP CLIENT SERVICES UPDATE

Deputy MEP Director, Mr. Francisco Gonzalez, provided the Client Services update:

Mr. Gonzalez reviewed the regional growth and business services teams. FY26 remained behind prior years in total bookings and closed-won volume, while median client spending was higher than in FY24 and FY25. The Salesforce pipeline as of May 27 included 44 opportunities with \$247,000 in gross booking potential. The gap was attributed to fewer wins and fewer large-dollar opportunities rather than lower value in the typical client-paid engagement. Mr. Denny McDermott asked about the relationship between the lower numbers in gross booking and fewer GENEDGE employees. Mr. Schein and Mr. Gonzalez pointed to a combination of the recent uncertainty at NIST along with a number of RIF/retirements. GENEDGE will continue to backfill positions as needed and will use 3rd parties as appropriate. Mr. McDermott noted that he may have some strong partnership connections and is willing to provide support.

Open FY26 Operating Plan items remained on track, including quick-hitter events in each subject area, partner events, eight large-client or partner development ride-alongs completed during the prior two months, and a revised Student Teams strategy with four university partners. The small business client plan remained on hold but was being supported on an ad hoc basis through the Small Business Development Center and could be addressed through the SBA Empower to Grow (E2G) program. Mr. Scott Watson mentioned the CMMC requirements and noted strong opportunities to support the affected clients.

Five industry engagement partnership networks had been established with the Greater Richmond Partnership, Roanoke Regional Chamber of Commerce, Pulaski County Chamber of Commerce, Danville Pittsylvania Chamber of Commerce, and Hampton Roads Alliance, with the final agreement still in contracting. GENEDGE also launched a one-year Shenandoah Valley Operational Excellence Forum pilot and delivered three of five planned entry-level events, plus an additional collaborative event. The events were generating approximately two qualified leads each.

The next 90-day priorities include hiring and onboarding the West Region Regional Growth Manager, aligning the client-services operating model, streamlining event planning and follow-up, strengthening lead generation and conversion, moving the pricing model from 70/30 to 50/50, and improving performance tracking and accountability. Beyond 90 days, the team will refine and expand the partnership network, develop market-ready offerings such as an AI toolkit, pursue follow-on work from university student teams, continue targeting cybersecurity and quality opportunities, strengthen coordination with Programs, and execute the AM2 program in the central and western regions. Dr. Marshall, Chairman LaMois, and Mr. Watson all shared partnership ideas for connecting university student interns with manufacturing.

Mr. Gonzalez asked Board members to help open doors where constituent needs exist and referenced Mr. McDermott's recent Chamber of Commerce partnership suggestion as an example of how members provide strong support for the organization. In addition, to help increase awareness of GENEDGE's positive impact and continue serving as the voice of the market by identifying gaps and priorities for the service portfolio.

RESOLUTIONS

Due to lack of quorum, voting for all resolutions will be rescheduled for an upcoming supplemental virtual meeting. The time and date of the supplemental meeting will be communicated to all members via email the following week.

PUBLIC COMMENT AND CONCLUSION

Chairman LaMois called for other business and comments from members of the public. There being none, Chairman LaMois made a motion to adjourn, seconded by Mr. Denny McDermott, and approved unanimously.

The meeting concluded at 2:14 PM.